DS/25/05

DIOCESE OF ST ALBANS
Living God's Love

Annual Report and Consolidated Financial Statements

For the 12-month period ended 31 December 2024

The St Albans Diocesan Board of Finance

The principal object of the Board is the promotion of the work of the Church of England in the Diocese of St Albans

The aim of Living God's Love is to see flourishing Christ centred communities inspiring people of all ages and backgrounds to discover God, to grow in their relationship with him and to respond to his transforming love, through serving others so that God's Kingdom may grow in our world.

The St Albans Diocesan Board of Finance, a company limited by guarantee registered in England and Wales No 145227.
Registered Charity No 248887 Registered Office: **Holywell Lodge, 41 Holywell Hill, St Albans AL1 1HE**
Switchboard: 01727 854532 Web: www.stalbansdiocese.org/

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Reference and administrative information

Board Members	Up to 31 December 2024	As of 1 January 2025
Chair	Dr T J Coulson	Dr T J Coulson
Vice Chair	A Brown OBE	A Brown OBE
Other Members	The Bishop of St Albans	The Bishop of
	The Archdeacon of Bedford	The Archdeacon of Bedford
	The Archdeacon of Hertford	The Archdeacon of Hertford
	The Archdeacon of St Albans	The Archdeacon of St Albans
	The Reverend Dr G R Cappleman	M E Butcher
	C Bell	N K Challis
	C G Bird	Dr D W Dallinger
	The Reverend C E Bunce	The Reverend K David
	M E Butcher	The Reverend A L Davis
	J W Butler	The Reverend T A George
	N K Challis	The Reverend J L W Hookway
	D C Clark	The Reverend C R H Kilgour
	B Crawford	R Lindley
	Dr D W Dallinger	T R N Otley
	The Reverend K David	E D Roberts
	P E Easterbrook	E Sivyer
	Dr M Eaton	T Snell
	K Ebbage	L C Spring
	T Fleming	J Stewart
	C B Gage	The Reverend A J Thomas
	M J Gates	
	The Reverend J Hookway	
	R Lindley	
	E D Roberts	
	K Smith	
	Dr R L V Southern	
	M P Taylor	
	The Reverend A J Thomas	
Secretary to the Board	D J White	D J White

Registered office	Holywell Lodge 41 Holywell Hill St Albans Hertfordshire AL1 1HE
Telephone	01727 854532
Company registration no.	00145227 (England and Wales)
Charity registration no.	248887

The governance structure of the charity is more fully discussed on pages 11 to 12.

Auditor	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Barclays Bank plc Blenheim Gate 22/24 Upper Marlborough Road St Albans Herts BX3 2BB
Diocesan Registrar and Solicitors	Winckworth Sherwood LLP Minerva House 5 Montague Close London SE1 9BB
Legal Advisors	Debenhams Ottaway Solicitors Ivy House 107 St Peter's Street St Albans Herts AL1 3EW
Investment managers – listed investments	CCLA Investment Management Limited 1 Angel Lane London EC4R 3AB Baillie Gifford & Co Calton Square 1 Greenside Row Edinburgh EH1 3AN Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU

Chair's Statement

This is my first full year report as Chair. As I get further into my term as Chair, I am ever more aware of the commitment of all involved in parishes, schools and chaplaincies who have continued to support and deliver ministry in 2024, supported by Diocesan staff. The Diocese exists primarily in local ministries across Hertfordshire, Bedfordshire, Luton and parts of Barnet and is possible because of generous giving by individuals in our parishes.

Our world continues to be an uncertain place, and those uncertainties continue to be felt at a parish level particularly against a difficult economic background. There are also issues specific and common to parishes, which include declining congregations, economic uncertainty over rising prices (particularly in energy costs) and general unease over leadership within the national church. The impact of all this can be seen in the fact that the parish share recovery rate was 91.25% against 91.5% in 2023 and 92.5% in 2022. The decline each year is slow but noticeable yet still reflects the commitment of so many.

Our full accounts are inevitably complex because of the range of funds that are managed. It is more helpful to focus on our management accounts which show a surplus of £284k. This surplus arises from the reduced contribution rate to clergy pensions and parish vacancies continuing to run above their historic level, This surplus represents 1.7% of our total income for the year and needs to be read against the medium-term position. In 2023, we made a surplus of £250k but COVID19 and lockdown related losses in the three prior years prior totalled £1.2m.

The total return investment strategy adopted in 2022 has provided stability in, and an increase to, our investment income which has permitted the DBF to designate other funds for grants to support parishes in missional activity and Net Zero Carbon projects.

This, along with a strong balance sheet means that we have been able to shield parish share increases from the worst effects of general inflation. Having said that, we need to continue to monitor the underlying trends in church attendance and parish share capacity and take appropriate action as necessary.

We acknowledge with thanks the support of our major external funders including the Church Commissioners who are providing funding to build capacity to develop a major programme of local activity to support the objective of Growing Younger and More Diverse.

I would like to take this opportunity to thank on your behalf our Diocesan staff at Holywell Lodge and elsewhere for their vital contribution to the life of the Diocese, with a consistent focus on supporting operations in our parishes.

Dr Tim Coulson
Chair of the Board of Trustees
Date: 19 May 2025

Member's Report

Introduction

The members, as trustees for the purposes of charity legislation, submit their report together with the consolidated financial statements of the St Albans Diocesan Board of Finance (the "Board" or the "DBF" or the "Charity") for the year ended 31 December 2024. The report has been prepared in accordance with the requirements of the Charities Act 2011 and constitutes a directors' report including strategic report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 40 of the attached financial statements and comply with applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Objectives, Activities and Policies

The principal object of the Board, as set out in its Memorandum and Articles, is the promotion of the work of the Church of England in the Diocese of St Albans. The members of the Board are aware of the Charity Commission's guidance on public benefit and have had regard to it in their management of the Board.

The Board believes that, by promoting the work of the Church of England in the Diocese of St Albans, 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 provides a benefit to the public by:

- Providing resources 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.

The Board continues to support engagement with other Christian churches and other faiths throughout the Diocese.

Together with the Bishop's Council the Board seeks to develop comprehensive, sustainable strategies for the use of resources – people, finance and properties – to provide ministry and mission throughout the Diocese and to continue to provide practical support and tools for parishes, schools and chaplaincies.

The Diocesan initiative 'Living God's Love', was launched in St Albans Abbey in January 2011. Living God's Love has three themes: Going Deeper into God, Transforming Communities and Making New Disciples. Living God's Love is rooted in the parishes, and the effective deployment of Stipendiary

Clergy is vital to that work. The Board aims to support and resource parochial mission and ministry through the payment of stipends and the provision of housing and training.

The number of ordained ministers as at 31 December[1] were:

	2024	2023	2022	2021
Bishops and Archdeacons	6	6	5	6
Cathedral Clergy	6	7	7	5
Parochial clergy – Incumbent status	190	200	190	204
Curates	48	56	54	44
Non-parochial clergy	24	26	28	31
Total	**274**	**295**	**284**	**290**

As at 31 December, there were:

	2024	2023	2022	2021
Self-supporting ministers	42	47	47	47
Licensed readers	223	229	235	245

The Diocese continues to:

- Follow the national stipend benchmark adjusted for regional factors in determining the level of stipend for clergy of incumbent status; and
- Contribute to the Church of England defined benefit pension scheme for clergy.

Funding of stipendiary clergy and the provision of housing accounts for the majority of the Board's expenditure (see Note 6 to the accounts) and is achieved by:

(i) **The collection of contributions from parishes via the Parish Share Scheme in place since 1995.** The Board seeks to ensure it operates effectively by receiving regular reports on receipts, following up where contributions have not been received and reviewing share factors on a regular basis. It also provides help with meeting Parish Share commitments by making grants to offset the contribution due. These grants fall into two categories: multi-year Mission Aided Support Grants for parishes identified by senior clergy as needing particular support to sustain mission and one-year Pastoral Aid Support Grants to assist with transitory financial challenges.

(ii) **The management of financial investments under specific powers of investment set out in various measures and acts.** The Board holds investments as authorised by the Trustee Act 2000. The investment strategy is set by the Board and takes into account income and capital growth requirements, ethical considerations, the risk profile and the investment managers' view of the market prospects in the medium term. In 2022, the Board adopted a total return policy with the intention of securing a consistent return on investments. Distribution is set at a rate of 3.5% to achieve this, whilst also seeking capital growth in real terms, over the much longer term. This is to be achieved through a balanced and diversified portfolio of equities, bonds, property, alternative assets and cash. The Board follows the guidelines established by the Ethical Investment Advisory Group of the Church of England. In addition, the Board is committed to Fossil Fuel divestment following a Diocesan Synod resolution in

[1] Statistics report for St Albans Diocese as at the end of December 2024 produced by the Church Commissioners.

October 2022. The Board continues regularly to review its investments. This includes systems for monitoring and reporting on ethical issues, online reporting and close networking with members of the Ethical Investment Advisory Group of the Church of England (EIAG) and the Charities Investment Group (CIG). The portfolio of listed investments at 31 December 2024 had a market value of £61.0m (2023 £59.5m).

POLICIES

Grant making policy

The following grants are administered by the Parish Grants Committee:

- Church Repair Grant
- City Church Fund Grant
- Mission Aided Grant
- Mission Initiative Grant
- Net Zero Carbon Project Grant

The following welfare funds are administered by the Parish Grants Committee:

- Allder Trust
- Christine Canti Fund
- Diocese of St Albans Moral Welfare Fund
- Patrick Trust

Reserves policy

The Board reviews the level of working capital to ensure that it covers core costs and there is sufficient cash flow to conduct the activities of the charity on a day-to-day basis. The majority of the Board's budget is expended on the monthly payment of stipends and salaries. Any action to deal with cash flow problems arising from parish share shortfalls will take time to implement. Therefore, the Board has agreed that the level of free reserves should ideally be not less than eight and not more than sixteen weeks' expenditure. At the end of 2024, the free and realisable unrestricted reserves totalled £5.2 million representing 15.7 weeks of expenditure (2023 - £4.7 million representing 14.5 weeks of expenditure).

Costs remain under tight control. However, parish giving remains fragile given the buffeting of economic conditions over the last few years, combined with continuing reductions in church attendance. Last year yielded a surplus on the Common Fund before investment gains and losses and taking into account total return. The underlying concerns over parish giving means the Board will continue to monitor and manage the ongoing consequences carefully.

It is the Board's policy to set aside, in a Property Ring-Fenced Fund, capital receipts from the sale of former parsonage houses that become surplus to needs after pastoral reorganisation. The purpose of this fund is to invest in income generating assets in order to fund improvements to its remaining housing stock. The value of the investments at the end of the year in the fund amounted to £6.3 million (2023 £6.0 million).

Fundraising Activities
The Charities (Social Protection and Social Investment Act) 2016 requires large charities to include a statement within their financial statements with respect to fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." While the Board of Finance does not routinely undertake fundraising from individuals (including any potentially vulnerable groups), it may periodically apply for grant funding from grant-awarding bodies.

The charity raises funds through Parish Share and on occasions receives other donations and voluntary income. It aims always to achieve best practice in the way in which it communicates with parishes, donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on parishioners, parochial councils, donors and supporters. It applies best practice to protect their data and never sells data, never swaps data and ensures that communication preferences can be changed at any time.

The Board of Finance undertakes all such activities internally and does not engage with professional fundraisers or third parties. The day-to-day management of income generation is delegated to management who are accountable to the trustees.

Owing to the low level of fundraising activity, the Board of Finance are not registered with the Fundraising Regulator and are not bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising.

The charity did not receive any complaints in relation to fundraising activities during the year ending 31 December 2024.

KEY ACTIVITY INDICATORS

As part of the Vision of Living God's Love, statistics published during the year in respect of 2024, illustrate some of the work of mission and ministry being undertaken in parishes[1].

	2024	2023	2022	2021
Infant and Child Baptisms	873	1,443	1,889	1,468
Adult Baptisms	303	307	222	126
Total Baptisms	**1,176**	**1,750**	**2,111**	**1,594**
Infant Thanksgivings	13	26	29	26
Child Thanksgivings	19	29	38	23
Total Thanksgivings	**32**	**55**	**67**	**49**
Marriages	506	563	763	711
Blessings	41	43	62	45
Total	**547**	**606**	**825**	**756**
Funerals in church	1,618	1,625	1,843	1,754
Funerals at crematorium	1,100	943	1,053	2,489
Total Funerals	**2,718**	**2,568**	**2,896**	**4,243**
Easter Day Communicants	21,211	21,563	21,325	12,155
Easter All Age Attendance	28,437	29,233	28,048	15,965
Christmas Day Communicants	20,802	21,665	20,039	14,320
Christmas All Age Attendance	69,402	73,665	66,433	35,290
Usual Sunday Attendance	17,331	15,228	14,815	n/a
Electoral Roll	26,325	25,927	26,586	25,034

[1] Statistics report for St Albans Diocese as at the end of December 2024 from Mission Stats, adjusted to ensure consistency in analysis of parish returns.

GOVERNANCE STRUCTURE

The **Bishop's Council** is a statutory body established under the Synodical Government Measure 1969. It acts as the Standing Committee of the Diocesan Synod and carries on the work of the Synod between sessions. It advises the Diocesan Bishop and has, since its inception in 1970, gradually assumed an important role in the formulation of diocesan policy. The Bishop's Council has the following Boards and Committees:

- The **Agenda Committee** plans the business of Synod and prepares the agenda for its sessions, subject to approval by the Bishop's Council.
- The **Diocesan Environment Group** was created to provide advice and support on Environment matters, including the commitment to work towards Net Zero Carbon Emissions, and to raise the profile of Environment issues.
- Since 1 January 2019 the Bishop's Council assumed the role of Diocesan Mission and Pastoral Committee. The **Diocesan Mission and Pastoral Executive Committee** is responsible for carrying out the detailed casework which is then ratified by the Bishop's Council. The statutory responsibilities are undertaken by the Bishop's Council.

