COMPANY REGISTRATION NUMBER: 03489945
CHARITY REGISTRATION NUMBER: 1067653

The Monmouth Diocesan Board of Finance

Company Limited by Guarantee

Financial Statements

31 December 2025

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

The Monmouth Diocesan Board of Finance

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2025

	Page
Trustees' annual report (incorporating the director's report)	**1**
Independent auditor's report to the members	**25**
Statement of financial activities (including income and expenditure account)	**30**
Statement of financial position	**31**
Statement of cash flows	**32**
Notes to the financial statements	**33**

The Monmouth Diocesan Board of Finance

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2025

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2025.

Reference and administrative details

Registered charity name	The Monmouth Diocesan Board of Finance
Charity registration number	1067653
Company registration number	03489945
Principal office and registered office	Diocesan Office 64 Caerau Road Newport NP20 4HJ

The trustees

The Bishop of Monmouth - The Right Reverend C E Vann	
Ian Loynd (Chair)	
Louise Minford (Vice Chair)	
The Dean of Newport - The Very Reverend I C Black	
The Archdeacon of Newport - The Venerable J S Williams	(Resigned 17 June 2025)
The Archdeacon of Monmouth - The Venerable I K Rees	
The Archdeacon of the Gwent Valleys - The Venerable S Bailey	
The Diocesan Registrar of Monmouth - Timothy Russen	
Alan David Jones	
Nicola Gibbons	
Paul Glover	
Reverend James Henley	
Reverend Ross Maidment	
Andrea Thomas	
Christopher Wray	

The Monmouth Diocesan Parsonage Board

Alan David Jones	
The Bishop of Monmouth - The Right Reverend C E Vann	
The Archdeacon of Newport - The Venerable J S Williams	
The Archdeacon of Monmouth - The Venerable I K Rees	
The Archdeacon of the Gwent Valleys - The Venerable S Bailey	
Ian Loynd	
Rod Davies	
Wency Matthews	
Ashley Rogers	

Executive Officer Isabel Thompson

Company Secretary Bethan Davies

Auditor	Walter Hunter & Co Limited Chartered accountants & statutory auditor 24 Bridge Street Newport South Wales NP20 4SF
Bankers	NatWest Bank plc High Street Newport NP19 1GG
Solicitors	Jacklyn Dawson Solicitors Equity Chambers John Frost Square Newport NP20 1PW
Investment Managers	RBC Brewin Dolphin 3rd Floor 2 Central Square Cardiff CF10 1FS

Structure, governance and management

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association, company number 3489945. It is registered as a charity with the Charity Commission for England and Wales., charity number 1067653.

Membership

Membership of the Diocesan Board of Finance (DBF) is governed by the Constitution of the Diocesan Conference of the Diocese of Monmouth adopted 13th October 2001, which stipulates that:

- each deanery shall elect two lay members from amongst those elected to the Diocesan Conference;
- not more than six lay persons, who need not be members of the Diocesan Conference, may be coopted by the Board, and
- not more than four persons (either cleric or lay so long as the number of clerics on the Board shall not thereby exceed that of the lay persons) may be nominated by the Bishop. The lay persons so nominated need not be members of the Diocesan Conference;
- the Bishop may nominate one extra person during a three-year period.

Membership of the Board is for a period of three years commencing at the Annual General Meeting following appointment and members, if appointed, shall be eligible for re-appointment.

Structure, governance and management ***(continued)***

Electing and appointing trustees

Monmouth Diocesan Board of Finance operates through a company limited by guarantee governed by Memorandum and Articles of Association dated 2nd January 1998, and registered as a charity with the Charity Commission for England & Wales.

At its Annual General meeting (AGM) the DBF appoints an Executive committee of ex-officio and elected members to be the Directors of the Company and Trustee board of the charity. As such they are bound by both charity and company law.

In addition to the ex officio trustees, the Annual General Meeting on 22nd June 2006 resolved, "that the rules and byelaws be amended to provide that the number of elected members on the Executive Committee be increased from nine to twelve forthwith". The Chairman and Vice Chairman are elected for a period of office of one year. Trustees are elected for a period of three years.

When considering both the election and appointment of new trustees, the charity takes into account the skills required of trustees in:

- managing a Christian charity, and
- administering the assets and financial management of the charity

Trustee induction and training

New trustees are briefed on their legal obligations under charity and company law, the background history of the charity, the decision-making processes, the business plan and the quarterly monitoring of financial progress and the charity's latest annual financial performance. Information from the Charity Commission is also available for both new and existing trustees.

Structure, governance and management *(continued)*

Management and Organisation

The Board of Trustees, which met four times in 2025, in addition to the AGM on the 23rd September 2025, administers the charity. The trustees meet when the previous quarter's financial management information is available.

A Secretary and Executive Officer is employed by the trustees to manage the day-to-day operations of the charity. The Secretary has delegated authority, approved by the trustees, for operational matters, staff management, finance and the overall operation of the charity within the approved budget.

The Representative Body of the Church in Wales (RB) delegates responsibility for overseeing the care of parsonages within the diocese to the Monmouth Diocesan Parsonage Board. There is considerable common membership between the Diocesan Board of Finance (DBF) and the Parsonage Board, and both bodies are administered from the Diocesan Office.

Key Management Personnel

The key management personnel of the charity are the Board of Trustees, the Diocesan Secretary and the Diocesan Accountant.

Trustees are not remunerated. Staff salaries are paid in line with the Representative Body of the Church in Wales guidance and incremental increases are set in line with clergy stipends.

Links with the Representative Body of the Church in Wales

The charity has a close liaison with the Representative Body of the Church in Wales (RB). Financial assistance is provided by the RB in the form of grant funding to the Diocesan Board of Finance, payable quarterly. The Chairman, Vice Chair and the Archdeacon of Newport are members of the RB, the Trustee body responsible for the administration of the assets of the Church in Wales.

The RB also manages the stipendiary clergy payroll system, although clergy stipends are mainly funded from the Ministry Share collected from the Ministry Areas.

Objectives and activities

The role of the Monmouth Diocesan Board of Finance (DBF) is to ensure that there is sufficient revenue to maintain the cost of ministry across the diocese, and to enable the administrative functions to be properly exercised. This helps to enable a sustainable and transforming Christian ministry across the diocese. As a charity, the DBF monitors the finances of the diocese to support the mission and ministry of the Church in Wales in the Diocese of Monmouth (pastoral, evangelistic and social). By far the largest part of the DBF budget is dedicated to supporting the cost of clergy in the diocese - their stipends, parsonages and other associated costs. In supporting this work, it provides a benefit to the public by:

- Promoting Christian values, and service by members of the church in and to their communities, for the benefit of individuals and society as a whole
- Providing facilities for public worship, pastoral care and spiritual development, both for its members and for anyone who wishes to benefit from what the church offers.

