

# Annual Report



The trustees, who are also directors for the purposes of company law, present their trustees’ report together with the financial statements and auditor’s report of the charitable company – The Birmingham Diocesan Board of Finance (BDBF) for the year ended 31 December 2024. The financial statements comply with current statutory requirements, the Statement of Recommended Practice for Charities 2015 (‘SORP2015’) and the Companies Act 2006.

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*It should be noted that the Annual Report gives narrative on the activities of Birmingham Cathedral, Birmingham Diocesan Trust, Church Schools, Thrive Together Birmingham and individual parishes to give an overview of all CofE Birmingham activities. However, the financial information of these entities is not included in the BDBF financial statements. They have their own financial statements as separately constituted organisations. (See page 53 for details of the structure of The Church of England.)*

The members of the Bishop’s Council set out below have held office during the period from 1 January 2024 to the date of this report, unless otherwise stated.

<b>EX-OFFICIO</b> The Rt Revd Dr Michael Volland <i>Bishop of Birmingham (from 2 March 2024)</i> The Rt Revd Anne Hollinghurst <i>Interim Bishop of Birmingham (until 2 March 2024)</i> <i>Suffragan Bishop of Aston (until 30 September 2024)</i> The Rt Revd Esther Price <i>Suffragan Bishop of Aston (from 27 February 2025)</i> Mr Steven Skakel <i>Chair of the Diocesan Board of Finance</i> The Very Revd Matt Thompson <i>Dean of Birmingham</i> The Ven Jenny Tomlinson <i>Archdeacon of Birmingham</i> The Ven Phelim O'Hare <i>Archdeacon of Aston (from 14 July 2024)</i> The Revd Toby Crowe <i>Chair of the Diocesan Synod House of Clergy</i> Mr Trevor Lewis <i>Chair of the Diocesan Synod House of Laity (until 31 December 2024)</i> Mr Anesu Muyambi <i>Chair of the Diocesan Synod House of Laity (from 1 January 2025)</i>	<b>LAITY ELECTED BY THE DIOCESAN SYNOD</b> Dr Chisom Eliakim-Ikechukwu <i>(from 1 January 2025)</i> Mr Nick Forknell <i>(from 1 January 2025)</i> Mr Jonathan Goll Ms Julia Howl <i>(from 1 January 2025)</i> Mrs Deirdre Moll Mr Julian Phillips <i>(until 31 December 2024)</i> Mrs Chrissie Price Mr Ian Thorley <i>(from 1 January 2025)</i> Mr Matthew Vaughan <i>(from 1 January 2025)</i>	<b>DIOCESAN SECRETARY</b> Dr Jan Smart
		<b>COMPANY SECRETARY</b> Dr Jan Smart
		<b>DIOCESAN DIRECTOR OF FINANCE</b> Miss Karen Preece
		<b>DIOCESAN REGISTRAR</b> Ms Vicki Simpson <i>(until 31 March 2025)</i> Mr Robert Sprake <i>(from 1 April 2025)</i>
	<b>NOMINEES</b> The Revd Jeremy Allcock <i>(until 31 December 2024)</i> <i>(Bishop's nominee)</i> Mr Ian Butler <i>(from 1 January 2025)</i> <i>(Bishop's nominee)</i> Mr Paul Martin <i>(from 1 January 2025)</i> <i>(Bishop's nominee)</i> Mr Guy Hordern <i>(General Synod laity nominee)</i>	<b>REGISTERED OFFICE</b> John Cadbury House, 190 Corporation Street, Birmingham, B4 6QD
<b>CLERGY ELECTED BY THE DIOCESAN SYNOD</b> The Revd Bekah Clark <i>(from 1 January 2025)</i> The Revd Sarah Hayes The Revd Geoff Lanham The Revd Canon Louise Shaw The Revd Canon Bamidele Sotonwa The Revd Canon Becky Stephens <i>(until 31 December 2024)</i> The Revd Dr Katie Stock <i>(from 1 January 2025)</i>	<b>GENERAL SYNOD REPRESENTATIVES</b> The Rt Revd Michael Volland <i>(from 2 March 2024)</i> The Rt Revd Anne Hollinghurst <i>(until 2 March 2024)</i> The Revd Tim Bateman <i>(until 27 February 2024)</i> Mrs Dawn Brathwaite The Revd Philip Calvert Mr Guy Hordern Dr Rachel Jepson The Revd Canon Douglas Machiridza The Revd Emma Sykes <i>(from 29 May 2024)</i>	<b>AUDITOR</b> Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG
		<b>BANKERS</b> Bank of Scotland, 125 Colmore Row, Birmingham, B3 3SF
		<b>INVESTMENT ADVISERS</b> Evelyn Partners 14th Floor, 103 Colmore Row, Birmingham, B3 3AG
		<b>PROPERTY AGENTS</b> Bruton Knowles, Embassy House, 60 Church Street, Birmingham, B3 2DJ

## Bishop's Foreword



We give thanks and praise to God for the many encouragements we experienced as CofE Birmingham during 2024. As we faithfully attended to our vision of seeing, Growing Churches at the Heart of Each Community, we saw new people coming to faith, being baptised and confirmed, and growing as disciples of Jesus Christ. New ministers were licensed and deployed and new Oversight Areas established. When Esther Prior was announced as the new Bishop of Aston, we looked forward to welcoming a new colleague; a bishop with a pastor's heart, a gifted communicator, who shares my commitment to the growth of the kingdom of God in Birmingham and the region. As Bishop Esther joins us in attending to all that God is doing in our city and region through our churches and schools, we look forward to seeing much fruit from our labours in Christ in 2025.

I would like to thank our faithful clergy, Readers, lay workers, diocesan staff, Church Wardens, Treasurers and all those who have worked so hard and prayerfully in 2024 to offer ministry across CofE Birmingham and to share the good news of Jesus with people in our communities and schools. Your work in the service of our Lord Jesus is highly valued and no effort is wasted or lost in God's Kingdom-economy. I particularly want to thank our safeguarding team for their tireless efforts to ensure that the diocese is a safe place for all. In 2024 the whole church became aware of significant safeguarding failings at national level. In CofE Birmingham we commit ourselves to prioritising victims and survivors of abuse and to continuing to give urgent attention to our work on safeguarding throughout the diocese in 2025.

In 2024 a major focus for CofE Birmingham was on our work on environmental sustainability. A team led by Fr Patrick Gerard made a submission to A Rocha to be considered for Silver Eco Diocese status. We were the first diocese in the CofE to do this and our efforts resulted in A Rocha having to revisit their land-management criteria. As 2024 ended we were waiting for the outcome of our submission to A Rocha. In 2025 we will continue to commit ourselves to maintaining momentum as we seek to steward and care for the wonderful world that God has created.

As we look ahead to 2025, we continue to strive for growing churches and flourishing schools at the heart of each community. We will attend to this by being people of prayer, worship and witness, encouraging each other in the faith, strengthening Oversight Areas, supporting ministry in each parish, planting and revitalising churches, increasing our generosity and continuing to lead new people finding faith in Jesus.

In 2024 we began to focus on prayer in a refreshed way. As we look forward to 2025 and continue to follow Christ and serve our city together, I invite us to commit to be people who pray more. Even as we attend to the important work of becoming a financially sustainable diocese, I encourage all in CofE Birmingham in 2025 to join in with the following four prayer focuses. I believe that as God answers these prayers, we will also find that God meets our financial needs, including through increasing generosity in our parishes. And so, giving thanks for all that has been good in 2024, and looking ahead as the people of God to 2025, we pray that God would:

- Have mercy on the city and region
- Give us great love for the region and its people
- Break the power of evil in Jesus' name
- Bring many to faith in Christ

With ongoing prayers and every blessing in Christ,

*+ Michael Bimingham*

**The Rt Revd Dr Michael Volland**  
Bishop of Birmingham



## Chair's Statement



As I write this report, it has been five years since the start of the COVID-19 pandemic and nearly six years since I was appointed Chair. The cost-of-living and energy crises followed the pandemic, and the combination of these seismic events has led to a massive operating deficit currently estimated to be in the region of £62 million in 2024, across the 42 dioceses that make up the Church of England. [Source GS2380 Feb 2025]

Before the pandemic, the Church of England Birmingham had embarked on a long-term transformation strategy, delivering on its mission of growing churches at the heart of each community. This work continues with great vigour and involves parishes across our Diocese, enabled by thousands of church members, our leadership, and project team.

We are seeing growth in part, which is exciting and hugely rewarding, but also many challenges, particularly in our most deprived places. Common Fund, sometimes known as Parish Share, is our most significant source of income, and it has remained flat in 2024 at around £1.2m less than pre-pandemic levels. This translates into a substantial deficit for 2024 of £1.5m, and the budget deficit for 2025 is slightly higher, reflecting increased costs and the rise in National Insurance effective April 2025.

The average monthly clergy numbers in 2024 of 132 is in line with 2023, and we expect to sustain these numbers while delivering our transformation plan. Our Lowest Income Community funding from the national church makes this possible, and we acknowledge this source of support with gratitude.

Understanding the figures can be quite complex, and I would signpost you to the Financial Overview of the Year for a detailed explanation.

In addition to Lowest Income Community funding, the Church Commissioners continue to support our plans to accelerate our transformation in the years ahead and provide financial support as we seek to build on and renew the presence of God's kingdom in our Diocese. At the time of writing, we are working on a longer-term Diocesan Investment Programme (DIP) bid for submission this summer to build on our work to date. This is exciting; however, our budget for 2025 does not take this into account, as we cannot pre-judge the outcome, but we are hopeful and confident that we are on the right track to sustainability.

In the longer term, we expect to see a continued modest recovery in church attendance and growth in the number of disciples, as well as those journeying deeper with God. Our firm expectation is that this will translate into growth in Common Fund that will, over time, erode our deficits. We are prayerful and optimistic as we keep our eyes focused on Jesus.

Aside from investing in growth, we remain acutely aware of our need to reduce our carbon footprint, working together to care for God's creation. Please visit our website for regular updates and access to a wide range of resources. My sincere thanks to our excellent Net Zero team.

This report highlights much for us to celebrate, and I commend it to you. Thank you for being a part of the Church of England Birmingham and reading this report.

*Steven Skakel*

**Steven Skakel**  
Chair of Birmingham Diocesan Board of Finance



Engage with children, youth, families and other missing generations to reflect the age profile of the wider population across the diocese

Worshipping communities are diverse (meaning representative of our communities) and accessible to all



Grow in number of disciples (more)

Underpinned by a culture of prayer



Grow in partnerships and impact in the community

# Growing churches at the heart of each community



Flourishing ordained and lay leadership that reflects the diversity of the wider population across the diocese



Grow in depth of discipleship (more confident)

Environmental sustainability



Achieve financial sustainability



## Oversight Areas

The formation of Oversight Areas provides the Church of England Birmingham with a key structure to deliver our Transforming Church vision. There are 44 collaborative Oversight Areas, consisting of groups of parishes that are voluntarily working together to achieve sustainable and flourishing mission and ministry. Most of our Oversight Areas are now fully formed and have begun to actively collaborate.

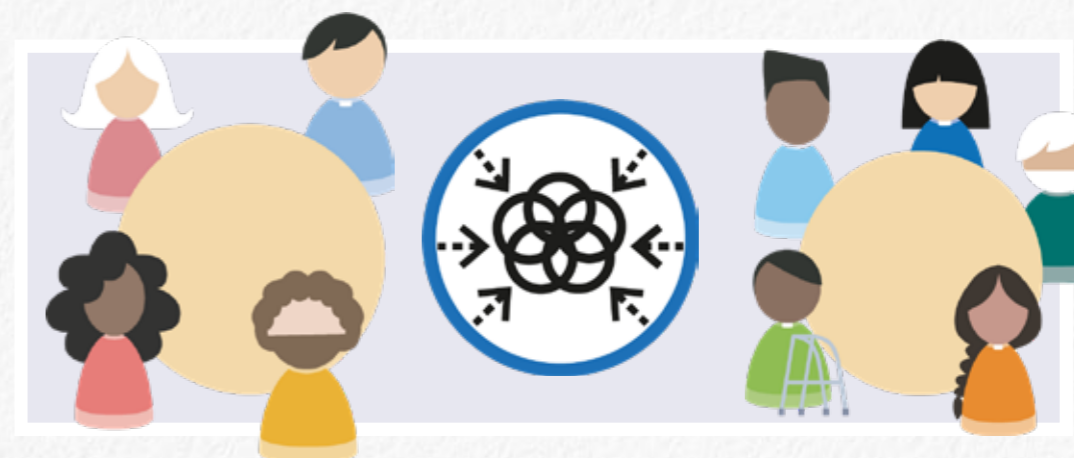
Oversight Ministers provide leadership and strategic focus for missional initiatives, facilitating future discussions and collaborations within their Oversight Areas. The majority of Oversight Minister appointments have been finalised during 2024. The creation of Oversight Areas and the appointment of Oversight Ministers aim to strengthen our mission focus and enhance the capacity of both ordained and lay leadership and resources as we advance the next steps of our Transforming Church vision and strategy.

To support this new focus, the Oversight Areas are participating in culture formation days, and most are currently engaged in a mission accompaniment process with the Mission Support team.

**The following pages include examples of the activities carried out by our parishes and the newly formed Oversight Areas.**



## An Oversight Area Formation Story



During 2024, the newly forming Areas and their Oversight Ministers were invited to Oversight Area Formation Days. These were led and hosted by the Revd Canon Dr Mark Pryce and Archdeacon Jenny Tomlinson, facilitated by Sarum College. For the parishes of Lapworth, Baddesley Clinton and Packwood, it marked a significant milestone in fostering collaboration between three parishes. This strategic day focused on deepening inter-parish relationships while preserving individual parish identities. Through structured discussions anchored in prayer and scripture, representatives from each parish shared their distinctive characteristics and explored opportunities for mutual support. The day generated valuable insights into resource allocation, communication strategies, and practical steps for implementation. Participants actively engaged in addressing key questions about operational approach, resource management, and next steps in the oversight process. The formation day successfully initiated a collaborative framework, culminating in plans for a joint meeting of the PCCs, establishing a foundation for future shared ministry initiatives that leverage their collective strengths and talents.





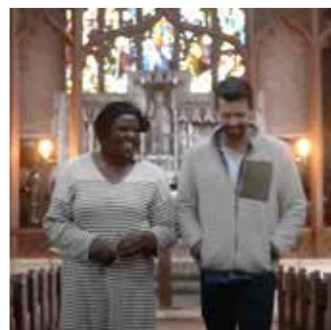
# Growing churches at the heart of each community



Preliminary statistics show the 2023 trend of growth in weekly attendance across CofE Birmingham has continued in 2024. Leadership is an important part of church growth and within the following pages is a flavour of how we are growing and forming, training and developing strong leadership in our churches and communities.



## St Mary & St Ambrose and Anchor Church: Building Intergenerational Connections



The Anchor Church and St Mary & St. Ambrose Church collaboration in 2024, represents a transformative partnership born from prayerful intention and shared vision. What began as a five minute casual conversation evolved into a strategic partnership meeting their community's needs. The Anchor team, seeking a permanent base and a fuller mixed age economy in the congregation, joined with St Mary & St. Ambrose Church, who were praying for youth engagement and music ministry.

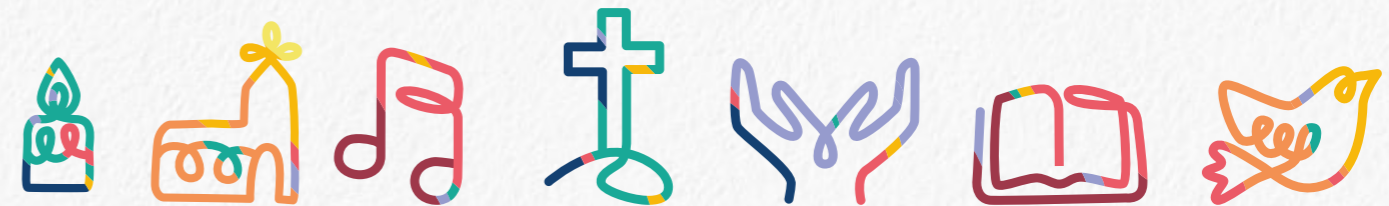
Following a year-long steering group process supported by diocesan teams, in 2024 this union has created a vibrant intergenerational and intercultural faith community. The partnership has quickly produced tangible results, with previously disengaged young people now actively participating. Looking forward, the collaboration has ambitious community outreach plans, including a stay-and-play program and expanding youth work. This inspiring example of collaboration in ministry, effectively addresses parish challenges, through creating meaningful community change through shared resources, complementary strengths, and unified purpose.

## Gas Street Longbridge: Revitalising St John the Baptist Church

The revitalisation of St. John the Baptist Church through Gas Street Longbridge has transformed both the building and its community impact since its launch in February 2024. With significant support from the national church and dedicated fundraising efforts, the historic church underwent substantial infrastructure improvements, including new electrical systems, fire alarms, and a roof replacement, with nearly £40,000 raised by the original congregation. The renewed church has experienced remarkable growth, regularly welcoming over 130 adults and 30 children, with recent services welcoming more than 200 attendees. Community engagement has flourished through diverse weekly initiatives, including a job club, a community craft club, and family-focused activities. The summer holiday club provided meals and activities for over 30 local children, while spiritual growth has included new commitments to faith, baptisms and completed Alpha courses. Through this partnership, St. John the Baptist Church, originally founded in 1957 as a church plant from St. Nicolas Church, King's Norton, now Gas Street Longbridge is a successful continuation of the church's original mission to reach and transform its local community.



## Growing Gifts



In 2024, Growing Gifts continued to support ordained and lay leaders across the diocese, equipping them with the skills, knowledge, and confidence to serve their communities. Rooted in the People & Places framework, the programme fosters structured learning, reflection and peer support, helping leaders grow in their ministry.

This year, several churches eagerly joined Growing Gifts, and participants have reported significant spiritual and practical development. The program has provided a space for leaders to deepen their faith, refine their leadership abilities, and engage with their congregations in meaningful ways.

We saw impact through the strengthening of leadership across multiple churches. This included the establishment of a structured pathway for growth, benefiting both clergy and lay ministers alike. Furthermore, Growing Gifts encouraged a supportive learning community, creating an environment where individuals in ministry could thrive and learn together.





## New Ways to Worship

Through the work of the Mission Support Team, the Church of England Birmingham is currently undergoing a vibrant change in the way people engage with faith and worship with many parishes offering diverse and inclusive forms of church alongside their traditional settings. These innovative forms of worship, such as Messy Church, Outdoor Church, Cycle Church, and Sensory Church, are providing fresh opportunities for spiritual exploration, discipleship and community connection. These initiatives made a profound and subtle impact during 2024 in many CofE Birmingham communities, attracting individuals and families who may not have felt comfortable to join a more traditional church environment.



## Messy Church: Creativity, Celebration, and Hospitality



Messy Church is an interactive style of worship designed to cater to both children and adults, and particularly those who are not currently part of a church community. The movement is characterised by its focus on creativity, celebration, and hospitality. Held at times and locations that are convenient for families, Messy Church invites everyone—regardless of age or where they are on their faith journey—to participate in activities, songs, and prayers that introduce them to the story of Jesus in a relaxed and interactive environment.

## Outdoor Church: Encountering God in Nature

Outdoor Church offers a unique opportunity for people to connect with God in the beauty of the natural world. This form of worship, which includes movements like Forest Church, encourages participants to experience spirituality outside, rather than inside, church buildings, even in the most urban environments. Inspired by ancient Christian traditions, such as the Celtic and Franciscan approaches to nature, the impact of Outdoor Church lies in its ability to reach those who feel a deeper connection to God when surrounded by nature, providing them with a spiritual home that resonates with their love for the outdoors.



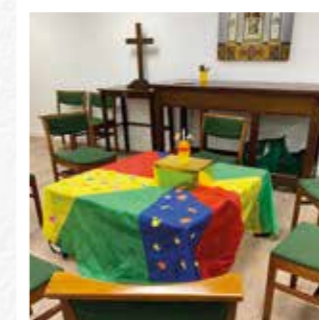
## Cycle Church: Worship on Wheels

Cycle Church combines physical activity with spiritual reflection, offering a fresh and accessible way to worship for those who enjoy cycling. Participants gather for a brief time of worship and prayer before embarking on a cycle ride, creating a unique opportunity for fellowship and connection with God as the group travels. Cycle Church is inclusive of all abilities, with options for both shorter and longer rides, making it an ideal way for people to engage with faith while enjoying a shared passion for cycling. The impact of Cycle Church is seen in its ability to attract those who may not be fully engaged with church activities, offering them a new and meaningful way to explore their faith.



## Sensory Church: Embracing Inclusivity

Sensory Church is a groundbreaking initiative dedicated to supporting individuals and families living with disabilities, that promotes inclusivity and acceptance, ensuring that all individuals have the opportunity to participate fully in the life of the church. This inclusive approach is designed to be accessible to people of all abilities, with special consideration for those with neurodiverse conditions. Sensory Church services are non-Eucharistic and incorporate therapeutic activities that engage the senses—such as smell, sight, hearing, and touch. Mary Withers, developed a regular Sensory Church service at Christ Church, Oldbury to make church a more inclusive experience for younger people with sensory needs and autism, enabling families with children who have autism to be a part of church worship in a unique and wonderful way, designed especially for them.