The **Diocesan Board of Finance** has the following Committees:

- The **Assets Committee** recommends to the Board of Finance an overall strategy for the management of the Board's investment and operational assets consistent with the functional priorities of the Diocese, and the responsibilities of the Board as Charity Trustees to current and future beneficiaries.
- The **Audit Committee** provides a formal link between the Board of Finance and the company's external auditor, reviewing the scope and any recommendations arising from the external audit.
- The **Common Fund Budget Committee** works with management to develop an annual Common Fund budget for approval by the Board of Finance and Diocesan Synod. In addition, they monitor performance against budget within a financial year and consider the rolling five-year forecasts prepared by management.
- The **Glebe Committee** maintains and aims to increase total returns from the diocesan glebe by actively managing the glebe portfolio.
- The **Parish Grants Committee** allocates funding under a number of diocesan grants, including Church Repair Grants, Capital Support Grants and City Church Fund Grants.
- The **Parish Shares and Support Committee** dealt with all aspects of the Parish Shares Scheme.
- The **Property Committee** oversees the management of Parsonage houses and the Board's own properties.

There are **other** statutory and operational Boards and Committees:

- The purpose of the **Board for Mission and Ministry** is to develop strategies and plans to enable people in every place in the diocese to glimpse the good news of Jesus and be empowered in their discipleship and calling.

- The **Diocesan Advisory Committee** is a statutory body whose functions are set out in ecclesiastical legislation. Its role is to advise the Chancellor and parishes on proposals for works to church buildings, churchyards and church furnishings, and to advise more generally on the care and development of churches.

- The **Diocesan Board of Education** is a statutory body established under the Diocesan Boards of Education Measure 2021.

OPERATIONAL ACTIVITIES

BISHOP'S COUNCIL

Diocesan Finances: The Council made the following allocations from 2024 designated funds arising from additional investment income available and used for stipends: £400k for Mission Initiative Grants, £50k for the payment of costs of EPCs for parsonage houses and £50k to Local Church Income Generation Support.

Safeguarding: During the year, the Council received regular reports and noted that for several months, the safeguarding team had achieved compliance for clergy mandatory training or 95-100%. On 11 December, the Diocese published its action plan in response to the Independent Review into Soul Survivor by Fiona Scolding KC, which outlined changes to be implemented within the Diocese and recommendations for the wider Church of England.

Governance: The Council considered amendments to governance arrangements during the year and noted the creation of a Nominations Committee by Diocesan Synod.

Risk: The Council reviewed and noted current and emerging risks on a six-monthly basis.

The Council received reports and updates from:

(i) the **Racial Justice Action Group** and noted that the Racial Justice Action Plan continued to be implemented.

(ii) the **Diocesan Environment Group** including progress on implementation of the Diocesan Net Zero Carbon Action Plan.

(iii) the **Agenda Group**, who had met on five occasions to consider future business of Diocesan Synod and Bishop's Council.

(iv) the **Development Plans Monitoring Group**.

(v) the **Diocesan Mission and Pastoral Committee Executive Committee** and considered draft proposals for pastoral reorganisation to promote appropriate models of ministry to support mission in Hemel Hempstead.

DIOCESAN ADVISORY COMMITTEE

The DAC focused on making church buildings more versatile for both worship and community use. Ongoing **project development and management advice** was provided on major schemes of re-ordering and extension at Tewin and Wheathampstead and at least fifteen other parishes were encouraged to proceed with sensitive and well-planned schemes.

The enlarged DAC staff team, funded by Historic England and the Church of England:

- Net Zero Carbon Officer provided advice on heating options.
- Historic Church Buildings Support Officer provided advice on the funding of projects large and small via site visits, workshops and webinars.
- Church Buildings Maintenance Officer provided advice on the routine maintenance of church buildings via site visits, workshops and webinars.

Several parishes looked at improving **access for all**. The completed projects at Willian (internal redevelopment), St Albans St Peter (new nave floor and seating) and Renhold (replacement floor) combined repair needs with the desire to make the church building fit for worship, hospitality and outreach.

Work on progressing towards **Net Zero Carbon** continued with 56 site visits being completed, along with undertaking a variety of research to support and inform parishes as they chose their future heating system. Experimental installations were proposed in three churches using the known technology of thin electric underfloor heating in a church context. New Net Zero Carbon funding streams became available from the National Church and were used alongside diocesan grant funds, to help parishes identify and implement low carbon opportunities.

The DAC underlined the importance of **Quinquennial Inspections** to enable each PCC to understand the condition of the church building and to plan for maintenance and repairs. The Archdeacons and members of the DAC staff team reviewed all QI reports when received, allowing them to offer individual support where a parish faced particular challenges. In cases such as the Grade II listed 20th century church of St Andrew & St George, Stevenage, an up-to-date condition survey was the starting point for deciding how to repair the leaking roofs and getting external grants alongside local fundraising to make the work possible. A concrete structure was discovered when the north aisle roof at Letchworth St Paul was taken off for replacement, that required a quick re-assessment and some additional expense to complete the job. The replacement of a masonry feature thought to be of Anglo-Saxon origin at Stevington, was eventually resolved through the Chancellor granting a confirmatory faculty for the work, subject to conditions including safeguards against similar cases arising in the future.

DIOCESAN BOARD OF EDUCATION

The DBE worked with its 136 schools (137 in 2023), the DfE, the Church of England Education Office, local authorities and other stakeholders, to ensure that all its schools were thriving Christian educational communities. The Board sought to provide stability, pastoral support, expertise and guidance through the work of its Schools Team and its Service Level Agreement (SLA). In September 2024, 134 out of 136 schools joined the SLA. 57 training and development events were facilitated (54 in 2023): 121 schools engaged with at least one of these over the course of the year (120 in 2023).

2024 saw the arrival of 11 new **headteachers**. The DBE, through its SLA, provided a year's coaching for each of them. School Leaders attended the DBE's Annual Headteacher Conference themed 'Journeys of Hope and Stewardship' in September.

Financial challenges: a number of schools saw a reduction in pupil numbers. With the capacity and demand for school places not always in alignment, the Board worked with LA partners to ensure that any changes took into account denominational proportionality. Our schools' commitment to inclusion placed extra financial pressure.

September 2024 saw eight diocesan schools moving from three to two-tier provision within Central Bedfordshire's educational **re-organisation** programme. The planned re-organisation that has already commenced in some areas in Central Bedfordshire, will lead to the creation of three new CofE secondary schools in our Diocese and will ultimately provide CofE schooling from the age of four to 16 in three geographical areas. The **Diocese of St Albans Multi-Academy Trust** welcomed Great Barford Primary Academy in September, bringing the total number of schools in DSAMAT to 14. The new CEO Anna Rogers' strong vision for DSAMAT moving forward has strengthened the working relationship between DSAMAT and the Schools Team.

Recognition of work: St Paul's school was highlighted for its work on developing its prayer life and an understanding of spirituality. The DBE plans to work with the headteacher and staff to enable curated visits to the school from fellow diocesan school leaders. The **Heart for the Earth** resources, created by members of the Schools Team, were 'highly commended' in the Training and Education category at the prestigious 2024 Church Times Green Church Awards.

In July, the Board adopted a new three-year **Strategic Development Plan**, with three key themes to underpin its work: 'Increasing regional capacity to support growth', 'Planning for change' and 'Championing Courageous Advocacy, Racial Equity, Disability Justice, and Inclusion'.

The Board's biennial **Harvest services** took place in October. The three services, led by Bishop Alan, were attended by 1449 children and staff from 44 schools.

Clifton All Saints Academy, Cockernhoe Endowed C of E Primary School and St Helen's C of E Primary School, Wheathampstead, joined Renhold VC Primary School and Oughton Primary School, Hitchin (non-church school) in welcoming a new **Year Six Alban Way cohort**.

DIOCESAN BOARD OF MISSION AND MINISTRY

MISSION AND MINISTRY TEAM:

- The **Vocations Advisors** team continued to grow; hosting online 'God Calling' events; several have now gone on to meet with Vocations Advisors.
- **Ordination**: Seven new Deacons were ordained (six Stipendiary and one Self Supporting), plus five new Ordinands entered training at Theological College.
- **Lay Ministry**: 69 people completed Lay Leader of Worship training; 17 people completed the Foundations and 12 people undertook Reader training.
- **IME2** role: Curacies in difficulty were dealt with, and positive relationships were established with curates and Readers.
- Reviewers were consulted on how the diocese would implement the Scolding report's recommendations regarding **MMDRs**.
- **CMD**: The First Incumbency Leadership Pathway was launched in November with twenty incumbents; Transforming Conversations ran for two cohorts.
- 250 clergy attended the **Bishop's Clergy Residential Conference.**
- 30 clergy attended the annual Symposium on the **Mixed Ecology of Church** and discussed their church's contribution to the mixed ecology in the diocese, with many engaging in follow up coaching and support.

FLOURISHING CHURCHES TEAM:

- 198 churches received support from both Giving and Church Growth Officers.
- 92 people attended the **Hope for Rural Churches** conference in March.
- 56 contactless devices were distributed to parishes through the **Digital Rollout project**, exceeding the National Giving Team's income targets by 109%.
- 53 people took part in the **Leading your Church into Growth** residential weekend.
- **Giving Campaign**: Participating parishes saw a 12.5% average increase in regular giving.

GROWING YOUNGER AND MORE DIVERSE TEAM:

- **Growth in Under-18 Engagement:** increased by 3.4% (4,258 in 2022 to 4,402 in 2023).
- The **Alban Way** grew from 10 to 20 young adults and from four to seven leaders, exceeded diversity targets and developed a new, more accessible pilgrimage. Six new schools joined the Alban Way Schools Cohort.
- **Training and Leadership Development:** Over 250+ volunteers trained through Youthscape Essentials, CYM (Institute for Children, Youth and Mission) Children's Leaders Training, and Launchpad youth ministry courses to date.
- Launched **Open Space Support Events** and initiated a retreat for Youth Leaders.
- Secured £500k in capacity funding from the Strategic Mission and Ministry Investment Board to support expansion efforts.

STRATEGIC REPORT

FINANCIAL REPORT FOR THE YEAR

Overview

The results for the year are good, showing the strength of our assets and the generally good income collection. Nevertheless, whilst the medium-to-long-term position is not critical, it remains challenging. Parish Share recovery rates, having shown an initial encouraging recovery since lockdown, are now showing three years of reductions and have not recovered to the levels prior to 2020. The recovery rate and engagement from parishes is high but we need to view them in the context of the ministry we are able to support across the Diocese. The stresses on Church Leadership do not directly impact our day-to-day work but add an unwelcome uncertainty. Any reduction in our parish share puts pressure on our cost base, which is significantly made up of our direct support of clergy ministry.

We have been able to contain costs mainly due to reductions in pension contributions in both the clergy and church workers pension schemes. The impact of employer National Insurance increases from 2025 will negate that. Meanwhile resources required to support our parsonages houses are under severe pressure given the amount of work that is required as a result of quinquennial inspections and routine maintenance.

Income remains under pressure. It is dominated by parish share and whilst all other income sources are of value and help us identify costs and to provide grants to parishes, they cannot sustain us if parish share does decline and the current fragility suggests that this is likely at least over the medium period.

Results for the year

Total income amounted to £22.9m compared to £22.7m in 2023, a small increase of £200k. Inspite of the income between years being so close, there were some variations between type. Investment income increased by £450k from 2023 and sales of housing contributed a further £1.7m in the year (none in 2023). These increases were effectively mitigated by lower sales in St Albans Diocesan Property Company - £400k against £2.1m in 2023.

During 2024, Parish Share contributions amounted to £13.3m (2023 - £13.1m). This amount included contributions by parishes in respect of earlier years' "shortfalls" of approximately £146k (2023 - £46k). The collection rate for Parish Share for 2024 (amount received/amount requested) was 91.25% (2023 - 91.5%).

Expenditure totalled £21.7m in the year compared to £23.1m in 2023, the decrease of £1.4m being mainly due to two reasons. A payment holiday on the Church Workers' Pension Fund (CWPF) – the total surplus of £403k is recognised as a reduction in expenditure in 2024. The second reason is a result of lower sales in the property company, producing a corresponding decrease of £1.7m in cost of sales.

Net income before revaluations and investment asset disposals amounted to £1.2m (2023 - £300k net expenditure). The net realised and unrealised gains on investment properties and listed investments totalled £7.4m (2023 - £3.1m gain). The net increase in funds for the year was £8.7m (2023 - £2.9m) with the Common Fund showing an increase of £284k (2023 - £1.7m), which includes a total return transfer that provided an extra £895k of income (2023 - £907k).

The Common Fund shows an operational surplus of £564k (see note 25). Our management accounts showed a surplus that was £280k lower. The difference is due to a timing difference on the treatment of the payment holiday on the CWPF discussed above. This essentially represents an over-payment of pension contributions. In the management accounts we account for this reduction in the year in which the reduction occurs. This means we can assess parish share more fairly year on year. In the financial accounts we have to recognise that overpayment in total in 2024. The payment holiday is for 29 months, of which we have used 8 months. The remaining 21 will be taken over the next two years, so the timing difference will unwind over the next two years.

Funding position

The consolidated balance sheet showed total funds of £214.6m (2023 - £205.9). This figure included endowment funds of £168.8m (2023 - £161.5m), the principal part of this being the parsonage houses fund amounting to £78.39m (2023 - £76.9m).

Also included in total funds were restricted funds totalling £16.1m (2023 - £15.1m). These monies have either been raised for, and their use restricted to, specific purposes or they comprise donations subject to donor-imposed conditions. Further details of these restricted funds can be found in note 24 to the financial statements together with an analysis of movements in the year.

Funds totalling £20.4m (2023 - £20.3m) had been designated, or set aside, by the Board for specific purposes. These purposes and an analysis of the movements on the funds are set out in note 25 to the financial statements.

FUTURE PLANS

The key feature of Diocesan life in recent years has been maintaining both vision and operations, in the context of the long-term trend of decline in Church of England attendance and the specific shock of lockdown and church closures resulting from the COVID 19 pandemic. Recent years have been characterised by settled leadership with a strong commitment to enabling all in the diocese to walk together despite issues that divide the national church.