Public Benefit

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken during the year. The trustees are satisfied that the information provided in the report and accounts meets the public benefit reporting requirements.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

Ministry

Ministry remains the largest area of expenditure for the DBF and is a key resource in enabling the mission of the Church across the diocese. Ministry is expressed in a wide variety of ways by a significant number of people, many of whom generously give their time freely in service within churches and ministry areas. Formal ministry is delivered through a combination of ordained, licensed lay and commissioned ministers.

Supporting those involved in ministry, so that their work remains fulfilling and sustainable, continues to be a priority for the Bishop, Archdeacons and the DBF. While the context and patterns of ministry continue to evolve, the call to serve and to proclaim the gospel through word and action remains constant.

During 2024, the DBF established enhanced diocesan support for ministry areas, including dedicated support in administration, governance, finance and property. In 2025, these services are now embedded and play a role in lessening the administrative burden on clergy and lay leaders, enabling them to focus more fully on ministry and engagement with their communities. The DBF continues to build on this work by providing training, resources and initiatives designed to equip and support those exercising ministry at every level.

The continued development of all forms of ministry remains essential, and accompanying those discerning their vocation is an important part of this work. The diocese is supported by a team of vocations advisors working alongside the Diocesan Director of Vocations, Revd William Ingle Gillis, and the Assistant Diocesan Director of Vocations, Wendy Matthews. The diocese is blessed by the commitment and faithfulness of both lay and ordained ministers who seek to share the message of the gospel in their daily lives. The DBF recognises the importance of sustaining this ministry, and of encouraging and nurturing those who serve, so that their gifts may continue to grow and flourish.

Licensed Ministry figures

	Number **£**
Stipendiary Clergy at the end of 2025	46.5
Stipendiary Clergy (budgeted figure)	49.5
Non-Stipendiary Clergy at the end of 2025	13
Residential Non-Stipendiary Clergy at the end of 2025	7
Lay licensed Ministers at the end of 2025	34

Ministry Areas contribute to the cost of ministry through their ministry share payments, and this money is raised locally through regular giving, donations and fundraising. The DBF is grateful for all the generosity and faithful stewardship within our church and local communities throughout the diocese in raising the funds needed to support the costs of ministry.

In 2025 the Diocese of Monmouth received £661,087 from the Church Growth Fund to support the cost of stipendiary, residential non-stipendiary clergy and salaried lay ministry. This is part of the longer-term support for ministry in the diocese and has enabled us to commit to retaining current clergy numbers while we work to embed our diocesan vision and support our ministry areas to develop and enhance an outward-looking culture that is focused on growth and evangelism.

Achievements and performance *(continued)*

Ordinations
In June 2025 at Newport Cathedral, Bishop Cherry ordained 2 Priests and 1 Deacons.

The Revd Liane Miriam Chalmers and The Revd Marlwyn Lou Nixon were ordained as priests, and Ceri Ann Jones was ordained as a Deacon.

Vision - Faith in our Future
During 2025 we continued to build on the diocesan vision which was launched in October 2022. A priority for the DBF has been to help and support MAs in living out the vision in their particular context. Our diocesan vision helps us to focus on mission and growth; making the most of the opportunities God gives us to work with him in strengthening the church and building the kingdom. At the heart of our diocesan vision is the desire for God's church to grow, and the belief that it can grow.

The five branches of our vision help us to focus our faith, life and works:

Discipleship - Growing more like Jesus
Stewardship - Living as thankful and generous people
Social Justice - Serving together to strengthen our communities
Equality and Diversity - Welcoming all
Environment - Caring for God's creation

The branches challenge us to confidently look outside of our churches and engage more deeply with our communities. The vision calls us to grow closer in our relationship with God through inspiring worship and meaningful prayer. It is a vision to inspire growth in us and in our churches.

Vision highlights
During 2025, the Faith in our Future vision has become increasingly embedded across the majority of ministry areas. Through planning sessions and ongoing support, ministry areas have been encouraged to engage with all five branches of the vision and to discern how these can be lived out in ways that are appropriate to their local context.

Ministry areas have been supported to continue to develop and implement plans that reflect the breadth of the vision, including deepening discipleship, strengthening stewardship, engaging in social justice initiatives, fostering inclusive and welcoming communities, and caring for the environment. These plans seek to support growth both spiritually and numerically, as churches respond to the needs and opportunities within their communities.

Across the diocese, there has been continued encouragement for individuals and congregations to recognise and develop their gifts in service of the Church's mission.

Achievements and performance *(continued)*

Discipleship
Lay ministry continued to be recognised and celebrated across the diocese, including the third annual Celebration of Lay Ministry, which brought together over 80 people for worship, fellowship and learning. This celebration highlighted the breadth of lay ministry roles and supported the development of a culture in which the ministry of all God's people is recognised, encouraged and enabled to flourish.

Further opportunities for spiritual growth were provided through initiatives such as the Week of Guided Prayer, which offered individuals structured support in developing their prayer life. Participants were accompanied by trained guides and encouraged to reflect on scripture and their relationship with God, helping to deepen discipleship.

The DBF also supported ministry areas through funding and resources for diocesan wide initiatives such as Thy Kingdom Come. During 2025, churches took part in "9 Days of Prayer and Mission", encouraging individuals and congregations to pray intentionally for others to come to know Jesus Christ and fostering a culture of prayer and evangelism within local communities.

Stewardship
Stewardship has remained a key focus, with ministry areas supported through the delivery and embedding of stewardship workshops. These have enabled churches to reflect on their patterns of giving, develop sustainable approaches to resourcing ministry, and encourage generous and faithful stewardship.

The DBF has also made targeted strategic investments to support growth and sustainability, including funding to enable the replanting of a congregation at St Michael's, Abertillery. This initiative builds on existing engagement with local schools and the wider community and supports the development of a renewed and sustainable worshipping community.

Ministry areas were also supported through initiatives such as Churches Unlocked, which provided financial assistance, resources and publicity to enable churches to open their buildings for worship, prayer and community events. This created opportunities for outreach, hospitality and deeper engagement with local communities.

Stewardship has also been expressed through the faithful service of individuals across the diocese. In 2025, the first Diocesan Award for Extraordinary Stewardship was presented in recognition of over 65 years of dedicated service, celebrating those who live out their faith through sustained and generous commitment to the Church's mission.

Achievements and performance *(continued)*

Social Justice
Through DBF grant funding and local initiative, churches and ministry areas have continued to engage in a range of social action projects, including foodbanks, community initiatives and support for families.

The Bishop's Lent Appeal in 2025 focused on the themes of positive masculinity and domestic abuse, supporting work both locally in Gwent and in our link diocese of the Highveld in South Africa. The appeal raised £6,939, enabling contributions towards initiatives addressing gender-based violence, including programmes supporting young people and promoting healthy relationships.

Locally, the appeal supported the work of Cyfannol Women's Aid, helping to provide specialist support for those affected by domestic abuse and sexual violence, while also raising awareness of these issues within local communities.

