



DIOCESE of
WINCHESTER

Management Report

March 2025

09 MAY 2025

Winchester Diocese Board of Finance
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EXECUTIVE SUMMARY

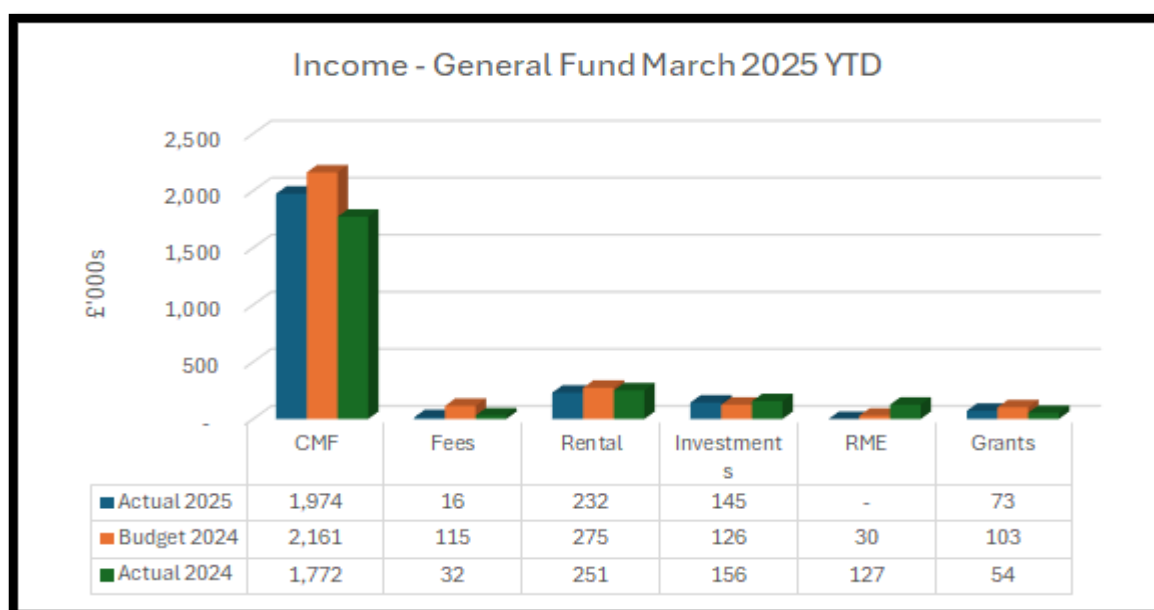
Result YTD – General Fund:

General Fund £'000s	Actual 2025	Original Budget 2025	Actual 2024
Income	2,440	2,873	2,392
Expenditure	(3,120)	(3,123)	(2,914)
Operating (Deficit)/Surplus	(679)	(251)	(522)
Gains / Transfers	0	0	0
(Deficit)/Surplus	(679)	(251)	(522)

The YTD result is an operating deficit of £679k against a 2025 budgeted operating deficit of £251k and 2024 actual deficit of £522k. The significant variances between 2025 and 2024 are as follows:

- Income overall is 2.0% ahead of than prior year, with CMF being 11.4% ahead. Fees are having a slower start to the year at 49% of 2024, with Rental being 7.4% lower due to the reduced number of properties available.
- Expenditure was 7.0% higher than Q1 2024, reflecting general inflation, higher levels of housing repairs and year on year growth in FTE clergy numbers and inflation in stipends & salaries. Positive variances outside the norm are Clergy Appointments & Support being £94k below budget due to a lower level of First Appointment Grants and Resettlement Grants in 2025 compared to 2024. Diocesan Secretary and related costs are also £38k lower than 2024, mainly due to the costs relating to the 2024 Conference (£33k).

Income – General Fund:



CMF for Q1 2025 is £1,974k which is 11.4% higher than 2024 and 0.5% ahead of 2023. This is very positive news trend wise, with Appendix 1 having more detail on individual deanery performance. Early indications also look positive for Apr 2025.

Parochial fees are running below 2024 levels but most PCCs pay on a monthly basis, so we expect this to catch up in the coming months. The majority of the late 2024 fees that were received in Jan/Feb 2025 have been accounted for in 2024. The Parish Support team continue to work with PCCs that are in arrears to help to get them up to date.

