Company Number: 229700
Charity Number: 249767

DERBY DIOCESAN BOARD OF FINANCE LIMITED (THE)

Annual Report and Financial Statements

For the year ended 31 December 2025







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ADMINISTRATIVE DETAILS

Derby Diocesan Board of Finance Limited (The) is a Charitable Company Limited by Guarantee and not having a share capital. (Company No 229700 England, Registered Charity No 249767). Membership of the Board consists of those members of Derby Diocesan Synod who are not employed by the Board.

President:	The Bishop of Derby - The Right Reverend Libby Lane
Registered Office:	Church House, Full Street, Derby DE1 3DR
Telephone:	01332 388650 (For a list of direct dial telephone extensions see the diocesan website)
Email:	finance@derby.anglican.org
Website:	www.derby.anglican.org

Bishop's Council and Standing Committee of Diocesan Synod
(Being the financial executive of the Diocesan Synod and the Board of Directors of the Board of Finance)

The trustees (for the purpose of charity law) and directors (for the purpose of company law) during the year and as at the date of signing were as follows:

Chair

- The Bishop of Derby - The Right Reverend Libby Lane

Ex-Officio

- The Bishop of Repton - The Right Reverend Malcolm Macnaughton (to 30 April 2026)
- The Archdeacon of Derby and South Derbyshire - The Venerable Matthew Trick
- The Archdeacon of Derbyshire Peak and Dales - The Venerable Nicky Fenton
- The Archdeacon of East Derbyshire - The Venerable Karen Hamblin (to 30 September 2025)
- The Acting Archdeacon of East Derbyshire - The Venerable Matthew Trick (from 1 October 2025)
- The Dean of Derby - The Very Reverend Dr Peter Robinson
- The Chair of the House of Clergy of the Diocesan Synod - The Reverend Canon Julian Hollywell (to 21 July 2025)
- The Chair of the House of Clergy of the Diocesan Synod - The Reverend Jason Ward (from 22 July 2025)
- The Chair of the House of Laity of the Diocesan Synod - Mr Peter Kelsey
- The Executive Chair of the Board of Finance - Canon Mark Titterton
- The Chair of the Diocesan Board of Education - The Right Reverend Malcolm Macnaughton (to 30 April 2026)
- The Chair of the Diocesan Board of Education - The Venerable Nicky Fenton (from 1 May 2026)

Elected by Derby Diocesan Synod – two clergy members from each Archdeaconry and twelve lay members, with at least four from each Archdeaconry.

Clergy

Derbyshire Peak and Dales (2)

- The Reverend J Hughes
- The Reverend N McNally

East Derbyshire (2)

- The Reverend D Cooke
- The Reverend B Taylor

Derby City and South Derbyshire (2)

- The Reverend J Ward
- The Reverend S Watson (from 14 March 2026)

Laity

Derbyshire Peak and Dales (at least 4)

- Canon E Brailsford
- Canon J Cooper
- The Honourable D Legh
- Mrs C McMullen

East Derbyshire (at least 4)

- Mr J Gascoyne
- Canon C Holmes-Elener
- Mr I Leigh
- Mr B Parker

Derby City and South Derbyshire (at least 4)

- Mrs M Thomas-Goddard
- Mrs L Wass Griffiths (from 14 June 2025)
- Vacancy
- Vacancy

Principal Officers

- Diocesan Secretary - W Hagger
- Director of Finance & Operations - M Marples
- Director of Mission, Evangelism and Parish Revitalisation - Reverend Canon M Barnes
- Director of People and Ministry Development - C Lees
- Director of Strategy & Engagement – S Frith (from 1 December 2025)
- Head of Safeguarding and Diocesan Safeguarding Officer - L Marriott
- Head of Communications – A Melville

Advisers

Diocesan Registrar, Bishop's Legal Secretary and Legal Adviser to the Board of Finance - I Blaney M.A. LL.B. LL.M.

Bankers

National Westminster Bank, 58 St. Peter's Street, Derby, DE1 1XL

Investment Advisors

CCLA Investment Management Ltd; One Angel Lane, London, EC4R 3AB
Sarasin and Partners LLP, 50 George Street, London, W1U 7DY

Solicitors

Eddowes Waldron Solicitors,12 St. Peter's Churchyard, Derby, DE1 1TZ

Insurers

Ecclesiastical Insurance Group, Beaufort House, Brunswick Road, Gloucester, GL1 1JZ

Land Agents

Savills, 2/3 Sherbrook House, Swan Mews, Lichfield, WS13 6TU
Fisher German, Ivanhoe Office Park, Ivanhoe Park Way, Ashby de la Zouch, LE65 2AB

Mineral Surveyors

Coke Turner & Co, The Millyard, Rowsley, Matlock, DE4 2EB

Auditor

Sumer Auditco Limited, One Waterside Place, Basin Square, Brimington Road, Chesterfield, Derbyshire, S41 7FH

DIOCESAN VISION & STRATEGY 2025-2030

Everything the Parish Support Team (those employed by the Derby Diocesan Board of Finance) does is shaped by our strategic framework. It helps us stay clear about what we are here to do and why.

What we do ourselves and enable others to do

The first part of our framework describes what we're here to do ourselves, and to enable those in our parishes to do. There are three levels to how we think about this.

1 **We pursue the Diocesan Vision:** The Kingdom of God, good news for all – transformed lives through growing church and building community

We work towards the Outcomes - the fruit of pursuing God's Kingdom and signs of missional health, which will be seen mainly in local congregations and communities:

2

Deepening our relationships with God *– Growing our faith so that we are freed by God's love to live out our calling every day of the week.*	***Challenging injustice*** *– God's Kingdom is about justice and joy, and we are called to speak out and act when people are harmed by injustice.*	***Serving our local contexts*** *– Serving our communities practically, so they can see and experience the good news of God's Kingdom.*	***Making new disciples*** *– We are called to share the hope and love of Jesus, inviting others to grow in faith and follow him in their own lives.*

We take care of the Pillars – these are the key responsibilities of the Parish Support Team and Diocesan Leadership, which make all the Outcomes possible:

3

Equipping our people *– Giving trustees, staff, clergy, licenced lay ministers, and volunteers the tools and support to thrive in their roles.*	***Sustaining our resources*** *– Working towards the long-term sustainability of built and financial assets that enable Church of England ministry in our region.*	***Shaping our structures and culture*** *– Encouraging good governance at all levels and building a healthy, Kingdom-focused and values-driven culture.*

How we go about doing the things that we do

God calls us to plan well and to care for what He has given us. He cares about what we do, but He also cares deeply about how we do it. This is what the second part of our framework focuses on.

We act according to the Values and *Behaviours* - these shape how we work together and the way we show that we are the Church in everyday practice.

4

Generous faith • *We act with **integrity*** • *We **collaborate** often and well* • *We hold ourselves and each other **accountable***	**Courageous hope** • *We are **bold and ambitious*** • *We **embrace change*** • *We **challenge respectfully***	**Life-giving love** • *We are **appreciative*** • *We work to make people feel **included*** • *We are **tolerant** of our differences*

We pay attention to the Priorities - thoughtfully and deliberately considering the implications for our named priority areas in every plan we put together:

5

Growing younger *e.g. How have we invited the voices of children and young people into this plan?*	**Growing more diverse** *e.g. Which of the various facets of diversity could this plan help us to grow in?*	**Being greener** *e.g. What parts of this plan might have an environmental impact?*	**Social & economic deprivation** *e.g. How might the dynamics of economic deprivation or social isolation impact this plan?*

How the Diocesan Vision may look in real life
In practice, the Diocesan Vision may look like:

- More people coming to faith
- More New Worshipping Communities
- More existing congregations growing
- More children and young people in worshipping communities
- More impact and engagement in areas of deprivation
- More diversity at all levels
- More lay and ordained church leaders recruited
- More support for churches and church leaders
- More capacity for missional outreach
- Less environmental impact
- Fewer church leaders and PCC members feeling overstretched
- Fewer financial challenges at a local and diocesan level

Transformed Lives - A Diocese committed to equipping a church of missionary disciples, centred on Christ Jesus and shaped by Him, transforming the lives of others, living out their baptismal calling in the '5 Marks of Mission'.

Growing Church - A Diocese committed to a mixed ecology of church that is more diverse, enabling people of every age and in every context to hear the good news of Jesus, where we grow and expand worshipping and witnessing communities (including Parishes, Schools, Chaplaincy, Plants and Fresh Expressions).

Building Community - A Diocese committed to being outward facing, rooted in and connected to its communities, working in partnership and networks for the common good, with particular care for poor, outcast, and vulnerable people. A church proclaiming the good news of the Kingdom in word and action making it tangible socially, economically, environmentally and in justice.

INTRODUCTION FROM THE BISHOP OF DERBY

The Rt Revd Libby Lane



I am grateful for careful work that has produced this annual report, and even more so for the creative and committed work managing Derby Diocesan Board of Finance assets through the year that the report illustrates.

The DBF purpose is to resource our Diocese as we fulfil our vision of 'The Kingdom of God: Good News for all'. I offer my personal appreciation to the dedicated staff colleagues who have supported the delivery of that purpose through this past year.

Canon Mark Titterton, Executive Chair of the DBF, outlines below, and the information laid out in the report demonstrates, how we remain in a very challenging financial situation: I am committed with him to the developing financial strategy that moves us to sustainability.

As we look back over the past year in this report, I recognise the generous partnership many parishes offer through Comon Fund contribution to 'Resource Mission Together' across the Diocese. The generosity of thousands of individuals, PCCs and other contexts is woven into the fabric of this report – thank you.

FOREWORD

Executive Chair, Canon Mark Titterton



The Board has improved on its estimated deficit budget position for 2025, despite common fund receipts remaining lower than the level that is required to be fully sustainable in the future. Despite these challenges, parishes contributed £3,679,485 to the common fund, with the board being grateful to them, as all this income goes directly towards funding clergy stipends across the diocese.

As we deliver our plans for 2026 and develop a 10 year financial sustainability strategy, it remains that our income, particularly from common fund needs to rise significantly to balance our annual budgets and support the levels of stipendiary clergy, otherwise difficult decisions will have to be made about the level of resources the Board deploys.

Our financial asset portfolio is held with two Investment Managers: Sarasin and CCLA. Financial markets were volatile during 2025 and our ethical investment policy struggled during 2025 to return an investment target of CPI+4%, resulting in financial assets falling by £0.94m during the year. Our land agents Fisher German have identified a number of surplus glebe land assets which will be disposed of from 2026, reducing the maintenance and management burden and increasing cash for investment to fund clergy stipend costs. Also during 2025 we disposed of our glebe quarry asset bringing in £1.5m to reinvest. We have maintained a strong asset base, poised to take advantage of future opportunities.

We also implemented a 'Total Return' Accounting Policy, which allows the Board to unlock some of the historic value held in our balance sheet. This again helps to support clergy stipend costs within the DDBF budget.

The Board exists to support the parishes and people of this diocese and I would like to add my personal and sincere thanks for your continued support as we look to 'Resource Mission Together' in this place.

TRUSTEES' REPORT

The Trustees, who are also Directors for the purposes of company law, present their annual report, together with the audited financial statements, for the year ended 31 December 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: 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 published in October 2019.

The Directors/Trustees are one and the same, and in signing as trustees they are also signing the strategic report sections in their capacity as directors.

This combined report satisfies the legal requirements for:

- a Directors' Report of a charitable company,
- a Strategic Report under the Companies Act 2006 and
- a Trustees' Annual Report under the Charities Act 2011.

Public Benefit Statement

The Directors of the DDBF are aware of the Charity Commission's guidance on public benefit and have had regard to the guidance in their administration of the Board. The DDBF believes that, by promoting the work of the Church of England in the Diocese of Derby, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the diocese as a whole and in its individual parishes. In doing so it provides a benefit to the public by providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and promoting Christian values and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

Legal Objectives

Derby Diocesan Board of Finance Limited (The); (the Board), is a charitable company which was formed to manage the financial affairs and hold the assets of the Diocese. It was incorporated in the UK on 16 April 1928 as a charitable company limited by membership guarantees and its governing document is the Memorandum and Articles of Association. The Board is registered in England with the Charity Commission. The registered office and number can be found on page 3.

The objects, for which the Board is established, are set out in Clause 3 of the Board's Memorandum of Association, dated April 1928. The primary object (or purpose) is to act as the financial executive of the Diocesan Synod. In addition, it is to act as the Parsonages Board for the Diocese, to act as the Diocesan Committee of the Diocese for the purposes of any Act of Parliament or Measure passed by the General Synod of the Church of England and to promote and assist the work and purposes of the Church in the Diocese and in particular to organise and provide funds in aid of the work of the Church.

The Board has the following statutory responsibilities:

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

The strategic priorities of the company are established by the Diocesan Synod in communication with Deanery Synods, PCCs, and the Bishop of Derby (in respect of their responsibility for the provision of the cure of souls).

Going Concern

The Board have considered national and global financial impact on the charitable company's income and operating cost base. The Board are confident that they have in place plans to deal with potential future financial impact that may arise, as provided for when setting the 2026 and 2027 indicative budget.

The Board have prepared forecasts of income and expenditure and cash flow for the period to 31 December 2027 and subjected these forecasts to sensitivity analysis which shows that they have sufficient reserves to be able to continue for the foreseeable future. They will continue to monitor the impact on income and take appropriate action as necessary. The Board therefore continue to adopt the going concern basis of preparation for these financial statements.

Objectives for the year 2025

Strategy Development

Our developing People and Places Plan is our primary strategic tool to deliver the diocesan vision and outcomes. We have been clarifying our strategic framework in support of this plan, developing long-term strategies and annual operating plans for each function of the DDBF team.

The People and Places Plan is underpinned by the concept that gathering gifted and resourced clergy and lay leaders in strategic locations to deliver our missional outcomes will enable discipleship.

To this end, we have been investing in:

- Clergy recruitment processes and practices: Improving parish profiles and implementing vision-aligned role descriptions;
- Strategic deployment planning: Developing financially viable clergy deployment plans and allocating resources strategically;
- Clergy and lay training and development programmes: Reviewing our clergy and lay leadership training programmes to better align delivery to desired strategic outcomes;
- Equipping clergy and their PCCs to plan for growth: Developing a strategic planning toolkit, known as mission action planning (MAP), to be implemented during 2026;
- Clergy wellbeing: Aligning clergy stipends to national benchmarks and working towards our first Clergy Wellbeing Survey in Q1 2026;
- Lay leadership development: Focussing intentional support on church wardens through in person training events throughout the year and developing a new program to more effectively evaluate practical outcomes for those completing the licenced lay leaders training; 2025 saw the groundwork for our first diocesan clergy conference for lay leaders coming in September 2026;
- Initial Ministerial Education phase two (IME2) and Continuing Ministerial Development (CMD) Frameworks: During autumn 2025 there was a period of consultation about the shape, format and delivery of IME2 with every curate and Training Incumbent and this fed into a new development framework for both programs which will be launched early in 2026; and
- Vocations: Strong engagement in promotion events for vocations, and the introduction of a new licenced lay leader discernment process. This has encouraged strong group work and relational engagement with candidates who are discerning their calling, and ordinands in current training programs.