Equality and Diversity
During 2025, the diocese participated in the wider discernment process within the Church in Wales by supporting understanding of differing perspectives on same-sex relationships. Resources were shared, and a series of facilitated meetings was held across the diocese, providing spaces for prayerful listening, open and honest conversation, and mutual respect.

This work enabled individuals to contribute to the wider discernment process and reflects the diocesan commitment to welcoming all and fostering communities grounded in love, generosity and mutual understanding.

The diocese has also taken practical steps to promote inclusion and accessibility. Disability awareness training was provided for curates, and a disability access audit was undertaken at the diocesan office.

Work to ensure inclusion has also continued through partnerships and outreach, including ongoing engagement with the deaf community, through Deaf Communities Outreach Worker, Nicola, who is partly funded by the DBF. This role helps to widen participation and belonging within the life of the Church.

Achievements and performance *(continued)*

Environment
Care for creation has remained an important priority, with churches supported to engage with environmental initiatives including the Energy Footprint Tool and eco church awards, contributing to the Church in Wales' Net Zero commitment.

At a diocesan level, this commitment was further strengthened in 2025 through the approval of the diocesan environmental policy and action plan at Diocesan Conference, providing a clear framework to guide future activity and progress.

This commitment has been demonstrated through significant local initiatives, including the Diocese's first Gold Eco Church Award, achieved by the Priory Church of St Mary, Usk. This reflects a whole church approach to environmental stewardship, including action across buildings, land, worship and community engagement.

The diocesan office has also led by example, achieving a Silver Eco Church Award in recognition of its commitment to embedding environmental responsibility within its operations.

Churches and ministry areas were also encouraged to participate in initiatives such as Count on Nature, using churchyards as spaces for community engagement and environmental awareness. These activities enabled churches to welcome their local communities, promote biodiversity, and encourage greater appreciation of God's creation.

Culture
During 2025, the Culture Guide has become increasingly embedded across the diocese, supported through gatherings, shared learning and ongoing engagement within ministry areas.

March Network Day
The diocesan Joint Network Day in March 2025 brought together more than 100 clergy and lay leaders from across all ministry areas and Newport Cathedral. This gathering provided an opportunity to celebrate progress, share learning and strengthen relationships across key leadership roles. Through workshops, shared discussion and creative displays, participants explored how the values of the Culture Guide are being expressed in practice, sharing both successes and areas for further development. The day fostered a culture of encouragement, generosity and mutual support, recognising the diversity of ministry contexts and encouraging collaboration rooted in prayer and discernment.

Achievements and performance *(continued)*

Diocesan Celebration of Pentecost
The Diocesan Celebration of Pentecost also provided a significant opportunity to gather as a diocesan community, with more than 200 people coming together for worship, fellowship and celebration. Focusing on the theme of "Sharing Our Story", the service encouraged individuals and ministry areas to reflect on how they communicate their faith and engage with others. Through worship and participation, the event reinforced a culture of welcome, encouragement and confident witness across the diocese.

Diocesan Conferences
The Diocesan Conference brought together more than 150 representatives from across the diocese for worship, governance and reflection, with a particular focus on environmental responsibility. Through keynote contributions and discussion, the conference encouraged participants to consider both the theological and practical implications of caring for creation. It also provided space to reflect on identity, belonging and shared purpose within the Church, emphasising the image of the body of Christ and the importance of collaboration, interdependence and working together for the common good.

External speakers offered both inspiration and challenge, encouraging practical action and thoughtful reflection. In addition to the main conference, an Extraordinary Diocesan Conference was held in July 2025 to consider governance matters, including a decision to pause the implementation of the Diocesan Council in light of a wider review across the Church in Wales. Together, these conferences reflect the diocese's commitment to transparency, shared decision making and thoughtful governance in support of its mission.

Celebration of Church Officers Service
The diocese also introduced a new Celebration of Church Officers service, bringing together over 100 people to recognise and give thanks for the contribution of lay leaders across the diocese. The service included the formal recognition of Ministry Area and Local Church Wardens and affirmed the importance of their role in supporting the life of the Church and their communities. This occasion reinforced an understanding of ministry rooted in grace, recognising that all service flows from God's work within and through his people.

Retirement Service
The diocese also marked key moments in its shared life, including the retirement of the Archdeacon of Newport after many years of faithful service. These occasions provide opportunities to celebrate ministry, recognise commitment and strengthen the sense of community across the diocese.

Achievements and performance *(continued)*

Wellbeing and support

Wellbeing continues to be recognised as an essential part of a healthy diocesan culture. The Diocesan Wellbeing Guide remains an important resource, encouraging both clergy and lay leaders to care for their spiritual, mental and physical wellbeing as they serve others.

During 2025, this emphasis has been reinforced through teaching and reflection, highlighting the importance of sustainable patterns of ministry, including appropriate rest, mutual support and a recognition of human limits. This approach encourages individuals and ministry teams to value one another, to avoid working in isolation, and to recognise that ministry is shared within the body of Christ.

This commitment to wellbeing is also supported at a provincial level. Diocesan representatives participated in a Church in Wales gathering focused on wellbeing for clergy and lay people, providing an opportunity to share good practice and reflect on its importance across the Church. The diocese contributed examples of its work, including the Wellbeing Guide, Culture Guide, Ministry Area Networks and ministerial development processes.

The Wellbeing Guide also sets out key principles to support a healthy culture, including fostering gratitude and encouragement, communicating well, maintaining realistic expectations, and treating others with kindness and respect. These principles continue to shape the life and work of the diocesan community.

Ministry Area Networks continue to play a key role in fostering connection, communication and support across the diocese. These networks bring together key roles within ministry areas, providing opportunities for shared learning, collaboration and the development of practical solutions to common challenges.

Achievements and performance *(continued)*

Ministerial development
Ongoing formation and development remain central to sustaining a healthy culture of ministry.

Continued Ministerial Development (CMD)
Clergy continue to participate in Continued Ministerial Development (CMD), with sessions covering a range of theological and practical topics to support their ministry.

The 2025 sessions were:
January - Various speakers, Theme: Understanding our missional landscape

June - Revd Gillian Straine, Theme: Flourishing in Ministry

October - Very Revd Mark Oakley, Theme: Preaching the sermon I always want to... but never can

Ministerial Development Reviews (MDRs)

Ministerial Development Reviews (MDRs) provide regular opportunities for reflection, support and discussion of wellbeing, and are being extended to licensed lay ministers.

Newly Licensed Ministers continue to receive training and support at both diocesan and provincial level, helping to equip them for their roles and integrate them more fully into the life of the diocese.

Newly Licensed Ministers (NLMs)
Clergy and licensed lay ministers have additional training to support their ministry. Training is organised on a Provincial basis and a Diocesan basis. Within the diocese sessions in 2025 included:

Wellbeing in ministry, Healing & wholeness ministry, a preaching festival (where each of the NLM's were invited to preach), Meet the diocesan office team (for newly ordained deacons) and a quiet day.