In January 2025 Bishop Alan announced his retirement, effective from 31 May 2025. The Diocese has therefore entered a period of vacancy in the See of St Albans. The formal process of appointment of a new Diocesan Bishop has begun and will lead to a meeting of the Crown Nomination Commission in January 2026. It is hoped that a new Bishop will be installed in the Diocese in the second half of 2026.

There are robust operational plans in place for leadership during the vacancy, with delegated responsibilities to both suffragan bishops and the Bishop of Bedford serving as acting Bishop of St Albans. Diocesan governance and management bodies will continue to function as usual.

It can reasonably be expected that the next Bishop of St Albans will want a reset of strategic vision for the diocese, although a radical change is not anticipated. Under Bishop Alan the vision of Living God's Love was promoted, to encourage churches to engage more missionally and similar focus is anticipated under the next Diocesan Bishop. Boards and Committees will continue working to support that vision by resourcing parochial mission and ministry and offering help and guidance to parishes. The national church strategic vision of 'Growing Younger and More Diverse' will continue to be an important part of future work within the Diocese.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board continues to review the risks faced by the charity using the risk register adopted in November 2023 and a review by both the Board and the Bishop's Council takes place every six months.

The most significant risks are specifically identified for review together with new and emerging risks. The top 11 risks identified are:

- Conflicts over governance, strategic and operational matters
- Lack of legal mechanisms to deal with unsatisfactory parish clergy performance
- Parishes not undertaking their own risk assessments
- Decline in attendance
- Disagreement over significant ecclesiological differences
- Departure of congregations through ecclesiological differences
- Failure to ensure high levels of safeguarding training compliance
- High profile safeguarding cases
- Failure to collect parish share because some parishes cannot contribute
- Failure to collect parish share because some parishes will not contribute
- Failure to provide and maintain appropriate housing for clergy

For each of the risks identified action to mitigate risk, the monitoring process to be adopted and the bodies and individuals responsible for the risk are identified. The Board recognises that whilst mitigation of risk is a key responsibility, there are some individual risks where only limited mitigation is available.

CUSTODIAN FUNDS

As at 31 December 2024, the St Albans Diocesan Board of Finance held funds on behalf of parishes, church schools and general trust funds within the Diocese with a market value of approximately £42.3m (2023 - £38.5m) as Custodian Trustee.

These assets are not included in the financial statements. The funds are held predominantly as units in common investment funds held by the Central Board of Finance (CBF) of the Church of England and are professionally managed on behalf of the CBF by CCLA Investment Management Limited. At all times, funds held by the charity as Custodian Trustee are segregated clearly from those belonging to the charity itself.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The St Albans Diocesan Board of Finance is a registered charity (Charity Registration No 248887) and a company limited by guarantee (Company Registration No 00145227 (England and Wales)). It is constituted in accordance with the Diocesan Boards of Finance Measure 1925.

Liability of the members of the company

Each company member has undertaken to contribute to the assets of the company in the event of it being wound up whilst he or she is a member, or within one year after he or she ceases to be a member. The contribution, which cannot exceed £1, may be applied toward the payment of the debts and liabilities contracted before he or she ceased to be a member.

Organisation

The members of the Board are empowered by the Articles of Association of the company to act as the company directors of the St Albans Diocesan Board of Finance. The members also act as trustees of the Board for the purposes of charity legislation.

The Diocesan Synod is the democratically elected decision-making body of the Diocese and its standing committee, the Bishop's Council, is responsible for the formulation of diocesan policy.

The Board of Finance is the financial executive of the Diocesan Synod and is responsible for the custody and management of the Synod's funds and the employment of all those paid directly from the funds. Much of the work of the Board is delegated to its committees.

Related bodies

The Board's staff provide administrative and financial services to the Board of Education and the Board for Mission and Ministry. These bodies report to the Diocesan Synod which has overall responsibility for policy. The Synod delegates its day-to-day business to its standing committee, the Bishop's Council.

Members

During the year no member of the Board had any beneficial interest in any contract with the charitable company. During the year several members, who are also clergy within the Diocese, received stipends from the charitable company in connection with their religious and pastoral duties within the Diocese. However, no member received any remuneration in connection with their duties as members of the Board during the year. No expenses were incurred in the performance of their duties as Board members were reimbursed during the year.

Member – selection and appointment

17 members are elected by the Diocesan Synod (of whom five should be clerks in Holy Orders and 12 shall be laypersons) and up to five are nominated by the Bishop of St Albans. The Bishop of St Albans is an ex-officio member of the Board. Members of the Board are elected to serve for a period of three years, after which period they may offer themselves for re-election. Elections were held at the end of 2024 to appoint members for the triennium 1 January 2025 to 31 December 2027.

Member induction and training

On agreeing to become a member of the charity, the members are thoroughly briefed on the history of the charity, the day-to-day management, the responsibilities of the members, the current objectives and future plans. The members are also encouraged to attend any courses which they feel are relevant to the development of their role, and to keep up to date on any changes in legislation.

Remuneration of key management personnel

Key management personnel comprise all the members of the Board, together with the senior executives which includes the Diocesan Secretary, the Director of Finance, the Director of Education, the Property Director, the Diocesan Pastoral and Advisory Secretary, the Director and Deputy Director of Mission and Ministry and Communications Director. The remuneration of all lay members of staff, including that of key management personnel, is set according to pay structures originally established by the Archbishops' Council which have, in recent years, been adopted by the Board. These scales are reviewed annually within the confines of the Common Fund Budget which, is in turn, approved by the Diocesan Synod.

Members of the Board, also part of key management personnel, do not receive remuneration for their roles either as trustees of the charity or directors of the Board of Finance. The clergy members of the Board, as office holders within the Diocese, receive housing and stipends as part of their clergy role. Clergy stipends follow national stipends benchmarks as agreed annually by the National Church Central Stipends Authority adjusted for local economic factors.

Member's responsibilities statement

The members of the St Albans Diocesan Board of Finance are responsible for preparing the members' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and the charity and of the income and expenditure of the group for the financial year. Under company law the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charity and of the income and expenditure of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue in operation.

The members of the Board are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They have responsibility for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each member confirms that:

- so far as the member is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the member has taken all steps that he/she ought to have taken as a member in order to make him/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The members are responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trading subsidiaries

The charity has two wholly owned trading subsidiaries. The principal activity of both companies is property development.

The St Albans Diocesan Property Company Limited (Company No. 08899302) is a company incorporated in England with a share capital of £7,700,000 (2023 – £7,700,000). During the year the company made a net profit of £289k (2023 – £460k) and made a charitable donation of £342k (2023 - £1,048k) to the charity. This donation ensured that there was no tax liability for 2023.

In 2018, the charity loaned the subsidiary £7m for two years to aid working capital. £1m of this was repaid in 2019. The remaining £6m loan was exchanged for equity in the company in 2022.

The St Albans Diocesan Property Company (Chesham) Limited (Company No. 15584524) is a company incorporated in England on 22 March 2024 with a share capital of £1,000. During the period from its incorporation to 31 December 2024, the company made a loss of £117k.

The members' report, including the strategic report, was approved by the members and signed on their behalf by:

Tim Coulson
Chair of the Board of Trustees

David White
Diocesan Secretary

Approved on: 19 May 2025

Independent auditor’s Report to the members of the St Albans Board of Finance Year to December 2024

Opinion
We have audited the financial statements of The St Albans Diocesan Board of Finance. We have audited the financial statements of The St Albans Diocesan Board of Finance Limited (the ‘parent charitable company’) and its subsidiaries (the ‘group’) for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and the parent charitable company as at 31 December 2024 and of the group’s incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report, and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 20-21, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales and the Church of England Measures.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Helen Wilkie (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date:

Consolidated statement of financial activities Year to 31 December 2024

	Notes	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:							
Donations and legacies	1	-	3	13,344	-	13,347	13,114
Investments	2	1,803	459	1,247	58	3,567	3,117
Trading activities	27	-	-	-	393	393	2,109
Charitable activities	3	-	3,064	807	-	3,871	4,383
Other sources	4	1,406	5	267	-	1,678	2
Total income		3,209	3,531	15,665	451	22,856	22,725
Expenditure on:							
Raising funds	5	255	139	23	418	835	2,696
Charitable activities							
Promotion of the work of the Church of England in the Diocese of St Albans	6	-	3,597	17,234	-	20,831	20.359
Total expenditure		255	3,736	17,257	418	21,666	23.055
Net income (expenditure) before investment gains and losses	9	2,954	(205)	(1,592)	33	1,190	(330)
Realised gains on disposal of investment property and listed investments	14	858	250	240	-	1,348	1,248
Unrealised gains on investment property and listed investments	14	5,737	217	73	-	6,027	1,824
Net income (expenditure) before transfers and taxation		9,549	262	(1,279)	33	8,565	2,742
Total Return transfer	15	(2,624)	-	2,624	-	-	-
Net income for the year after Total Return transfer		6,925	262	1.345	33	8,565	2,742
Other transfers between funds	22	342	664	(664)	(342)	-	-
Corporation tax credit (charge)	12	-	-	-	139	139	118
Net income (expenditure) and net movement in funds for the year		7,267	926	681	(170)	8,704	2,860
Other recognised gains and losses:							
Actuarial gains	32	-	-	-	-	-	-
Net movement in funds		7,267	926	681	(170)	8,704	2,860
Fund balances brought forward at 1 January 2024		161,530	15,125	24,817	4,427	205,899	203,039
Fund balances carried forward at 31 December 2024	21	168,797	16,051	25,498	4,257	214,603	205,899

Comparative consolidated statement of financial activities Year to 31 December 2023

All of the group's activities derived from continuing operations during the above financial period.

	Notes	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	Total 2023 £'000
Income and endowments from:						
Donations and legacies	1	-	7	13,107	-	13,114
Investments	2	1,547	417	1.132	21	3,117
Trading activities	27	-	-	-	2,109	2,109
Charitable activities	3	-	3,431	952	-	4,383
Other sources	4	-	-	2	-	2
Total income		1,547	3,855	15,193	2,130	22,725
Expenditure on:						
Raising funds	5	343	131	26	2,196	2,696
Charitable activities						
Promotion of the work of the Church of England in the Diocese of St Albans	6	-	3,284	17,075	-	20,359
Total expenditure		343	3,415	17,101	2,196	23,055
Net income (expenditure) before investment gains and losses	9	1,204	440	(1,908)	(66)	(330)
Realised gains on disposal of investment property and listed investments	14	958	141	149	-	1,248
Unrealised gains on investment property and listed investments	14	1,192	557	75	-	1,824
Net income (expenditure) before transfers and taxation		3,354	1,138	(1,684)	(66)	2,742
Total Return transfer	15	(2,452)	-	2,452	-	-
Net income for the year after Total Return transfer		902	1,138	768	(66)	2,742
Other transfers between funds	22	1,048	(87)	87	(1,048)	-
Corporation tax credit (charge)	12	-	-	-	118	118
Net income (expenditure) and net movement in funds for the year		1,950	1,051	855	(996)	2,860
Other recognised gains and losses:						
Actuarial gains	32	-	-	-	-	-
Net movement in funds		1,950	1,051	855	(996)	2,860
Fund balances brought forward at 1 January 2023		159,580	14,074	23,962	5,423	203,039
Fund balances carried forward at 31 December 2023	21	161,530	15,125	24,817	4,427	205,899

Consolidated balance sheet 31 December 2024

	Notes	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	Total 2024 £'000	Total 2023 £'000
Fixed assets							
Tangible assets	13	77,179	-	13,002	-	90,181	90,664
Investments	14	77,907	12,706	7,775	2,401	100,789	89,189
		155,086	12,706	20,777	2,401	190,970	179,853
Current assets							
Stock: land under development	16	-	-	-	13,692	13,692	11,831
Debtors – due within one year	17	83	588	891	355	1,917	1,403
Debtors – after one year	17	-	49	374	699	1,122	1,006
Short term deposits		3,221	1,809	2,500	1,799	9,329	10,939
Cash at bank and in hand		-	19	1,091	2	1,112	3,434
		3,304	2,465	4,856	16,547	27,172	28,613
Creditors: amounts falling due within one year	18	(485)	(107)	(124)	(213)	(929)	(1,388)
Net current assets		2,819	2,358	4,732	16,334	26,243	27,225
Total assets less current liabilities before eliminating inter-fund balances		157,905	15,064	25,509	18,735	217,213	207,078
Inter-fund balances		10,892	987	265	(12,144)	-	-
Total assets less current liabilities		168,797	16,051	25,774	6,591	217,213	207,078
Creditors: amounts falling due after one year	19	-	-	(276)	(2,334)	(2,610)	(1,179)
Provisions for liabilities	20	-	-	-			-
Total net assets		168,797	16,051	25,498	4,257	214,603	205,899
Represented by:							
The funds of the group							
Endowment funds	23	168,797	-	-	-	168,797	161,530
Restricted funds	24	-	16,051	-	-	16,051	15,125
Unrestricted funds	25	-	-	25,498	-	25,498	24,817
Non-charitable trading funds	25	-	-	-	4,257	4,257	4,427
		168,797	16,051	25,498	4,257	214,603	205,899

Approved by the members of the Board and signed on their behalf by:

Tim Coulson
Chair
Approved on: 19 May 2025

The St Albans Diocesan Board of Finance
Company Registration Number 00145227 (England and Wales)

Comparative consolidated balance sheet 31 December 2023

	Notes	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	Total 2023 £'000
Fixed assets						
Tangible assets	13	78,174	-	12,490	-	90,664
Investments	14	70,150	12,660	6,379	-	89,189
		148,324	12,660	18,869	-	179,853
Current assets						
Stock: land under development	16	-	-	-	11,831	11,831
Debtors – due within one year	17	199	198	651	355	1,403
Debtors – after one year	17	-	-	307	699	1,006
Short term deposits		4,296	1,161	5,078	404	10,939
Cash at bank and in hand		-	11	2,438	985	3,434
		4,495	1,370	8,474	14,274	28,613
***Creditors**: amounts falling due within one year*	18	(1)	(636)	(636)	(115)	(1,388)
Net current assets		4,494	734	7,838	14,159	27,225
Total assets less current liabilities before eliminating inter-fund balances		152,818	13,394	26,707	14,159	207,078
Inter-fund balances		8,712	1,731	(1,477)	(8,966)	-
Total assets less current liabilities		161,530	15,125	25,230	5,193	207,078
***Creditors**: amounts falling due after one year*	19	-	-	(413)	(766)	(1,179)
Provisions for liabilities	20	-	-	-	-	-
Total net assets		161,530	15,125	24,817	4,427	205,899
Represented by:						
The funds of the group						
Endowment funds	23	161,530	-	-	-	161,530
Restricted funds	24	-	15,125	-	-	15,125
Unrestricted funds	25	-	-	24,817	-	24,817
Non-charitable trading funds	25	-	-	-	4,427	4,427
		161,530	15,125	24,817	4,427	205,899