In support of this core programme of longer-term culture change, we had been working towards a circa £6 million bid to the Diocesan Investment Programme (DIP) operated by the Strategic Mission and Ministry Board (SMMIB) of the Archbishops' Council, which we had planned to submit in June 2025. This was to be the first, and smaller, of at least two bids (which would have totalled over £15 million), with the initial bid focussed on an investment in a programme of Growing Faith Networks (GFNs) aligned to our priority to grow younger with an ambition to double the number of active young disciples engaged in Church of England worship across the diocese.

In April 2025 we were discouraged from proceeding with our June submission and were advised to await a 2026-2028 Triennium funding update for DIP following General Synod in July 2025. At the end of July 2025, we were informed by SMMIB that the funding available to us over the 2026-2028 Triennium would now be capped at £2 million, with a cap of £3 million on the subsequent triennium (2029-2031). This was, as was subsequently acknowledged by the Chair of SMMIB, a significant moving of the goal posts due to the volume of 'in principle' commitments made to dioceses who had already successfully bid to DIP now affecting the pipeline of funding available to those who had yet to bid. The material resizing of the funding available to us required us to comprehensively review our planned GFN programme, which was therefore our focus over the rest of 2025. At the time of writing, GFNs now look likely to play a less pivotal role in our growth plans, with a new programme is under development likely for a DIP funding submission early in 2027, aligned to the revised level of available DIP funding.

Finally, in December 2025 we learned that we had been successful in a separate bid to the Racial Justice Unit of the National Church for circa £250k in funding from the Racial Justice Unit to build cultural capital and racial literacy among children in the least diverse parts of the diocese. This project, directly serving our priority to grow more diverse, will start in Q2 2026.

Working Towards Financial Sustainability

Over Q1 2025, in the context of another deficit budget having been set for 2025 (reflecting a deficit of £1.4 million across all funds and a continually worsening financial outlook) diocesan governance forums started to engage with our financial sustainability challenge. At this point in the year there were a number of potentially significant unknowns, such that it was recommended to review the outlook again later in the year when the outcome of these was known. We were:

- Awaiting confirmation of the level of time-limited financial support which might be available from the National Church through the ongoing Diocesan Finances Review, and for how long it would run;
- Waiting to hear what the impact would be to other proposed changes in financial flows between the National Church and DDBF as part of the same review e.g. changes in National Minimum Stipend and National Stipend Benchmark and in Lowest Income Communities (LInC) funding; and
- Waiting to learn the outcome of our planned multi-million-pound DIP bid.

The overall outcome of these variables was ultimately unfavourable, and a Financial Strategy Group was established over Q4 2025 to work with officers to develop financial sustainability plans which will be taken through the appropriate governance bodies in 2026.

In May 2025, Bishops Council agreed to adopt a Total Return Accounting Policy to the Stipend Fund Capital Account. This has enabled current and historic investment returns to better support operating cash flows.

People and Culture

2025 saw the continued restructure in the Safeguarding team, aligned to our certification in May for the purposes of Amending Canon No 42 (Safeguarding) and the confirmation of Lisa Marriott as Diocesan Safeguarding Officer.

We also combined our Strategy and Communications teams into a new Strategy and Engagement department, underlining the importance of close collaboration between both functions to the successful delivery of strategic initiatives.

Our first DDBF staff survey was delivered in Q1 2025. An encouraging 93% of employees participated in the survey, which returned a relatively strong engagement index, yet also offered scope for positive change. This baseline resulted in intentional actions this year which focussed on three themes; trust, openness and transparency, and feeling valued. This survey will be run annually to allow progress to be monitored. Foundational work was undertaken in 2025 to enable our first clergy wellbeing survey during Q1 2026.

Office relocation

Church House in Derby provides poor quality, inaccessible office accommodation which hinders DDBF staff collaboration, has poor environmental credentials, and is a poor 'shop front' and resource for parishes in the diocese. Moving the DDBF staff team from Church House has been on the agenda for DDBF leadership for at least two decades, and the building fabric and its functionality have suffered from long term underinvestment as a result.

Following a review of our workplace needs during 2024 by workplace consultancy WKspace, surveyors Fisher German were appointed to both consider how Church House might be adapted to meet these needs and to scan the local market for potentially suitable available alternative options. No suitable alternative options have been identified to date. Meanwhile, the review of Church House identifies that its fundamental shortcomings cannot be addressed without major intervention e.g. complete/partial redevelopment of the site. More work has been commissioned from local architects Lathams to better understand the potential comprehensive refurbishment/redevelopment options.

Governance

A full governance review of DDBF commenced in Q4 2025 and will conclude in 2026.

The purpose of the work is to provide assurance that governance in the Diocese is fit for purpose and right sized: set up and operating to support the framing and implementation of the diocesan strategy in a way that is transparent and accountable, with appropriate communication and engagement of stakeholders.

More detailed departmental outcomes for 2025 are described below.

2025 Delivery

Mission, Evangelism and Parish Revitalisation Team

Key highlights in the year included:

Church Buildings & DAC

- Processed 5 large and 3 small Raymond Ross Fund applications leveraging a further £466,671.
- 73 PCCs receiving buildings for mission, church buildings support, advice and assistance.
- 70 Faculty applications processed.

DMPC

- 8 suspensions lifted, 13 renewed in timely manner.
- One DMPC scheme completed, and 16 at consideration / proposal stage.
- 155 List B faculty applications completed.

Mission

- Developed a *new* New Worshiping Communities (NWC) training pathway for Licenced Lay Ministers (LLMs).
- Delivered training for LLM, Estates network and Curates.
- Two active Greenhouses supporting Fresh Expressions of Church in Mercia and Derby City Deaneries - Greenhouse Facilitator training for three people.
- Two NWC Diocesan Mixed Ecology events; 57 in attendance.
- Distributed 55 'GodSend' training manuals, with Parish Support Team support.
- Developed a Pioneer Pathway Framework to monitor specific Missioner/ pioneer roles - One Associate Pioneer role description and mentoring one pioneer LLM.
- Gathered 100% Statistics for Mission data.

Generosity

- Increase in donations through the Parish Giving Scheme have once again achieved a 22.5% year-on-year increase to £1.65million per year.
- 18 Try Before You Buy devices installed - 83% success rate; Donations to churches from these devices in 2025 = £19,986.00.
- 158 active merchant accounts for contactless giving - 59% of parishes in the Diocese have a contactless giving account (National Average 57%, Nottingham 56%, Leicester 54%, Birmingham 52%).
- Year-on-year increase of 29% in the value of all contactless donations to £252,606.00.
- Year-on-year increase of 25% in the volume of all contactless donations.

Growing Younger

- Delivered a successful Growing Younger Conference which was well attended by over 100 clergy and laity from across the Diocese, very positive feedback.
- Offered six deanery-wide training sessions on Growing Younger principles.
- Launched a new 'Growing Younger' Mailing, with 162 subscribed, and up to 62.7% open rate since May '25.
- Delivered first Youthscape Launchpad training for 10 clergy with very positive feedback. With future cohorts planned in 2026.
- Offered support to four parishes seeking funding for Children, Young People & Families ministry workers.
- Two new Future Youth MES (Ministry Experience Scheme) participants supported and funded in church placements, with one Future Youth MES participant continuing into second year.

Net Zero Carbon

- Collated actions from the net-zero roadmap document into a series of actionable goals to be managed through the Net Zero Working Group.
- Recruited additional net zero team members to support delivery, appointing a Church Decarbonisation Officer.
- Worked directly with over 20 churches in the diocese offering in-depth support, and a further 30 churches with practical guidance and encouragement on their net zero journey.
- Developing a greener churches programme of training, support, and networking opportunity for churches in the diocese.
- Analysing existing data and encouraging churches to engage with the EFT process (*collecting 63% returns from parishes*)
- Offered internal climate change training to curates and DBF staff
- Provided technical support to other areas of the parish support team to ensure that net zero support is embedded within other service areas.

People and Ministry Department

Key deliverables during 2025 included:

Ordained Ministry Development:

- The development of ordained formational pathways continued along with supporting licenced ministers in post once trained - which last year included 76% attendance at the annual Clergy Conference; and 41% who accessed Continuing Ministerial Development (CMD), Retreat, or Sabbatical grants, and increase of 3% and 5% respectively.
- 100% of curates who submitted their End of Title Assessment portfolio and completed national criteria were signed off and are now in first posts of primary responsibility.
- We continued to build on previous positive vocations work, especially in ordained discernment, with 8 candidates attending Stage Two panels and subsequently starting ordination training in September. We also had 1 priest from the Church of North India attend a candidates panel and move to a year of training, before potential licensing as a curate in 2026, and 1 priest move from Assistant level ministry to Incumbent level via a candidates panel. Following the introduction of the Elizabeth Pathway, we sent 2 candidates to St Hild on this new combined discernment/training pathway with their Stage Two panels due in 2026. The Elizabeth Pathway is a specialised two-year, part-time, non-residential ordained ministry training route within the Church of England, specifically designed for mature candidates (usually aged 53–67) with significant, pre-existing experience in lay leadership.

Lay Ministry Development:

- The Lay Ministries team developed the ongoing delivery of LLM(R) CMD including a regular new, focussed online workshop, seeing an average of 8 LLM(R)s attending monthly. Churchwarden Network Gatherings were established, offering relevant support and training for churchwardens. 2025 saw the implementation of the first pre-licensing Reader retreat and the team supported the development of more focussed practical formation during LLM(R) IME.
- The team continued the effective delivery of Licenced Lay Minister (Reader) training resulting in 12 new licenced Readers and 5 new students. We also created a pathway for those LLM(R)s who work in NWCs and/or Pioneer Contexts. Across all the pathways of the Certificate in Theology of Mission and Ministry program, we helped the 32 diverse students who took part to deepen their faith and develop their skills as confident, reflective practitioners of mission and ministry. As last year, we achieved 98% positive engagement with students.
- We introduced a new more robust discernment pathway for those exploring LLM. This included the implementation of a new reporting process which culminated in interviews in October. October also saw 19 'explorers' attend our Vocations Exploration Day in Darley Dale.

DDBF Team Development:

- The People (HR function) enabled the recruitment of 12 Parish Support Team staff, as well as playing key role in the people change programme, enabling our departments and equipping our people to better support the delivery of the Diocesan vision.

The Property Team

The Property Team completed some key actions during 2025, including:

- Completing on the purchase of three new clergy properties, and disposing of seven surplus properties, receiving approximately £2.3m net
- Completing 27 quinquennial surveys out on our existing housing stock across the Diocese.
- Delivered works to 39 of our properties, including major works in 4 properties
- Completing vacancy inspections and co-ordinated vacancy/improvement works to 40 parsonages or DDBF houses prior to new clergy moving in, or the houses being let on assured shorthold tenancies.
- Managing a housing rental portfolio: collecting rental income from let houses of £537,000, exceeding the budget of £502,000.
- Managing our 1,200-acre land portfolio in partnership with Fisher German, with 47 plots recommended for disposal in future years.

The Finance Team

On top of maintaining a statutory service for the Diocese, and supporting parishes with advice, during 2025 the finance team:

- Achieved a clean audit opinion from our external auditors for the 2024 annual accounts, and approval by Diocesan Synod.
- Reviewed annual budgets recommended approval of the 2026 budget through Bishops Council and Diocesan Synod.
- Implemented a Total Return Accounting Policy for 2025 to improve the use of the DDBF balance sheet to support the annual budget.
- Commenced a review of the Common Fund formula, which will be further developed in 2026, for possible implementation in 2027.
- Achieved a 90%+ response for Return of Parish Finance data.
- Managed several parish project grant applications in conjunction with the Church Buildings Team.

The Safeguarding Team

2025 has been a year of significant development for the safeguarding team. In May 2025, the Diocesan Safeguarding Adviser role formally transitioned to Diocesan Safeguarding Officer (DSO) in line with the IICSA 1 and 8 recommendations. We also welcomed two new team members, further strengthening our capacity and expertise.

Throughout 2025, we received 300 new concerns, with a noticeable increase in higher threshold casework requiring oversight through the Safeguarding Case Management Group (SCMG) process. We have embedded the Managing Safeguarding Concerns and Allegations Code of Practice, which came into force in September 2025, ensuring consistent and robust practice across all casework. The team has continued to access key training as part of its ongoing professional development.

Regional collaboration has also strengthened. We now work more closely with neighbouring dioceses and held a regional development day in Leicester in December 2025, attended by the full safeguarding team.

In addition to casework, the key areas of activity have been:

- DBS checks and Data Development: We have transferred our DBS processing to Thirtyone:eight, providing enhanced support to parishes and streamlining the overall process. Working in partnership with Clearly Simpler, we developed a Safeguarding Hub for the Parish Support Team. The Hub now holds DBS and training data for licensed clergy, PtO, and Readers, with DDBF staff due to transfer into the system in early 2026.

- Training: Our safeguarding training offer remains robust and accessible. Bishop's Council approval was secured to allow delegates to complete Recognising Domestic Abuse training via eLearning, Zoom, or in-person formats, providing flexibility to suit individual needs. All Zoom and in-person sessions now include a volunteer Training Supporter to assist with content understanding and to support participants who may be impacted by the material.

- Parish Safeguarding Officer (PSO) Support: We continue to invest in and strengthen support for PSOs. Uptake of PSO induction training has increased, and we continue to deliver monthly PSO meetings, as well as bespoke sessions on Fraud, the Dashboard, and Hub training. The Safeguarding Sunday service took place at St John's Walton on 16 November 2025. The rollout of the Safeguarding Hub across the diocese has been received positively, though further support is needed to help parishes overcome remaining barriers and maximise the Hub's full functionality. Safer Recruitment has been an area of particular focus throughout the year.

- Victim & Survivor Support: We continue to provide a robust response to victims and survivors in line with national guidance. Work has progressed on our Survivor Strategy, which is scheduled for launch in early 2026. We have actively sought and incorporated survivor feedback, ensuring lived experience directly informs and strengthens our practice and wider safeguarding activity.

- MyConcern recording system: We completed a Health Check for MyConcern, our national safeguarding recording system. The diocese was commended for using all system functions proactively and has been flagged as 'best practice', with other dioceses signposted to us for support. All historic cases were transferred into MyConcern during 2025, meaning the system now holds all safeguarding records, a key expectation in preparation for the INEQE audit scheduled for June 2027.

- Diocesan Safeguarding Advisory Panel (DSAP): During 2025, our DSAP continued to develop, although there have been some challenges in securing and sustaining wider partnership membership. Meetings remain well attended, and Julie Gardner, our Independent Chair since November 2023, continues to provide strong leadership and oversight. Julie has reported that she is assured the safeguarding activity within the diocese is of good quality. Strengthening engagement with statutory and voluntary sector partners will be an important priority as we prepare for the INEQE audit in 2027. As part of this work, the DSAP Terms of Reference will be reviewed, and INEQE reports completed to date will be examined to identify further learning that can be implemented. This will support the continued strengthening of the Panel and ensure we maintain high-quality external scrutiny.

The Communications Team

The structure of the Communications Team changed in 2025 following the retirement of the full-time Media Officer and the appointment of a Head of Communications, a new post within the DDBF. This was followed by a review of the team's internal practices and procedures, and the emergence of a new communications strategy for the Parish Support Team which will underpin how we engage with key internal and external audiences in the coming years. We identified three areas of focus: delivering our core functions, resourcing parishes and congregations for effective communications, and proclaiming the Kingdom of God.

