

The Diocese of Canterbury



Living faith, building community, transforming lives

The Bigger Picture of Church of England Finance

Julian Hills (Diocesan Secretary)



The Body of Christ



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



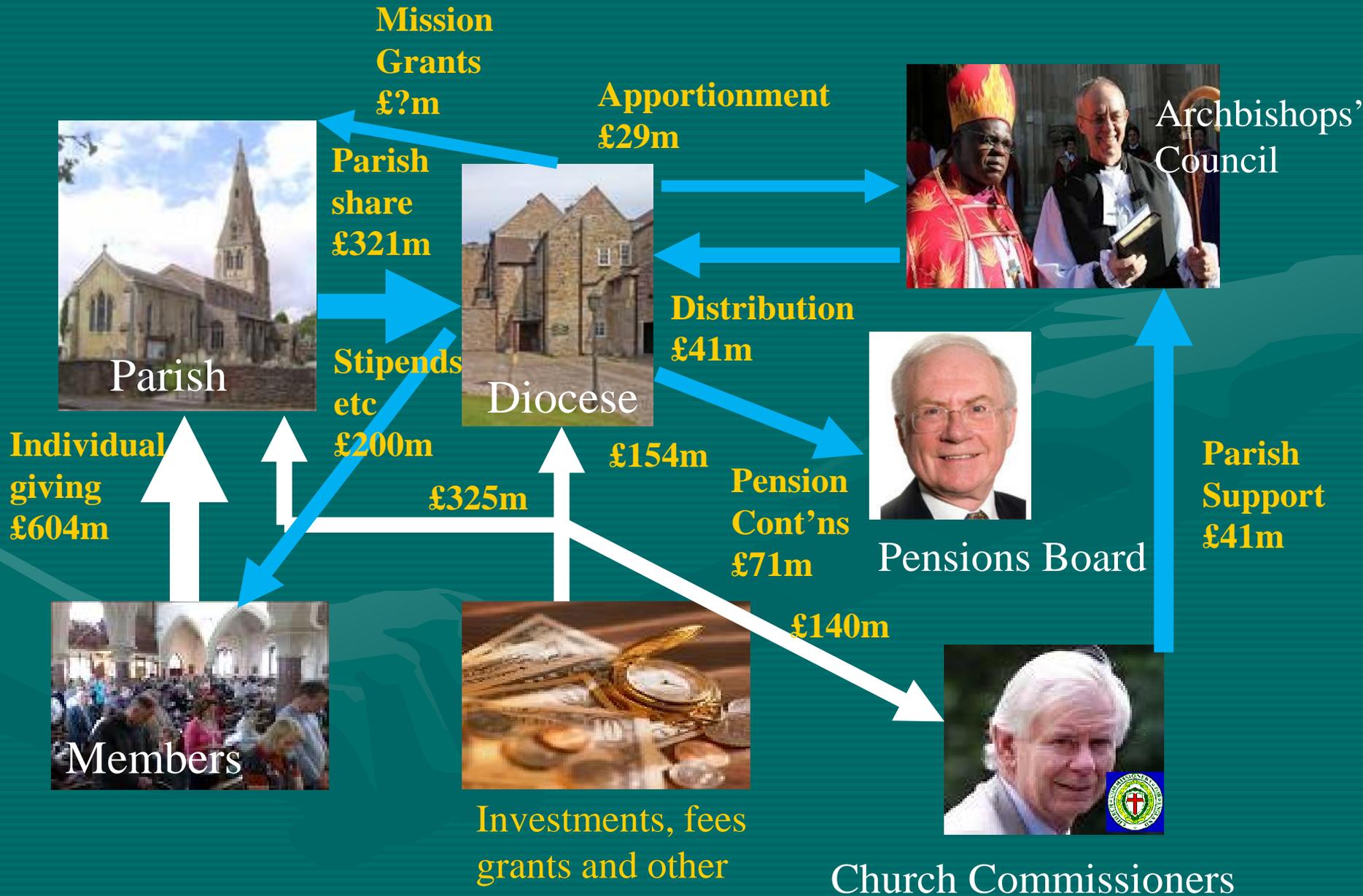


Archbishops' Council