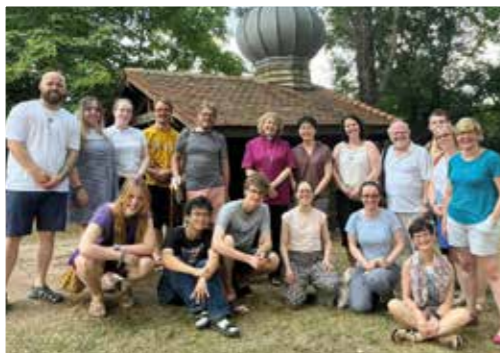


## Mission Support



The Mission Support Team remains dedicated to equipping and supporting parishes in their youth and children's ministry. In 2024, the team focused on training and strengthening support for volunteers and leaders to ensure a sustainable future for youth engagement within the Church of England Birmingham.

This year saw significant growth in training opportunities, including the launch of Flex Foundations, which provided essential training for volunteers in youth and children's ministry. Over 25 participants successfully completed the Commissioned Youth and Children's Training Pathway, developing key leadership skills, and two Commissioning Services were held to celebrate trained leaders, officiated by Bishop Anne, Bishop of Aston in April, and Bishop Michael, Bishop of Birmingham in November.



The introduction of Volunteer Sunday engaged 28 parishes in recognising the invaluable role of volunteers. The Bishop's Youth Synod launched a Young Leaders Course, empowering young people to shape their parish communities. Partnerships, such as work with Youthscape on the National Youth Ministry Conference, expanded opportunities for youth workers.

The Children and Families Mission Enabler project saw two additional recruits, ensuring all deaneries are supported and fostering 87 new disciples through strengthened youth and family ministry initiatives. New worship communities emerged, including St Barnabas Primary School's after-school worship and Bubble Church in The Whitacres, Lea Marston and Shustoke. Launchpad, the clergy training program, supported ten clergy, leading to new youth ministries in churches such as St George's Newtown and St Mary's Bearwood. The Taizé pilgrimage, led by Emma Sargeant and Bishop Anne, Bishop of Aston, provided a transformative faith experience for 15 attendees, inspiring ongoing engagement in Taizé services.

Recognising the importance of leader wellbeing, a three-day retreat led by Bishop Anne, Bishop of Aston, was attended by 11 youth and children's leaders, while a one-day retreat at St Paul's Convent, Selly Park, provided renewal for ten leaders. As Growing Younger moves into 2025, it remains committed to equipping and supporting those serving children and young people, fostering a vibrant and engaged faith community across the diocese.



## Launchpad

Launchpad, led by the national CofE Growing Younger team, equips clergy with skills and confidence to initiate and sustain youth ministry. Through five interactive sessions, personal visits, and coaching, participants gain tailored support, practical resources, and fresh ideas. In 2024, ten clergy members from CofE Birmingham completed Launchpad, leading to tangible youth engagement results. St George's in Edgbaston hosted its first Epiphany party, while St Mary's in Bearwood launched a Christmas event to start a youth group. St George's in Newtown created a group focused on shared interests.

Many churches integrated youth ministry into prayers and PCC meetings in 2024. Clergy also reported increased confidence, clarity, and enthusiasm for youth ministry, feeling empowered to nurture faith and community among young people. Launchpad's success highlights its role in developing vibrant youth ministries, and the Mission Support Team remain committed to supporting clergy in fostering environments where young people feel valued and engaged in their faith journey.

## Anglo-Catholic Missioner

Mission Support, through Revd Charlotte Gibson's contributions to Birmingham's Anglo-Catholic parishes, have significantly impacted the community. The Tailored Seekers courses, which Charlotte developed, have resulted in baptisms and increased engagement among parishioners. At St Mark's, Kingstanding, a strategic marketing initiative for their Christmas services boosted carol service attendance from just 12 to 75 participants. Events like Cozy Christmas Sing at St Alban's, Highgate, have also encouraged stronger connections between the parishes and local residents. By emphasising the importance of inviting others, transforming the culture and sharing faith, Charlotte's encouragement has refreshed parishes that were previously struggling with declining attendance. She has supported these parishes toward more outward, missional-focused approaches to ministry while encouraging spiritual growth.



## Diocesan Board of Education (DBE)

The Diocesan Board of Education (DBE) has made significant strides this year in key areas, ensuring schools are more inclusive, sustainable, and connected.

One major achievement was the revision of admissions guidance for Church schools. The DBE undertook a thorough review of original trust deeds, which emphasised providing education for all children in the parish, not just those attending church. After extensive consultation, schools have been encouraged to revisit their admissions policies to reflect this core mission.

In April, HRH The Prince of Wales visited St Michael's High School, a highlight for the school and the wider community. The visit followed the school's outstanding work on boys' mental health as part of its 'Student Voice' initiative. A personal letter from pupil Freddie led to this special occasion, which was later featured in the King's Christmas Speech.

On the journey to Net Zero 2030, the DBE appointed Jill Stolberg to support schools in meeting sustainability targets. This has led to eight schools installing solar panels, demonstrating their commitment to environmental responsibility.

To enhance engagement, the DBE has launched a new website and strengthened its social media presence across Facebook, Instagram, and X, making its work more accessible to schools and communities.



## St. Michael's Church of England Primary Academy shines with Top Ofsted Rating

St Michael's Church of England Primary Academy in Handsworth achieved an 'Outstanding' Ofsted rating in 2024, transforming from 'Requires Improvement' in just 3.5 years under Headteacher Philip Hynan's leadership and the Birmingham Diocesan Multi-Academy Trust's (BDMAT) support. The school has overcome significant challenges including reputational damage, falling enrolment, and staff turnover through implementing a renewed vision guided by faith-inspired values. St Michael's now serves as a vital community hub, offering a food cupboard, urban farm, community allotment, countryside retreats, and a monthly supper club attended by over 100 community members. The impact extends beyond academic excellence to holistic family support. This transformation illustrates the power of seeing strengths rather than deficits in challenging communities.



## Readers Ministry

The Reader ministry in our diocese continued to flourish with nearly 200 active Readers making vital contributions to leadership, teaching and mission within our churches and communities. A significant transition occurred in February with the appointment of Revd Sheri Gidney as Warden of Readers and Mrs Maggie Forknell as Co-Warden, bringing valuable lay perspective to leadership.

Training remains robust, with 12 Readers completing Initial Ministerial Education 1 (IME 1) training in December and five new candidates beginning their journey under the national selection framework that evaluates seven essential qualities: love for God, ministerial calling, love for people, wisdom, fruitfulness, potential, and trustworthiness.

## Readers Ministry: Growing and Evolving to Serve Our Communities

Under new leadership from Revd Sheri Gidney and Mrs Maggie Forknell, the Reader ministry developed fresh perspectives to address changing church landscapes. The licensing of 12 new Readers marked a significant milestone, demonstrating the continued vitality of this crucial lay ministry. These dedicated individuals, selected through a rigorous framework assessing seven essential qualities, were equipped to teach faith, enable mission, and provide leadership in their communities. Their impact extends beyond church walls, as they connect congregations more deeply with local communities and help the church respond effectively to societal changes. Through their ministry in 2024, CofE Birmingham's Readers continue to support their parishes in an ever-changing world.



## Continuing Ministerial Development (CMD)

### Clergy Wellbeing

In response to the national CofE Clergy Wellbeing Covenant, Reflective Pastoral Supervision (RPS) was introduced for incumbents during 2024 to build on existing supervision for Curates and their Training Incumbents. RPS training is funded by a grant from St Martin's Trust to benefit the wellbeing of clergy in Incumbent, Oversight Minister and substantial SSM (Self Supporting Ministry) roles. In partnership with Wesley House Cambridge, eight people were engaged in training in RPS skills, providing a support capacity for 32 supervisees. In 2025 we will be looking to appoint to the voluntary role of Pastoral Supervision Lead to co-ordinate this ongoing work and development across three years. All supervisors and the supervision lead are volunteers, receiving fully funded professional supervision of their practice. RPS is introduced as a pilot programme, and we envisage that an application for further grant funding to develop additional supervisors will be sought in due course.

### Oversight Ministry

The first four cohorts of recently appointed Oversight Ministers engaged in a seven-day Formation Pathway led by Revd Canon Dr Mark Pryce, Director of Ministry, with Sandra Cobbin, to support their development in the new role. Area Deans also engaged in a learning community this year, with Archdeacons to support reflective practice and role development. These learning communities complement the Formation Days to which all parishes in Oversight Areas are invited.

### Reviewing Ministerial Development Review

During 2024, following a working party review, a substantial re-envisaging of the CofE Birmingham provision for Ministerial Development Review (MDR) was undertaken. At the beginning of 2025 Bishop Michael, Bishop of Birmingham, launched our renewed MDR scheme, with a revised online format and newly trained MDR partners. The first phase of clergy will be invited to engage in an appreciative, confidential conversation with an MDR partner from early 2025 onwards.



### Theological Learning

The 2024 Bishop's Study Mornings for Clergy, Readers and Licensed Lay Ministers featured internationally recognised theologians Dr Eve Poole, on Artificial Intelligence; Revd Dr Gillian Straine, on St Luke's Gospel from the perspective of healing and Revd Dr Tim Howles on Ecological Theology, including a session in which deanery eco-champions and Net Zero Group participated.



### Initial Ministerial Education (IME)

This year, 34 curates across the diocese have continued their journey in ordained ministry, serving in training posts for either assistant ministry or primary responsibility. Their formation has been shaped by a flexible and responsive approach, ensuring each curate is equipped for their vocation at a pace that suits their development.



The CofE Birmingham has supported curates from diverse pathways, including those following the Caleb Stream, which enables mature Christians to pursue ordination later in life, and others following the Pioneer Pathway, exploring innovative ways of ministry. Additionally, an increasing number of curates are recognising their neurodiversity and understanding how it impacts their ministry, with IME 2 providing awareness and tailored support.

We are also grateful for the dedication of our training incumbents, who play a crucial role in mentoring and guiding curates through this formative stage. Their commitment ensures a strong foundation for future church leadership.

## Commissioned Pastoral Teams (CPT)

In 2024, the CofE Birmingham established a clear, structured formation programme for Pastoral Care Teams. Each team now completes a six-session module on learning to listen and a three-session module on team building before being commissioned. This structured approach has encouraged stronger teams, greater community support and a deeper commitment to pastoral care. A dedicated steering group of advisers to support Pastoral Care Teams and covering all deaneries, was also formed.

In 2024, three new teams were trained and commissioned, reflecting a renewed energy and enthusiasm for this ministry, under the leadership of David Harrison, Warden of Pastoral Care Teams, who has been instrumental in driving these significant changes.

The Pastoral Care Away Day was attended by 80 team members, nearly double the usual number present, and they were welcomed by Bishop Michael, Bishop of Birmingham. Another significant development was the introduction of termly bereavement care training sessions in partnership with Care for the Family, strengthening the team's ability to provide compassionate care to those experiencing loss. 2024 has been a year of momentum, growth and commitment.



## Local Ministry Pathway

The Local Ministry Pathway program continues to equip and empower individuals to serve as primary leaders within their parishes, across the Church of England Birmingham. This three-year training pathway provides flexible formation for those called to lay or ordained ministry vocations. Unlike traditional training schemes, it enables participants to grow in their ministry while remaining rooted in their local communities.

The pathway has seen remarkable outcomes in 2024. Fourteen candidates completed the foundation stage and progressed to the diocesan panel, a significant step in their vocational journey. As a result, 2025 will welcome 11 new local ministers, ten ordained as deacons and one licensed as a lay minister.

A standout feature of this year's cohort is its diversity, with the majority of candidates coming from Global Majority or UKME backgrounds. This reflects a growing commitment to ensuring ministry is representative and responsive to the communities it serves.



## Celebrating 30 Years of Women's Priestly Ministry



A Sung Eucharist at Birmingham Cathedral in June 2024, commemorated the 30th anniversary of women being ordained to priestly ministry. The well-attended and live-streamed ceremony led by Bishop Anne, Bishop of Aston, recognised pioneering women priests, many of whom were present. Revd Canon Faith Claringbull, one of the first women ordained in 1994, delivered a powerful sermon stating, *"We're celebrating 30 years of the fruitful ministry of men and women together in the Church of England Birmingham."* She reflected on this partnership and acknowledged that while 55% of ordinands are now women, the church must remain *"vigilant to ensure those who remain on the margins can be brought in... and all may flourish as children of God."* The service included meaningful readings by Revd Eve Pitts and Revd Canon Becky Stephens, prayers led by Archdeacon Jenny Tomlinson, and Bishop Michael, Bishop of Birmingham's participation in the distribution of communion. The celebration concluded with a hymn from the original 1994 ordination service, emphasizing the commitment *"to live for Christ alone."*

## Pathways Learning Platform

Pathways continued to evolve as a vital diocesan education platform, making learning more accessible, interactive, and impactful. The Pathways team carried out user research, to inform improvements to overall design, organisation and navigation.

The team developed a number of new resources and programmes in 2024. Sometimes this involved creating new Pathways spaces to support training and provide resources, such as with the new Growing Gifts programme. The team also worked collaboratively with the Flex Foundations team to develop a range of 35 new informative and reflective online learning resources. Another new addition to the platform was the Resource Hub, an online portal for sharing documents and resources to wider audiences.

2024 also saw significant enhancements to key existing training programmes: the Unconscious Bias module was refreshed, leading to an increase in participation as over 90 learners completed the training; the Pathways Team's success in supporting the IME1 Reader Training programme was built on, with online support now also provided for the subsequent IME2 training phase.





## Growing churches at **the heart** of each community

"We give thanks and praise to God for the many encouragements we experienced as CofE Birmingham during 2024. As we faithfully attended to our vision of seeing, Growing Churches at the Heart of Each Community, we saw new people coming to faith, being baptised and confirmed, and growing as disciples of Jesus Christ." - Bishop of Birmingham





## Safeguarding

Church of England Birmingham is committed to providing a safer church for everyone and to caring for those who are victims and survivors of abuse. We believe that safeguarding is everyone's responsibility, and it is at the heart of all we do.

The work of the Diocesan Safeguarding Team, using the framework of the national CofE safeguarding standards, includes working with victims and survivors, assessing and managing safeguarding risks, handling allegations of abuse, providing access to national training, and preventative work with parishes. We are hugely grateful for the work of the volunteer Parish Safeguarding Coordinators without whom it would be impossible to safeguard those in our local churches.

The Diocesan Safeguarding Advisory Panel (DSAP), with an independent chair and experts from statutory agencies in addition to senior diocesan staff, oversees safeguarding practice and processes in the diocese, including monitoring compliance with the national CofE safeguarding requirements. To support the effectiveness of the DSAP, we have recently introduced an Operational Safeguarding Group to work on detail and make recommendations to the DSAP.

## Chaplaincy

There are many forms of Chaplaincy across CofE Birmingham.

The Anglican Chaplaincy at the University of Birmingham has partnered with local parishes to develop two new worshipping communities:

'The Well', a collaboration with St Mary's, Selly Oak, is a monthly creative liturgy that provides space for mature Christians and those who are new to the faith to discover the ancient wisdom and spiritual practices from the deep wells of our Christian sacraments and traditions. They have hosted speakers from the CofE Birmingham and beyond to talk on an aspect of spirituality or spiritual practice that they are passionate about. The Well is a community that has drawn together an ecumenical community from across Birmingham.

'Be...' is a new initiative with St Francis Bournville that hopes to be a Spirit-filled inclusive charismatic community. Begun in September 2024, God has brought together an amazing team of gifted worship leaders with an evolving vision for what 'Be...' might be. They are excited to see where God leads.



## Vocations and Discernment

2024 marks two years since the national discernment process changed, with eight individuals successfully going through the new process for ordination. From a diocesan perspective, the revised process is considered fairer and more inclusive, helping to reach a broader and more diverse range of people discerning their calling.

Vocational conversations have widened, recognising that vocation is not solely about ordained ministry. This year was a significant period for listening to personal stories and exploring different vocational paths. While the national trend shows fewer individuals pursuing ordination, CofE Birmingham has seen only a slight drop in candidates, with a notable shift towards Self-Supporting Ministry (SSM), reflecting changing patterns in how people choose to serve.

Despite these shifts, vocations remain active and vibrant. People are still coming forward, and the CofE Birmingham continues to nurture and guide individuals in their discernment. As trends evolve post-COVID, there is optimism that numbers will stabilise, with early indicators suggesting a renewed interest in ordination and ministry in the coming years.

## Cathedral

Every day in Birmingham Cathedral begins and ends with prayer and worship. Three services are held each day and in 2024, there were 192 acts of choral worship. Amongst these were some highly significant occasions in the life of CofE Birmingham and our city region.



In March, the Dean and Cathedral community were delighted to hold the Installation Service of the Rt Revd Dr Michael Volland as the 10th Bishop of Birmingham and in May to celebrate 30th anniversary of the ordination of women to the priesthood. In September, The Dean, The Senior Ministry team and Canons hosted the Farewell Eucharist for the Bishop of Aston, the Rt Revd Anne Hollinghurst as she left to become the Principal of the Queen's Foundation. November brought a highly moving memorial service to mark the 50th anniversary of the Birmingham Pub Bombings.

The work to conserve the much-loved Burne-Jones stained-glass windows was completed in 2024. Activity and engagement work inspired by the windows involved a Festival of Voices including Nafeesa Hamid, poet in residence, reading a series of poems inspired by the windows, and Iranian members of the cathedral community reading Hafiz in Farsi and English, speaking about the importance of his poetry for Iranian refugees.

## Discipleship Culture

Across the diocese, people are growing in their relationship with God through simple, meaningful moments that shape their daily lives and communities. Conversations over coffee become spaces where faith is shared, encouragement is offered, and understanding deepens. Acts of service, whether volunteering, supporting others in prayer, or showing kindness, have helped individuals discover that discipleship is not just about belief but action.



For many in 2024, faith was taking root in unexpected places. Young people stepping into leadership, guiding their peers in discussions about scripture. In workplaces, colleagues gathered for morning prayers, discovering their faith shaping how they approach their work and relationships.

Through everyday choices, people became more aware of God's presence and responded in ways that drew them closer to Him.

This growing culture of discipleship is transforming the CofE Birmingham. It's not confined to Sunday services but woven into the routines of daily life through prayer, reflection, and small acts of generosity as individuals seek to live out their faith with authenticity and purpose.

## Later Life Discipleship

Cofton Park Manor Nursing Home has been committed to nurturing the spiritual well-being of its residents. With the support of staff, family members, and the congregation, the home quickly outgrew the cinema room and now utilises the largest lounge to accommodate everyone. The monthly communion service led by the local incumbent, Sheri Gidney, is a meaningful gathering that reminds the residents of their worth and purpose in the world through the love of God. The service involves singing hymns, reading the Bible, offering prayers for the world, and partaking in communion. It provides a welcoming space for residents to be recognised and accepted and to nurture their spiritual growth.

*"We are delighted that one of our congregation will be Confirmed in the home on 4th September 2024, by Assistant Bishop Maurice."* – Member of Cofton Park Manor staff



## Intercultural Discipleship Initiative Featuring Bible Study Videos



The program, "Two Way Street," throughout 2024, offered extensive learning opportunities, providing unique perspectives and culturally relevant teachings. This course has significant potential for growth in 2025 and has planned use across parishes.

By making intercultural discipleship a priority in 2024, the CofE Birmingham encouraged deeper connections between various communities, enriching the faith journeys of individuals and strengthening the church's commitment to inclusivity and learning.

## CofE Birmingham Praying Together

In 2024 the diocesan monthly prayer cycle, CofE Birmingham Praying Together, continued to increase both its readership and number of contributions. Each monthly edition was accessed by around 1,000 people, through the CofE Birmingham website as well downloaded and printed as a foldable bookmark. Prayers provided by individuals and parishes were joined in 2024 with contributions from CofE Birmingham projects, diocesan missional initiatives and ministry teams. This year the Communications Team also contributed to the John Cadbury House office's prayer stations, by adding printed copies of each month's CofE Birmingham Praying Together, as well an QR code that can be scanned to access the digital and printable versions.

Following the leadership of Bishop Michael, this is just one example of how the CofE Birmingham family are joining together in prayer as we look to deepen our prayer life.





## Growing churches at the heart of each community



Across the CofE Birmingham our churches significantly served their wider communities, with Diocesan, regional, national and international relationships flourishing, sharing resources and practical support. The CofE Birmingham commitment to the Environment also gathered pace through 2024.



## Urban Estates - Lay Leadership: Empowering Local Leaders Through 'Become'



The 'Become' programme emerged from mission planning conversations in the Coleshill & Polesworth Deanery, addressing the need to empower local leaders in their communities. St Andrew's Chelmsley Wood aimed to transition the majority of its ministries to lay leadership, through building confidence and inspiring individuals to step into leadership roles.

Revd Andi Thomas and Abbi Wells, Mission Support, partnered with Church at Five in North London to bring

'Become', a nine-week leadership development programme, to the CofE Birmingham, successfully adapting the programme for their local context.

The first cohort of 12 participants saw transformative outcomes. One 18-year-old, previously uncertain about his future, finished the programme with newfound confidence and a clear purpose. He is now actively involved in youth work, leading a weekly activity and supporting Sunday services.

Sarah, a stay-at-home mother whose youngest child recently started school, discovered her leadership potential: *"It has raised the flag for me to go out and regain the confidence and skills I had pre-children."*

## CofE Birmingham Racial Justice Board

Cof E Birmingham is committed to diversity and inclusion as a Kingdom value at the heart of God's mission, where everyone can feel that they belong and that they are valued for who they are. Our Racial Justice Board is a key vehicle to drive through change in this area. Its approach is to consider, prayerfully reflect, campaign, set strategy, advise and promote actions on issues of equity and racial justice.

One of the main aims is to deliver the recommendations contained in the From Lament to Action report, with the full support of Bishop's Council and Diocesan Synod.

Towards the end of 2024 a review of the Board's constitution and work was begun with resulting changes being implemented in 2025. The overarching principles of the Board's role are not expected to change fundamentally.