Notable outputs from the communications team included:

- The production of 16 parish profiles to support recruitment of clergy
- 36 news articles published on the Diocesan website
- 13 media enquiries directly to the diocesan communications team, and assisting parishes with their own media relations when required
- 4 facilitated media interviews with the Bishop of Derby, and 1 interview with the Bishop of Repton
- Running a communications snapshot survey to provide benchmarkable data for future communications performance
- An increase in engagement and audiences across our various digital channels, including our website and social media platforms such as Facebook and Instagram
- Supporting the technical requirements of key diocesan events such as Diocesan Synod and other conferences
- Supporting the delivery of campaigns such as Thy Kingdom Come and the Bishops' Harvest Appeal
- Co-creating the Accessible Symbols project with the Derby Diocesan Disability and Inclusion Action Group (DIAG)
- Supporting all Safeguarding Case Management Groups
- Providing internal communications support and internal staff engagement activities

Future plans for 2026

Key objectives to be delivered in 2026 include:

- Strategy development:
  - Continuing to develop our People and Places Plan to create an environment for growth across the diocese.
  - Continuing to work with the Vision and Strategy team of the NCIs to develop a growth-orientated DIP funding bid for submission to the Strategic Mission and Ministry Investment Board (SMMIB), likely in early 2027
  - Strengthening our data and IT infrastructure through GDPR and cybersecurity audits and follow-up actions, growing our data analysis capability within the team through recruitment and training, and developing a connected data model so that we can be safer, more secure, and more data-led in our strategic decisions across the team.

- Financial sustainability:
  - Agreeing a financial strategy with Diocesan Synod to transition to financial sustainability within 5 years whilst minimising harm to our missional growth ambitions.
  - Implementing our disposal strategy with Fisher German for non-strategic rural land holdings.
  - Developing a strategy for our housing portfolio, to indicate our intent to provide quality clergy housing, including for the disposal of surplus stock to release capital.

- People & Culture:
  - Continuing to align people resources and departmental structures to the optimal delivery of the Diocesan Vision, Outcomes and Priorities including implementing a People Strategy and a DDBF staff salary framework.
  - Delivering our first Clergy Wellbeing survey during Q1 2026 and developing a response to the survey findings, putting clergy wellbeing at the heart of diocesan decision-making.
  - Building on the work of the staff engagement survey, we will proactively address staff engagement by listening to the voice of our employees and continue to develop people policies and practices that promote a values-centred culture.
  - Focussing on creating a culture of continuous learning and development, moving every individual towards becoming a high-performing contributor. This will start with an intentional focus on leadership skills.

- Implementing a programme of Mission Action Planning (MAP) to equip clergy and parishes to plan for growth.

- Continuing to plan for an improved office environment for the DDBF staff team, either through a relocation away from Church House or through a comprehensive refurbishment/redevelopment of the site.

- Finalising a comprehensive governance review of DDBF and agree a strategy to implement recommendations with Bishop's Council.

- Starting the preparation work for our diocesan INEQE Safeguarding Audit in June 2027.

- Planning to mark our diocesan centenary in 2027 with a programme of vision-aligned events and activities.

Financial Review

Statement of financial activities and financial position

Total income was £11.0million (2024 - £10.2million) and expenditure £11.1million (2024 - £10.5million), giving net expenditure before investment gains of £93,308 (2024 – net expenditure of £265,484).

After the addition of net losses on investment assets of £0.9million (2024 – net gain of £3.1million), the net decrease in funds amounted to £1.0million (2024 – £2.9million net increase).

During the year, total fund balances decreased from £110.4million to £109.4million and there was an overall net cash inflow of £2.1million from the disposal of surplus assets, (2024– cash outflow £8.5million).

This gives the total picture, but a further breakdown is needed to fully understand the financial position of the Diocese.

Of the total funds of £109.4m:

- £79.8m are tied up in endowment funds, with £20.3m in Benefice Houses, £54.0m in Stipends Fund Capital (Glebe funds) and £5.5m in other permanent endowment funds
- a further £10.0m are represented by restricted funds which can only be used in accordance with the terms of the restriction placed on them
- Designated funds total £15.0m including £10.7m of corporate properties and a designated Strategic Objectives fund of £2.5m
- The remainder are general funds of £4.6m.

Performance against budget

Budget plans for 2025 included the following significant movements:

- An overall reduction in anticipated Common Fund receipts from Parishes, reducing the budget by £355,000
- A reduction in overall curate funding as a number of curates completed training
- Anticipated increase in return on investments, through the adoption of Total Return Accounting for the Stipends Fund
- Stipend and salary levels increased by 3%
- Budgeted clergy numbers were reduced from 100 to 90 *(before being increased to 95 for 2026)*

The annual budget is presented to Diocesan Synod for approval and sets out the framework for our financial decision-making. The 2025 budget set a budget deficit of (£1,407,955) and was increased in year by Council by a further (£459,000) for housing improvements, giving a total budget deficit of (£1,866,995). The budget envelope set by Synod was expenditure of £10,499,789. The final position is expenditure of £10,490,441 (see table below).

The table below sets out performance against the budget plan:

MANAGEMENT ACCOUNTS 2025	**Budget**	**Actual**	**Difference**
	£	**£**	**£**
INCOME			
Common Fund	3,645,000	3,735,069	90,069
Church Commissioners	1,879,777	1,769,592	(110,185)
Net Return on Investments	3,071,130	2,986,638	(84,492)
Other income including fees and grants	495,888	550,563	54,675
TOTAL INCOME	**9,091,754**	**9,041,861**	**(49,993)**
EXPENDITURE			
Resourcing Mission and Ministry	8,207,773	7,976,441	231,332
Support for Parish Ministry	2,006,429	1,759,586	246,843
Support and Compliance	744,587	754,414	(9,827)
TOTAL EXPENDITURE	**10,958,789**	**10,490,441**	**468,348**
SURPLUS / (DEFICIT)	**(1,866,995)**	**(1,448,579)**	**418,416**

Total expenditure of £10,490,441 was within the budget envelope approved by Diocesan Synod of £10,499,789.

[Figures above may include minor rounding]

Common Fund, the money given by parishes to the Diocese to fund mission and ministry across the Diocese, is the main source of income and accounted for around 41% of total Diocesan income. In 2025 the total amount paid was £3,735,069, which was a decrease of £37,106 (-1.0%) over the previous year (2024 - total Common Fund £3,772,175). Receipts were £90,070 (2.5%) more than budgeted.

A total of £1.8m came from the National Church Institutions, including £0.4m from the Strategic Ministry Fund to fund the in-year costs of additional curates and Posts of First Responsibility.

Returns on investments fluctuated during 2025 due to volatile financial markets, resulting in an annual realised loss of £366,878 and an unrealisable loss of £941,702. Land sale gains were made totalling £429,697. Net income returns from land and buildings was £3,006,141.

Benefact Trust annual distribution amounted to £85,966 and the Board acknowledges with thanks the receipt of this grant. Parochial fees were £57,263 less than in 2024, and (£42,335) below budget.

Ministerial staffing costs were under budget due to anticipated additional curacies starting in 2025 not appointed, vacancy levels arising from clergy movements and savings in the clergy pension contributions. Incumbent appointment towards the end of 2025 rose to 92fte having started the year at 87fte and averaging at 89fte through the year. Additional clergy related costs above budget included vacancy sequestration costs and legal expenses.

Support from Parish Ministry and Compliance Costs were underspent, largely due to vacancies in budgeted posts.

Reconciliation of Statutory Accounts to the Annual Budget

	£
NET MOVEMENT IN FUNDS (*)	**(972,191)**
Exclude net movement in Endowment Funds (long-term assets)	1,899,158
Total Comprehensive Income (I&E account)	**926,967**
Investment Movements (non-operational)	
Transfer from Benefice Housing to Corporate Property (on disposal)	(1,833,180)
Net income earned from on disposal of properties	(802,620)
Loss on revaluation of investments (Unrestricted and Restricted Funds)	279,591
Operational Adjustments (not included in annual budget)	
Specific Designated and Restricted income & expenditure	(19,337)
Annual Budget Position	**(1,448,579)**

[per statement of financial activities on page 29 of the financial statements]*

Grant-Making (Beneficiary-Selection)
Grants are made to the National Church to cover a proportion of its central costs and also to cover the cost of training for ministry (see note 12 of the financial statements). Grants are paid to other connected charities and to other charitable projects which support the furtherance of the Board's objects.

Review of the statement of financial position
The Trustees consider that the Statement of Financial Position together with details in note 27 show broadly that the restricted and endowment funds are held in an appropriate mix of investment and current assets given the purposes for which the funds are held. While the net assets at the Statement of Financial Position date totalled £109.4million (2024 - £110.4million) it must be remembered that included in this total are tangible fixed assets, mostly in use for the ministry, whose total value amounted to £31.5million (2024 - £31.7million). Many of the remaining assets shown in the Statement of Financial Position are held in funds which cannot necessarily be used for the general purposes of the Board.

Significant property and associated land transactions
During the year the Board acquired four houses for £1,255,342 and sold seven houses for £3,538,310. (2024: one house purchase £583,013 and four disposals £1,597,000).

Fundraising
The charity did not carry out any fundraising activities during the reporting period and did not engage the services of any professional fundraisers or commercial participators as defined by the Charities Act 2016.

Investment policies and strategy

The Board's investment policies are kept under review and based on two key policies:

- Ethical investment - this includes ensuring that investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders. All investment managers are mandated to follow ethical considerations as determined by the Church of England Ethical Investment Advisory Group in addition to an exclusion on fossil fuels.
- Long-term responsibilities – the Board manages its investment assets with the principal aim of generating income to achieve the maximum contribution possible to clergy stipends, whilst maintaining the real value of Diocesan capital but with the possible need to realise investments to meet operational needs. The trustees are aware of their long-term responsibilities particularly in respect of endowed funds and as a result follow a correspondingly prudent approach to investment decisions.

Financial Investment Strategy

The current strategy is to manage investments for sustainable income and to achieve modest capital growth over the longer term. The Board recognises that performance in this area is vital to the direct relief of the demands on Common Fund. Financial investments are held with CCLA Investment Management Ltd (for the Church of England) and Sarasin and Partners LLP. During the year the Bishops Council ratified the decision of the Investment Committee to transfer £10m of funds from CCLA to Sarasin.

The Board adopted a Total Return Accounting Policy to its Stipend Fund Capital Account from 1 January 2025. Note 31 presents the Total Return activity in 2025. The policy includes an annual transfer from the £1.95m to the income account to fund stipend costs.

Glebe Investment Strategy

Glebe investments are held for the purpose of raising income to achieve the maximum contribution possible to clergy stipends on an ongoing basis. Investments are mainly held in agricultural land and financial investments with CCLA Investment Management Ltd and Sarasin and Partners LLP. Land disposal plans are in progress to streamline the asset holdings and access cash for investment.

Unrestricted and Restricted Fund Investments

Unrestricted and restricted fund investments are invested to balance income, liquidity and the maintenance of capital. Funds which may be needed for working capital in the short-term are held as deposits with CCLA Investment Management Ltd and the Board's bankers National Westminster Bank.

Investment performance

The value of the Board's financial investment assets reduced by (£1.3)million in 2025 (2024: increase in valuation of £9.6million).

Investment Management - financial investment managers

At the Statement of Financial Position date, the Board's investment was split between CCLA was in CBF Church of England Investment Fund income shares and Sarasin Climate Active (Ex Energy) Fund income shares

The table below sets out holdings in each fund at 31 December 2025:

	Funds at 31/12/2025	Portfolio Split	Income yield in year	Total return in year (net)
	£	%	%	%
CBF Church of England Investment Fund	32,944,942	51.5	+2.9	-1.2
Sarasin Climate Active (Ex Energy) Fund	31,025,894	48.5	+2.2	+4.3
	63,970,836	**100.0**		

Total return performance for each fund in 2025 against its comparator is set out in the table below:

Longer term total return performance 12 months to 31 December 2025	Fund %	Target %	Comparator %
CBF Church of England Investment Fund (net)	-1.2	+7.4	+11.0*
Sarasin Climate Active (Ex Energy) Fund	+4.3	+7.4	+9.3**

(*) MSCI World (75%), Markit iBoxx £ Gilt (15%), MSCI UK Monthly Property (5%), Sterling Overnight Average (5%)
(**) ARC Steady Growth Charity Index (net)

Investment properties – including glebe agricultural land

Holdings in the portfolio are predominantly agricultural in nature, amounting to approximately 1,243 acres. Agricultural property has been valued by the Board and is based on a desktop valuation provided by Fisher German, our glebe land agents, as at 31 December 2024. A market update for 2025 indicated no change in overall values from the 2024 valuation.

The current valuation of the portfolio is £8.0m (2024: £9.1m). The investment held in Wormhill Quarry was disposed of during the year, providing a cash inflow of £1.5m and a gain in book value of £430,000 from the £1.07m held in 2024.

Equity (value-linked) loans

Equity loans have been used to purchase houses for ministers on a shared equity basis. In the event of a sale of any of the houses purchased with value-linked loans (VLL), the whole, or a proportionate part, of the net sale proceeds would go to the Church Commissioners.

Total value-linked loans advanced at 31 December 2025 amounted to £274,938 for 5 loans (2024 - £274,938, 5 loans).

Investment gains and (losses)

Net investment movement on the statement of financial activity in the year was (£878,883). Unrestricted: (£164,990) loss in funds from financial investment values. Restricted: (£114,601) loss in funds from financial investment values; Endowment: (£1,028,989) loss in funds from financial investment values, and £429,697 gain from net land revaluations [See note 17].

Reserves Policy

Free reserves

The Board has considerable responsibilities including the remuneration of around 115 stipendiary clergy posts, the upkeep of 171 houses and the employment of approximately 46 full or part-time staff. Most of the Board's income is voluntary and the Board has noted that a substantial proportion of its voluntary income is from Common Fund with the balance made up of grant income from the Church Commissioners and income from investments and other sources.

Having considered financial risk, liquidity requirement and the timing of cash flows throughout the course of the financial year, the policy is to hold a balance of readily realisable assets in the general fund equivalent to three months budgeted operational expenditure. At 31 December 2025 the amount required under this policy totalled £2.39m (2024: £2.48m). Actual free reserves as at 31 December 2025 totalled £4.56m (2024: £4.83m). With the continuing uncertainty in economic and financial landscapes it is considered appropriate to hold reserves above the policy level.

Financial plans over a ten-year period are developed to test that the ability to raise income and that spending plans are affordable. The Financial Strategy Group was formed to scrutinise this strategy.

Reserves tied up in fixed assets

The Statement of Financial Position comprises net fixed tangible assets amounting to £31.5m (Note 16).

Designated funds

The Trustees may designate additional unrestricted reserves to be retained for an agreed purpose where this is prudent. Such designated reserves are reviewed on an annual basis and returned to the general fund if the purpose of their designation is no longer considered to be adequate justification for their retention. A description of each reserve together with the intended use of the reserve is set out in Note 28 of the financial statements. At 31 December 2025 total designated reserves were £15.0m (2023: £15.1million) of which £10.7m is held in tangible fixed assets as corporate property (2024: £10.4million).

Restricted and endowment funds

As set out in Notes 29 and 30, the Board holds and administers many restricted and endowment funds. As at 31 December 2025 restricted funds totalled £10.0m (2024: £8.7m) and endowment funds totalled £79.8m (2024: £81.7m). Neither restricted nor endowment funds are available for the general purposes of the Board.

