

Esgobaeth Llanelwy Diocese of St Asaph



ESGOBAETH LLANELWY

TYFU FFYDD • DOD Â GOBAITH • DANGOS CARIAD

GROW FAITH • BRING HOPE • DEMONSTRATE LOVE

DIOCESE OF ST ASAPH

Bwrdd Cyllid yr Esgobaeth The Diocesan Board of Finance

Cyllideb 2023
Budget 2023



DIOCESE OF ST ASAPH

Income and Expenditure BUDGET 2023

2022

Income	Notes	£	£	£	£
Mission Area Share	1	3,384,256		3,419,415	
4% Mission Area Share Discount	2	-135,370		-133,699	
			3,248,886		3,285,716
Cental Funding					
RB Block Grant	3		400,000		356,116
Dividends		100,000		100,000	
Bank Interest		300		300	
Sub-Total Investment Income			100,300		100,300
Legacies		0		0	
Clerical Education Donations		6,500		6,000	
Education Trust Administration Contribution		16,440		15,657	
Parsonage Board Administration Contribution		43,911		41,820	
Wrexham Educational Foundation Contribution		50,099		47,396	
Net Rental Income from Let Properties	4	160,000		160,000	
Coronavirus Emergency Funding from RB		0		0	
Miscellaneous Income		9,500		11,000	
DBF Reserves to fund Cap & Collar Share	5	13,300			
Sub-Total Other Income			299,750		281,873
			800,050		738,289
Total Income			4,048,936		4,024,005
Expenditure		£	£	£	£
Frontline Ministry					
Stipendary Clergy:					
Clergy Stipends		1,805,750		1,743,200	
Council Tax		220,000		190,000	
Housing Maintenance		436,978		410,479	
Sub Total Clergy Costs	6		2,462,728		2,343,679
Other Ministry Costs:					
Archdeacons, Bishop's Chaplain, Curates, Evangelists,					
Mission Area Leaders		453,971		503,616	
Clergy Relocations		50,000		50,000	
Other Ministry Expenses		49,400		41,750	
Developing Ministry	7	60,064		96,010	
Social Engaging		47,697		49,385	
Rural Ministry and Support		10,000		10,000	
Cathedral		72,400		68,952	
Church Inspections & Faculties		42,626		42,992	
Sub Total Other Ministry Costs			786,158		862,705
Frontline Ministry Total	8		3,248,886		3,206,384
Central Costs					
Nurturing		137,247		159,948	
Funding and Mission Area Support		6,500		6,500	
Safeguarding	9	1,000		1,000	
Communication		40,000		40,000	
Diocesan Board of Finance	10	107,533		79,566	
Churches Emergency Aid Fund		16,666		16,666	
Grants, Donations, Includes MAA grants	11	84,150		84,150	
Mission, Growth and Evangelism	12	186,240		73,780	
Bishop's Discretionary		10,000		9,384	
Diocesan Board of Finance Member's Expenses		750		750	
Governing Body Meeting Expenses	13	25,000		10,000	
Widows Orphans and Dependents		15,000		15,000	
Stockbroker Fees		17,800		15,000	
Registrar's Costs		28,544		27,185	
Depreciation	14	44,650		43,852	
Salary Costs	15	314,113		330,291	
Sub Total			1,035,192		913,071
Total Expenditure			4,284,078		4,119,455
Budget Surplus/(Deficit) For The Year			-235,142		-95,450



DIOCESE OF ST ASAPH

Notes to the Income and Expenditure BUDGET 2023

- 1 The Board has decided to link the Mission Area share directly to the cost of frontline ministry. This results in a decrease of overall share of 1% in 2023.
- 2 The Mission Area share discount scheme based on full payment of share remains in place and the provision is increased from 3.9% to 4.0% to reflect the increase in take up of this rebate.
- 3 The RB Block grant is being replaced by the Partnership Funding Grant which has been announced as £400,000 for 2023.
- 4 The Property Board continues their good management of the property portfolio, enabling the DBF to make use of a further £160,000 surplus as income.
- 5 The Board recognises that as much stability as possible is welcome in these uncertain times and in order to avoid any large increases or decreases following the introduction of the new Mission Area share formula, a 'cap and collar' was included. The Board agreed to meet any shortfall from its reserves.
- 6 The cost of clergy represents includes the increase in stipends and national insurance for 2023. An increase in council tax and housing maintenance costs are also included.
- 7 The Developing budget is down on 2022 budget as the clergy synod is taking place in 2022 and only takes place every three years.
- 8 The stipendiary clergy costs and other ministry costs now combine into the frontline ministry cost and this figure is now the basis of the Mission Area Share.
- 9 The safeguarding budget remains in place and is a direct charge by the RB.
- 10 The Diocesan Board of Finance budget has increased significantly. This is due to the increase in the cost of business gas and electricity prices.
- 11 The budget for grants remains unchanged and includes a budget for the continuation of the Mission Area Administrator grants.
- 12 The Board is continuing to fund Mission, Growth and Evangelism and this increase reflects its commitment to fund growth.



