



**BRADFORD DIOCESAN
BOARD OF FINANCE**

**FINANCIAL STATEMENT
YEAR TO 31 DECEMBER 2009**

Company Number 174695

*future
faithful*

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009

The Trustees, who are directors for the purposes of company law and who form the Bishops' Council and Standing Committee, present their combined trustees' report and directors' report together with the audited financial statements, for the year ended 31 December 2009.

This report refers to the Diocese of Bradford except for section 2 and is set out as follows:-

1. Reference and administrative details of the Diocese of Bradford
2. Summary information about the structure of the Church of England
3. Structure, governance and management
4. Objectives and activities
5. Achievements and performance
6. Financial review
7. Plans for future periods
8. Funds held as custodian trustee for others
9. Appointment of auditors

Reference and administrative details of the Diocese of Bradford

In accordance with the Companies Act 1985 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 (SORP 2005), 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 were as follows:-

President (Ex-Officio)

The Bishop of Bradford

The Rt Revd Dr David James

Elected by Members

Chairman of the Board

Mr Anthony Hesselwood

Retired 28 February 2009

Chairman of the Board

Mrs Sharron Arnold

Appointed 28 February 2009

Vice-Chairman of the Board

Mrs Sharron Arnold

Up to the appointment as
Chairman

Vice-Chairman of the Board

The Revd Peter Mayo-Smith

Appointed a Director
5 February 2009,
Appointed Vice-Chairman
28 February 2009

Ex-Officio

Synod Clergy Vice-President

The Revd Canon John Nowell

Reappointed 7 September 2009

Synod Lay Vice-President

Mr Ian Hamilton

Deceased 3 July 2009

Synod Lay Vice-President

Ms Sallie Bassham

Appointed 7 September 2009

The Dean of Bradford

The Very Revd Dr David Ison

The Archdeacon of Bradford

The Ven. Dr David Lee

The Archdeacon of Craven

The Ven. Paul Slater

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

Elected

by Proctors	The Revd Paul Ayers	
by Lay Members of General Synod	Mrs Janet Bower	Resigned 7 September 2009
by Lay Members of General Synod	Mrs Zahida Mallard	Appointed 7 September 2009
by Bradford Archdeaconry Clergy	The Revd Canon Gordon Dey	Reappointed 7 September 2009
Members of Diocesan Synod	The Revd Paul Tudge	Reappointed 7 September
	The Revd Nicholas Jones	Appointed 7 September 2009
by Craven Archdeaconry Clergy	The Revd Canon George Moffatt	Appointed 30 September 2009
Members of Diocesan Synod	The Revd Canon Kenneth Medhurst	Resigned 7 September 2009
	The Revd Canon David Mewis	
	The Revd Peter Mott	Appointed 17 August 2009
by Bradford Archdeaconry Lay		
Members of Diocesan Synod	Mrs Nora Whitham	
by Craven Archdeaconry Lay		
Members of Diocesan Synod	Mr Richard Thomas	Appointed 15 October 2009
by Lay Diocesan Synod Members		
from the following		
deaneries –		
Airedale	Mr Michael Moss	
Bowling & Horton	Mr David Gibson	
Calverley	Mr Roger Marks	
Otley	Vacant	
Bowland	Mr Geoffrey Garnett	Resigned 7 September 2009
	Mr Paul Gibbons	Appointed 15 October 2009
Ewecross	Mrs Angela Weedon	Appointed 15 October 2009
Skipton	Mrs Jill Wright	
South Craven	Mr Christopher Wilcock	Resigned 7 September 2009
	Vacant	

Coopted by the Trustees

Up to 2 members-House of Clergy of the Diocesan Synod	Two vacancies	
Up to 2 members-House of Laity of the Diocesan Synod	Mr Stanley Jenkins	Appointed 15 October 2009
	One vacancy	

Secretary	Mr Malcolm K Halliday	Retired 31 March 2010
Acting Secretary	Mrs Deborah A Child	Appointed 1 April 2010
Assistant Secretary	Mrs Deborah A Child	Up to appointment as Acting Secretary

Accountant	Mr Peter C N Capel-Cure	
Property Officer	Mr David W Meadows	
Diocesan Registrar	Mr Peter W Foskett, 14 Piccadilly, Bradford, BD1 3LX	

Registered Office	Kadugli House Elmsley Street Steeton Keighley BD20 6SE	
Telephone	01535 650555	
Facsimile	01535 650550	
Email	office@kadugli.org.uk	

Company registration number	174695
------------------------------------	--------

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

Charity registration number	247858
Auditors	KPMG LLP 1 The Embankment, Neville Street Leeds, LS1 4DW
Bankers	Barclays Bank plc PO Box 245, 10 Market Street Bradford BD1 1XW Lloyds Bank plc 45 Hustlergate Bradford BD1 1NT Bank of Scotland plc BWD Rensburg Branch 11 Earl Grey Street Edinburgh EH3 9BN Skipton Building Society The Bailey Skipton BD23 1DN
Solicitors	Gordons LLP 14 Piccadilly Bradford BD1 3LX
Investment Managers	
Listed Investments	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ Rensburg Sheppards Investment Management Ltd Quayside House Canal Wharfe Leeds LS11 5PU
Glebe Property Agents	Dacre Son & Hartley Station Road Otley LS21 3DR
Insurers	Ecclesiastical Insurance Group plc Beaufort House, Brunswick Road Gloucester GL1 1JZ
Insurance Brokers	Towergate Risk Solutions Towergate House Five Airport West Lancaster Way Yeadon, Leeds, LS19 7ZA

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

2. Summary information about the structure of the Church of England

The Church of England is organised as two provinces; each led by an archbishop (Canterbury for the Southern Province and York for the Northern). Each province comprises dioceses of which there are 43 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.

Her Majesty the Queen, who is the Supreme Governor of the Church of England, appoints archbishops, bishops and most deans of cathedrals on the advice of the Prime Minister, though the Dean of Bradford is installed on the nomination of the Simeon's Trustees. The two archbishops and 24 senior bishops sit in the House of Lords.

The Church of England is episcopally-led. There are in excess of 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.

The three National Church Institutions

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. The costs of episcopal administration through the diocesan and suffragan bishops are met by the Church Commissioners.

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 widow(er)s of 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.

The Diocese

Diocesan Synod

The statutory governing body of the diocese is the diocesan synod which is elected with representation across the diocese with broadly equal numbers of clergy and lay people meeting together in Diocesan Synod with the diocesan bishops and archdeacons. Its role is to:

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

- 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;
- provide for the financing of the Diocese.

Its membership also makes up the Diocesan Board of Finance.

Deanery Synod

The Diocese is divided into two Archdeaconries (Bradford and Craven) each Archdeaconries comprising 4 deaneries. Each Deanery has its own Synod which comprises 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 thence 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.

The Bishop's Council

Under the constitution of the Diocesan Synod, Bishop's Council 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;
- To carry out such functions as the Synod may delegate to it.

Its membership also makes up the Board of Directors of the Diocesan Board of Finance.

Parishes

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 a rural dean has oversight and an archdeaconry is a group of deaneries for which an archdeacon is responsible.

The diocese is then 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.

Parochial Church Council (PCC)

The 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

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

the incumbent as chair, the churchwardens and a number of elected and ex officio members. Each PCC is a charity, and all are currently excepted from registration with the Charity Commission, subject to the Charities Act 2006 under which those above £100,000 gross income for the year are required to register. 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.

3. Structure, governance and management

The Diocese of Bradford was created on 25 November 1919 and took broadly its present form. It covers an area of 920 square miles in Bradford Metropolitan District, the western quarter of North Yorkshire, areas of east Lancashire, south-east Cumbria and Leeds, with an overall population of 653,000 people. The Diocese is arranged as two archdeaconries, Bradford covering the south-eastern part with four deaneries and Craven the north-western part, also, with four deaneries. In total there are some 130 parishes.

Diocesan governance

The Diocese is governed by Standing Orders, the most recent version of which came into force on 1 August 2009. 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 Bishop, the Chancellor, the Dean, the Archdeacons, the Chairman of the Diocesan Board of Finance, the Chairman of the Diocesan Advisory Committee, the Chairman of the Diocesan Board of Education, 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 clergy and five lay 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 at least three times a year. Many of Diocesan Synod's responsibilities have been delegated to the Standing Committee and Bishop's Council.

The members of the Standing Committee comprise:

Ex Officio members:

The President of Synod

The Vice-Presidents of Synod

Any bishop for the time being acting as suffragan or full time assistant bishop in the diocese

The Archdeacons

The Dean

The Chairman of the Diocesan Board of Finance

The Vice-Chairman of the Diocesan Board of Finance

One Proctor elected by the Proctors

One lay member of the General Synod

elected by the diocesan lay representatives on the General Synod from among themselves

Elected:

Three clerical diocesan synod members from each archdeaconry,

one lay diocesan synod member from each deanery

and

one additional lay diocesan synod member from each archdeaconry.

Co-opted:

Up to two members of the house of clergy of the diocesan synod and

up to two members of the house of laity of the diocesan synod.

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

Company status

The company, Bradford Diocesan Board of Finance (DBF), was formed to manage the financial affairs and hold the assets of the Diocese. It was incorporated on 13 May 1921 as a charitable company limited by membership guarantees (No. 174695) and its governing documents are the Memorandum and Articles of Association. DBF is registered with the Charity Commission (No. 247858).

Every member of Diocesan Synod is a member of DBF for company law purposes and has a personal liability limited to £1 under their guarantee as company members in the event of its being wound up. In accordance with the DBF Articles of Association, the members of the Standing Committee of Diocesan Synod and Bishop's Council comprise the Board of Trustees of DBF – they are its Directors under company law.

The Chairman of the DBF is elected at the first meeting of the Board after each triennial election of members of the Synod upon nomination by the Directors. A retiring Chairman may offer himself/herself for re-election. The Chairman continues in office as Chairman until a new Chairman is appointed. The DBF members elect a Vice-Chairman from amongst the Directors.