Principal risks and uncertainties

The trustees confirm that the major risks, to which the Board is exposed, as identified by the trustees and employees, have been reviewed and that systems and procedures have been established to manage those risks.

The risk register identifies several risks and action plans are developed to mitigate risks to reduce the probability of the risk arising, or the impact should the risk arise. The following areas are where the risk of either failure to act or the impact of the events is considered 'very high':

- **Common Fund:** *'collection is considerably less than financial plans'*
- **Church Decline:** *'reducing numbers impact on church finances and ability to deliver legislative roles'*
- **Stipendiary Numbers:** *'impact on deployment could affect the budget position'*
- **Recruitment to key posts:** *'impact of not having resources in place to deliver strategy and mission'*
- **Strategic Objectives:** *'impact of not delivering growth plans to move towards financial sustainability'*
- **Cashflow***: 'physical and economic market conditions severely affect cash inflow and the ability to achieve the approved budget position'*
- **Financial markets***: current volatility in asset valuations could affect use of funds to support mission.*

Management and mitigation

The Management and mitigation of these ongoing risks are considered regularly by Diocesan Officers and reported to Trustees:

- Common Fund is reviewed monthly with regular dialogue between the Finance Team, Parishes, Area Deans and Archdeacons.
- Stipendiary deployment is reviewed regularly by the Bishop and her Executive Team, with a full deployment plan outlined for completion in 2026.
- A Strategy Committee was implemented in 2025 to track performance against the strategic objectives.
- A Diocesan Investment Programme (DIP) bid will be developed during 2026 and submitted in 2027 for funding to support the strategy.
- The budget and cashflow impact are constantly being reviewed to minimise monthly and year-end impact including; freezing non-essential spend, maximising external funding support where appropriate, and advance receipts from Church Commissioners.
- Commissioners have reviewed longer term financial packages for Dioceses which help DDBF in the short term.

Structure and Governance

Summary information about the structure of the Church of England

The Church of England is organised as two provinces, each led by an Archbishop (Canterbury for the Southern Province and York for the Northern). Each province comprises dioceses of which there are 42 in total. Each diocese is divided into parishes. Each parish is overseen by a parish priest (often called a vicar or rector). From ancient times through to today, they and their Bishop are responsible for the 'cure of souls' in their parish.

His Majesty the King is the Supreme Governor of the Church of England. They appoint Archbishops, Bishops and Deans of Cathedrals on the advice of the Prime Minister. The two Archbishops and 24 senior Bishops sit in the House of Lords.

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

The Three National Church Institutions

The Archbishops' Council, the Church Commissioners and the Church of England Pensions Board are sometimes referred to as the three National Church Institutions. The Archbishops' Council was established in 1999 to co-ordinate, promote, aid and further the mission of the Church of England. Its task is to give a clear sense of direction to the Church nationally and support the Church locally by acting as a policy discussion forum.

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

The Church of England Pensions Board was established by the Church Assembly in 1926 as the Church of England's pension authority to administer the pension scheme for the clergy. Subsequently it has been given wider powers, in respect of discretionary benefits and accommodation both for those retired from stipendiary ministry and for widow(er)s of those who have served in that ministry, and to administer pension schemes for lay employees of Church organisations. The Pensions Board, which reports to the General Synod, is the trustee of a number of pension funds and charitable funds. Whilst the Church has drawn together under the Pensions Board its central responsibilities for retirement welfare, the Pensions Board works in close cooperation both with the Archbishops' Council and with the Church Commissioners.

Derby Cathedral

The cathedral church is legally constituted as a separate entity and registered as a charity on 9 April 2024. Copies of its annual report and financial statements may be obtained from the Cathedral Administrator, Derby Cathedral Office, Cathedral Centre, 18-19 Iron Gate, Derby DE1 3GP.

The information about General Synod, the Church Commissioners, the Archbishops' Council and cathedral is included as background only. The financial transactions of these bodies do not form part of these financial statements.

Parochial Church Council (PCC)

The PCC is the elected governing body of an individual parish which broadly is the smallest pastoral area in the Church of England. Typically, each parish has one parish church, though it may have more than one designated place of worship. The PCC is made up of the vicar (or rector) as chair, the churchwardens and a number of elected and ex-officio members. Each PCC is a charity and is currently excepted from registration with the Charity Commission, subject to the Charities Act 2006, under which those PCCs with gross income over £100,000 for the year are required to register. Except where shown, the transactions of PCCs do not form part of these financial statements. Financial statements of an individual PCC are prepared by the relevant PCC treasurer.

Parishes and Benefices

A benefice is a parish or group of parishes served by an incumbent who typically receives a stipend or part stipend, though some may not, and, usually, the benefit of free occupation and use of a parsonage house from the Diocese for carrying out spiritual duties.

Deanery and Archdeaconry

A deanery is a group of parishes supported by an Area Dean, Deanery Leadership Team, and an Archdeaconry Administrator. An archdeaconry is a group of deaneries for which an Archdeacon is responsible. The Diocese is then the principal pastoral and in turn financial and administrative resource of the Church of England, encompassing the various archdeaconries under the leadership of the Diocesan Bishop.

Deanery Synods

Deanery Synods have two houses, laity and clergy, and their role is to:

- respond to requests from General Synod
- give effect to the decisions made by the Diocesan Synod
- consider matters affecting the Church of England by drawing together the views of the parishes within the deanery
- act as a channel of communication to express the views of parishes to Diocesan Synod and thence to General Synod
- raise with Diocesan Synod such matters as it considers appropriate
- elect members of the deanery to the Diocesan Synod and in respect of the House of Laity elect lay members of the Diocese to General Synod.

Diocesan Synod

The statutory governing body of the Diocese is the Diocesan Synod which is elected with representation across the Diocese with broadly equal numbers of clergy and lay people meeting together in Diocesan Synod with the Diocesan Bishop, the Suffragan Bishop and Archdeacons. Its role is to:

- consider matters affecting the Church of England in the Diocese
- act as a forum for debate of Christian opinion on matters of religious or public interest
- advise the Bishop where requested
- deal with matters referred by General Synod
- provide for the financing of the Diocese.

Organisational structure

The Diocese of Derby is one of 42 administrative units of the Church of England, covering the whole of Derbyshire and a few parishes on the fringes of the county in Staffordshire. It is administered through Derby Diocesan Board of Finance Limited (The); (the Board), a charitable company limited by guarantee.

The Diocese has three Archdeaconries: Derbyshire Peak and Dales with the three deaneries of Peak, Carsington and Dove and Derwent, East Derbyshire with the three deaneries of North East Derbyshire, Hardwick and South East Derbyshire, and Derby City and South Derbyshire with the deaneries of Derby City and Mercia.

Diocesan governance

Diocesan governance is by Diocesan Synod which is an elected body with representation from all parts of the Diocese. Membership consists of ex-officio members, including the Bishops and Archdeacons, clergy members elected by the houses of clergy in Deanery Synods, lay persons elected by the houses of laity in Deanery Synods. The standing committee have the right to nominate persons for co-option by the House of Clergy or the House of Laity or otherwise to determine who else may nominate such persons but in other respects the procedure for co-opting members shall be determined by the respective houses. The Diocesan Synod usually meets three to four times a year.

Many of Diocesan Synod's responsibilities have been delegated to Bishop's Council as the Standing Committee of Diocesan Synod.

The Bishop's Council (and Standing Committee of the Diocesan Synod)

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

- to plan the business of the Synod, to prepare the agenda for its sessions and to circulate to members information about matters for discussion
- to initiate proposals for action by the Synod and to advise it on matters on policy which are placed before it
- to advise the President, being the Diocesan Bishop, on any matters which they may refer to the Committee
- subject to the directions of the Synod, to transact the business of the Synod when the Synod is not in session
- to appoint members of committees or nominate individuals for election to committees, subject to the directions of the Synod
- to carry out such functions as the Synod may delegate to it.

Decision-Making Structure

Policy is formulated by the Bishop's Council for approval where required by Diocesan Synod. Strategic delivery of policy is the responsibility of the Diocesan Secretary. Bishop's Council may delegate any of its powers to the Business Committee.

Committee Structure

Bishop's Council
The members of the Bishop's Council are the Board of Trustees and Directors of the Company. Bishop's Council consists of eight ex-officio members (the Diocesan and Suffragan Bishops; two Archdeacons; the Dean; the Chairs of the House of Clergy and House of Laity; the Executive Chair of the Board of Finance; the Chair of the Board of Education; the Chair of the Diocesan Mission and Pastoral Committee; six clergy elected by the House of Clergy from among their number (two from each Archdeaconry) and twelve lay persons elected by the members of the House of Laity (with at least three from each Archdeaconry) The maximum number of Directors shall not exceed 30.

Other statutory committees include:

Diocesan Mission and Pastoral Committee - is responsible for the task of recommending pastoral reorganisation, taking account of available clergy numbers and making use of new patterns of ministry. This committee is coterminous with Bishop's Council, and the Chair is therefore the Bishop.

People (HR) and Remuneration Committee – is a sub-committee of Bishop's Council and meets as and when required to make recommendations and decisions on clergy and lay employee terms and conditions of service, people policies, remuneration and benefits.

Diocesan Advisory Committee - advises on matters affecting churches and places of worship such as the granting of faculties, architecture, archaeology, art and the history of places of worship, the use and care of places of worship and their contents and the care of churchyards.

Derby Diocesan Board of Patronage - is constituted under the provisions of the Patronage (Benefices) Measure 1986, is sole patron or joint patron of a number of benefices.

In addition to the statutory committees Bishop's Council has set up the Business Committee, which has written terms of reference, to advise it on all governance and financial matters.

The Business Committee - meets approximately ten times each year and will work closely with the Diocesan Secretary. The Business Committee advises the Bishop's Council, in the discharge of the trustees' responsibilities for accounting policy, internal control, financial reporting and risk management. In addition, it provides strategic advice on the management of the Board's investment assets.

Parsonages Board - is responsible for determining policy and making major decisions concerning the management of parsonage houses in each benefice. This includes setting the policy for buying, repairing, maintaining and disposing of all parsonage houses, team vicarages and houses owned by the Board. The Diocesan Board of Finance was designated as the Parsonage Board, which in turn delegates its functions to the Business Committee.

The Glebe Committee - is specifically tasked under the Endowments and Glebe Measure 1976 to manage diocesan glebe holdings to augment the diocesan stipends fund. Business Committee is designated as the Glebe Committee.

Investment Committee – Bishops Council appointed and Investment Committee from member of Business Committee during 2024. Their remit is to review and advise on investment strategy, in particular financial investment assets.

Significant Control, Trustees and Management Personnel

Register of Persons of Significant Control
The Board maintains a Register of Persons of Significant Control.

Trustee Recruitment, Selection and Induction
The Trustees are the members of Bishop's Council and Directors of the company. Trustees are either ex-officio members or elected from the Diocesan Synod. Synod members are elected from representatives across the Diocese including clergy and lay people. Elections taking place every three years, with the last elections undertaken in 2024. Trustees are given induction training when first appointed and receive ongoing training, as appropriate. Some staff hold the title of 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All Trustees are required to sign the code of practice and maintain their entry in the record of declarations of interest and loyalty.

The Board has indemnity insurance for its trustees and key management personnel and £1,000,000 (2024 - £1,000,000) of cover is provided.

Remuneration of key management personnel
Emoluments of higher-paid employees are determined by a People (HR) and Remuneration Committee consisting of a sub-set of members of the Bishop's Council and independent Chair, meeting three times per year. The terms of reference for this group is established by the Bishop's Council and includes; regular appraisals, remuneration and salary benchmarking and recommendation of changes where necessary.

Delegation of day-to-day delivery
The Trustees and the sub-committee which assist them in the fulfilment of their responsibilities, rely upon the Diocesan Secretary and their colleagues for the delivery of the day-to-day activities of the company. The Diocesan Secretary is given specific and general delegated authority to deliver the business of the Board in accordance with the policies framed by the Trustees.

Funds held as Custodian Trustee
The Board is custodian trustee of assets held on permanent trust by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and churchwardens (Trusts) Measure 1964 where the managing trustees are parochial church councils and others. These assets are not aggregated in the financial statements as the Board does not control them, and they are segregated from the Board's own assets by means of separate bank accounts and accounting system. Further details of financial trust assets, whose market value amounted to £2.89million at 31 December 2024 (2024 - £3.00million), are available from the Board on request, and are summarised in note 32 of the financial statements. Where properties are held as custodian trustee, the deeds are identified as such and held in safe custody by the Board's solicitors.

Personnel

The efficient and effective running of the Diocese requires high quality staff across the DDBF. Our grateful thanks go to all the staff who supported the Diocese during 2025.

Although this report refers to employees of the Board and not parochial clergy, we would also like to thank the clergy who continue to deliver our mission across the Diocese.

General Synod Members
We would also like to acknowledge the General Synod representatives and thank them for their hard work acting as our elected members of General Synod. During 2025 our elected representatives were Kat Alldread, Revd Neil Barber, Sue Cavill, Revd Alicia Dring, Revd Julian Hollywell, and Peter Kelsey.

Other Church Bodies

General Synod, Church Commissioners and Archbishop's Council
The Board has a duty to comply with Measures passed by the General Synod of the Church of England and is required to make certain annual payments to the Archbishops' Council towards the running costs of the National Church. The stipends of the Diocesan and Suffragan Bishops and cathedral clergy are borne by the Church Commissioners and are not reflected in these financial statements.

Parochial Church Councils (PCCs)
The Board is required by Measure to be custodian trustee in relation to PCC property, but the Company has no control over PCCs, which are independent charities and operate under the Parochial Church Councils (Powers) Measure 1956. The accounts of PCCs and deaneries do not form part of these financial statements.

PCCs are able to influence the decision-making within the Board and at Diocesan Synod level through representations to those bodies and through the input of their Deanery Synods.

Other charities

Derby Diocesan Board of Education
Derby Diocesan Board of Education (DDBE) is the statutory education authority for the Church in the Diocese. Its purpose is to promote and assist in the promotion of education in the Diocese, consistent with the faith and practice of the Church of England including the promotion of religious education and worship in schools within the Diocese. In addition, its purpose is to promote church schools in the Diocese and to advise governors of such schools. Whilst the DDBE is incorporated as a separate legal entity, the DDBF provides significant resources to the DDBE to facilitate the shared vision for mission and ministry with children and young people.

The Board co-operates with certain other charities in pursuit of its charitable objects and details of payments to these are to be found in note 12 to the financial statements.

Fundraising standards information
The charity does not carry out any significant fundraising activity, and no complaints have been received.

TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and 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 charitable company will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

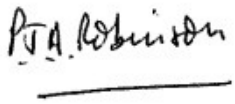
STATEMENT OF DISCLOSURE TO AUDITORS

In so far as the trustees are aware:

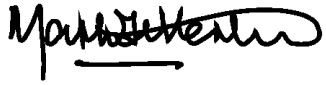
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In approving the Trustees' Report, we also approve the Strategic Report therein, in our capacity as company directors.