### Racial Justice Story: Revd Tariro Julian

*"I believe the creation of the Racial Justice Board is important as it shows our commitment to racial justice issues."*



### Racial Justice Story: Revd Dele Sotonwa

*"...I was on the Board during 2024, because of my passion to see Racial Justice becoming part of our DNA as God's chosen people...to promote and spread the message of diversity and equality, providing necessary support to deaneries and parishes, as we strive to be the church God has called us to be."*

## West Midlands Regional Racial Justice Initiative

CofE Birmingham and five other dioceses in the West Midlands are working together on a collaborative initiative for racial justice, the aim being to catalyse culture change, implement recommendations in the 'From Lament to Action' report, and tackle racism across our region. The Regional Board was established in 2024 and recruitment to the new team has been taking place. There is much more to do, but already we have seen positive sharing of ideas and practice across the West Midlands dioceses.



## Interfaith

Interfaith relationships are thriving, with the Church and Mosque Leaders Network actively fostering these connections throughout 2024. Meeting every two months in either a church or mosque, the network brings together Christian and Muslim leaders for friendship, mutual understanding, and theological reflection. Each gathering features both a Christian and a Muslim speaker, exploring key aspects of faith and leadership within the city’s diverse religious landscape. Topics have included the origins and daily use of the Bible and Quran, the role of prayer and spirituality, and shared narratives such as Abraham in the Bible and Ibrahim in the Quran.

An interfaith reception for Bishop Michael, Bishop of Birmingham, in April welcomed 60 attendees from different faith backgrounds. The event provided an opportunity for people to engage with the Bishop, enjoy music and food, and celebrate the Church’s role in fostering dialogue and unity.

Training for curates and new clergy continues with experience days that immerse them in the realities of mission and ministry in a multifaith, multicultural city, where the diocese consists of 38% Christians. As Birmingham’s religious landscape evolves, CoFE Birmingham remains committed to adapting and equipping its communities to serve in all its fullness.



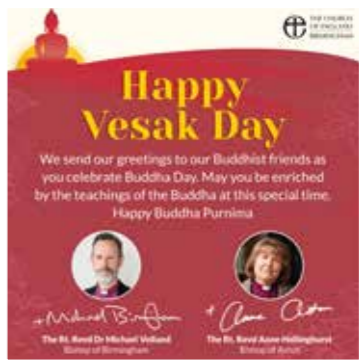
## Presence and Engagement (P&E): Heritage Trails

There are now two heritage trails that explore religious diversity and life in both Lozells and Smethwick. The launch of this Heritage Trail in Smethwick marks another significant milestone in interfaith engagement.



## Bishops’ Festival Greetings

Greetings to our interfaith neighbours and friends across the diocese continued during 2024. These popular social media posts were additionally created by the CoFE Birmingham Communications Team in a printable format, to enable recipients of the internal newsletter, The Update, to download and share them in person in their parishes. Recipients feedback remains positive in 2025 and the greetings from Bishop Michael, warmly received.



## Interfaith Leadership



The Revd Jenni Crewes represented the Church of England at the Forum of Young Religious World Leaders in Kazakhstan during 2024, speaking on the role of young leaders in interfaith dialogue. As one of few women and the sole Anglican representative, Jenni highlighted the importance of grassroots interfaith work happening in local communities across CoFE Birmingham. She emphasised that while international platforms are valuable, the true transformative power of interfaith relations lies in everyday interactions, with parents connecting at school gates despite differences, neighbours building friendships across faith boundaries, and communities learning to disagree respectfully while sharing life together. Jenni also challenged participants to consider how they use their positions of influence, encouraging responsible stewardship of power to foster peace locally and globally. Her participation at international level reflects the CoFE Birmingham commitment to nurturing interfaith relations and empowering young faith leaders, and building bridges across cultural and religious divides.

## World Mission

In a rapidly changing and often challenging world, our vision for world mission during 2024 remains strong. While immediate pressures may tempt us to narrow our focus, our Christian calling urges us to look outward and engage globally. Here are five key reasons for our renewed commitment to world mission:

- The world has come to our city – Birmingham's diverse communities provide opportunities to build friendships and share the gospel across cultures.
- Learning from our neighbours – Engaging with people from different backgrounds deepens our understanding of their home nations and strengthens our global concern for Christ's mission.
- Strengthening global partnerships – Through modern communication, we can collaborate with the worldwide Church to spread Christian hope.
- A digital Great Commission – Today, we are called to proclaim the gospel globally and in the digital world, reaching people wherever they are.
- Responding to a world in crisis – As conflicts and challenges grow, we must align ourselves with God's mission of redemption, embracing the purpose for which Christ was sent.

World mission remains central to our faith, and Church of England Birmingham is committed to playing our part in God's work across the nations as 2025 unfolds.



## Diocesan partnership with the Church in Malawi



The CofE Birmingham has continued its commitment to supporting the four dioceses in Malawi, responding to urgent needs and strengthening communities. This year, our contributions have provided essential infrastructure, emergency relief, and hands-on support, through the funding for roof construction for three schools, two priests' houses, and one church. After severe storms, emergency repairs were carried out at a school in urgent need. In Southern Malawi, funding contributed to the roof of a new church, St Andrew's, built by the local community. Additional support was given to Trinity Secondary School and repairs at the bishop's house.

Our partnership also extended to training programs, including peace building and financial management workshops, alongside supporting the consecration of a new bishop in the Diocese of Upper Shire.

A container lorry filled with medical equipment, clothing, books, and mobility aids was sent to provide vital resources in 2024.

CofE Birmingham members also continue to support Lucy Ward, a teacher from Birmingham working in Lake Diocese, particularly in repairing school desks. Members of the Malawi Task Group travelled to assist her, continuing a dedication to practical, long-term support.

Through these efforts, CofE Birmingham remains committed to walking alongside our partners in Malawi, ensuring sustainable and impactful change.

## Bolivia



Over the past year, our Anglican partners in Bolivia have remained faithful in their ministry despite political and economic challenges. The Church, having weathered the impact of the COVID-19 pandemic, now faces increasing poverty and the difficulty of sustaining its work.

Our connection with Bolivia has deepened through regular Zoom gatherings between congregations in Birmingham and Bolivia, fostering fellowship and shared prayer.

In response to their needs, and with the support of Bishop Michael, Bishop of Birmingham, the Bolivia Task Group launched a Christmas 2024 appeal. The funds raised have supported a children's programme, contributed to a welfare fund, and enabled a central conference and retreat for clergy and church leaders across the country.

This partnership continues to be a source of encouragement and blessing for both communities. We remain committed to standing alongside our Bolivian brothers and sisters in faith and look forward to future opportunities for shared mission and mutual support.



## Thrive Together Birmingham



Born out of the CofE Birmingham, as a key part of the CofE Birmingham's community regeneration work, Thrive has helped expand the church's work in ways that wouldn't otherwise be possible. A growing network of nearly 400 organisations provide safe spaces across Birmingham for people of all ages, including Places of Welcome, local pantries, and children's centres. They continue to equip and resource communities to address poverty and to help them flourish.

In 2024, Thrive saw significant growth, with new groups joining and an intentional effort to map and measure our impact. Thrive's partnerships, including collaborations with local councils and businesses like Cadent Gas, have promoted energy safety and security while reaching communities that larger organisations might otherwise miss.

A major highlight this year was Rabiya K Latif, a member of the Thrive team pictured below being awarded an MBE for building cohesion in Birmingham. This achievement reflects Thrive's ongoing commitment to strengthening local communities.



## Crafty Church

Crafty Church is a 2024 community initiative at Hawkesley Church, bringing families together through creativity, conversation, and faith. Offering craft activities, meals, and connection during school holidays. It is a welcoming space supported by dedicated volunteers who promote engagement, support, and spiritual exploration for all.



## Cadent Warm Hubs

Birmingham now hosts nearly 300 Warm Welcome Spaces, with ten specialist 'Cadent Centres for Warmth' receiving additional support from Cadent Gas to promote energy efficiency and safety. These centres provide heated throws, slow cookers, and heated seat covers, helping participants reduce costs and improve home heating efficiency. The initiative has had a profound impact, with beneficiaries expressing gratitude for the support, and their stories include individuals deeply moved by receiving heated blankets, communities benefiting from donations of slow cookers and blankets, and people overcoming years of heating anxiety through access to simple but effective solutions. This pilot project is proving invaluable in helping vulnerable residents stay warm and manage energy costs effectively.

## Cadent Gas Centres for Warmth Celebration

To celebrate Thrive's partnership with Cadent Gas and to promote Gas Safety Week, Cadent Centres for Warmth launched an art exhibition at St Martin in the Bullring. With support from Art Therapies UK, participants created artwork depicting buildings that symbolize warmth and connection. These individual pieces were brought together into a vibrant installation displayed throughout Gas Safety Week, highlighting the importance of warmth, safety, and community support.



## Creating Safe Spaces for Young People

St Andrews Chelmsley Wood, were recipients of a £5,000 Innovation Fund Grant from the Safe Spaces for Young People network, which enabled them to create a thriving Youth Café that serves approximately 45 young people from six local schools each Monday. The café offers nutritious meals alongside diverse activities including gaming, table tennis, board games, and professional sports coaching. Notably, the space incorporates dedicated sensory areas for neurodiverse attendees. This community engagement also fostered spiritual growth through the establishment of a Youth Alpha Group, creating pathways for young people to explore faith in an accessible manner. St Andrews demonstrates that church size is not a barrier to community impact, with committed volunteers spanning generations, including seniors eager to understand and serve youth needs. Their experience shows that vision, openness, and dedication to local service can transform communities regardless of resource limitations.

A volunteer, from St Andrew's, in her 70's said, "I want to help and be part of it because I want to know what young people are experiencing, and I want to know how best to serve them."



## Social Housing – Our Response to the “Coming Home” Report

‘Coming Home’ is a report commissioned by the Archbishops of Canterbury and York in response to the housing crisis. It sets out vital actions for the Church and other organisations with a focus on building better communities and homes, not just houses.

The housing crisis in Birmingham is greater than many other places. The proportion of families accepted as homeless in Birmingham is nearly four times the national average and nearly 5,000 families are in temporary accommodation.

In response, CofE Birmingham is partnering with Oak Foundation and the Church Development Agency to undertake an ambitious three-year pilot, aiming to deliver more and better affordable social housing using Church land and adjoining land. The vision is to build sustainable communities with ongoing support by the Church and its partners. Several potential places have been identified, and the team and parishes are working on plans for the next steps in development. It is acknowledged that this is a long-term process but one which could change the lives of many when they are given the opportunity live in places where they can feel safe, put down roots and belong to a community.



### Racial Justice Story: Revd Sarah

*“...in St Germain’s in North Edgbaston, the Community that we’re in is really culturally diverse and our church family reflects that diversity and is possibly even more diverse than our local community.”*

## Bubble Church

Launched during 2024, for the past 14 months, the Parish of The Whitacres, Lea Marston, and Shustoke, have led Bubble Church, a Sunday service designed specifically for babies, toddlers, and young families. This 30-minute service, filled with puppets and centred around Jesus, provides a fun and engaging adventure, complete with coffee and croissants.



## Ignite Youth Group

One evening, the Children Families and Mission Enabler (CFME) took the Ignite Youth Group that meet in the Parish of The Whitacres, Lea Marston, and Shustoke, to the Edible Garden to plant dahlias. Together they discussed why plants need strong roots and how we could be ‘rooted’ in Jesus, then wrote prayers or other words to express their need to grow in faith and placed them near the dahlias.

## 2024 Financial Support

We are hugely thankful for the financial support we receive from a variety of sources, and in particular:

Parish Church Councils (PCCs): for their faithful giving of Common Fund which contributes to the cost of providing parish ministry.

The national Church (CofE): for Lowest Income Communities (LinC) Funding which supports ministry in our lowest income parishes, Strategic Funding which funds diocesan and parish strategic plans and activities to increase capacity for mission and ministry.

St Martin’s Trust: for providing financial support to some of our most economically deprived parishes.

Benefact Trust: for grants which have helped us to deliver a range of activities that include working with children and young people, helping churches support the most vulnerable and tackle social issues.

Oak Foundation: for funding work on social housing as part of Birmingham’s response to the Church of England’s “Coming Home” report.





## CofE Birmingham Net Zero Carbon Action Plan

In November 2024, the CofE Birmingham Diocesan Synod endorsed an Action Plan to achieve net zero carbon emissions across the diocese by 2030. This includes churches, church halls, Voluntary Aided and Multi-Academy Trust church schools, clergy housing, Birmingham Cathedral, the diocesan office, and work-related travel. The plan focuses on actions up to 2025 while laying the groundwork for 2026-2030. Achieving this ambitious goal requires a culture shift across the CofE Birmingham, making clear and consistent communication crucial. The estimated net carbon footprint for 2024 is 6,464 CO<sub>2</sub>e tonnes, with schools contributing 39% and churches and church halls 35%. The plan aims for year-on-year reductions through targeted actions, ensuring long-term sustainability and environmental responsibility.



## Net Zero Carbon Schools Officer



In May 2024, Jill Stolberg started as part-time Net Zero Carbon Schools Officer through a Starter Grant from the CofE Net Zero Carbon Programme for focusing support for church schools in their journey to net zero carbon. Leveraging her existing relationships with schools through her role as Church School Distinctiveness Officer, her key objectives include visiting schools to gather information, promoting CofE Net Zero Carbon resources, and encouraging cultural shifts toward environmental

care. Schools are encouraged to commit to net zero by joining the Let's Go Zero campaign, developing Climate Action Plans, and using the Count Your Carbon tool for annual reporting. Jill's work has provided invaluable direct support, helping schools actively reduce emissions and integrate environmental responsibility into their ethos.

## Church Demonstrator Project

Three churches in the diocese have joined the national CofE Net Zero Carbon Demonstrator Project, receiving funding and support to implement energy-efficient solutions. These projects serve as case studies to inspire and guide other churches. St Germain's Church in Edgbaston is installing an air source heat pump and a glazed screen for the Lady Chapel. St Martin in the Bullring is developing proposals for air source heat pumps, solar panels, and improved energy efficiency. St James Church in Shirley is applying for funding to replace its gas boiler with electric infra-red chandelier heaters. These churches will communicate their progress throughout 2025 and 2026, offering valuable insights for others on the path to net zero carbon.



## Eco Diocese Silver Award

CofE Birmingham made significant progress in its journey towards environmental sustainability during 2024. At the very start of 2025, the diocese successfully met all the requirements for Silver Eco Diocese with the development of a Land Management Strategy. A Rocha awarded CofE Birmingham with the first Silver Eco Diocese status. A Rocha UK is the Christian environmental charity behind the Eco Church and Eco Diocese initiatives.

This milestone reflects the dedication of individuals and churches across the diocese to embedding environmental care into their mission. It is a testament to the collective commitment to stewardship, sustainability, and the flourishing of God's creation.





Church of England Birmingham

# 2024 At a Glance



17,000

Lay People in Worshipping Communities

146

Parishes

43

Oversight Areas

6

Deaneries

1.6 million

Population of Diocese  
(across Birmingham, Solihull and some areas of Sandwell and Bromsgrove)



253 Volunteer Ministers

105 Licensed Readers

115 Clergy with Permission to Officiate (PTO)

28 Self-Supporting Ministers (SSM)\*

5 Locally Ordained Ministers

In addition, we have 93 Licensed Readers aged over 70

\*Self-supporting ministers including SSM curates



124 Parish Clergy

95 Incumbents

28 Curates

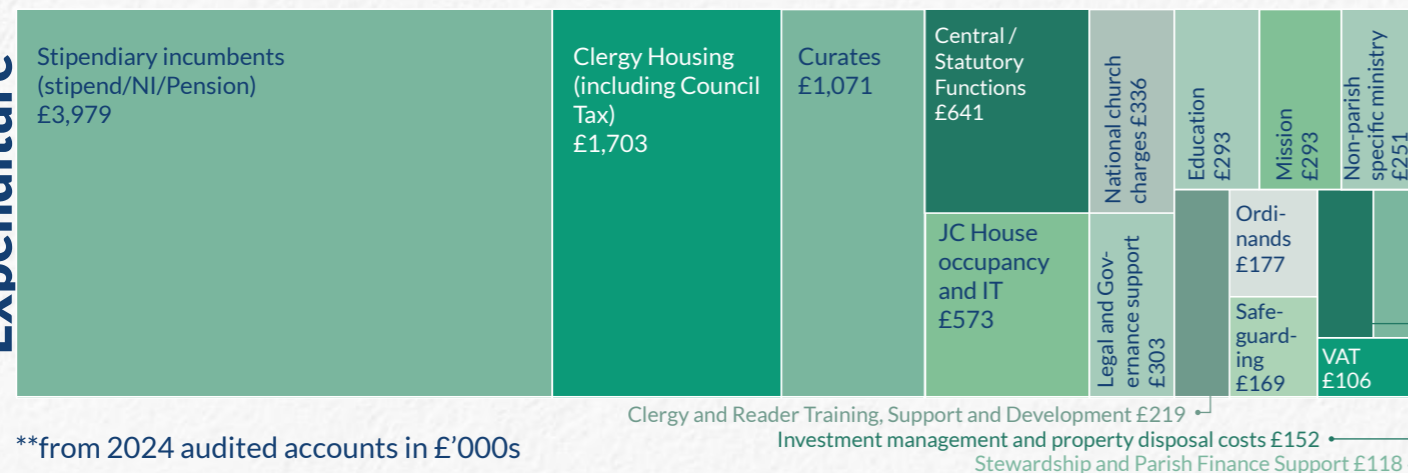
1 House for Duty

## Our Unrestricted Finances\*\*

Income

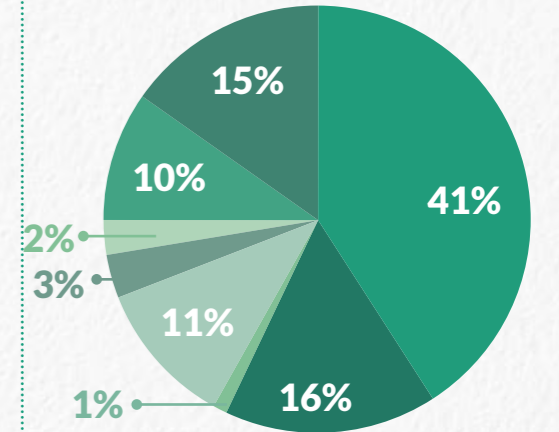


Expenditure



\*\*from 2024 audited accounts in £'000s

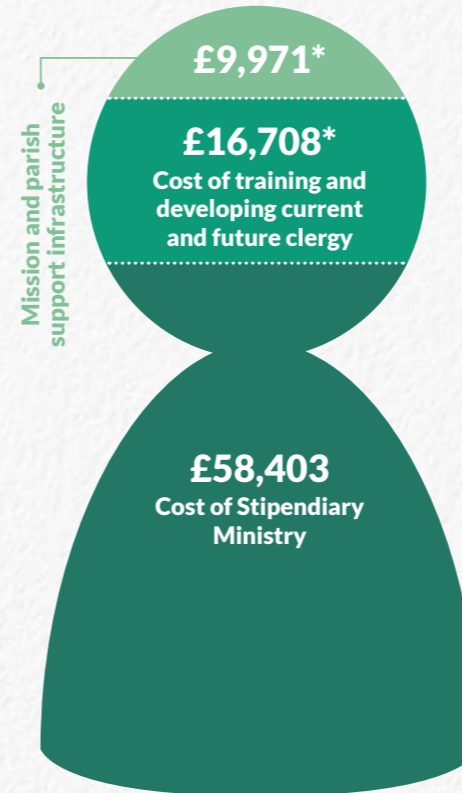
## 2025 Unrestricted (Core) Expenditure budget



## 2025 Unrestricted Common Fund

Common Fund is the vital contribution from our parishes, forming our largest regular income source. It contributes to ministry costs, ministerial training, and parish support. As a diocese, we do not have sufficient other sources of income to cover the costs of our wider support infrastructure. Rooted in biblical generosity, Common Fund traditionally contributed 56% of our core income but has fallen below 50% since COVID-19. Our goal is to restore it to sustainable levels.

\*Total cost allocated per stipendiary priest



## Projects Funded Through Restricted Grants in 2024

Funding of over £2.6 million from the national church, Oak Foundation and Heritage England enabled the following major projects in 2024

### Anglo-Catholic Mission

Supporting five Anglo-Catholic parishes to develop and grow missionally.

### Net Zero Carbon Initiatives

Plans developed and activity being supported in parishes and clergy housing.

### Safe Spaces Innovation

Working with Thrive to create safe spaces for young people.

### Children and Families Mission Enablers

A network of enablers across all deaneries, supporting strengthened youth and family ministry.

### People & Places

The continuation of our fundamental strategic structure and culture change programme. 2024 included the ongoing formation and embedding of our Oversight Areas, Oversight Ministers, Mission Planning and new leadership pathways.

### Social Housing

Beginning of a project funded by Oak Foundation to develop CofE Birmingham sites for social housing.

### Church Planting and Revitalisations

Pype Hayes, Shirley and Longbridge.

### Programme Management

Funding from the national church enables The Programme Management Team to support the delivery of our projects.

### St Michael's Handsworth

Funding from Historic England towards crucial major repairs.

## Supporting the mission

The Church of England Birmingham (the CoFE Birmingham) through the Birmingham Diocesan Board of Finance (BDBF) aims to promote, facilitate and assist with the work and purposes of the Church of England for the advancement of the Christian faith in the Birmingham Diocese and elsewhere. This includes the provision of facilities for public worship, pastoral care and spiritual, moral and intellectual development, together with the promotion of Christian values and services by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

In this, the BDBF acts as the financial executive for the Diocesan Synod in the administration of the CoFE Birmingham's interests.