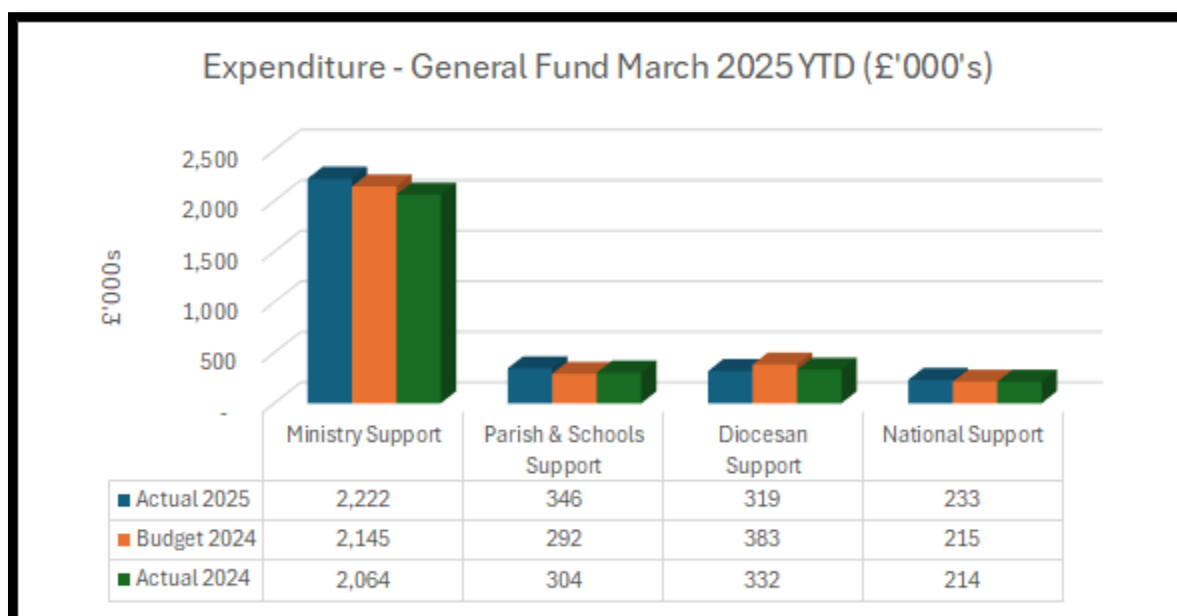
Rental income for the quarter at £232k is 7.4% down on Q1 2024, due to the lower number of properties available to generate income, which is a positive reflecting the increase the 8.6 FTE in clergy over that time.

Investment income, including bank and loan interest for Q1 2025 is £145k and is 6.9% lower than 2024. CCLA investment income is earned quarterly and is slightly ahead of 2024 rates, although we anticipate that investment returns may fall over 2025 due to global turbulence and trade wars. Deposit interest on our CCLA Deposit Fund holdings is lower than 2024 as the average interest rate for Q1 2025 is 4.52% compared to 5.27% in 2024. The current rate of interest is 4.45%.

Income from grants and other sources for Q1 is £73k, with income from the new policy of recognising the contribution to overhead from staff engaged on SDF work across the diocese contributing with; stipendiary contributions from two parishes and; recharges for legal and

registrar and suffragan bishop support costs. Income from National Church towards the cost of Strategic Ministry Fund (SMF) is behind schedule due to timing issues at National Church and we expect this to catch up in the coming months.

Expenditure – General Fund:



Ministry Support costs

Month costs at £2,222k are £157k higher than this period in 2024, with variances in the main areas of Clergy Remuneration, Housing and Support. The housing variance (+£115k) is mainly due to the timing of repair work with cost, higher rent costs for temporary accommodation for clergy and costs for housing portfolio management, clergy move assistance and quinquennial inspections.

The Clergy Remuneration variance (-£137k) is due to the Year on year percentage stipend increase and growth in our clergy numbers over the period. Clergy numbers covered by our stipendiary costs (including new appointees and leavers where relevant) per month are as follows:

Role	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Archdeacon	1.50	1.83	1.83	1.83	1.83	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Incumbent	100.48	101.68	101.98	104.62	107.55	109.00	110.18	110.08	110.68	110.08	111.08	109.72	109.08
Curate	28.50	28.50	28.50	27.53	30.69	29.70	29.50	29.50	29.50	29.50	28.50	28.50	28.50
Third party funded	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Total	130.78	132.32	132.62	134.29	140.38	140.51	141.49	141.38	141.98	141.38	141.38	140.03	139.38

Clergy Appointment & Support costs at £45k are lower than 2024 due to the higher level of First Appointment Grants and Resettlement Grants paid in Q1 2024.