New Evangelism and Church Growth Projects
During 2024 the DBF received funding from the Representative Body to build new worshipping communities in locations throughout the diocese. New hub churches in Tredegar and Chepstow were launched in September with a Hub Church Leader, a Children's and Families' Pioneer and an administrator. Through social action and community engagement, these new worshipping communities will seek to bring the transforming love of Christ to their communities, aiming to bring the under 40s into a vibrant faith life.

Achievements and performance *(continued)*

New Evangelism and Church Growth Projects
The DBF has continued to support the delivery of new evangelism and church growth projects across the diocese, enabled through grant funding received from the Representative Body of the Church in Wales.

Work has continued to develop new worshipping communities in a range of contexts, building on the establishment of hub churches in Tredegar and Chepstow. These initiatives, supported by dedicated leadership including hub church leaders, children's and families' pioneers and administrative support, are enabling new forms of ministry through community engagement and outreach.

Through relationship building and targeted engagement with younger generations, these projects are seeking to share the transforming love of Christ and to encourage growth in vibrant, sustainable communities of faith.

Additional funding has also enabled the continued development of Schools Engagement Pioneer roles, strengthening links between churches and schools across the diocese. This work is creating opportunities for engagement with children, young people and families, and supporting the development of new worshipping communities in a variety of local contexts.

During 2025, further grant funding was received to expand this work, including support for additional Children and Families workers in Newport, and enhanced funding for Deaf Community outreach.

These developments are enabling the diocese to extend its engagement with key groups, supporting inclusive and accessible ministry across a wider range of contexts.

These projects continue to form an important part of the diocese's long term strategy to support growth, innovation and deeper engagement with communities across the diocese.

Diocesan Support Services
During 2025, the DBF has continued to develop and embed its diocesan support services, providing increased practical support to ministry areas and strengthening the capacity of churches to sustain their mission and ministry.

This work reflects an ongoing commitment by the DBF to provide hands on, practical assistance, enabling clergy and lay leaders to focus more fully on ministry, outreach and engagement within their communities.

Achievements and performance *(continued)*

Ministry Area Support Team
The Ministry Area Support Team continues to provide extensive and highly practical support to ministry areas. This support extends beyond advice and guidance and, where required, includes direct delivery of financial, administrative and governance functions.

The team plays a central role in supporting the day to day functioning of ministry areas, including bookkeeping, financial systems, statutory reporting and compliance requirements, as well as supporting more complex financial processes where local capacity is limited. The team also provides governance support, including assistance with policies, trustee processes and the transition of ministry areas to Charitable Incorporated Organisation (CIO) status.

Alongside this, the team provides essential administrative and operational support, including assistance with electoral rolls, annual returns, communications and digital systems. This work ensures continuity where volunteer capacity is stretched and enables ministry areas to meet their legal and regulatory obligations.

During 2025, the team was further strengthened through the expansion of grants and funding support. This has enabled increased assistance with external funding applications, project development and community consultation, supporting ministry areas to undertake building and mission projects that would otherwise be beyond their capacity.

The scale and scope of this work continues to grow, reflecting increasing demand across ministry areas. The team is currently funded through a designated fund established in 2023, and consideration is being given to how this vital support can be sustained in the longer term.

Church Resources
Working closely with the Ministry Area Support Team, the Church Resource Officer provides focused support to strengthen both the financial sustainability and ministerial capacity of ministry areas. This work centres on stewardship, giving and the development of lay ministry, ensuring that churches are better equipped for long term sustainability and growth.

Support for stewardship and giving is delivered through a combination of diocesan and locally tailored workshops, alongside one to one support for ministry areas. This enables churches to review their current patterns of giving, identify opportunities for growth and respond to local challenges. Practical tools and guidance are also provided to encourage increased voluntary income and regular giving, contributing to improved financial resilience.

Alongside this, there is a strong emphasis on developing lay ministry and local leadership. Structured training programmes are provided for roles such as Pastoral Visitors and Worship Leaders, alongside support for the development of other forms of lay ministry. This strengthens local capacity for worship, pastoral care and community engagement across the diocese.

This investment in lay formation supports a mixed ecology model of church, enabling a wider range of locally led ministry and helping ministry areas to respond more effectively to their context.

Achievements and performance *(continued)*

Property Team
The Property Team, jointly employed by the Monmouth and Llandaff DBFs, continues to provide specialist expertise to support the care and development of church buildings. The team includes surveyors, and a DAC Secretary, offering support with maintenance planning, development advice and the permissions process.

This coordinated approach enables churches to manage their buildings effectively, supporting both heritage conservation and their ongoing use for worship and community engagement.

Diocesan Education and Church Schools
The team continues to provide advice with regards to statutory responsibilities around areas such as - admissions, appeals and CRAMP, governing body policies and procedures including appointment of Foundation Governors, professional development and curriculum updates. Headteacher meetings take place termly either face to face or online. Visits to schools are on request with the aim of visiting each school at least once a year.

The summer term Headteacher meeting at St Mary's Abergavenny, was in the form of a wellbeing day entitled 'A Day to Flourish'.

In July more than 500 primary school pupils from across the diocese filled Newport Cathedral with singing, readings and prayer. During the special Year 6 Leavers services, Bishop Cherry spoke to the children on the service theme 'I am always with you'.

The Parsonage Board
The DBF makes an annual contribution to the Parsonage Board Scheme, paid quarterly, to enable the Parsonage Board to maintain the parsonages within the Diocese. The capital funds of the Parsonage Board, which are used to carry out major improvements or purchase new properties when required, are held and administered by the RB. The parsonages are vested in the RB. The trustees receive quarterly reports from the Parsonage Board.

In 2025 there were 68 parsonages in the scheme and the DBF contributed £455,212 for maintenance work. 10 parsonages were rented to generate additional income.

The Parsonage Board, in addition to ensuring that housing is suitable for clergy, have also been looking at issues of energy performance and efficiency in order to help support the Church in Wales' commitment to achieving net zero carbon by 2030. 10 Solar PV installations were carried out in 2025.

Achievements and performance *(continued)*

Diocesan Grants

Church and Churchyard Repair Fund

Each year the Diocese of Monmouth offers grants to churches through the Churches and Pastoral Committee, with the DBF making a contribution to this fund. These grants continue to support repairs, maintenance and improvements to churches, church halls and churchyards across the diocese.

The fund remains open to all churches, with applications reviewed quarterly by a grants committee and reported to the Diocesan Standing Committee.

Feedback from churches and ministry areas continues to demonstrate the value of this fund, particularly at a time when it is increasingly challenging to secure external funding for essential works to church buildings.

During 2025, a total of 17 churches were supported through this fund. This included:

- 7 building repair grants totalling £19,850
- 1 small building grant
- 10 churchyard grants totalling £12,372

Feedback from churches and ministry areas continues to demonstrate the value of this fund, particularly at a time when it is increasingly challenging to secure external funding for essential works to church buildings and grounds.