The BDBF helps to facilitate the pursuit of our Diocesan Goals by its ongoing objective to maintain a sound financial structure that resources the needs determined by Diocesan Synod and informed by local and national church institutions. This financial structure includes supporting clergy through the payment of stipends, managing parsonages and other ministerial houses, and also by providing other facilities and resources in the support of the ministry of both clergy and lay people in parishes across the diocese.

## Constitution

The BDBF is established under the Diocesan Boards of Finance Measure 1925. It is a company limited by guarantee and subject to its own Memorandum and Articles of Association. The BDBF is also a registered charity.

The BDBF is constituted as the financial executive of the Diocesan Synod, each member of which is also a member of the BDBF. Trustees are appointed by the members on a triennial basis. The BDBF acts as the Parsonages Board and the Diocesan Mission and Pastoral Committee for the purposes of ecclesiastical legislation.

The BDBF, which meets four times each year, is the principal policy making body. It takes advice from its Board of Trustee Directors, constituted as the Bishop's Council, which examines issues in detail and makes recommendations. The Council also takes executive action in certain matters and deals with day-to-day issues. The membership of the Bishop's Council is contained on page 3 of this report.

**Delegation of day-to-day delivery** The trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Diocesan Secretary and colleagues for the delivery of the day-to-day activities of the company. The Diocesan Secretary is given specific and general delegated authority to deliver the business of the BDBF in accordance with the policies framed by the trustees. The Diocesan Secretary and key senior staff during 2024 were:

<b>Dr Jan Smart</b> .....	Diocesan Secretary
<b>Miss Karen Preece</b> .....	Director of Finance
<b>Mrs Sarah Smith</b> .....	Director of Education
<b>Mr Daniel Mayes</b> .....	Property Director
<b>Mr Benjamin Franks</b> .....	HR Director

## Recruitment and training of trustees

Trustees are recruited through a mixture of ex-officio positions, elections and nominations. Elections take place every three years before the first meeting of the new Diocesan Synod (itself elected every three years). The trustees have the power to co-opt members according to their assessment of the needs of the BDBF in terms of required skills and experience.

Induction for trustees includes a one-day event to ensure familiarisation with the organisation and its vision and strategy and also an overview of trustees' responsibilities. 2024 saw the third year of a three-year Trustee development programme to provide trustees with deeper knowledge and skills to further equip them for their role – sessions in the year covered an awareness of Unconscious Bias as well a dive into each of our Deaneries – including what is special about each of them. Trustees also receive safeguarding training in line with the national church requirements.

They are also given relevant literature which explains the role and obligations associated with their role as a director and trustee of the BDBF. Trustees then receive ongoing training as appropriate. They will also receive an introduction to any special areas with which they will be working such as the Board of Education. Trustees are encouraged to visit diocesan operations.

All trustees are required to maintain their entry in the register of declarations of interests.

Some senior staff have job titles incorporating the title 'Director', but they are not directors of the company (for the purposes of company law) and therefore are not 'charity trustees'.

## Charity Governance Code

The BDBF welcomes the 'Charity Governance Code' and is working on its application. The three-year Trustee Development Programme which commenced in 2022 is part of our planned 'self-audit' review. The programme continued throughout 2024, and we aim to summarise our findings and action plan during the Triennium that starts in 2025.

## Management structure

The BDBF is assisted in its work during the year by a number of committees:

**The Diocesan Board of Education** is a statutory body whose financial responsibilities are reported as part of the BDBF. The Board is also responsible for the Diocesan Church Schools' Fund (restricted fund).

**Finance, Investment and Property Subcommittee (FIPS)** acts in all finance and property matters, including audit, remuneration of BDBF staff, the management of BDBF investment property and fiscal investments and parsonage maintenance issues, and makes recommendations to Bishop's Council.

**Executive Change Board** was established by Bishop's Council in 2022 to ensure that all strategic change activity is aligned with the *Transforming Church* vision and strategy of the CoFE Birmingham. A process has been established by which strategic changes, and new initiatives can be encouraged, incorporated, monitored and held accountable.

**The Diocesan Advisory Committee for the Care of Churches (DAC)** provides advice on the effective stewardship and development of church buildings whether listed or not; church architecture, archaeology, art and history; conserving historic fabric and furnishings; and liturgy and worship. The DAC works with parishes at all stages of a 'building' project. One of its key responsibilities is oversight of the Faculty process, which is the Church of England equivalent of the civil planning process. As well as representation from with the CoFE Birmingham and the wider church, membership includes experienced specialists, who provide consultancy advice on a voluntary basis.

## Other organisations with which the BDBF co-operates in achieving its objectives

Within the ministry of the CoFE Birmingham, the BDBF plays an important role in co-operation with other persons and charities which form part of the Church. Under the oversight of the Bishop of Birmingham, who shares the 'cure of souls' with clergy and lay workers across the diocese, the day-to-day responsibility for the funding of clergy stipend costs, providing clergy housing, training clergy and other diocesan costs falls to the BDBF. Some of these clergy are trustees of the BDBF and they are listed on page 3.

The BDBF has important relationships with the national institutions of the Church of England, specifically:

**The Archbishops' Council** to which it pays grants 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 Church Commissioners** from which the BDBF receives grants and which acts on behalf of clergy with HM Revenue and Customs. The BDBF pays clergy stipends through the Church Commissioners.

**The Church of England Pensions Board** which provides pensions for clergy and the BDBF's lay staff. It also offers schemes to provide housing for clergy in retirement.

At local level key relationships include:

**Parochial Church Councils (PCCs)** which are the main income source for the BDBF through the Common Fund system. PCCs are independent charities and operate under the Parochial Church Councils (Powers) Measure 1956. They are able to influence decision making within the BDBF and at Diocesan Synod level through representation to those bodies and through the input of their Deanery Synods.

**Church Urban Fund (CUF) Joint Venture** – the Bishop of Birmingham, the BDBF and CUF are the founding members and equal partners of *Thrive Together Birmingham (Thrive)*. This is a company limited by guarantee with charitable status. The BDBF Director of Community Regeneration, an employee of BDBF, is also the Chief Executive of *Thrive*, and has oversight over development workers who are employed by that entity.

**The Diocese of Birmingham Educational Trust** which is a charity set up in response to the challenge of a large number of Church of England Schools converting or otherwise becoming Church of England Academies under the Academies Act 2010. The charity operates as a sponsor or co-sponsor of Church of England Academies in the diocese as required and supports Academy Trusts to both fulfil their responsibilities and provides a challenge to governors in this regard.

**Birmingham Diocesan Multi-Academy Trust** which is the Diocesan multi-academy trust established during 2017. The Trust now has nineteen schools and is the largest of the multi-academy trusts operating across the diocese.

**Fioretti Trust** which is our second majority church article multi-academy trust. The Trust has five schools.

**Birmingham Cathedral** with whom there is now an established pattern of close collaborative working.

**St Martin's Trust and other local trusts** which generously provide financial support to some of the diocese's most economically deprived parishes.

**Other Christian Denominations** with and through whom the BDBF resources matters of workplace chaplaincy and ecumenical relations, notably through Churches and Industry Group Birmingham, Birmingham Churches Together and Local Ecumenical Partnerships.

**Interfaith bodies**, such as *The Feast*, as part of our cross-community work to promote good interfaith relations.

**Birmingham Diocesan Trust (BDT)** which is the custodian trustee for properties and permanent endowments on behalf of parishes and schools. BDT is a separately registered charity.

## Volunteers

The CoFE Birmingham is dependent on the huge number of people involved in church activities both locally and at diocesan level. We believe that the number of active volunteers (or volunteer hours) given to the mission and ministry of the church is a key indicator of the health of a church. The service provided to a community through church volunteering also has a significant impact on people's relationship to the church, particularly at times of crisis.

The BDBF greatly appreciates the considerable time given by all the committee members across the diocese in pursuit of the mission of the CoFE Birmingham.

Ministry across the diocese is delivered through a mix of stipendiary (i.e. paid) ministers – together with unpaid Licensed Readers, Self-Supporting ministers and ministers holding the Bishop's Permission to Officiate. These unpaid ministers are critical to our ability to provide for the 'cure of souls' across the whole diocese and we remain extremely grateful for the work that they do.

Estimating the 'in-kind' value of volunteer time to the operations of the BDBF is particularly difficult to measure in a meaningful way. It is for this reason that no estimate of the value of this time has been included in the financial statements.

## Public benefit

The CoFE Birmingham through the BDBF reviews its work each year and considers outcomes and plans for the future. It takes account of the Charity Commission's general guidance on public benefit when reviewing its purpose and in considering how planned activities will meet that aim.

## How our activities deliver public benefit

Our main activities aim to deliver public benefit in the following ways:

- **Clergy** Providing parish and other clergy to offer Christian services and spiritual oversight
- **Parochial Church Councils** Assisting PCCs to provide churches, sacred spaces and worship services
- **Parish Mission** Assisting parishes particularly through the *Transforming Church* vision and associated core activity and strategic programmes
- **Education** Contributing to the spiritual and moral education of children and young people in over 50 church schools
- **Social action** Contributing to and assisting in social action in parishes and elsewhere, such as food banks, Safe Spaces for young people and Places of Welcome
- **Training** Providing training and assistance in order that parishes have clergy and volunteers who are competent, for example, to assist clergy in providing Christian services, visiting the sick, and comforting the bereaved
- **Grants** Making grants to enable the national church institutions to function and have a positive wider influence
- **World Mission** In part through links with the Anglican dioceses in Malawi and Bolivia

## Who benefits from our services?

We aim to make our services open to as wide a section of the public as possible. For example:

- Everywhere in the diocese is part of a Church of England parish that has a member of clergy who has concern for the spiritual welfare of the individuals who reside in it
- Parishes in wealthier areas generally contribute somewhat more than the cost of their clergy in order that clergy can also be provided in less wealthy areas
- Training courses are offered at reduced or no cost where appropriate, in order that ability to pay is not a barrier to participation

## Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "*soliciting or otherwise procuring money or other property for charitable purposes*". The BDBF does not undertake fundraising from the general public but from time to time does apply for grant funding from grant-awarding charities. Any such amounts receivable are presented in the financial statements as 'voluntary income' and include legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the trustees. The BDBF is not bound by any undertaking to be bound by any regulatory scheme. The BDBF has received no complaints in relation to fundraising activities. Its terms of employment require staff to behave reasonably at all times; as the BDBF does not approach individuals for funds, contracts of employment do not particularise this requirement for fundraising activities nor does the BDBF consider it necessary to design specific procedures to monitor such activities.

STRATEGIC AND OPERATING REVIEW

## Financial overview of the year

This annual report looks to give a flavour of how the CofE Birmingham family has continued to work towards rebuilding its financial position following the challenges of the pandemic and the cost-of-living and energy crises. These crises substantially damaged the underlying financial health of many of our parishes (all independent charities) and the close Common Fund relationship between parishes and the BDBF, means that the BDBF available resources are continuing to be very hard hit.

As a diocese our single largest source of income is parochial contributions – otherwise known as Common Fund. These funds are remitted to us by our parishes out of their income, which substantially comes from two key sources: voluntary giving and the rental of their church halls and other property. Although there have been signs of improvement at parish level, this is not universal, and we continued to experience a substantial and direct impact on our collection of Common Fund over 2024. The generosity of many of our parishes and congregations continues to be tested; cash flow management remains a challenge in the face of high maintenance and energy costs. We have continued to work closely with our parishes to support them where we can in order to maintain our Common Fund income as far as possible. However, our current experience continues to show that it will be a long road to financial sustainability for our parishes and therefore the BDBF.

We have continued to hold costs down wherever possible in order to make financial savings, but this does not make up for a continuing shortfall in Common Fund income of around £1,500,000 p.a. compared with pre-pandemic levels – this broadly is what underlies the operating deficits that we are now experiencing. National church sustainability / gap funding meant that it was only in 2023 that we had to draw on our designated reserves (which had been earmarked for missional purposes) to cover our operating deficit. In late 2024, we were awarded Diocesan Investment Programme (DIP) funding of £1,500,000 to protect these designated funds – this funding has covered our 2024 operating deficit of £1,490,000.

Our 2025 budgets reflect a continuing financial operating shortfall of £1,700,000 – this is a little higher than our 2024 budget and reflects our experience over 2024 – our core costs (stipends and salaries) continue to rise in line with inflation and we will see increases in National Insurance (NI) as announced in the government’s autumn 2024 budget. Outside of this, our core (non-Common Fund) income streams have remained relatively stable as have our non-people operating costs. The Board has again made provision for the utilisation of unallocated Strategic Mission Fund (formerly Strategic Investment Fund) monies to cover our 2025 operating deficit, and the ongoing programme of property disposals will continue to maintain this fund (and replace any funds utilised) to ensure that our mission and transformation programmes can still continue to deliver on our vision.

## Financial review

The 2024 headline income figure of £15,770,000 shows an overall significant increase in income of £3,989,000 compared to £11,781,000 in the prior year. After excluding gains on the disposal of redundant assets, this still gives us a real increase in income of £2,655,000. In broad terms this relates to three key additional grant sources; £1,500,000 of DIP funding, £385,000 of funding for the Regional Racial Justice project (where Birmingham Diocese is the lead partner for the six Midlands dioceses) and £467,000 from Oak Foundation (where Birmingham is working with Gloucester Diocesan Board of Finance in the delivery of affordable housing projects under the *Coming Home* banner). As is always the case, we need to dig deeper to understand the core underlying trends beneath the headlines.

Underpinning our day-to-day diocesan finances is our single largest source of income – parochial contributions, or ‘Common Fund’, from our parishes. Common Fund is a powerful, practical application of God’s generosity – solidly underpinned by theology.

During 2024, we continued with our interim methodology (based on the *People & Places* methodology introduced in 2019). This interim approach reflected the fragility of the 2019 methodology in the face of highly variable income streams and used the commitments made by each parish for 2020 as a base for giving. We then allowed parishes to take a more flexible approach to their offering (although not entirely a ‘free will’ approach). Our overall budget for 2024 was then set at 80% of the 2020 parish commitment total (£4,905,000).

The total commitments made for 2024 were £5,154,000 – this compares with a total of £6,021,000 in 2020. In 2024, our parishes actually contributed £4,669,000. This was £236,000 less than our original budget and only 91% of the commitments that had been made at the start of the year. On a positive note, gifts that were pledged were broadly delivered. Against the continuing challenges facing our parishes, we recognise that this outturn demonstrated real commitment and again we are immensely grateful for their continued support. However, the fact that we have seen little movement in Common Fund year on year must be set against a backdrop of another 5% increase in the diocesan stipend rate (in line with the rise in the national minimum stipend).

Remitted statutory fees from occasional offices (such as weddings and funerals) at £214,000 were £33,000 less than 2023. After a slight improvement in 2023, we appear to have returned to a clear pattern of decline, this is 62% lower than 2019.

We continue to proactively let empty parsonages during parish vacancies although our housing rental income of £374,000 is 6% less than 2023. This principally reflects a substantial fall in the number of vacant vicarages over the year (down from 40 at the start of the year to 26 at the end of the year) as we have filled a number of longer-term clergy vacancies. Although rents achieved are slightly lower than we had been experiencing as we have moved to more short-term lets and the use of ‘Guardians’, this has ensured that we are no longer experiencing as many difficulties in recovering properties at the end of lets (as well as costing us less in insurance). Elsewhere, our investment income at £855,000 is £126,000 better than 2023 – this reflects much better investment performance across our portfolios. This is partly due to the better and more stable market conditions during 2024, but also as a result of improved returns following the restructuring of our discretionary managed portfolio following the investment strategy review in 2022.

The BDBF continues to receive significant support from the Church Commissioners in the form of Lowest Income Communities funding based on the Index of Multiple Deprivation for each parish. We received £1,954,000 of this funding in 2024. The Strategic Ministry Fund (SMF) (via Church Commissioners) has continued to support us when we have a cohort of more than our base of six curates starting each year. There was no new funding for curate starters in 2024 (as we only have our base of six funded curates as we move into 2025), resulting in a fall of £103,000 in SMF funding in 2024.

We have continued to reap the financial benefits of Strategic Development and Capacity funding for an ever increasing range of resourcing, church planting and other initiatives, contributing income of £3,454,000 (2023: £1,710,000) – this included some substantial building grants in relation to our church plants as well as the £1,500,000 DIP funding that is new for 2024. In addition, there were new funds towards our Net Zero planning work as well as the Regional Racial Justice work (£385,000) that Birmingham is leading on. Outside of Church Commissioners, we received initial funding of £467,000 from the Oak Foundation towards our joint venture with Gloucester Diocese in response to the *Coming Home* initiative. However, these income sources are all restricted in nature and can only be utilised for specific activities.

We remain immensely grateful to Archbishops’ Council, Church Commissioners, Benefact Trust, Historic England, Oak Foundation and the many individual donors who share our mission vision and support our activities more widely.

The 2024 headline expenditure figure of £13,594,000 when compared to the prior year figure of £12,411,000 shows an increase in expenditure of £1,183,000. As noted within our income commentary, we need to again dig deeper to understand the core underlying trends beneath the headlines.

As noted in our key financial indicators below, we have reduced the number of clergy vacancies over the year and ended the year much closer to the budget level than we have in recent years; this coupled with the impact of a 5% increase in stipends (and lay salaries), had obvious implications for our final ministry costs in 2024. Clergy housing works were managed tightly during the year (the second of the quinquennium) and came in £53,000 under budget on a £1,095,000 works programme.

Outside of clergy costs, our main areas of expenditure have again been within our restricted grant programmes – this included the key building project at Longbridge as well as Historic England-funded works at St Michael’s Handsworth. Alongside this, we did manage to deliver non-salary/stipend savings across most areas for a wide range of reasons.

KEY PERFORMANCE INDICATOR	2024 ACTUAL	2024 BUDGET
Common Fund collection rate on Sum Requested amount %	76%	80%
Common Fund collection rate on Pledged Gifts amount %	100%	100%
Common Fund overall collection rate on Budgeted amount %	95%	100%
Common Fund overall % rise year-on-year in cash terms	+0.1%	-9.5%
Parish clergy establishment posts	96	99
Dividend yield on Evelyn Partners investment portfolio %	12.9%	10.7%
Dividend yield on CCLA investment portfolio %	5.41%	4.76%
Reserves policy met	Yes	No

On an overall funds basis, there is a surplus for the year of £2,176,000 (2023: £630,000 deficit) before considering the year end non-cash adjustments in relation to investment valuations and transfers between funds. This increase is principally the result of the high level of property activity (and therefore profits on disposal) over the year as well as DIP funding (£1,500,000).

The increase of £597,000 (2023: £309,000 increase) in the valuation of our investment portfolio year on year clearly reflects the much steadier market conditions that we have seen over the past year (in stark contrast to the previous two years). Our Statement of Investment Principles sets out a medium risk approach to the management of our portfolio that expects to deliver 3.5% above inflation in the long term and in terms of total return this is what has been delivered.

Work continues projecting further into the future to ensure that BDBF becomes more sustainable financially. Extensive work has been taking place over 2024 to develop our vision for growth (and sustainability) over the next ten years. This has been looking at the three key strands that impact on the BDBF financial outcomes:

- **People** Particularly ministry deployment: ordained and lay, paid and unpaid, parochial and pioneer
- **Mission** How we grow numbers of disciples across the diocese – through intentional actions such as church planting and revitalisation as well as wider parish mission activities
- **Financial sustainability** Building generosity (both from congregations to their parishes and from parishes to the diocese (Common Fund contributions)) and at how we can better support our parishes to flourish

This work is enabling us to develop a long-term support DIP partnership bid to the national church in support of our growth strategy through *Transforming Church* and support for operating deficits, while we rebuild financial sustainability. The aim is to submit this major bid in summer 2025. In the interim, we successfully bid for DIP funding in November 2024. This grant is to cover key costs of developing the full bid as well as £1,500,000 of funding to protect our designated Strategic Mission Fund, which would otherwise have been used to cover our 2024 deficit.

STRATEGIC AND OPERATING REVIEW

## Balance Sheet position

The BDBF trustees consider that the balance sheet, together with details in note 20 to the financial statements show broadly that the restricted and endowment funds are held in an appropriate mix of investment and current assets, given the purposes for which the funds are held. While the net assets at the balance sheet date totalled £48,441,000 (2023: £45,668,000) it must be remembered that included in this total are properties, mostly in use for ministry whose value amounted to £22,825,000 (2023: £23,136,000). Much of the remainder of the assets shown in the balance sheet is held in restricted funds and cannot necessarily be used for the general purposes of the BDBF.

## Significant Property Transactions

During the year, we have completed the sale of two vicarages as well as two surplus parsonages owned by the BDBF together with several pieces of land alongside parsonages. Bishop’s Council has continued its policy to place the proceeds from significant unrestricted property disposals into the Strategic Mission Fund. This fund was designated by the BDBF for intentional strategic mission investment and in the long-term, it is still intended that this is the case. The DIP funding awarded by national church at the end of 2024 aims to protect this fund.