Charity balance sheet 31 December 2024

	Notes	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	Total 2024 £'000	Total 2023 £'000
Fixed assets						
Tangible assets	13	77,179	-	13,002	90,181	90,664
Investments	14	85,608	12,706	7,775	106,089	96,889
		162,787	12,706	20,777	196,270	187,553
Current assets						
Debtors – due within one year	17	4,680	588	891	6,159	2,470
Debtors – due after one year	17	–	49	374	423	307
Short term deposits		3,221	1,809	2,500	7,530	10,535
Cash at bank and in hand		–	19	1,091	1,110	2,449
		7,901	2,465	4,856	15,222	15,761
Creditors: amounts falling due within one year	18	(485)	(107)	(124)	(716)	(1,273)
Net current assets		7,416	2,358	4,732	14,506	14,488
Total assets less current liabilities before eliminating inter-fund balances		170,203	15,064	25,509	210,776	202,041
Inter-fund balances		(1,406)	987	419	-	-
Total assets less current liabilities		168,797	16,051	25,928	210,776	202,041
Creditors: amounts falling due after one year	19	-	-	(276)	(276)	(413)
Provisions for liabilities	20	-	-			-
Total net assets		168,797	16,051	25,652	210,500	201,628
Represented by:						
The funds to the charity						
Endowment funds	23	168,797	-	-	168,797	161,530
Restricted funds	24	-	16,051	-	16,051	15,125
Unrestricted funds	25	-	-	25,652	25,652	24,973
		168,797	16,051	25,652	210,500	201,628

As permitted by Section 408 of the Companies Act 2006, the charity has not presented its own income and expenditure accounts and related notes. The charity net income for the financial year as £8,872k (2023 – net income £3,850k).

Approved by the members of the Board and signed on their behalf by:

Tim Coulson
Chair
Approved on: 19 May 2025

The St Albans Diocesan Board of Finance
Company Registration Number 00145227 (England and Wales)

Comparative charity balance sheet 31 December 2023

	Notes	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	Total 2023 £'000
Fixed assets					
Tangible assets	13	78,174	–	12,490	90,664
Investments	14	77,850	12,660	6,379	96,889
		156,024	12,660	18,869	187,553
Current assets					
Debtors – due within one year	17	1,621	198	651	2,470
Debtors – due after one year	17	–	–	307	307
Short term deposits		4,296	1,161	5,078	10,535
Cash at bank and in hand		–	11	2,438	2,449
		5,917	1,370	8,474	15,761
***Creditors**: amounts falling due within one year*	18	(1)	(636)	(636)	(1,273)
Net current assets		5,916	734	7,838	14,488
Total assets less current liabilities before eliminating inter-fund balances		161,940	13,394	26,707	202,041
Inter-fund balances		(410)	1,731	(1,321)	–
Total assets less current liabilities		161,530	15,125	25,386	202,041
***Creditors**: amounts falling due after one year*	19	–	–	(413)	(413)
Provisions for liabilities	20	–	–	–	–
Total net assets		161,530	15,125	24,973	201,628
Represented by:					
The funds to the charity					
Endowment funds	23	161,530	–	–	161,530
Restricted funds	24	–	15,125	–	15,125
Unrestricted funds	25	–	–	24,973	24,973
		161,530	15,125	24,973	201,628

Summary Consolidated income and expenditure account Year to 31 December 2024

This summary consolidated income and expenditure account relates to income funds only (i.e. excluding movements on endowment funds) and has been prepared to comply with the Companies Act 2006.

	2024 £'000	2023 £'000
Total income of continuing operations	**19,647**	21,178
Total expenditure of continuing operations	**(21,411)**	(22,712)
Net (expenditure) income for the year before transfers, investment gains and losses and taxation	**(1,764)**	(1,534)
Total return transfer	**2,624**	2,452
Other transfers to endowment funds	**(342)**	(1,048)
Net income (expenditure) before investment gains and losses and taxation	**518**	(130)
Investment gains (losses)	**780**	922
Taxation credit (charge)	**139**	118
Net income (expenditure) for the year as defined by the Companies Act 2006	**1,437**	910

Total income as defined by the Companies Act 2006 comprises £16,116k (2023 – £17,323k) for unrestricted and non-charitable trading funds and £3,531k (2023 – £3,855k) for restricted funds. A detailed analysis of income by source is provided in the statement of financial activities.

Detailed analyses of expenditure are provided in the statement of financial activities and related notes.

Net income before investment gains and taxation for the year of £518k (2023 – £130k expenditure) comprises net income of £852k (2023 - £483k expenditure) on unrestricted and non-charitable trading funds and net expenditure of £334k (2023 – £353k income) on restricted funds.

The summary consolidated income and expenditure account is derived from the consolidated statement of financial activities on page 32 which, together with the notes to the financial statements provides full information on the movements during the year on all funds of the group.

Consolidated statement of cash flows Year to 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(4,118)	(549)
Cash flows from investing activities:			
Dividends, interest and rent from investments		3,567	3,117
Proceeds from the disposal of tangible fixed assets		1,576	-
Purchase of tangible fixed assets		(812)	(687)
Proceeds from the disposals of investments		17,330	33,720
Purchase of investments		(21,526)	(32,193)
Taxation reimbursed/paid		80	-
Net cash provided by investing activities		215	3,957
Cash flows from financing activities:			
Repayment of borrowing		-	(3)
Net cash used in financing activities		-	(3)
Change in cash and cash equivalents in the year		(3,903)	3,405
Cash and cash equivalents at 1 January 2024	B	14,373	10,968
Cash and cash equivalents at 31 December 2024	B	10,470	14,373

Notes to the statement of cash flows for the year to December 2023

A Reconciliation of net income to net cash flow used in operating activities

	2024 £	2023 £
Net income (as per the statement of financial activities:	8,565	2,742
Adjustments for:		
Depreciation charge	63	58
(Gains) on investments	(7,375)	(3,072)
Dividends, interest and rent from investments	(3,567)	(3,117)
Surplus on disposal of tangible fixed assets	(344)	-
(Increase)/decrease in stocks	(1,861)	247
(Increase)/decrease in debtors	(630)	1,528
Increase in creditors	1,031	1,065
Pension adjustment	-	-
Net cash used in operating activities	(4,118)	(549)

B Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	1,112	3,434
Short-term deposits	9,329	10,939
Cash held by investment managers	29	-
Total cash and cash equivalents	10,470	14,373

Analysis of changes in net debt

	At 1 Jan 2024 £'000	Cash flows £'000	At 31 Dec 2024 £'000
Cash at bank and in hand	3,434	2,322	1,112
Cash equivalents	10,939	1,581	9,358
Total	14,373	3,903	10,470

The Group did not have any debt at 31 December 2024 (2023: none).

Principal accounting policies 31 December 2024

Basis of accounting

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 December 2024 with comparative information provided for the year to 31 December 2023.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006, except where the special nature of the St Albans Diocesan Board of Finance's operations has required adaptation of the formats as allowed by section 396(5).

The charity constitutes a public benefit entity as defined by FRS102.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

Basis of consolidation

The financial statements consolidate, on a line-by-line basis, the results of the charity and its wholly owned subsidiary companies, St Albans Diocesan Property Company and St Albans Diocese Property Company (Chesham) Limited, made up to the balance sheet date.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the members of the Board and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- the valuation of investment properties;
- the useful economic life of tangible fixed assets;
- the valuation of stock of land under development; and
- The estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

Going concern

The members of the Board have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The members of the Board have made this assessment in respect to a period of at least one year from the date of approval of these financial statements.

The charity, saw a restriction of income due to a slow return of people to their local church following lockdown. Much of the parish share is received from congregants who give via regular church services. Congregations have increased since then, but we are still seeing an overall decline. This has resulted in a continuing fragility to income received, a significant portion of it being from parish share. The charity has been able to combat this by the introduction of total return on investments and the reduction of expenditure.

This will continue. The Board has prepared, reviewed and continuously updates a five-year forecast which provides us with a finance strategy that underpins the Diocesan missional strategy, whilst allowing us to control costs. As a result, the financial position has been healthy for the past three years.

The members of the Board have concluded that accounting for the challenges that we face, there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The members of the Board are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Income comprises donations and legacies, including Parish Share income, income from listed and property (glebe) investments, income directly related to charitable activities (including grants) and the surplus on disposal of tangible fixed assets.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Grants receivable on confirmation by the charity that specified performance criteria have been met are accounted for only once such criteria have been satisfied.

Income is deferred only when the charity has to fulfil performance related conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Dividends are recognised once the dividend has been declared, and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from each sale of land under long term land development contracts is recognised on completion. Costs of each sale are apportioned based on the proportion of the land area sold.

Expenditure

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered.

Resources expended comprise the following:

a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.

b. The charitable activities comprise expenditure on the charity's primary charitable purposes as described in the members' report i.e. promoting the work of the Church in the Diocese of St Albans including payments of grants. The expenditure includes both costs that can be allocated directly to such activities and those indirect costs necessary to support them.

Support costs are those costs which enable charitable activities to be carried out. These costs include the expenses relating to finance, human resources, property management, communications and information technology. Where expenditure incurred relates to more than one activity it is apportioned using the most appropriate basis.

Grants payable are included in the statement of financial activities when approved and when committed. Commitment will usually arise when the intended recipient has either received the funds or been informed of the decision to make the donation.

School major repair and capital projects

The charity receives contributions from governors of Church schools in the Diocese in connection with major repair and capital projects to Church schools and also Government grants in connection with the same. Under the School Condition Allocation (SCA) funding scheme, monies are received and then allocated or spent. Projects are agreed by the Diocese, under the statutory and non-statutory guidance provided by the Department for Education (DfE). Because the Diocese has some limited discretion over the application of funds, it is our view that all income and expenditure under the SCA should be included in these accounts. Monies received have to be spent within a two-year time period or returned to the DfE.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

Freehold land and buildings owned as at 31 December 2013 comprising parsonage houses and corporate residential properties are included in the financial statements at a valuation determined by the members of the Board as at 31 December 2013.The valuation, deemed to approximate to the value based on an existing use basis, was based on an insurance value determined by Rumball Sedgwick, Chartered Surveyors, as part of their quinquennial review. Other freehold land and buildings are included in the financial statement at cost, or where the cost is not known, at a valuation determined prior to 31
December 1999 by members of the Board. All of the above valuations have been deemed to be cost under the transitional provisions of FRS102. All other tangible fixed assets are included in the financial statements at cost, except for Holywell Lodge, where key building work is depreciated over a period of fifty years.

Parsonage houses being buildings designed as, and used wholly or mainly for, private residential accommodation are not depreciated. Their value and conditions are reviewed annually by the members of the Board, who are satisfied that their residual value is not materially less than their book value.

Other freehold buildings which are used as private residential properties are not depreciated. The value and condition of the properties is reviewed annually to ensure that their residual value is not materially less than their book value.

Computer equipment is written off over a period of between three and six years and office equipment over a period of ten years, based on cost, in order to write the cost of each asset off over its estimated useful life.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted in the Members' Report attached to these financial statements, one of the main forms of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Glebe property comprising agricultural land, retail property and residential property held for investment is included in the financial statements at a valuation based on rental yield. The valuation has been determined by the members after consultation with their professional property advisers. In the case of a small number of residential properties subject to long leases, rental yield comprises ground rent only and the resultant valuation reflects this.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Stock: land under development

Stock is stated at the lower of cost and net realisable value. The cost of stock includes the initial cost of the land, preliminary costs incurred prior to the commencement of construction and borrowing costs.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

The unrestricted funds comprise those monies which may be used towards meeting the charitable objectives of the charity and may be applied at the discretion of the members of the Board. Certain unrestricted funds have been set aside and designated for specific purposes by the Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

The endowment funds comprise assets which normally must be held as capital but, where permitted, may be applied towards meeting certain charitable aims. The income therefrom may be used either in accordance with the terms of the endowment, if stipulated, or for general purposes. The application of total return in 2024 does not change this and all transfers to unrestricted funds as a result of total return are in accordance with the terms of the endowment funds.

The non-charitable trading funds represent the retained profit arising on the charity's trading subsidiaries.

Financial instruments

Apart from fixed asset investments held at fair value, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Pension costs

All members of staff and clergy are eligible to belong to a defined benefits pension scheme administered by the Church of England Pensions Board. The charity is unable to identify its share of the underlying assets and liabilities of the schemes on a reasonable and consistent basis. Therefore, in accordance with FRS102, it has accounted for its normal contributions as if the schemes were defined contribution schemes. Normal contributions are charged to the statement of financial activities when payable. The present value of the expected deficit recovery contributions are recognised as a liability at the balance sheet date. The amount is reviewed annually taking into account any changes to the deficit contribution rate or the implicit rate of interest used in discounting the liability.

Custodian funds

Funds held by the charity on behalf of parishes, church schools and other entities and over which the charity has no power to make management decisions are classified as custodian funds and are not included in the financial statements. Instead, the funds held are disclosed by way of a note to the financial statements.

Notes to the financial statements 31 December 2024

1 Income from donations and legacies

	Restricted funds £'000	Unrestricted funds £'000	Total 2024 £'000
Parish Share	-	13,314	13,314
Specific parochial donations	-	6	6
General donations and legacies	3	24	27
2024 total funds	3	13,344	13,347

	Restricted funds £'000	*Unrestricted funds £'000*	*Total 2023 £'000*
Parish Share	*-*	*13,072*	*13,072*
Specific parochial donations	*-*	*5*	*5*
General donations and legacies	*7*	*30*	*37*
2023 total funds	*7*	*13,107*	*13,114*

In addition to the above, the Diocesan Board of Finance received as trustees' contributions of £379k (2023 – £674k) from the governors of Church schools in the Diocese in connection with major repair and capital projects.

