

**Annual Report
&
Financial Statements**

For the year ended 31st December 2024



SHEFFIELD DIOCESE BOARD OF FINANCE

Company Number: 196087

Registered Charity Number: 245861

The Diocese of Sheffield is called to grow a sustainable network of Christ-like, lively and diverse Christian communities in every place, which are effective in making disciples and in seeking to transform our society and God's world

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ANNUAL REPORT

The Trustees, who are also Directors for the purposes of company law, present their annual report, together with the audited financial statements, for the year ended 31 December 2024. In signing as Trustees, they also sign the strategic report sections in their capacity as Directors. This combined report satisfies the legal requirements for:

The Directors' Report of a charitable company;

The Strategic Report under the Companies Act 2006; and

The Trustees Annual Report under the Charities Act 2011.

FOREWORD

This year has again presented significant challenges for the Diocese of Sheffield - economic pressures continue to weigh heavily, especially on our poorest communities, and the Church nationally remains in a state of discernment and tension. In addition, it was announced during the autumn that Bishop Sophie, then the Bishop of Doncaster, had been appointed to the See of Coventry: while we rejoice for her and for that Diocese, her appointment introduces a further level of change and disruption.

Yet amid this, we are witnessing signs of renewal and encouragement across our Diocese. Our vision to grow a sustainable network of Christ-like, lively, and diverse Christian communities remains compelling and timely, and I am heartened by the many ways it continues to take root.

The Statistics for Mission for 2024 show encouraging signs of ongoing recovery. Across the Diocese as a whole, usual Sunday Attendance and Usual Weekly Attendance grew by between 3% and 5% for both adults and children. These are not just numbers—they reflect people coming to faith, reconnecting with the Church, and finding community and hope. We rejoice in the research published by the Bible Society suggesting a Quiet Revival, especially among young men, aged 18-25, nationwide. Alongside these green shoots, we see strong engagement with our strategic initiatives: the growth of Focal Ministry, the launch of new congregations, and a prayer community now nearing 1,500 people. These all point to a Diocese finding its footing again after the disruption of the pandemic and stepping forward with quiet confidence in the Lord Jesus.

We do not take these signs of hope for granted. They are the fruit of faithful and prayerful service by clergy, lay leaders, and volunteers across our communities. They also reflect wise strategic investment and generous support from the national Church. We are not yet where we hope to be—but we are moving forward. I give thanks for the leadership of the Board of Finance and for all those who serve the Church's mission in this Diocese.

The Rt Revd Dr Pete Wilcox, Bishop of Sheffield

Diocesan Synod approved a deficit budget for 2024 as part of the long term strategy to invest in the foundation of new structures within the Diocese to facilitate sustainable growth in the years to come. The end result for 2024 was a deficit of £1.0m on the general fund; which was substantially less than the budgeted deficit.

We see the strong growth in attendance, reported in 2023, continue across the Diocese in 2024. However, most of our communities still struggle with the impact of cost of living pressures and so we value the continued support from the Church Commissioners in recognition of the number of Low Income Communities within our Diocese.

At the end of the year, despite us running a deficit, overall funds on our balance sheet have only marginally reduced to £59.8m compared to £60.8m in 2023. There are several reasons for this:

1. The deficit in our unrestricted general fund of £1.0m was substantially less than the budgeted deficit of £2.1m, primarily due to recruitment to clergy vacancies being at a slower pace than hoped.
2. We have continued to focus on maximising the performance of our Glebe and other investments, resulting in gains in year of £0.5m, £0.1m of which was attributable to the unrestricted general fund.

The net result is that our unrestricted general funds stood at £5.5m at 31 December 2024, which has reduced from £6.7m in 2023 due to the £1.0m deficit and £0.2m transfers between funds in the year.

As long as fixed asset and investment valuations remain healthy, this gives us a little more headroom for us to see the fruits from our long term strategy of Renewed, Released and Rejuvenated.

Ian Walker, Chair of Sheffield Diocesan Board of Finance

LEGAL OBJECTS

The Sheffield Diocesan Board of Finance's ("SDBF") principal object is to promote, assist and advance the religious and other charitable work of the Church of England in the Diocese of Sheffield by acting as the financial executive of the Sheffield Diocesan Synod. The objects of the Diocese of Sheffield cover most of the County of South Yorkshire with a small part of the East Riding and one parish in North Yorkshire.

The SDBF has the following statutory responsibilities:

- i. the management of glebe property and investments to generate income to support the cost of stipends arising from the Endowment and Glebe Measure 1976;
- ii. the repair of benefice houses as the Diocesan Parsonage Board under the Repair of Benefice Buildings Measure 1972;
- iii. the management of investments and the custodian of assets relating to church schools under the Diocesan Board of Education Measure 1991; and
- iv. the custodian of permanent endowment and property assets relating to trusts held by Incumbents and by Parochial Church Councils (PCCs) as Diocesan Authority under the Incumbents and Churchwardens (Trusts) Measure 1964 and the Parochial Church Councils (Powers) Measure 1956.

STRATEGIC AIMS AND OBJECTIVES

The SDBF manages the financial aspects of the provision of ministry within the Diocese ensuring appropriate personnel and financial resources to assist the Diocesan Synod, Bishop's Council, deaneries and parishes to further the mission and strategic priorities.

The Diocese of Sheffield continues:

- i. to ensure a Christian presence in every parish;
- ii. to provide resources for people of all ages and at all stages of their spiritual journey to grow in understanding of the Christian faith;
- iii. to engage actively in local debate and ensure that Christian voices are heard in all areas of public life, including schools, universities, and in local communities; and
- iv. to manage diocesan resources effectively to meet the legal objects of the Diocese.

In promoting the whole mission of the church (pastoral, evangelistic, social and ecumenical) the Trustees are confident (having had regard to Charity Commission guidance) that SDBF delivers public benefit. This is achieved through community engagement, resourcing education and supporting those in need both spiritually and physically.

ACTIVITIES & ACHIEVEMENTS IN THE YEAR

Introduction from CEO/Acting Diocesan Secretary

It is a privilege to introduce this Annual Report for the Diocese of Sheffield, reflecting on a year marked by both challenge and encouragement as we continue our journey of being Renewed, Released, and Rejuvenated.

2024 was a year of planned financial deficit, approved by Diocesan Synod, as we pressed ahead with bold investment in people, systems and structures to enable sustainable future growth. While the economic backdrop remained difficult, particularly for our poorest communities, the Diocese has shown flexibility and hope. Encouragingly, overall participation figures have continued their upward trend, and many of our mission and ministry indicators show meaningful progress.

In 2023 and the early part of 2024, we undertook a significant consultation and review process to refresh our Diocesan strategy at the mid-point of the 3Rs journey. This wide-ranging engagement across the Diocese helped us to assess impact to date, listen to local voices, and reshape our vision for the years ahead. The resulting strategy refresh informed a major funding application to the national Church's Strategic Mission and Ministry Investment Board. We are delighted that this has resulted in a confirmed award of £17.5 million for 2025–28, with an in-principle commitment of a further £18.3 million for 2029–31. This substantial investment will enable continued development of key initiatives such as the Centenary Project, Resourcing Churches, Focal Ministry, and Mission Area Support, alongside vital new support for buildings, lay leadership and diverse communities.

We have seen steady momentum across all three strands of our strategic vision. Our prayer community continues to grow, our leadership development pipeline is thriving, and we continue to witness local churches stepping out with courage and creativity - whether through Focal Ministry, Resourcing Churches, or the development of new worshipping communities.

Despite running a deficit, prudent financial management means our overall funds ended the year, only marginally down on 2023, at the same level as 2023, and we are stewarding our assets and reserves carefully. We give thanks for the generosity of parishes, the dedication of clergy and lay leaders, and the efforts and engagement of those who serve on our boards and committees.

The Statistics for Mission for 2024 show that there are positive signs of ongoing recovery to pre-pandemic levels. Estimated attendance for October 2024 increased to 80% of 2019 levels. 25% of parishes experienced growth in their worshipping community, 26% remained steady, and 49% have seen a decrease since 2019. 21% of parishes experienced growth in their usual Sunday attendance, 30% remained steady, with 48% below 2019.

As we look to the future, we remain committed to nurturing a Diocese that is Christ-like, lively and diverse in every place.

Lindsey-Jane (LJ) Buxton, Acting Diocesan Secretary

Progress Against our Strategy in 2024

Work supported by National Church Funding

Strategic Transformation Funding

The Transformation programme – a multi-year award of £5.6m from the Archbishops' Council's Strategic Investment Board in 2020 – supports our 3Rs strategy delivery with continued good progress through 2024.

Impact of Renewed

1,456 people are in the prayer community (those who have officially signed-up – we trust that more people are praying for renewal!). These 1,456 people are resourced through daily online prayer, weekly prayer reflections and seasonal prayer gatherings through the year at Deanery and Diocesan level. Thy Kingdom Come Beacon events regularly draw in up to 250 people. In addition, the 2024 Thy Kingdom Come prayer pilgrimages involved around 240 people across 11 deaneries.

Impact of Released

Lights for Christ

422 adults have adopted a Personal Rule of Life (PRoL), exceeding the target for 2024. In addition, 155 young people have participated in adapted PRoL workshops.

50 churches are engaged with Lights for Christ, exceeding the target for 2024.