Parish & Schools Support costs

Q1 costs of £346k are £42k higher than 2024, with much of the rise generally due to salary / staff numbers inflation / DBE recharge Year-on-year. Safeguarding and Communications costs were broadly similar to prior year actuals and budget (save for Year-on-year salary inflation). Parish Support was £16k ahead as vacancies in the team are filled.

Diocesan Support costs

Costs covered in this area include the support functions of Diocesan Support, Finance, HR, DioSec, Chancellor, Legal & Registrar. Q1 costs at £319k are £13k lower than 2024, primarily due to the costs of the clergy conference in Q1 2024. Legal fees for the Registrar and Chancellor have increased in 2025.

National Support costs

Q1 costs at £233k are slightly ahead of last year. These costs are paid directly each month to the Church Commissioners and are not under WDBF control. The nature of and amount of these costs will change (reduce) from Jan 2026, and we are awaiting final confirmation from National Church on the event of the savings for our Diocese.

Balance Sheet

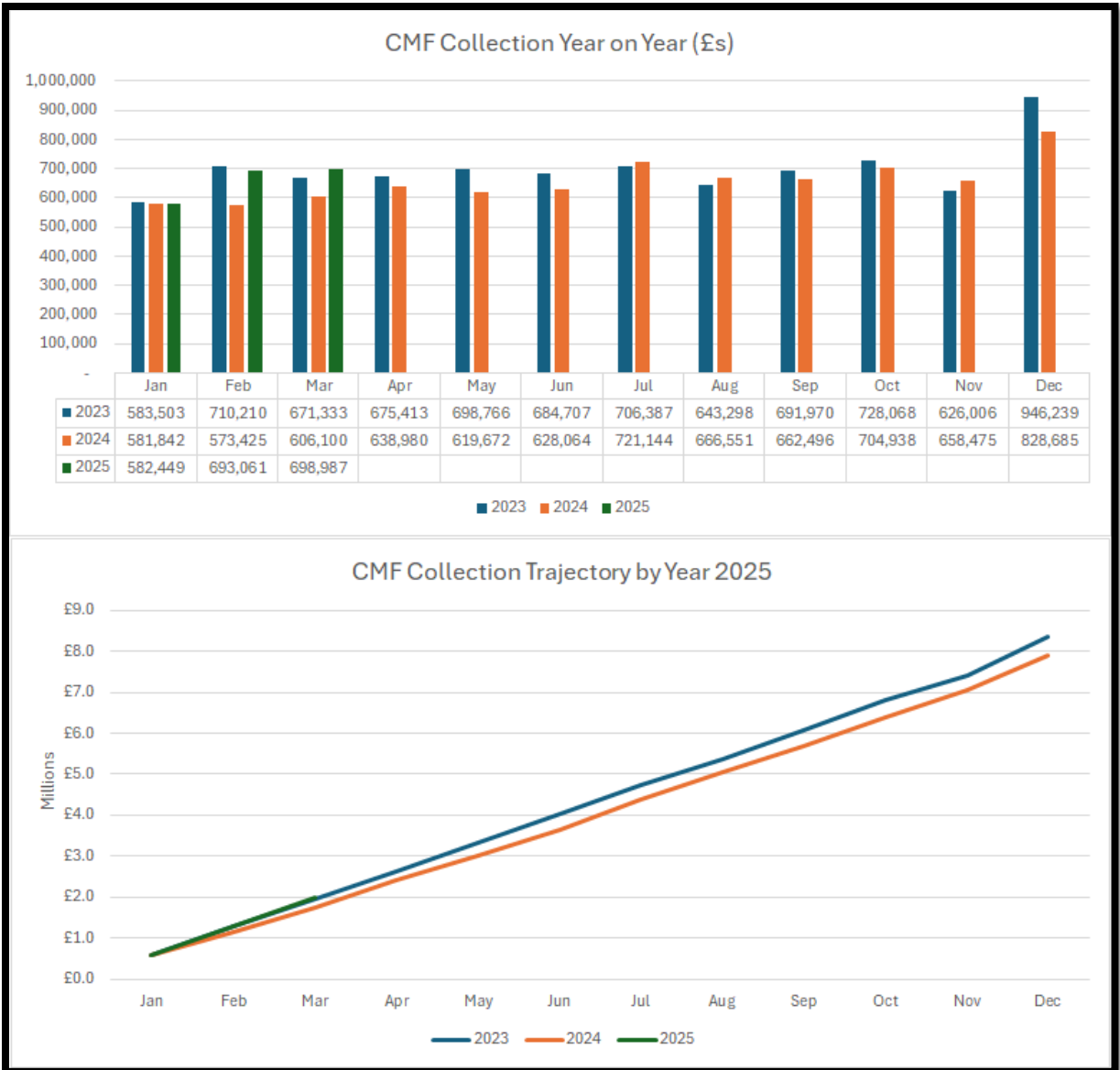
The Balance Sheet net assets total at the end of the quarter is £185.8m. Cash at month end was £12.75m, with most of this was held at CCLA and is split across various restricted, designated and endowment funds. Creditors at £2.0m include SDF income received in advance of £0.9m and a purchase ledger balance of £0.2m. Sundry Creditors stands at £0.3m. Debtors are £2.3m, of which £0.05m relates to sales ledger balances, another sharp fall on last month, with the increase due to the accrual of the Q1 CCLA investment income.