Decision-making structure

Diocesan Synod has delegated the following functions to the Board of Directors:

- Initiation of proposals for action by the Diocesan Synod and provision of policy advice as regards financial matters
- Advising the President on any matters which he may refer to it
- Preparation of annual estimates of expenditure
- Other matters delegated to it by the Diocesan Synod

The Board of Directors' main functions are:

- Management of the funds and property of the Diocese, including glebe
- Advising the President and the Diocesan Synod on the determination of priorities in the allocation of funds at the disposal of Synod
- Advising on action needed to raise the income necessary to finance expenditure
- Oversight of expenditure by bodies in receipt of Diocesan Synod's funds against estimates of expenditure approved by Diocesan Synod
- Advising Diocesan Synod of the financial aspects of its policy and on any other matters referred to it

The Board of Directors has delegated responsibility for the day-to-day management of the company to its Secretary (the Diocesan Secretary) who is the principal executive and administrative officer of the Diocese and is supported by other senior officers and staff.

Committee structure

The Board of Directors has delegated responsibility for the day-to-day management of the company to its Secretary (the Diocesan Secretary) who is the principal executive and administrative officer of the Diocese and is supported by other senior officers and staff.

A thorough review of governance and internal committee structures of the Diocese was undertaken on behalf of the Diocesan Synod during 2008 and early 2009 and resulted in a revised structure with effect from 1 August 2009. .

The DBF meets usually only once a year to receive the annual financial report and statements and its work is generally carried out by the Board of Directors. The Directors have delegated responsibilities as follows:

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

to the Finance Committee:

- Share calculation, collection, band levels and monitoring
- Employment make recommendations on available funding to meet stipend, salary, pensions and other employment costs
- Expenses review level of grants and expenses limits
- Housing purchase of new property, letting or sale of vacant property, replacement of property
- Loans review of terms of subsidised loans, approving building loans
- Budget preparation of budget and monitoring of expenditure
- Financial Management management of funds/investments, monitoring, management of the Board of Education concerning its funds and advising it as required, adoption of trusts and approval of withdrawal from ecclesiastical trusts and other matters which fall to the DBF as custodian trustee of parochial and ecclesiastical trusts
- National responding to communications from Church Commissioners and Archbishops' Council
- Other handling in first instance other matters and referring them to Directors if appropriate

to the Property Committee:

though the DBF remains the Parsonage Committee under the Parsonages Measures, the functions of such as far as maintenance of all parsonage houses, glebe and other property owned by the DBF are delegated to the Property Committee, which also advises the Finance Committee on suitability of housing.

to the Employment & Personnel Advisory Committee

- advice and guidance on all employment and personnel matters in respect of the Board's staff, clergy who hold terms of service issued by the Bishop of Bradford
- advice and guidance to parochial church councils and other church groups in respect of their employment and personnel responsibilities
- make recommendations to the Board of Directors concerning the grading of posts funded by the Board and carrying out the annual salary review
- overseeing safeguarding work throughout the Diocese and ensuring the availability of appropriate training and the availability of comprehensive risk-assessment and advice in respect of specific cases
- facilitating the development of racial and cultural awareness and the celebration of cultural diversity at every level of diocesan life.

In the exercise of the above responsibilities:

the Committees are advised by the Assets Advisory Committee and relevant professional staff.

The DBF leases, from the Walsingham College (Yorkshire Properties) Limited, Parcevall Hall as a retreat and conference facility and the supervision of the Hall is overseen by the Diocesan Secretary who is accountable to the Finance Committee. Day-to-day management is the responsibility of the Warden. Parcevall Hall is treated as part of the DBF for the purposes of Part IV (accounting) Charities Act 1993 and its staff are DBF employees.

The DBF has established under the Pensions Measures a Retired Clergy, Widows, Widowers and Dependents' Committee to provide support and care for people living within the Diocese who come within these groups.

There is an 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 external auditors.

There are a number of Diocesan Synod committees that, though not sub-committees of the DBF, can influence the operations of the DBF: -

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

Statutory committees:

- Bradford Diocesan Board of Education, which is a separate registered charity (number 1070206) for which separate audited financial statements are prepared and are available from its registered office: Kadugli House, Elmsley Street, Steeton, Keighley, BD20 6SE.
- Diocesan Mission and Pastoral Committee, which has a duty to make better provision for the cure of souls in the Diocese, is responsible for the task of approving pastoral reorganisation, taking account of the available clergy numbers and having regard to the financial implications thereof and making use of new patterns of ministry, and making every endeavour to find suitable alternative uses for church buildings closed for regular public worship.
- 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.
- Bradford Diocesan Board of Patronage, which is constituted under the provisions of the Patronage (Benefices) Measure 1986, is sole patron of two benefices.
- Vacancy in See Committee convened during the vacancy in the episcopal See of Bradford to carry out the functions specified for such a body by Regulations laid down by the national Church from time to time.

Other committees:

- Synodical Committee for Church in the World monitoring on behalf of Diocesan Synod diocesan mission in relation to the world beyond the Church of England's formal structures.
- Synodical Committee for Ministry and Mission monitoring on behalf of Diocesan Synod the provision for ministry within the Diocese through lay and ordained people and support of mission at parish level.

Appointment of trustees

Members of Bishop's Council are the Trustees (see above for details of the appointment process). Trustees are given induction training when first appointed and receive ongoing training, as appropriate.

Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report, Financial Statements and the Annual Returns required by the Charity Commission in accordance with applicable law and regulations.

Company law requires the trustees (in their capacity as directors) to prepare financial statements for each financial year. Under that law they are required to prepare financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). 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 charitable company and of the net incoming or outgoing resources for that year.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards and the Statement of Recommended Practice (SORP), subject to any material departures disclosed and explained in the financial statements;

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

Disclosure of information to Auditors

So far as each trustee is aware, there is no relevant audit information of which the charity's auditors are unaware. Relevant information is defined as "information needed by the charity's auditors in connection with preparing their report". Each trustee has taken all steps (such as making enquiries of other trustees and the auditors and in any other steps required by the trustee's duty to exercise due care, skill and diligence) that ought to have been taken in their duty as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Related parties

General Synod, Church Commissioners and Archbishops' Council

DBF 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. The stipend and the costs of the Bishop's Office, other than accommodation of his Chaplain, are borne by the Church Commissioners and are reflected in the financial statements as costs funded by grants received from the Church Commissioners. The stipend, pension and accommodation costs of the Bishop of Bradford are met directly by the Church Commissioners and are excluded from these financial statements.

Parochial Church Councils (PCCs)

DBF is required by Measure to be custodian trustee in relation to PCC property, 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 DBF and at Diocesan Synod level through representations to those bodies and through the input of their Deanery Synods.

Subsidiary undertakings

The DBF has no subsidiary undertakings.

Connected charities

The trustees consider the following to be connected charities:

Bradford Diocesan Board of Education - a registered charity, which has responsibility for 60 Church schools across the Diocese, provides pastoral and professional support to all its schools and has a particular commitment to enhancing the quality of provision for religious education, collective

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

worship and the spiritual, moral, social, and cultural development of all pupils. The DBF acts as managers of the finances of this charity.

The Bradford Diocesan Board of Education has a joint arrangement with the Diocese of Ripon and Leeds who jointly own Educational Developments Limited which provides a service to schools in both the Dioceses of Bradford and Ripon and Leeds.

Other connected charities with which DBF co-operates in pursuit of its charitable objectives are:

Active Faith Communities,

Chantry House, Victoria Road, Kirkstall, Leeds, LS5 3JB

(Charity number 1094565, Company number 4383390)

This charity, a company limited by guarantee, was wound up by the passing of a special resolution dated 19 August 2009.

Bradford Churches for Dialogue and Diversity,

c/o St Paul's Church, St Paul's Road, Manningham, Bradford, BD8 7L

(Charity number 1110761, Company number 5401165)

Bradford Diocesan Council for Social Aid,

Kadugli House, Elmsley Street, Steeton, Keighley, BD20 6SE

(Charity number 226436)

Diocese of Bradford Church Buildings Fund,

Kadugli House, Elmsley Street, Steeton, Keighley, BD20 6SE

(Charity number 519986)

Pension Scheme

Bradford Diocesan of Finance is the sponsoring employer for the various staff retirement benefit schemes. These pension funds are for the benefit of employees of Bradford Diocesan Board of Finance. Further details relating to these schemes are contained in note 23b and c in the financial statements on pages 32 and 33.

Risk management

The trustees confirm that the major risks, to which DBF 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 and managed as part of the risk management strategy. The key risks identified by the Trustees are:

- That share received from parishes could fall significantly below the level anticipated in the annual budget;
- That contributions towards clergy pensions is likely to increase significantly;
- The possibility that there could be a rapid decrease in the value of investments held.

The Trustees believe that all major risks are being mitigated.

4. Objectives and activities

Aims and objectives

DBF aims to promote, facilitate and assist with the work and purposes of the Church of England for the advancement of the Christian faith in the Diocese of Bradford and elsewhere. During recent

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

years income and expenditure has been kept under constant review to provide options to meet a range of possible share receipts. The aim is to provide medium to long-term indications of the realistic levels of share required to deliver an overall plan for future expenditure which takes account of areas of work identified through the programme “Open to Change” approved by the Diocesan Synod in March 2001 and the possibilities contained in “Future Faithful the Next Steps for the Diocese” of Summer 2009. The suggestions and options arising from these are being kept under review by the Diocesan Synod.

The DBF’s strategy for achieving its objectives is to maintain the sound financial structure needed to enable it to continue supporting the better provision of the cure of souls in the Diocese as a whole through the payment of stipends, managing parsonages and other ministerial housing and also by providing other facilities and resources in support of the ministry of both clergy and lay people in parishes across the Diocese and to consider provision of new areas of ministry less territorially based and known as “fresh expressions”, some of which may be the subject of the Bishop’s Mission Orders under the Dioceses, Pastoral and Mission Measure 2007.