We continue to progress on our long-term property estate development plan – over 2024, we have:

- Continued to replace or upgrade unsuitable properties (aiming to be more carbon neutral where possible)
- Continued to accommodate the changing geographical deployment of clergy within the diocese
- Continued to develop a costed plan to achieve our net-zero carbon objective by 2030 – Church Commissioner funding has funded a Net Zero Project Manager and a dedicated schools project officer to progress this during 2024. However, the substantial funding necessary to deliver the plan has yet to be identified
- Realised development potential in some properties to use our resources more effectively for mission and ministry and have a number of development projects in progress
- Continued working collaboratively with Gloucester Diocese as part of the national church response to the *Coming Home* Report to improve access to affordable housing. We have secured funding amounting to £1,705,000 over three years from the Oak Foundation to kick start the development of affordable housing sites in a number of our parishes and are working with a subsidiary of Gloucester Diocesan Board of Finance (Church Development Agency) to make this happen

## Factors that may impact on future financial performance

There are a number of factors which can impact on the BDBF’s ability to meet its objectives, but which are outside its control. Most important is the collection of the Common Fund from the parishes. Any significant shortfall in the amount collected has significant implications for our mission objectives and deployment, as has been evidenced over the course of the last four years. In response to this, actions to manage the numbers of stipendiary clergy effectively will continue alongside general cost savings to manage the BDBF financial position over this difficult period.

As noted above, the BDBF receives significant support from the national church, and we still expect to do so under the new DIP funding regime for dioceses. Although this is longer-term support than previously, it remains time limited, and it is essential that the plans for growth that underpin the DIP bid are managed and monitored tightly to ensure that they deliver the expected outcomes.

As is the case for all charities with historic endowment, the BDBF is vulnerable to changes in the value and returns upon its properties and

stock market based (fiscal) investments. This is mitigated by employing specialist fund managers and advisors to help develop an appropriate investment policy.

Reserves Policy

The BDBF completed a review of its Reserves Policy in March 2024. The key rationale behind the new policy was to reflect the current position that the designated Strategic Mission Fund is currently as integral to balancing the operating budget as our unrestricted reserves.

Free reserves are maintained for the following reasons:

- To avoid bank borrowing if there is a temporary shortfall in income and/or surge in expenditure
- To provide for emergencies

The reserves policy of the BDBF is formulated in line with recommendations of the Charity Commission of England and Wales. The basic policy statement is as follows:

*“The BDBF aims to maintain the equivalent of at least three months operating expenditure in cash and readily liquid assets in the general unrestricted fund and the designated Strategic Mission Fund insofar as it is not set aside for specific investment and growth activities. This excludes all other designated and restricted funds and loans. This policy is to be reviewed on an annual basis.”*

In arriving at the minimum amount, account has been taken of the Board’s well-established effective income raising, cash flow management and budget processes. Most income is now received in a steady stream throughout the year and performance against budget is monitored regularly. As at 31 December 2024, the reserves policy target is £2,865,000 representing three months unrestricted operating expenditure as budgeted for the forthcoming year. The trustees believe that such a reserves target will cushion the BDBF from short term revenue problems and will enable them to meet their legal requirements in case of serious financial problems.

The total unrestricted reserve stands at £9,775,000 including £4,463,000 of undesignated unrestricted reserves and available funds from the Strategic Mission Fund of £3,879,000. However, these reserves include £4,398,000 of non-readily realisable fixed assets. This leaves the BDBF with free reserves of £3,944,000, which exceeds the target of £2,865,000 as at 31 December 2024.

The trustees consider that the ongoing programme of property disposals will provide sufficient additional resources to continue to manage BDBF through the current difficult times. Our 2025 budget currently assumes that transfers of £1,610,000 will be required from the Strategic Mission Fund (total balance as at 31 December 2024 £3,879,000) in order to balance the budget and Bishop’s Council has formally approved that the necessary funds can be un-designated if and when they are required. No provision has been made to reflect any outcomes from the DIP funding bid to be made in summer 2025, which could have a significant positive impact on available funds.

Our Reserves policy requires an annual review to ensure that the policy remains relevant. There are a number of moving targets in relation to national church funding that could result in a very different looking financial platform for the diocese, but these will not be finalised until summer 2025. On that basis, the trustees consider that the current policy remains relevant as at the date of signing the accounts.

Designated funds

The BDBF may with the approval of the board, designate additional unrestricted reserves to be retained for an agreed purpose where this is considered prudent. Such designated reserves are reviewed on an annual basis and returned to the general fund in the event that the purpose of their destination is no longer considered adequate for their retention. A description of each reserve with the intended use of the reserve is set out in **note 21**. During 2024, there were two significant designated funds, the first being the Strategic Mission Fund totalling £3,879,000 as at 31 December 2024, which has been created using the proceeds for unrestricted property disposals since 2019. The fund

is intended to be used for intentional strategic mission investments including funding to extend elements of our Church Commissioner grant funded *Shaping the Future* and *People & Places* strategic programmes. However, as noted above, in setting the 2025 budget Bishop’s Council once again agreed to un-designate such funds as are deemed necessary in order to deliver a balanced unrestricted outturn. To date, this fund has only been used once for this purpose (2023: £798,000) due to the availability of Church Commissioner funding. The second of these funds is the Pastoral fund totalling £1,433,000 as at 31 December 2024.

Restricted and endowment funds

As set out in note 21 the BDBF holds and administers a number of restricted and endowment funds. As at 31 December 2024 restricted funds totalled £8,135,000 (2023: £7,465,000) and endowment funds totalled £30,531,000 (2023: £29,707,000). Neither are available for the general purposes of the BDBF.

Investment policy

The BDBF maintains an overview of its investments through its FIPS sub-committee, which also monitors performance against market benchmarks and considers the adequacy of its investment mix. Our Statement of Investment Principles was reviewed in 2022 and changes to our holdings to reflect this were implemented during 2023 – a key part of this was a move towards a ‘greener’ portfolio.

Throughout 2024 our overarching investment principles were unchanged as embedded in our Statement of Investment Principles as follows:

- Implement a balanced asset allocation approach to the portfolio with a medium risk profile
- Portfolio to be invested in well diversified, high-quality assets which provide protection against inflation over the long-term
- Performance to be reviewed against the ARC Sterling Steady Growth Charity Index which is the standard peer group benchmark for a UK charity with a medium risk profile
- Performance at least 3.5% better than inflation over the long-term, as measured by the UK Consumer Price Index (CPI), whilst generating sufficient income to support the work of the BDBF
- Investments will be made in compliance with the Ethical Investment Advisory Group (EIAG) guidelines of the Church of England and in particular to exclude investments in companies that generate more than 10% turnover from conventional fossil fuels (oil, gas, and coal), fossil fuel extraction and production, or oil and gas refining

The portfolio is managed in the following manner:

- Direct property investments managed by Bruton Knowles
- Marketable investments actively managed by Evelyn Partners
- Remaining funds within CCLA/CBF funds on a self-managed basis

Investment funds within certain restricted funds (Malawi / Church Schools / Bishop Brown) are held within CCLA funds selected on the basis of the income/capital needs of the respective fund as appropriate. We have seen a more stable position with regard to our investment portfolio this year. Our investment valuation surplus of £597,000 (2023: £309,000) reflects the less volatile markets than previous years. This, together with the significantly higher base rate has seen investment income (£641,000) that is 8% better than last year (and building on the significant increase seen in 2023). Investment performance on a total return basis over the last twelve months was much improved at +12.9% (compared with 7.1% in 2023). This was 2.2% better than our benchmark portfolio.

Investment management advisor performance for both direct property and marketable investments will continue to be robustly monitored in the forthcoming year in line with our updated Investment Policy and recommendations arising from the review.

Grant making policy

The BDBF has established its grant making policy to achieve its objectives for public benefit (as detailed on page 47). We deliver our public benefit to the wider population in the diocese by the work of our parishes. We support this work by grant programmes that help parishes to further engage and service their local communities. This may be mission activities, community regeneration, church maintenance, schools and world mission. All grant applications must be made in writing. Parish mission and delivery plans and available resources are considered in the distribution of available grants.

Remuneration of key management personnel

Emoluments of key management personnel are determined by the Chair of the DBF with reference to regular appraisals, remuneration and salary benchmarking and consequent recommendation of changes.

Principal risks and uncertainties

The trustees of the BDBF have overall responsibility for ensuring that the charitable company has an appropriate system of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- An annual budget and five-year financial plan approved by the trustees
- Regular consideration of both financial results and other performance indicators
- Delegation of authority and segregation of duties

As part of this responsibility, the trustees are also required to ensure that effective and adequate risk management is in place to manage the major risks to which the BDBF is exposed. They have a clear

mechanism for obtaining assurance on the management of risks. The trustees agree the approach to risk including overseeing the process to identify and assess key risks and understanding how those risks are managed and mitigated.

The BDBF risk assessment framework includes the following key elements:

- Individual risks assessed using a scoring mechanism, with respect to the inherent likelihood of occurrence and the likely severity of impact, the steps in place to mitigate the risk and the resulting impact on residual risk. Gross and Residual risks are ranked using a ‘traffic light’ scheme (red / amber / green)
- Risk is reported directly to Bishop’s Council (not just through FIPS) as many identified risks are outside the more limited remit of FIPS
- Strategic risks are identified as significant when they influence the achievement of our strategic diocesan goals through the *Transforming Church* strategy alongside day-to-day operational activities. These may include major internal risks, such as financial sustainability or compliance risks. Or they may be external events with high impact which the BDBF cannot control and for which the BDBF needs to develop response mechanisms. During 2024, this has particularly included the ongoing assessment of the financial impacts of our reduced Common Fund income as well as continuing increases in clergy stipends and lay salaries on the long-term sustainability of the BDBF
- Operational risks are day-to-day risks and more likely to be internal, within the BDBF’s control and with a higher level of probability of the risk event happening. The BDBF’s focus of attention on these risks relates to how it can control, manage or transfer the risk to a third party

The strategic risks which are currently assessed as scoring highest, and the outline mitigating strategies to address them, are shown in the table below.

RISK	MITIGATION STRATEGY
<i>The continuing inability of parishes to meet diocesan Common Fund expectations results in significant and longer-term financial loss for the BDBF that it is unable to sustain</i>	<ul style="list-style-type: none"><li>• Cashflow (and outturn) forecasts based on latest information to identify pinch points</li><li>• Engagement with parishes to establish sustainability of Common Fund contributions</li><li>• Long term partnership funding from national church to support our progress towards financial sustainability</li><li>• Longer term plans for an ongoing programme of property disposals to provide additional funding into our Strategic Mission Fund to support forecast deficits on unrestricted fund activity where necessary</li></ul>
<i>Failure to effectively embed our Common Fund methodology leading to non-payment of Common Fund for reasons other than affordability</i>	<ul style="list-style-type: none"><li>• Clear biblical foundation to methodology with a clear and effective communication, generosity and discipleship plans</li><li>• Monthly review of contribution profile assisted by proactive discussions with parishes</li><li>• New approach that underpins a longer-term relationship with parishes in relation to Common Fund to be consulted on in 2025 and implemented from 2026</li></ul>
<i>Our framework for mission and ministry does not deliver the required culture change in a timely manner</i>	<ul style="list-style-type: none"><li>• Area Deans in place that continue to facilitate culture change supported by Oversight Ministers</li><li>• Oversight Ministers supported by programme of facilitated training through learning cohorts</li><li>• Ongoing programme of Oversight Area mission planning facilitated and supported by the Mission Support Team</li><li>• Continuing programmes of clergy and lay leadership learning and development</li></ul>
<i>Failure to grow the Church in its mission, especially at the speed required by national church funding streams</i>	<ul style="list-style-type: none"><li>• Governance structures in place for effective monitoring and evaluation of mission goals and financial impact consequences</li><li>• Strong, embedded Executive Board governance and review structure with a clearly defined focus on mission growth</li><li>• Ongoing development of substantial bid for longer term DIP funding through Church Commissioners 2022-2031 Triennium Funding</li></ul>
<i>Dependency on national church funding for missional growth support activities</i>	<ul style="list-style-type: none"><li>• Effective management and delivery mechanisms on existing national church funded programmes to ensure trust and confidence in delivery capacity to support further funding bids</li><li>• Work to establish our sustainable baseline will underpin 2025 bid for DIP funding to support our Strategic goals (and supported our successful 2024 DIP funding bid)</li><li>• Identify other income streams including regional funding bids and offering back-office services to other dioceses</li></ul>
<i>Reputational and financial risks associated with safeguarding of young people and vulnerable adults</i>	<ul style="list-style-type: none"><li>• Comprehensive training programme throughout DBF and parishes as well as monitoring of safeguarding dashboards at key parish and BDBF meetings</li><li>• Independent scrutiny group – Diocesan Safeguarding Advisory Panel with independent Chair monitors the CofE Birmingham diocesan compliance with national safeguarding requirements</li></ul>
<i>The CofE Birmingham is unable to meet its commitment to Diocesan Synod for net zero emissions by 2030</i>	<ul style="list-style-type: none"><li>• Environmental Group (steered by Bishop) to drive this work – Routemap in place to set milestones to ensure delivery</li><li>• Net Zero Carbon group developing costed plans for the property portfolio</li><li>• National church funding obtained for dedicated Net Zero officer as well as funding for ‘quick wins’ in parishes and pilot projects</li><li>• Investment strategy excludes investments in companies and funds that do not meet zero carbon criteria (including fossil fuel)</li></ul>

STRATEGIC AND OPERATING REVIEW

### Plans for future periods

Our vision of “*Transforming Church – growing churches at the heart of each community*” continues to be central to our plans for future periods, with the core principles of:

- Grow in number of disciples
- Engage with children, youth, families and other missing generations
- Worshipping communities are diverse (representative of our communities) and accessible to all
- Grow in partnerships and impact on the community
- Flourishing ordained and lay leadership that reflects the diversity of the wider population of the diocese
- Grow in depth of discipleship
- Achieve financial sustainability
- Environmental sustainability
- All underpinned by a culture of prayer

We recognise that our pattern of ministry and mission needs to be relevant to each local context and will vary across locations. Key activities in the coming year will include:

- Continuing Oversight Area Mission planning so that everywhere has the support and opportunity for growth
- Continuing Oversight Area formation; supporting Oversight Areas and Oversight Ministers to emerge and flourish
- Continuing church growth strategies through local parish growth, church planting and revitalisation
- Continuing to create learning pathways for new leaders
- Continued reimagining of ministry and discipleship
- Collaboration with the DBE to further deepen and promote the Christian Distinctiveness of our schools and their missional opportunities
- Continue work to develop our plan to achieve net zero carbon emissions
- Further embedding an ethos of diversity, inclusivity and generosity
- Identifying opportunities to improve financial sustainability

### Directors’ report

#### Going concern

2024 has once again been a challenging year for Birmingham – but one that has come with opportunities and where we are starting to see the fruits of our extensive work on building our platform for growth. Although some of our parishes are still struggling to rebuild, others are seeing green shoots of growth. Common Fund collection has broadly flat-lined during the year, but the commitments that have been made for 2025 under our new ‘free will’ approach would appear to be much more positive.

Our continuing operating deficits (also forecast for 2025) mean that the Directors have once again had to consider the question of going concern, although this is in a changing world in terms of national church funding to protect our mission funding and support our recovery. We saw the first signs of this in the DIP funding that was awarded in November 2024, which meant that there was no requirement to draw down from our Strategic Mission Fund to cover our 2024 deficit.

The 2025 budget has been prepared on the basis that Common Fund income will be around £363,000 higher than 2024 and we are more hopeful that we will achieve it in 2025. The cost budget reflects a further 3% increase in clergy stipends and lay salaries and the significant NI increases announced in autumn 2024, offset by a further reduction in the rate for clergy pension contributions.

Bishop’s Council has agreed to allocate £1,610,000 (from the designated Strategic Mission Fund) to balance the 2025 outturn. For the purposes of these accounts, our forecasts assume that there will be no further support available from national church. The planned property disposal programme to replace any designated funds used to fund unrestricted core operating deficits is continuing and further properties continue to be identified as potential disposals (and therefore operating cost savings as well as cash inflows). Restricted activities are expected to continue as per their agreed programmes. An outline 2026 budget and cash flow forecast has been prepared as part of an updated five-year financial plan to reflect latest expectations

in relation to unrestricted income (particularly Common Fund) and overhead costs.

Based on the above, the trustees are satisfied that the BDBF has adequate resources to continue to operate as a going concern for the foreseeable future and have prepared the financial statements on that basis.

#### Charitable and political donations

No political contributions were made during the year. Charitable contributions have been made as part of the BDBF’s objectives, mainly to projects sponsored under parish initiatives.

#### Taxation status

The BDBF is a charity having been established under the Diocesan Boards of Finance Measure 1925 and, as such, is not liable to income tax or corporation tax due to exemptions afforded under the Corporation Tax Act 2010. The BDBF is also registered as a charity (reg. no. 249403).

#### Responsibilities of the trustees

The trustees are responsible for preparing the Strategic Operating Review, Director’s Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 then apply them consistently
- Make judgments and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company’s transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Statements as to disclosure of information to auditors

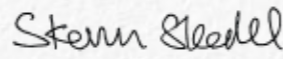
The trustees have taken all the necessary steps to make sure that they are aware of any relevant audit information and to establish that the auditors are aware of that information.

As far as the trustees are aware, there is no relevant audit information of which the charitable company’s auditors are unaware.

#### Appointment of auditors

A resolution to re-appoint HaysMac LLP will be proposed at the forthcoming annual general meeting.

The Board of Trustees approve their Annual Report and, in their capacity as company directors, also approve the Strategic Report incorporated therein on 19 June 2025 and signed on its behalf.



Mr Steven Skakel  
Chair and Director of Birmingham Diocesan Board of Finance

APPENDIX SUMMARY INFORMATION

### The Structure of the Church of England

The Church of England is organised as two provinces, each led by an archbishop. The Archbishop of Canterbury leads the Southern Province, and the Archbishop of York leads the Northern Province. Each province is comprised of dioceses of which there are 41 in England (42 including the Diocese of Europe).

Dioceses, each under the spiritual leadership of a Diocesan Bishop, are the principal pastoral, financial and administrative resource of the Church of England. Each diocese is divided into parishes. Each parish is overseen by a parish priest, who is an Incumbent (Vicar or Rector) or Priest-in-Charge. From ancient times through to today, incumbents and their bishop are responsible for the ‘cure of souls’ in their parish.

His Majesty The King, who is the Supreme Governor of the Church of England, appoints archbishops, bishops and some deans of cathedrals on the advice of the Prime Minister. The two archbishops and 24 senior bishops sit in the House of Lords.

The Church of England is episcopally led, with 108 bishops including diocesan bishops and assistant and suffragan bishops. It is governed by General Synod as its legislative and deliberative body at national level, making decisions on matters of doctrine, the holding of church services and relations with other churches. General Synod passes measures which, if accepted by Parliament, have the effect of Acts of Parliament. It is made up of three groups or ‘houses’ of members: the Houses of Bishops, of Clergy and of Laity. General Synod meets in London or York at least twice annually to consider legislation for the broader good of the Church.

### The Three National Church Institutions

The Archbishops’ Council, the Church Commissioners and the Church of England Pensions Board are sometimes referred to as the three National Church Institutions.

The Archbishops’ Council was established in 1999 to co-ordinate, promote, aid and further the mission of the Church of England. Its task is to give a clear sense of direction to the Church nationally and support the Church locally by acting as a policy discussion forum.

The Church Commissioners manage the historic assets of the Church of England, spending most of their income on pensions for the clergy. The costs of episcopal administration through the diocesan and suffragan bishops are met by the Church Commissioners.

The Church of England Pensions Board was established by the Church Assembly in 1926 as the Church of England’s pensions authority and to administer the pension scheme for the clergy. Subsequently it has been given wider powers, in respect of discretionary benefits and accommodation both for those retired from stipendiary ministry and for surviving partners of those who have served in that ministry, and to administer pension schemes for lay employees of Church organisations.

The Board, which reports to the General Synod, is trustee of a number of pension funds and charitable funds. Whilst the Church has drawn together under the Board its central responsibilities for retirement welfare, the Board works in close co-operation both with the Archbishops’ Council and with the Church Commissioners.

### The Diocese

**The Cathedral** Birmingham Cathedral is the Mother Church of the diocese and legally is constituted as a separate charity currently exempt from Charity Commission registration and supervision. Copies of its trustees’ report and financial statements may be obtained from Birmingham Cathedral (St Philips), Colmore Row, Birmingham, B3 2QB.

**Diocesan Synod** The statutory governing body of the diocese is Diocesan Synod which is made up of broadly equal numbers of clergy and lay representatives elected from across the diocese together with the bishops and archdeacons. Its role is to:

- Consider matters affecting the Church of England in the diocese
- Act as a forum for debate of Christian opinion on matters of religious or public interest
- Advise the bishop where requested
- Deal with matters referred by General Synod
- Approve the annual budget of the DBF and adopt its annual report and accounts

**Deanery Synod** There is a Deanery Synod in each of the diocese’s six deaneries. Each Deanery Synod has two houses, laity and clergy, and Deanery Synod’s role is to:

- Respond to requests from General Synod
- Give effect to the decisions made by Diocesan Synod
- Consider matters affecting the Church of England by drawing together the views of the parishes within the deanery
- Act as a channel of communication to express the views of parishes to Diocesan Synod and thence to General Synod
- Raise with Diocesan Synod such matters as it considers appropriate
- Elect members of the deanery to Diocesan Synod and of the diocese to General Synod

### The Bishop’s Council

Under the constitution of Diocesan Synod, Bishop’s Council has the following functions:

- To plan the business of the Synod, to prepare the agenda for its sessions and to circulate to members information about matters for discussion
- To initiate proposals for action by the Synod and to advise it on matters of policy
- To advise the President (the Diocesan Bishop) on any matter
- Subject to the directions of the Synod, to transact the business of the Synod when the Synod is not in session
- Subject to the directions of the Synod, to appoint members of committees or nominate individuals for election to committees
- To carry out such functions as the Synod may delegate to it

**Parochial Church Council (PCC)** A PCC is the elected governing body of an individual parish which in general is the smallest pastoral area in the Church of England. Typically each parish has one parish church. A PCC is made up of the incumbent as chair, the churchwardens, and a number of elected and ex-officio members. Each PCC is a charity. All PCCs with gross income over £100,000 are required by law to register with the Charity Commission (as soon as practical after their gross income exceeds £100,000) unless the Charity Commission issues a written determination to the contrary. If not required to register, PCCs are ‘excepted’ charities.