BY ORDER OF THE TRUSTEES



The Very Reverend Dr Peter Robinson
The Dean of Derby
11 May 2026



Canon Mark Titterton
Executive Chair of the DDBF
11 May 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBY DIOCESAN BOARD OF FINANCE LIMITED (THE)

Opinion

We have audited the financial statements of Derby Diocesan Board of Finance (the 'charitable company') for the year ended 31 December 2025, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report included within 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 of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with management and trustees, and from our knowledge and experiences of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Companies Act 2006, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola O'Sullivan (Senior statutory auditor)

for and on behalf of

Sumer Auditco Limited
Statutory Auditor
One Waterside Place,
Basin Square,
Brimington Road,
Chesterfield,
Derbyshire,
S41 7FH
Date: 21/05/2026

FINANCIAL STATEMENTS

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DERBY DIOCESAN BOARD OF FINANCE LIMITED (THE)

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2025

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2025	Total funds 2024
		£	£	£	£	£
Income and endowments from:						
Donations	2					
Common Fund		3,735,069	-	-	**3,735,069**	3,772,175
Archbishops' Council		1,147,206	841,973	-	**1,989,179**	2,028,931
Other donations		152,986	17,275	-	**170,261**	232,334
Total Donations		**5,035,261**	**859,248**	**-**	**5,894,509**	6,033,440
Charitable activities	3	475,764	803	-	**476,567**	474,247
Other activities	4	537,034	-	-	**537,034**	487,469
Investments	5	283,716	365,329	1,282,567	**1,931,612**	2,351,498
Other income	6	775,920	18,210	1,336,630	**2,130,760**	877,844
Total income and endowments		**7,107,695**	**1,243,590**	**2,619,197**	**10,970,482**	10,224,498
Expenditure on:						
Raising funds	7	89,731	-	135,883	**225,614**	144,814
Charitable activities	8	6,761,548	4,076,628	-	**10,838,176**	10,345,168
Other expenditure	9	-	-	-	**-**	-
Total expenditure		**6,851,279**	**4,076,628**	**135,883**	**11,063,790**	10,489,982
Net income/(expenditure) before investment gains/(losses) gains		**256,416**	**(2,833,038)**	**2,483,314**	**(93,308)**	(265,484)
Net gains/(losses) on investments	17	(164,990)	(114,601)	(599,292)	**(878,883)**	3,137,275
Net income/(expenditure)		**91,426**	**(2,947,639)**	**1,884,022**	**(972,191)**	2,871,791
Transfers between funds	18	**(489,788)**	**4,272,968**	**(3,783,180)**	**-**	-
Other recognised gains/(losses)						
Net gains/(losses) on revaluation of fixed assets	16	-	-	-	**-**	(10,000)
Net movement in funds		**(398,362)**	**1,325,329**	**(1,899,158)**	**(972,191)**	2,861,791
Total funds at 31 December	27	**19,590,034**	**9,994,821**	**79,808,921**	**109,393,776**	110,365,967

All activities derive from continuing activities.

DERBY DIOCESAN BOARD OF FINANCE LIMITED (THE)

INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2025

	2025	2024
	£	£
Total income (less endowment)	**8,351,285**	9,549,800
Expenditure (less endowment)	**(10,927,907)**	(10,489,982)
Operating (deficit)/surplus for the year	**(2,576,622)**	(940,182)
Net gains/(losses) on investments	**(279,591)**	371,046
Net (expenditure)/income for the year	**(2,856,213)**	(569,136)
Other comprehensive income/(expenditure):		
Net gains/(losses) on revaluation of fixed assets	**-**	(10,000)
Net assets transferred from endowments		
Total Return	**1,950,000**	-
Other	**1,833,180**	1,078,522
Total comprehensive income:	**926,967**	499,386

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

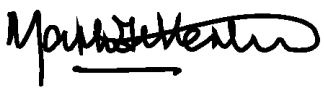
DERBY DIOCESAN BOARD OF FINANCE LIMITED (THE)

STATEMENT OF FINANCIAL POSITION COMPANY NUMBER 229700

For the year ended 31 December 2025

	Note	2025		2024	
		£	£	£	£
Fixed Assets					
Tangible assets	16	**31,457,639**		31,671,827	
Investments	17	**71,980,883**		74,389,766	
			103,438,522		106,061,593
Current Assets					
Debtors	19	**964,882**		1,364,972	
Cash on deposit		**5,838,982**		3,698,872	
Cash at bank and in hand		**30,256**		30,282	
		6,834,120		5,094,126	
Creditors: amounts falling due within one year	20	**(603,928)**		(514,814)	
Net Current Assets			**6,230,192**		4,579,312
Total Assets less Current Liabilities			**109,668,714**		110,640,905
Creditors: amounts falling due after more than one year	20				
Other creditors		**(274,938)**		(274,938)	
			(274,938)		(274,938)
Net Assets			**109,393,776**		110,365,967
The Funds of the Charity					
Unrestricted income funds					
General Fund		**4,560,321**		4,838,516	
(Including investment revaluation reserve of £803,230 (2024 - £2,149,536)					
Designated funds	28	**15,029,713**		15,149,880	
(Including investment revaluation reserve of £1,851,775 (2024 - £1,919,771)					
			19,590,034		19,988,396
Restricted income funds	29		**9,994,821**		8,669,492
(Including investment revaluation reserve of £2,433,516 (2024 - £2,515,853)					
Endowment funds	30		**79,808,921**		81,708,079
(Including investment revaluation reserve of £18,815,312 (2024 - £18,627,252)					
Total Funds			**109,393,776**		110,365,967

The financial statements were approved by the Board of Directors and authorised for issue on 11 May 2026 and signed on behalf of the Board by:



Executive Chair of the DDBF - Canon Mark Titterton

The notes on pages 33 to 53 form part of these financial statements

DERBY DIOCESAN BOARD OF FINANCE LIMITED (THE)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025	Restated 2024
	£	£
Cash flows from operating activities:		
Net cash used in operating activities	**(4,002,377)**	(3,657,064)
Cash flows from investing activities:		
Dividends, interest and rent from investments	**2,299,021**	1,920,513
Royalty income and land transactions	**23,450**	196,592
Proceeds from the sale of property, plant and equipment	**3,545,332**	1,597,000
Proceeds from the sale of investment property	**1,530,000**	-
Proceeds from the sale of investment securities	**10,000,000**	12,911,607
Purchase of property, plant and equipment	**(1,255,342)**	(591,235)
Purchase of investments securities	**(10,000,000)**	(20,911,607)
Net cash provided by investing activities	**6,142,461**	(4,877,130)
Cash flows from financing activities		
Net cash provided by financing activities	**-**	-
Change in cash and cash equivalents in the year	**2,140,084**	(8,534,194)
Cash and cash equivalents at 1 January	**3,729,154**	12,263,348
Cash and cash equivalents at 31 December	**5,869,238**	3,729,154

	2025	Restated 2024
	£	£
Reconciliation of net movement in funds to net cash outflow from operating activities		
Net movement in funds for the year ended 31 December	**(972,191)**	2,861,791
Adjustments for:		
Net (gains)/losses on investments	**878,883**	(3,137,275)
Net (gains)/losses on impairment/revaluation of fixed assets	**-**	10,000
Depreciation/impairment charges	**-**	7,856
Dividends, interest and rent from investments	**(2,299,021)**	(1,920,513)
Royalty income and land transactions	**(23,450)**	(196,592)
Net (Profit) on the sale of fixed assets	**(2,075,802)**	(650,842)
Decrease/(Increase) in debtors	**400,090**	(543,813)
Increase/(Decrease) in creditors	**89,114**	(87,676)
	(3,030,186)	(6,518,855)
Net cash used in operating activities	**(4,002,377)**	(3,657,064)
Analysis of cash and cash equivalents		
Notice deposits (less than 3 months)	**5,838,982**	3,698,872
Cash in hand	**30,256**	30,282
	5,869,238	3,729,154

Analysis of Changes in Net Debt

The Diocese has no cash equivalents, repayable overdraft facilities, loans or finance lease obligations due at 31 December 2025 (2024 - Nil)

Movements in cash are reflected in the statement of cashflows above.

The 2024 Cash Flow Statement has been restated to reflect the full cash and profit received on the disposal of fixed assets, and to present the gross sales and purchases of investments.

The notes on pages 33 to 53 form part of these financial statements

DERBY DIOCESAN BOARD OF FINANCE LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

1. Accounting Policies

The financial statements have been prepared under the historical cost convention, with the exception of freehold properties, which are included at their fair value as determined under the applicable valuation method as detailed in c), and fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP (FRS 102)), the Companies Act 2006 and applicable accounting standards, Financial Reporting Standard (FRS) 102.

Derby Diocesan Board of Finance Limited meets the definition of a public benefit entity under FRS 102.
The financial statements are presented in £ sterling which is the functional currency of the entity and rounded to the nearest £1.

The principle accounting policies and estimation techniques are as follows:

a) Income

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

i) Common Fund is recognised as income of the year in respect of which it is receivable with contributions received by 31 January in the following financial year-end explicitly relating to the period under review included as debtors.

ii) Rent receivable is recognised as income in the period in respect to which it relates.

iii) Interest and dividends are recognised as income when receivable.

iv) Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the in the following financial year-end explicitly relating to the period under review included as debtors.

v) Grants received which are not subject to pre-conditions for entitlement specified by the donor are treated as income in the year.

vi) Parochial fees are recognised as income of the year to which they relate.

vii) Donations other than grants are recognised when receivable.

viii) Gains on disposal of fixed assets for the Board's own use (i.e. non-investment assets) are accounted for as other income.
Losses on disposal of such assets are accounted for as other expenditure.

ix) Stipends fund income. The Stipends Fund Capital account is governed by the Diocesan Stipends' Fund Measure 1953, as amended, and the use of the income is restricted for clergy stipends. The income arising on the Stipend Fund is credited to the unapplied total return in the year in which the distribution is due.

x) Mineral royalty receipts are uncertain, however receipts are accounted for as income when they arise.

xi) Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing and the income recognition criteria are met.

b) Expenditure

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

i) Costs of raising funds represent costs relating to the temporary renting out of parsonages and investment management costs estate has communicated in writing and the income recognition criteria are met.

ii) Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese and expenditure on education and diocesan projects.

iii) Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the Board, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

iv) Support costs consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on the basis of the estimated usage of resources at Church House.

The apportionment can be summarised as follows:
Resourcing ministry and mission (96.5%), Synodical Governance (3.5%)

v) Pension contributions. Some of the Board's staff are members of the Church Workers Pension Fund Pension Builder 2014 Scheme and Clergy are members of the Church of England Funded Pensions Scheme (see note 25). The pension costs charged as resources expended represent the Board's contributions payable in respect of the accounting period, in accordance with FRS102. Deficit funding for the pension schemes to which Board participates are accrued at current value in creditors distinguished between contributions falling due within one year and those falling due after more than one year.

1. Accounting Policies (continued)

c) Tangible fixed assets and depreciation

Freehold & leasehold houses and houses subject to value-linked loan

The primary purpose of residential property held in the benefice houses fund and as corporate houses is to house ministers and all such properties are held as functional fixed assets.Residential property is not held for investment purposes i.e. to generate an income or for capital gain.

Freehold houses and houses subject to value-linked loan are shown at cost, or deemed cost, where historic cost values are not readily available.

Where the Board acquires property on its own account, the expenditure is capitalised. Gains or losses arising from sales of corporate property are dealt with through the designated fund (corporate properties fund).

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

The Board has a policy of regular structural inspection, repair and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS 102 to ensure that the carrying value is not more than the recoverable amount.

Investment properties

Glebe properties which are held for investment purposes and rented out have been included at their fair value. Glebe agricultural land was last valued as at 31 December 2024 by Fisher German, Chartered Surveyors, who manage the portfolio.

Fisher German provided a market update for 2025 which indicated no change in overall values from the 2024 valuation.

Parsonage houses

The Board has followed the requirements of FRS 102, in its accounting treatment for benefice houses (parsonages). FRS 102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The Board is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. Parsonage houses are carried at their deemed or historical cost.

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

d) Other tangible fixed assets

No provision for depreciation is provided in respect of Church House, as it is fully maintained with a view to ensuring that the total residual value is not less than the amount stated in the financial statements. Accordingly, any depreciation would be immaterial.

Church House car park is under a long term lease comprising of 23 spaces.

Depreciation on office equipment is calculated to write off the cost of each asset over its expected useful life by equal annual instalments at the rates below, (% p.a. on cost). Items costing less than £2,000 (2024: less than £1,000) are not capitalised.

Computer hardware and software	33⅓%	straight line
Furniture & fittings	10%	straight line
Other office equipment	20%	straight line

e) Other accounting policies

i) Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

ii) Leases. The Board has entered only into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent free period is reflected in the Statement of Financial Activities over the shorter of the overall lease term or first break clause whichever is shorter in time.

iii) Tax Accounting. The Derby Diocesan Board of Finance is a registered charity and is therefore generally exempt from taxation on its charitable activies. The Board is not liable to corporation tax on income or gains derived from its charitable purposes, as these are applied solely for charitable activities, in accordance with the provisions of the Corporation Tax Act 2010.

1. Accounting Policies (continued)

f) Fund balances

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

- **Unrestricted funds** are the Board's corporate funds and are freely available for any purpose within the charitable company's objects, at the discretion of the Board. There are two types of unrestricted funds:
  - General funds for the general purposes of the Board and
  - Designated funds set aside out of unrestricted funds by the Board for a purpose specified by the Trustees.
- **Restricted funds** are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.
- **Endowment funds** are those held on trust to be retained for the benefit of the charitable company as a capital fund. In the case of the endowment funds administered by the Board (Benefice Houses and Stipends Fund Capital), there are discretionary powers to convert capital into income and, as a result, these funds are classified as expendable endowment. Endowment funds where there is no provision for expenditure of capital are classified as permanent endowment.

  DDBF Trustees agreed to adopt a Total Return Accounting Policy from 1 January 2025. Trustees identified the relevant fund (Stipend Fund Capital Account), against which the policy would be applied. They set the base level of the Trust For Investment based on 2013 fund value uplifted by CPI which protects the original endowment. Details prior to 2013 were not available, or considered accurate enough to determine the Trust for Investment. They established the Unapplied Total Return level which could be used to fund annual stipends. The agreed resolutions including the level of income which could be drawn from the fund on an annual basis. These resolutions were passed on 12 May 2025. The fund for investment (the protected level of historic endowment) is further protected annually by increasing it by CPI (capped at +5%). The annual draw to the income account s currently set at £1.95m.

Trusts where the Board acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements but are summarised in the note 32 to the financial statements.

g) Financial instruments

The Board of Finance only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except for bank loans which would be subsequently measured at amortised cost using the effective interest method.

h) Going concern

The Board have considered national and global financial impact on the charitable company’s income and operating cost base. The Board are confident that they have in place plans to deal with potential future financial impact that may arise, as provided for when setting the 2026 and 2027 indicative budget.

The Board have prepared forecasts of income and expenditure and cash flow for the period to 31 December 2027 and subjected these forecasts to sensitivity analysis which shows that they have sufficient reserves to be able to continue for the foreseeable future. They will continue to monitor the impact on income and take appropriate action as necessary. The Board therefore continue to adopt the going concern basis of preparation for these financial statements.

i) Employee Benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

j) Debtors

Debtors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

k) Creditors & Provisions

Creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

l) Critical Accounting Estimates & Assumptions

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

An area of key estimation uncertainty is the valuation of investment land and property. The valuations are subject to judgements of an expert or management including, but not limited to, the state of repair of the properties, local knowledge, future income yields and market conditions.