The key activities may be summarised as:

- Contributions for national church institutions (mainly by grant support)
- Mission and ministry in the parishes (includes all clergy training, housing, stipends, pension and all other expenditure supporting parish based ministry)
- Funding for a share of the payroll of an education staff team for schools shared with the Diocese of Ripon and Leeds
- Specific diocesan projects
- Provision of a diocesan retreat house

Public Benefit

The directors and 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 trustees believes that, by promoting the work of the Church of England in the Diocese of Bradford, 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.

Statutory functions

The DBF has responsibility for the management of glebe property and investments to generate income to support the cost of stipends. It 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. The DBF has the responsibility, as employer, for staff and volunteers working for the Diocesan Synod.

Grant-making (beneficiary-selection) policy

Grants are made to the National Church to cover a proportion of its central costs and also to cover the cost of training for ministry (See note 12 to the financial statements). Grants are paid to other connected charities and to other charitable projects which appear to the Board to support the

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

furtherance of the DBF's objects. (See notes 13 and 15 designated and restricted funds to the financial statements).

5. Achievements and performance

Plans and achievements in 2009

During 2009, DBF planned to:

- Incur a modest deficit before property transactions in order to continue to increase clergy stipends so as to maintain the level above the General Synod's Second "Aspiration" in the Church's endeavour to restore stipend levels to their historic value in line with "average earnings".
- Monitor carefully the impact upon Parish Share collection of significant changes in methodology of the diocesan Share System as they bed down.
- Reduce the annual average percentage increase in parish share across the Diocese.
- Budget for 100 full-time parochial clergy posts for the year, creating a stipend cost including national insurance and pensions of £2,140m.

During the year, DBF

- Increased general unrestricted funds by £404k after taking account of gains on disposal of properties of £251k and transfers in of £297k (see note 6 to the Trustees Report and note 32 transfer between funds)
- Increased stipends for clergy paid at incumbent rate by £645 to £22,141
- Made grants through the New Initiatives Fund and Deanery Devolved funding of £139k. Grants from restricted funds of £84k were made for their specific purposes.
- Received from parishes a sum of £3.90m.
- Funded an average number of parochial clergy posts of 100.5. The stipend cost was £2.456m (inclusive of National Insurance) for a total complement of 103 (full and part-time) including clergy with diocesan responsibilities and the total stipend cost (including pensions) was £3.241m (see note 22)
- Continued a programme of registering by 2012 all land for which the DBF has responsibility with HM Land Registry.

Operational performance

DBF received £3,902,983 i.e. 86.7% of the Parish Share requested, inclusive of £36,860 of share arrears, which was a shortfall of £26,036 over 2008. It was felt that the adverse weather conditions over the 2009 Christmas period were detrimental to the final share collected as up to that point share collection was ahead of the previous year in cash terms. The Board has met all of its financial obligations to continue resourcing diocesan needs as these arise, including the support of the ministry, provision of well-maintained houses for the clergy, national church responsibilities and enriching and facilitating many other aspects of church life throughout the Diocese and beyond such as retreats and cultural and spiritual gatherings. This was the first year's results under the new share system and the performance was considered reasonable taking into account the current economic

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

climate. It was hoped that the new share system would minimise the volatile movements experienced in the past and this has been achieved with the 2009 share requested from parishes.

Investment performance

Investments are held in both glebe (including Glebe property on which rental income is receivable) and general funds. The total value of investments excluding short-term cash deposits at 31 December 2009 was £2.794m (2008: £2.268m), (see note 25b in the financial statements). The total return on investments based on market value at the end of the year was 4.9% (2008: 5.9%). The reduction in yield is relative to the increase in the market value of non-glebe investments.

Glebe investments

DBF's investments are held in glebe funds, primarily to generate a sustainable income to continue funding clergy stipends.

Agricultural, commercial, residential land and property (including school land) were valued at 31 December 2009 at £730k (2008: £642k) inclusive of investment land and buildings at a value of £431k, (2008: £431k) – no increase over the year. Rents receivable amounted to £44,742 (2008: £50,814). The net return at the current value based on end of the year valuations was 6.13%, (2008: 7.91%). As noted in the 2008 trust report a piece of glebe land in Dent had been developed for the provision of affordable housing as part of the Church's mission to deprived rural areas of the Diocese. The full value of this development is now included within the Glebe investment valuation and this is the main reason for the increase in the value of Glebe assets. The reduction in rental income is mainly due to a glebe property previously rented which now is providing office space for the Archdeacon of Bradford, with a notional rent being charged for budgeting purposes.

General fund investments

Other investments are held on behalf of a number of endowments, restricted and general funds. The policy with these investments is to safeguard capital and to achieve capital growth. Investments in equity and fixed interest funds were valued at £2.064m at 31 December 2009 (2008: £1.623m). Dividends receivable amounted to £91k – a yield of 4.4% (2008 £83k – a yield of 5.1%), based on market value. Yield on original cost at 31 December 2009 is 9.5% (2008 11.5%). During 2009 £250k of restricted deposits in the Pastoral Accounts were transferred to restricted investments in that fund. The unrealised gain in the value of fixed and current investments during the year amounted to £179k an increase of 8.7 %

External factors affecting performance

Every effort is made by the Diocese to hold down increases in the Parish Share, which is contributed by the PCCs towards the ministry and other costs of the Diocese. A large part of the costs are staff salaries and building maintenance costs. In addition, the Diocese had to increase significantly contributions to both the clergy and lay staff pension schemes. A revised scheme has been implemented for all new lay employees and a review of the pension provision for existing lay employees is continuing to be undertaken. The estimated deficit based on the 2007 actuarial valuation of the lay pension scheme of £500,000 is being recovered over a period of five years. The Diocese of Bradford is relatively poor, financially, compared with many other dioceses and is expected to take a proportionately smaller share of National Church costs than the better-resourced dioceses.

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

6. Financial review

Review of the statement of financial activities

Total reserves decreased during the year by £3k as stated below after charging depreciation on all Board and benefice properties. A summary of these movements is as follows: -

	2009			2009	2008
	£000	£000	£000	£000	£000
		Internal transfers	Support costs	SOFA	SOFA
Operational incoming resources	6,101	(73)		6,028	6,058
Resources expended					
Cost of generating funds					
Rented property expenditure	12			12	7
Glebe maintenance costs and agents fees	15			15	17
Charitable activities					
Contribution to Archbishops Council	195			195	210
Resourcing Ministry and Mission	4,711	(25)	780	5,466	5,481
Education	218			218	193
Education Support costs	2			2	3
Diocesan projects	25			25	25
Diocesan Retreat House	255			255	240
Governance costs	29	(2)	5	32	33
Support costs	831	(46)	(785)	-	-
Less Board property depreciation included in Resourcing Ministry and Mission	(84)			(84)	(85)
Operating (deficit)/surplus for the year	(108)	-	-	(108)	(66)
Depreciation Board freehold properties	(84)			(84)	(85)
Designated expenditure within operating (deficit)/surplus	91			91	273
Loss on sale of fixed assets	(1)			(1)	-
Grants provided	-			-	(144)
Net income received from disposal of Board properties and surplus land sales	251			251	327
Net incoming resources (unrestricted)	149			149	305
Unrealised losses on revaluation of assets used for the charity's own use	(53)			(53)	-
Unrealized gains in the year (unrestricted)	11			11	(51)
Net transfer between funds	297			297	9
Net movement in unrestricted funds	404			404	263
Net movement in designated funds after transfers	31			31	(86)
Value of restricted funds after transfers and net movements in investments	(3)			(3)	(532)
Value of endowment funds after transfers and net movements in investments	(435)			(435)	(595)
Net movement in funds for 2009	(3)			(3)	(950)

Income before revaluation adjustments and investment income totalled £6.00m (2008: £5.97m) and expenditure amounted to £7.03m (2008: £7.45m).

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

The Statement of Financial Activities (SOFA) for the year shows net incoming resources of £6.90m (2008: £6.99m) before net gains and losses on the revaluation of investments and fixed assets and on the sale of investment assets.

After revaluation adjustments, the net movement in funds amounted to a decrease of £3k (2008: a reduction of £950k).

During the year, total fund balances decreased from £40.676m to £40.673m. There was an overall net cash inflow of £1.164m (2008: outflow £4.469m) mainly resulting from the drawing down of commercial mortgages and from the sale proceeds of vicarages, their replacements having been funded by the Board in previous years.

Principal sources of income

Around 65.1% of the income of the DBF was generated by Parish Share and 20.8% was provided by the National Church Selective Allocations (2008: 65.9% and 20.7% respectively).

Reserve transfers

Transfers between general, restricted and endowment funds relates to the release of restricted funds available from the Pastoral Account for the construction of a replacement vicarage and movements in financing benefice and glebe properties.

Review of the financial position

The Diocese reserves decreased by £3k, the reduction was minimised by surpluses made on property sales and unrealised gains on investments, this being after accounting for property depreciation of £781k.

Financial sustainability

A review was undertaken in 2008 and 2009 with a view to identifying realistic levels of income for the medium to long-term. The Directors consider that the reserves held by the DBF are sufficient to cover anticipated deficits for more than two years. The Synod will consider priorities for expenditure in order to minimize the need to draw upon reserves when approving the budget for 2011. This will inform decisions then made by the Trustees.

Going concern

After making enquiries, the Trustees are satisfied that DBF has adequate resources to continue to operate as a going concern for the foreseeable future and have prepared the financial statements on that basis.

Investment policies

The majority of the DBF's investments are held with the Central Board of Finance and managed by CCLA whose policies are ethically based in line with decisions of the General Synod.

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.

Some housing stock not required for parochial clergy has been sold with a view to reducing the maintenance costs and increasing the capital base for investments. 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.

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

The glebe investments are held for the purpose of raising income to achieve the maximum contribution possible to clergy stipends on an ongoing basis. Unrestricted and restricted fund investments are invested to balance income, liquidity and the maintenance of capital.