APPENDIX 1 – CMF TO MARCH 2025

March 2025 – CMF received:

The CMF income received for 2025 is now £1,974k against an equally phased total YTD request of £2,202k (90%). However, it is positive that we are £202k up on 2024 (11%) for the end of March. Year on year the trend is generally positive, with only three deaneries slightly down on the prior year.

Deanery	Full Year Request	Month to 31 March 2025				Month to 31 March 2024		
		Request	Received	Shortfall	%	Received	Differential	%
Alresford	443,139	36,928	35,777	(1,151)	97%	23,544	12,233	152%
Alton	458,808	38,234	34,252	(3,982)	90%	39,766	(5,515)	86%
Andover	511,523	42,627	34,684	(7,943)	81%	37,693	(3,009)	92%
Basingstoke	772,922	64,410	68,067	3,657	106%	59,462	8,604	114%
Odiham	696,886	58,074	61,403	3,329	106%	53,899	7,504	114%
Whitchurch	486,294	40,524	37,956	(2,568)	94%	28,095	9,861	135%
Winchester	1,011,066	84,255	87,661	3,406	104%	83,863	3,798	105%
Bournemouth	700,627	58,386	41,922	(16,463)	72%	29,045	12,877	144%
Christchurch	670,167	55,847	43,750	(12,097)	78%	41,354	2,397	106%
Eastleigh	634,956	52,913	51,759	(1,154)	98%	59,487	(7,728)	87%
Lyndhurst	1,069,208	89,101	76,141	(12,960)	85%	64,937	11,203	117%
Romsey	617,201	51,433	45,816	(5,618)	89%	46,071	(255)	99%
Southampton	736,318	61,360	79,799	18,439	130%	42,306	37,493	189%
	8,809,114	734,093	698,987	(35,106)	95%	609,524	89,463	115%
Deanery	Full Year Request	Year to 31 March 2025				Year to 31 March 2024		
		Request	Received	Shortfall	%	Received	Differential	%
Alresford	443,139	110,785	93,840	(16,945)	85%	68,263	25,577	137%
Alton	458,808	114,702	110,079	(4,622)	96%	112,325	(2,245)	98%
Andover	511,523	127,881	102,514	(25,367)	80%	107,148	(4,634)	96%
Basingstoke	772,922	193,231	203,332	10,101	105%	164,193	39,138	124%
Odiham	696,886	174,221	155,609	(18,612)	89%	150,002	5,607	104%
Whitchurch	486,294	121,573	96,244	(25,329)	79%	74,799	21,445	129%
Winchester	1,011,066	252,766	258,611	5,845	102%	249,789	8,822	104%
Bournemouth	700,627	175,157	127,018	(48,139)	73%	95,872	31,146	132%
Christchurch	670,167	167,542	141,302	(26,240)	84%	116,756	24,546	121%
Eastleigh	634,956	158,739	149,280	(9,459)	94%	156,176	(6,896)	96%
Lyndhurst	1,069,208	267,302	219,332	(47,970)	82%	193,169	26,163	114%
Romsey	617,201	154,300	132,800	(21,501)	86%	132,831	(31)	100%
Southampton	736,318	184,079	184,536	456	100%	151,030	33,506	122%
	8,809,114	2,202,278	1,974,498	(227,781)	90%	1,772,355	202,143	111%