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2025	Total funds 2024
	£	£	£	£	£
2. Donations					
Common Fund					
The majority of donations are collected from the parishes of the diocese through the Common Fund system.					
Derbyshire Peak & Dales Archdeaconry	1,393,232	-	-	**1,393,232**	1,322,525
East Derbyshire Archdeaconry	1,226,819	-	-	**1,226,819**	1,331,787
Derby City & South Derbyshire Archdeaconry	1,059,434	-	-	**1,059,434**	1,047,592
	3,679,485	-	-	**3,679,485**	3,701,904
Other receipts	51,186	-	-	**51,186**	49,572
Receipts for previous years	4,398	-	-	**4,398**	20,699
	3,735,069	**-**	**-**	**3,735,069**	3,772,175
Total Common Fund receipts represent 68.5% of the amount requested (2024 - 71.3%).					
Archbishops' Council					
Selective allocation	1,147,206	-	-	**1,147,206**	**1,208,844**
Restructure Funding	-	32,170	-	**32,170**	**812**
Strategic Ministry Funding	-	359,472	-	**359,472**	**558,386**
Strategic Capacity, Giving Advisor & MES Funding	-	104,997	-	**104,997**	**114,992**
Net Zero Carbon Parish Grant Funding	-	44,137	-	**44,137**	**14,713**
Net Zero Carbon Capacity Building Grant Advisor Funding	-	93,222	-	**93,222**	**16,778**
Flourish Grant Funding	-	21,000	-	**21,000**	**21,000**
Buildings for Mission Parish Grant Funding	-	89,280	-	**89,280**	**54,720**
Church Building Support Officer Funding	-	43,695	-	**43,695**	**38,686**
Other Income	-	54,000	-	**54,000**	**-**
	1,147,206	**841,973**	**-**	**1,989,179**	**2,028,931**
Other donations					
Benefact Trust Grant	85,966	-	-	**85,966**	102,340
Other Donations and Grants	67,020	17,275	-	**84,295**	129,994
	152,986	**17,275**	**-**	**170,261**	232,334
3. Charitable activities					
Statutory Fees	324,641	-	-	**324,641**	381,904
Other Contributions and Income	151,123	803	-	**151,926**	92,343
	475,764	**803**	**-**	**476,567**	474,247
4. Other activities					
Rental Income	537,034	-	-	**537,034**	487,469
	537,034	**-**	**-**	**537,034**	487,469
5. Investments					
Dividends receivable					
Central Board of Finance Investment Funds	162,207	192,064	828,589	**1,182,860**	1,548,309
Sarasin & Partners	60,439	74,824	322,778	**458,041**	220,836
Interest on cash deposits					
CBF & Other Deposit Funds	48,545	98,441	-	**146,986**	435,879
National Westminster Bank	12,525	-	-	**12,525**	14,448
Rents receivable (glebe land and buildings)	-	-	131,200	**131,200**	132,026
	283,716	**365,329**	**1,282,567**	**1,931,612**	2,351,498
6. Other Income					
Gain on disposal of physical assets	762,620	18,210	1,313,180	**2,094,010**	719,846
Glebe Mineral Royalties and Land Income	-	-	23,450	**23,450**	144,698
Lichfield Trust receipt	13,300	-	-	**13,300**	13,300
	775,920	**18,210**	**1,336,630**	**2,130,760**	877,844
Total income and endowments	**7,107,695**	**1,243,590**	**2,619,197**	**10,970,482**	10,224,498

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2025	Total funds 2024
	£	£	£	£	£
7. Fund raising costs					
Glebe land agents' fees and other expenses	-	-	135,883	**135,883**	54,105
Other agents' commission and expenditure	89,731	-	-	**89,731**	90,709
	89,731	**-**	**135,883**	**225,614**	144,814
8. Charitable activities					
Contributions to Archbishops' Council					
Training for ministry	218,650	-	-	**218,650**	213,734
National Church responsibilities	161,044	-	-	**161,044**	149,588
Retired clergy housing costs (CHARM)	95,144	-	-	**95,144**	88,904
Pooling of ordinand costs (contribution/(rebate))	(20,750)	-	-	**(20,750)**	32,410
	454,088	**-**	**-**	**454,088**	484,636
Resourcing Ministry & Mission					
Parish ministry					
Stipends, salaries, national insurance and apprenticeship levy	1,432,685	2,456,783	-	**3,889,468**	3,832,156
Pension contributions	683,054	6,985	-	**690,039**	792,309
Housing costs	1,186,748	1,139,101	-	**2,325,849**	2,076,705
Removal, resettlement and other expenses	193,241	-	-	**193,241**	219,094
	3,495,728	**3,602,869**	**-**	**7,098,597**	6,920,264
Support for parish ministry	2,500,150	327,560	-	**2,827,710**	2,453,501
	5,995,878	**3,930,429**	**-**	**9,926,307**	9,373,765
Expenditure on Education & Diocesan Projects					
Diocesan Board of Education	200,000	-	-	**200,000**	200,000
Derby Cathedral	24,479	-	-	**24,479**	23,835
Church of North India Partnership	750	-	-	**750**	750
Clergy Widows & Orphans	-	7,000	-	**7,000**	7,000
Diocesan projects	5,325	-	-	**5,325**	5,499
Parishes	48,278	139,199	-	**187,477**	216,933
Partner Organisations	32,750	-	-	**32,750**	32,750
	311,582	**146,199**	**-**	**457,781**	486,767
Total charitable activities	**6,761,548**	**4,076,628**	**-**	**10,838,176**	10,345,168
9. Other expenditure					
Loss on impairment of properties	-	-	-	**-**	-
	-	**-**	**-**	**-**	**-**
Total expenditure	**6,851,279**	**4,076,628**	**135,883**	**11,063,790**	**10,489,982**

10. Analysis of expenditure (including allocation of support costs)

	Activities undertaken directly	Grant funding of activities	Support costs	Total costs 2025	Total costs 2024
	£	£	£	£	£
Raising Funds	225,614	-	-	**225,614**	144,814
Charitable activities					
Contributions to Archbishops' Council	-	454,088	-	**454,088**	484,636
Resourcing Ministry & Mission	9,037,717	257,594	630,996	**9,926,307**	9,373,765
Board of Education & Diocesan Projects	-	457,781	-	**457,781**	486,767
	9,263,331	**1,169,463**	**630,996**	**11,063,790**	10,489,982
2024 comparison	*8,660,244*	*1,247,853*	**581,885**	*10,489,982*	

11. Analysis of support costs

	Unrestricted funds		Restricted funds	Endowment funds	Total funds 2025	Total funds 2024
	General	Designated				
	£	£	£	£	£	£
Central Administration	538,421	-	-	-	**538,421**	501,871
Support for education & diocesan projects	9,465	-	-	-	**9,465**	8,728
Governance:						
External audit	25,996	-	-	-	**25,996**	24,552
Registrar and Chancellor	35,029	-	-	-	**35,029**	26,368
Synodical costs	22,085	-	-	-	**22,085**	20,366
	630,996	**-**	**-**	**-**	**630,996**	581,885

12. Analysis of grants made

	Grants to individuals	Grants to institutions	Total 2025	Total 2024
	£	£	£	£
From unrestricted funds for National Church responsibilities:				
Contributions to Archbishops' Council	-	454,088	**454,088**	484,636
From unrestricted funds:				
Removal, resettlement & first appointment grants	140,784	-	**140,784**	164,016
Training and Formation grants to clergy	24,906	-	**24,906**	30,753
Ordinands in training	91,904	-	**91,904**	90,409
Derby Diocesan Board of Education	-	200,000	**200,000**	200,000
Chaplaincies	-	32,750	**32,750**	32,750
Derby Cathedral Chapter	-	24,479	**24,479**	23,835
Church of North India Partnership	-	750	**750**	750
Parishes	-	192,802	**192,802**	222,432
Restricted income funds				
Clergy Widows & Orphans	-	7,000	**7,000**	7,000
	257,594	**911,869**	**1,169,463**	1,256,581

Significant Grants to Institutions:

Archbishops Council - to support; national training for Ministry; responsibilities of the National Church; grants and provisions made by the National Church; Inter-diocesan support for clergy pension contributions; and housing assistance for retired ministry.

Derby Diocese Board of Education - to support the DDBE vision of 'offering our children and young people life in all of its fullness'.

Parishes - to support parishes building maintenance and parish projects.

13 Remuneration

Employee costs during the year were as follows:

	2025	**2024**
	£	£
Wages & salaries	1,608,808	1,445,616
National insurance contributions	196,933	137,800
Pension costs:		
Church of England Funded Pensions Scheme	31,160	38,524
Church Workers Pension Fund Pension Builder 2014 Scheme	135,168	105,065
Other defined contribution pension schemes	9,787	4,019
	1,981,856	1,731,024

The average number of persons employed by the Board during the year:

	2025	2024
	Number	Number
Administration, property and financial management	17	15
Mission, Evangelism and Parish Revitalisation	7	8
People and Ministry Development	11	7
Safeguarding & Communications	7	9
Parochial, Deanery & Other	4	9
	46	48

Average number of persons employed by the Board during the year based on full-time equivalents:

	2025	2024
	Full-time equivalent	Full-time equivalent
Administration, property and financial management	13.5	12.8
Mission, Evangelism and Parish Revitalisation	6.0	6.6
People and Ministry Development	9.5	5.6
Safeguarding & Communications	6.1	7.0
Parochial, Deanery & Other	3.8	5.2
	38.9	37.2

The number of staff whose total emoluments (salary plus taxable benefits excluding pension contributions) exceeded £60,000 during the year :

	2025	2024
	(Number)	(Number)
£60,001 - £70,000	**1**	1
£70,001 - £80,000	**2**	1
£80,001 - £90,000	**1**	1

Pension payments of £29,848 (2024 £21,597) were made for these employees.

Remuneration of key management personnel

Key management personnel (2025 - 7 (2024 - 5)) are deemed to be those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the diocese. These are detailed on page 4 of the annual report.

Remuneration, employer's National Insurance contributions and employer's pension contributions for these employees amounted to £613,877 (2024 £449,102). Vacancies in the key management team during 2024 have been recruited to during 2025, stabalising the Senior Leadership Team.

Redundancy & Termination Payments

During 2025 nil payments (2024 £16,320) were paid in relation to redundancy and termination payments.

13 Remuneration (continued)

Remuneration of licensed stipendary clergy

The Board is responsible for funding via the Church Commissioners the stipends of licensed stipendiary clergy in the diocese, other than bishops and most cathedral staff. The Board is also responsible for the provision of housing for stipendiary clergy in the diocese including the suffragan bishop but excluding the diocesan bishop and cathedral staff.

The Board paid an average of 107.4 FTE (2024 – 111.9 FTE) stipendiary clergy as office-holders holding parochial or diocesan appointments in the diocese, and the costs were as follows:

	2025	2024
	£	£
Stipends	3,495,029	3,512,591
National insurance contributions and apprenticship levy	394,439	319,565
Pension costs	690,039	792,309
	4,579,507	4,624,465

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

The stipends of the Diocesan Bishop and Suffragan Bishop are funded by the Church Commissioners. The annual rate of stipend, funded by the Board, paid from 1 April 2025 to Archdeacons was £43,046 (1 April 2024 £42,500) and other clergy who were Trustees were paid in the range £30,110 - £32,640 (1 April 2024 range, £28,955 - £31,690). The estimated value of church provided housing in 2025 was an average of £21,656 including significant expenditure on energy performance works (2024 £18,559).

14 Trustees' emoluments

None of the trustees received any emoluments from the Board of Finance in respect of services performed as trustees (2024 - £nil). During the year 7 trustees (2024 - 4 trustees) claimed reimbursement for travel or out of pocket expenses totalling £485 (2024 - £260).

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

	Stipend	Housing
The Right Revd WM Macnaugton	No	Yes
The Venerable K Hamblin	Yes	Yes
The Venerable M Trick	Yes	Yes
The Venerable N Fenton	Yes	Yes
The Revd J Hollywell	Yes	Yes
The Revd J Hughes	Yes	Yes
The Revd J Ward	Yes	Yes
The Revd D Cooke	Yes	Yes
The Revd B Taylor	Yes	Yes
The Revd N McNally	Yes	Yes

15. Net Income/(expenditure)

This is stated after charging:

	2025	**2024**
	£	£
Depreciation of tangible fixed assets - owned by charity	**-**	7,856
Auditor's remuneration - audit	25,996	24,552
Auditor's remuneration - non audit services	2,376	1,350
Operating Lease Rentals	4,204	7,008
	32,576	**40,766**

16. Tangible fixed assets

	Benefice houses	Freehold houses Glebe	Freehold houses Corporate	Church House Corporate	Office Equipment	**Total**
	£	£	£	£	£	**£**
Cost or deemed cost						
At 1 January 2025	20,868,055	170,000	10,019,252	607,500	86,317	**31,751,124**
Additions	-	-	1,255,342	-	-	**1,255,342**
Transfers	-	-	-	-	-	**-**
Disposals	(520,000)	-	(942,510)	-	(86,317)	**(1,548,827)**
Revaluation	-	-	-	-	-	**-**
Impairment	-	-	-	-	-	**-**
At 31 December 2025	**20,348,055**	**170,000**	**10,332,084**	**607,500**	**-**	**31,457,639**
Depreciation						
At 1 January 2025	-	-	-	-	79,297	**79,297**
Charge for the year	-	-	-	-	-	**-**
Disposals	-	-	-	-	(79,297)	**(79,297)**
At 31 December 2025	**-**	-	**-**	**-**	**-**	**-**
Net book value						
At 31 December 2025	**20,348,055**	**170,000**	**10,332,084**	**607,500**	**-**	**31,457,639**
Number of houses	**126**	**3**	**42**			**171**
At 31 December 2024	20,868,055	170,000	10,019,252	607,500	7,020	31,671,827
Number of houses	129	3	42			174

All the above assets are used for charitable purposes. In the opinion of the Directors the carrying value of land and buildings is less than the total market value. Church House includes the Diocesan Office and was revalued in 2024 by Gadsby Nichols Limited, to ensure the carrying amount was not overstated. Due to changing the Fixed Asset Accounting Policy (Note 1d) all assets fully depreciated have been moved to the SOFA in year.

17. Fixed asset investments

	2025	2024
	£	£
Investment securities within the United Kingdom (market value)		
At 1 January 2025	**65,279,416**	55,671,853
Additions at cost	**10,000,000**	20,911,607
Disposals	**(10,000,000)**	(12,911,607)
Realised gains/(losses)	**(366,878)**	38,118
Unrealised gains/(losses)	**(941,702)**	1,569,445
At 31 December 2025	**63,970,836**	65,279,416
Investment properties (market value)		
At 1 January 2025	**9,110,350**	7,580,642
Additions at cost	**-**	-
Disposals	**(1,530,000)**	-
Realised gains/(losses)	**429,697**	-
Unrealised gains/(losses)	**-**	1,529,708
At 31 December 2025	**8,010,047**	9,110,350
Total fixed asset investments within the United Kingdom	**71,980,883**	74,389,766

Securities: Gains/(Losses): Unrestricted (£164,990) [2024: £229,170], Restricted (£114,601) [2024: £141,872], Endowment (£1,028,989) [2024: £1,236,521]

Properties: Gains/(Losses) : Endowment £429,697 [2024: £1,529,708]

Receipts on disposals of investment properties equated to £1,530,000 (Book value £nil)

17. Fixed asset investments (continued)

	2025		2024	
	£	£	£	£
	Cost	**Market value**	Cost	Market value
Unlisted investment securities				
CCLA Central Board of Finance of the Church of England				
Investment fund income shares	**10,067,004**	**32,944,942**	20,067,004	44,683,741
Sarasin				
Climate Active Endowments (Ex Energy) Inc	**30,000,000**	**31,025,894**	20,000,000	20,595,675
Total investment securities	**40,067,004**	**63,970,836**	40,067,004	65,279,416
Investment properties comprise:-				
Land		**8,010,047**		9,110,350
Total investment properties		**8,010,047**		9,110,350

Due to their nature, the historic cost of investment properties is not known.