Other than where shown, the transactions of PCCs do not form part of the attached financial statements. Financial statements of an individual PCC can be obtained from the relevant PCC treasurer.

**Parishes, Benefices, Deaneries and Archdeaconries** A benefice is an ecclesiastical office in a parish or group of parishes normally served by an incumbent. Team ministries may have several clergy of incumbent status serving in one benefice. A deanery is a group of parishes over which an area dean has oversight, and an archdeaconry is a group of deaneries for which an archdeacon is responsible.

The information in this appendix about General Synod, the Church Commissioners, the Archbishops’ Council, Birmingham Cathedral and PCCs is included as background only. The financial transactions of these bodies do not form part of these financial statements.

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

Opinion

We have audited the financial statements of the Birmingham 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 the charitable company's net movement in funds, including the 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report. 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 or a material misstatement of the other information. 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 prepared for the purposes of company law) 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 included within the Annual 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 (which incorporates the strategic report and the directors' 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 by the charitable company; or
- the charitable company 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 52, 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

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.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding vulnerable beneficiaries, health and safety, and employment (including taxation), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and Church of England Measures.

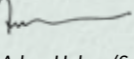
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fund accounting, including transfers between funds, and revenue recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal postings by unusual users or with unusual descriptions;
- Challenging assumptions and judgements made by management in their critical accounting estimates;
- Testing transfers between funds; and
- Cut-off testing in respect of revenue.

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](http://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.

  
Adam Halsey (Senior Statutory Auditor)  
5th August 2025  
For and on behalf of HaysMac LLP, Statutory Auditor  
10 Queen Street Place, London EC4R 1AG

FINANCIAL STATEMENTS

Statement of financial activities

FOR YEAR ENDED 31 DECEMBER 2024  
COMPANY NUMBER: 440966

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
Note	£'000	£'000	£'000	£'000	£'000	£'000
INCOME						
INCOME AND ENDOWMENTS FROM						
Donations:						
2						
Parish contributions	-	19	-	4,669	4,688	4,665
Archbishops' Council	-	4,193	-	1,954	6,147	4,311
Other donations	-	810	-	755	1,565	844
Charitable activities	-	64	-	259	323	381
Other trading activities	-	39	-	443	482	475
Investments	30	232	26	567	855	729
Other income	530	-	-	1,180	1,710	376
TOTAL INCOME	560	5,357	26	9,827	15,770	11,781
EXPENDITURE ON						
Raising funds						
Charitable activities	27	-	-	84	111	113
Other	16	2,956	157	10,349	13,478	12,295
TOTAL EXPENDITURE	43	2,956	157	10,438	13,594	12,411
Net income / (expenditure) before investment gains and losses						
Net gains / (losses) on investments	517	2,401	(131)	(611)	2,176	(630)
Net gains / (losses) on investment property	384	98	1	114	597	309
NET INCOME / (EXPENDITURE)	-	-	-	-	-	(171)
	901	2,499	(130)	(497)	2,773	(492)
Transfers between funds						
21	(77)	(1,829)	1,253	653	-	-
NET MOVEMENT IN FUNDS	824	670	1,123	156	2,773	(492)
Total funds brought forward						
21	29,707	7,465	4,189	4,307	45,668	46,160
TOTAL FUNDS CARRIED FORWARD	30,531	8,135	5,312	4,463	48,441	45,668

Transfers between funds

For analysis of transfers between funds, see note 21. All activities derive from continuing operations.

Balance sheet

FOR YEAR ENDED 31 DECEMBER 2024  
COMPANY NUMBER: 440966

FOR YEAR ENDED 31 DECEMBER 2024 COMPANY NUMBER: 440966		Note	2024		2023	
			£'000	£'000	£'000	£'000
FIXED ASSETS						
Tangible assets	15	23,190		23,363	23,363	
			23,190			
INVESTMENTS:						
Investment properties	16	2,399		2,399	15,002	
Other investments		13,145		12,603		
			15,544			
TOTAL FIXED ASSETS				38,734	38,365	
CURRENT ASSETS						
Debtors	17	5,024		1,773	8,590	
Cash at bank		7,460		6,817		
		12,484				
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR						
	18	(2,753)		(1,277)		
NET CURRENT ASSETS				9,731	7,313	
TOTAL ASSETS LESS CURRENT LIABILITIES				48,465	45,678	
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR						
	19		(24)		(10)	
NET ASSETS				48,441	45,668	
FUNDS						
Restricted income funds			8,135		7,465	
Endowment funds			30,531		29,707	
Unrestricted income funds:						
Designated			5,312		4,189	
Undesignated			4,463		4,307	
			48,441		45,668	
	21					

The Statement of Financial Activities, Income and Expenditure Account, 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 19 June 2025 and signed on behalf of the Board by:

Steven Skakel

Mr Steven Skakel **Chair**

Income and expenditure account

FOR YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£'000	£'000
Total incoming resources	15,210	11,496
Resources expended	(13,551)	(12,386)
<b>Net income / (expenditure) before gains for the year</b>	<b>1,659</b>	<b>(890)</b>
Net gains on investments	213	132
Net gain / (loss) on investment property	-	(30)
<b>NET INCOME / (EXPENDITURE) FOR THE YEAR</b>	<b>1,872</b>	<b>(788)</b>
<b>Other comprehensive income:</b>		
Net assets transferred to / (from) endowments	77	(208)
<b>TOTAL COMPREHENSIVE INCOME / (EXPENDITURE)</b>	<b>1,949</b>	<b>(996)</b>

The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

Cash flow statement

FOR YEAR ENDED 31 DECEMBER 2024

	Note	2024	2023
		£'000	£'000
<b>NET CASH (USED IN) / PROVIDED BY OPERATING ACTIVITIES</b>	25	<b>(2,022)</b>	<b>(1,963)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends, interest and rent from investments		780	695
Interest paid		(2)	(3)
Proceeds from sale of:			
Tangible fixed assets / current assets for the use of the BDBF		2,093	1,246
Other investments		2,328	1,029
Purchase of:			
Tangible fixed assets for the use of the BDBF		(233)	(606)
Other investments		(2,205)	(809)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>2,761</b>	<b>1,552</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loans repaid by BDBF		(28)	(20)
Loans repaid to BDBF		16	19
New loans made by BDBF		(84)	-
New loan received by BDBF		-	40
<b>NET CASH (USED IN) / PROVIDED BY FINANCING ACTIVITIES</b>		<b>(96)</b>	<b>39</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>		<b>643</b>	<b>(372)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>		<b>6,817</b>	<b>7,189</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	26	<b>7,460</b>	<b>6,817</b>

## 1 Principal accounting policies

### Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 2006, Charities Act 2011, applicable accounting standards (FRS102), Charities SORP (FRS102), The Church of England Diocesan Annual Reports and Financial Statements Guide and under the historical cost accounting rules except that fixed asset investments, current asset investments and investment properties are included at fair value.

The financial statements are presented in Sterling (being the functional currency for all of its activities) rounded to the nearest £'000.

The BDBF meets the definition of a public benefit entity under FRS102.

### Company status

The company is limited by guarantee, incorporated and registered in England and Wales (No. 440966). The members of the company are the trustees named on page 3. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The company's registered office is John Cadbury House, 190 Corporation Street, Birmingham, B4 6QD.

### Going concern

The trustees assess whether the use of the going concern principle is appropriate i.e. whether there are any principal uncertainties, related events or conditions that may cast significant doubt on the ability of the BDBF to continue as a going concern. The impact of the pandemic and the cost of living crisis has continued to have a significant impact on the work and the finances of the BDBF during the financial year and this is expected to continue into 2025. The Directors' Report on page 52 sets out the response of the BDBF to this unprecedented change to the activities of the charity, and in particular the unrestricted income of the charity. The report briefly sets out the mitigating actions that have been taken and will continue to be taken to ensure that the BDBF can continue as a going concern. The trustees make this assessment in respect of the period of at least one year from the date of the authorisation for issue of the financial statements and have concluded that the BDBF has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the BDBF's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The principal accounting policies and estimation techniques are as follows:

### Income

All income is included in the Statement of Financial Activities when the BDBF is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

**Common Fund and income from parochial fees** The principal source of income comes from voluntary giving in the form of parish contributions (Common Fund), which includes amounts received up to the 31 January following the year end. Common Fund income also includes any arrears received from previous years.

**Grant income** Income from the Archbishops' Council is accounted for on a receivable basis and represents a range of grants payable to the CofE Birmingham to support its operations and for parish mission, the funds for which originate in a block grant by the Church Commissioners to the Archbishops' Council. The annual grants from the Archbishops' Council may be used for either mission and ministry support for lower income communities (Lowest Income Communities Fund), DIP or a range of strategic development activities (as set out in note 21 to the accounts).

Other grant income is recognised when receivable.

**Rent and investment income** Rent and investment income are recognised as income when receivable.

**Gains on disposal of fixed assets for the BDBF's own use** Gains on disposal of fixed assets for the BDBF'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.

**Birmingham Diocesan Endowment Fund income** The income from this fund is restricted for the purpose of clergy stipends. However, the income is fully expended within the year of receipt and the legal restrictions therefore are satisfied. It is on this basis that the income and the (normally much larger) related expenditure are both included in the unrestricted column of the Statement of Financial Activities for the sake of greater clarity and simplicity in financial reporting.

**Glebe Fund income** All clear income derived from its investments is transferred to the General Fund as contribution towards the cost of clergy stipends. It is on this basis that the income and the (normally much larger) related expenditure are both included in the unrestricted column of the Statement of Financial Activities for the sake of greater clarity and simplicity in financial reporting.

### Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the BDBF to pay out resources. Expenditure is included on the accruals basis under the following headings; all costs are allocated to a specific category.

**Costs of raising funds** These are the costs of managing the Endowment, Glebe and Unrestricted fund investments, plus the costs associated with letting the vacant parsonages and investment properties.

**Charitable expenditure** Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry and expenditure on education and Church of England schools in the diocese.

Resourcing ministry and mission includes the direct costs for the clergy and parishes, plus the costs of supporting the work of parishes within the CofE Birmingham. This principally includes the cost of clergy stipends, costs related to maintaining clergy housing in the parishes, the payment of grants to assist parish work plus the related staff costs and overheads.

**Grants payable** Grants payable are accounted for when authorised, when the award of the grant has been specifically communicated to the recipient and when the trustees have agreed to pay the grant without condition, or any condition attaching to the grant is outside the control of the BDBF. Grants offered subject to certain conditions which have not been met at the year-end are noted as a commitment but not accrued as expenditure.

**Support costs** Support costs consist of central management, administration and governance costs. They are allocated to categories of expenditure (resourcing ministry and mission, raising funds and education) on the basis of the proportion of staff time spent on each area of activity.

**Pension costs and other post-retirement benefits** The BDBF contributes to the Church of England Funded Pension Scheme for clergy and the Church Workers Pension Fund for other staff. Both these schemes are multi-employer pension schemes. The pension costs charged as resources expended represent the BDBF's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding liabilities (where applicable) for the pension schemes in which the BDBF participates would be recognised at the present value of contributions payable that arise from the deficit funding agreement. The liability would be recognised in creditors distinguishing between contributions falling due within one year and after more than one year. Details of the schemes are given in note 23 to the financial statements.

**Redundancy and termination benefits** Redundancy and termination benefits are recognised as soon as there is a legal or constructive obligation committing the BDBF to pay out resources.

## Tangible fixed assets and depreciation

**Freehold properties and parsonages** Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material, due to the very long expected remaining useful life in each case, and because their expected residual values are not materially less than their carrying value.

The BDBF 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.

**Parsonage houses recognition** The BDBF 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 BDBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if declared redundant. The trustees therefore consider the most suitable accounting policy to be to capitalise such properties as expendable endowment assets and to carry them at cost where known, otherwise at the deemed cost valuation of the midpoint of the relevant 1994 council tax band value.

An impairment review is conducted annually and an adjustment is made to the book value where there is evidence of impairment. In between the five-yearly professional valuations, trustees perform their own assessments of whether there had been a material change in the value of the properties using internal expertise and market indicators.

**Other non-investment properties** The BDBF includes all other non-investment properties at cost where known, otherwise at the deemed cost valuation of the midpoint of the relevant 1994 council tax band value.

For properties that are jointly owned with a third party such as a Parochial Church Council, only the proportion of the BDBF's investment in the property is accounted for within the financial statements of the BDBF.

Redundant churches are included at nil value.

**Investment properties** In accordance with FRS102, investment properties are carried at their fair value – this is considered by the trustees annually and the aggregate surplus or deficit is recognised in the Endowment Fund and Glebe Fund. Investment properties were last professionally valued as at 31 December 2020, the results of which are included in these financial statements. If an asset changes category in the period under review then a professional valuation of the property is undertaken as the property changes category. The next professional valuation of properties is due as at 31 December 2025. No depreciation is provided on investment properties

**Non-Property fixed assets** Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

**Depreciation** Depreciation of non-property assets is charged by equal annual instalments at rates estimated to write off their cost less any residual value over the expected useful lives that are as follows:

Computer equipment	3 years
Office furniture and fittings	10 years or the end of the property lease if relating to tenant's improvements

**Financial investments** Financial investments are stated at fair value. Realised gains or losses are recognised in the Statement of Financial Activities when financial investments are sold. Unrealised gains and losses are accounted for on revaluation of financial investments at the year end.

## Critical accounting estimates and areas of judgement

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.

### Accounting estimates

The BDBF makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Valuation of investment properties** The BDBF carries its investment properties at fair value, with changes in fair value being recognised in the Statement of Financial Activities. The BDBF engaged independent valuation specialists to determine fair value at 31 December 2020. Some of the key assumptions used to determine the fair value of these assets are based on the valuer's knowledge and experience of the market and values of similar properties, which could be deemed subjective.

**Assumptions surrounding the clergy and church workers pension schemes** The BDBF contributes to the Church of England Funded Pension Scheme for clergy and the Church Workers Pension Fund for other staff. Both these schemes are determined to be multi-employer pension schemes and as required under FRS102, the BDBF recognises any agreed deficit funding liabilities on its balance sheet. The key actuarial assumptions that underpin the required deficit funding contributions liability are based on the actuary's knowledge and experience. Any changes in these assumptions as given in note 23 could have a significant impact on the required deficit funding contributions and resulting balance sheet liability.

### Areas of judgement

**Concessionary loans** Concessionary loans (both made and received) are initially recognised at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted, if necessary, for any impairment. They are assessed for objective evidence of impairment at the end of each reporting period.

**Non-depreciation of freehold properties and parsonages** Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material, due to the very long expected remaining useful life in each case, and because their expected residual values are not materially less than their carrying value.

All estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### Funds

Funds over which the BDBF's control is limited by statute or the terms of a trust deed, or which are restricted in their use, have been defined as 'restricted funds'. Funds which are controlled by the BDBF and over which there are essentially no restrictions as to their use (either by statute or trust) have been defined as 'unrestricted'. Designated funds are unrestricted funds that have been set aside by the BDBF for purposes designated by BDBF policy. Such designations may be set aside from time to time according to policy decisions.

NOTES TO THE ACCOUNTS

Endowments

The Endowment Funds are those whose capital represent permanent endowment and are therefore not available for revenue expenditure. For two of the funds, the income derived from the properties and other investments is available for meeting the costs of clergy stipends:

**Diocesan Glebe** This represents those historic lands and buildings which were held by incumbents and formed part of the benefice prior to the Endowment and Glebe Measure 1976. Glebe investments are subject to regulations under this Measure and previous Acts of Parliament, the main provisions being that Glebe should be held only as land or property.

**The Endowment Fund** This is a local fund originally set up under a Charity Commissioners Scheme of 1906 (amended in 1930) and is available for investment at the discretion of the Board of Finance subject to general charities legislation.

Details of the other two endowment funds are given in note 21 to the financial statements, along with details of the other major funds held by the BDBF.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the lease term. Where rent free periods are given as part of an operating lease, the impact of this rent-free period is reflected in the Statement of Financial Activities over the overall lease term.

Schools major repair and capital projects

The Board of Education (as incorporated within the BDBF) receives contributions from governors of church schools in the diocese in connection with major repair and capital projects to Church Schools and also government grants in connection with the same. The Board of

Education administers these monies as managing agent and makes the appropriate payments to contractors for work carried out. The monies do not belong to the Board of Education and as such the receipts and payments are not treated as incoming resources or resources expended in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits with any qualifying institution repayable within a three month notice period.

Financial instruments

The BDBF has elected to apply the provisions of Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instruments* of FRS102 in full to all of its financial instruments.

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost being the transaction price less any amounts settled and any impairment losses.

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled.

Concessionary loans (both made and received) are initially recognised at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted, if necessary, for any impairment. They are assessed for objective evidence of impairment at the end of each reporting period.

2 Donations

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
PARISH CONTRIBUTIONS						
Common Fund – current	-	-	-	4,644	4,644	4,588
Common Fund – prior	-	-	-	25	25	45
TOTAL COMMON FUND	-	-	-	4,669	4,669	4,633
Contributions to World Mission Partners	-	19	-	-	19	32
TOTAL PARISH CONTRIBUTIONS	-	19	-	4,669	4,688	4,665
ARCHBISHOPS' COUNCIL						
Strategic Development	-	3,454	-	-	3,454	1,697
Strategic Capacity	-	-	-	-	-	13
Strategic Ministry	-	348	-	-	348	451
Lowest Income Communities Funding	-	-	-	1,954	1,954	1,983
Racial Justice Triennium Fund	-	385	-	-	385	-
Net Zero Capacity Fund	-	89	-	-	89	-
Resourcing Ministerial Education Block Grant	-	(83)	-	-	(83)	167
TOTAL ARCHBISHOPS' COUNCIL	-	4,193	-	1,954	6,147	4,311
OTHER DONATIONS						
Stipend sources	-	-	-	587	587	511
Benefact Trust	-	-	-	144	144	168
Other donations to World Mission Partners	-	10	-	-	10	15
Oak Foundation	-	467	-	-	467	-
Historic England	-	201	-	-	201	24
Other donations	-	1	-	18	19	65
Other grants	-	131	-	6	137	31
TOTAL OTHER DONATIONS	-	810	-	755	1,565	844

NOTES TO THE ACCOUNTS

2 Donations (continued)

The annual grants from Archbishops’ Council may be used for either specific parish mission and development projects or for clergy stipends. The Strategic Development Funding is restricted to the *Shaping the Future, People & Places*, Diocesan Investment Programme and various church planting programmes or mission activities. The Strategic Capacity funding is restricted to the *People & Places* programme. Strategic Ministry Funding is restricted to supporting curates in training with the objective of increasing the number of curacies that the diocese is able to offer in any one year. The Resourcing Ministerial Education Block Grant is to be used for

approved clergy training pathways – the majority of the costs covered by this funding stream ended during the academic year 2023/24 and balances held were returned to Archbishops’ Council. The Racial Justice Triennium Fund grant is paid to the BDBF as the lead partner in a programme covering the six dioceses of the Midlands. The Oak Foundation Grant is paid to the BDBF to enable them to support the work of the Church Development Agency (a subsidiary company of the Gloucester Diocesan Board of Finance) to deliver affordable homes projects across the Birmingham Diocese.

3 Income from charitable activities

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
Statutory fees	-	-	-	214	214	248
Parish training events	-	-	-	4	4	5
Schools training events and services	-	62	-	-	62	61
Payroll Bureau service	-	-	-	14	14	13
Interest receivable on parish loans	-	2	-	27	29	54
TOTAL	-	64	-	259	323	381

Total income from charitable activities for the year ended 31 December 2023 of £381,000 was split between funds as follows: £63,000 in other restricted funds and £318,000 in undesignated funds.

4 Other trading activities

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
Housing income	-	-	-	374	374	398
Recharges to other Christian organisations	-	39	-	69	108	74
Recharges to other charitable organisations	-	-	-	-	-	3
TOTAL	-	39	-	443	482	475

Total income from other trading activities for the year ended 31 December 2023 of £475,000 was split between funds as follows: £49,000 in other restricted funds and £426,000 in undesignated funds.

5 Investment income

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
Dividends and interest	9	222	26	384	641	591
(Loss) / profit on sales of investments	21	-	-	47	68	(4)
Rents	-	10	-	136	146	142
TOTAL	30	232	26	567	855	729

Total investment income for the year ended 31 December 2023 of £729,000 was split between funds as follows: £6,000 in endowment funds, £226,000 in other restricted funds, £16,000 in designated funds and £481,000 in undesignated funds.

6 Other income

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
Gain on sale of fixed assets	530	-	-	1,180	1,710	376
TOTAL	530	-	-	1,180	1,710	376

Total other income for the year ended 31 December 2023 of £376,000 was split between funds as follows: £279,000 in endowment funds and £97,000 in undesignated funds.

7 Fundraising costs

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
Investment management costs	27	-	-	7	34	30
Property rental costs	-	-	-	77	77	83
TOTAL	27	-	-	84	110	113

Total fundraising costs for the year ended 31 December 2023 of £113,000 was split between funds as follows: £23,000 in endowment funds and £90,000 in undesignated funds.