APPENDIX 2 – INCOME & EXPENDITURE (GENERAL FUND) FOR MARCH 2025 YTD

WDBF Management Report for 31 March 2025			Year to Date						Full Year Budget
General Fund	Actual	Budget	Actual	Variance		Variance			
	2025	2024	2024	2025 Act vs 2024 Budget		2025 vs 2024			
	£'000	£'000	£'000	£'000	%	£'000	%		
INCOMING RESOURCES									
Common Mission Fund	1,974	2,161	1,772	(187)	-9%	202	11%	8,645	
Fees	16	115	32	(99)	-86%	(16)	-51%	459	
Income from Parishes	1,990	2,276	1,804	(286)	-13%	186	10%	9,104	
Rental Income	232	275	251	(43)	-16%	(19)	-7%	1,100	
Investment Income	145	126	156	19	15%	(11)	-7%	505	
Asset Income	377	401	407	(24)	-6%	(29)	-7%	1,605	
RME Income	-	30	127	(30)	-100%	(127)	-100%	120	
Grants & Recharges for Diocesan Team	73	103	54	(30)	-29%	19	35%	412	
Budgeted Use of Restricted Funds	-	0	0	0	0%	0	0%	475	
Grants, Reserves & Restricted Funds	73	133	181	(60)	-45%	(108)	-60%	1,007	
Total Income	2,440	2,810	2,392	(370)		48		11,716	
RESOURCES EXPENDED									
Clergy Remuneration	1,451	1,362	1,313	(89)	-7%	(137)	-10%	5,448	
Clergy Housing	602	510	487	(91)	-18%	(115)	-24%	2,042	
Clergy Appointments & Support	45	103	139	57	56%	94	67%	412	
Ministry Training (WSM)	124	170	125	46	27%	1	1%	679	
Ministry Support Total	2,222	2,145	2,064	(77)		(157)		8,581	
Education	100	91	87	(9)	-10%	(13)	-15%	365	
Parish Support	128	89	112	(39)	-44%	(16)	-15%	355	
Safeguarding	78	68	71	(10)	-14%	(7)	-9%	273	
Communications	40	44	34	4	10%	(6)	-18%	177	
Parish & Schools Support Total	346	292	304	(54)		(43)		1,169	
Diocesan Operations	98	108	82	9	9%	(17)	-20%	431	
Finance	58	127	51	69	54%	(7)	-13%	509	
HR	71	78	70	7	8%	(2)	-2%	311	
Dio Sec, Chancellor, Registrar & Legal	91	71	130	(21)	-29%	38	29%	283	
Diocesan Support Total	319	383	332	64		13		1,534	
Training for Ministry	89	100	90	11	11%	2	2%	398	
National Church Responsibilities	65	54	63	(11)	-21%	(2)	-3%	216	
Mission Agency Support	-	-	0	-	0%	0	0%	-	
Clergy Retirement Housing	-	38	0	38	100%	0	0%	151	
Ordinand Maintenance Grants	96	49	85	(47)	-95%	(10)	-12%	196	
Ordinand Maintenance Grant Pooling	(17)	(25)	(25)	(8)	0%	(8)	0%	(101)	
National Support Total	233	215	214	(18)		(19)		860	
TOTAL EXPENDITURE	3,120	3,036	2,914	(84)		(205)		12,144	
Operating Surplus/(Deficit) before transfers	(679)	(226)	(522)	(453)		(157)		(428)	