2 Income from investments

	Endowment funds £'000	Restricted funds £'000	Un-restricted funds £'000	Non-Charitable Trading income £'000	Total 2024 £'000
Income from listed investments and interest receivable	1,335	435	488	58	2,316
Glebe income	467	-	2	-	469
Income from miscellaneous rents and lettings	1	24	757	-	782
2024 total funds	1,803	459	1,247	58	3,567

	Endowment funds £'000	*Restricted funds £'000*	*Un-restricted funds £'000*	*Non-Charitable Trading income £'000*	*Total 2023 £'000*
Income from listed investments and interest receivable	*1,086*	*389*	*528*	*21*	*2,024*
Glebe income	*460*	*-*	*-*	*-*	*460*
Income from miscellaneous rents and lettings	*-*	*28*	*605*	*-*	*633*
2023 total funds	*1,546*	*417*	*1,133*	*21*	*3,117*

3 Income from charitable activities

	Restricted funds £'000	Unrestricted funds £'000	Total 2024 £'000
Grants receivable	267	286	553
Fees and chaplaincy income	-	521	521
Schools' Service Level Agreements and Project levies	134	-	134
Grant funding for Schools Building Projects	2,199	-	2,199
Other income from courses and conferences	60	-	60
Grant from Church Commissioners' DIP Funding	240	-	240
National Church allocations	164	-	164
2024 total funds	**3,064**	**807**	**3,871**

	Restricted funds £'000	*Unrestricted funds £'000*	*Total 2023 £'000*
Grants receivable	*337*	*281*	*618*
Fees and chaplaincy income	*-*	*663*	*663*
Trading income	*-*	*8*	*8*
Schools' Service Level Agreements and Project levies	*124*	*-*	*124*
Grant funding for Schools Building Projects	*2,250*	*-*	*2,250*
Other income from courses and conferences	*60*	*-*	*60*
Grant from Church Commissioners' Strategic Development Fund	*178*	*-*	*178*
National Church allocations	*482*	*-*	*482*
2023 total funds	*3,431*	*952*	*4,383*

Grants receivable for the year which exceeded £100,000 from a single organisation were as follows:

	2024 £'000	2023 £'000
Benefact Trust	141	165
City Churches Fund (Trust For London)	111	156
Hockerill Foundation	110	105
Church Commissioners' Strategic Development Fund	-	240
Church Commissioners' Diocesan Investment Programme	240	-

4 Income from other sources

	Endowment funds £'000	Restricted funds £'000	Un-restricted funds £'000	Total 2024 £'000
Income from sale of properties	1,378	-	198	1,576
Miscellaneous income	28	5	69	102
2024 total funds	**1,406**	**5**	**267**	**1,678**

In 2023, sales of small items of assets raised a surplus of £2k.

5 Expenditure on raising funds

	Endowment funds £'000	Restricted funds £'000	Un-restricted funds £'000	Non-Charitable Trading income £'000	Total 2024 £'000
Schools' Service Level Agreements	-	38	-	-	38
Schools' Courses	-	18	-	-	18
School Capital Projects	-	59	-	-	59
Investment management costs	83	24	23	-	130
Trading expenditure (note 26)	-	-		418	418
Glebe expenditure	172	-	-	-	172
2024 total funds	255	139	23	418	835

	Endowment funds £'000	*Restricted funds £'000*	*Un-restricted funds £'000*	*Non-Charitable Trading income £'000*	*Total 2023 £'000*
Schools' Service Level Agreements	*-*	*46*	*-*	*-*	*46*
Schools' Courses	*-*	*20*	*-*	*-*	*20*
School Capital Projects	*-*	*38*	*-*	*-*	*38*
Investment management costs	*92*	*27*	*26*	*-*	*145*
Trading expenditure (note 26)	*-*	*-*	*-*	*2,196*	*2,196*
Glebe expenditure	*251*	*-*	*-*	*-*	*251*
2023 total funds	*343*	*131*	*26*	*2,196*	*2,696*

6 Expenditure on the promotion of the work of the Church of England in the Diocese of St Albans

	Year ended 31 December 2024			*Year ended 31 December 2023*		
	Restricted funds £'000	Unrestricted funds £'000	Total 2024 £'000	*Restricted funds £'000*	*Unrestricted funds £'000*	*Total 2023 £'000*
Parochial clergy stipends and related costs						
Stipends	-	6,731	6,731	*-*	*6,175*	*6,175*
Pension contributions	-	1,488	1,488	*-*	*1,507*	*1,507*
National insurance	-	557	557	*-*	*509*	*509*
Removal and resettlement	-	267	267	*-*	*299*	*299*
Other clergy costs	-	455	455	*-*	*431*	*431*
	-	9,498	9,498		*8,921*	*8,921*
Clergy housing costs						
Parsonages (direct exposure)	-	3,708	3,708	*-*	*3,614*	*3,614*
Allocation of support costs	-	450	450	*-*	*560*	*560*
Sub total	-	4,158	4,158	*-*	*4,174*	*4,174*
Board of Finance properties (direct expenditure)	-	267	267	*-*	*301*	*301*
	-	4,425	4,425	*-*	*4,475*	*4,475*
Ministry						
Direct expenditure*	82	1,330	1,412	*283*	*1,394*	*1,677*
Allocation of support costs	-	513	513	*-*	*637*	*637*
	82	1,843	1,925	*283*	*2,031*	*2,314*
Education						
Schools Condition Allocation grants (note 23)	2.633	-	2,633	*2,092*	*-*	*2,092*
Direct expenditure	406	-	406	*433*	*-*	*433*
Allocation of support costs	-	296	296	*-*	*367*	*367*
	3.039	296	3,335	*2,525*	*367*	*2,892*
Mission						
Direct expenditure**	187	370	557	*64*	*441*	*505*
Allocation of support costs	-	296	296	*-*	*367*	*367*
	187	666	853	*64*	*808*	*872*
Grants payable (note 7)	289	506	795	*412*	*473*	*885*
Total funds	3,597	17,234	20,831	*3,284*	*17,075*	*20,359*

* This figure includes the costs of supporting ordinands in training amounting to £803k (2023 – £861k).

** Strategic Development Funding receivable from the Church Commissioners finished in 2023. In 2023 £241k was funded in this way. Such funding was credited to restricted funds and a transfer from restricted funds to unrestricted funds was also made at 31 December 2023 to reflect the utilisation of the monies for the purposes intended (note 21).

7 Grants payable

The Diocese makes grants to institutions in accordance with its grant making policy set out in the members' report. A detailed list of those institutions receiving grants may be obtained on request from the Diocesan Secretary.

	Year ended 31 December 2024			*Year ended 31 December 2023*		
	Restricted funds £'000	Unrestricted funds £'000	Total 2024 £'000	*Restricted funds £'000*	*Unrestricted funds £'000*	*Total 2023 £'000*
Church Schools						
Other grants to schools	16	-	16	15	-	15
Parishes						
To assist with repairs or rebuilding costs	156	3	159	167	8	175
Pastoral Aid Support Grants to assist in meeting Parish Share contributions	-	141	141	-	183	183
Mission Initiatives	-	289	289	-	204	204
Energy grants	-	4	4	-	10	10
External charities						
For humanitarian relief mission and evangelism	8	68	76	63	66	129
Clergy and clergy widows						
Ordinands' support	49	1	50	98	1	99
Discretionary grants for the relief of financial hardship	60	-	60	69	1	70
Total funds	289	506	795	412	473	885

8 Support costs

	Unrestricted funds	
	Total 2024 £'000	Total 2023 £'000
Support staff costs	**582**	822
Support office costs	**410**	516
Governance costs	**174**	187
General Synod Requirement	**389**	406
	1,555	1,931
Reallocated to charitable activities as follows:		
Clergy housing	**450**	560
Ministry	**513**	637
Education	**296**	367
Mission	**296**	367
	1,555	1,931

9 Net income (expenditure) before investment gains and losses

This is stated after charging:

	Total 2024 £'000	Total 2023 £'000
Staff costs (note 10)	**2,045**	2,304
Auditor's remuneration:		
Statutory audit services	**42**	28
Depreciation	**63**	59

Staff costs have been reduced in year by £403k representing the pension surplus on the Church Workers' Pension Fund at the end of the year (see note 10). £134k of this relates to support staff (see note 8). See note 33 for a detailed explanation.

10 Staff costs and employees

	Total 2024 £'000	Total 2023 £'000
Staff costs during the year were as follows:		
Wages and salaries	**2,198**	1,890
Social security costs	**213**	187
Other pension costs*	**(366)**	227
	2,045	2,304

*Credit is a result of pension holiday of 29 months fully accounted for in 2024 (see note 33 for full details)

	Total 2024 £'000	Total 2023 £'000
Staff costs per function were as follows:		
Direct promotion of the work of the Church of England in the Diocese of St Albans	**1,213**	1,261
Other support staff	**832**	1,043
	2,045	2,304

The average number of employees and office holders, analysed by function, was:

	2024 Full-time	**2024 Part-time**	2023 Full-time	2023 Part-time
Direct promotion of the work of the Church of England in the Diocese of St Albans	**13**	**26**	17	26
Other support staff	**14**	**10**	11	5
	27	**36**	28	31

The 36 (2023 – 31) part-time posts are equivalent to 21.5 full-time posts (2023 – 18).

The number of employees who earned over £60,000 (excluding employer's pension contributions) during the year was as follows:

	2024	2023
£60,001 - £70,000	3	5
£70,000 - £80,000	-	-
£80,001 - £90,000	1	3
£90,001 - £100,000	1	-

Employer contributions are also paid into a pension scheme in respect of the employees who earned over £60,000.

Key management personnel remuneration (including employer's pension and national insurance contributions) totalled £1,217k in the year to 31 December 2024 (2023 – £877k) including stipends and related employer's pension and national insurance contributions in respect to Board members of £274k (2023 – £227k).

11 Board members' remuneration

During the year no member of the Board had any beneficial interest in any contract with the group or the charity (2023 – none). During the year several members of the Board, who are also clergy within the Diocese, received stipends from the charity in connection with their religious and pastoral duties within the Diocese. These stipends totalled £274k (2023 – £174k) including pension contributions of £46k (2023 – £40k) to the Clergy scheme and other employer costs. However, no member of the Board received any remuneration in connection with their duties as members of the Board during the year (2023 – none). Less than £1k was incurred in travel expenses in the performance of their duties as Board members (2023 – less than£1k).

Six clergy members benefited from clergy housing provided by the Board (2023 – five members).

The Board's insurance policy includes cover for Trustee Indemnity.

12 Taxation

The St Albans Diocesan Board of Finance is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The charity's subsidiary companies pay corporation tax on their taxable profits. If sufficient funds are available, the subsidiary companies may make a charitable donation to their parent charity which will reduce the corporation tax payable.

13 Tangible fixed assets

Group & Charity 2024	Parsonage houses £'000	Other freehold land and buildings £'000	Office equipment £'000	Total £'000
Cost or deemed cost				
At 1 January 2024	76,391	14,473	278	91,142
Additions	-	779	33	812
Disposals	(995)	(237)	-	(1,232)
At 31 December 2024	75,396	15,015	311	90,722
Depreciation				
At 1 January 2024	-	(382)	(96)	(478)
Charge for the year	-	(22)	(41)	(63)
Disposals	-	-	-	-
At 31 December 2024	-	(404)	(137)	(541)
Net book values				
At 31 December 2024	75,396	14,611	174	90,181
At 31 December 2023	76,391	14,091	182	90,664

Parsonage houses and corporate residential properties owned as at 31 December 2013 have been included in tangible fixed assets at a valuation at that date. The valuation attributable to each house as at that date is that deemed by members of the Board of Finance to have approximated to the value calculated on the basis of existing use. In calculating this valuation, reference was made to insurance value, as determined by Rumball Sedgwick, Chartered Surveyors, as part of their quinquennial review. The historical cost of the parsonage houses is not known as many of these assets have been given or transferred to the Diocese over a period of many years. These valuations are now regarded as the deemed cost of the properties under the transitional provisions of FRS102.

Parsonage houses and corporate residential properties acquired since 1 January 2014 have been included within tangible fixed assets at their cost. The book value of other freehold land and buildings is based on cost, or where cost is not available, at a members' valuation made in prior accounting periods. Other fixed assets are stated at cost.

The Board has opted to adopt a policy of not revaluing its tangible fixed assets as permitted on the implementation of FRS102. It is likely that the open market values of the groups and the charity's other freehold land and buildings are materially greater than their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of members, is not justified in terms of the benefit to the users of the financial statements.

Four of the freehold buildings, costing £1,783k were bought using money from Glebe receipts and so are part of the Glebe fund. If they are sold in the future, the proceeds will be retained within the Glebe Fund.

In accordance with FRS102, to the extent that property is financed by Church Commissioners' equity loans for sector ministry, it is excluded from both tangible fixed assets and the related creditors in the balance sheet.

