

CARLISLE DIOCESAN BOARD OF FINANCE LIMITED

MINUTES of the **ANNUAL GENERAL MEETING** of the **CARLISLE DIOCESAN BOARD OF FINANCE LTD** held at Newton Rigg campus on Tuesday, 20th June 2017.

AGM 17/01 ATTENDANCE

66 members were present and 20 apologies for absence were received.

AGM 17/02 MINUTES OF THE 2016 ANNUAL GENERAL MEETING – AGM 16/03

The minutes of the meeting held on 22nd June 2016 were approved and signed.

AGM 17/03 REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2016

Mr Johnson introduced the Diocesan Board of Finance's annual report and accounts.

He reminded members that three years earlier the Bishop's Council had recommended a budget for God for All and the Board of Finance (DBF) and Diocesan Synod had approved it. The budget had been drawn up to provide the finances required to establish mission communities and support them in their outreach and mission. A six year financial plan had replaced annual budgets. The job of the DBF was to provide the resources required and to report on financial developments and progress; it did not decide the strategy.

In the period since the six year plan had been set out ministry costs had not reduced in line with assumptions and Parish Offer had not risen in line with previous years' increases, although what had been promised had increasingly been paid. Other factors which were more within our control, including funding the implementation of the strategy through the establishment of the Reach Team and Cumbria Christian Learning, the further development of Network Youth Church, control of central costs and obtaining funding from the Church Commissioners, were happening as originally planned.

Over the six year budget period we had expected that we would break even, with some years showing surpluses and others showing deficits. In the first two years of the period the outturn had been less positive than the original plans. In the last twelve months to 31st December 2016 the DBF's outturn showed a deficit of £142,000. Alongside this Rydal Hall had seen its trading position deteriorate significantly and the OpShop network had been affected by the Carlisle flooding at the end of 2015.

The DBF's balance sheet remained very strong, showing over £70 million in capital, the lion's share of which was restricted and was tied up in parsonage properties or in investment properties and shares. The DBF was now looking beyond 2020 in order to build medium-term sustainability into Diocesan budgeting.

Mr Johnson told members that the detailed statutory accounts were available from Church House. He congratulated the Finance Manager, Mr Jaques, who had started work in the Diocese in December 2016, for the work he had done in getting to grips with the complexity of the diocesan finances and in producing the accounts. He drew attention to a trifold leaflet which had been produced for a second year and contained key information about the accounts.

The Chair, Canon Jayne, said that the Finance Committee was concerned about the outturn for the first two years of the 2015-2020 budget period but did not think there were huge issues that could not be resolved with careful management and planning. The DBF's financial strategy would continue to be implemented in support of the Diocesan strategy as there was no plan B. The Finance Committee would monitor the financial position and report to the Board of Finance members what was happening.

There was a question about the refinancing of Rydal Hall Ltd and whether this was done from the general account or in some other way. Canon Jayne reported that the refinancing had been undertaken through the purchase of shares in Rydal Hall Ltd. The Hall was now under a new management team and he hoped that, operationally-speaking, the business was being turned around and that in due course we would see the benefits of that turn around in the Hall's finances. He hoped that in time we would see the trading company return to a position where it was once again making a significant annual donation to the Board of Finance on top of the rent that was being paid for its occupancy of the Hall itself.

Mr Johnson proposed the following motion, seconded by Mr Cook, which was carried unanimously.

"To receive and adopt the report of the Directors and Trustees together with the annual accounts".

AGM 16/04 APPOINTMENT OF AUDITORS FOR THE FOLLOWING YEAR

Canon Jayne proposed and Mr B Thomas seconded the following motion which was carried.

"That Dodd and Co be reappointed as Auditors to the Diocesan Board of Finance for 2017."