12 active local Lights for Christ Champions are in place, meeting the target for 2024. We have seen real traction with discipleship activities that people can do in their daily lives, such as Wear Your Faith Fortnight and the Lights for Christ Advent Calendar.

Our Lights for Christ web pages have been viewed over 75,000 times and over 7,000 people have downloaded Lights for Christ courses since 2020.

On Holy Saturday 2024, with much fanfare and fireworks, 40 people from across the Diocese were baptised and confirmed at our Cathedral. Encouragingly we are seeing increasing numbers of adult confirmation candidates.

We are increasingly seeing people come to faith through engaging social action work that tends to human needs and gives invitation and opportunities to explore faith.

Focal Ministry

We have 109 active authorised Focal Ministers, which is ahead of our target for 2024.

51 churches are now engaged with Focal Ministry, exceeding the target for 2024.

Eleven of our twelve Deaneries have authorised Focal Ministers in place. Candidates from the twelfth deanery are in the process of becoming authorised.

In addition, more than 90 new people have taken up other recognised local ministries since the establishment of Focal Ministry teams (data collected from Annual Reviews with Focal Ministers since Jan 2024).

Mission Area Support

Since Mission Area Support was established in 2021, parishes across the Diocese have been supported with over 690 tasks. In 2024 we supported 115 parishes with 247 tasks

(with an additional 96 tasks ongoing). This support ranges from giving information and advice, resources, training, signposting and in-depth development work.

Impact of Rejuvenated

17.4% of parishes started at least one new congregation or worshipping community in 2023, compared to 9.0% across the Church of England (2023 Stats for Mission).

11 Resourcing Churches have signed the Memorandum of Understanding to plant or graft within 5 years, well on track to our 2025 target of 12 in total.

Rotherham Minster and St John's Goole (SDF Phase 1 Resourcing Churches) have grown in size and missional impact. The worshipping community at Rotherham Minster grew from 99 to 191 during 2019-2023. In Goole, the worshipping community grew from 59 to 97 during the same period. Notwithstanding the interruption of the Pandemic, we are seeing positive growth in most key metrics (missional impact, spiritual depth, growth of relational fringe, prominence in civic life and growing leaders) and bold strategic plans for the next phase. Goole is sending a record 4 students to our Foundations Course this year. This is a significant indicator of a growth in depth of discipleship and raising up of leaders.

Whilst Covid has slowed us reaching our target of 75 new congregations by the end of 2025, we are delighted that since 2019 we have 43 active new congregations. One of these is our first ethno-linguistic congregation, The Don Urdu Fellowship which has within a few months grown to 50 worshippers including 17 children.

Since 2009 we have enabled 11 successful revitalising grafts, with a clear pipeline for subsequent grafting. We are delighted to have 2nd generation grafts from 3 of our Resourcing Churches, with preparations underway for 3rd generation grafts.

Average weekly attendance at services of worship grew in 100% of churches receiving grafts from 2020-2023, with a total growth in attendance across these churches of 167%.

89% of our Oversight Ministers / stipendiary clergy meet regularly with their Associate Archdeacon for one-to-one coaching and support.

24% of our current clergy are under 40 years old, exceeding our target of 10% (includes Parish Clergy, Diocesan Clergy, Curates, Bishops and Cathedral Clergy).

We are seeing increasing diversity amongst ordained and lay leaders, and anticipate that the appointment of a Racial Justice Officer will provide much needed capacity to improve this further. 180+ clergy and lay leaders have completed Unconscious Bias training since 2021, exceeding the lifetime target.

Mission Area Formation: we've seen evidence from the consultation that the Mission Area approach is breaking down parochialism whilst maintaining an emphasis on local contextual mission. We haven't forced any legal structure changes on our places and people. We are finding that through persuasion, relationship and common sense we are seeing more desire for collaboration, with places also starting to voluntarily rationalise governance. Some places are more advanced than others but the Oversight Minister cross licensing is helpful in creating cohesive Mission Areas. To date, 21 Mission Areas are fully formed involving 55 parishes (32%), 8 Mission Areas have been agreed locally and are awaiting appointments or licencing (34 parishes, 5%) and a further 21 Mission Areas are evolving (64 parishes, 37%). The ongoing 'health' of our Mission Areas and how they function is crucial. 'Healthy Mission Area' criteria has been developed to help us track this. Each Mission Area is assessed annually by the relevant AATE.

Centenary Project

The Centenary Project has continued to have a significant impact and has gained national recognition as a model of best practice. 21 Centenary Project Workers are currently in post. In 2024, 2959 people were registered with 291 different Centenary Project ministries. Our Centenary Project Workers ran 1882 sessions and were supported by 318 volunteers. There were 61,000 additional points of contact through schools work and unregistered activities.

Funding has successfully been secured for phase 2 of the Centenary Project which includes a significant expansion to the project with a further 24 workers appointed to Centenary Project roles in churches across the Diocese and a new strand of support for volunteer led ministry. The Centenary Project continues to be overseen by the Programme Board.

Education

Church of England Schools are a vital part of the work and ministry of the Diocese. There are 38 primary schools and 1 secondary school in the Diocese of Sheffield.

The Diocese of Sheffield Board of Education (DBE) remains committed to the development of effective collaboration with, and between, our Church Schools and to the supporting and enrichment of Church Schools' distinctive offering of teaching and learning within a Christian context.

Centrally organised and provided Diocesan support has continued, including the ongoing "Understanding Christianity" training which, during 2024, had a mixed cohort, with the majority of participants working in non-church schools, located within the Diocese. Training has also continued to support the development of RE, provision for collective worship and the leadership of schools.

The Diocese produced a new set of guidance notes on spirituality in schools and the spiritual development of young people. The new guidance introduces the idea of a 'spirited curriculum' whereby colleagues identify aspects of spirituality within the life of the classroom.

As one response to the national "Growing Faith" agenda, working in the intersections between homes, schools and churches, the Diocese produced "Lights for Schools", a programme spanning an annual cycle of seasons and events. This includes suggestions for parish churches to grow their connection between church and school.

The new SIAMS Framework for the inspection of Church Schools is in its second year. All our inspections have received the judgement that, through their vision and practice, they are living up to their foundation as Church schools and enabling pupils and adults to flourish. This is greatly helped by the emphasis this Diocese has long maintained upon the whole school being clear about their distinctive Christian vision. Every school now has one in place and some are in the process of renewing theirs to reflect changing priorities. We have no schools in this Diocese that have been judged as not meeting the above criteria.

Since September 2024, OfSTED has wisely ended single headline judgments for schools. Our final set of single word grades placed 87% of our schools as good or above. The remaining schools are in the 'Requires Improvement' category – and all improving to move to good. There is no unsatisfactory provision in Diocesan schools.

The Diocese continues to work with schools that wish to convert on the process of becoming an academy. 75% of our schools have converted or are in the conversion process. The Diocese of Sheffield Academies Trust (DSAT) and James Montgomery Trust (JMAT) continue to be the two voluntary aided trusts. During this year the Diocese is re-brokering the St Mary's Academy Trust (SMAT), the trust shared with the Diocese of Leeds. DSAT, our Diocese-led trust, now serves 17 schools and is in the process of growing to include 3 additions to the trust, taking it to a trust of 20 schools.

One significant change within DSAT (the Diocese of Sheffield Academies Trust) was the departure of Andrew Waldron, our CEO, and the appointment of Alison Adair to this post. Over the past year DSAT has continued to develop the governance structures within the trust and has also changed the admission policies in a number of schools.

The Board of Faith and Justice

As a Diocese we are passionate about issues of social justice. Much of this work is co-ordinated through the Board of Faith and Justice. The Board's work is shaped by the strategy document Salt and Light – A strategy for serving and transforming our society and God's World. In particular, the Board has focussed on developing the Diocesan response across the last 3 Marks of Mission of the Anglican Communion:

- i. To respond to human need by loving service;
- ii. To seek to transform unjust structures of society, to challenge violence of every kind and pursue peace and reconciliation
- iii. To strive to safeguard the Integrity of creation and sustain and renew the life of the earth. The Board carries out much of its active business through working groups, each dedicated to a specific area of Salt and Light concern with terms of reference and membership established by the Board.

Throughout the year, the Board played a vital role in promoting social justice, fostering inclusivity, and supporting the working groups listed below. The board consists of dedicated individuals who worked tirelessly to address pressing issues and make a positive impact on the lives of people in the diocese. Moreover, the board actively engaged with various advocacy efforts, both at the local and national levels. They voiced their concerns and opinions on social issues such as racial justice, environmental sustainability, and social justice. By actively participating in discussions and advocating for change, the board worked towards creating a more just and compassionate society.

Throughout 2024 the following working groups were active;

Mental Health
 Diocesan Resource Group for Seniors (DRGS)
 Black, Asian and Minority Ethnic Anglicans (BAME)
 Dementia
 Poverty & Inequality
 Global Justice
 Climate Change and Environment.

In 2024, as a result of a successful funding application in 2023 to the Diocesan Investment Programme Racial Justice stream, we were able to appoint a Racial Justice Officer who is now leading the development of our strategy in this area.