14 Investments

Group	**En-dowment funds £'000**	**Restricted funds £'000**	**Un-restricted funds £'000**	**Non-charitable Trading Funds £'000**	**Total 2024 £'000**	Total 2023 £'000
Glebe property	**37,351**	**-**	**-**	**2,401**	**39,752**	29,645
Listed investments and cash	**40,556**	**12,706**	**7,775**	**-**	**61,037**	59,544
	77,907	**12,706**	**7,775**	**2,401**	**100,789**	89,189

Group	En-dowment funds £'000	Restricted funds £'000	Un-restricted funds £'000	Total 2023 £'000
Glebe property	29,645	-	-	29,645
Listed investments and cash	40,505	12,660	6,379	59,544
	70,150	12,660	6,379	89,189

Charity	**En-dowment funds £'000**	**Restricted funds £'000**	**Un-restricted funds £'000**	**Total 2024 £'000**	Total 2023 £'000
Glebe property	**37,351**	**-**	**-**	**37,351**	29,645
Listed investments and cash	**40,556**	**12,706**	**7,775**	**61,037**	59,544
Investment in subsidiary undertaking	**7,701**	**-**	**-**	**7,701**	7,700
	85,608	**12,706**	**7,775**	**106,089**	96,889

Charity	En-dowment funds £'000	Restricted funds £'000	Un-restricted funds £'000	Total 2023 £'000
Glebe property	29,645	-	-	29,645
Listed investments and cash	40,505	12,660	6,379	59,544
Investment in subsidiary undertaking	7,700	-	-	7,700
	77,850	12,660	6,379	96,889

Movements in the group's and charity's investments during 2024, excluding those in subsidiary companies, were as follows:

	Glebe property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2024	**29,645**	**59,544**	**89,189**
Additions at cost	**5,042**	**16,484**	**21,526**
Disposals at book value (proceeds: £17,330k; net gains: £1,348k)	**-**	**(15,982)**	**(15,982)**
Net unrealised investment gains	**5,065**	**962**	**6,027**
Market value at 31 December 2024	**40,752**	**61,008**	**100760**
Cash awaiting investment	**-**	**29**	**29**
	40,752	**61,037**	**100,789**

Glebe property

Glebe property is included in the financial statements at a valuation based on rental yield. The valuation has been calculated by the Board based on information provided by the charity's managing land agents. The historical cost of the Glebe properties is not known. Many of the properties have been owned for a significant number of years and, in many cases, the properties were given or transferred to the Diocese for no consideration.

Glebe property held at 31 December 2024 comprised the following:

	Group		Charity	
	2024 £'000	2023 £'000	**2024 £'000**	2023 £'000
Agricultural land	**31,995**	24,723	**29,594**	24,723
Residual property	**7,757**	4,922	**7,757**	4,922
	39,752	29,645	**37,351**	29,645

Listed investments

Listed investments comprise units in funds held mainly by the Central Board of Finance of the Church of England (CBF) which are professionally managed on behalf of the CBF by CCLA Investment Management Limited, Sarasin & Partners UK and Baillie Gifford & Co. Remaining funds are held by Schroder and Company Limited and are in the process of being sold.

At 31 December 2024, the investment portfolio for both the group and charity included the following holdings which represented a material proportion of the total value of the fixed asset investment portfolio at that date:

	2024		2023	
	Percentage of portfolio %	**Market value £'000**	Percentage of portfolio %	Market value £'000
CCLA CBF Investment Fund – Income units	**54.1**	**33,025**	51.4	30,592
Sarasin Climate Active Endowment Fund Class A Income	**24.8**	**15,114**	23.2	13,797
Baillie Gifford Responsible Global Equity Income Fund B Accumulated	**18.0**	**10,947**	17.5	10,397
Property Funds held with Cazenove	**3.2**	**1,923**	7.9	4,701

All listed investments are held within the United Kingdom.

Investment in subsidiary companies

St Albans Diocesan Property Company Limited
During 2014, the charity established a wholly owned subsidiary company, St Albans Diocesan Property Company Limited, investing £1.7 million in the purchase of the subsidiary company's called up share capital of 1,700,000 ordinary shares. During 2022, a £6 million loan from the charity to its subsidiary company was converted to equity shares, bringing the total holding to 7,700,000 ordinary shares. Further details of the subsidiary and its trading results for the year to 31 December 2024 and financial position as at that date are given in note 26 to these financial statements.

St Albans Diocesan Property Company (Chesham) Limited
During 2024, the charity established a wholly owned subsidiary company, St Albans Diocesan Property Company (Chesham) Limited, with a called-up share capital of £1,000 ordinary shares. Further details of this investment are included within Note 32 to these financial statements.

15 Application of total return accounting to Investments

The investment power of total return permits the St Albans Diocesan Board of Finance to invest across all permanent endowment investments to maximise total return and apply an appropriate portion of the unapplied total return each year. These are the endowment funds for Diocesan Stipends, Glebe and Parsonage Benefice Funds.

Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains part of the individual fund. 3.5% of the value of investments, i.e., £2,624k in total (£2,452 in 2023), was transferred to general funds such that it is set against the cost of stipendiary ministry in the year, as determined by the Diocesan Stipends Fund (Amendment) Measure 2016.

From 1 January 2022 the St Albans Diocesan Board of Finance adopted a total return approach to investments with regard to the above investment portfolios. The Board adopted and agreed a base-line asset value at 31 December 2017, indexed using CPI, and a distribution policy of 3.5% based on a five-year rolling average of capital values, to be reviewed every three years.

The initial value for implementing total return for investment was determined at 31 December 2017 as £57,238k. This was the amount held in permanent endowment investments and cash deposits at that date. The unapplied total return calculated as at the 1 January 2022 and valued at £18,811k as the increase above inflation in the value of these investments since the initial valuation, subsequent to the application of CPI and adjusted for amounts invested in curates' houses.

The movements in the value of the unapplied total return, during the two years that total return has been applied, are set out in the following tables:

	Trust for investment £'000	Unapplied total return £'000	Total £'000
At 1 January 2024:			
Base value of the permanent endowment	69,814	-	69,814
Unapplied total return	-	11,130	11,130
Total	69,814	11,130	80,944
Movements during the year:			
Investment returns: dividends received	-	1,729	1,729
Investment return: realised and unrealised losses	-	6,595	6,595
Investment management feeds	-	(11)	(11)
Glebe property expenses	-	(140)	(140)
Unapplied total return allocated to income in the year	-	(2,624)	(2,624)
Charitable donation from property company	-	342	342
Add indexation of base level of endowment	1,796	(1,796)	-
Net movements in the year	1,796	4,095	5,891
As at 31 December 2024			
Base value of the permanent endowment	71,610	-	71.610
Unapplied total return	-	15,225	15,225
Valuation as at December 2024	71,610	15,225	86,835

	Trust for investment £'000	*Unapplied total return £'000*	*Total £'000*
At 1 January 2023:			
Base value of the permanent endowment	*67,174*	*-*	*67,174*
Unapplied total return	*-*	*11,817*	*11,817*
Total	*67,174*	*11,817*	*78,991*
Movements during the year:			
Investment returns: dividends received	*-*	*1,546*	*1,546*
Investment return: realised and unrealised losses	*-*	*2,150*	*2,150*
Investment management feeds	*-*	*(92)*	*(92)*
Glebe property expenses	*-*	*(246)*	*(246)*
Unapplied total return allocated to income in the year	*-*	*(2,452)*	*(2,452)*
Charitable donation from property company	*-*	*1,047*	*1,047*
Add indexation of base level of endowment	*2,640*	*(2,640)*	*-*
Net movements in the year	*2,640*	*(687)*	*1,953*
As at 31 December 2023			
Base value of the permanent endowment	*69,814*	*-*	*69,814*
Unapplied total return	*-*	*11,130*	*11,130*
Valuation as at December 2023	*69,814*	*11,130*	*80,944*

16 Stock: land under development

Group	**2024 £'000**	2023 £'000
At 1 January 2024	**11,831**	12,078
Development cost	**1,933**	1,261
Borrowing costs	**153**	30
Disposals	**(225)**	(1,538)
At 31 December 2024	**13,692**	11,831

Land under development relates to a parcel of land that is being developed by the charity's wholly owned trading subsidiary, St Albans Diocesan Property Company Limited. On 20 December 2017 St Albans Diocesan Property Company Limited signed a Collaboration and Equalisation Agreement with the owners and co-developers of adjacent land to its own near Houghton Regis. This agreement is pursuant to an existing Collaboration and Equalisation Agreement in place ("Heads of Agreement") with the same owners. The new agreement sets out detailed terms and conditions of the financial and operational obligations of each member to the Houghton Regis Consortium which will manage the development and sales of land owned by each member of the Consortium. During the seven years to 31 December 2024, professional, feasibility and borrowing costs have been incurred and have been treated as additions to the value of the land under development. The first major sale of land was made in February 2019 with further sales in each of the following years to date. The profits on these sales have been included in the group financial statements in the year appropriate to the transactions.

17 Debtors

Due within one year	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Amounts due from Parochial Church Councils:				
Building loans		-		-
Parochial contributions (note (a) below)	53	63	53	64
	53	63	53	64
Church Commissioners – Pastoral Account (note (b) below)	1	1	1	1
Investment income receivable	116	280	116	280
Staff loans	3	5	3	5
Due from subsidiary company (note (c) below)	-	-	4,597	1,422
Amount due to respect to sale of land	355	356	-	-
Sundry debtors and prepayments	1,389	698	1,389	698
	1,917	1,403	6,159	2,470

Due after one year	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Amounts due from Parochial Church Councils:		-		-
Equity loans to finance the purchase of curates' houses (note (d) below)	171	300	171	300
Other loans	91	7	91	7
Sundry Debtors	161	-	161	-
Other Debtors	699	699	-	-
	1,122	1,006	423	307

Notes

(a) The debtor for parochial contributions represents monies in respect of parochial fees, rent, stipend recharges and other small ad-hoc income for 2024.

(b) Amount due from the Church Commissioners represents proceeds from the sale of a redundant church.

(c) In 2022 and 2023, the amount due from the subsidiary company includes accrued interest on the loan to the company (note 26).

(d) Equity loans enable Parochial Church Councils to purchase curates' houses. They are repayable only on the future disposal of the relevant property.

18 Creditors: amounts falling within one year

	Group		Charity	
	2024 £'000	2023 £'000	**2024 £'000**	2023 £'000
Church School buildings and maintenance	**93**	523	**93**	523
Grants committed	**-**	4	**-**	4
Corporation tax payable	**22**	81	**-**	-
Sundry creditors and accruals	**814**	780	**623**	746
	929	1,388	**716**	1,273

Church schools' buildings and maintenance represents receipts held and allocated to a project but not yet spent.

19 Creditors: amounts falling due after more than one year

	Group		Charity	
	2024 £'000	2023 £'000	**2024 £'000**	2023 £'000
Amounts due to the Church Commissioners				
Variable deposit rate and equity loans for the purchase of curates' houses	**276**	413	**276**	413
Amount due to consortium development partners	**2,334**	766	**-**	-
	2,610	1,179	**276**	413

The Church Commissioners' loans have no fixed date of repayment. The equity loans bore interest at between 6.68% and 11.01% during the year. Two of these properties were sold in the year.

20 Provisions for liabilities

Group and Charity	**2024 £'000**	2023 £'000
Clergy pension scheme deficit contribution liability	**-**	-

Following finalisation of the 31 December 2021 valuation, the Clergy Pension Scheme was fully funded, no agreed deficit recovery payments are required from 1 January 2023 onwards, and the balance sheet liability as at both 31 December 2024 and 31 December 2023 is nil. Note 33 contains further details.

21 Summary of assets by fund

Charity Funds as at 31 December 2024	Tangible Fixed Assets£'000	Investments £'000	Current Assets £'000	Creditors £'000	Inter-Fund Balances £'000	Net Assets £'000
ENDOWMENT FUNDS						
Stipends Capital Fund	-	19,452	1,573	(10)	3,663	24,678
Parsonage House Fund	77,179	-	1	-	1,080	78,260
Parsonage Building Benefice Fund	-	2,688	243	(1)	(654)	2,276
Glebe Fund	-	63,468	6,084	(474)	(5,495)	63,583
	77,179	85,608	7,901	(485)	(1,406)	168,797
RESTRICTED FUNDS						
Consolidated Fund for Statutory Education	-	8,816	1,201	(152)	(305)	9,560
Pastoral Account		-	-	-	793	793
Committee for Social Responsibility	-	696	155	-	(1)	850
Parker Fund	-	753	262	-	(222)	793
Yapp Fund	-	737	46	-	113	896
Archdeacons Discretionary	-	535	29	-	138	702
Funds under £400k of Investments	-	1,169	772	45	471	2,457
	-	12,706	2,465	(107)	987	16,051
UNRESTRICTED FUNDS						
Common Fund	-	1,498	1,905	(148)	1,960	5,215
Designated Funds						
Tangible Fixed Assets	13,002	-	1,473	(269)	(2,465)	11,741
Property Ring-Fenced Fund	-	6,106	528	(5)	(337)	6,292
Pastoral Account	-	-	922	58	(980)	-
	13,002	7,604	4,828	(364)	(1,822)	23,248
Mission Development	-	-	-	(36)	1,087	1,051
Other Funds	-	171	28	-	1,154	1,353
	13,002	7,775	4,856	(400)	419	25,652
Total Funds	90,181	106,089	15,222	(992)	-	210,500

Charity Funds as at 31 December 2023	*Tangible Fixed Assets£'000*	*Investments £'000*	*Current Assets £'000*	*Creditors £'000*	*Inter-Fund Balances £'000*	*Net Assets £'000*
ENDOWMENT FUNDS						
Stipends Capital Fund	*-*	*19,771*	*144*	*-*	*4,038*	*23,953*
Parsonage House Fund	*76,392*	*-*	*1*	*(1)*	*521*	*76,913*
Parsonage Building Benefice Fund	*-*	*2,730*	*46*	*-*	*(608)*	*2,168*
Glebe Fund	*1,782*	*55,349*	*5,726*	*-*	*(4,361)*	*58,496*
	78,174	*77,850*	*5,917*	*(1)*	*(410)*	*161,530*
RESTRICTED FUNDS						
Consolidated Fund for Statutory Education	*-*	*8,856*	*256*	*(573)*	*1,039)*	*9,578*
Committee for Social Responsibility	*-*	*680*	*137*	*-*	*(9)*	*808*
Parker Fund	*-*	*736*	*229*	*-*	*(201)*	*764*
Yapp Fund	*-*	*721*	*44*	*-*	*93*	*858*
Archdeacons Discretionary	*-*	*523*	*27*	*-*	*147*	*697*
Funds under £400k of Investments	*-*	*1,144*	*677*	*(63)*	*662*	*2,420*
	-	*12,660*	*1,370*	*(636)*	*1,731*	*15,125*
UNRESTRICTED FUNDS						
Common Fund	*-*	*-*	*5,956*	*(746)*	*(559)*	*4,651*
Designated Funds						
Tangible Fixed Assets	*12,490*	*-*	*1,553*	*(322)*	*(2,181)*	*11,540*
Property Ring-Fenced Fund	*-*	*6,212*	*64*	*(4)*	*(228)*	*6,044*
Pastoral Account	*-*	*-*	*874*	*59*	*(166)*	*767*
	12,490	*6,212*	*8,447*	*(1,013)*	*(3,134)*	*23,002*
Mission Development	*-*	*-*	*-*	*(36)*	*907*	*871*
Other Funds	*-*	*167*	*27*	*-*	*907*	*1,101*
	12,490	*6,379*	*8,474*	*(1,049)*	*(1,321)*	*24,973*
Total Funds	*90,664*	*96,889*	*15,761*	*(1,686)*	*-*	*201,628*

22 Other transfers between funds

The inter-fund transfers during the year were as follows:

Group and Charity	En-dowment funds £'000	Restricted funds £'000	Common fund £'000	Other unrestricted £'000	Non-charitable trading funds £'000
Funds designated for use of projects from 2023 funds			(500)	500	
Transfer of funding for Net Zero Carbon		(15)		15	
Support of Ministry Experience Scheme			(6)	6	
Support of Digital Roll-out Scheme			(4)	4	
Agree transfer of Strategic Development Fund to support missional activities		(92)		92	
Transfer from type of fund		(22)		22	
Transfer of Pastoral Account to Restricted funds		793		(793)	
Charitable donation from subsidiary company to parent charity	342				(342)
	342	686	(510)	(176)	(342)

The Pastoral Account, previously categorised as a designated fund, has been reclassified as a restricted fund, following consideration of the restrictions placed on it by church representation rules.