- 13** Governing Body expenses are expected to increase following the return of face-to-face meetings.
- 14** The increase in depreciation is due to the installation of the new telephone system at the Diocesan office. The old system had reached the end of its useful life and was no longer fit for purpose.
- 15** As in previous years the DBF staff salaries are increasing in line with the clergy stipend increase. Despite this increase, there is expected to be an overall reduction due to changes in the staffing structure at the Diocesan Office.



ESGOBAETH LLANELWY :: DIOCESE OF ST ASAPH

BWRDD CYLLID YR ESGOBAETH :: DIOCESAN BOARD OF FINANCE

REPORT TO DIOCESAN CONFERENCE 2022

BUDGET 2023

1. There is a requirement on the Board of Finance to draw up and agree a budget and recommend it for acceptance to the Diocesan Standing Committee, after which it must be received at the Diocesan Conference.
2. The Board is clear that strategic financial planning is essential to ensure the future health and growth of our diocese. The Budget for 2023 is an important next step in our financial strategy to resource mission and ministry in a way that is sustainable and builds the Kingdom of God.
3. The events of 2022 have continued to be challenging and the Board wants to thank everyone who has worked so hard and given extremely generously, often in new ways, as we start to emerge from the global coronavirus pandemic. We must now also address the new challenges arising from the steep increases in the cost of living.
4. The Budget for 2023 shows a budgeted deficit of **£235,142** (in 2022, we have a budgeted deficit of £95,450). The Diocesan Board of Finance has considered this proposal carefully and recommends it to the Standing Committee for the following reasons:
 - The Board believes that, as a charity, our purpose is to invest in mission and ministry. The Board reported an annual surplus on operations in each of the three years in the period 2019 - 2021 and so the Board is budgeting for a deficit in 2022 and 2023, as we continue to support our Mission Areas through the reconstruction of church post-pandemic. We believe that we must hold fast in faith and strive to be the church that God is calling us to be.
 - The Board recognises that the current economic climate remains volatile and uncertain and is keenly aware of the financial pressures on our churches. After a careful and detailed review of diocesan income and expenditure, it has therefore decided there will be a 1% decrease in the total level of Mission Area Share requested in 2023.
 - In 2023, there will be a 5% increase in clergy stipends and lay salaries, and the contribution that the diocese makes to clergy housing costs will increase by 7.3%.



- The Diocesan Property Board and Diocesan Parsonages Inspector carefully manage a portfolio of former parsonages that are not currently required for occupation by a cleric: this work delivers a useful source of income of approximately £160,000 per annum.
5. The proposed budget shows a required Mission Area Share for 2023 that totals £3,384,256. The Board will continue the successful Mission Area Share Discount Scheme and will maintain the discount offered at the current level.
 6. Mission Area Finance is now established across the diocese and all our Mission Areas now have consolidated financial accounts and essential management information that allows them to plan for their future effectively. This has been a significant benefit in managing the challenges of 2021 and 2022 and the Board is extremely grateful for the hard work of all our Church and Mission Area Treasurers.
 7. The Diocese of St Asaph receives an annual block grant from the Representative Body of the Church in Wales. In 2023 this will amount to £400,000, which is higher than in 2022, due to changes in the way the Dioceses are funded. This funding from the national church will be known as Partnership Funding in the Future to better reflect a new spirit of co-operation across the whole of the Church in Wales.
 8. We have budgeted for 64.65 stipendiary clergy and 8 stipendiary training curates. We have also assumed that there will be 2 clergy vacancies at any given time. The Bishop will continue to try to fill any clerical vacancy promptly after due consultation with the Mission Areas.
 9. The attached Budget for 2023 was agreed by the Board of Finance on 13 September 2022. It is now presented to the Standing Committee of the Diocesan Conference on 22 September 2022 and, if approved, will be presented to be received formally by the full Diocesan Conference on 08 October 2022.

Mrs Samantha Allin
Chair of the Diocesan Board of Finance

