

HEREFORD DIOCESAN BOARD OF FINANCE EXECUTIVE COMMITTEE

Précis Extracts from Minutes of Meeting held 19 April 2011

Photo Voltaic Cells

DBFX considered the suggestion of having pv cells installed on church roofs in partnership with parishes; ie. for DBF to provide initial funding, and parishes receive the income, from which the initial funding would be repaid. Agreed a paper needed for consideration and in-depth discussion at a future meeting.

Monthly Accounts

Parish Share receipts had exceeded forecast for the first quarter of 2011 as a number of deaneries had paid earlier than in previous years.

Stipend payments are currently below Budget due to vacancies – recruiting is proving very difficult.

2010 Accounts

The Finance Secretary presented the draft 2010 Management Accounts, Statutory Accounts and Uniform Statutory Trust Accounts (UST).

Noted that income was received from sale of Glebe property, although this then meant that Glebe rental income was lower. Income from shares was also lower, due in part to BP paying lower dividends, which had also adversely affected the UST and Pastoral portfolios.

Clergy numbers were down because of unfilled vacancies, which resulted in higher rental income from parsonages let during those vacancies. Funds had been added to the Benefice Buildings Committee budget to support work carried out on parsonages during vacancies.

There will be a full revaluation of properties at the end of 2011.

The Board of Education was below Budget during 2010, as a result of having several staff vacancies, all of which have since been filled.

The Project Fund in the UST Accounts contains income from the sale of Cradley Old School, less amounts used to help with projects at the new school in Lea and at Kingsland School.

Audit

The Auditors, Baker Tilly, presented the draft Audit Findings Report on the 2010 Management and Statutory Accounts.

The deficit in the 2010 Accounts includes the additional funds made available for parsonage housing repairs and a pension adjustment of just over £20k due to an error by the CofE Pensions Board.

The Auditors noted on reviewing receipts of Parish Share that on occasion there was no correspondence to identify from which parish Share was received, and that deaneries should be reminded to send correspondence with the payment (or by email), to complete the audit trail.

Looking at Risks, it was agreed the biggest risk any diocese faces is parishes not paying Parish Share. However, a specific risk assessment was not considered necessary as Share receipts are continually being reviewed.

The Auditors were thanked and the 2010 Accounts were approved.

Draft 2012 Budget

The Finance Secretary presented the draft 2012 Budget.

Removing faculty fees from 'parochial support' in the Budget was discussed. If the Diocese were to take over payment of faculty fees, it would mean an approximate 0.5% increase to Parish Share. This would plainly need proper discussion at parish level and a deanery motion put to Diocesan Synod.

It was agreed that a Budget Scrutiny Group would try to identify potential savings.

Crematorium Fees

The continuing issue of crematorium fees not being paid to the Diocese was again discussed without resolve.

Dilwyn School

DBFX noted that the Voluntary Aided CofE school at Dilwyn had been earmarked, by the Local Authority, for closure at the end of the current academic year. This decision was being opposed by an active group of local people who wish to continue to run the school as a “free” school, under recently introduced government legislation, from September 2012. It would therefore need to operate as an independent school for the academic year 2011/12, which would receive no funding from the local authority or government.

Mileage Rate

In March the Inland Revenue approved mileage rate was raised from 40p per mile to 45p per mile, DBFX approved an increase of the Diocesan mileage rate in line with the Revenue scale.