Glebe investments

Glebe properties include investments which are held in agricultural land, commercial and residential land and buildings. Consideration has been given to use of glebe land for social housing development in rural areas and one scheme was completed in Dent during 2008. A review continues of glebe assets with the aim of identifying development potential.

Unrestricted fund investments

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

Reserves policy

DBF has considerable responsibilities including the remuneration of over 100 stipendiary clergy, the upkeep of approximately 135 houses and the employment of some 40 full or part time staff. The target free reserves (net current assets less freehold properties held for sale) is currently set at an amount equivalent to 1½ months' gross expenditure from unrestricted funds estimated at £723,000. At 31 December 2009, DBF's free reserves were £2,799,000 (2008 £1,268,835). The significant increase is due, in part, to the drawing down of the balance of the mortgage facility offered by the Skipton Building Society to assist in financing the building of new benefice properties. The corresponding creditor, as it relates to mortgages repayable over 25 years, falls into creditors due after more than one year and, as such, falls outside the definition of free reserves.

Bishop's Council is to consider whether the level of 1½ months' gross expenditure is adequate at a meeting in 2010. In the meantime, the excess currently held is considered necessary to cover expected future deficits and any shortfall in provisions for clergy pensions which is not accounted for in these financial statements.

Designated Funds are held by the Board and details are explained in note 32 to the accounts.

7. Plans for future periods

The trustees will continue to set annual budgets with a view to breaking even while minimising Parish Share increases, maintaining adequate parochial ministry to all areas of the Diocese and allowing funds to be spent on mission activity. The ongoing objective is to resource diocesan needs, as determined by Synod and informed by local and national Church institutions.

8. Funds held as custodian trustee for others

The Board is custodian trustee for trust investment assets and for parish investment assets held on their behalf with a market value of £1.31m at 31 December 2009. Detailed certificates of holdings were sent to parishes and other managing trustees of the respective charities at that date. The Board also holds PCC properties as custodian trustee. Each PCC is a separate charity. The assets are held separately from those of DBF.

BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 December 2009 (Continued)

9. Appointment of auditors

A resolution to reappoint KPMG LLP as auditors to the company will be proposed at the Annual General Meeting.

By Order of the Board

Mrs D A Child
Acting Diocesan Secretary

Mrs S M Arnold FCA
Chairman

Keighley 15 May 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRADFORD DIOCESAN BOARD OF FINANCE

We have audited the financial statements of Bradford Diocesan Board of Finance for the year ended 31 December 2009 set out on pages 20 to 45. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees Responsibilities on pages 9 and 10.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with UK Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRADFORD DIOCESAN
BOARD OF FINANCE (continued)**

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

**Malcolm C Harding (Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor**

Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

15 May 2010



KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRADFORD DIOCESAN BOARD OF FINANCE

We have audited the financial statements of Bradford Diocesan Board of Finance for the year ended 31 December 2009 set out on pages 21 to 46. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees Responsibilities on pages 9 and 10.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with UK Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRADFORD DIOCESAN BOARD OF FINANCE *(continued)*

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Malcolm C Harding (Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor

Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

15 May 2010

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 DECEMBER 2009
(including the Income and Expenditure Account)

		Unrestricted Funds		Restricted	Endowment	Total Funds Total Funds	
	Note	General £'000	Designated £'000	Funds £'000	£'000	2009 £'000	2008 £'000
Incoming resources							
Incoming resources from generated funds:							
Voluntary income							
Parish contributions	2	3,904	-	-	-	3,904	3,929
Archbishops' Council	3	1,163	84	-	-	1,247	1,235
Other	4	116	-	42	5	163	147
Activities for generating funds	5	50	-	-	-	50	63
Investment income	6	159	-	56	-	215	423
Incoming resources from charitable activities:							
Statutory fees and other income	7	379	-	-	-	379	355
Diocesan Retreat House		257	-	-	-	257	236
Other incoming resources	8	251	-	-	434	685	599
Total Incoming resources		6,279	84	98	439	6,900	6,987
Resources expended							
Cost of generating funds							
Costs of generating voluntary income	9	12	-	-	-	12	7
Investment management costs	10	15	-	-	2	17	19
Investment income redistributed	11	-	-	-	-	-	98
Charitable activities							
Contribution to Archbishops' Council	12	195	-	-	-	195	210
Resourcing ministry and mission	13	5,399	67	84	674	6,224	6,362
Education	14	220	-	-	-	220	196
Diocesan projects	15	-	72	-	-	72	40
Diocesan Retreat House		255	-	-	-	255	240
Governance costs	16	32	-	-	-	32	33
Other resources expended	17	2	-	-	-	2	248
Total resources expended		6,130	139	84	676	7,029	7,453
Net incoming / (outgoing) resources before transfers		149	(55)	14	(237)	(129)	(466)
Gross transfers between funds	32	297	86	(60)	(323)	-	-
Net incoming / (outgoing) resources before other recognised gains and losses		446	31	(46)	(560)	(129)	(466)
Unrealised losses on revaluation of assets used for charity's own use		(53)	-	-	-	(53)	-
Realised losses on investment assets		-	-	-	(1)	(1)	(2)
Unrealised gains / (losses) on investment assets		11	-	43	126	180	(482)
Net movements in funds		404	31	(3)	(435)	(3)	(950)
Total Funds brought forward at 1 January 2009		4,715	395	1,343	34,223	40,676	41,626
Total funds carried forward at 31 December 2009		5,119	426	1,340	33,788	40,673	40,676

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
Fixed assets			
Tangible Assets	24	35,212	36,141
Investments	25	<u>1,955</u>	<u>2,057</u>
		37,167	38,198
Current Assets			
Debtors	26	2,000	2,261
Freehold properties held for sale	27	986	763
Investments	28	3,530	2,226
Cash at bank and in hand		<u>633</u>	<u>273</u>
		7,149	5,523
Creditors: Amounts falling due within one year	29	<u>(1,218)</u>	<u>(1,420)</u>
Net current assets		5,931	4,103
Total assets less current liabilities		<u>43,098</u>	<u>42,301</u>
Creditors: Amounts falling due after more than one year	30	(2,425)	(1,625)
Net assets		<u><u>40,673</u></u>	<u><u>40,676</u></u>
The funds of the charity:			
Endowment funds:			
Capital funds	32	33,788	34,223
Restricted income funds:	32	1,340	1,343
Unrestricted income funds:			
General funds	32	5,119	4,715
Designated funds	32	<u>426</u>	<u>395</u>
		5,545	5,110
Total funds	32	<u><u>40,673</u></u>	<u><u>40,676</u></u>

Note: Revaluation reserves

Within the endowment capital fund is a revaluation reserve of £1,360k

Within the general fund is a revaluation deficit of £32k

These financial statements were approved by the Directors on 15 May 2010

Signed
Mrs S. M. ARNOLD (Chairman)

Signed
The Ven D. LEE (Director)

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 £'000	2008 £'000
Net cash outflow from operating activities	31	(274)	(3,790)
Returns on investments and servicing of finance			
Interest paid		(58)	(80)
Investment income		215	422
Net cash inflow from returns on investments and servicing of finance		<u>157</u>	<u>342</u>
Capital expenditure & financial investment			
Purchase of tangible fixed assets		(1,462)	(1,712)
Sale of tangible fixed assets		2,045	904
Sale of fixed asset investments		37	37
Purchase of fixed asset investments		(34)	(35)
Purchase of current investments		(250)	-
Net cash inflow / (outflow) from investing activities		<u>336</u>	<u>(806)</u>
Net cash inflow / (outflow)		219	(4,254)
Management of liquid resources			
Other loans advanced and repaid		(13)	9
Financing			
Loans repaid to the Church Commissioners		(212)	(53)
Loans advanced by the Church Commissioners & Commercial Mortgages		1,116	386
Loans to parishes repaid		77	272
Loans advanced to parishes		(23)	(1,029)
Other loans advanced		-	200
Net cash inflow/(outflow) from financing		<u>945</u>	<u>(215)</u>
Increase/(decrease) in cash		<u><u>1,164</u></u>	<u><u>(4,469)</u></u>

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS**

1. Principal Accounting policies

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards and legislation. The accounts have been prepared in accordance with the Statement of Recommended Practice (SORP 2005), "Accounting and Reporting by Charities" as interpreted by the Diocesan Annual Report and Financial Statements Guide (except where otherwise disclosed and explained by reference to the DBF's own particular circumstances). A summary of the material accounting policies and estimation techniques adopted are as follows.

Basis of preparation

The Board prepares its annual financial statements on the basis of historical cost (adjusted for the revaluation of land and buildings) and the carrying of investments at market value. The financial statements are drawn up in accordance with the requirements of the Companies Act 2006 except where the special nature of the company's operation has required adaptation of the required formats or allowed by section 408 of the Act. The accounts have been prepared on a going concern basis.

Fund balances are split between general, designated, restricted and endowment funds.

- **General funds** are the company's corporate funds. Undesignated general funds are freely available for any purpose within the company's objects, at the discretion of the board.
- **Designated funds** are those funds set aside out of general funds by the Board for a specific purpose over which the Board has total discretion.
- **Restricted funds** are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.

"Special trusts" (as defined by the Charities Act 1993) and any other trusts where the company acts as trustee and controls the management and use of the funds, are included in the company's own financial statements as charity branches, subject to the Charity Commission's determination of their accounting status.

In taking the above into consideration the following have been included within restricted funds: - The Bradford West Riding Charitable Society Trust, Shipley cum Heaton District C of E School Trust, Keighley St Peter Educational Trust, Friends of Parcevall Hall, North Wing Mission, Burley in Wharfedale Trust, Guiseley Carleton Mission and Baildon / Kirklands Trust.