18. Analysis of transfers between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total 0
	£	£	£	£
Transfer to/(from):				
Diocesan Pastoral Account used to purchase corporate houses (3)	1,215,342	(1,215,342)	-	**-**
Benefice house sale proceeds to Diocesan Pastoral Account (3)	-	1,833,180	(1,833,180)	**-**
Corporate Property sales to Diocesan Pastoral Account (4)	(1,705,130)	1,705,130	-	**-**
Stipend Fund - total return transfer from capital to income for stipends in year (note 31)	-	1,950,000	(1,950,000)	**-**
	(489,788)	**4,272,968**	**(3,783,180)**	**-**

Comparative Fund Transfers Notes for the prior year are shown in Note 35.

19. Debtors

	2025	2024
	£	£
Amounts due from PCCs (unsecured) - Common Fund	**109,501**	150,620
Amounts due from PCCs (unsecured) - Loans to Parishes	**5,800**	7,800
Other debtors and accrued income	**818,167**	1,181,350
Prepayments	**31,414**	25,202
Total debtors	**964,882**	1,364,972
Debtors comprise:		
Amounts due within one year	**933,144**	1,332,413
Amounts due after more than one year	**31,738**	32,559
	964,882	1,364,972

20. Creditors

	2025	2024
	£	£
Amounts falling due within one year		
Sundry creditors	**579,840**	490,262
Accruals	**24,088**	24,552
	603,928	514,814
Amounts falling due after more than one year		
Value-linked loans for houses with the Church Commissioners (see note below)	**274,938**	274,938
	274,938	274,938

Note
Value-linked loans (VLLs) represent amounts advanced to the DBF for the purchase of properties on an equity sharing basis and are repayable on the disposal of the related property.

21. Contingent liabilities

The Board is party to a mortgage with Derbyshire County Council totalling £20,000 (2024 - £20,000).

22. Capital commitments

There were no capital commitments at 31 December 2025 (2024 - nil)

23. Operating lease commitments

As at 31 December 2025 the Board had one commitment under non-cancellable operating leases:

	2025	2024
Not later than 1 year	1,402	1,402
Later than 1 year and not later than 5 years	4,204	5,606
	5,606	7,008

24. Events occurring after the end of the reporting period

The impact of the Iranian conflict has had a detrimental effect on the financial investment assets since 31 December 2025, reducing them by c£4.1m in March of 2026. This is a non-adjusting post balance sheet item under FRS102. The user of the financial statement attention is drawn to this, as the value of the financial investments is volatile and affected by global, economic, political, and social events

25. Pensions

The Board participates in two pension schemes administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Board and the other participating employers. One of these is the Church of England Funded Pensions Scheme for stipendiary clergy. The other is the Church Workers Pension Fund. The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

These schemes are multi-employer last man standing defined benefit pension schemes for which the Board is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the scheme. For multi-employer schemes where this is the case, paragraph 28.11 of Financial Reporting Standard (FRS) 102 requires the Board to account for pension costs on the basis of contributions actually payable to the scheme in the year and, where contributions are affected by a surplus or deficit in the scheme, to disclose information about the surplus or deficit and the implications of the surplus or deficit for the Board. A valuation of each scheme is carried out once every three years.

Church of England Funded Pension Scheme

With effect from 1 January 1998, diocesan clergy became members of the Church of England Funded Pensions Scheme. This defined benefit scheme provides benefits based on the National Minimum Stipend in the year before their date of retirement and provides for that part of the benefit that relates to pensionable service after 1 January 1998. Benefits are currently being accrued on the basis of half of the National Minimum Stipend (NMS) being paid as the normal pension on reaching the age of 68 on completion of maximum service of 41.5 years, or 1.25 times this amount for archdeacons, plus a lump sum of three times the pension based on the previous year's NMS payable from the scheme. Pensions in respect of pensionable service before 1 January 1998 will be provided for by the Church Commissioners under the previous arrangements.

The Board participates in the Church of England Funded Pensions Scheme which is administered by the Church of England Pensions Board and holds the assets of the Scheme separately from those of the employer and other participating employers. At the end of the year the Board was paying contributions for 118 members of the Scheme (2024 - 123 members). Each participating employer in the Scheme pays contributions at a common contribution rate applied to pensionable stipends. The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means that it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities (SoFA) in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2024. This revealed a surplus of £560m, based on assets of £2,570m and a funding target of £2,010m, assessed using the following assumptions:

- an average discount rate of 6.0% p.a.
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.7% pre 2030 moving to RPI with no adjustments from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S4NA_L tables, with allowance for improvements in mortality rates from 2017 in line with the CMI2023 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% p.a. and an allowance for 2020 and 2021 data of 20% (ie w = 20%)

25. Pensions (continued)

The 2024 valuation reflects the benefit improvements that the General Synod agreed in principle in July 2025 (and confirmed in February 2026). The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

Percentage of pensionable stipends

	January 2024 to December 2024	January 2025 to December 2025
Deficit repair contributions	**Nil**	**Nil**

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there is no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2024 and 31 December 2025 is £nil. The movement in the balance sheet liability over 2024 and over 2025 is set out in the table below.

Church of England Funded Pension Scheme

Reconciliation of balance sheet liability

	2025	**2025**	2024	2024
	£	**£**	£	£
Balance sheet liability as at 1 January 2025		**-**		-
Deficit contribution paid	**-**		-	
Interest cost (recognised in SoFA)	**-**		-	
Remaining change to balance sheet liability * (recognised in SoFA)	**-**	**-**	-	-
Balance sheet liability as at 31 December 2025		**-**		-

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

Note

Estimated amount due within one year	**-**	**-**
Estimated amount due after one year	**-**	**-**
	-	**-**

The legal structure of the Scheme is such that if another Responsible Body fails, Derby Diocesan Board of Finance Ltd could become responsible for paying a share of that Responsible Body's pension liabilities.

Office holder pension contributions are shown in Note 13 and totalled £690,039 in 2025 (2024 £792,309)

Other clergy pension contributions, paid to ordained DBF staff are shown in Note 13 and totalled £31,160 in 2025 (2024 £27,244)

25. Pensions (continued)

Church Workers Pension Fund

The Pension Builder Scheme of the Church Workers Pension Fund (CWPF) is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Church Workers Pension Fund - Pension Builder 2014

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement.

Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced from age 65.

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

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme.

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

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

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

Contributions made to The Church Workers Pension Schemes are shown in Note 13 and totalled £135,168 in 2025 (2024 £105,065)

Other Schemes

In addition to the Church of England Pension scheme, for those employees who have opted out of the scheme, contributions are made to individual pension schemes at the same rate.

Contributions made to opted out employees are shown in Note 13 and totalled £9,787 in 2025 (2024 £4,019)

26. Summary of fund movements

	As at 1 January 2025	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2025**
	£	£	£	£	£	**£**
Unrestricted income funds						
General Fund	4,838,516	5,615,144	(6,002,471)	(77,937)	187,069	**4,560,321**
Designated funds						
Corporate Properties fund	10,351,814	802,620	-	-	(489,788)	**10,664,646**
Parsonages	870,436	574,829	(722,195)	(17,109)	(186,571)	**519,390**
Strategic Objectives Fund	2,514,470	62,936	-	(50,195)	(72,441)	**2,454,770**
Other designated funds	1,413,160	52,166	(126,613)	(19,749)	71,943	**1,390,907**
	19,988,396	7,107,695	(6,851,279)	(164,990)	(489,788)	**19,590,034**
Restricted income funds						
Diocesan Pastoral Account	4,791,858	215,536	(1,124,240)	(44,445)	2,322,968	**6,161,677**
Stipends Fund Income Account	-	-	(1,950,000)	-	1,950,000	**-**
Other restricted income funds	3,877,634	1,028,054	(1,002,388)	(70,156)	-	**3,833,144**
	8,669,492	1,243,590	(4,076,628)	(114,601)	4,272,968	**9,994,821**
Endowment funds						
Expendable endowment						
Benefice Houses	20,868,055	1,313,180	-	-	(1,833,180)	**20,348,055**
Permanent endowment funds						
Stipends Fund Capital (Glebe funds)	55,258,125	1,306,017	(135,883)	(488,125)	(1,950,000)	**53,990,134**
Other permanent endowment funds	5,581,899	-	-	(111,167)	-	**5,470,732**
	81,708,079	2,619,197	(135,883)	(599,292)	(3,783,180)	**79,808,921**
Total funds	**110,365,967**	**10,970,482**	**(11,063,790)**	**(878,883)**	**-**	**109,393,776**

27. Summary of assets per fund at 31 December 2025

	Fixed assets		**Current**	**Creditors**	**Net**
	Tangible	**Investments**	**assets**		**assets**
	£	**£**	**£**	**£**	**£**
Unrestricted income funds					
General Fund	-	3,894,503	1,174,808	(508,990)	**4,560,321**
Designated funds (see note 28)					
Corporate Properties fund	10,939,584	-	-	(274,938)	**10,664,646**
Parsonages	-	544,756	69,572	(94,938)	**519,390**
Strategic Objectives Fund	-	2,391,834	62,936	-	**2,454,770**
Other designated funds	-	995,794	395,113	-	**1,390,907**
	10,939,584	7,826,887	1,702,429	(878,866)	**19,590,034**
Restricted income funds (see note 29)					
Diocesan Pastoral Account	-	2,182,044	3,979,633	-	**6,161,677**
Other restricted income funds	-	3,444,243	388,901	-	**3,833,144**
	-	5,626,287	4,368,534	-	**9,994,821**
Endowment funds (see note 30)					
Expendable endowment funds					
Benefice Houses	20,348,055	-	-	-	**20,348,055**
Permanent endowment funds					
Stipends Fund Capital (Glebe funds)	170,000	53,070,000	750,134	-	**53,990,134**
Other permanent endowment funds	-	5,457,709	13,023	-	**5,470,732**
	20,518,055	58,527,709	763,157	-	**79,808,921**
Total funds	**31,457,639**	**71,980,883**	**6,834,120**	**(878,866)**	**109,393,776**

28. Designated funds

	As at 1 January 2025	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2025**
	£	£	£	£	£	**£**
Corporate Properties	10,351,814	802,620	-	-	(489,788)	**10,664,646**
Parsonages	870,436	574,829	(722,195)	(17,109)	(186,571)	**519,390**
Strategic Objectives Fund	2,514,470	62,936	-	(50,195)	(72,441)	**2,454,770**
Canon Ross Legacy	715,082	19,503	(48,278)	(10,551)	-	**675,756**
Ordinands' Support	406,954	30,310	(71,154)	(7,379)	-	**358,731**
Morley Fund	105,381	2,353	(1,856)	(1,819)	2,482	**106,541**
St Peter's Churchyard Loan Fund	50,000	-	-	-	-	**50,000**
Church Growth	135,743	-	-	-	-	**135,743**
Buidings Community Fund	-	-	(5,325)		69,461	**64,136**
Total designated funds	**15,149,880**	**1,492,551**	**(848,808)**	**(87,053)**	**(676,857)**	**15,029,713**

Corporate Properties - represents property transferred at no cost and gains less losses on the sale of corporate houses. The fund is designated for use to finance corporate property.

Parsonages - amounts transferred from unrestricted funds set aside for purposes of the Parsonages Committee.

Strategic Objectives Fund - designated to support the delivery of the Diocesan Strategic Growth Plan.

Canon Ross Legacy - earmarked for expenditure on specific structural projects to support parish initiatives.

Ordinands' Support - transfers from unrestricted funds made available for ordination candidates' support grants.

Morley Fund - proceeds from the sale of Morley Retreat House set aside with a proportion of annual income to be made available for the Spirituality Group.

St Peter's Churchyard Loan Fund - sales proceeds designated for use to provide interest free loans of up to £10,000 to Parochial Church Councils.

Church Growth - amount set aside for seed-corn funding of strategic church growth projects.

Buildings Community Fund - designated to support parish community and missional projects.

29. Restricted income funds

	As at 1 January 2025	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2025**
	£	£	£	£	£	**£**
Diocesan Pastoral Account	4,791,858	215,536	(1,124,240)	(44,445)	2,322,968	**6,161,677**
Stipends Fund Income Account	-	-	(1,950,000)	-	1,950,000	**-**
Capital Resources	581,700	14,861	(14,861)	(11,059)	-	**570,641**
Milligan Pension Fund	874,646	23,269	(7,000)	(14,216)	-	**876,699**
Bishop Allen Legacy	534,075	13,443	(13,443)	(10,532)	-	**523,543**
Stafford Legacy (Church Trust Fund)	516,459	79,135	(79,135)	(9,442)	-	**507,017**
Poorer Clergy Fund	412,486	10,330	(10,330)	(8,235)	-	**404,251**
Benham Legacy	276,995	6,985	(6,985)	(5,438)	-	**271,557**
Faith in Action	126,059	3,391	-	(1,980)	-	**127,470**
Board of Readers	8,672	307	-	-	-	**8,979**
Clemson Legacy	-	48,245	(48,245)	-	-	**-**
Stipends Trusts	-	9,601	(9,601)	-	-	**-**
Strategic Ministry	1,758	376,747	(378,505)	-	-	**-**
Restructure Funding	-	32,170	(32,170)	-	-	**-**
Other restricted grants received and applied	29,362	396,331	(402,113)	-	-	**23,580**
Convent of St Laurence	515,422	13,239	-	(9,254)	-	**519,407**
Total restricted income funds	**8,669,492**	**1,243,590**	**(4,076,628)**	**(114,601)**	**4,272,968**	**9,994,821**

Diocesan Pastoral Account - represents the proceeds of redundant churches and parsonages which have not yet been applied to the purposes permitted by the Pastoral Measure 1983. Parsonage house improvements are funded from the sale proceeds of redundant parsonage houses through the Diocesan Pastoral Account. Property purchases and sales are applied against this fund.

Stipends Fund Income Account - transfer from Stipend Fund Capital Account in year (see notes 30 and 31).

Capital Resources - proceeds of sale from two former parsonage houses available for property expenditure.