Net Zero

2024 saw an acceleration in our work to deliver our strategy to decarbonise the Diocese. Early in 2024 funding was secured from the Net Zero Programme Board to fully fund a part-time Net Zero Programme Manager from 1 May 24, and we partnered with Leeds Diocese to contract an independent energy consultancy to provide energy audits to a significant number of churches during 2024 - 2025. Further funding was successfully secured from the NZ Programme Demonstrator Fund to replace a decrepit boiler system with electrical heating, thus decarbonising a church in Rotherham, and from the NZ Programme Boiler Hardship Fund to replace a defunct gas boiler with air source heat pumps in another church. There is a growing list of churches that are actively working on projects that will reduce their carbon emissions, and as these projects come to completion we expect that they will become more comfortable places to visit, cheaper to run and less damaging to the environment.

On EcoChurch, we achieved our first Gold award and the numbers of Silver and Bronze awards continued to climb. We also appointed a Diocesan Eco Church Champion to work with churches on their progress through the stages of EcoChurch as the number of registered churches continues to grow.

Senior Staff Appointments

The Senior Staff team saw no personnel changes in 2024. However, in 2025 we will be appointing a new Bishop of Doncaster, Archdeacon of Sheffield and Rotherham, and our Diocesan Secretary-Chief Executive will take 6 months maternity leave. In 2024 we did recruit a new Finance Director who has brought experience and additional capacity to the team.

Safeguarding

Safeguarding was and remains a key priority for the Diocese. In 2024 we continued to deliver training both online and in person. Including the roll out of the Parish Safeguarding Dashboard which is proving valuable to parishes in developing their safeguarding practice.

The team continues to offer safeguarding advice and support to the Cathedral in line with the service level agreement in place. This is a mutually beneficial partnership.

The contribution of Parish Safeguarding Officers was celebrated in June with 35 PSOs in attendance.

Related Parties

The SDBF works closely with a range of partners and parties as set out below. These are not related party transactions for financial reporting purposes.

The Archbishops' Council to which the Diocese pays a donation based on an apportionment system for funding national training of ordinands and the activities of the various national boards and councils, as well as General Synod.

The Archbishop's Council and National Church Institutions from which the SDBF receives grants and which acts on behalf of clergy with HM Revenue and Customs. The SDBF also pays for clergy stipends through the Archbishop's Council.

The Church of England Pensions Board, to which the SDBF pays retirement benefit contributions for stipendiary clergy and employees. It also offers schemes to provide housing for clergy in retirement

Volunteers

The SDBF is dependent on the huge number of volunteers involved in church activities both locally and at Diocesan level. The SDBF greatly values the considerable time given by all volunteers and particularly, committee members across the Diocese in pursuit of the mission of the SDBF. No attempt has been made to quantify this resource, so generously given.

Fundraising

The SDBF provides guidance to the parishes with regards to fundraising, but does not engage in fundraising activities itself. Due regard is given to the Fundraising Code of Practice set by the Fundraising Regulator when providing advice to the parishes.

FUTURE PLANS

As is noted in the Foreward by Rt Revd Dr Pete Wilcox the Diocese has shown positive signs of missional health and growth in year. We have made a number of key appointments to clergy vacancies and we continue to invest reserves to maintain our clergy numbers in line with our strategic planning.

We have benefited from financial support to increase our baseline number of curates. This additional investment from the strategic mission and ministry fund is one element that has supported the development of our Curate in Charge programme which supports a strong and healthy leadership development pipeline across the Diocese.

National church continue to be a key mission partner and following our refreshed strategy work in 2024 we have secured £17.5m from the Strategic Mission & Ministry Investment Board (SMMIB) to invest in making further progress towards our vision, 2025-28.

This funding will provide the opportunity of second phase developments of key areas of work such as Centenary Project, Resourcing Churches, and Mission Area Support. As well as the expansion of support for lay ministers and revitalisation teams. For the first time this funding includes £2.2m for strategic buildings investment to help support building works on churches in key locations, e.g. centres of population where we can see potential to grow the church.

An in-principle award of £18.3m has been made by SMMIB for 2029-31, following successful annual reviews of the delivery 2025-28.

Other funding previously secured will dovetail into this new funding stream.

This gift of mission funding does not mean that we are no longer reliant on Common Fund. On the contrary it buys us some time to grow the church and Common Fund to ensure that we can be self-financing going forward.

Communications to deaneries regarding the refreshed strategy will continue in 2025.

FINANCIAL REVIEW

2024 was a further year of fragile recovery against an economic backdrop where utility costs and cost of living metrics have suffered the steepest inflationary rises in many parishioners' lifetimes. The financial constraints felt in the households across our Diocese have impaired the ability of many to contribute to the work of the Diocese.

The sustained generosity of a wide range of donors has been matched by the much-needed support from our Archbishops' Council who have prioritised their commitments to resource our Diocese in a range of project funds. The Revitalisation, Transformation and Capacity Funding projects and their funding streams commit us in partnership through to 2030.

The underlying operational costs of core Diocese activity and static common fund contribution levels continue to leave us with a substantial operational deficit. This ongoing deficit and its implications were factored into the sustainability plans which were at the core of our bid for longer term National Church Triennium funding. This bid was submitted in January 2025 and the initial conditional award of £17.5m is for the period 2025-28.

A deficit operational budget for 2025 has been set at £1.99m for the General Funds which will be funded by reserves.

The core costs of the Diocese are for Parish Ministry and the personnel supported by stipends and salaries, with stipends and staff salaries rising by 5% during 2024 to match inflation/cost-of-living increases, consistent with the increase given in 2023.

Our Diocese remains a relatively poor Diocese with limited reserves, but our supporters are generous, and we remain grateful for the participation in the financial needs of the Diocese expressed in Common Fund Contributions. The 2024 Common Fund contributions totalled £3.4m (2023 - £3.4m). The 2025 Common Fund target has been set at £3.5m and we continue to proactively work with PCCs and across the SDBF on financial planning and sustainability.

Net operating costs before investment gains yielded a £1.0m deficit (2023 - £0.9m deficit) which was better than forecast and significantly below the approved budget deficit of £2.1m. The deficit was substantially contained below projections due to the difficulty experienced in recruiting clergy to the available posts.

Diocese reserves have been utilised to cover the shortfall in operating costs created in 2024 and 2023 but we are keenly aware of the limitations on our free reserves. The National Church Triennium funding award is a critical element of future planning.

A significant element of our funding is received from the Archbishops' Council, which was £4.2m (2023 - £4.6m) across a number of projects. This includes Lowest Income Communities funding of £1.7m (2023 - £1.7m) which we have allocated to support mission and ministry in parishes where they have ranked in the lowest 10% of our Diocese in terms of Social Deprivation indices.

The Transformation, Capacity and Resourcing Churches projects are included in these Archbishops' Council funds. These projects support the ongoing strategic development of the Diocese and enable us to reach new and diverse communities. We also received a grant of £75,000 from the Sheffield Church Burgesses Trust which continues to support work across the Sheffield Deaneries. Income from investments and rental income was largely in line with expectation.

Costs for Resourcing Mission and Ministry remained consistent with the prior year but were lower than budget. Recruitment progress remained slower than desired, but costs of establishing clergy have become significantly more expensive. Housing and removal costs remain particularly susceptible to inflationary pressures and there is continued pressures on these associated budgets.

The total value of Tangible Fixed Assets increased to £38.5m from £37.3m primarily as a result of additions in stipend fund properties funded from the sale of investments. This is a strategic decision to meet ongoing clergy housing requirements. No depreciation was charged in year and in line with policy all depreciating assets having been written down in prior years. There was a gain in the year in the value of Fixed Asset Investments, due to favourable changes in market value late in 2024, but not to the same extent of gains seen in 2023. The movement on valuation can go up and down, driven by general economic uncertainties from potential trading tariffs and the continuity conflicts in Ukraine and the Middle East.

Pension schemes are administered by the Church of England Pensions Board.

The Church of England Funded Pension Scheme for clergy had its most recent scheme valuation in 2021 and the previous deficit had been eliminated. The pension contribution rate in 2024 was 28% consistent with 2023 in line with national contribution rates.

The Church Workers Pension Fund, covering all current salaried employees on a defined contribution basis has a normal contribution rate of 10.5% including death in service benefits.

During the year, there was a usable surplus of £192,000 arising from an historic Church Workers defined benefit scheme valuation in 2022. This scheme has no current salaried employees and the decision was made to use the surplus to offset the employer monthly costs of the defined contribution scheme from April 2024, thus helping towards reducing the overall Diocese deficit in the year. The surplus will be fully utilised in early 2025.

Reserves Policy

Our Reserves Policy considers the use of all our Funds but primarily focuses on our Unrestricted Funds, which fall into three categories:

Free Reserves, which we define as the resources held in our General Fund as readily realisable assets, at 31 December 2024, totalled £3.8m (31 December 2023: £5.3m). There has been a decrease in these reserves which mirrors the operational deficit of £1.0m on general funds, a £0.2m transfer of properties and a £0.2m net transfer between funds. There is a longer term strategy to release monies from restricted funds where possible for work towards strategic priorities.

Our priority is to maintain Free Reserves at a sufficient level to ensure financial resilience and sustainability, including mitigating against key risks identified in our risk register for at least the next financial year. A planned deficit for 2025 of £1.99m was approved by Diocesan Synod in November 2024.