Ministry Area Development and MA Administrators Grant

The Ministry Area Development Grant continues to provide financial support to ministry areas to assist with their development and the delivery of ministry across larger and more complex structures. Funding has supported a range of initiatives, including the establishment of ministry area offices, investment in communications systems and improvements to operational infrastructure.

Alongside this, the Ministry Area Administrator Grant scheme has continued to support the provision of administrative capacity within ministry areas. From 2025, a revised four-year funding model was introduced, replacing the previous tapering approach. Under the new scheme, ministry areas are able to claim funding for administrative support with annual increases linked to inflation, providing greater stability and enabling longer term planning.

This funding supports essential administrative work, including maintaining compliance with legal and regulatory requirements, supporting financial processes, managing safeguarding records and enabling effective communication within ministry areas.

During 2025, a total of £64,200 was awarded across 12 ministry areas through these grants.

Achievements and performance *(continued)*

Independent Examination Support Grant
During 2025, a new grant scheme was introduced to support ministry areas with the cost of independent examination. This recognises the increasing regulatory requirements placed on ministry areas and seeks to ensure that financial compliance can be maintained without placing additional strain on local resources.

The grant enables ministry areas to reclaim the costs associated with independent examination, supporting good governance and financial accountability across the diocese.

During its first year, a total of £24,584 was awarded across 12 ministry areas and the Cathedral.

Social Responsibility Fund
The DBF also administers a Social Responsibility Fund, which provides grants to support churches and ministry areas in developing mission projects that serve and benefit their local communities. These projects reflect the Church's commitment to social action and community engagement, addressing local needs and strengthening relationships within communities.

During 2025, 7 grants were awarded through this fund, totalling £8,148.

Contactless Giving
The DBF continues to support churches and ministry areas in the adoption of contactless giving. This funding enables churches to access digital giving technology, supporting increased voluntary income and making it easier for congregations and visitors to give.

Financial review

The Diocesan Board of Finance made an unrestricted surplus for the year of £271,125 and a restricted deficit of £19,613. £210,421 of the unrestricted surplus is due to investment gains.

Unrestricted reserves at 2025 amounted to £6,338,452 of which £483,785 is expressed by tangible fixed assets which are not readily saleable (the Diocesan Office on Caerau Road, Newport) and £1,181,828 has been designated for specific projects (see note 25).

Reserves are tied up in investment assets which are maintained by an investment manager to generate income. The DBF use the income generated from these investments to support their annual budget.

Restricted funds amounted to £626,939 (see note 25).

Financial review *(continued)*

Income

Donations and legacies

During 2025 the DBF received £3,865,328 in donations. Of this, £2120,587 came from Ministry Share. The Representative Body provided £225,750 in Partnership Funding, £484,336 of Structural Resilience funding and £661,087 from the Growth Fund.

Other trading activities

The Parsonage Board raised £107,791 from the rental of parsonages in 2025. These funds are restricted and are used to support the repair and maintenance of all parsonages.

Investments

The investment managers achieved their income target. The DBF received £184,457 in investment income in 2025.

Expenditure

Support for Ministry

The largest proportion of expenditure comes under the heading 'Support for Ministry' and consists of clergy costs - stipends, council tax and maintenance of the parsonages. In 2025, the cost of this was £2,761,469.

Support for Ministry Areas

In 2025 support for ministry areas totalled £268,801.

Grants and other financial support

The DBF made payment of £244,985 in grants in 2025. This included the annual grants paid to the Cathedral, Bishop's Funds, the DBF contribution to the Churches and Pastoral Committee.

Ministry Area Administrator and Ministry Area Development Grants are still being awarded from their respective funds.

Support Costs

Support costs relate to Diocesan Office and DBF staff costs.

Financial review *(continued)*

Investment powers and oversight
The income generated from investments are used to support the DBF annual budget. Investment strategy is determined by the Investment Advisory Group (which also oversees investments on behalf of the Trust). Representation from members of the DBF and the Trust sit on the Investment Advisory Group.

The portfolio of investments is managed by investment managers who have authority to buy and sell without reference to trustees. All purchases and sales are notified to the Secretary and a full review of the charity's portfolio is undertaken twice each year by the Investment Advisory Group with the investment managers. The members of the Investment Advisory Group also receive quarterly reports, including benchmark indices.

The investment managers are required to ensure that the ethical investment policy, as agreed by trustees, is followed at all times. The trustees subscribe to the same ethical investment policy as that adopted by the Representative Body of the Church in Wales. The Policy prohibits investment in companies involved in armaments, predatory lending activities and pornography, restricts investment in companies involved in gambling, alcohol, tobacco, the production or the extraction of fossil fuels and seeks to promote good levels of environmental, social and governance responsibility.

RBC Brewin Dolphin are the DBF's Investment Manager and provide quarterly reports for trustees.

Reserves policy
The trustees review the charity's reserves policy annually. The current policy is to maintain the equivalent of 6 months of the charity's running costs (£1.5m) in freely available funds.

The charity's free reserves, which excludes Fixed Assets, Restricted Funds, Revaluation Reserve and Designated Funds equated to £4,474,735 (2024: 4,158,250).

Reserves are needed to provide adequate cash flow between regular payments to the RB for clergy stipend, Ministry Share payments received on a quarterly basis from the ministry areas and funding for the Evangelism project.

Risk Management

The major risks on the risk register are reviewed at each quarterly trustee meeting, and the whole register is reviewed annually.

The highest risks have remained consistent and are -

- Decline in income through reduced Ministry Share as a result of declining average Sunday attendance numbers.
- Ministry Areas being unable to cover share because of reduced income.

Plans for future periods

Forward strategy
The programme of diocesan events and gatherings will continue to be a key priority into 2026, providing opportunities to celebrate the life of the Church and to strengthen relationships across ministry areas. These events, together with the ongoing programme of Ministry Area Networks, remain central to enabling effective two way dialogue, ensuring that local experience continues to shape diocesan priorities and support.

As the diocesan vision and culture become more deeply embedded, there will be an increasing focus on planning and strategic development. Building on this foundation, the DBF will seek to harness the growing confidence and momentum across the diocese, encouraging and resourcing further mission, ministry and community engagement.

This approach reflects a commitment not only to sustaining current activity, but to enabling continued growth and development, ensuring that ministry areas are well supported to respond creatively and effectively to the opportunities and challenges within their local contexts.

The DBF will continue to ensure that all funding received is managed with transparency and strong governance, maximising its impact. A central priority will be to direct resources towards ministry areas wherever possible, ensuring that investment is visible, practical and directly supports the life, mission and growth of the Church within local communities.

