The Diocese of Canterbury

Living faith, building community, transforming lives

The Bigger Picture of Church of England Finance

Julian Hills (Diocesan Secretary)
St Paul says:

“The body is a unit, though it is made up of many parts, and though all its parts are many, they form one body. So it is with Christ” (2 Corinthians 12:12)

And so it is with the Church of England!

“Now you are the body of Christ and each one of you is a part of it”
(2 Corinthians 12:27)
The Church of England

- Not 1 organisation but multiple
- Corporately comprised of
  - PCC’s (1952 Measure)
  - Diocesan Boards of Finance
  - Central Board of Finance
  - Church Commissioners
  - CofE Pensions Board
The Church of England

- Synodically comprised of
  - PCC’s
  - Deanery Synods
  - Diocesan Synods
  - Bishop’s Councils
  - General Synod
The Church of England

A collection of organisations working together under episcopal authority and bound together by canon law; determining their common life together under synodical governance with the aim of being a Christian presence witnessing to the Gospel of Christ in every community in England.
The Church of England

Oh….

…and just for good measure all this is enshrined in Acts of Parliament because its the established Church of England.

But …gloriously working together to resource mission and ministry in every part of the church.
Church Commissioners

- Formed under law in 1948
- 33 commissioners – 6 hold office of state
- Assets £7.2bn in 2015
- Pays pre-1998 Clergy Pension liabilities (around £125m per year - £2bn total)
- Pays Bishops costs
- Gives grants to dioceses and cathedrals
Church of England Pensions Board

- 20 members; 4 appointed 16 elected
- Administers post-1998 pension fund
- Provides retirement clergy housing
- Manages funds in excess of £1.8bn
Archbishops' Council

- 18 members; ex-officio; appointed & elected
- Finances ordination training (£13m)
- Additional Clergy retirement housing costs (CHARM) £4m
- Central office £10m
- Anglican Communion Office £1m
- Assets of around £50m but includes Church Community Fund (grant makers)
How Money Flows in the Church

Parish

- Individual giving £604m
- Parish share £321m

Diocese

- Apportionment £29m
- Parish Support £41m
- Distribution £41m
- Pension Cont’ns £71m
- £140m

- Investments, fees grants and other £325m
- Stipends etc £200m

Members

- Mission Grants £?m
- Cont’ns £71m

Archbishops’ Council

Church Commissioners

- Parish Support £41m

£200m
The Diocese

- 41 dioceses in the Church of England
- All different
- Diocesan Bishop not line managed by the Archbishop
- Majority of income derived from Parish Share
- Some are well endowed with substantial glebe property
- Canterbury one of the least well endowed
Canterbury Diocese

- Objectives
  - Growth spiritual and numerical
  - Re-imagining ministry
  - Building partnerships with our communities

All to witness to the Gospel of Christ in every community!
The Diocesan Budget 2017

Total £10.1m
The Diocesan Budget 2017

Total £10.1m

- Stipends
- Pensions
- Housing
- Ordination
- Curates
- Other training & support
- Mission Grants
- National Church
- Bishops & Archdeacons
- Church Schools
- Mission & Growth
- C&P
- Safeguarding
- Finance Legal & Admin

Direct Parish Ministry 50.4%
The Diocesan Budget 2017

Direct & Future Parish Ministry 77.0%

Total £10.1m
Sources of Income

Parish Share = 81.7% of income

Total £10.1m
Parish Share Methodology

- **Unit Cost of Ministry**
  - Full time £44k (Stipend, Pension, & Housing)
  - Part Time - sum of component parts

- **Diocesan Shared Costs**
  - Split on basis of Potential Calculation
Split of Diocesan Shared Costs

• Average Weekly Attendance (80%)
• Electoral Roll (20%)
• Sum of these 2 components
• Multiplied by IMD Score (between 5 and 12)
• Less Buildings Allowance
• Gives Potential
• Approved by Diocesan Synod
Parish Share Issues

- A voluntary payment
- Withdrawal of Buildings Allowance
- Withdrawal of Electoral Roll and use of Average Weekly Attendance
- Increased costs for part time ministries so that remuneration is commensurate with time offered
- BUT phasing out of Commissioner grants from general formula – now complete
Deanery responsibilities

- Deanery Financial Management
  - Initiated by Diocesan Synod in 2000
- Deanery allocates Parish Share
  - Most now use diocesan formula
- Meant to be responsible for arrears of Parish Share
Future Issues

- Reducing ministry
- Need to invest in mission & ministry
- Increasing national church costs including safeguarding
- Stipendiary level issues
- Apprentice levy
- Cost of repairs to parsonages
- New forms of church paying for the old buildings
Ensuring a Church with a Future

- Requires Generosity
- Working with our communities
  - Fundraising & Grants
- Working with each other
- Securing local ministry
- Investing in all that supports local ministry
- Letting go of things that no longer work
- Expect significant Parish Share increases
Diocesan Reserves

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<th>2015</th>
<th>2014</th>
<th>2013</th>
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<tr>
<td>Unrestricted</td>
<td>£2,233k</td>
<td>£3,633k</td>
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<td>Restricted</td>
<td>£3,902k</td>
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<td>Endowment</td>
<td>£1,968k</td>
<td>£2,019k</td>
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<td><strong>TOTAL</strong></td>
<td><strong>£8,103k</strong></td>
<td><strong>£8,769k</strong></td>
<td><strong>£7,548k</strong></td>
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Excludes £67m of Ministry Housing and £4m of pension fund deficits
## Parish Finances – how healthy?

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<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>Change</th>
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<tbody>
<tr>
<td><strong>INCOME</strong></td>
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<tr>
<td>General Giving</td>
<td>£9,000k</td>
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<tr>
<td>Gift Aid</td>
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<td>Giving/Person/Week</td>
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<td>Legacies</td>
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<td>£603k</td>
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<td>Total General Income</td>
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<td><strong>EXPENDITURE</strong></td>
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<tr>
<td>Parish Share</td>
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<tr>
<td>Total General Expenditure</td>
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<tr>
<td></td>
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<tr>
<td><strong>RESERVES</strong></td>
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<td>Unrestricted</td>
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<td>Total Reserves</td>
<td>£21,821k</td>
<td>£20,168k</td>
<td>£20,255k</td>
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Parish Reserves – how healthy?
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