APPENDIX 3 – BALANCE SHEET AT MARCH 2025

	Mar 2025	Dec 2024
	£'000	£'000
FIXED ASSETS		
Tangible assets	147,458	147,885
Investments	25,272	25,272
	<u>172,729</u>	<u>173,157</u>
CURRENT ASSETS		
Debtors	2,309	3,479
Cash on deposit	10,576	10,298
Cash at bank and in hand	2,173	1,807
	<u>15,058</u>	<u>15,585</u>
CREDITORS: amounts falling due within one year	<u>(1,797)</u>	<u>(2,243)</u>
NET CURRENT ASSETS	<u>13,261</u>	<u>13,342</u>
Total assets less current liabilities	185,990	186,498
CREDITORS: Amounts falling due after more than one year	(212)	(215)
Pension scheme liabilities	-	-
NET ASSETS	<u>185,778</u>	<u>186,283</u>
FUNDS		
Unrestricted income funds:		
General funds	33,920	34,599
Designated funds	1,713	1,716
	<u>35,633</u>	<u>36,315</u>
Restricted funds	12,817	12,653
Endowment funds	137,328	137,315
TOTAL FUNDS	<u>185,778</u>	<u>186,283</u>

APPENDIX 4 – ANALYSIS OF RESERVES AT DECEMBER 2024

WDBF Funds Summary - December 2024								
	Dec-23	Income	Realised Gains	Pension Revaluation	Unrealised Gains	Expenditure	Net	Dec-24
<u>Unrestricted Funds</u>								
UF01 General Fund	38,105,050	10,461,230	(1,706,668)	-	489,062	(12,749,962)	(3,506,339)	34,598,711
	38,105,050	10,461,230	(1,706,668)	-	489,062	(12,749,962)	(3,506,339)	34,598,711
	0							
<u>Designated Funds</u>								
DF01 General Designated Fund	-	505	-	-	-	-	505	505
DF02 Parish mission and development	1,000	-	-	-	-	-	-	1,000
DF03 Maclean	507,195	21,566	-	-	10,089	-	31,655	538,850
DF04 OAP Property	753,297	-	-	-	-	-	-	753,297
DF05 Building New Church	355,098	6,764	-	-	3,756	-	10,520	365,618
DF06 Planned maintenance sinking fund	-	-	-	-	-	-	-	-
DF07 Mission Growth Fund	106,100	-	-	-	-	(6,000)	(6,000)	100,100
DF08 Capital Equipment Sinking Fund	-	-	-	-	-	-	-	-
DF09 Projects Officer Designated Funds	-	-	-	-	-	-	-	-
DF10 Sustainability fund	-	-	-	-	-	-	-	-
DF11 Clerical Registry fund	-	2,948	-	-	-	(45,516)	(42,568)	(42,568)
DF12 Ministry Investment Designated Fund	-	-	-	-	-	-	-	-
	1,722,690	31,782	-	-	13,846	(51,516)	(5,888)	1,716,802
<u>Restricted Funds</u>								
RF02 Pastoral fund	101	54,764	-	-	-	-	54,764	54,865
RF03 Parsonages endowment income	1,000	-	-	-	-	-	-	1,000
RF04 Clergy houses fund	3,045,284	60,884	63,360	-	130,567	(153,948)	100,863	3,146,147
RF05 Major Ball settlement income	3,934	4,937	-	-	-	(4,500)	437	4,371
RF06 Penrose income fund	78,457	16,450	-	-	213	-	16,663	95,120
RF07 Clergy welfare income fund	872,102	219,719	-	-	12,698	(59,687)	172,730	1,044,832
RF08 Chalke Bequest income	14,680	2,570	-	-	-	(345)	2,225	16,905
RF10 Church schools fund	13,754	2,423	-	-	-	-	2,423	16,177
RF11 Queen Victoria clergy fund	2,300	2,396	-	-	-	-	2,396	4,696
RF12 Pember income fund	82,897	-	-	-	1,295	-	1,295	84,192
RF13 Widows and dependants fund	1,058,540	39,520	-	-	20,250	(8,035)	51,735	1,110,275
RF14 Thorrold library fund	24,000	-	-	-	-	-	-	24,000
RF15 ICSF grant fund	469,496	12,014	-	-	9,906	-	21,919	491,415
RF16 Council for Social Responsibility	863,200	48,765	-	-	29,357	-	78,122	941,322
RF17 Fairbairn trust	380,062	13,361	-	-	8,017	(1,395)	19,983	400,045
RF18 Tale Tellers	2,046	139	-	-	-	-	139	2,185
RF19 Christopher library	4,000	-	-	-	-	-	-	4,000
RF20 RME Training for Mission	570,363	-	-	-	-	(97,700)	(97,700)	472,663
RF21 Winchester Mission Action	527,854	1,490,695	-	-	-	(1,485,919)	4,776	532,630
RF23 Northbrook	3,825	-	-	-	-	-	-	3,825
RF27 Schools Development Fund	3,499,520	201,938	-	-	69,449	-	271,386	3,770,906
RF29 Giving Advisor	36,000	16,000	-	-	-	-	16,000	52,000
RF31 Net Zero Carbon Funding	6,307	107,930	-	-	-	(2,200)	105,730	112,037
RF32 RMF Ordinands	47,206	189,261	-	-	-	(12,322)	176,939	224,145
RF33 Racial Justice	-	-	-	-	-	-	-	-
RF34 Minor Repairs & Improvements Grant Fund	-	38,000	-	-	-	(1,000)	37,000	37,000
RF35 Quick Wins grant	-	12,213	-	-	-	(5,848)	6,365	6,365
	11,606,926	2,555,222	63,360	-	281,751	(1,854,142)	1,046,191	12,653,117
<u>Endowment Funds</u>								
EE01 Benefice houses	97,473,406	-	(541,333)	-	5,689,959	-	5,148,626	102,622,032
PE01 Stipends fund capital	24,268,349	1,806	81,920	-	382,213	-	465,939	24,734,288
PE02 Parsonages endowment capital	862,811	-	-	-	19,750	-	19,750	882,561
PE03 Major Ball settlement capital	171,748	-	-	-	3,901	-	3,901	175,648
PE04 Penrose capital	377,122	-	-	-	8,643	-	8,643	385,766
PE05 Clergy welfare capital	6,905,805	-	-	-	25,982	-	25,982	6,931,787
PE06 Chalke bequest capital	68,145	691	-	-	1,513	-	2,204	70,348
PE07 Widows and dependants capital	216,457	-	-	-	4,975	-	4,975	221,432
PE08 Thorrold library capital	238,849	-	-	-	5,480	-	5,480	244,328
PE09 Pember capital	961,508	27,609	-	-	20,360	-	47,969	1,009,477
PE10 Christopher Library	5,211	-	-	-	180	-	180	5,391
PE11 Chute endowment	24,620	-	-	-	6,501	-	6,501	31,121
	131,574,030	30,106	459,413	-	6,169,457	0	5,740,150	137,314,180
TOTAL	183,008,696	13,078,340	-2,102,721	-	6,954,115	(14,655,620)	3,274,114	186,282,811