We are also seeking to achieve a balance between holding reserves to maintain financial resilience and using our funds in support of the mission and strategic priorities as set out in the Diocesan Strategy in October 2018, "Renewed Released Rejuvenated".

We are blessed that we hold certain Restricted Funds which can also be deployed to support the implementation of the strategy. We continue to adopt a strategic plan agreed by Bishop's Council to utilise funds as helpfully as possible within the regulatory framework.

Tangible fixed assets within our General Fund are held to support our charitable activities. Funds are not readily available as they can only be realised through the sale of the properties we hold. Our policy is review whether we need to retain these assets at least once a year and when they become vacant. At 31 December 2024 the total value was £1.7m being the net book value of the relevant properties less the value of any related loans which would be repayable if the properties were sold. (31 December 2023: £1.4m).

Designated Funds: The Trustees may designate an element of Unrestricted Funds for an agreed purpose where this is considered to be appropriate and linked to a particular objective. The need for the fund is reviewed at least once a year and funds returned to Free Reserves if no longer required. In our reserves policy, we are taking the approach to limit the use of designated funds.

Details of all designated, restricted and endowment funds can be found in notes 17 to 20 of the accounts.

The Diocese of Sheffield is delighted to confirm that it has no direct investments in fossil fuel companies, as has been the case for some time. Following a meeting of the Bishop's Council, it has also committed to not reinvesting in them in the future.

Grant Making Policy

The SDBF's Memorandum of Association explicitly permits the SDBF to make grants in pursuance of its objects. The Grants Committee meets annually to consider applications made by parishes to support ongoing activities.

Grants made in 2024 covered contributions towards necessary maintenance works in Church buildings where alternative funding is not available locally, grants for this purpose are typically less than £5,000. Additionally, a number of grants were made to support various aspects of ministry including short term parish support staff contributions and event support. These grant awards were consistent with the aims and objectives of the SDBF.

Investment Policy

The SDBF is empowered by its Memorandum and Articles of Association to invest monies not immediately required for its purposes. In addition, the SDBF acts as Trustee of a number of Trust Funds, and these must be invested in accordance with the related trusts.

The Trustees' investment policy is to hold all restricted and endowed investments in CBF Funds. CCLA Investment Management Ltd have been instructed to apply an ethical screen to the portfolio which precludes direct investment in companies which have more than 10% of their turnover in armaments, pornography or tobacco.

Most of the SDBF's other investments continue to be held in the CBF Church of England Funds managed by CCLA Investment Management Limited.

The Finance and Property Committee regularly reviews the performance of the funds and makes decisions on investments. In the coming year we will be working with CCLA on a full review of investments held by SDBF.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees are responsible for the identification, mitigation and active management of risk. A corporate register of risks is maintained. Separate project-level risk registers are also maintained and reported through Programme reporting structures.

The corporate risk register is reviewed by the Trustees at each Bishop's Council meeting and at the Finance & Property Committee (F&PC). The responsibility for delivery of the mitigation strategies identified is delegated to individual risk owners under the oversight of the Diocesan Secretary. The register is reviewed and updated 4 times a year by the Programme Team with risk owners.

Risks are categorised as Financial, Strategic & Reputational, Operational and Statutory & Legal. Risks are plotted in a matrix to easily highlight our most significant risk areas. A summary of our most significant risks and associated mitigation strategies are detailed below:

Financial

Churches don't / can't meet Common Fund pledges, resulting in loss of income to Diocese for investment in priority work

- monthly review by Finance team and Generous Giving Officers (GGOs) and escalated to Senior Staff
- encourage churches to adopt Parish Giving Scheme, Parish Buying Scheme and other stewardship resources
- Mission Area Support and advice for churches in urgent situations
- challenge undermining narratives in PCCs
- clear communications about Common Fund
- Giving and Generosity Officers funded by national church to increase capacity and help churches to increase income
- staff redundancy where budget is not reduced commensurately.

Unbudgeted financial commitments or overspend that eat into reserves, eventually leading to reputational damage / emergency loan required from Church Commissioners

- F&PC meet regularly to review finances
- variances of spend against budget are examined each month
- reports provided to Bishop's Council and Programme Board who provide additional challenge and support
- quarterly project budget review with Strategic Programme Director provides additional scrutiny
- appointment of dedicated Project Accountant.

Strategic & Reputational

High-profile safeguarding failures in the wider national church lead to a general loss of confidence in Church of England safeguarding policy and procedure at all levels, undermining the work of the Diocesan Safeguarding Team and PCCs to create a safe church for all

- communications to reassure people on robust diocesan safeguarding policy and practice
- professionally qualified, well-resourced Diocesan Safeguarding Team. Confident, trained and supported Parish Safeguarding Officers
- safeguarding training available to all appropriate roles
- scrutiny and audit of safeguarding practice by Diocesan Safeguarding Advisory Panel (DSAP)
- the Diocese fostering a culture of transparency and openness where there is a balance of power and understanding of individual rights
- good communication and dialogue between parishes and Dioceses
- strong leadership by senior staff where challenge is welcomed
- Registrar and Anthony Collins provide legal support
- Contract with 31:8 for DBS support, complaints and listening service, out of hours and team absence cover
- Safer Recruitment policies and training in place. Requirement for policies to be in place in all churches, and for reporting of serious incidents to charity commission, Diocese Safeguarding Advisor and Diocesan Secretary.

Theological positions of some churches and the reputation of the C of E leads to a lack of safety for LGBTQIA+ people / Outcomes of the Living in Love and Faith exploration /

consultation lead to some of our congregations leaving the C of E / Diocese resulting in financial loss and reputational damage

- encourage people to join in with the short course and listen to a variety of views
- Senior Staff to encourage generosity, engagement and mutual respect across difference
- dialogue offered by Bishops and Archdeacons
- confirm any legal implications with Registrar

Pace and scale of change means that some parishes are blockers and not permission givers resulting in failure of strategic aims

- Area Deans and Archdeacons providing support for key leaders
- active risk management through Transformation programme
- Associate Archdeacons in post and building relational capital.

Operational

Inability to recruit sufficient suitable clergy to Oversight Minister roles leading to a failure of the diocesan strategy

- Open Days for clergy recruitment
- seeking to use Pathways for Clergy recruitment
- review recruitment process to avoid limiting the range of candidates considered
- strategic leadership pipeline of curates.

Inadequate staff resources, capacity and attendance creates pressure on central services leading to delays, errors and increased sickness levels

- bid for additional resources through grant funding
- increase timescales for delivering some services
- sickness monitoring
- regular checks on the wellbeing of staff by line managers and additional support offered to individuals when required
- engage Recruitment Agencies.

Statutory & Legal

Non-compliance with legal frameworks and statutory regulations leading to legal claims and fines or payment of compensation

- Registrar engaged
- budget allocated and accrued across financial years
- insurance in place
- commercial legal support for property/tenant disputes
- staff recruited with the relevant technical and professional qualifications with regular CPD to maintain expertise and knowledge
- ICAEW and trustee course and charity conference
- appropriate financial audits.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Sheffield Diocesan Board of Finance (SDBF) is a company limited by guarantee (No. 196087) and a registered charity (No. 245861) governed by its Memorandum and Articles of Association.

The company's principal activity is to promote, assist and advance the work of the Church of England within the Diocese of Sheffield. It was established in its present form in 1926.

The SDBF works in consultation with the wider Church of England and receives a range of funding from both The Church Commissioners and the Archbishops' Council. The Bishop of Sheffield is a member of the House of Bishops who are responsible for setting key policy which impacts SDBF operations, a key example would be in the area of Safeguarding.

Governance and policy of the SDBF is the responsibility of the Directors, who are also members of the company and Trustees for the purposes of charity law. The Bishop of Sheffield, together with other ex-officio persons are Trustees together with six people elected from and by the members of Diocesan Synod every three years, re-elections were held in 2024, with new Trustees joining from 1 January 2025. The Bishop of Sheffield, the Rt Revd Dr Pete Wilcox, is recognised in our Register of Persons of Significant Control.

The Diocesan Synod, the statutory governing body of the Diocese, is an elected body drawn from across the Diocese with responsibility for setting the vision and strategy of the Diocese, guided by the Bishop's Staff Team. The Synod membership is elected every three years. The Synod elects six of the Trustees of the Diocesan Board of Finance. The SDBF is a separate legal entity, with clear responsibilities under both company and charity law, as well as a governing Memorandum and Articles of Association. By virtue of the National Institutions Measure 1998 the SDBF is subject to the direction of the Synod in all its activities, unless such direction is not in accordance with the governing documents or statutory regulations.

Historical assets arising from unexpended accumulations of sale proceeds of redundant Church of England School properties are accounted for in the restricted Church Schools fund and are managed by the SDBF in consultation with the Diocesan Board of Education

The role of Bishops Council is set out in paragraph 75 of the Standing Orders. It includes planning the business of synod and advising the synod on matters placed before it. It also has an advisory role on financial business, as set out in paragraph 109 of the Standing Orders. Under paragraph 111, the finance committee of the Board of Finance has to submit its accounts and draft budget to Bishops Council. Bishops Council then makes to the Synod sitting as the Board of Finance "such recommendations thereon as it thinks fit". Synod (sitting as the DBF) approves the budget as proposed by the finance committee and authorises the DBF to expend a sum not exceeding the amount outlined within the budget as presented.