8 Expenditure on charitable activities

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
CONTRIBUTION TO ARCHBISHOPS' COUNCIL						
Training for ministry	-	-	-	190	190	189
National church responsibilities	-	-	-	114	114	130
Mission agency pension costs	-	-	-	19	19	6
Retired clergy housing costs	-	-	-	79	79	75
Pooling of ordinands maintenance grants	-	-	-	(66)	(66)	(35)
TOTAL	-	-	-	336	336	365

RESOURCING MINISTRY AND MISSION						
Parish Ministry:						
Stipends and National Insurance	-	228	126	4,167	4,521	4,374
Pension contributions	-	57	17	864	938	962
Housing costs	-	-	8	1,653	1,661	1,425
Removal, resettlement and grants	11	4	-	320	335	395
Training for ministry tuition fees	-	(3)	-	-	(3)	115
Archdeacons, vocations, chaplaincy and other expenses	-	21	2	439	462	459
TOTAL	11	307	153	7,443	7,914	7,730
Mission grants	-	471	-	44	515	410
Grants to support parishes	-	17	-	-	17	1
Support for parish ministry	5	1,942	4	2,357	4,308	3,405
TOTAL	5	2,430	4	2,401	4,840	3,816

EXPENDITURE ON EDUCATION						
Support for Church Schools	-	219	-	169	388	384
TOTAL	16	2,956	157-	10,349	13,478	12,295

Total expenditure on charitable activities for the year ended 31 December 2023 of £12,295,000 was split between funds as follows: £2,000 in endowment funds, £2,501,000 in other restricted funds, £111,000 in designated funds and £9,681,000 in undesignated funds.

9 Other expenditure

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
Loss on sale of property	-	-	-	3	3	-
Interest payable on other loans	-	-	-	2	2	3
TOTAL	-	-	-	5	5	3

Total other expenditure for the year ended 31 December 2023 of £3,000 was split between funds as follows: £3,000 in undesignated funds.

10 Analysis of expenditure including allocation of support costs

	Activities directly undertaken	Grant funding of activities	Support costs	Total 2024
	£'000	£'000	£'000	£'000
Raising funds	111	-	-	111
Charitable activities:				
Contributions to Archbishops' Council	-	336	-	336
Resourcing parish ministry	10,571	878	1,305	12,754
Education	228	-	160	388
Other	5	-	-	5
	10,915	1,214	1,465	13,594

	Activities directly undertaken	Grant funding of activities	Support costs	Total 2023
	£'000	£'000	£'000	£'000
Raising funds	113	-	-	113
Charitable activities:				
Contributions to Archbishops' Council	-	365	-	365
Resourcing parish ministry	9,619	795	1,132	11,546
Education	224	-	160	384
Other	3	-	-	3
	9,959	1,160	1,292	12,411

11 Analysis of support costs

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
Support for Schools	-	160	-	-	160	160
Administration and premises	-	-	-	1,156	1,156	968
Synod and Diocesan Advisory Committee Support	-	-	-	-	-	11
Governance:						
Auditors – external audit	-	-	-	27	27	26
Auditors – other services	-	-	-	1	1	2
Registrar and Chancellor	-	-	-	121	121	125
TOTAL	-	160	-	1,305	1,465	1,292

### 12 Analysis of grants made

	Number	Individuals	Institutions	Total 2024	Total 2023
		£'000	£'000	£'000	£'000
FROM UNRESTRICTED FUNDS FOR NATIONAL CHURCH RESPONSIBILITIES					
Archbishops' Council	5	-	336	336	365
FROM UNRESTRICTED / DESIGNATED FUNDS					
PCCs for mission	1	-	9	9	19
Ordinands in training	12	122	-	122	157
Resettlement and first appointment grants	69	165	-	165	169
Sundry clergy grants	77	23	52	75	72
Training development grants for individuals	2	1	-	1	-
TOTAL	161	311	61	372	418
FROM RESTRICTED FUNDS					
World Mission Partner dioceses and projects	5	-	77	77	76
Repair and re-ordering of churches	6	-	31	31	-
Hardship and Energy grants	-	-	-	-	28
PCCs for project workers (Action in the City)	2	-	7	7	-
PCCs for mission initiatives	10	-	291	291	159
Other Christian organisations for mission initiatives	1	-	54	54	78
Resettlement and first appointment grants	1	3	-	3	2
Sundry grants	21	3	11	14	10
Ordinands in training	23	29	-	29	24
TOTAL	69	35	471	506	377
TOTAL GRANTS PAYABLE	235	346	868	1,214	1,160

### 13 Staff costs

	2024	2023
	£'000	£'000
EMPLOYEE COSTS DURING THE YEAR (EXCLUDING CLERGY PAY)		
Wages and salaries	2,649	2,336
Social security costs	267	229
Pension costs	275	247
Pension costs – Church Workers Pension Scheme deficit contributions*	-	41
TOTAL	3,191	2,853
AVERAGE NUMBER OF PEOPLE EMPLOYED DURING THE YEAR		
	No.	No.
Parish mission support	45	39
Discipleship and Ministry support	10	8
Administration and financial management	12	11
Property	3	3
Education	4	5
TOTAL	74	66

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

	2024	2023
	Number	Number
In the band £70,000 – £80,000	-	1
In the band £80,000 – £90,000	2	2
In the band £90,000 – £100,000	-	1
In the band £100,000 – £110,000	1	-

The total amount of employer defined contribution pension contributions paid on behalf of these employees were £29,118 (2023: £39,269).

### 13 Staff costs (continued)

Key management (employee) 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	Jan Smart	Property Director	Daniel Mayes
Company Secretary	Jan Smart	HR Director	Ben Franks
Director of Finance	Karen Preece	Director of Education	Sarah Smith

Remuneration and pensions for these five FTE employees amounted to £419,079 (2023: £435,186 for five FTE employees).

None of the directors received any remuneration as directors. The BDBF in both 2024 and 2023 has an overarching insurance policy that includes trustees' indemnity insurance however the premium attributable to the trustees' indemnity insurance element is not separately identifiable.

The clergy and clergy stipends are not included within the BDBF's staff costs, as they are not employees of the BDBF. The BDBF is merely responsible for the central administration and payment of the stipends on behalf of the parishes. However, the BDBF paid an average of 132 (2023: 131) stipendiary clergy as office holders holding parish or diocesan appointments in the diocese, and the costs were as follows:

	2024	2023
	£'000	£'000
Stipends	4,089	3,902
National Insurance contributions	334	315
Apprenticeship Levy	18	17
Restructuring costs	28	45
Pension costs – current year	891	1,107
TOTAL	5,360	5,296

### 14 Net expenditure before transfers and other recognised gains / (losses)

	2024	2023
	£'000	£'000
NET EXPENDITURE IS STATED AFTER CHARGING:		
Depreciation – owned assets	43	42
Net gain on disposal of fixed assets	1,707	376
Auditor's remuneration – audit of financial statements	27	26
Auditor's remuneration – other services	1	2

### 15 Tangible fixed assets

	Freehold Properties (see analysis below)	Computer equipment	Office equipment	TOTAL
	£'000	£'000	£'000	£'000
COST / DEEMED COST OR VALUATION				
At 1 January 2024	23,244	141	177	23,562
Additions	221	12	-	233
Disposals	(363)	(20)	-	(383)
AT 31 DECEMBER 2024	23,102	133	177	23,412
ACCUMULATED DEPRECIATION				
At 1 January 2024	-	127	72	199
Charge for the year	-	14	29	43
Disposals	-	(20)	-	(20)
AT 31 DECEMBER 2024	-	121	101	222
NET BOOK VALUE				
AT 31 DECEMBER 2024	23,102	15	73	23,190
AT 31 DECEMBER 2023	23,244	14	105	23,363

All the above assets are used for charitable purposes.

15 Tangible fixed assets (continued)

	2024 cost or deemed cost	2023 cost or deemed cost
	£'000	£'000
<b>FREEHOLD PROPERTIES</b>		
<b>ENDOWMENT FUNDS</b>		
Benefice houses fund:		
Parsonage houses	18,007	18,240
Glebe funds:		
Housing of team vicars, curates and others	660	660
Assets in course of construction	188	76
<b>DESIGNATED FUNDS</b>		
Assets in course of construction	89	32
<b>UNRESTRICTED FUNDS</b>		
Corporate property:		
Housing of senior clergy, curates and others	1,469	1,469
Other corporate property	2,689	2,767
<b>TOTAL FREEHOLD PROPERTIES</b>	<b>23,102</b>	<b>23,244</b>

16 Investments held as fixed assets

	Glebe	Endowment fund	Unrestricted fund	TOTAL
	£'000	£'000	£'000	£'000
<b>A) INVESTMENT PROPERTIES</b>				
At 1 January 2024	1,439	800	160	2,399
<b>AT 31 DECEMBER 2024</b>	<b>1,439</b>	<b>800</b>	<b>160</b>	<b>2,399</b>

Properties were valued by Bruton Knowles (Chartered Surveyors) on an open market existing use basis as at 31 December 2020. The BDBF's policy is to seek formal professional valuations of its investment properties every five years with trustee review in the intervening period. The next formal professional review is due to be carried out as at 31 December 2025.

	1 January 2024	Sales	Purchases	Change in market value	31 December 2024
	£'000	£'000	£'000	£'000	£'000
<b>B) OTHER FINANCIAL INVESTMENTS</b>					
<b>ENDOWMENT FUNDS</b>					
Listed investments	4,241	(1,757)	1,752	371	4,607
Unlisted investments	569	-	-	13	582
	<b>4,810</b>	<b>(1,757)</b>	<b>1,752</b>	<b>384</b>	<b>5,189</b>
<b>OTHER RESTRICTED FUNDS</b>					
Listed investments	276	-	-	16	292
Unlisted investments	4,777	(51)	-	82	4,808
	<b>5,053</b>	<b>(51)</b>	<b>-</b>	<b>98</b>	<b>5,100</b>
<b>UNRESTRICTED FUNDS</b>					
Designated funds:					
Unlisted investments	35	-	-	1	36
Undesignated funds:					
Listed investments	1,183	(452)	453	106	1,290
Unlisted investments	1,522	-	-	8	1,530
	<b>2,740</b>	<b>(452)</b>	<b>453</b>	<b>115</b>	<b>2,856</b>
<b>TOTAL</b>	<b>12,603</b>	<b>(2,260)</b>	<b>2,205</b>	<b>597</b>	<b>13,145</b>

Unlisted investments consist of freely marketable shares in The Central Board of Finance Investment Fund and COIF administered by the CCLA Fund Managers. The historic cost of listed investments as at 31 December 2024 was £5,262,000 (2023: £4,821,000) and £5,174,000 (2023: £5,229,000) for unlisted investments.

17 Debtors

	2024	2023
	£'000	£'000
<b>RECEIVABLE WITHIN ONE YEAR</b>		
Parish loans (concessionary loans)	30	13
Prepayments and other debtors	4,356	1,107
Accrued income	68	68
	<b>4,454</b>	<b>1,188</b>
<b>RECEIVABLE AFTER ONE YEAR</b>		
Parish loans (concessionary loans)	105	54
Other debtors	465	531
	<b>570</b>	<b>585</b>
<b>TOTAL DEBTORS</b>	<b>5,024</b>	<b>1,773</b>

18 Creditors: amounts falling due within one year

	2024	2023
	£'000	£'000
Other loans – Church Commissioners (concessionary loan)	10	20
Other loans – anonymous loan for parish (concessionary loan)	8	40
Trade creditors	324	539
Other creditors	314	411
Accruals and deferred income	2,097	267
	<b>2,753</b>	<b>1,277</b>

Other loans (Church Commissioners) relate to advances from the Church Commissioners for house purchases and parish 'back to back loans' from the Central Board of Finance. The loans are variable interest loans at the rate of the Central Board of Finance (Church of England) Deposit Fund rate plus 0.55%.

19 Creditors: amounts falling due after more than one year

	2024	2023
	£'000	£'000
Other loans – Church Commissioners (concessionary loan)	-	10
Other loans – anonymous loan for parish (concessionary loan)	24	-
	<b>24</b>	<b>10</b>

The maturity of the above loans may be analysed as follows:	2024	2023
	£'000	£'000
Between one to two years	8	10
Between two to five years	16	-
	<b>24</b>	<b>10</b>

Other loans (Church Commissioners) relate to advances from the Church Commissioners for parish 'back to back loans' from the Central Board of Finance. The loans are variable interest loans at the rate of the Central Board of Finance (Church of England) Deposit Fund rate plus 0.55%.

20 Analysis of assets and liabilities between funds

	Restricted funds		Unrestricted funds		Total funds 2024	Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds		
	£'000	£'000	£'000	£'000	£'000	£'000
TANGIBLE ASSETS						
Other fixed assets	18,855	8	89	4,238	23,190	23,363
INVESTMENTS - FIXED						
Investment properties	2,239	-	-	160	2,399	2,399
Other	5,189	5,100	36	2,820	13,145	12,603
DEBTORS						
Due within one year	-	2,208	-	2,246	4,454	1,188
Due after one year	-	105	-	465	570	585
Cash at bank	4,255	2,588	5,377	(4,760)	7,460	6,817
CREDITORS						
Due within one year	(7)	(1,874)	(190)	(682)	(2,753)	(1,277)
Due after one year	-	-	-	(24)	(24)	(10)
NET ASSETS	30,531	8,135	5,312	4,463	48,441	45,668

	Restricted funds		Unrestricted funds		Total funds 2023
	Endowment funds	Other funds	Designated funds	Undesignated funds	
	£'000	£'000	£'000	£'000	£'000
TANGIBLE ASSETS					
Other fixed assets	18,907	7	32	4,417	23,363
INVESTMENTS - FIXED					
Investment properties	2,239	-	-	160	2,399
Other	4,810	5,053	35	2,705	12,603
DEBTORS					
Due within one year	45	517	(797)	1,423	1,188
Due after one year	-	54	-	531	585
Cash at bank	3,708	2,577	4,928	(4,396)	6,817
CREDITORS					
Due within one year	(2)	(743)	(9)	(523)	(1,277)
Due after one year	-	-	-	(10)	(10)
NET ASSETS	29,707	7,465	4,189	4,307	45,668

21 Movements in funds

	1 January 2024	Income	Expenditure	Transfers	Capital movements	31 December 2024
	£'000	£'000	£'000	£'000	£'000	£'000
ENDOWMENT FUNDS						
Glebe Fund*	5,972	7	(10)	-	142	6,111
Birmingham Diocesan Endowment Fund*	5,085	14	(18)	-	235	5,316
Parsonage Houses Fund	18,300	530	-	(77)	-	18,753
Bishop Brown Legacy Endowment Fund	350	9	(15)	-	7	351
	29,707	560	(43)	(77)	384	30,531

OTHER RESTRICTED FUNDS						
Sites and Buildings Fund	978	2	-	-	-	980
Church Schools Fund	6,015	282	(219)	-	94	6,172
Action in the City Fund	24	1	(8)	-	-	17
Malawi Partnership Fund	329	37	(86)	-	3	283
St Luke's at Gas Street – Fabric Fund	29	-	13	(42)	-	-
Training for Ministry Fund	86	(83)	(13)	-	-	(10)
Strategic Ministry Fund – Curates training	-	313	-	(313)	-	-
Strategic Ministry Fund – Post first responsibility	-	35	-	(35)	-	-
Shaping the Future Fund	(1)	62	(101)	40	-	-
Empowering Disciples Fund	5	1	(2)	-	-	4
Historic England – Places of Worship Officer	-	11	(22)	11	-	-
People & Places Development Fund	(44)	728	(685)	-	-	(1)
Programme Management Fund	-	96	(96)	-	-	-
Church Planting (Shirley and Pype Hayes) Fund	-	189	(189)	-	-	-
Context Ministry and Church Planting Development Fund	5	239	(239)	-	-	5
Longbridge and Anglo-Catholic Mission Fund	(2)	642	(643)	-	-	(3)
Safe Spaces Innovation Fund	(1)	53	(53)	-	-	(1)
Coming Home Fund	(1)	39	(38)	-	-	-
Net Zero Carbon Initiatives Fund	-	126	(95)	-	-	31
WM Racial Justice Collaboration	-	385	(236)	-	-	149
St Martin's Grants	9	17	(12)	-	-	14
Readers Fund	34	1	(5)	-	1	31
Bolivia Partnership Fund	-	3	(3)	-	-	-
Diocesan Investment Programme Fund	-	1,500	(4)	(1,490)	-	6
Flourish Fund	-	21	(18)	-	-	3
Oak Foundation Grant	-	467	(12)	-	-	455
Historic England – St Michael's Handsworth	-	190	(190)	-	-	-
	7,465	5,357	(2,956)	(1,829)	98	8,135

UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Pastoral Fund*	1,406	26	-	-	1	1,433
Strategic Mission Fund	2,783	-	(157)	1,253	-	3,879
UNDESIGNATED FUNDS						
General Fund*	4,307	9,827	(10,348)	653	114	4,463
	8,496	9,853	(10,595)	1,906	115	9,775

TOTAL	45,668	15,770	(13,594)	-	597	48,441
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NOTES TO THE ACCOUNTS

21 Movements in funds (continued)

	1 January 2023	Income	Expenditure	Transfers	Capital movements	31 December 2023
	£'000	£'000	£'000	£'000	£'000	£'000
ENDOWMENT FUNDS						
Glebe Fund*	5,962	(1)	(7)	-	18	5,972
Birmingham Diocesan Endowment Fund*	5,112	(2)	(16)	-	(9)	5,085
Parsonage Houses Fund	17,813	279	-	208	-	18,300
Bishop Brown Legacy Endowment Fund	316	9	(2)	-	27	350
	29,203	285	(25)	208	36	29,707
OTHER RESTRICTED FUNDS						
Sites and Buildings Fund	976	2	-	-	-	978
Church Schools Fund	5,775	272	(212)	-	180	6,015
Action in the City Fund	24	1	-	-	(1)	24
Malawi Partnership Fund	361	60	(91)	-	(1)	329
St Luke's at Gas Street – Fabric Fund	29	-	-	-	-	29
Training for Ministry Fund	55	167	(136)	-	-	86
Strategic Ministry Fund – Curates training	-	419	-	(419)	-	-
Strategic Ministry Fund – Post first responsibility	-	33	-	(33)	-	-
Shaping the Future (1)	-	159	(265)	105	-	(1)
Empowering Disciples Fund	4	1	-	-	-	5
Historic England – Places of Worship Officer	-	24	(48)	24	-	-
People & Places Capacity Fund	(3)	13	(10)	-	-	-
People & Places Development Fund	(14)	769	(799)	-	-	(44)
Programme Management Fund	-	156	(156)	-	-	-
Church Planting (Shirley and Pype Hayes) Fund	-	125	(125)	-	-	-
Context Ministry and Church Planting Development Fund	1	239	(235)	-	-	5
Longbridge and Anglo-Catholic Mission	-	267	(269)	-	-	(2)
Safe Spaces Innovation Fund (1)	-	24	(25)	-	-	(1)
Coming Home Fund	-	47	(48)	-	-	(1)
WM Racial Justice Collaboration	-	15	(15)	-	-	-
St Martin's Sabbatical Grants	-	5	(5)	-	-	-
St Martin's Youth Grants	2	9	(2)	-	-	9
Giving Advisor Fund	-	25	(26)	1	-	-
Readers Fund	38	1	(6)	-	1	34
Hardship Fund	28	-	(28)	-	-	-
	7,276	2,833	(2,501)	(322)	179	7,465
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Pastoral Fund*	1,109	16	-	279	2	1,406
Growing Younger Fund (2)	229	-	-	(229)	-	-
Strategic Mission Fund	2,754	-	(96)	125	-	2,783
Communications Hub	20	-	(15)	(5)	-	-
UNDESIGNATED FUNDS						
General Fund*	5,569	8,647	(9,774)	(56)	(79)	4,307
	9,681	8,663	(9,885)	114	(77)	8,496
TOTAL	46,160	11,782	(12,412)	-	138	45,668

The funds denoted with \* include the following revaluation reserves:

	2024	2023
	£'000	£'000
WITHIN ENDOWMENT FUNDS		
Glebe Fund	994	994
Birmingham Diocesan Endowment Fund	9	9
	1,003	1,003
UNDESIGNATED FUNDS		
General Fund	1,032	1,032
TOTAL	2,035	2,035

NOTES TO THE ACCOUNTS

21 Movements in funds (continued)

Details of the major funds are as follows:

Endowment Funds

**Glebe Fund** Under the terms of the Endowment and Glebe Measure 1976, all historic parish Glebe land holdings were transferred to the respective Diocesan Boards of Finance, which were required, in return, to ensure that all clergy within their diocese received at least the agreed minimum stipend for the year. It represents Glebe assets and the accumulated sale proceeds of Glebe property. Capital funds may be used for the purchase, improvement and maintenance of Glebe property and benefice property. Besides Glebe property, the funds may be invested in investments or cash held on deposit. All clear income derived from these investments is transferred to the General Fund as a contribution towards the cost of clergy stipends.

**Birmingham Diocesan Endowment Fund** This fund was also established under a scheme of the Charity Commissioners (dated September 1906), promoted by the Worcester Diocese, with the object of providing a permanent capital endowment, the income derived from which was to be available to the diocesan trustees for the purpose of augmenting the incomes of clergy serving in the “poorer areas” of Birmingham. In 1963, the Charity Commissioners approved a variation to the scheme appointing the BDBF as joint trustees of the charity, together with the Birmingham Diocesan Trustees Registered. The objects were varied slightly by a Birmingham Commissioners Order dated August 1981, following the implementation of the Endowment and Glebe Measure, confirming that any clear income of the charity is to be applied in augmenting stipends of the clergy in the CofE Birmingham. Subsequent to the *Fresh Start* re-organisation of 1993, the BDBF transferred certain property and fiscal investments previously held in the General Fund into the Endowment Fund.