29. Restricted income funds (continued)

Milligan Pension Fund - for clergy pensions and retired clergy.
Bishop Allen Legacy - for clergy welfare, ordination training, new halls and church repair.
Stafford Legacy (Church Trust Fund) - available for such charitable purposes as the Board in its absolute discretion shall decide.
Poorer Clergy Fund - available for stipend support.
Benham Legacy - available for clergy pension contribution support.
Faith in Action - historic balance of funds specifically available for 'social responsibility' purposes.
Board of Readers - historic balance of funds available for Readers and Reader Training.
Clemson Legacy - funds are for 'the maintenance of services' and are used to support the costs of stipendiary clergy.
Stipends Trusts - funds are made up of a number of historic trusts, the income of which is used to augment clergy stipends.
Strategic Ministry - grants to support additional curates, posts of first responsibility and Ministry Experience Scheme participants**.**
Restructure Funding - residual funding from National Church applied in year for Governance Review, Total Return implementation and Church House improvements.
Other restricted grants - grants to support DDBF staffing, Living Generously Advisor, Net Zero Carbon and Buildings for Mission**.**
Convent of St Laurence - residual sale proceeds to be used for promotion of the spiritual life of the diocese, care of the elderly and other mission-orientated projects**.**

30. Endowment funds

	As at 1 January 2025	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2025**
	£	£	£	£	£	**£**
Expendable endowment						
Benefice Houses	20,868,055	1,313,180	-	-	(1,833,180)	**20,348,055**
Permanent endowment funds						
Stipends Fund Capital (Glebe funds)	55,258,125	1,306,017	(135,883)	(488,125)	(1,950,000)	**53,990,134**
Stafford Legacy (Church Trust Fund)	2,619,706	-	-	(52,036)	-	**2,567,670**
Clemson Legacy Fund	1,926,556	-	-	(38,458)	-	**1,888,098**
Parsonages	513,443	-	-	(10,249)	-	**503,194**
Stipends Trusts	383,384	-	-	(7,653)	-	**375,731**
Partington Legacy	138,810	-	-	(2,771)	-	**136,039**
	81,708,079	**2,619,197**	**(135,883)**	**(599,292)**	**(3,783,180)**	**79,808,921**

Benefice Houses - represents the book value of parsonage houses at the balance sheet date. These houses are used to provide accommodation for ministers. The Board is not free to dispose of the houses except in accordance with appropriate measures.

Stipends Fund Capital (Glebe funds) - represents the proceeds of the sale of glebe, parsonages transferred by Pastoral Scheme and gifts to the fund. The fund generates income for the payment of stipends and can be invested or applied to the capital purposes permitted by the Endowments and Glebe Measure 1976 and the Church of England (Miscellaneous Provisions) Measure 1992.

Stafford Legacy (Church Trust Fund) - capital to be held as permanent endowment with income at the discretion of the Board.

Clemson Legacy fund - funds are for 'the maintenance of services' and income is used to support the costs of stipendiary clergy.

Parsonages - represents permanent endowment of the Parsonages Committee with income used to finance the repair and maintenance of parsonage houses.

Stipends Trusts - historic permanent endowment trusts with income for stipends.

Partington Legacy - funds are for 'general religious purposes' and annual income is mandated directly to unrestricted funds.

Comparative Fund Notes for the prior year are shown in Note 36.

31. Endowment Fund - Total Return

	Investment Fund	Unapplied Total Return	Total Endowment
	£	£	£
At 1 January 2025	**36,082,594**	**19,175,531**	**55,258,125**
Movement in the reporting period:			
Dividends and Interest	-	1,151,367	**1,151,367**
Glebe Land Rent	-	131,200	**131,200**
Quarry Income	-	23,450	**23,450**
Total Income	-	1,306,017	**1,306,017**
Realised gains/(losses)	-	62,819	**62,819**
Unrealised gains/(losses)	-	(550,944)	**(550,944)**
Total gains/(losses)	-	(488,125)	**(488,125)**
Less: Investment Management Costs	-	(135,883)	**(135,883)**
Indexation: Indexation using CPI: 3.4%	1,226,808	(1,226,808)	**-**
	1,226,808	**(544,799)**	**682,009**
Unapplied Total Return allocated to income:			
Transfer to income to be used for Stipends	-	**(1,950,000)**	**(1,950,000)**
	-	**(1,950,000)**	**(1,950,000)**
Net Movement in reporting period:	**1,226,808**	**(2,494,799)**	**(1,267,991)**
At 31 December 2025	**37,309,402**	**16,680,732**	**53,990,134**

£1.95m from the Stipend Fund Capital Account has been transferred to the Stipend Fund income account for the payment of clergy stipends in year (See note 29).

32. Funds held as custodian trustee on behalf of others

The Board holds investments on behalf of Parochial Church Councils (PCCs) and others as custodian trustee. Each year an annual statement of financial investments held by the Board in its capacity as custodian trustee is made available to PCCs. The market value of investments held on behalf of PCCs and others is £2.9million (2024 - market value £3.0million), and all such investments are held separately from those of the Board. Historic cost figures are not available.

Financial investments held by the Board, in its capacity as custodian trustee, are broken down as follows:

	2025	2024
	£	£
CCLA Investment Management Ltd		
Central Board of Finance of the Church of England Funds:		
Investment fund income shares	**2,575,383**	2,682,630
Fixed Interest Securities Fund income shares	**65,654**	64,086
Deposit Fund	**76,408**	74,543
COIF Charities Funds:		
Investment fund income shares	**112,852**	118,809
Investment fund accumulation shares	**59,264**	60,442
Other common investment fund holdings	**1,063**	1,048
	2,890,624	3,001,558

33. Related party transactions & controlling parties

Diocesan governance is by Diocesan Synod, elected from both clergy and laity under the leadership of the Diocesan Bishop, who is appointed by the Church of England nationally.

The Board pays an annual grant to the Derby Diocesan Board of Education for salary and operating costs (see Note 12). The Rt Revd L Lane, The Rt Rev M McNaughton, The Venerable Archdeacon of Derbyshire Peak and Dales (N Fenton), Canon E Brailsford and Canon C Holmes-Elener, were directors of both companies during the year.

Canon M Titterton, Executive Chairman and director of the Board, The Very Revd Dean of Derby (Dr P Robinson), The Venerable Archdeacon of Derby and South Derbyshire (M Trick) and D Legh are also a members of Derby Cathedral Chapter. D Legh is also the Chair of Derbyshire Rural Chaplaincy, (see Note 12).

The Board paid the following amounts to related parties in year:

Derby Cathedral £24,479 (2024 - £23,835) - in recognition of the place of the cathedral at the heart of the diocese.

Derby Diocesan Board of Education £200,000 (2024 - £200,000) - to support the Diocese through the mission of the Board of Education.

The Board was owed the following amounts from related parties as at 31 December 2025:

Derby Diocesan Board of Education £5,716 (2024 - £4,401)

Bishop of Derby £1,137 (2024 - £3,231)

34. Prior year comparative Statement of Financial Activities for 2024

	Unrestricted funds	Restricted funds	Endowment funds	**Total funds 2024**
	£	£	£	**£**
Income and endowments from:				
Donations				
Common Fund	3,772,175	-	-	**3,772,175**
Archbishops' Council	1,208,844	820,087	-	**2,028,931**
Other donations	208,496	23,838	-	**232,334**
Total Donations	5,189,515	843,925	-	**6,033,440**
Charitable activities	472,674	1,573	-	**474,247**
Other activities	487,469	-	-	**487,469**
Investment income	1,932,975	418,523	-	**2,351,498**
Other income	134,146	69,000	674,698	**877,844**
Total income and endowments	8,216,779	1,333,021	674,698	**10,224,498**
Expenditure on:				
Raising funds	144,814	-	-	**144,814**
Charitable activities	8,567,102	1,778,066	-	**10,345,168**
Clergy Pension Scheme Movement	-	-	-	**-**
Other expenditure	-	-	-	**-**
Total expenditure	8,711,916	1,778,066	-	**10,489,982**
Net income/(expenditure) before investment gains and losses	(495,137)	(445,045)	674,698	**(265,484)**
Net gains on investments	229,174	141,872	2,766,229	**3,137,275**
Net income for the year	(265,963)	(303,173)	3,440,927	**2,871,791**
Transfers between funds	64,535	1,013,987	(1,078,522)	**-**
Other recognised gains/(losses)				
Net gains/(losses) on revaluation of fixed assets	(10,000)	-	-	**(10,000)**
Net movement in funds	(211,428)	710,814	2,362,405	**2,861,791**
Reconciliation of funds				
Total funds as at 1 January 2024	20,199,824	7,958,678	79,345,674	**107,504,176**
Total funds at 31 December 2024	19,988,396	8,669,492	81,708,079	**110,365,967**

35. Prior year comparative Funds Transfer notes for 2024

	Unrestricted funds	Restricted funds	Endowment funds	**Total 2024**
	£	**£**	**£**	**£**
Transfer to/(from):				
Benefice House transfer to Corporate Property (3)	558,000	-	(558,000)	**-**
Corporate Property transfer to Benefice Housing (1)	(309,478)	-	309,478	**-**
Diocesan Pastoral Account used to purchase corporate houses (1)	583,013	(583,013)	-	**-**
Benefice house sale proceeds to Diocesan Pastoral Account (2)	-	830,000	(830,000)	**-**
Corporate Property sales to Diocesan Pastoral Account (2)	(767,000)	767,000	-	**-**
	64,535	**1,013,987**	**(1,078,522)**	**-**

36. Prior year comparative funds notes for 2024

Summary of fund movements 2024

	As at 1 January 2024	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2024**
	£	£	£	£	£	**£**
Unrestricted income funds						
General Fund	5,873,015	5,901,781	(6,039,597)	106,288	(1,002,971)	**4,838,516**
Glebe funds (net of agent fees)	-	1,513,551	(1,513,551)	-	-	**-**
Designated funds						
Corporate Properties fund	10,176,433	120,846	-	(10,000)	64,535	**10,351,814**
Parsonages	6,285	544,257	(853,207)	32,263	1,140,838	**870,436**
Other designated funds	4,144,091	136,344	(305,561)	90,623	(137,867)	**3,927,630**
Pension reserve	-	-	-	-	-	**-**
	20,199,824	8,216,779	(8,711,916)	219,174	64,535	**19,988,396**
Restricted income funds						
Diocesan Pastoral Account	4,230,517	230,962	(738,630)	55,022	1,013,987	**4,791,858**
Local Mission Fund	2,406	114	(2,520)	-	-	**-**
Other restricted income funds	3,725,755	1,101,945	(1,036,916)	86,850	-	**3,877,634**
	7,958,678	1,333,021	(1,778,066)	141,872	1,013,987	**8,669,492**
Endowment funds						
Expendable endowment						
Benefice Houses	21,416,577	530,000	-	-	(1,078,522)	**20,868,055**
Permanent endowment funds						
Stipends Fund Capital (Glebe funds)	52,484,821	144,698	-	2,628,606	-	**55,258,125**
Other permanent endowment funds	5,444,276	-	-	137,623	-	**5,581,899**
	79,345,674	674,698	-	2,766,229	(1,078,522)	**81,708,079**
Total funds	**107,504,176**	**10,224,498**	**(10,489,982)**	**3,127,275**	**-**	**110,365,967**

Comparative summary of assets per fund at 31 December 2024

	Fixed assets		**Current**	**Creditors**	**Net Assets**
	tangible	**investments**	**assets**		
	£	**£**	**£**	**£**	**£**
Unrestricted income funds					
General Fund	7,020	4,925,284	288,153	(381,941)	**4,838,516**
Designated funds					
Corporate Properties fund	10,626,752	-	-	(274,938)	**10,351,814**
Parsonages	-	857,083	146,226	(132,873)	**870,436**
Other designated funds	-	3,503,741	423,889		**3,927,630**
	10,633,772	9,286,108	858,268	(789,752)	**19,988,396**
Restricted income funds					
Diocesan Pastoral Account	-	2,226,489	2,565,369	-	**4,791,858**
Local Mission Fund	-	-	-	-	**-**
Other restricted income funds	-	3,514,399	363,235	-	**3,877,634**
	-	5,740,888	2,928,604	-	**8,669,492**
Endowment funds					
Expendable endowment funds					
Benefice Houses	20,868,055	-	-	-	**20,868,055**
Permanent endowment funds					
Stipends Fund Capital (Glebe funds)	170,000	53,793,894	1,294,231	-	**55,258,125**
Other permanent endowment funds	-	5,568,876	13,023	-	**5,581,899**
	21,038,055	59,362,770	1,307,254	-	**81,708,079**
Total funds	**31,671,827**	**74,389,766**	**5,094,126**	**(789,752)**	**110,365,967**

Designated funds (2024)

	As at 1 January 2024	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2024**
	£	£	£	£	£	**£**
Corporate Properties	10,176,433	120,846	-	(10,000)	64,535	**10,351,814**
Parsonages	6,285	544,257	(853,207)	32,263	1,140,838	**870,436**
Canon Ross Legacy	845,603	25,437	(176,862)	20,904	-	**715,082**
Ordinands' Support	569,708	27,199	(90,409)	13,490	(113,034)	**406,954**
Watts Legacy	1,132,029	33,561	(33,561)	28,685	(1,160,714)	**-**
Morley Fund	980,888	29,018	(4,185)	24,493	(924,833)	**105,381**
St Peter's Churchyard Loan Fund	479,576	21,129	-	3,051	(453,756)	**50,000**
Church Growth	136,287		(544)	-	-	**135,743**
Strategic Objectives Fund	-	-	-	-	2,514,470	**2,514,470**
Total designated funds	**14,326,809**	**801,447**	**(1,158,768)**	**112,886**	**1,067,506**	**15,149,880**

Restricted income funds (2024)

	As at 1 January 2024	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2024**
	£	£	£	£	£	**£**
Diocesan Pastoral Account	4,230,517	230,962	(738,630)	55,022	1,013,987	**4,791,858**
Local Mission Fund	2,406	114	(2,520)	-	-	**-**
Capital Resources	568,009	17,333	(17,333)	13,691	-	**581,700**
Milligan Pension Fund	836,926	27,121	(7,000)	17,599	-	**874,646**
Bishop Allen Legacy	521,037	15,563	(15,563)	13,038	-	**534,075**
Stafford Legacy (Church Trust Fund)	504,769	91,727	(91,727)	11,690	-	**516,459**
Poorer Clergy Fund	402,292	11,927	(11,927)	10,194	-	**412,486**
Benham Legacy	270,264	8,095	(8,095)	6,731	-	**276,995**
Faith in Action	119,683	3,925	-	2,451	-	**126,059**
Board of Readers	8,279	393	-	-	-	**8,672**
Clemson Legacy	-	55,705	(55,705)	-	-	**-**
Stipends Trusts	-	11,085	(11,085)	-	-	**-**
Strategic Ministry	5,676	582,224	(586,142)	-	-	**1,758**
Other restricted grants received and applied	-	261,701	(232,339)	-	-	**29,362**
Convent of St Laurence	488,820	15,146	-	11,456	-	**515,422**
						-
Total restricted income funds	**7,958,678**	**1,333,021**	**(1,778,066)**	**141,872**	**1,013,987**	**8,669,492**

Endowment funds (2024)

	As at 1 January 2024	Income	Expenditure	Gains/ (losses)	Transfers	**As at 31 December 2024**
	£	£	£	£	£	**£**
Expendable endowment						
Benefice Houses	21,416,577	530,000	-	-	(1,078,522)	**20,868,055**
Permanent endowment funds						
Stipends Fund Capital (Glebe funds)	52,484,821	144,698	-	2,628,606	-	**55,258,125**
Stafford Legacy (Church Trust Fund)	2,555,287	-	-	64,419	-	**2,619,706**
Clemson Legacy Fund	1,878,946	-	-	47,610	-	**1,926,556**
Parsonages	500,754	-	-	12,689	-	**513,443**
Stipends Trusts	373,909	-	-	9,475	-	**383,384**
Partington Legacy	135,380	-	-	3,430	-	**138,810**
	79,345,674	**674,698**	**-**	**2,766,229**	**(1,078,522)**	**81,708,079**