The inter-fund transfers during the previous year were as follows:

Group and Charity	*En-dowment funds £'000*	*Restricted funds £'000*	*Common fund £'000*	*Other unrestricted £'000*	*Non-charitable trading funds £'000*
Net release of Designated Funds	*-*	*-*	*(3)*	*3*	*-*
Undesignation of designated funds	*-*	*-*	*510*	*(510)*	*-*
Grants from Church Commissioners' Strategic Development Fund transferred to meet mission expenditure	*-*	*(87)*	*87*	*-*	*-*
Charitable donation from subsidiary company to parent charity	*1,048*	*-*	*-*	*-*	*1,048*
	1,048	*(87)*	*594*	*(507)*	*1,048*

23 Endowment funds

The capital funds of the group and the charity are endowed assets which normally must be held as capital but, where permitted, may be applied towards meeting certain charitable aims.

Group and charity	At 1 January 2024 £'000	Income and Expenditure £'000	Gains, losses and transfers £'000	At 31 December 2024 £'000
Endowment funds:				
Stipends Capital Fund	23,953	536	189	24,678
Parsonage Houses Fund	76,913	1,347	-	78,260
Parsonage Benefice Fund	2,168	79	29	2,276
Glebe Fund	58,496	992	4,095	63,583
	161,530	2,954	4,313	168,797

Group and charity	*At 1 January 2023 £'000*	*Income and Expenditure £'000*	*Gains, losses and transfers £'000*	*At 31 December 2023 £'000*
Endowment funds:				
Stipends Capital Fund	*23,690*	*433*	*(170)*	*23,953*
Pension reserve	*-*	*-*	*-*	*-*
	23,690	*433*	*(170)*	*23,953*
Parsonage Houses Fund	*76,917*	*(4)*	*-*	*76,913*
Parsonage Benefice Fund	*2,076*	*67*	*25*	*2,168*
Glebe Fund	*56,896*	*707*	*893*	*58,496*
	159,579	*1,203*	*748*	*161,530*

The endowment funds were established as follows:

- **Parsonage Houses Fund and Parsonage Benefice Fund**
  The Parsonage Houses Fund represents the net book value of properties used as parsonage houses less the value of temporary finance from the Stipends Capital Fund for the replacement of parsonage houses where the sale of existing houses is pending. The Parsonage Benefice Fund represents net proceeds from disposals of parsonage houses or parsonage land which are not the subject of a Pastoral Reorganisation. Under the Parsonage Measure 1938 (as amended by the Church Property Measure 2018), these funds are required to be held by the Board on behalf of the benefice concerned. The first call on these funds is to make improvements to the current parsonage house. Once these requirements are met, the remaining funds can be transferred to the Diocesan Stipends or Diocesan Pastoral Account after serving due notice on the Parochial Church Council and Patron.

The parsonage house belongs to the benefice (not to the Parochial Church Council nor the DBF) and the ownership is vested in the "incumbent for the time being". During a period of vacancy in the benefice, the Diocesan Bishop has powers to sell in accordance with the provisions of the Church Property Measure 2018. The statutory provisions relating to repairs to parsonage houses are contained in the Repair of Benefice Buildings Measure 1972. The Measure puts a statutory obligation upon the Diocesan Parsonage Board (or DBF Property Committee) to repair and ensure benefice houses, thereby relieving the incumbent of this responsibility.

- **Glebe Fund**
  The Glebe Fund represents the value of the Glebe Property plus net current assets of £5,610 (2023 – £2,470k). The use of the fund is restricted under the Endowments and Glebe Measure 1976, which transferred ownership of all Glebe land and property from the benefice to the Diocesan Board of Finance to be held by the Board exclusively for the benefit of the Diocesan Stipends Fund (see below). All income and expenditure derived from this fund is included within the Glebe Fund. Transfers to the Common Fund are made following the adoption of a total return policy.

- **Stipends Capital Fund**
  This fund represents net proceeds from the disposal of Glebe land subsequently invested to be held as part of the Stipends Capital Fund. Income from the fund must be applied towards the payment of stipends. The provision for the Clergy pension scheme deficit recovery payments forms part of this fund.

  The fund balance is represented by listed investments, cash on deposit and loans to provide temporary finance to the Parsonage Houses Fund for the replacement of parsonage houses where the sale of existing houses in pending, less the provision for the deficit in the Clergy pension scheme.

24 Restricted funds

The income funds of the group and the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

Group and Charity	At 1 January 2024 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 December 2024 £'000
Consolidated Fund for Statutory Education	9,578	2,796	(3,194)	380	9,560
Pastoral Fund	-	-	-	793	793
Church Commissioners' Strategic Development Fund	92	-	-	(92)	-
Committee for Social Responsibility funds	808	26	-	16	850
Creed Fund	113	4	-	2	119
Trust for London (CCFS)	804	131	(115)	-	820
Bishop's Harvest Appeal	12	-	-	-	12
Church Repairs Fund	356	18	(28)	8	354
Parker Fund	764	34	(22)	17	793
Archdeacons' Discretionary	697	21	(28)	12	702
Yapp Fund	858	22	-	16	896
Historic Buildings Fund	(109)	21	(17)	-	(105)
Minor repairs & Improvements to Churches	-	28	-	-	28
Church Building Support Officer	(2)	13	(22)	-	(11)
Ordinands' Training Fund	289	48	(49)	(60)	228
Grimthorpe Fund	227	3	-	4	234
Disability Task Group	72	-	(25)	-	47
Church Commissioners' Net Carbon Zero	15	75	(19)	(15)	56
The Alban Way	(59)	131	(66)	-	6
SMMIB	(1)	114	(107)	-	6
Year of Spiritual Renewal & Wellbeing	-	3	(10)	-	(7)
Other restricted funds	611	43	(34)	50	670
	15,125	3,531	(3,736)	1,131	16,051

Group and Charity	*At 1 January 2023 £'000*	*Income £'000*	*Expenditure £'000*	*Gains, losses and transfers £'000*	*At 31 December 2023 £'000*
Consolidated Fund for Statutory Education	*9,073*	*2,804*	*(2,673)*	*374*	*9,578*
Church Commissioners' Strategic Development Fund	*-*	*179*	*-*	*(87)*	*92*
Committee for Social Responsibility funds	*727*	*24*	*(2)*	*59*	*808*
Creed Fund	*102*	*4*	*-*	*7*	*113*
Trust for London (CCFS)	*777*	*173*	*(146)*	*-*	*804*
Bishop's Harvest Appeal	*43*	*6*	*(37)*	*-*	*12*
Church Repairs Fund	*308*	*16*	*-*	*32*	*356*
Parker Fund	*695*	*30*	*(24)*	*63*	*764*
Archdeacons' Discretionary	*651*	*24*	*(23)*	*45*	*697*
Yapp Fund	*774*	*22*	*-*	*62*	*858*
Historic Buildings Fund	*(99)*	*8*	*(18)*	*-*	*(109)*
Church Building Support Officer	*-*	*-*	*(2)*	*-*	*(2)*
Ordinands' Training Fund	*252*	*325*	*(288)*	*-*	*289*
Grimthorpe Fund	*220*	*3*	*(10)*	*14*	*227*
Disability Task Group	*-*	*142*	*(70)*	*-*	*72*
Church Commissioners' Net Carbon Zero	*-*	*15*	*-*	*-*	*15*
The Alban Way	*-*	*4*	*(63)*	*-*	*(59)*
SMMIB	*-*	*-*	*(1)*	*-*	*(1)*
Other restricted funds	*551*	*76*	*(58)*	*42*	*611*
	14,074	*3,855*	*(3,415)*	*611*	*15,125*

The Consolidated Fund for Statutory Education is legally restricted by the trusts set out in Section 17 of the Education Act 1993. Its uses include:

(i) Purchase, erection, maintenance and improvement of any school or teacher's house in the relevant area;

(ii) Provision of advice, guidance and resources for the management of schools in the area;

(iii) Inspection of relevant schools in the area.

Movements on the Consolidated Fund for Statutory Education during the year can be summarised as follows:

Group and Charity	2024 £'000	2023 £'000
Income		
Investment income	**278**	242
Grants received	**96**	105
Rental income from school properties	**29**	25
Service Level Agreement income	**89**	87
School Courses	**61**	61
Grant funding from SCA	**2199**	2,250
School Building Projects levy	**44**	34
Total income	**2,796**	2,804
Expenditure		
Education	**(3,194)**	(2,673)
Net (expenditure)/income before investment gains and transfers	**(398)**	131
Investment gains (losses and transfers	**380**	374
Net (expenditure)/income	**(18)**	505

The fund is represented by the following net assets:

Group and Charity	2024 £'000	2023 £'000
Investments	**8,815**	8,856
Debtors	**654**	221
Short term deposits	**678**	12
Creditors: amounts falling due within one year	**(281)**	(200)
Inter fund balances	**(306)**	689
Total net assets	**9,560**	9,578

The SCA (Schools Condition Allocation) system, which commenced in April 2020 requires the charity to reflect grants received and spent as income and expenditure within the accounts. The grant funding received is included in the SOFA along with the related expenditure. The unspent balance is included as part of the surplus for the CFSE at the year-end. The grants received have to be spent within two years of receipt or returned to the DfE. The cycle is longer than our accounting period, so the transactions in a year will show as a surplus or deficit according to the timings of all the individual projects. This means that across several years, the position will be break-even, whilst any individual year will show a surplus or deficit depending on the phasing of the projects.

The specific purposes for which the other restricted funds are to be applied are as follows:

Fund	Application/purpose
Church Commissioners Strategic Development Fund	Grant funding received from Church Commissioners co-funding the Reaching New People project
Consolidated Fund for Statutory Education	Application of net sales proceeds of closed church schools under section 17 of the Education Act 1993.
Committee for Social Responsibility Funds	Formerly held under the charity registered number 291355, grants are awarded by the Committee for Social Responsibility, which is a sub-committee of the Board for Mission and Ministry
Creed Fund	Evangelism and mission at the discretion of the Bishop
Trust for London (CCFS)	For the support of parishes in the Metropolitan Police area. Monies are applied to support specific qualifying projects where expenditure occurs irregularly.
Bishop's Harvest Appeal	Monies raised as part of the Bishop's annual appeal
Church Repairs Fund	Monies for the repair of churches within the Diocese
Parker Fund	Assistance to clergy as directed by the Bishop
Archdeacons' Discretionary	Assistance to clergy as directed by the Archdeacons
Yapp Fund	Towards the Common Fund of the Board, to support the payment of stipends
Historic Buildings Fund	This is a jointly funded project with Historic England to build the capacity of local communities to conserve and develop the use of their church buildings. Grants are received once a year, whilst expenditure supported by those grants occurs evenly throughout the year.
Ordinands' Training Fund	This fund receives block grants from the Archbishops' Council Ministry Division intended to meet the tuition costs for Ordinands at accredited Training institutions. Grants are received termly, to meet termly payments throughout the year.
Grimthorpe Fund	Monies applied for the repair of churches within the Archdeaconries of Hertford and St Albans.
Other restricted funds	Sundry specific purposes

25 Unrestricted funds

The unrestricted income funds of the group and the charity, including designated funds which have been set aside by the Board for specific purposes, are as follows:

Group and Charity	At 1 January 2024 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 December 2024 £'000
Common Fund	4,651	15,142	(16,690)	2,112	5,215
Other unrestricted funds:					
Tangible fixed assets fund	11,540	198	3	-	11,741
Property ring-fenced fund	6,044	203	(267)	312	6,292
Designated funds	1,971	23	(232)	642	2,404
Pastoral Account	767	99	(73)	(793)	-
	20,322	523	(569)	161	20,437
Unrestricted funds	24,973	15,665	(17,259)	2,273	25,652
Elimination of Intra group profit	(156)	-	2	-	(154)
	24,817	15,665	(17,257)	2,273	25,498
Non-charitable trading	4,427	451	(418)	(203)	4,257
	29,244	16,116	(17,675)	2,070	29,755

Group and Charity	*At 1 January 2023 £'000*	*Income £'000*	*Expenditure £'000*	*Gains, losses and transfers £'000*	*At 31 December 2023 £'000*
Common Fund	*2,825*	*14,980*	*(16,199)*	*3,045*	*4,651*
Other restricted funds:					
Tangible fixed assets fund	*11,540*	*-*	*-*	*-*	*11,540*
Property ring-fenced fund	*6,229*	*165*	*(561)*	*211*	*6,044*
Special Designations	*2,777*	*2*	*(315)*	*(493)*	*1,971*
Pastoral Account	*753*	*46*	*(32)*	*-*	*767*
	21,299	*213*	*(908)*	*(282)*	*20,322*
Unrestricted funds	*24,124*	*15,193*	*(17,107)*	*2,763*	*24,973*
Elimination of Intra group profit	*(162)*	*-*	*6*	*-*	*(156)*
	23,962	*15,193*	*(17,101)*	*2,763*	*24,817*
Non-charitable trading	*5,423*	*2,130*	*(2,078)*	*(1,048)*	*4,427*
	29,385	*17,323*	*(19,179)*	*1,715*	*29,244*

Common Fund reconciliation	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Total income in year		15,142		14,980
Total expenditure in a year		(16,690)		(16,199)
Deficit/surplus for the year before transfers		(1,548)		(1,219)
Total Return (see note 15)				
Investment income received from Endowment funds in year	1,729		1,546	
Additional income due to adoption of total return	895		907	
		2,624		2,452
Other adjustments (transfers between funds see note 21)				
Transfer from designated funds to cover previous year deficit	-		510	
Transfer to designated funds agreed by DBF	(500)		-	
Other net grant transfers	(10)		83	
		(510)		593
Revaluation of investments		(2)		-
Net movement on Common Fund		564		1,826
Balance at 1 January 2024		4,651		2,825
Balance at 31 December 2024		5,215		4,651

Common Fund

The Common Fund is used to fund the budget of the St Albans Diocesan Board of Finance as agreed by the Diocesan Synod. Its primary source of income is the amounts collected from Parochial Church Councils via the Parish Shares Scheme. The Common Fund provides the liquidity needed to operate effectively and the ability to finance short-term deficits. The aim is for the fund to be represented, in part, by a minimum cash balance sufficient to meet stipend and lay staff salary payments as they fall due. The need for such working capital is taken into account when setting the annual budget. Excess monies may be distributed to parishes via the budgetary process, but conversely any prior year deficits sustained on the common fund may be recouped via the same process. The policy itself, and the levels of resources required, are reviewed annually.