- **Endowment funds** are those held on trust to be retained for the benefit of the charity as a capital fund. In the case of the endowment funds administered by the board (Stipends Fund Capital, Parsonages Houses and Schools), there are discretionary powers to convert capital into income and, as a result, these funds are classified as expendable endowment. Endowment funds where there is no provision for expenditure of capital are classified as permanent endowment.
- **Transfer between funds** see note 32 page 42

Parochial trusts

The Board acts as Custodian Trustee for a number of parochial and other ecclesiastical trusts. The assets comprise freehold property, Government Stocks, investments in the Central Board of Finance Funds and deposits. No amounts are incorporated in these financial statements in respect of assets held by or liabilities of the Board in connection with these trusts which are shown in separate financial statements. Those trusts which exist solely for the provision of a stipend have been absorbed into the capital of the Board. A comprehensive register is maintained of all such trusts.

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

1. Principal Accounting policies - (continued)

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Board is legally entitled to them as income or capital respectively, ultimate receipt is reasonably certain and the amount to be recognised can be quantified with reasonable accuracy.

Parish Share income - Credit is only taken for parish share income which was received within the time scales laid down by the Board.

Grants from the Church Commissioners towards stipends, housing and other items have been included in the Income for the year and the appropriate Expenditure is shown gross.

The Stipends Fund Capital account is governed by the Diocesan Stipends' Fund Measure 1953, as amended and the use of the income is restricted to clergy stipends. However, the income is fully expended within the year of receipt and the legal restrictions, therefore, are satisfied. It is on this basis that the income and the (normally much larger) related expenditure are both included in the unrestricted column of the Statement of Financial Activities for the sake of greater clarity and simplicity in financial reporting.

Resources expended

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

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the Board, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Where costs cannot be directly attributed to particular headings they have been allocated or apportioned to activities on a basis consistent with the use of the resources. Central support costs are apportioned on the basis of the estimated usage of resources at Kadugli House. The apportionment in 2009 can be summarised as follows: -

98.5% - Resourcing ministry and mission

0.6% - Education

0.9% Governance

Pensions

The Board participates in the Church Workers Pension Fund. Regular premiums are paid over to the Fund. The amount charged in the financial statements represents the amount of contributions payable over the year. Contributions are made to the Church of England Funded Pension Scheme in respect of clergy paid through the Diocesan Stipends Fund. The amount charged in the financial statements represents the contributions payable in the year, because for these defined benefit schemes, the Board is unable to identify its share of the underlying assets and liabilities of these schemes.

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

1. Principal Accounting policies - (continued)

Investments

Investments, including investment properties, have been incorporated at current market value. Managed fund investments are valued at the average of the bid and offer prices at the accounting date. The change in value has been adjusted in a revaluation reserve. Other assets have been valued at historical cost or estimated market value if lower. Properties held as custodian and managing trustee as investments, including Glebe properties are valued at 12.5 times current rental income, as an approximation of market value.

Depreciation on freehold properties and tangible fixed assets

Depreciation continues to be charged on Board and Glebe properties for the charity's own property assets. Tangible fixed assets less than £100 are written off. Other assets are capitalised.

Depreciation is charged as follows: -

Office equipment	20% straight line
Computer equipment	33% straight line
Board freehold properties	2% straight line
Benefice properties	2% straight line

Depreciation on Board of Finance own properties

Depreciation is based on original cost or impairment value where this is considered more representative of the properties true original value being deemed consistent and in accord with FRS 15.

Parsonage houses

The Board has followed the requirements of Financial Reporting Standard No 5 in its accounting treatment for benefice houses (parsonages). FRS 5 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The Board is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if declared redundant, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Directors therefore consider the most suitable accounting policy to be to capitalise such properties as expendable endowment assets and to carry them at their deemed value at 31 December 2005, the date at which they were brought onto the balance sheet.

This valuation was calculated using the mid point of the applicable council tax banding index, adjusted for house price movements based on the council tax revaluation carried out in April 1991, which is considered an acceptable basis for this purpose. The Halifax house price indices for the Yorkshire and Humberside districts were used to calculate the estimated value up to and including 2005 this representing the balance brought forward on 1 January 2006 being the date applicable to comply with the new SORP. This valuation will be carried forward as the deemed cost in accordance with FRS 15.

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

1. Principal Accounting policies - (continued)

Gains and losses on fixed assets

Realised gains and losses on non-investment properties are included within incoming resources for the year. Unrealised gains and losses on properties are included as part of other recognised gains and losses together with both realised and unrealised gains and losses on investment assets.

Parish Deposit Fund

The Parish Deposit Fund was closed on 30 June 2008 as stated in the 2008 Financial Statements and any reference in these accounts is for comparative purposes with 2008 only.

Diocesan Board of Education

The financial statements do not incorporate the assets and liabilities of the Bradford Diocesan Board of Education, including the Barchester Fund for which the Board of Finance acts as Custodian Trustee, due to this being a separately registered charity. Separate financial statements of the Board of Education have been prepared.

Redundant church buildings

The Board is responsible for the maintenance of redundant churches and adjacent land from the issue of a Pastoral Order confirming the redundancy and the determination of a future use or its demolition. Any costs incurred during the year are written off in that year.

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

	Unrestricted Funds		Restricted	Endowment	Total Funds	Total Funds
	General	Designated	Funds	Funds	2009	2008
	£'000	£'000	£'000	£'000	£'000	£'000
INCOMING RESOURCES						
2. Parish contributions						
Parish share						
Current year's allocation	4,489	-	-	-	4,489	4,430
Shortfall in contributions	(622)	-	-	-	(622)	(560)
	<u>3,867</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,867</u>	<u>3,870</u>
Arrears from previous years	37	-	-	-	37	54
	<u>3,904</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,904</u>	<u>3,924</u>
Other Parish contributions	-	-	-	-	-	5
	<u>3,904</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,904</u>	<u>3,929</u>
Total parish share receipts represents 87.0% of the allocation (2008 - 88.7%)						
3. Voluntary Income from Archbishops' Council						
Parish Mission Fund	-	84	-	-	84	81
Selective allocation	1,163	-	-	-	1,163	1,154
	<u>1,163</u>	<u>84</u>	<u>-</u>	<u>-</u>	<u>1,247</u>	<u>1,235</u>
4. Other voluntary income						
Grants - Allchurches Trust	48	-	-	-	48	42
Property	14	-	-	-	14	12
Miscellaneous	49	-	-	-	49	38
Restricted Funds	-	-	9	-	9	10
Donations - Miscellaneous	5	-	33	5	43	44
Legacies	-	-	-	-	-	1
	<u>116</u>	<u>-</u>	<u>42</u>	<u>5</u>	<u>163</u>	<u>147</u>
5. Income from activities for generating funds						
Board of Finance property rental income	26	-	-	-	26	21
Benefice property rental income	24	-	-	-	24	42
	<u>50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>	<u>63</u>
6. Investment Income						
Dividends receivable - General Funds	59	-	-	-	59	61
Dividends receivable Restricted Funds	-	-	20	-	20	22
Dividends receivable Pastoral Account	-	-	11	-	11	-
Deposit interest Pastoral Account	-	-	15	-	15	60
Deposit interest - General Funds	44	-	1	-	45	81
Deposit interest Restricted	-	-	9	-	9	38
Deposit Interest - Parish Deposit Fund	-	-	-	-	-	99
Interest on Parish Loans	11	-	-	-	11	11
Glebe rental income	45	-	-	-	45	51
	<u>159</u>	<u>-</u>	<u>56</u>	<u>-</u>	<u>215</u>	<u>423</u>

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

	Unrestricted Funds		Restricted	Endowmen	Total Funds	Total Funds
	General	Designated	Funds	Funds	2009	2008
Incoming Resources (cont)	£'000	£'000	£'000	£'000	£'000	£'000
Incoming resources from charitable						
7. activities:						
Statutory fees - assigned	205	-	-	-	205	153
Statutory fees non assigned	10	-	-	-	10	7
Contribution to stipends	53	-	-	-	53	45
Contribution to Registrar's fees	22	-	-	-	22	22
	<u>290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290</u>	<u>227</u>
Other operating activities: -						
Property development fees	-	-	-	-	-	8
Education support	49	-	-	-	49	88
Publication sales	16	-	-	-	16	13
Resources income	5	-	-	-	5	4
Training income	7	-	-	-	7	4
Miscellaneous income	12	-	-	-	12	11
	<u>379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>379</u>	<u>355</u>
8. Other incoming resources						
Sale of redundant churches & artifacts	-	-	-	-	-	16
Gains on disposal of properties and land	251	-	-	434	685	583
	<u>251</u>	<u>-</u>	<u>-</u>	<u>434</u>	<u>685</u>	<u>599</u>
RESOURCES EXPENDED						
9. Costs related to other voluntary income						
Rented property expenditure	12	-	-	-	12	7
	<u>12</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>7</u>
10. Investment management costs						
Glebe Agent's fees	5	-	-	-	5	8
Maintenance costs related to Glebe income	10	-	-	-	10	9
Investment Management fees	-	-	-	2	2	2
	<u>15</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>17</u>	<u>19</u>
11. Investment income redistributed						
Parish Deposit Fund interest distributed	-	-	-	-	-	98
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98</u>
12. Contribution to the National Church						
Training for the ministry	59	-	-	-	59	59
Support of the National Church	99	-	-	-	99	99
Pensions for mission agencies	7	-	-	-	7	6
Retired clergy housing costs (CHARM)	25	-	-	-	25	24
Lambeth conference	-	-	-	-	-	15
General Synod representation	5	-	-	-	5	7
	<u>195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195</u>	<u>210</u>