Trustees' responsibilities statement

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

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 31 August 2026 and signed on behalf of the board of trustees by:

Ian Loynd (Chair)
Trustee

The Monmouth Diocesan Board of Finance

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Monmouth Diocesan Board of Finance

Year ended 31 December 2025

Opinion

We have audited the financial statements of The Monmouth Diocesan Board of Finance (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 FRS 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 charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted
- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance
- By obtaining an understanding of the charity's policies and procedures on compliance with laws and regulations, and with best accounting practice
- Noting issues discussed with Trustees and the Senior Management Team as this relates to risks faced by the charity
- Reviewing information received from the company's solicitors, if any and discussing their contents
  with the Trustees
- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management overrides of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Rhodes BSc BFP FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

31 August 2026

The Monmouth Diocesan Board of Finance

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

Year ended 31 December 2025

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 Total funds £	2024 Total funds £
Income and endowments					
Donations and legacies	**5**	2,805,798	1,059,530	3,865,328	3,450,587
Other trading activities	**6**	–	108,836	108,836	122,711
Investment income	**7**	167,214	17,243	184,457	198,584
Other income	**8**	1,346	–	1,346	2,452
Total income		2,974,358	1,185,609	4,159,967	3,774,334
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	**9**	18,513	853	19,366	19,013
Expenditure on charitable activities	**10,11**	2,978,117	1,125,052	4,103,169	3,713,949
Total expenditure		2,996,630	1,125,905	4,122,535	3,732,962
Net gains on investments	**14**	210,421	8,659	219,080	135,016
Net income		188,149	68,363	256,512	176,388
Transfers between funds		87,976	(87,976)	–	–
Other recognised gains and losses					
(Losses)/gains from revaluation of fixed assets		(5,000)	–	(5,000)	80,000
Net movement in funds		271,125	(19,613)	251,512	256,388
Reconciliation of funds					
Total funds brought forward		6,067,327	646,552	6,713,879	6,457,491
Total funds carried forward		6,338,452	626,939	6,965,391	6,713,879

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 33 to 52 form part of these financial statements.

The Monmouth Diocesan Board of Finance

Company Limited by Guarantee

Statement of Financial Position

31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	**18**	483,785	484,650
Investments	**19**	3,552,511	3,351,869
		4,036,296	3,836,519
Current assets			
Debtors	**20**	1,302,835	893,322
Cash at bank and in hand		2,691,194	2,973,429
		3,994,029	3,866,751
Creditors: amounts falling due within one year	**21**	942,634	792,091
Net current assets		3,051,395	3,074,660
Total assets less current liabilities		7,087,691	6,911,179
Creditors: amounts falling due after more than one year	**22**	122,300	197,300
Net assets		6,965,391	6,713,879
Funds of the charity			
Restricted funds		626,939	646,552
Unrestricted funds:			
Revaluation reserve		198,104	203,104
Other unrestricted income funds		6,140,348	5,864,223
Total unrestricted funds		6,338,452	6,067,327
Total charity funds	**25**	6,965,391	6,713,879

These financial statements were approved by the board of trustees and authorised for issue on 31 August 2026, and are signed on behalf of the board by:

Ian Loynd (Chair)
Trustee

The notes on pages 33 to 52 form part of these financial statements.

The Monmouth Diocesan Board of Finance

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2025

	Note	2025 £	2024 £
Cash generated from operations	27	(476,056)	(331,628)
Net cash used in operating activities		(476,056)	(331,628)
Cash flows from investing activities			
Dividends, interest and rents from investments		184,457	198,584
Purchase of tangible assets		(9,074)	(1,703)
Purchases of other investments		(1,396,514)	(721,625)
Proceeds from sale of other investments		1,414,952	737,312
Net cash from investing activities		193,821	212,568
Net decrease in cash and cash equivalents		(282,235)	(119,060)
Cash and cash equivalents at beginning of year		2,973,429	3,092,489
Cash and cash equivalents at end of year		2,691,194	2,973,429

The notes on pages 33 to 52 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Diocesan Office, 64 Caerau Road, Newport, NP20 4HJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	33% p.a. straight line

Investments

Listed investments are measured at fair value with changes in fair value being recognised on the Statement of Financial Activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Donations			
Ministry Share	2,120,587	–	2,120,587
RB Block Grant/Partnership Funding	200,875	–	200,875
RB Structural Resilience Funding	484,336	–	484,336
RB Growth Funding	–	661,087	661,087
Other Grants	–	396,699	396,699
Highveld donations	–	1,744	1,744
	2,805,798	1,059,530	3,865,328

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Ministry Share	2,064,178	–	2,064,178
RB Block Grant/Partnership Funding	191,786	–	191,786
RB Structural Resilience Funding	484,336	–	484,336
RB Growth Funding	–	398,824	398,824
Other Grants	100,132	209,426	309,558
Highveld donations	–	1,905	1,905
	2,840,432	610,155	3,450,587

6. Other trading activities

	Restricted Funds £	**Total Funds 2025 £**	Restricted Funds £	Total Funds 2024 £
Room Letting & Miscellaneous Income	1,045	1,045	4,639	4,639
Rental of Parsonages	107,791	107,791	118,072	118,072
	108,836	108,836	122,711	122,711

7. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Income from listed investments	110,964	–	110,964
Interest receivable	56,250	17,243	73,493
	167,214	17,243	184,457

7. Investment income *(continued)*

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Income from listed investments	107,518	5,970	113,488
Interest receivable	58,418	26,678	85,096
	165,936	32,648	198,584

8. Other income

	Unrestricted Funds	**Total Funds 2025**	Unrestricted Funds	Total Funds 2024
	£	**£**	£	£
Other income	1,346	1,346	2,452	2,452

9. Costs of raising donations and legacies

	Unrestricted Funds	Restricted Funds	**Total Funds 2025**
	£	£	**£**
Investment management	18,513	853	19,366

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Investment management	18,165	848	19,013

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Support for ministry	2,138,460	623,009	2,761,469
Support for ministry areas	268,801	270,263	539,064
Support for other church property	27,580	23,625	51,205
Grants and other financial support	244,985	109,254	354,239
Communications and publications	36,497	–	36,497
Support costs	261,794	98,901	360,695
	2,978,117	1,125,052	4,103,169

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Support for ministry	1,828,239	686,332	2,514,571
Support for ministry areas	419,209	86,495	505,704
Support for other church property	21,906	9,375	31,281
Grants and other financial support	159,109	127,596	286,705
Communications and publications	34,406	–	34,406
Support costs	249,219	92,063	341,282
	2,712,088	1,001,861	3,713,949

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	**Total funds 2025 £**	Total fund 2024 £
Support for ministry	2,761,469	–	266,147	3,027,616	2,769,021
Support for ministry areas	539,064	–	51,955	591,019	556,876
Support for other church property	51,205	–	4,935	56,140	34,447
Grants and other financial support	24,212	330,027	34,141	388,380	315,717
Communications and publications	36,497	–	3,517	40,014	37,888
	3,412,447	330,027	360,695	4,103,169	3,713,949

12. Analysis of support costs

	Support for ministry £	Support for ministry areas £	Support for other church property £	Grants and other financial support £	Communications and publications £	**Total 2025 £**	Total 2024 £
Staff costs	157,920	30,827	2,928	20,260	2,085	214,020	232,845
Office costs	29,919	5,840	555	3,837	398	40,549	52,751
Depreciation	3,644	712	67	467	48	4,938	–
Diocesan Education	32,592	6,363	605	4,180	431	44,171	–
Governance: Auditors Renumeration	6,197	1,211	115	795	82	8,400	8,567
Professional Fees	4,454	870	82	571	59	6,036	3,621
Diocesan Insurance	4,423	862	82	567	58	5,992	7,167
Diocesan Conference Expenses	3,208	626	59	412	42	4,347	2,914
Governing Body Expenses	–	–	–	–	–	–	3,239
Diocesan Registrar	23,790	4,644	442	3,052	314	32,242	30,178
	266,147	51,955	4,935	34,141	3,517	360,695	341,282

Support costs are allocated to the function of the charity to which they relate based on the percentage of the overall cost of that function. The trustees are to review the apportionment for 2026 onwards.