The Finance and Property Committee appointed on behalf of Bishop's Council is responsible for oversight and scrutiny on decision making around financial resources and property assets. This committee meets most months. A budget is prepared annually and presented to first to Bishop's Council and then Diocesan Synod for approval at its November meeting.

The Committee undertakes the SDBF's responsibilities under the Parsonages Measure; the Repair of Benefice Building Measure 1972; the PCC (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 (with respect to parochial property); the Endowment and Glebe Measure 1976 (with regard to property assets); and the Pastoral Measure 1983 (with regard to redundant churches).

Trustees

Trustees are members of the Bishop's Council and are either elected via Diocesan Synod or via interview. They are given induction as they start their role and at other times as appropriate. Some staff hold the title of 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. Trustees are required to make a declaration that they are not barred from being a Company Director and maintain their entry in the record of declarations of interest.

Trustee appointments – there were no new appointments in 2024.

Remuneration of key management personnel

Emoluments of higher-paid employees are determined by a use of a positioning scale for the grading of posts. Salary and stipend uplift decisions are made annually paid in April (Clergy) and July (DBF officers and staff).

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of SDBF for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP (FRS102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the SDBF's website. Legislation in England and Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the Trustees are aware:

- a) there is no relevant audit information of which the charitable company's auditors are unaware, and
- b) we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

ADMINISTRATIVE DETAILS

Trustees

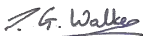
No Trustee had any beneficial interest in the company during 2024. The following Trustees were in post at the date of this report:

President	The Right Reverend Dr PJ Wilcox
Chair	IG Walker MSc, MA, CEng, FIET
Deputy Chair	N Birchenall
Other Directors	JA Butcher MA (Cantab), MSc, PhD
	The Venerable M L Chamberlain BA, BTh, MPhil (Resigned June 2025)
	The Reverend C Dawson
	A De Castro (Appointed January 2025)
	The Venerable J Iqbal
	The Right Reverend S Jelley (Resigned February 2025)
	M MacDonald
	IJ Newton BA FCA
	Lay Canon P M Rainford MA
	The Reverend E Morrison (Appointed January 2025)
	The Reverend I Smith BA
	The Reverend EH Steele
	The Reverend Canon M Rhodes
	The Reverend B Tanner (Appointed January 2025)
	The Very Reverend Abigail Thompson
Secretary	T Gardiner
Registered office	95 -99 Effingham Street Rotherham S65 1BL
Bankers	Virgin Money
Auditors	Saffery LLP, 10 Wellington Place, Leeds, LS1 4AP
Investment advisers	CCLA Investment Management Ltd
Glebe Agents	Savills, 48 Bootham, York, YO30 7WZ
Insurers	Ecclesiastical Insurance

In approving this Trustees' Report, the Trustees are also approving the Strategic Report included on pages 3-13 within their capacity as company directors.

BY ORDER OF THE TRUSTEES

Signed by:



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Ian Walker

Chair

24 June 2025

Signed by:



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Tony Gardiner

Secretary

24 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEFFIELD DIOCESAN BOARD OF FINANCE LIMITED

Opinion

We have audited the financial statements of Sheffield Diocesan Board of Finance Limited 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 charitable company's affairs as at 31 December 2024 and of its 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 charity 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 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 Annual Report (which includes the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report and strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the 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 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 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 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 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 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 charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates. Laws and regulations of direct significance in the context of the 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 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 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 noncompliance 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.

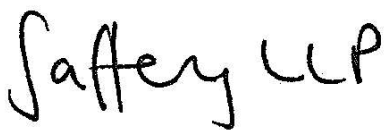
A further description of our responsibilities for the audit of the financial statements is located on the

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 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

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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Saffery LLP". The signature is written in a cursive, flowing style.

2 July 2025

Sally Appleton (Senior Statutory Auditor)

For and on behalf of Saffery LLP, Statutory Auditor

10 Wellington Place, Leeds, LS1 4AP

SHEFFIELD DIOCESAN BOARD OF FINANCE

STATEMENT OF THE FINANCIAL ACTIVITIES
For the year ended 31 December 2024
Including movements in Endowment Funds

		Unrestricted funds		Restricted Funds	Endowment Funds	Total 2024	Total 2023
	Note	General £'000	Designated £'000	£'000	£'000	£'000	£'000
Income and endowments from							
Donations							
Parish contributions	2	3,689	-	246	-	3,935	3,870
Archbishops' Council		1,822	129	2,219	-	4,170	4,636
Other donations		122	137	56	-	315	273
Charitable activities	3	336	35	20	-	391	398
Other activities	4	246	1	38	-	285	221
Investments	5	392	-	270	40	702	735
Other - sale of assets		108	-	-	167	275	-
		6,715	302	2,849	207	10,073	10,133
Expenditure on							
Raising funds	6	-	-	78	-	78	50
Charitable activities	7	7,753	309	3,513	-	11,575	11,607
		7,753	309	3,591	-	11,653	11,657
Net (expenditure)/income before investment gains		(1,038)	(7)	(742)	207	(1,580)	(1,524)
Net gains on disposals of fixed assets		15	-	-	20	35	305
Net (expenditure)/income for year		(1,023)	(7)	(742)	227	(1,545)	(1,219)
Transfer between funds	17	(291)	7	284	-	-	-
Other recognised gains							
Net gains on revaluation of investments		83	-	202	219	504	1,639
Net movements in funds		(1,231)	-	(256)	446	(1,041)	420
Total funds brought forward		6,730	-	8,450	45,657	60,837	60,417
Total funds carried forward	17	5,499	-	8,194	46,103	59,796	60,837

All activities derive from continuing activities. The notes on pages 31 to 43 form part of the financial statements.


SHEFFIELD DIOCESAN BOARD OF FINANCE

BALANCE SHEET
As at 31 December 2024

		Unrestricted funds		Restricted Funds	Endowment Funds	Total 2024	Total 2023
	Note	General £'000	Designated £'000	£'000	£'000	£'000	£'000
FIXED ASSETS							
Tangible fixed assets	12	2,189	-	-	36,265	38,454	37,286
Investments	13	1,967	-	8,165	8,684	18,816	20,951
		4,156	-	8,165	44,949	57,270	58,237
CURRENT ASSETS							
Debtors	14	536	-	243	206	985	734
Cash at bank and in hand		1,615	-	783	983	3,381	3,441
		2,151	-	1,026	1,189	4,366	4,175
CREDITORS: amount falling due within one year	15	(324)	-	(995)	-	(1,319)	(960)
		1,827	-	31	1,189	3,047	3,215
TOTAL ASSETS LESS CURRENT LIABILITIES		5,983	-	8,196	46,138	60,317	61,452
CREDITORS: amount falling due after more than one year	16	(484)	-	(2)	(35)	(521)	(615)
NET ASSETS		5,499	-	8,194	46,103	59,796	60,837
FUNDS							
Endowment funds	17	-	-	-	46,103	46,103	45,657
Restricted funds		-	-	8,194	-	8,194	8,450
Unrestricted funds		5,499	-	-	-	5,499	6,730
		5,499	-	8,194	46,103	59,796	60,837

The Cash Flow Statement and the Notes form part of these financial statements. The financial statements were approved by the Board of Trustees and authorised for issue on 24 June 2025 and signed on behalf of the Board by:

Ian Geoffrey Walker (Chairman)

Signed by:

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SHEFFIELD DIOCESAN BOARD OF FINANCE

CASH FLOW STATEMENT

For the year ended 31 December 2024

	2024	2023
	£'000	£'000
Net cash outflow from operating activities	(2,479)	(1,617)
Cash flow from investing activities		
Dividends, interest and rent from investments	702	735
Proceeds from the sale of:		
Tangible fixed assets	570	1,003
Fixed assets investments	2,638	2,090
Purchase of:		
Tangible Fixed Assets for the use of the SDBF	(1,428)	(1,291)
Net cash provided by investing activities	2,482	2,537
Cash flow from financing activities		
Loans repaid by the SDBF	(101)	(5)
Loans repaid to the SDBF	39	6
	(62)	1
Change in cash and cash equivalents in the reporting period	(59)	921
Cash and cash equivalents at 1 January	3,441	2,520
Cash and cash equivalents at 31 December	3,382	3,441
Reconciliation of net expenditure to net cash flow from operating activities		
Net expenditure for the year ended 31 December	(1,545)	(1,219)
Adjustments for:		
Dividends, interest and rent from investments	(702)	(735)
(Increase) / Decrease in debtors	(290)	328
Increase in creditors	368	314
Gains on investments/fixed assets	(310)	(305)
Net cash used in operating activities	(2,479)	(1,617)
Analysis of cash and cash equivalents		
Cash at bank and in hand	3,382	3,441

SHEFFIELD DIOCESAN BOARD OF FINANCE

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2024**

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, with the exception of fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS102).