Tangible Fixed Assets Fund

This fund represents those assets held by the Board for carrying out its general activities. Reserves are needed to provide the St Albans Diocesan Board of Finance with the assets needed to carry out its objectives including statutory requirements, administration of funds and housing of non-beneficed clergy.

Property Ring-Fenced fund

This was set up using the residual fuds due to the DBF following the sale of parsonage houses and initially transferred to the Pastoral Account (see Note 22). It is a designated fund and so the DBF can use the income generated and assets held according to need. However, it is primarily intended to relieve pressure on the costs for maintaining and improving parsonage houses.

Special Designated Funds

These are funds which the Board has set aside for specific sundry purposes falling within the normal activities of the Diocese.

Pastoral Account

The Diocesan Pastoral Account is held by the Board for the purposes defined in Sections 93 and 94 of the Mission and Pastoral Measure 2011. Its uses include:

- (i) Expenses incurred relating to the purposes of the measure;
- (ii) Grants and loans for parsonage and church provision, restoration, improvement or repair;
- (iii) Transfers to the Diocesan Stipends Fund;
- (iv) Other purposes as defined in the Measure.

26 Unrealised gains

The total unrealised gains as at 31 December 2024 constitutes a revaluation reserve and are as follows:

	2024 £'000	2023 £'000
Unrealised gains on listed investments at 31 December 2024	**9,191**	8,181
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2024	**8,181**	6,571
Add: in respect to disposals in the year	**48**	(828)
Net (losses) gains arising on revaluation arising in the year	**962**	2,438
Total unrealised gains at 31 December 2024	**9,191**	8,181

27 St Albans Diocesan Property Company Limited

On 18 February 2014, St Albans Diocesan Property Company Limited was established as a 100% owned subsidiary of the St Albans Diocesan Board of Finance. Its current directors at 31 December 2024 were are Mr C G Bird, Mr A C Brown, Dr T Coulson, The Ven D Middlebrook, and Mr C B Gage who are also members and directors of the Board of Finance and, The Hon H T Holland-Hibbert who is an independent director.

St Albans Diocesan Property Company Limited is part of a VAT Group registration with the St Albans Diocesan Board of Finance.

On 10 April 2014, the St Albans Diocesan Board of Finance transferred a parcel of its land with planning potential to St Albans Diocesan Property Company Limited. The land was classified initially as investment land as it was not known whether satisfactory planning permission for development would be obtained. Such permission was granted in July 2015 at which point the land was reclassified as stock of land under development.

The company has signed an agreement with the owners and co-developers of adjacent land to its own near Houghton Regis and a consortium has been formed to manage the development and sales of land. Since 2019 the consortium has completed a number of significant sales of land. All sales proceeds and associated costs are included in the financial statements of the company and these consolidated financial statements. Tax has been calculated on the profits and is included in the financial statements.

A summary of the company's statement of income and retained earnings for the year and balance sheet at 31 December 2024 is given below. Audited financial statements will be filed with the Registrar of Companies. The company's registered office is Holywell Lodge, 41 Holywell Hill, St Albans, Herts, AL1 1HE.

	2024 £'000	2023 £'000
Income and expenditure		
Turnover	**393**	2,109
Cost of sales	**(255)**	(2,149)
Operating costs	**(46)**	(47)
Interest received	**58**	21
Interest payable	**-**	-
Taxation	**139**	118
Profit for the year	**289**	52
Impact of restatement of prior period comparatives at subsidiary level on reserves carried forward	**-**	408
(Loss) profit for the year	**289**	460

	2024 £'000	2023 £'000
Balance sheet		
Current assets	**16,024**	14,430
Creditors: amounts falling due within one year	**(1,616)**	(1,696)
Creditors: amounts falling due after one year	**(2,334)**	(607)
Total net assets	**12,074**	12,127

	2024 £'000	2023 £'000
Capital and reserves		
Called up share capital	**7,700**	7,700
Profit and loss account	**4,374**	4,427
Total shareholder's funds – equity interests	**12,074**	12,127

28 St Albans Diocesan Property Company (Chesham) Limited

On 22 March 2024 the charity established a further wholly owned subsidiary company, St Albans Diocesan Property Company (Chesham) Limited, investing £1,000 in the purchase of the subsidiary company's called up share capital of 1,000 ordinary shares. A £3 million unsecured loan has been provided from the charity to St Albans Diocesan Property Company (Chesham) Limited, at an interest rate of 3.5%, charged in line with the DBF's total return policy.

The intention is to develop the land and buildings in two stages, starting with the farm and residential buildings. This will generate sufficient return to cover the cost of the purchase. The second stage involves development of the land holdings, which fully will recoup the DBF's investment in the glebe farmland.

	2024 £'000
Income and expenditure	
Turnover	-
Cost of sales	-
Operating costs	(44)
Interest received	-
Interest payable	(73)
Taxation	-
(Loss) for the period	**(117)**

	2024 £'000
Balance sheet	
Current assets	3,078
Creditors: amounts falling due within one year	(3,194)
Creditors: amounts falling due after one year	-
Total net assets	**(116)**

	2024 £'000
Capital and reserves	
Called up share capital	1
Profit and loss account	(117)
Total shareholder's funds – equity interests	**(116)**

29 Custodian funds

As at 31 December 2024 the St Albans Diocesan Board of Finance held funds on behalf of parishes, church schools and general trust funds within the Diocese with a market value of approximately £42.3m (2023 – £38.5m) as Custodian Trustee. As explained under principal accounting policies, these assets are not included in these financial statements. The funds are held predominantly as units in common investment funds held by the Central Board of Finance (CBF) of the Church of England and are professionally managed on behalf of the CBF by CCLA Investment Management Limited. At all times, funds held by the charity as Custodian Trustee are segregated clearly from those belonging to the charity itself.

30 Liability of company members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up, company members are required to contribute an amount not exceeding £1.

31 Related party transactions

Hockerill Education Foundation – registered charity number 311018
Three (2023 - Three) members of the Board are trustees of the Hockerill Educational Foundation. In 2024 the St Albans Diocesan Board of Finance received educational grants from the Foundation totalling £110k (2023 – £105k) and £89k (2023 – £118k) was spent during the year.

Youthscape – registered charity number 1081754
One key member of staff (2023 – one) is a trustee of Youthscape. In 2024 the St Albans Diocesan Board of Finance made payments to Youthscape totalling £20k (2023 – £31k), for grants for work with young people in the Diocese.

City Church Fund – registered charity number 205629-2
One member of the Board (2023 – one) is a trustee of the City Church Fund. In 2024 the St Albans Diocesan Board of Finance received grants from City Church Fund totalling £111k (2023 – £156k), for work with young people in the Diocese.

University of Bedford Enterprises Limited (UBEL) – registered company number 02460429
One member of the Board (2023 – one) is a governor of the University of Bedford, which wholly owns UBEL. In 2024 the St Alban Diocesan Board of Finance made payments to UBEL totalling £18k (2023 – £20k), for use of premises for synod.

Cathedral and Abbey Church of St Albans – registered charity number 1207312

One member of the Board (2023 – one) is a key member of the Cathedral. In 2024 the St Alban Diocesan Board of Finance made payments to the Cathedral totalling £19k (2023 – £30k), for grants and general educative purposes and received £8k (2023 - £8k) for rental income from properties.

Jane Cart Trust – registered charity number 200166

Two members of the Board (2023 – two) are trustees of the Jane Cart Trust. In 2024 the St Alban Diocesan Board of Finance received a grant towards a Net Carbon Zero project (2023 – nil).

Donations from Board members

No donations were received from Board members in the year (2023 – none).

32 Connected entities

The St Albans Diocesan Board of Education (DBE) was a Board of the St Albans Diocesan Synod up until 1 January 2022. The Board worked closely with the Diocesan Board of Finance to seamlessly transition to a new constitutional form following the enactment of the DBE Measure 2021. After the resolution had been passed by Diocesan Synod in October 2021 the Archbishops' Council Certificate was received, confirming the Scheme which prepared the way for the institution of the Diocesan Board of Education as a statutory committee of the Diocesan Board of Finance from January 2022. Key policies were reviewed and a three-year strategic plan approved which will cover the whole of the next triennium.

Whilst it has certain functions and responsibilities imposed by statute (the Diocesan Boards of Education Measure 1991 (as amended 2006) and reports directly to the Diocesan Synod, it has no legal personality separate from the DBF. A key function of the DBE is to assist in the promotion of education in the Diocese, such education being consistent with the faith and practice of the Church of England. It promotes or assists also in the promotion of religious education and religious worship in schools in the Diocese.

Following the enactment of The Academies Act 2010, the DBE established The Diocese of St Albans Educational Trust, a company limited by guarantee (Company Registration No. 08223185 (England and Wales) to assist Church of England Academy Trusts in the Diocese as they seek to provide a high-quality education for pupils and students in their schools. This company is a member of each of the Academy Trusts formed in the Diocese since 1 September 2012. Five of the seven directors of the company are appointed from the DBE with two non-DBE appointments.

In response to the Education and Adoption Bill 2015, the Diocese of St Albans Multi Academy Trust (DSAMAT) was incorporated on 27 October 2016 as a company limited by guarantee (Company Registration No. 10449374). The five members of the Multi Academy Trust are appointed by The Diocese of St Albans Educational Trust. These members are responsible for appointing the seven directors of the Multi Academy Trust who have responsibility for its day-to-day management. The Multi Academy Trust has been established to provide for schools within the Diocese requiring rapid improvement having been placed in Special Measures and subject to a directive Academy Order, good or outstanding schools where no natural cluster of local Church of England provision exists, and new schools within new housing provision where the Diocese is the identified sponsor.

The DBF has not consolidated the DSAMAT accounts into its own as it does not consider itself to be a controlling entity. The DBF's appointment of DSAMAT members, who in turn appoint the Directors, is highly disconnected from practical financial and operational matters. The DBF does not make appointments in order to derive benefit for itself: rather its appointments are to help to support DSAMAT to benefit its beneficiaries and help it to achieve its separate purposes. The DBE makes no strategic decisions for DSAMAT: it does not direct expenditure or funding, nor does it approve or set budgets.

During the year, there have continued to be a limited number of transactions between the Multi Academy Trust and the DBF in respect of a recharge of staff salaries by the DBF. The amounts involved are not material to these financial statements.

33 Pension commitments

Lay workers scheme

St Albans DBF participates in two defined benefit pension schemes administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of and the other Responsible Bodies. One of these is the Church of England Funded Pensions Scheme for stipendiary clergy. The other is the Church Workers Pension Fund for lay staff.

CWPF has two sections:

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

Defined Benefits Scheme

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

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

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.
The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2024: £0, 2023: £0) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £0 for 2024 (2023: £0).

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

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

The next actuarial valuation is due at 31 December 2025.

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

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

The determination was that the Diocese of St Albans had a usable surplus of £585k. The Diocese decided to take this as a payment holiday, which commenced in April 2024 and will continue for 29 months. This effectively means that the Diocese has overpaid by £585k in preceding years, so the whole credit has been recognised in the SOFA for 2024. The element that relates to future years is held on the balance sheet as a sundry debtor, split between the amount due within one year (£242k) and the amount due in more than one year (£161k). This will be released to the SOFA in the relevant year.

The movement in the provision is set out below:

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

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

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

	December 2024	December 2023	December 2022
Discount rate	N/A	N/A	0.0%

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

Clergy scheme

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2024 - £1,488k; 2023 - £1,509k), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2024, following the valuation results being agreed, the deficit contributions paid were £0 (2023: £0k).

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

- An average discount rate of 2.7% p.a;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

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

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

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

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

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2024 is nil. The movement in the balance sheet liability over 2023 and over 2024 is set out in the table below.

	2024 £'000	2023 £'000
Balance sheet liability at 1 January		
Deficit contribution paid	-	-
Interest cost (recognised in SOFA)	-	-
Remaining change to the balance sheet liability* (recognised in SOFA)	-	-
Balance sheet liability at 31 December	-	-

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

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

Other schemes

No other contributions were made to any other pension schemes in the year (2023 - none made to the Teacher's Pension Scheme and the Hertfordshire County Council pension scheme).

34 Subsequent events

In March 2025, two further parcels of land were sold for which the St Albans Diocesan Property company received £987k, which was the remaining receipts after paying down the outstanding loan of £2,678k to the Management Company.