13. Analysis of grants

	2025	2024
	£	£
Grants to institutions		
Newport Cathedral Grant	61,401	58,477
Ministry Area Administrator Grants	183,584	100,132
Insurance Excess Grant	–	500
Diocesan Board of Finance Church Repair Grants	17,324	38,600
Representative Body of Church in Wales Church Repair Grants	52,604	40,668
Diocesan Board of Finance Churchyard Grants	15,114	7,465
	330,027	245,842
Total grants	330,027	245,842

14. Net gains on investments

	Unrestricted Funds	Restricted Funds	**Total Funds 2025**
	£	£	**£**
Gains/(losses) on listed investments	210,421	8,659	219,080

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Gains/(losses) on listed investments	131,301	3,715	135,016

15. Net income

Net income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	4,939	3,562
Operating lease rentals	5,410	5,445
Fees payable for the audit of the financial statements	8,400	8,568

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	545,946	371,803
Social security costs	56,566	32,885
Employer contributions to pension plans	60,196	42,108
Other employee benefits	29,184	27,794
	691,892	474,590

16. Staff costs *(continued)*

The average head count of employees during the year was 20 (2024: 14). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of staff	17	12

The number of employees whose remuneration for the year fell within the following bands, were:

	2025	2024
	No.	No.
£60,000 to £69,999	1	1
£70,000 to £79,999	1	–
	2	1

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £154,195 (2024:£136,024).

17. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

18. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	**Total £**
Cost or valuation			
At 1 January 2025	480,000	12,437	492,437
Additions	–	9,074	9,074
Disposals	–	(2,825)	(2,825)
Revaluations	(5,000)	–	(5,000)
At 31 December 2025	475,000	18,686	493,686
Depreciation			
At 1 January 2025	–	7,787	7,787
Charge for the year	–	4,939	4,939
Disposals	–	(2,825)	(2,825)
At 31 December 2025	–	9,901	9,901
Carrying amount			
At 31 December 2025	475,000	8,785	483,785
At 31 December 2024	480,000	4,650	484,650

18. Tangible fixed assets *(continued)*

Land and buildings were revalued on 5 December 2025 by Number One Real Estate, Newport, independent valuers not connected to the charity on an existing use basis. The valuation does not separately value the land from the buildings.

At 31 December 2025, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £276,896 (2024: £276,896).

The revaluation surplus of £198,104 is recognised on the Statement of Financial Position within Unrestricted Funds.

19. Investments

	Cash or cash equivalents £	Listed investments £	**Total £**
Valuation			
At 1 January 2025	529,775	2,822,094	3,351,869
Additions	511,527	884,987	1,396,514
Disposals	(1,020,283)	(375,018)	(1,395,301)
Fair value movements	–	199,429	199,429
At 31 December 2025	21,019	3,531,492	3,552,511
Carrying amount			
At 31 December 2025	21,019	3,531,492	3,552,511
At 31 December 2024	529,775	2,822,094	3,351,869

All investments shown above are held at valuation.

Financial assets held at fair value

The investment portfolio is managed by Brewin Dolphin and is valued at closing market value on 31 December 2025.

20. Debtors

	2025 £	2024 £
Trade debtors	346,517	320,607
Prepayments and accrued income	537,623	252,962
Other debtors	418,695	319,753
	1,302,835	893,322

20. Debtors *(continued)*

The debtors above include the following amounts falling due after more than one year:

	2025	2024
	£	£
Due from Retired Clergy/Clergy Widows re Provincial Housing Loans	122,300	197,300

Loans from The Representative Body of the Church In Wales

The loans to the retired clergy, and if deceased their spouses, are received from the Representative Body of the Church In Wales and capital repayments are made to the Representative Body of the Church In Wales when they are received from the retired clergy, or their spouses. The Diocesan Board of Finance pays the same rates of interest to the Representative Body as is received from the loans to retired clergy or their spouses.

Security is held over the properties.

Loans are repaid to the Diocese when the related property has been sold.

21. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	47,071	56,048
Accruals and deferred income	861,421	691,869
Other creditors	34,142	44,174
	942,634	792,091

22. Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Representative body loans	122,300	197,300

Loans from The Representative Body of the Church In Wales

The loans to the retired clergy, and if deceased their spouses, are received from the Representative Body of the Church In Wales and capital repayments are made to the Representative Body of the Church In Wales when they are received from the retired clergy, or their spouses. The Diocesan Board of Finance pays the same rates of interest to the Representative Body as is received from the loans to retired clergy or their spouses.

Security is held over the properties.

Loans are repaid to the Diocese when the related property has been sold.

23. Deferred income

	2025	2024
	£	£
At 1 January 2025	121,084	166,084
Amount released to income	(121,084)	(166,084)
Amount deferred in year	121,084	121,084
At 31 December 2025	121,084	121,084

24. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £60,196 (2024: £42,108).

25. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2025 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Dec 2025** £
General funds	4,642,900	2,974,358	(2,944,558)	75,399	210,421	4,958,520
Revaluation reserve	203,104	–	–	–	(5,000)	198,104
Leadership Training	15,500	–	–	–	–	15,500
Children, Youth and Family Ministry Projects	33,000	–	–	–	–	33,000
Pioneer Ministry and Mission Project	16,500	–	–	–	–	16,500
100th Anniversary planning reserve	–	–	–	–	–	–
Contribution to MA Finance Resource	5,000	–	–	–	–	5,000
Evangelism Project	588,826	–	(13,433)	1,181	–	576,574
Cost of Living Support to Ministry Areas	4,326	–	–	–	–	4,326
Ministry Area Admin & Support	558,171	–	(38,639)	3,396	–	522,928
Clergy Conference	–	–	–	8,000	–	8,000
	6,067,327	2,974,358	(2,996,630)	87,976	205,421	6,338,452

25. Analysis of charitable funds *(continued)*

Unrestricted funds *(continued)*

	At 1 Jan 2024 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2024 £
General funds	4,290,497	3,008,820	(2,684,969)	(102,749)	131,301	4,642,900
Revaluation reserve	123,104	–	–	–	80,000	203,104
Leadership Training	15,500	–	–	–	–	15,500
Children, Youth and Family Ministry Projects	28,000	–	–	5,000	–	33,000
Pioneer Ministry and Mission Project	16,500	–	–	–	–	16,500
100th Anniversary planning reserve	5,000	–	–	(5,000)	–	–
Contribution to MA Finance Resource	5,000	–	–	–	–	5,000
Evangelism Project	573,267	–	(405)	15,964	–	588,826
Cost of Living Support to Ministry Areas	4,326	–	–	–	–	4,326
Ministry Area Admin & Support	598,926	–	(44,879)	4,124	–	558,171
Clergy Conference	–	–	–	–	–	–
	5,660,120	3,008,820	(2,730,253)	(82,661)	211,301	6,067,327

The designated funds have been set aside for future projects and expenditure agreed by the Board of Trustees.