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees believe that the expected income and expenditure is sufficient especially considering the level of reserves held by the charity to enable it to continue as a going concern. In addition the initial award from the National Church bid received in March 2025, amounting to £17.5m has components to support the SDBF and its sustainability plans for the period 2025-28.

a) Income

All income is included in the Statement of Financial Activities (SoFA) when the SDBF is entitled to it, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

- i) **Common fund** is recognised as income of the year in which it is received.
- ii) **Rent** receivable is recognised as income in the period with respect to which it relates.
- iii) **Interest and dividends** are recognised as income when receivable.
- iv) **Grants** received are recognised in the year received unless accounting convention requires them to be carried forward as the entitlement criteria are not met.
- v) **Parochial fees** are recognised as income of the year to which they are received.
- vi) **Donations** other than grants are recognised when receivable.
- vii) **Gains on disposal of fixed assets for the SDBF's own use** (i.e. non-investment assets) are accounted for as other income. Losses on disposal of such assets are accounted for as other expenditure.
- viii) **Stipends fund income.** The Stipends Fund Capital account is governed by the Diocesan Stipends' Fund Measure 1953, as amended, and the use of the income is restricted for clergy stipends. However, the income is fully expended within the year of receipt and the legal restrictions, therefore, are satisfied.

b) Expenditure

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the Statement of Financial Activity category.

- i) **Costs of raising funds** are constrained to costs relating to the temporary renting out of parsonages and investment management costs of glebe and any other investment properties.
- ii) **Charitable expenditure** is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese and expenditure on education and Church of England schools in the diocese.
- iii) **Grants payable** are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the SDBF, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.
- iv) **Support costs** consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.
- v) **Pension contributions.** The SDBF's staff are members of the Church Workers Pension Fund and Clergy are members of the Church of England Funded Pensions Scheme (see note 21). The pension costs charged as resources expended represent the SDBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which SDBF participates is accrued at current value in creditors.

c) Tangible fixed assets and depreciation

Freehold and leasehold properties

Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The SDBF has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are, therefore, unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. Annual impairment reviews in accordance with the requirements of FRS102 ensure that the carrying value is not more than the recoverable amount.

Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are held at fair value with the value linked-loan revalued accordingly.

Parsonage houses

The SDBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The SDBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent.

Stipend Fund Properties

The SDBF has followed the requirements of FRS102, in its accounting treatment for properties contained in the Stipend Fund Capital Fund. FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The SDBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent, whereas Church House legal title remains within the Stipend Fund Capital under SDBF as provision of offices to the SDBF.

d) Other tangible fixed assets

All capital expenditure over £5,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates:-

Fixtures and fittings	15-30% per annum straight line basis
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SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2024

1 ACCOUNTING POLICIES (continued)

e) Other accounting policies

i) Fixed asset investments

These are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

ii) Investment properties

Glebe properties which are held for investment purposes and rented out have been included at their fair value.

f) Fund balances

Fund balances are split between unrestricted (general and designated), restricted and endowment funds.

i) **Unrestricted funds** are the SDBF's corporate funds and are freely available for any purpose within the charitable company's objects, at the discretion of the SDBF. There are two types of unrestricted funds:

Designated funds set aside out of unrestricted funds by the SDBF for a purpose specified by the Trustees

ii) **Restricted funds** are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.

iii) **Endowment funds** are those held on trust to be retained for the benefit of the charitable company as a capital fund. In the case of the endowment funds administered by the SDBF (Stipends Fund Capital, Parsonage Houses and Schools), there are discretionary powers to convert capital into income and, as a result, these funds are classified as expendable endowment. Endowment funds where there is no provision for expenditure of capital are classified as permanent endowment.

iv) **"Special trusts"** (as defined by the Charities Act 2011) and any other trusts where the company acts as trustee and controls the management and use of the funds, are included in the company's own financial statements as charity branches. Trusts where the SDBF acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements but are summarised in the notes to the financial statements.

g) Key judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- Assessment of residual value of freehold property when determining whether or not depreciation is required – see above;
- Calculation of depreciation – see details set out at 1d) above; and
- Accounting for pensions – the key assumptions underpinning any pension creditor reflected in these accounts are set by the Church of England Pensions Board and then reviewed and accepted or challenged by the Trustees. The DBF has adopted a policy of recognising its usable surplus on the Church Workers Pension Fund which is included within debtors.

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

2 DONATIONS

Parish contributions

Donations are collected from the parishes of the diocese through the Common Fund system.

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Current year						
Parish contributions	3,305	-	50	-	3,355	3,368
Receipts for previous years	65	-	-	-	65	14
	3,370	-	50	-	3,420	3,382
Locally supported clergy	319		196		515	488
	3,689	-	246	-	3,935	3,870

The prior year Parish contributions included £215k of restricted funds for locally supported ministry.

Archbishops' Council

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
LINC and Transition Funding*	1,724	-	-	-	1,724	1,733
Mutuality in Finance	50	-	-	-	50	50
Resourcing Churches	-	-	387	-	387	470
Centenary Project	-	-	31	-	31	278
Transformation and Capacity Funding	-	-	1,219	-	1,219	1,176
Racial Justice	-	-	16	-	16	-
Resourcing Ministerial Education	-	-	(285)	-	(285)	241
Ordinands Grants	-	-	27	-	27	-
Spiritual growth	-	-	8	-	8	-
Revitalisation Project	-	-	247	-	247	-
Giving advisor	48	-	-	-	48	48
Net Zero	-	129	-	-	129	-
Minor Repairs Grants	-	-	30	-	30	-
Additional Curates	-	-	400	-	400	516
Posts of First Responsibility	-	-	109	-	109	124
MES and Youth	-	-	30	-	30	-
	1,822	129	2,219	-	4,170	4,636

* This is annual funding which is allocated to Lowest Income Communities with reference to deprivation indices and parish population, which may be used either for specific parish mission and development projects or for clergy stipends.

The prior year Archbishops Council income includes £2,805k of restricted funding, including £1,176k relating to the Strategic Transformation Fund and £872k relating to the Strategic Development Fund.

Other donations

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Benefact Trust formerly AllChurches	-	125	-	-	125	145
Church Burgesses	75	-	-	-	75	75
Donations	47	12	56	-	115	53
	122	137	56	-	315	273

All prior year "other donations" were unrestricted (£113k) or designated (£160k).

3 CHARITABLE ACTIVITIES

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Statutory fees	287	-	-	-	287	303
Chaplaincy and other	49	35	20	-	104	64
Education	-	-	-	-	-	31
	336	35	20	-	391	398

The prior year charitable activities income includes £49k of restricted income and £35k of designated income.

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024**4 OTHER ACTIVITIES**

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Housing income	230	-	20	-	250	221
Other income	16	1	18	-	35	-
	246	1	38	-	285	221

The prior year figures include £10k of restricted income.

5 INVESTMENT INCOME

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Dividend receivable	162	-	132	-	294	515
Interest receivable	89	-	138	40	267	99
Rents receivable	141	-	-	-	141	121
	392	-	270	40	702	735

The prior year investment income includes £253k allocated to restricted funds and £91k allocated to endowment funds.

6 FUNDRAISING COSTS

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Glebe agent's fee	-	-	38	-	38	29
Parsonage rental costs	-	-	40	-	40	21
	-	-	78	-	78	50

The prior year fundraising costs include £29k relating to the endowment fund.

7 CHARITABLE ACTIVITIES

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Archbishops Council						
Training for ministry	188	-	-	-	188	188
National church responsibilities	209	-	-	-	209	209
	397	-	-	-	397	397
Resourcing Ministry and Mission						
Parish Ministry						
Stipends and national insurance	2,757	126	787	-	3,670	3,486
Pension contribution	566	26	165	-	757	802
Housing costs	1,627	86	120	-	1,833	1,683
Removal, resettlement and grants	186	-	19	-	205	186
	5,136	238	1,091	-	6,465	6,157
Clergy training and support	144	-	17	-	161	308
Support for parish ministry	2,044	51	2,357	-	4,452	4,651
	7,324	289	3,465	-	11,078	11,116
Expenditure						
Projects, conferences and events	32	20	48	-	100	94
	32	20	48	-	100	94
	7,753	309	3,513	-	11,575	11,607

Prior year expenditure includes £246k allocated to the designated fund, £3,930k allocated to the restricted fund and £5k allocated to the endowment fund,

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

8 ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

	Activities Undertaken Directly £'000	Grant Funding of Activities £'000	Support Costs £'000	Total Costs 2024 £'000
Raising funds	78	-	-	78
Charitable activities:				
Contributions to Archbishops' Council	397	-	-	397
Resourcing parish ministry	7,367	3,019	692	11,078
Schools and Projects	38	62	-	100
	7,880	3,081	692	11,653
	Activities Undertaken Directly £'000	Grant Funding of Activities £'000	Support Costs £'000	Total Costs 2023 £'000
Raising funds	50	-	-	50
Charitable activities:				
Contributions to Archbishops' Council	397	-	-	397
Resourcing parish ministry	6,763	3,723	630	11,116
Schools and Projects	73	21	-	94
	7,283	3,744	630	11,657

9 ANALYSIS OF SUPPORT COSTS

	Unrestricted funds General £'000	Designated £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Central administration	588	-	-	-	588
Governance:					
External audit	38	-	-	-	38
Registrar and Chancellor	59	-	-	-	59
Diocesan Synodical costs	7	-	-	-	7
	692	-	-	-	692
	Unrestricted funds General £'000	Designated £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Central administration	537	-	-	-	537
Governance:					
External audit	28	-	-	-	28
Registrar and Chancellor	52	-	-	-	52
Diocesan Synodical costs	13	-	-	-	13
	630	-	-	-	630

10 ANALYSIS OF GRANTS MADE

	Number	Individuals £'000	Institutions £'000	Total 2024 £'000	Total 2023 £'000
From unrestricted funds for National Church responsibilities					
Contributions to Archbishops' Council	2	-	327	327	322
From unrestricted funds:					
PCCs for faculty fees	60	-	20	20	8
Clergy for training	61	15	-	15	10
Ordinands in training	23	145	-	145	301
	144	160	20	180	319

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

11 STAFF COSTS

	2024	2023
	£'000	£'000
Employee costs during the year were as follows:		
Wages and salaries	2,887	2,675
National Insurance contributions	272	242
Pension costs	125	310
	3,284	3,227

The Pension Costs include a credit of £192,000 (2023: £nil) in relation to a usable surplus which arose from the completion of the latest actuarial valuation on the Church Workers Defined Benefit Scheme allowing a reduction in the pension costs in 2024.