- ❖ 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



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



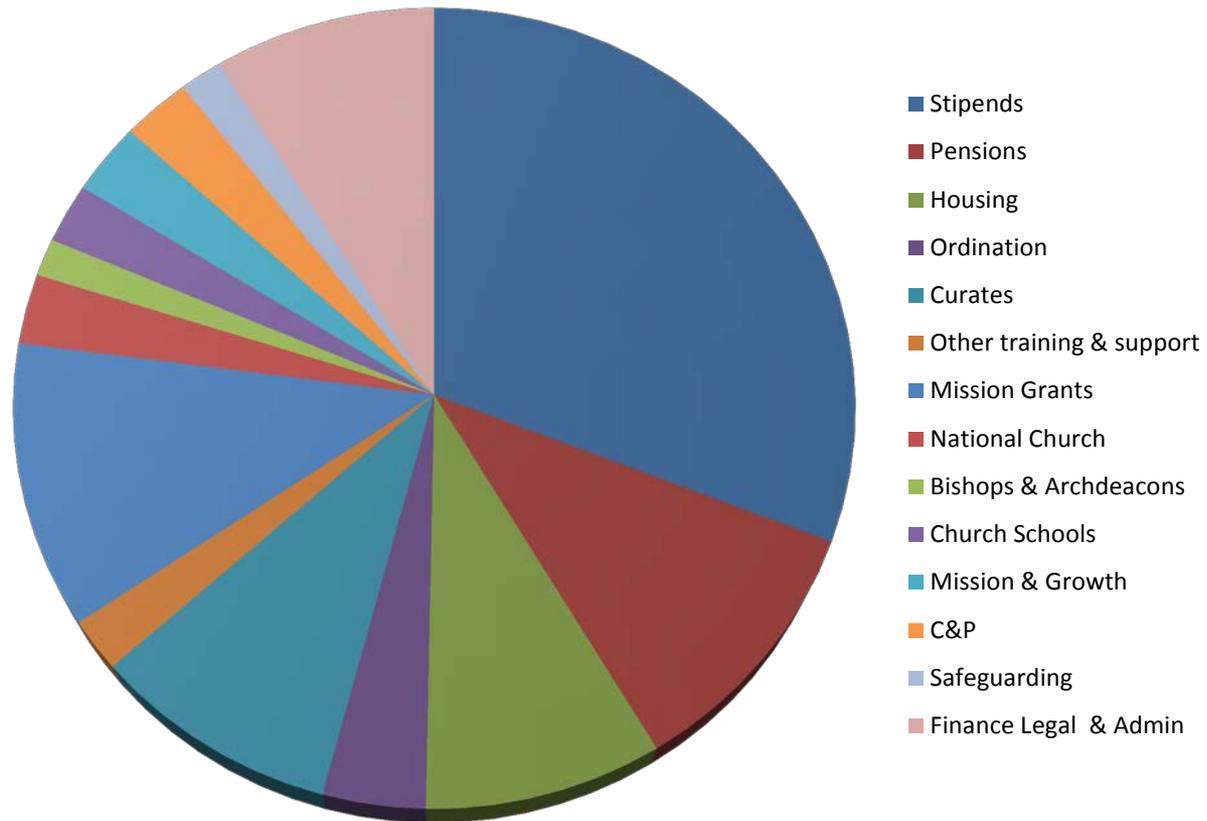
Canterbury Diocese

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

All to witness to the Gospel of Christ in every community!