Transfers between funds relate to the internal transfers of funds between DBF general funds and restricted funds. In 2025 these were the DBF contribution to the Parsonage Board, the DBF Grants to the Churches and Pastoral Committee and Bishop's discretionary funds, the DBF contribution to support costs and the restricted growth funding from the RB to the DBF.

25. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Jan 2025 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Dec 2025** £
Parsonage Board Fund	229,796	137,386	(662,678)	513,466	–	217,970
Churches and Pastoral Committee Funds	235,371	59,557	(94,086)	123,329	8,659	332,830
Council for Social Responsibility	133,378	125	(8,934)	(99,347)	–	25,222
Needlework Guild	4,624	–	–	–	–	4,624
Highveld Donations	265	1,744	(932)	82	–	1,159
Llanfair Kilgeddin	502	24	–	–	–	526
Parish Units	2	3,164	(3,471)	305	–	–
Ministry Clergy School	5,529	3,000	–	–	–	8,529
Bishop's M&G	20,236	2,948	(551)	4,048	–	26,681
Bishop's Hardship Fund	21,626	–	(9,048)	795	–	13,373
Church Army	4,975	–	–	–	–	4,975
Lent Appeal	–	6,939	(3,612)	318	–	3,645
Priest to the Deaf Community	–	18,589	(20,381)	1,792	–	–
Growth Funding - Representative Body	–	661,087	–	(661,087)	–	–
Church Inspectors Grant	–	23,625	(25,901)	2,276	–	–
Evangelism Project	(8,732)	220,486	(226,099)	19,875	–	5,530
Growth Fund Schools Project	(1,020)	46,935	(69,321)	6,094	–	(17,312)
Growth Fund Children & Families Project	–	–	(891)	78	–	(813)
	646,552	1,185,609	(1,125,905)	(87,976)	8,659	626,939

25. Analysis of charitable funds *(continued)*

Restricted funds *(continued)*

	At 1 Jan 2024 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2024 £
Parsonage Board Fund	304,536	165,070	(743,879)	504,069	–	229,796
Churches and Pastoral Committee Funds	245,388	63,849	(96,358)	18,777	3,715	235,371
Council for Social Responsibility	139,067	125	(6,402)	588	–	133,378
Needlework Guild	4,624	–	–	–	–	4,624
Highveld Donations	15	1,905	(1,822)	167	–	265
Llanfair Kilgeddin	478	24	–	–	–	502
Parish Units	31	3,074	(3,417)	314	–	2
Ministry Clergy School	2,529	3,000	–	–	–	5,529
Bishop's M&G	24,821	1,259	(13,043)	7,199	–	20,236
Bishop's Hardship Fund	18,143	530	(3,355)	6,308	–	21,626
Church Army	4,975	–	–	–	–	4,975
Lent Appeal	400	15,000	(16,958)	1,558	–	–
Priest to the Deaf Community	–	10,810	(11,904)	1,094	–	–
Growth Funding - Representative Body	52,364	398,824	–	(451,188)	–	–
Church Inspectors Grant	–	9,375	(10,324)	949	–	–
Evangelism Project	–	92,669	(94,124)	(7,277)	–	(8,732)
Growth Fund Schools Project	–	–	(1,123)	103	–	(1,020)
Growth Fund Children & Families Project	–	–	–	–	–	–
	797,371	765,514	(1,002,709)	82,661	3,715	646,552

25. Analysis of charitable funds *(continued)*

Restricted Funds are those funds which are limited by the terms and conditions of the fund and can be used for specific purposes only.

The Parsonage Board Funds is restricted for the maintenance of parsonages.

The Church and Pastoral Committee Fund is restricted for the support of church maintenance and related pastoral care.

Council for Social responsibility funds represent residual funds from the former Diocesan Council for Social responsibility Committee account now closed.

Bishop's M&G Fund represents the Bishop of Monmouth's discretionary funds.

Bishop's Hardship Fund represents the Bishop of Monmouth's discretionary funds.

Diocesan Mission funds relate to individual donations to support Mission projects in the Diocese.

Church Army funds relate to individual donations to support the Church Army project.

Lent Appeal and Kilgwrrwg Holy Cross Appeal funds relate to individual and parish donations to the annual appeal.

Growth Fund is restricted to support the cost of the stipendiary, house for duty and salaried lay ministry.

Other restricted fund balances relate to former Custodian Trustee funds released to Restricted Funds. These funds will be spent in line with the donors wishes.

Transfers between funds relate to the internal transfers of funds between DBF general funds and restricted funds. In 2025 these were the DBF contribution to the Parsonage Board, the DBF Grants to the Churches and Pastoral Committee and Bishop's discretionary funds, the DBF contribution to support costs and the restricted growth funding from the RB to the DBF.

26. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Tangible fixed assets	483,785	–	483,785
Investments	3,396,388	156,123	3,552,511
Current assets	2,580,579	470,816	3,051,395
Creditors greater than 1 year	(122,300)	–	(122,300)
Net assets	6,338,452	626,939	6,965,391

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	484,650	–	484,650
Investments	3,203,516	148,353	3,351,869
Current assets	2,576,461	498,199	3,074,660
Creditors greater than 1 year	(197,300)	–	(197,300)
Net assets	6,067,327	646,552	6,713,879

27. Cash generated from operations

	2025 £	2024 £
Net income	256,512	176,388
Adjustments for:		
Depreciation of tangible fixed assets	4,939	3,562
Net gains on investments	(219,080)	(135,016)
Dividends, interest and rents from investments	(184,457)	(198,584)
Accrued income	(115,109)	(180,267)
Changes in:		
Trade and other debtors	(124,852)	24,095
Trade and other creditors	(94,009)	(21,806)
	(476,056)	(331,628)

28. Analysis of changes in net debt

	At 1 Jan 2025 £	Cash flows £	**At 31 Dec 2025 £**
Cash at bank and in hand	2,973,429	(282,235)	2,691,194

29. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2025	2024
	£	£
Not later than 1 year	4,428	5,352
Later than 1 year and not later than 5 years	4,080	8,328
	8,508	13,680