The average number of persons employed during the year:

	Number	Number
Administration and financial management	17	16
Property	3	3
Discipleship & Ministry, Stewardship	15	13
Safeguarding and inclusion	6	6
Projects staff funded from reserves	6	6
Projects staff externally funded	48	49
	95	93

The number of staff whose emoluments (including benefits in kind but excluding pension contributions) amounted to more than £60,000 were as follows:

	Number	Number
£60,001 - £70,000	1	2
£70,001 - £80,000	2	1
£80,001 - £90,001	1	-

Pension payments of £30,268 were made for these employees (2023: £21,928).

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the diocese. During 2024 they were:

Diocesan Secretary and Company Secretary	Katie Bell
Director of Finance	Tony Gardiner
Director of Formation for Ministry	Rev Toby Hole
Director of Education	Huw Thomas
Deputy Diocesan Secretary (Comms, Safeguarding, HR)	Lindsay-Jane Buxton

Remuneration, pensions and national insurance for these 5 employees amounted to £354,252 (2023: £396,000).

Trustees' emoluments

No Trustee received any remuneration for services as Trustee. The Trustees received travelling and out of pocket expenses, totalling £13,048 (2023 - £7,827) in respect of General Synod duties, duties as archdeacon or area/rural dean, and other duties as Trustees.

The following table gives details of the Trustees who were in receipt of a stipend and/or housing provided by the SDBF during the year:

	Stipend	Housing
The Right Revd S Jelley	No	Yes
Venerable J Iqbal	Yes	Yes
Venerable M Chamberlain	Yes	Yes
Rev I Smith	Yes	Yes
Rev F Kouble	Yes	Yes
Rev EH Steele	Yes	Yes
Rev M Rhodes	Yes	Yes
Rev C Dawson	Yes	Yes

The SDBF is responsible for funding via the Church Commissioners the stipends of licensed stipendiary clergy in the Diocese, other than Bishops and Cathedral staff. The SDBF is also responsible for the provision of housing for stipendiary clergy in the Diocese including the Suffragan Bishop but excluding Diocesan Bishop and Cathedral staff.

The SDBF paid an average of 114 (2023 - 112) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2024	2023
	£'000	£'000
Stipend	3,359	3,198
National Insurance contributions	280	257
Pension costs	757	802
	4,396	4,257

The stipends of the two Bishops were paid and funded by the Church Commissioners.

The stipends of the Diocesan Bishop and Suffragan Bishop are funded by the Church Commissioners and are in the range £39,953 - £51,910 (2023 range: £38,050 - £48,972). The annual rate of stipend, funded by the SDBF, paid to Archdeacons in 2024 was in the range £40,230 - £42,242 (2023 range: £38,314 - £40,230) and other clergy who were Trustees were paid in the range £29,056 - £30,509 (2023 range: £27,672 - £29,056). The Bishop's Council has estimated the value to the occupant, gross of income tax and national insurance, of church provided housing in 2024 at £12,539 (2023: £11,942). The value of housing provided to the Bishop is estimated at £17,010 (2023: £16,200).

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

12 TANGIBLE FIXED ASSETS

	Unrestricted Funds Freehold Properties £'000	Leasehold Properties £'000	Office Equipment £'000	Parsonages Fund Properties £'000	Stipend Fund Properties £'000	Total £'000
Cost or valuation						
At 1 January 2024	2,027	-	46	30,802	4,457	37,332
Additions	-	-	-	-	1,428	1,428
Disposals	(102)	-	-	-	(158)	(260)
Transfers	264	-	-	(1,585)	1,321	-
At 31 December 2024	2,189	-	46	29,217	7,048	38,500
Depreciation						
At 1 January 2024	-	-	46	-	-	46
At 31 December 2024	-	-	46	-	-	46
Net Book Value						
At 31 December 2024	2,189	-	-	29,217	7,048	38,454
At 31 December 2023	2,027	-	-	30,802	4,457	37,286

Freehold properties in the Balance Sheet are vested in the SDBF, except for benefice houses which are vested in the incumbent. Some properties have been purchased with the help of a value-linked loan from the Church Commissioners; when disposed of, the appropriate share of the net sale proceeds will be remitted to the Commissioners, and the related loan liability extinguished. As at 31 December 2024 there were 5 (2023: 6) such properties and their value included above amounts to £904,849 (2023: £1,007,647).

13 FIXED ASSETS INVESTMENTS

	At 1 Jan 2024 £'000	Additions £'000	Disposals £'000	Transfers £'000	Change in Market Value £'000	At 31 Dec 2024 £'000
Unrestricted funds						
Unlisted investments	3,918	-	(2,033)	-	82	1,967
Restricted funds						
Unlisted investments	7,963	-	-	-	202	8,165
Endowment funds						
Investment property	3,920	-	-	-	62	3,982
Unlisted investments	5,150	-	(605)	-	157	4,702
	9,070	-	(605)	-	219	8,684
Total	20,951	-	(2,638)	-	503	18,816

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024**14 DEBTORS**

	2024	2023
	£'000	£'000
Due within one year		
Loans to parishes	27	27
Loans to schools	112	124
Other debtors and prepayments	630	340
	769	491
Due after more than one year		
Loans to parishes	216	243
	216	243
Total debtors	985	734

15 CREDITORS: amounts falling due within one year

	2024	2023
	£'000	£'000
Church Commissioners other loans	-	7
Deferred income	986	50
Other creditors and accruals	333	903
	1,319	960

16 CREDITORS: amounts falling due after more than one year

	2024	2023
	£'000	£'000
Loan repayment instalments due after more than one year		
Church Commissioners value-linked loans	483	565
Other loans	38	50
	521	615
The maturity of the above loans may be analysed as follows:		
Between one and two years	13	13
Between two and five years	25	37
In five years or more	483	565
	521	615

Church Commissioners Value-Linked Loans (VLLs) represent amounts advanced to the DBF for the purchase of properties on an equity sharing basis with the Church Commissioners and are repayable on the disposal of the related property.

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

17 SUMMARY OF FUND MOVEMENTS 2024 YEAR END

	At 1 Jan 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and Losses £'000	At 31 Dec 2024 £'000
UNRESTRICTED FUNDS						
General	6,729	6,715	(7,753)	(291)	97	5,498
Designated Funds:						
Benefact formerly AllChurches	-	125	(125)	-	-	-
Net Zero	-	129	(134)	5	-	-
Chaplaincy	-	35	(35)	-	-	-
Other	-	13	(15)	2	-	-
	-	302	(309)	7	-	-
RESTRICTED FUNDS						
Pastoral	2,827	71	(77)	-	87	2,908
Church in Action	4,887	134	(72)	(440)	101	4,610
Schools	505	99	(158)	59	5	510
Transformation and Capacity Funding	(319)	1,219	(1,355)	455	-	-
Resourcing Churches	(144)	399	(581)	326	-	-
Revitalisation Project	-	249	(194)	(55)	-	-
Centenary Project	57	218	(435)	160	-	-
Resourcing Ministerial Education	-	(258)	(27)	-	-	(285)
Other Trusts/grants/donations	637	718	(692)	(221)	9	451
	8,450	2,849	(3,591)	283	202	8,194
ENDOWMENT FUNDS						
Stipend Fund Capital	11,336	167	-	709	78	12,291
Parsonages	32,600	40	-	(709)	140	32,071
Schools	1,721	-	-	-	21	1,742
	45,657	207	-	-	240	46,104
TOTAL FUNDS	60,836	10,074	(11,653)	-	539	59,795

SUMMARY OF FUND MOVEMENTS 2023 YEAR END

	At 1 Jan 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and Losses £'000	At 31 Dec 2023 £'000
UNRESTRICTED FUNDS						
General	6,748	6,515	(7,447)	559	354	6,729
Designated Funds:						
Restructuring Fund	7	195	(246)	44	-	-
	7	195	(246)	44	-	-
RESTRICTED FUNDS						
Pastoral	2,895	60	(28)	(317)	217	2,827
Church in Action	4,020	143	(58)	409	373	4,887
Schools	504	78	(174)	97	-	505
Projects	597	2,142	(2,370)	(575)	-	(206)
Energy grants	400	-	(400)	-	-	-
Other Trusts/grants/donations	614	909	(900)	(186)	-	437
	9,030	3,332	(3,930)	(572)	590	8,450
ENDOWMENT FUNDS						
Stipend Fund Capital	10,542	-	(29)	486	337	11,336
Parsonages	32,587	52	(5)	(611)	577	32,600
Schools	1,503	39	-	94	85	1,721
	44,632	91	(34)	(31)	999	45,657
TOTAL FUNDS	60,417	10,133	(11,657)	-	1,943	60,836