APPENDIX 5 – ANALYSIS OF DEBTORS & CREDITORS AT MARCH 2025

Debtor balances in the month were £2,309k compared with £1,863k last month. The increase on last month is mainly due to the accrual of the Q1 CCLA deposit income, the receipt of our annual insurance premiums and the payment of the Q2 DBE contribution.

Debtors	Total 2025	Total 2024
Loans to Parishes	505,280	525,377
Loans to Schools	0	0
Loans to Staff	10,747	3,077
Loans to LSE	576,000	576,000
Amounts owed from other Diocesan Entities	100,443	47,170
Loan to Gellander Estate	64,863	64,863
Loan to Revd Binder	0	0
Sales Ledger Debtor	51,931	1,302,571
Prepayments & Accrued Income	697,479	669,201
Other Debtors	302,021	291,121
	2,308,764	3,479,379

Creditor balances in the month were £2,009k compared with £2,571k last month. The decrease on last month is largely due to the release of £323k of SDF income and the payment of £350k of property sales to Freemantle PCC, offsetting a small timing based rise in the purchase ledger balance.

Creditors - due within 1 year	Total 2025	Total 2024
Loans from Parishes	-	-
Church Commissioners Loan	12,250	12,250
Centenary Quay NatWest Loan	-	-
Creditor relating to closed school	399,297	399,297
Purchase Ledger Creditor	216,162	180,572
Income received in advance	905,155	1,519,156
Sundry Creditors & Accruals	263,815	132,187
	1,796,678	2,243,462
Creditors - due after 1 year	Total 2025	Total 2024
CCLA Loan (repayable by Oct 2026)	-	-
Church Commissioners Loan	33,688	36,750
NatWest Loan	-	-
Loan Revd Rose (old)	178,700	178,700
Loan Dean Goss CC (old)	-	-
	212,388	215,450
TOTAL CREDITORS	2,009,066	2,458,912