**Bishop Brown Legacy Endowment Fund** This fund was established from the estate of the late Bishop Brown (Bishop of Birmingham 1969-1977). His will gave a legacy to the BDBF to establish an endowment fund for the benefit of ordinands in training in the CofE Birmingham. The income derived from the capital endowment may be used to contribute to the maintenance grants of those in training.

**Parsonages House Fund** This fund represents the carrying value of all the benefice houses (parsonages) in the CofE Birmingham.

Restricted Funds

**Sites and Buildings** This fund was originally created under a scheme of the Charity Commissioners by the Worcester Diocese in November 1906, when Birmingham was first being established as an independent diocese (Birmingham being formed mostly from parishes previously part of either the Diocese of Worcester or Lichfield). The objectives of that fund were to assist the proposed new diocese in providing sites for and building new churches and mission rooms. The fund was absorbed into the Annual Reports of the CofE Birmingham during the years following the First World War and in 1951 the Charity Commissioners’ consent was obtained to replacing individual trustees by the Birmingham Diocesan Board of Finance. This fund continues to be used to provide income for making grants to PCCs for the maintenance or extension of churches, and loans at reduced interest rates for new churches or (more usually) major repair projects.

**Church Schools Fund** This fund comprises the accumulated capital proceeds arising from the sale of closed Church Schools. Under section 86 of the 1944 Education Act (now section 554 of the 1996 Act), part or all of the proceeds arising on the sale of closed schools will have been directed to this fund under a Determination Order by the Secretary of State for Education. These proceeds in Birmingham are held under the terms of a Uniform Statutory Trust. The income deriving from the deposits and investments (mainly Common Investment Funds) is applied for the benefit of existing voluntary aided schools by way of grants and or loans for building projects and repairs.

**Action in the City Fund** This fund is the surplus funds raised by churches in the CofE Birmingham against the target set to create the endowment fund that set up the Church Urban Fund (CUF). CUF was set up in response to the *Faith in the City* report in the wake of the social unrest that manifested itself in the England’s inner cities in the early 1980s. Its residual capital and income continue to be used to support parishes engaged in community regeneration activities.

**The Malawi Partnership Fund** This relates to monies raised by individuals and parishes across the Birmingham Diocese to provide support to link dioceses and their parishes in Malawi.

**St Luke's at Gas Street – Fabric Fund** This fund is the specific donations raised to fund the building works at the Mission Resourcing Church at Retort House, Gas Street, Birmingham. This fund is now closed.

**Training for Ministry Fund** This fund relates to the Resourcing Ministerial Education Block Grant that the BDBF receives from Archbishops’ Council to fund training costs of ordinands. With effect from September 2023, the income to this funds only relates to book allowances paid to ordinands – all other training costs are now met directly by Archbishops’ Council. During 2024, grants received over the life of the Block Grant programme but not expended amounting to £104,000 were repaid to Archbishops’ Council.

**Strategic Ministry Fund – Curates Training** This fund relates to funding received from Archbishops’ Council to support the training of additional curates.

**Strategic Ministry Fund – Post of First Responsibility** This fund relates to funding received from Archbishops’ Council to support the stipend and housing costs of a first time incumbent in a parish that would not otherwise have warranted a full-time post.

**Shaping the Future Fund** This fund relates to our *Shaping the Future* strategic programme which is being part funded by a Strategic Development Funding grant from Church Commissioners with match funding from our own resources. This programme completed during 2024.

**Empowering Disciples Fund** This fund relates to donations collected at the annual ordination service which is then available to make small grants to further vocations and discipleship.

**Historic England – Places of Worship Officer** This fund relates to match funding provided by Historic England towards our Places of Worship Support Officer.

**People & Places Capacity and Development** These funds relate to our *People & Places* Strategic framework which is funded by grants from the Church Commissioners and our own resources. This fund relates to the monies from Church Commissioners.

**Programme Management Fund** This relates to a grant from the Church Commissioners to support the project management team who support the delivery of our active projects.

**Church Planting (Shirley and Pype Hayes) Fund** This relates to a Strategic Development Funding grant from the Church Commissioners to support the establishment of new church plants (and related infrastructure) within the CofE Birmingham in the specific areas of Shirley and Pype Hayes.

**Context Ministry and Church Planting Fund** This relates to a Strategic Development Funding grant from the Church Commissioners to support the development of our strategic approach to context ministry and church planting within the diocese as part of our wider transformational vision for the CofE Birmingham.

**Longbridge and Anglo-Catholic Mission Fund** This relates to a Strategic Development Funding grant from the Church Commissioners to support the development of a new church (including a community centre) in Longbridge and a project to develop our strategic approach to anglo-catholic ministry across the diocese as part of our wider transformational vision for the CofE Birmingham.

**Safe Spaces Innovation Fund** This relates to an Innovation grant from the Church Commissioners to support the development of a safe spaces for young people as part of our Community Regeneration work.

**Coming Home Fund** This relates to funding received from Gloucester Diocesan Board of Finance to support the early stages of plans to develop affordable housing on sites owned by the diocese.

**Net Zero Carbon Initiatives Funding** This relates to short time limited funding from the Archbishops’ Council to support various initiatives as we work towards meeting the Net Zero Carbon target by 2030.

**WM Racial Justice Collaboration Fund** This relates to funding from the Racial Justice Unit of the Church Commissioners for a collaborative programme to promote racial justice across Birmingham and the other five Midlands dioceses (Lichfield, Hereford, Coventry, Worcester and Gloucester).

## 21 Movements in funds (continued)

**St Martin's Grants** These relate to a range of small grants received from St Martin's Trust to enable us to (1) make small grants to clergy for sabbatical costs, (2) make small grants to support youth projects across the diocese and (3) support the development of a diocesan pastoral support scheme.

**Readers Fund** This relates to the funds previously held independently by the Birmingham Readers Council. This was transferred to the BDBF for administrative simplification in 2022. The fund provides additional support to Readers in their ministry.

**The Bolivia Partnership Fund** This relates to monies raised by individuals and parishes across the Birmingham Diocese to provide support to parishes in Bolivia.

**Diocesan Investment Programme Fund** This relates to Strategic Capacity and Development Funding grants from the Church Commissioners to support the strategic recovery of the diocese over the next ten years. Some of the funds will provide capacity support for our strategic growth plans and some funding will be used to support our Strategic Mission Fund as we return to financial sustainability.

**Flourish Fund** This relates to a grant from the National Society for the Promotion of Religious Education to support the development of partnerships between schools or colleges and their local churches, aiming to engage a large number of children, young people, and their families.

**Oak Foundation Grant** This relates to a grant from the Oak Foundation to support the Church of England *Coming Home* Affordable Homes initiative. BDBF is working with Gloucester Diocesan Board of Finance through their subsidiary, Church Development Agency to develop sites for affordable housing in both dioceses. The grants are made to enable sites to be worked up to planning permission stage before funding is identified for build programmes from external agencies (such as housing associations).

**Historic England – St Michael's Handsworth** This fund relates to match funding provided by Historic England towards critical repair works at the church of St Michael's, Handsworth.

### Unrestricted funds

**Pastoral Fund** The diocesan pastoral fund represents the proceeds of redundant churches. The funds may be used for the acquisition and development of parsonages and other clergy houses and the provision, restoration, improvement and repair of churches once the legal obligations for redundant church buildings vested in the BDBF for disposal are met. When these funds have been used to purchase or improve property this has been charged to the Pastoral Fund in the year of expenditure. Proceeds of sale have been credited as income in the year of receipt. Where the BDBF has used the funds to purchase or improve properties in its corporate capacity, these have been included as fixed assets in these financial statements.

**Strategic Mission Fund** This is a designated fund that has been created using proceeds from unrestricted property disposals. The fund will be used for intentional strategic mission investments. This fund was previously known as the Strategic Investment Fund.

During 2020, Bishop's Council agreed a proposal to release back to general unrestricted funds from the Strategic Mission Fund such monies as were necessary to deliver a balanced budget on unrestricted activities. Releases were made in respect of the year ended 31 December 2023 but were not required following receipt of Sustainability Grant funding (for 2020 and 2022) and Diocesan Investment Programme funding (for 2024) from Archbishops' Council. A similar proposal to release funds has been ratified again in respect of the 2025 unrestricted activities budget.

**General Fund** The general fund is the BDBF's unrestricted, undesignated fund available for any of the Board's purposes without restriction.

Details of inter fund transfers in 2024 are as follows:

	Unrestrict- ed	Unrestrict- ed	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000	£'000
General Fund to Strategic Ministry – Curates training ⓘ	313	-	(313)	-	-
General Fund to Strategic Ministry – Post First Responsibility ⓘ	35	-	(35)	-	-
General Fund to Historic England – Places of Worship Officer Fund ⓘ	(11)	-	11	-	-
Strategic Mission Fund to Shaping the Future Fund ⓘ	-	(40)	40	-	-
Parsonage Fund to General Fund ⓘ	77	-	-	(77)	-
Gas Street Fabric fund to General	42	-	(42)	-	-
General Fund to Strategic Mission Fund ⓘ	(1,293)	1,293	-	-	-
Diocesan Investment Programme Fund to General Fund ⓘ	1,490	-	(1,490)	-	-
<b>TOTAL</b>	<b>(653)</b>	<b>1,253</b>	<b>(1,829)</b>	<b>(77)</b>	<b>-</b>

ⓘ Transfer of costs from unrestricted funds to restricted funds in respect of Strategic Ministry funding (Curates and Post First Responsibility).

ⓘ This represents the transfer of designated funds to cover restricted costs not covered by grant receivable.

ⓘ This represents the transfer of book values in relation to parsonage land sold surplus to requirements.

ⓘ This represents the transfer of restricted funds to cover costs met by unrestricted funds in prior years.

ⓘ These represent the transfer of property disposal proceeds to the Strategic Mission Fund to fund intentional strategic mission investments.

ⓘ This represents the use of the Diocesan Investment Programme fund to cover the 2024 shortfall in unrestricted funds.

Details of inter fund transfers in 2023 were as follows:

	Unrestrict- ed	Unrestrict- ed	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000	£'000
General Fund to Strategic Ministry – Curates training ⓘ	419	-	(419)	-	-
General Fund to Strategic Ministry – Post First Responsibility Fund ⓘ	33	-	(33)	-	-
General Fund to Historic England – Places of Worship Officer Fund ⓘ	(24)	-	24	-	-
General Fund to Giving Facilitator Fund ⓘ	(1)	-	1	-	-
Strategic Mission Fund to Shaping the Future Fund ⓘ	-	(105)	105	-	-
General Fund to Strategic Mission Fund ⓘ	(799)	799	-	-	-
General Fund to Pastoral Fund ⓘ	(487)	-	-	487	-
Parsonage Houses Fund to Pastoral Fund ⓘ	-	279	-	(279)	-
Communications Hub Fund to General Fund ⓘ	5	(5)	-	-	-
Strategic Mission Fund to General Fund ⓘ	798	(798)	-	-	-
<b>TOTAL</b>	<b>(56)</b>	<b>170</b>	<b>(322)</b>	<b>208</b>	<b>-</b>

ⓘ Transfer of costs from unrestricted funds to restricted funds in respect of Strategic Ministry funding (Curates and Post First Responsibility).

ⓘ This represents the transfer of unrestricted and designated funds to cover restricted costs not covered by grant receivable.

ⓘ These represent the transfer of property disposal proceeds to the Strategic Mission Fund to fund intentional strategic mission investments.

ⓘ This represents the transfer of new parsonage purchased using Pastoral Fund monies.

ⓘ This represents the transfer of a parsonage on sale pending the construction of a new parsonage.

ⓘ This represents the release of the unused balance of the designated Communications Hub Fund following completion of the project.

ⓘ This represents the use of the Strategic Mission Fund to cover shortfall in unrestricted funds.

## 22 Commitments

At 31 December 2024 the BDBF had £nil of capital commitments which were contracted for but not provided in the financial statements (2023: £nil).

## 23 Pension costs

### Employees – Church Workers Pension Fund

The BDBF participates in the Church Workers Pension Fund (CWPF) for lay staff. The Fund is administered by the Church of England Pensions Board, which holds the assets of the fund separately from those of the employer.

The 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 section (DBS) of the CWPF provides benefits to lay employees based on final pensionable salaries.

For funding purposes, the 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 Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. There are no costs charged to the SOFA in the year in relation to this scheme (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 the DBS is carried out once every three years. At the most recently finalised valuation as at 31 December 2022 there was a surplus of £73.6m. The next actuarial valuation is due at 31 December 2025.

Since 31 December 2023, the Church of England Pensions 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 2024 or 2023.

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

The BDBF has parish loan facilities amounting to £nil approved during the year which have not been drawn down by the parishes concerned as at 31 December 2024 (2023: £nil).

#### Pension Builder Scheme

With effect from April 2012, it was agreed to make all future non-clergy pension arrangements through the Pension Builder section (PBS) of the CWPF.

For eligible salaried employees who commenced employment after 1 January 2006 the BDBF participates in the PBS, the assets of which are held separately from those of the BDBF and the other participating employers.

Both sections of the PBS are classed as defined benefit schemes. The BDBF contributes to the Pension Builder Classic section. The 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. Pension contributions are recorded in an account for each member. Discretionary increases may also be added, depending on investment returns and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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 Statement of Financial Activities in the year are the contributions payable (2024: £275,293 (2023: £271,918)).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2022. This revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review as at 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 2023. There is no requirement for deficit payments at the current time. The next valuation is due as at 31 December 2025.

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

The BDBF also contributes to a Group Personal Pension Plan organised by Friends Life for certain employees. This is a defined contribution, money purchase arrangement. The pension cost for the year shown in the financial statements is equal to the total contributions. The total contributions for the year were £429 (2023: £324).

## 23 Pension costs (continued)

### Stipendiary Clergy

The BDBF participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific Responsible Bodies and this means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year (2024: £978,000, 2023: £1,017,000).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 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% pa
- RPI inflation of 3.6% pa (and pension increases consistent with this)
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustments from 2030 onwards
- Increase in pensionable stipends in line with CPIH, and
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CIMI2020 extended model projections, with a long term annual rate of improvement of 1.5%, a 'smoothing parameter' of 7 and an initial addition to mortality improvements of 0.5%pa and an allowance for 2020 data of 0% (i.e. w2020=0%)
- 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 £nil (2023:£nil)

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the scheme was fully funded. Section 28.11A of FRS102 requires any agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2024 and 2023 is £nil.

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

## 24 Commitments under operating leases

At 31 December 2024 the charity was committed to making the following payments under non-cancellable operating leases:

Land and buildings 2024	Land and buildings 2023
£'000	£'000

OPERATING LEASES WHICH EXPIRE			
Within one year	226		226
Within one to two years	226		226
Within two to five years	678		678
More than five years	565		791
	1,695		1,921

## 25 Reconciliation of net expenditure to net cashflow from operating activities

	2024	2023
	£'000	£'000
NET INCOME / (EXPENDITURE) FOR THE YEAR ENDED 31 DECEMBER	2,773	(492)
Depreciation charges	23	(66)
Dividends, interest and rent from investments	(787)	(733)
Interest payable on loans	2	3
(Profit) on sale of fixed assets	(1,710)	(376)
(Profit) / loss on sale of investments	(68)	4
(Increase) in debtors	(3,176)	(322)
Increase / (decrease) in creditors	1,518	(487)
Change in fair value of investments	(597)	(138)
NET CASH (USED IN) OPERATING ACTIVITIES	(2,022)	(1,963)

## 26 Analysis of cash and cash equivalents

	At 1 January 2024	Cash flow	At 31 December 2024
	£'000	£'000	£'000
Cash in hand and at bank	1,450	(165)	1,285
Cash held on deposit	5,367	808	6,175
	6,817	643	7,460

Cash held on deposit requires notice of less than three months to access.

## 27 Analysis of changes in net debt

	At 1 January 2024	Cash flow	Other non-cash changes	At 31 December 2024
	£'000	£'000	£'000	£'000
Cash in hand and at bank	1,450	(165)	-	1,285
Cash equivalents	5,367	808	-	6,175
Loans falling due within one year	(60)	42	-	(18)
Loans falling due after more than one year	(10)	(14)	-	(24)
	6,747	671	-	7,418

## 28 Related party transactions

No trustee received any remuneration for services as a director. The trustees in their role as trustees received travelling and out of pocket expenses totalling £nil (2023: £nil). Two trustees received travelling and out of pocket expenses (2023: 4) totalling £5,034 (2023: £4,491) in respect of duties as archdeacon or area / women's dean. These amounts are in line with the BDBF usual practice and are not in relation to their roles as trustees.

The BDBF is responsible for funding via the Church Commissioners the stipends of licensed stipendiary clergy in the diocese, other than bishops and cathedral staff. The BDBF is also responsible for the provision of housing for stipendiary clergy in the diocese, including suffragan bishops but excluding diocesan bishop and cathedral staff. The following table gives details of the trustees who were in receipt of a stipend and housing provided by the BDBF during the year:

	Stipend	Housing
The Bishop of Aston	No	Yes
The Archdeacon of Birmingham	Yes	Yes
The Archdeacon of Aston	Yes	Yes
The Revd Toby Crowe	Yes	Yes
The Revd Sarah Hayes	Yes	Yes
The Revd Geoff Lanham	Yes	Yes
The Revd Canon Louise Shaw	Yes	Yes
The Revd Canon Bamidele Sotonwa	Yes	Yes
The Revd Canon Rebecca Stephens	Yes	Yes
The Revd Jeremy Allcock	Yes	Yes
The Revd Canon Catherine Grylls	Yes	Yes

The stipend of the Suffragan Bishop was funded by the Church Commissioners. The annual rate of stipend funded by the BDBF, paid to Archdeacons in 2024 was £40,924 (2023: £38,975) and for other clergy who were trustees the diocesan stipend rate was £29,615 (2023: £28,204).

The Cathedral shared office space with the BDBF in the year ended 31 December 2024 and an amount of £2,250 was payable for this space (2023: £2,250).

The Cathedral paid Common Fund of £70,902 to the BDBF for the year ended 31 December 2024 (2023: £49,735).

The Birmingham Diocesan Multi-Academy Trust ('the Trust') purchased at cost the services of the Diocesan Board of Education School Improvement Officer, the Church School Distinctiveness Adviser and the Education Support Manager for clerking duties at a cost of £nil (2023: £2,926).

The BDBF contributed £3,000 (2023: £3,000) towards the office costs of *Thrive Together Birmingham*, the Church Urban Fund joint venture with the Bishop of Birmingham and BDBF.

Three clergy trustees received continuing ministerial development grants to support study and development needs and resettlement and removal grants totalling £4,290 (2023: £6,152 for five clergy trustees) during the year ended 31 December 2024. These grants were unconnected with their role as BDBF trustees.

For the purposes of this disclosure note transactions with parochial church councils where there may be a relationship between members of Bishop's Council as they are trustees of these bodies, have not been included.

NOTES TO THE ACCOUNTS

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29 Funds administered as agent

	2024	2023
	£'000	£'000
Government grants received in respect of school capital projects	799	801
Contributions from Church School governors for school capital projects	158	134
Total received in	957	935
Amounts paid out on school capital projects	(1,369)	(1,642)
NET POSITION FOR THE YEAR	(412)	(707)

The Board of Education (as incorporated within the Diocesan Board of Finance) receives contributions from governors of church schools in the diocese in connection with major repair and capital projects to Church Schools and also government grants in connection with the same. The Board of Education administers these monies as managing agent and makes the appropriate payments to contractors for work carried out. The monies do not belong to the Board of Education and as such the receipts and payments are not treated as incoming resources or resources expended in the Statement of Financial Activities. Any monies held or due at the balance sheet date are recognised within the balance sheet and contained within the Church School Fund.

The BDBF held and managed parsonage decoration funds on behalf of its parishes during the year ended 31 December 2023. The monies do not belong to the BDBF and as such the receipts and payments into and out of the funds are not treated as incoming resources or resources expended in the Statement of Financial Activities. Any monies held at the balance sheet date were recognised within the balance sheet as a creditor. The scheme was closed during the year ended 31 December 2023 and all monies held were returned the parishes involved.

30 Prior year comparative statement of financial activities

	Note	Restricted funds		Unrestricted funds		Total funds 2023
		Endowment funds	Other funds	Designated funds	Undesignated funds	
		£'000	£'000	£'000	£'000	£'000
<b>INCOME</b>						
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations:	2					
<i>Parish contributions</i>		-	32	-	4,633	4,665
<i>Archbishops' Council</i>		-	2,328	-	1,983	4,311
<i>Other donations</i>		-	135	-	709	844
Charitable activities	3	-	63	-	318	381
Other trading activities	4	-	49	-	426	475
Investments	5	6	226	16	481	729
Other income	6	279	-	-	97	376
TOTAL INCOME		285	2,833	16	8,647	11,781
<b>EXPENDITURE ON</b>						
Raising funds	7	23	-	-	90	113
Charitable activities	8	2	2,501	111	9,681	12,295
Other	9	-	-	-	3	3
TOTAL EXPENDITURE		25	2,501	111	9,774	12,411
Net (expenditure) / income before investment gains and losses		260	332	(95)	(1,127)	(630)
Net (losses) / gains on investments		177	179	2	(49)	309
Net gains on investment property		(141)	-	-	(30)	(171)
NET (EXPENDITURE) / INCOME		296	511	(93)	(1,206)	(492)
Transfers between funds	21	208	(322)	170	(56)	-
Other recognised gains / (losses)	23	-	-	-	-	-
NET MOVEMENT IN FUNDS		504	189	77	(1,262)	(492)
Total funds brought forward	21	29,203	7,276	4,112	5,569	46,160
TOTAL FUNDS CARRIED FORWARD	21	29,707	7,465	4,189	4,307	45,668







# Growing churches at the heart of each community








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