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

	Unrestricted Funds		Restricted	Endowment	Total Funds	Total Funds
	General	Designated	Funds	Funds	2009	2008
Resources expended (cont)	£'000	£'000	£'000	£'000	£'000	£'000
13. Expenditure on resourcing ministry and mission						
Support of the Clergy						
Stipends and national insurance	2,603	-	-	-	2,603	2,477
Pension contributions	727	-	-	-	727	727
Housing costs	866	-	-	-	866	866
Depreciation of housing stock	85	-	-	674	759	793
Removal, resettlement and other grants	97	-	-	-	97	125
	4,378	-	-	674	5,052	4,988
Church in Mission	849	67	-	-	916	1,014
The World Church	172	-	-	-	172	164
Grants for the resource of ministry	-	-	-	-	-	144
Restricted Funds	-	-	84	-	84	52
	5,399	67	84	674	6,224	6,362
14. Expenditure on Education						
Church schools						
Joint Education Office with Diocese of Ripon & Leeds	218	-	-	-	218	193
Bradford Diocesan Board of Education	2	-	-	-	2	3
	220	-	-	-	220	196
15. Expenditure on Diocesan Projects						
Mission Fund	-	4	-	-	4	-
New Initiative Fund	-	68	-	-	68	40
	-	72	-	-	72	40
16. Governance costs						
Diocesan Synod & Bishop's Council expenses	8	-	-	-	8	8
Audit	16	-	-	-	16	19
Trustees Indemnity insurance	3	-	-	-	3	1
Statutory returns and compliance issues	5	-	-	-	5	5
	32	-	-	-	32	33
17. Other resources expended						
Expendable capital released	-	-	-	-	-	248
Loss on sale of fixed assets	2	-	-	-	2	-
	2	-	-	-	2	248
18. Analysis of resources expended including allocation of support costs						
	Activities undertaken directly	Grant funding of activities	Support costs	TOTAL 2009	TOTAL 2008	
Cost of generating voluntary income	12	-	-	12	7	
Investment management costs	17	-	-	17	19	
Investment income redistributed	-	-	-	-	98	
Contribution to Archbishop's Council	195	-	-	195	210	
Resourcing Ministry and Mission	5,280	164	780	6,224	6,362	
Education	218	-	2	220	196	
Diocesan projects	-	72	-	72	40	
Other charitable activities	255	-	-	255	240	
Governance costs	27	-	5	32	33	
Other resources expended	2	-	-	2	248	
	6,006	236	787	7,029	7,453	

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

19. Authorised Expenditure and Commitments

There were no commitments at the year end which had not been reserved for (2008 nil) other than those included in note 24.

20. Net (Outgoing)/Incoming Resources

The net (outgoing)/incoming resources for the year has been arrived at after crediting or charging the following amounts:-

Auditors' remuneration including irrecoverable value added tax of £18k (2008 £18k)

Interest payable as follows:

	2009 £'000	2008 £'000
Parsonage Loans with the Church Commissioners	15	43
Value linked loans with the Church Commissioners	22	21
Commercial loans on Board houses	<u>22</u>	<u>15</u>
	<u>59</u>	<u>79</u>

21. Directors Emoluments

None of the Directors has received any emoluments from the Board of Finance in respect of services performed (2008 nil). Certain Directors of the Board have received stipends from the Church Commissioners to which a contribution has been made by the Board. These amounts are included within expenditure as a result of their duties as clergy. Expenses reimbursed to 13 (2008: 13) Directors during the year for travel and subsistence amounted to £9k (2008: £10k).

22. Employee Information

The average number of persons employed by the Board during the year was:-

	2009	2008
Diocesan Office	11	10
Parochial Ministry	8	10
Deanery posts	5	4
Parcevall Hall	<u>9</u>	<u>10</u>
	<u>33</u>	<u>34</u>

The above include a number of part time posts

The Deanery posts are included within salary numbers as the Board of Finance holds their contracts of employment on behalf of the Deaneries but the salary costs are excluded as these are funded by grants and contributions from the relevant parishes.

Board employment costs

	2009 £'000	2008 £'000
Aggregate gross wages and salaries paid to the Board's Employees	514	546
Employer's National Insurance Contributions	35	35
Employer's Pension Contributions (see note 23)	<u>166</u>	<u>160</u>
	<u>715</u>	<u>741</u>

	2009 £'000	2008 £'000
Contribution to the Church of England Defined Benefits Scheme deficit (year 1 of 5 payments).	<u>100</u>	<u>-</u>

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

22. Employee Information (continued)

The Board shares a joint education office with the Ripon and Leeds Diocese who bear the costs and recharge the portion attributable to the Bradford Diocese. Salaries charged are as follows:-

	2009	2008
	£'000	£'000
Salaries and national insurance	113	109
Employers Pension Contributions (see note 23)	32	25
	<u>145</u>	<u>134</u>

Clergy and licensed worker employments costs

	2009	2008
	£'000	£'000
Aggregate gross stipends paid to Diocesan Clergy	2,325	2,264
Employer's National Insurance Contributions	131	127
Employer's Pension Contributions (see note 23)	785	772
	<u>3,241</u>	<u>3,163</u>

The average number of stipendiary clergy employed by the Diocese were: -

	2009	2008
Full time	96	98
Part time	7	12

No employee was paid in excess of £60,000.

23. Diocesan Pension schemes

a. Stipendiary Clergy Pension Fund

The Bradford Diocese participates in the Church of England Funded Pensions Scheme and employs 105 members of the Scheme out of a total membership of approximately 10,000 active members.

The Church of England Funded Pensions Scheme is a defined benefit scheme but the Bradford Diocese is unable to identify its share of the underlying assets and liabilities - each employer in that scheme pays a common contribution rate. A valuation of the Scheme was carried out as at 31st December 2006. This revealed a shortfall of £141m, with assets of £468m and a funding target of £609m, assessed using the following assumptions:

- An investment strategy of: a nil allocation to gilts for the next 10 years, increasing linearly to reach 30% after 20 years; and the balance of the assets in equities;
- Investment returns of 4.25% pa on gilts and 5.75% pa on equities;
- RPI inflation of 3.1% pa (and pension increases consistent with this);
- Increase in pensionable stipends 4.6% pa; and
- Post-retirement mortality in accordance with the PA00 tables, adjusted so that members are assumed to be two years younger than they actually are, with allowance for future improvements according to the "medium cohort" projections, and subject to a minimum annual improvement in mortality rates of 1% for males and 0.5% for females

For schemes such as the Church of England Funded Pensions Scheme, paragraph 9(b) of FRS 17 requires Bradford Diocese to account for pension costs on the basis of contributions actually payable to the Scheme in the year.

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

23. Employee Pensions (continued)

a. Stipendiary Clergy Pension Fund (continued)

Following the results of the valuation, and some agreed changes to benefits, the Bradford contribution rate decreased from 39.8% to 39.7% of pensionable stipends with effect from 1st April 2008. The contribution rate was subsequently increased to 45% of the minimum clergy stipend with effect from 1 January 2010, reflecting unfavourable investment experience and changes in financial market conditions. A new valuation of the scheme is being carried out as at 31 December 2009.

b. Church Workers Pension Fund

The Bradford DBF participates in the Church of England Defined Benefits Scheme (DBS), part of the Church Workers Pension Fund. During the year to 31st December 2009, the Bradford DBF made contributions of £266,512 and this has been taken as the pension cost shown in these accounts, as explained below.

It is not possible for an individual employer to determine its share of the underlying assets and liabilities as each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. In such cases, FRS 17 requires the employer to account for its contributions to the DBS as if it were a defined contribution scheme but to make certain additional disclosures based on available information. The required disclosures, together with a description of the operation of the DBS, are given below.

For funding purposes, the 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 Scheme into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the Scheme 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.

If following an actuarial valuation of the Life Risk Pool there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pool, 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 on the advice of the Actuary.

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2008
NOTES TO THE ACCOUNTS (continued)**

23. Diocesan Pension schemes (continued)

A valuation of the DBS is carried out once every three years, the most recent being as at 31st December 2007. In this valuation, the Life Risk Section was shown to be in deficit by £5.5m and some £4.4m was notionally transferred from the employers' sub-pools to the Life Risk Pool. Of this, £28,900 was deducted from the Bradford DBF sub-pool. This increased the employer's contributions that would otherwise have been payable. Other available information relating to the valuation as at 31st December 2007 is given below:

Market Value	£176.6m
Market value of Bradford DBF sub-pool	£1.336m
Market value of Life Risk Pool (1,140 pensioners)	£67.7m

	Total Scheme members	Bradford DBF members
Deferred pensioners	1,504	13
Active members	1,335	25

c. Bradford and Ripon and Leeds Joint Education Team

The Joint Bradford and Ripon and Leeds Diocesan Education team participate in the Church of England Defined Benefits Scheme (DBS) part of the Church Workers Pension Fund.

The two Dioceses are unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. A valuation of the fund was carried out as 31st December 2007, the contribution rate being variable for each employee in the scheme.

At 31 December 2009 the Joint Bradford and Ripon and Leeds Diocesan Education team had 5 active members and no deferred pensioner members in the Fund.

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

24. Tangible Fixed Assets

The changes in tangible fixed assets during the year were as follows:

	Freehold	Properties under course of	Office	Benefice	Endowment Other	Glebe	Total
	Properties £'000	construction £'000	Equipment £'000	properties £'000	properties £'000	properties £'000	£'000
Cost, valuation or nominal value							
At 1 January 2009	3,519	773	306	32,985	111	1,150	38,844
Additions	413	834	34	165	-	16	1,462
Disposals	(60)	-	(22)	(880)	-	(54)	(1,016)
Transfers	555	(1,553)	-	998	-	-	-
To freehold properties held for sale	(167)	-	-	(555)	-	-	(722)
At 31 December 2009	4,260	54	318	32,713	111	1,112	38,568
Accumulated depreciation							
At 1 January 2009	345	-	255	1,957	11	136	2,704
Charge for the year	85	-	23	648	2	23	781
Disposals	(11)	-	(14)	(53)	-	(10)	(88)
Transfers	33	-	-	(33)	-	-	-
To freehold properties held for sale	(8)	-	-	(33)	-	-	(41)
At 31 December 2009	444	-	264	2,486	13	149	3,356
Net Book Value at 31 December 2009	3,816	54	54	30,227	98	963	35,212
Net Book Value at 31 December 2008	3,175	773	51	31,029	100	1,013	36,141

The freehold properties are used for direct charitable purposes. The office equipment is used for both direct charitable and management purposes.

Benefice properties represents 102 (2008 103) benefice parsonages.