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

18 ANALYSIS OF TRANSFERS BETWEEN FUNDS

	Unrestricted funds General £'000	Designated £'000	Restricted Funds £'000	Endowment Funds £'000
Unrestricted fund contributions to projects	(284)	-	284	-
Stipend Capital Fund from the Parsonage Fund for property transfers	-	-	-	(709)
Parsonage Fund to Stipend Capital Fund for property transfers	-	-	-	709
To designated funds from unrestricted	(7)	7	-	-
	(291)	7	284	-

19 SUMMARY OF ASSETS BY FUND 2024 YEAR END

	Fixed Assets £'000	Investments £'000	Current Assets £'000	Creditors £'000	Net Assets £'000
UNRESTRICTED FUNDS					
General	2,189	1,967	2,149	(806)	5,499
RESTRICTED FUNDS					
Pastoral	-	2,735	451	(276)	2,910
Church in Action	-	4,498	543	(433)	4,608
Schools	-	510	-	-	510
Resourcing Ministerial Education	-	-	-	(285)	(285)
Miscellaneous Trusts	-	422	32	(2)	452
	-	8,165	1,026	(996)	8,195
ENDOWMENT FUNDS					
Stipend Fund Capital	7,048	4,726	515	-	12,289
Parsonages	29,217	3,003	(149)	-	32,070
Schools	-	955	825	(38)	1,743
	36,265	8,684	1,191	(38)	46,102
TOTAL FUNDS AS AT 31 DECEMBER 2024	38,454	18,816	4,366	(1,840)	59,796

SUMMARY OF ASSETS BY FUND 2023 YEAR END

	Fixed Assets £'000	Investments £'000	Current Assets £'000	Creditors £'000	Net Assets £'000
UNRESTRICTED FUNDS					
General	2,027	3,918	1,846	(1,061)	6,730
RESTRICTED FUNDS					
Pastoral	-	2,648	179	-	2,827
Church in Action	-	4,398	488	-	4,886
Schools	-	505	-	-	505
Projects	-	-	257	(463)	(206)
Miscellaneous Trusts	-	412	25	-	437
	-	7,963	949	(463)	8,449
ENDOWMENT FUNDS					
Stipend Fund Capital	5,949	4,648	740	-	11,337
Parsonages	29,310	3,488	(197)	-	32,601
Schools	-	934	836	(51)	1,719
	35,259	9,070	1,379	(51)	45,657
TOTAL FUNDS AS AT 31 DECEMBER 2023	37,286	20,951	4,174	(1,575)	60,836

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

20 DESCRIPTION OF FUNDS	
GENERAL FUND	The General Fund is the SDBF's unrestricted undesignated fund available for any of the SDBF's purposes without restriction.
DESIGNATED FUNDS	
Benefact	From grants received from the Allchurches now renamed Benefact, SDBF has designated this fund to help kick start a growth regeneration programme in the Doncaster area where there are high levels of deprivation.
RESTRICTED FUNDS	
Pastoral Fund	<p>The Diocesan Pastoral account was set up under the provisions of the Pastoral Measure 1983. The restricted purposes for which the account may be used are:</p> <ul style="list-style-type: none">· to defray costs incurred for the purposes of the Measure or any scheme or order made under the Measure except for salaries of regular Diocesan employees· to make loans or grants for the provision, restoration, improvement or repair of churches and parsonage houses in the Diocese· other purposes of the Diocese or any benefice or parish in the Diocese· to make grants or loans to any other dioceses· to transfer funds to the Diocesan Stipends Fund income or capital accounts.
Church in Action	The Church in Action fund originates from an appeal by that name launched in 1945 to provide money for new churches in the Diocese. Compensation paid to the Diocese from the Government's War Emergencies Fund in respect of churches demolished in the blitz was added to the fund. The fund financed the building of several new churches but what remains is used to fund grants and loans to parishes for the improvement of parish buildings. It can also be used for clergy training, stipends and pensions, providing Christian social workers and improvements to church schools. The fund is regulated by a scheme of the Charity Commission dated 10 May 1974.
Church Schools Fund	This represents unexpended accumulations of sale proceeds of redundant Church of England School properties. Its use is restricted by law to capital and maintenance work for Church of England schools in the Diocese and education generally at Church of England schools in the Diocese. The SDBF is Trustee of these funds, which are managed on a day to day basis by and in consultation with the Board of Education.
Projects	<p>The projects undertaken by the SDBF are as follows:</p> <ol style="list-style-type: none">1. Mission Partnership Development Worker Project2. Centenary Project3. Children's, Youth and Families Worker Project4. Resourcing Churches Project5. Transformation and Capacity Funding Project6. Revitalisation Project
Miscellaneous Trusts	<p>There are seven trust funds where the Board acts as trustee and controls the management and use of the funds. These are as follows:</p> <p>Queen Victoria Fund Training of Ordinands - Alice Marple Trust Training of Ordinands - E J Freeman Bequest Elizabeth Bramall Trust Sheffield Scripture Readers General Trusts Sheffield Scripture Readers Benevolent Trusts First Lord Grimthorpe Charity Fund</p>
ENDOWMENT FUNDS	
Stipend Fund Capital	The Diocesan Stipends Capital Fund has been created from the Diocesan Stipends Fund Capital account assets held on behalf of the Diocese by the Church Commissioners under the Endowments and Glebe Measure 1976 to provide income for clergy stipends. It represents the accumulated sale proceeds of glebe property, sale proceeds of benefice houses and surplus benefice endowments following pastoral reorganisation. The fund may be used for the purchase, capital improvement and maintenance of glebe property and benefice houses. Funds can be invested in the CBF Church of England Property, Investment or Fixed Interest Securities Funds, or simply held on deposit.
Parsonages	This fund represents the value of all the benefice houses (parsonages) in the Diocese after deducting loans outstanding in respect of such houses. The fund also includes investments where surplus benefice houses have been sold when surplus to requirements.
Church Schools Fund	This represents unexpended accumulations of sale proceeds of redundant Church of England School properties. Its use is restricted by law to capital and maintenance work for Church of England schools in the Diocese and education generally at Church of England schools in the Diocese. The SDBF is Trustee of these funds, which are managed on a day to day basis by and in consultation with the Board of Education.

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

21 PENSIONS

Church of England Funded Pension Scheme

Sheffield 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 Sheffield DBF 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.

Each participating Responsible Body in the Church of England Funded Pensions 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 FRS 102. 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, which were £0.757m in 2024 (2023: £0.802m), 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: £0).

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

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	31st Dec 2024	31st Dec 2023	31st Dec 2022	31st Dec 2021
Deficit repair contributions	Nil	Nil	Nil	7.1%

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 were no deficit recovery payments from 1 January 2023 onwards,

	2024	2023
	£'000	£'000

Balance sheet liability as at 1 January	-	
Contributions paid	-	
Interest costs (recognised in the SoFA)	-	
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-
Balance sheet liability as at 31 December	-	-

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

	December 2024	December 2023	December 2022
Discount rate	n/a	n/a	n/a
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	n/a

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

Church Workers Pension Fund (CWPF)

Sheffield DBF participates in the Defined Benefits Scheme section of CWPF for lay staff, which is now closed to future accrual. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

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: £NIL, 2023: £NIL) 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 £NIL for 2024 (2023: £NIL).

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.

SHEFFIELD DIOCESAN BOARD OF FINANCE

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2024

21 PENSIONS (continued)

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 movement in the provision is set out below:

	2024	2023
Balance Sheet liability at 1st January	-	-
Deficit contribution paid	-	-
Interest cost (recognised in SOFA)	-	-
Remaining charge to the balance sheet liability * (recognised in SOFA)	-	-
Balance sheet liability at 31st Dec	-	-

* 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:

	Dec-24	Dec-23	Dec-22
Discount rate	N/A	N/A	0.00%

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

Pension Builder Scheme
Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2024: £317,277, 2023: £309,514).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

As a result of the valuation at 31 December 2022, the valuation generated a useable surplus for Sheffield DBF amounting to £192,000. Sheffield DBF decided to use this surplus to reduce the cash cost of the employers contributions during 2024 into the Pension Builder 2014 scheme for a period of approximately 10 months.

Included on the balance sheet is an asset of £24k relating to a usable surplus within the SDBF's share of the Church Workers Pension Fund - defined benefit scheme. During the year £168k of this surplus was used by the SDBF against its current year pension contributions under the Pension Builder Scheme.

22 FUNDS HELD AS CUSTODIAN TRUSTEE

The SDBF acts as Diocesan Authority or custodian trustee for many trust funds by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 where the managing trustees are parochial church councils and others. Assets held in this way are not aggregated in these financial statements as the SDBF does not control them. The financial assets held in this way may be summarised as follows:

	2024 £'000	2023 £'000
CBF Church of England Investment Fund Income Shares	6,295	5,558
CBF Church of England Fixed Interest Securities Fund Shares	732	225
COIF Income and Accumulation Shares	235	219
CBF Church of England Deposit Fund	1,998	845
Other Investments	559	318
Cash at bank	286	286
	10,105	7,451