

A stylized dove logo composed of overlapping curved shapes in shades of blue and yellow, set against a dark blue background with a light blue dot pattern.

**ESGOBAETH LLANDAFF
LLE MAE FFYDD
YN CYFRIF**

**DIOCESE OF LLANDAFF
WHERE FAITH
MATTERS**

Llandaff Diocesan Board of Finance Annual Report 2021

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Chair of Llandaff DBF



Scope of Report

- BUDGETARY AND FINANCIAL ISSUES
- SINCE LAST DIOCESAN CONFERENCE
- DBF ORGANISATION AND GOVERNANCE



BUDGETARY AND FINANCIAL ISSUES



Background

- Long term budgetary aim over **5 years**
 - balanced budget
- Make **£3m of reserves available** to deliver Vision
- Maintain **prudent financial management** of charity and strong governance



Financial Year 2020 - What happened?

- Income – £7.7m - Reserves - £9.7m
- Deficit budget of (**£606k**) set in 2020 Budget
- Surplus on investments in the year £126k
- Significant support from the RB re covid-19 £1.7m, of which £1.4m was paid out directly to parishes in 2020 and the balance in 2021
- Evangelism bid fund support RB commitment of £2.97m over 5 years approved in Feb 2020
- Savings in governance and budget holder costs due to the pandemic
- Furlough scheme income support diocesan office staff £25k
- Unrestricted surplus position achieved of **£292k**
- Full detail of annual accounts on website



Financial Year 2021 : What was budgeted

- Continuing commitment to work towards a more balanced budget over 5 years
- 0% change in Fairer Share
- No change in salary/stipend levels
- Deficit budget set **£(561,736)**



Operational Budget 2021

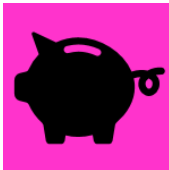
Income



**Fairer
Share
£4.2m**



**Representative
Body grant
£1.5m**



**Investment
income
£0.2m**



**Other
income
£0.1m**

Income Total - £6.0m

Expenditure



**Ministry
£4.8m**



**Support
for
parishes
£0.5m**



**Property
£0.8m**



**Grants
£0.2m**



**Governance &
Communication
£0.2m**

Expenditure Total - £6.6m

Financial Year 2021 : Operational performance to date

- As at June 2021 surplus of **£267k** against a budget of **£(281)k**
- Principal cause - Investment gains
- Together with:
 - Departmental savings
 - Office cost savings
 - Vacancies in posts



Budget 2022 - Main features anticipated

- 2% increase in Fairer Share, in line with increase in stipends and salaries
- Reduction in block grant and pension liability
- 1.6% increase in Parsonage Board repairs and maintenance budget
- 0% changes where possible on expenditure items
- Staff resource to focus on support on the ground, delivery of Diocesan Vision and Ministry Area formation and implementation
- Main risk area – Fairer Share income



SINCE LAST DIOCESAN CONFERENCE



Covid-19

- Huge impact on Diocese and its communities from March 2020 onwards
- Representative Body (RB) drew down on reserves to support Church in Wales grass roots
- Llandaff DBF received £3.5m support in 2020 & 2021 – used to support Parishes and Ministry Areas
- RB support continued in 2021 but now finished



Evangelism Fund Update

- Grant awarded of £2,974,275 by the RB in February 2020
- Spending profile slowed due to the impact of Covid-19
- Citizen Church planted in Cathays opened their doors virtually and physically (Feb 2021)
- Appointment Senior Engagement Worker (Jan 2021) and 2 Engagement workers (April 2021)
- Centre for Mission
- Vision programme manager appointed (April 2021)



Diocesan Vision Funding update

- Spending profile slowed because of Covid-19
- Vocations Advocate in post (Feb 2020)
- Lay training officer support (July 2021)
- Senior Outreach worker (July 2021)
- Journeys of Faith joint project with All Churches Trust and Visit Wales
- Director of Communications and digital support
- Diocesan website re-launched and re-freshed
- Property Energy audit support



Ministry Areas

- Decision to accelerate Ministry Area (MA) formation across Diocese
- 29 MA's formed from over 100 parishes, Benefices and existing MA's.
- Varying speeds of transition – latest date for formation – Jan 2022
- Extensive Ministry Area roadshows held in early 2021
- Appointment of MATTs, MALs, Lay Chairs and MATs (ongoing)
- College meetings set up to support MA roles of Chairs and Treasurers
- Ministry Area Finance officer (May 2021)
- Financial and Staff resources to support process of transition
- Continuing main focus for DBF and staff in coming years
- Key to delivery on Diocesan Vision



DBF ORGANISATION AND GOVERNANCE



Organisation & Staffing

- Successful integration of two senior Diocesan appointments – Director of Ministry and Discipleship, and Archdeacon of Llandaff
- Recruitment of staff members to deliver on Vision
- Continued flexibility and agility in working regimes including currently more homeworking
- Use of technology for meetings e.g. Teams, Zoom to save travel time and the environment



DBF Board Operation and Governance

- Review and update of the Diocesan constitution and approval of new Articles of Association
- Choice of Co-optees addresses skills deficits to produce balanced board
- New streamlined committee structure
- Mainly online meetings



And finally ...

Thank you