Board freehold properties represents 24 (2008 22) properties, two being held at a book value of £1, and one of which relates to the Church and Church Hall of Yeadon St Andrew which now is Board property due to the passing of a pastoral measure joining both the Yeadon parishes. This has been transferred to the Board properties during 2009.

Glebe properties represent 10 (2008 11) properties two being held at a book value of £1.

Permanent endowed properties represent 2 (2008 2) properties.

Some of these properties are financed in part by Church Commissioners Permanent Loans, Equity Sharing Loans of which the Church Commissioners are entitled to a proportion of any profit on eventual sale under the terms of these loans, and commercial mortgages.

Capital Commitments	2009 £'000	2008 £'000
Obligation to purchase clergy housing (including new build)	526	697

This includes the estimated cost outstanding to complete the build of a new vicarage for Cullingworth parish together with developing the rest of the site.

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

25. Fixed Assets Investments

a. These investments comprise: -

	2009 Cost £'000	2009 Market Value £'000	2008 Cost £'000	2008 Market Value £'000
General Board Investments				
Central Board of Finance Investment Fund 125,956.99 shares (2008 142,484.99)	429	1,288	445	1,332
Central Board of Finance Fixed Interest Securities Fund 17,414 shares (2008 57,149)	23	27	81	92
Central Board of Finance Investment Fund - Pool 3,301 shares (2008 3,301)	16	34	16	31
Central Board of Finance Deposit Fund	1	1	1	1
COIF Charity Funds 1,005 shares (2008 1,005)	1	10	1	9
£2,793 5½% Treasury Stock 2008/12 Redeemed September 2008 now temporarily held as cash	-	-	-	-
£1,156 7¾% Treasury Stock 2012/15	1	1	1	1
M & G Charifund 1,125 shares (2008 1,125)	18	12	18	11
Managed Equities and Unit Trusts	144	148	147	136
Equities - W M Morrison 0 shares (2008 3,500 shares)	-	-	10	10
Cash	3	3	3	3
Sub Total	<u>636</u>	<u>1,524</u>	<u>723</u>	<u>1,626</u>

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

25. Fixed Assets Investments (continued)

a. (continued)	2009 Cost £'000	2009 Market Value £'000	2008 Cost £'000	2008 Market Value £'000
Glebe freehold properties used as Investments	-	431	-	431
	<u>636</u>	<u>1,955</u>	<u>723</u>	<u>2,057</u>

All investments are held within the UK.

Movements in investments	Board	Glebe	Total
Opening value	1,626	431	2,057
Additions	34	-	34
(Disposals)	(37)	-	(37)
Reclassification to current on 1/1/09	(225)	-	(225)
Revaluation	126	-	126
Closing value	<u>1,524</u>	<u>431</u>	<u>1,955</u>

b. Investment performance

Within Glebe property in fixed assets (note 24) a number of properties provide an income that is included in Glebe rental income (note 6). To provide a true investment return these have been included in the total value of investments for this purpose. The following figures represent a total of fixed asset investments and current investment assets (note 28 excluding deposit balances).

	2009 £'000	2008 £'000
General Board Investments	2,064	1,626
Glebe investments	431	431
Value of Glebe property used for investment purposes.	<u>299</u>	<u>211</u>
	<u>2,794</u>	<u>2,268</u>

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

26. Debtors

	2009	2008
	£'000	£'000
Debtors due within one year comprise:		
Share receivable	252	278
Prepayments	124	203
Other debtors	1,223	1,401
	<u>1,599</u>	<u>1,882</u>
Debtors due after one year comprise:		
Other debtors	<u>401</u>	<u>379</u>
Total Debtors	<u><u>2,000</u></u>	<u><u>2,261</u></u>

Loans to parishes were charged at the CCLA loan rate of 4.58% applicable during 2009 subject to the provision a loan subsidy where applicable.

£156k (2008 £224k) was subject to interest at 3% below the CCLA rate.

27. Freehold Properties offered for sale

This comprises of 3 properties (2008 - 7)	<u>986</u>	<u>763</u>
---	------------	------------

28. Current Asset Investments

Investments:		
Managed unit trusts	225	-
Equities held	10	-
	<u>235</u>	<u>-</u>
Short term cash deposits:		
Central Board of Finance	2,191	1,140
Church Commissioners	140	140
	<u>2,331</u>	<u>1,280</u>
Pastoral account:		
Investments	304	-
Cash deposits	660	946
	<u>964</u>	<u>946</u>
Total current asset investments	<u><u>3,530</u></u>	<u><u>2,226</u></u>

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

29. Creditors

	2009 £'000	2008 £'000
Creditors - amounts falling due within one year		
Creditors and accruals	850	1,156
Church Commissioners loans & Commercial Mortgages:		
Clergy Housing replacement (note 30)	102	64
Value Linked Loans	266	-
Other loans	-	200
	<u>1,218</u>	<u>1,420</u>

30. Creditors - amounts falling due after more than one year

Advance fees	1	1
Other loans	200	-
Church Commissioners loans & Commercial Mortgages:		
Clergy Housing replacement (see (a) below)	2,224	1,229
Value Linked Loans		
repayable in five years or more	-	395
	<u>2,425</u>	<u>1,625</u>

(a) Church Commissioners loans & Commercial Mortgages:

Clergy housing replacement repayable as follows:

In one year or less	102	64
Between one and two years	102	65
Between two and five years	360	197
In five years or more	<u>1,762</u>	<u>967</u>
	2,326	1,293
Less: Amounts falling due within one year	<u>(102)</u>	<u>(64)</u>
	<u>2,224</u>	<u>1,229</u>

Church Commissioners loans made for parsonage and other clergy housing replacement are unsecured and are repayable by installments over periods of up to 25 years. The average interest rate during 2009 on all properties was 2.2% p.a.

Previously the Church Commissioners provided parsonage replacement loans which are in the process of being withdrawn. The Board of Finance has replaced this with a borrowing facility arranged with the Skipton Building Society to enable the purchase of new benefice housing to be acquired prior to the sale of the existing benefice properties.

In view of the relative high interest rate currently averaging 5.5%, which increases annually by the rate of inflation, it was agreed at a finance meeting held on 7 December 2009 to repay the value linked loans, the total repayment cost being £793k.

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

30. Creditors - amounts falling due after more than one year (continued)

Future lease commitments

At 31 December 2009 there were annual commitments under non-cancellable leases as follows: -

	2009 £'000	2008 £'000
Amounts falling due		
In one year or less	21	13
Between one and two years	21	13
Between three and five years	60	38
	<u>102</u>	<u>64</u>

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

**31. Reconciliation of net outgoing resources to net cash flow
from operating activities.**

	Total 2009 £'000	Total 2008 £'000
Net outgoing resources for the year	(129)	(466)
Interest payable	58	80
Investment income	(215)	(422)
Profit on disposal of fixed assets	(683)	(599)
Depreciation of tangible fixed assets	781	793
Decrease in debtors	221	451
(Decrease) / Increase in creditors	(307)	29
Decrease in amounts invested in the Parish Deposit Fund	-	(3,656)
Net cash flow from operating activities	<u><u>(274)</u></u>	<u><u>(3,790)</u></u>

Reconciliation of cash flow to movement in net debt

Increase / (decrease) in cash per cash flow statement	1,164	(4,469)
Cash to repay loans	212	53
Cash from new loans	(1,116)	(586)
Net cash movements on current assets loans	(41)	(439)
Decrease in Parish Deposit Fund	-	3,656
Movement in net debt (see below)	<u><u>219</u></u>	<u><u>(1,785)</u></u>

Analysis of changes in net debt

	At 1 Jan 2009 £	Cash flow £	At 31 Dec 2009 £
Cash			
In hand and at bank	273	360	633
Deposits on demand	2,226	763	2,989
	<u>2,499</u>	<u>1,123</u>	<u>3,622</u>
Debt			
Due within one year	(64)	(304)	(368)
Due after one year	(1,824)	(600)	(2,424)
	<u><u>611</u></u>	<u><u>219</u></u>	<u><u>830</u></u>

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

32. Summary of fund movements

		Balances at 1 January 2009 £'000	Incoming resources £'000	Outgoing resources £'000	Transfers £'000	Gains and losses £'000	Balances at 31 December 2009 £'000
Endowment funds							
Permanent investment		1,875	5	(2)	(8)	125	1,995
Permanent property		814	269	(25)	3	-	1,061
Expendable		31,534	165	(649)	(318)	-	30,732
		34,223	439	(676)	(323)	125	33,788
Restricted Funds:							
Confirmation Collections	a	8	1	-			9
Clergy Stipend Trust	b	43	5	(6)			42
Bradford Summer Camps Bursary		6	-	-			6
Clergy Widows & Dependents	b	20	2	(2)			20
Queen Victoria Trust	b	13	2	-			15
Bradford West Riding Charitable Society Trust	b	81	7	(7)			81
ShIPLEY cum HEATON DISTRICT C of E School Trust		17	-	-			17
Keighley St Peter Educational Trust	c	1	1	(1)			1
Friends of Parcevall Hall	d	14	3	(6)			11
Parcevall Hall Bursary	d	5	-	-			5
Community Works Centre - Bradford St Augustine	e	5	-	-			5
Burley in Wharfedale	e	1	-	-			1
Guiseley Carlton	f	24	1	-			25
Guiseley St Peter	e	12	4	-			16
McNish - Keighley All Saints		3	10	(10)			3
Interfaith fund		3	-	-			3
J Hudson deceased	g	35	1	-			36
G Martin Trust		4	-	-			4
Youth evangelism		20	4	-			24
Special appeals		21	27	(26)			22
Northern Sudan		34	1	(21)			14
The First Lord Grimthorpe's Charity	h	4	2	-			6
Pastoral account	i	955	26	-	(60)	43	964
City Kids		3	-	(3)			-
Kiddle Bequest	j	10	-	-			10
St Martin in the Field	k	1	1	(2)			-
		1,343	98	(84)	(60)	43	1,340

The funds represent income for specific purposes from endowment, grants and donations

	<u>Objects</u>
a	Funds available solely at the discretion of the Bishop
b	Relief of clergy and their dependants in financial hardship
c	For educational purposes in the location named
d	Support towards the Diocesan Retreat House
e	For general parochial purposes in the area named
	The Bishop, the Diocesan Board of Finance and the incumbent and wardens of
f	Guiseley Parish Church for fabric of the church.
g	For maintenance of cathedral fabric and / or evangelism
h	
	For repairs to churches of the Evangelical tradition in the Church of England within
	the Diocese.
i	This fund includes the proceeds of redundant churches, parsonages and land sales.
j	Funds to support the provision of loans to assist major works to be carried out on
	church buildings.
k	For the support of the destitute.