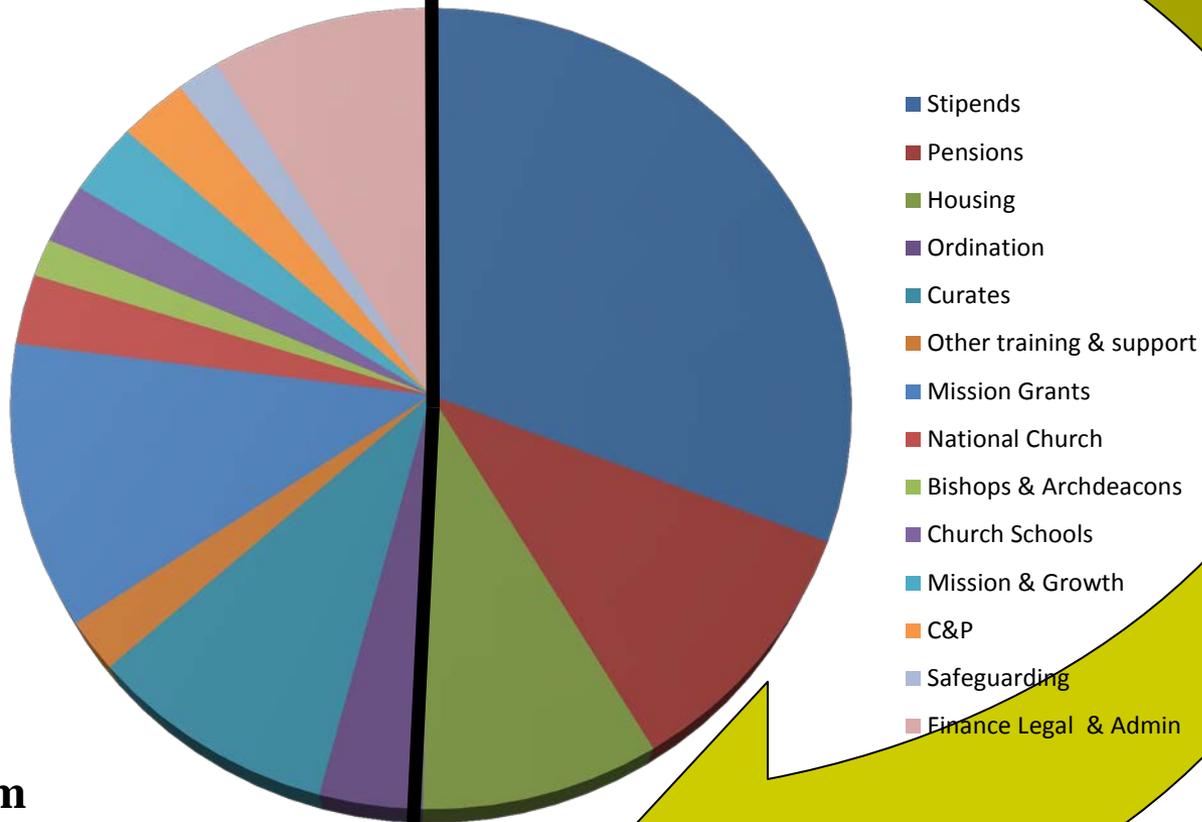
The Diocesan Budget 2017



Total £10.1m



The Diocesan Budget 2017

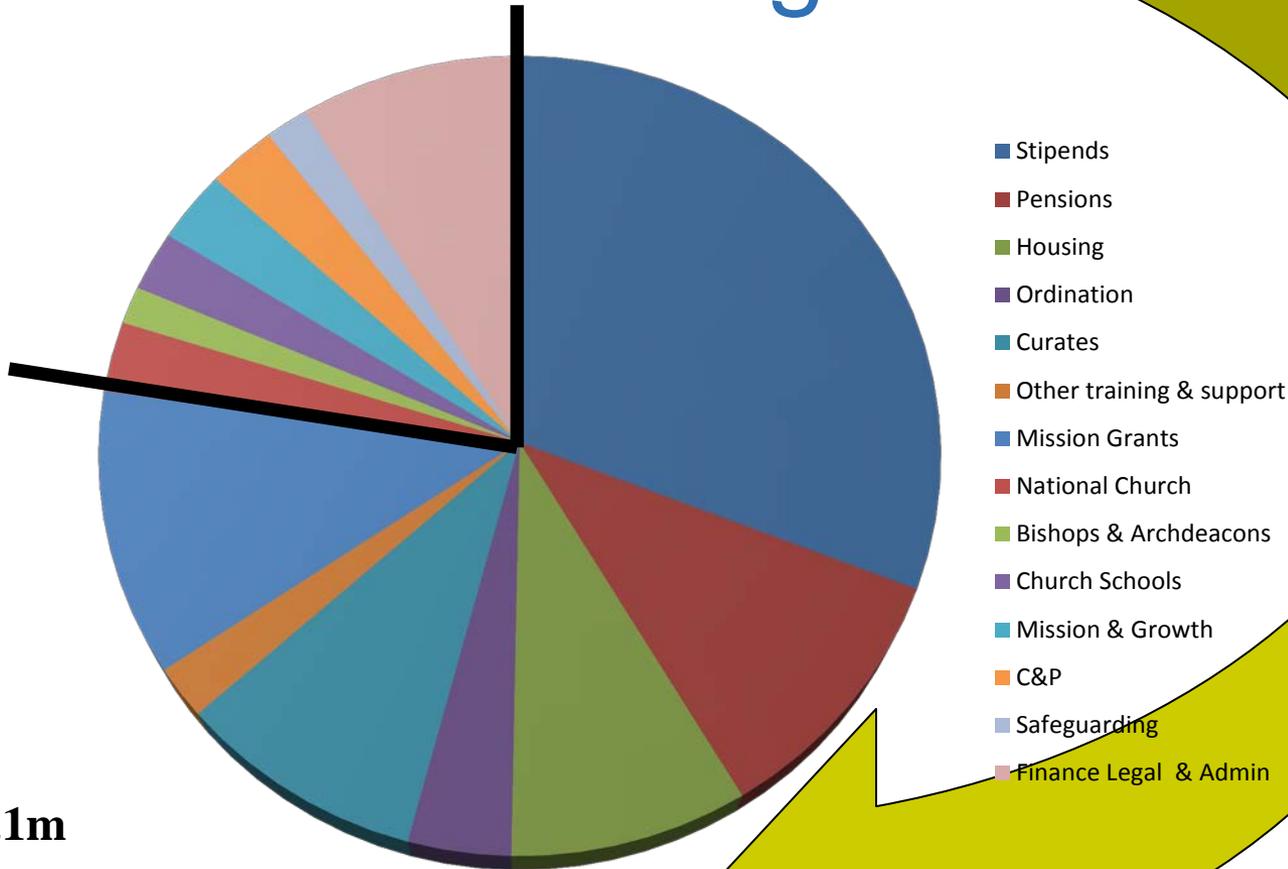


Total £10.1m

**Direct Parish
Ministry
50.4%**



The Diocesan Budget 2014



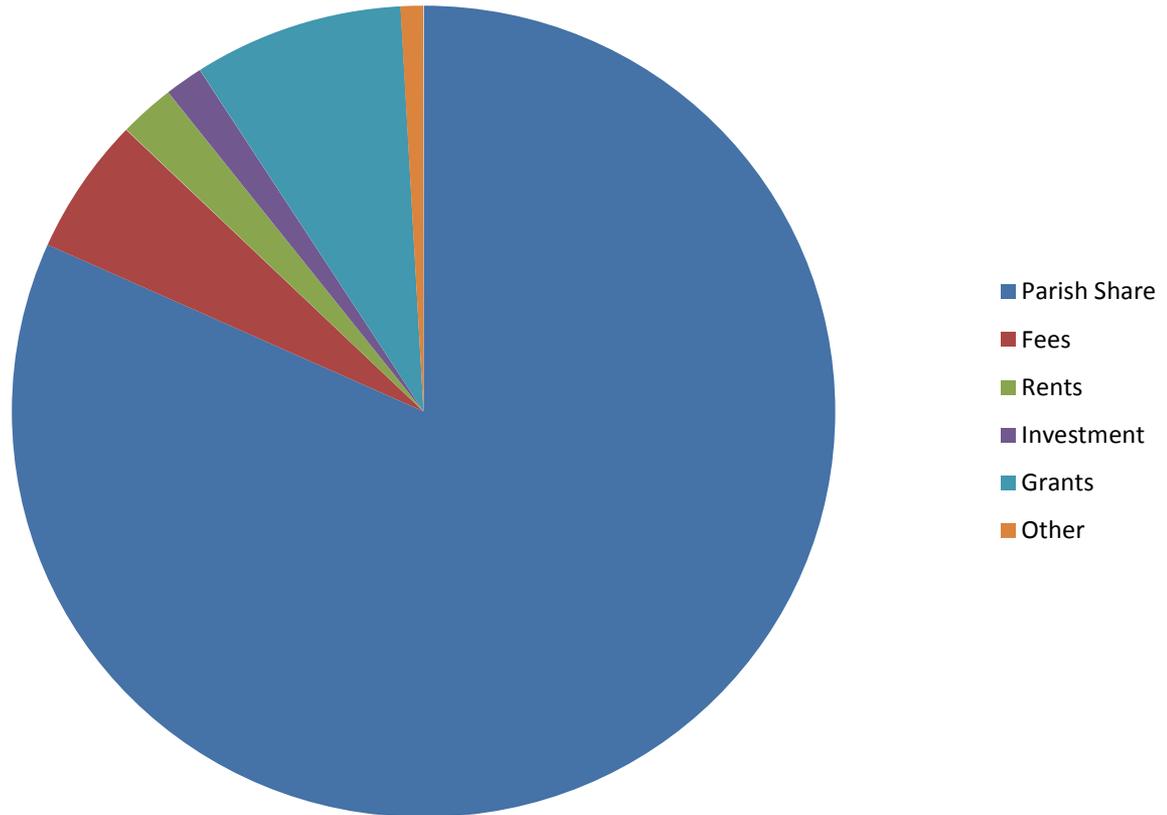
**Direct &
Future
Parish
Ministry
77.0%**

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

	2015	2014	2013
Unrestricted	£2,233k	£3,633k	£3,170k
Restricted	£3,902k	£3,117k	£2,477k
Endowment	£1,968k	£2,019k	£1,901k
TOTAL	£8,103k	£8,769k	£7,548k

Excludes £67m of Ministry Housing and £4m of pension fund deficits



Parish Finances – how healthy?

	2014	2013	Change
<u>INCOME</u>			
General Giving	£9,000k	£8,276k	+£724k
Gift Aid	£1,490k	£1,153k	+£337k
Giving/Person/Week	£14.50	£13.08	
Legacies	£363k	£603k	-£240k
Total General Income	£14,290k	£13,703k	+£587k
<u>EXPENDITURE</u>			
Parish Share	£7,413k	£7,356k	+£57k
Total General Expenditure	£14,330k	£14,611k	-£281k



Parish Reserves – how healthy?

	2014	2013	2012
<u>RESERVES</u>			
Unrestricted	£9,462k	£9,377k	£9,877k
Restricted	£7,462k	£6,690k	£6,907k
Endowment	£4,897k	£4,101k	£3,471k
Total Reserves	£21,821k	£20,168k	£20,255k



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