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

32. Summary of fund movements (continued)

	Balances at 1 January 2009 £'000	Incoming resources £'000	Outgoing resources £'000	Transfers £'000	Gains and losses £'000	Balances at 31 December 2009 £'000
Unrestricted						
General	4,715	6,279	(6,130)	297	(42)	5,119
Designated						
Training	52	-	-	-	-	52
Clergy & Lay Conferences	23	-	-	8	-	31
Deanery Devolution	89	-	(67)	88	-	110
Property Reserve	150	-	-	20	-	170
New Initiatives Fund	16	84	(68)	(30)	-	2
Mission Expenses Fund	50	-	(4)	-	-	46
Redundant Churches	9	-	-	-	-	9
Youth evangelism	6	-	-	-	-	6
	<u>395</u>	<u>84</u>	<u>(139)</u>	<u>86</u>	<u>-</u>	<u>426</u>
Total funds	<u>40,676</u>	<u>6,900</u>	<u>-</u>	<u>7,029</u>	<u>-</u>	<u>40,673</u>

Training Reserve has been created due to uncertainty in future levels of expenditure and represents savings in support of ordinands and in-service training. The entitlement of parochial clergy & employees of the Board to annual training grants is greater than the annual amount budgeted. The reserve will be utilised in years when expenditure exceeds the lower level included in future budgets.

Clergy and Lay Conference Reserve represents annual sums collected through share towards the cost of clergy and lay conferences.

Deanery Devolution Reserve represents budgeted amounts not spent by individual Deaneries. The sums may be spent by Deanery Standing Committees within five years of the year in which the budget provision is made.

Property Reserve. Due to the large property portfolio there is uncertainty about when significant expenditure will be incurred. Major work on individual houses is carried out during vacancies. The reserve is earmarked to allow the Property Committee to commit expenditure in excess of the budget in order to carry out improvements as the opportunity arises.

New Initiatives Fund represents funds set aside from which to make grants for new mission initiatives. A sum of £25,000 pa is committed from Share in addition to grants received from the Archbishops' Council for this purpose.

Mission Fund represents funds set aside to pay expenses for clergy appointed by the Bishop to specific mission posts which fall outside parish boundaries and responsibilities.

Redundant Churches. This represents likely costs that may be incurred on an open churchyard attached to a redundant church that has been sold.

Transfers between Funds - Designated transfers of £86k from general reserves relate to commitments made as specified above, funds released to general reserves of £383k (net movement of £297k) relate to funds released from the pastoral account of £60k and £323k from expendable endowment for funds previously provided for the construction of replacement benefice houses.

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

32. Summary of fund movements (continued)

Endowment comprises the following objectives.

	Original cost b/f £'000	Revaluation reserve b/f £'000	Revaluation balance b/f £'000	Income gains/(losses) & transfers £'000	Expenditure losses & transfers £'000	Original cost c/f £'000	Revaluation for year 2009 £'000	Revaluation reserve c/f £'000	Revaluation balance c/f £'000
Permanent investments									
Administration	9	102	111	-	-	9	10	112	121
Church Building Fund	1	11	12	-	-	1	1	12	13
Schools	1	15	16	-	-	1	2	17	18
Maintenance of the Ministry	64	439	503	-	-	64	55	494	558
Parsonages-investments	21	13	34	-	-	21	3	16	37
Pensions	14	174	188	-	-	14	18	192	206
Training for the Ministry	5	61	66	-	-	5	6	67	72
Widows and Dependents	4	43	47	-	-	4	4	47	51
Church in the World	-	1	1	-	-	-	-	1	1
Loan Fund	20	4	24	-	-	20	-	4	24
General Purposes	4	(1)	3	-	-	4	1	-	4
T.McNish Bequest for the benefit of Keighley All Saints	193	33	226	(1)	(2)	190	23	56	246
Keighley St Peter Educational Trust	9	2	11	-	-	9	-	2	11
Stipends Capital - investments	254	230	484	-	(8)	246	3	233	479
 Bradford West Riding Charitable Society Trust - for relief of clergy & their dependants	61	50	111	-	-	61	8	58	119
 The First Lord Grimthorpe Charity Fund	53	(15)	38	5	-	58	(8)	(23)	35
	<u>713</u>	<u>1,162</u>	<u>1,875</u>	<u>4</u>	<u>(10)</u>	<u>707</u>	<u>126</u>	<u>1,288</u>	<u>1,995</u>

	Original cost b/f	Depn b/f	Revaluation balance b/f	Income gains/(losses) & transfers	Expenditure losses & transfers	Original cost c/f	Net depn for year	Depn c/f	Revaluation balance c/f
Permanent property									
Parsonages-property	35	(6)	29	-	-	35	(1)	(7)	28
North Wing Mission for community work	76	(5)	71	-	-	76	(2)	(7)	69
Stipends Capital	1,150	(136)	1,014	(54)	16	1,112	(12)	(148)	964
Less balance to finance Kadugli House (glebe) borrowed from general funds	(300)	-	(300)	300	-	-	-	-	-
	<u>961</u>	<u>(147)</u>	<u>814</u>	<u>246</u>	<u>16</u>	<u>1,223</u>	<u>(15)</u>	<u>(162)</u>	<u>1,061</u>

Expendable									
Benefice Property	32,985	(1,957)	31,028	(880)	607	32,712	(529)	(2,486)	30,226
Guiseley - Carlton Mission - for ecclesiastical purposes (a)	34	-	34	-	-	34	-	-	34
Guiseley St Peter (b)	256	-	256	-	-	256	-	-	256
Kiddle Bequest (c)	216	-	216	-	-	216	-	-	216
	<u>33,491</u>	<u>(1,957)</u>	<u>31,534</u>	<u>(880)</u>	<u>607</u>	<u>33,218</u>	<u>(529)</u>	<u>(2,486)</u>	<u>30,732</u>

As at 31 December 2009	<u>35,165</u>	<u>(942)</u>	<u>34,223</u>	<u>(630)</u>	<u>613</u>	<u>35,148</u>	<u>(418)</u>	<u>(1,360)</u>	<u>33,788</u>
------------------------	---------------	--------------	---------------	--------------	------------	---------------	--------------	----------------	---------------

Permanent Endowment Funds comprise gifts and legacies given for specific purposes where the capital may not be expended.

Expendable Endowment Funds represents benefice property, the sale of ecclesiastical and school property. The proceeds are available at the discretion in a) and b) of

- The Bishop, the Diocesan Board of Finance and the incumbent and wardens of Guiseley Parish Church.
 - The Vicar and Churchwardens to support the general purposes of the parish currently held on their behalf by the Board of Finance.
- And for: -
- Funds to support the provision of loans to assist major works to be carried out on church buildings.

**THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)**

33. Related party transactions

Under charity law the Directors, as trustees, are prohibited from acquiring any financial benefit from the Board or its associates.

The Board enters into transactions, on a regular basis, with other autonomous organisations within the Church of England - e.g. Parishes, (including the Cathedral), the Central Board of Finance, the Archbishops Council of the Church of England and the Church Commissioners. From time to time Directors and key managers of the Board may serve on committees of other bodies, or the General Synod. It is not considered appropriate to report the detail of such transactions since no person or group of people so serving have any significant influences over any material transactions.

There are no unusual transactions with such bodies reflected in these financial statements.

Mr C Wright (the husband of Mrs Jill Wright, a director and trustee) received £4,913 (2008 £5,881) in respect of work in connection with the diocesan website.

THE BRADFORD DIOCESAN BOARD OF FINANCE (INCORPORATED)
FOR THE YEAR ENDED 31 DECEMBER 2009
NOTES TO THE ACCOUNTS (continued)

34. Summary of assets per fund

	Unrestricted £'000	Designated £'000	Restricted £'000	Endowed Capital £'000	Fund Transfers £'000	Total £'000
Fixed assets						
Tangible Assets	3,924	-	-	31,288	-	35,212
Investments	-	-	-	1,955	-	1,955
	<u>3,924</u>	<u>-</u>	<u>-</u>	<u>33,243</u>	<u>-</u>	<u>37,167</u>
Current assets						
Debtors	1,998	-	2	168	(168)	2,000
Freehold properties held for sale	986	-	-	-	-	986
Investments	1,988	6	1,240	296	-	3,530
Cash at bank and in hand	(152)	602	98	85	-	633
	<u>4,820</u>	<u>608</u>	<u>1,340</u>	<u>549</u>	<u>(168)</u>	<u>7,149</u>
Creditors: Amounts falling due within one year						
Creditors and accruals	(667)	(182)	-	(4)	3	(850)
Loans						
Benefice housing replacement	(368)	-	-	-	-	(368)
	<u>(1,035)</u>	<u>(182)</u>	<u>-</u>	<u>(4)</u>	<u>3</u>	<u>(1,218)</u>
Creditors: Amounts falling due after more than one year						
Creditors and accruals	(1)	-	-	-	-	(1)
Loans						
Other	(200)	-	-	-	-	(200)
Benefice housing replacement	(2,224)	-	-	-	-	(2,224)
Equity sharing loans	-	-	-	-	-	-
	<u>(2,425)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,425)</u>
Transfers between funds	(165)	-	-	-	165	-
Net assets	<u>5,119</u>	<u>426</u>	<u>1,340</u>	<u>33,788</u>	<u>-</u>	<u>40,673</u>

Fund transfers relate to notional debtors and creditors between funds.