

THE
CHICHESTER DIOCESAN FUND
AND BOARD OF FINANCE
(REGISTERED CHARITY NO 243134)



2019
RED BOOK
106th ANNUAL REPORT AND FINANCIAL STATEMENTS
TO BE APPROVED

REPORT OF THE DIOCESAN FINANCE COMMITTEE FOR THE YEAR ENDED 31 DECEMBER 2019

This booklet presents the management accounts for the Diocese of Chichester in a format that aims to be easily readable, with supporting narrative. There is an outline of the financial support we receive from parishes and all other sources of income, and our expenditure is shown in detail.

I am delighted to report that for the first time since 2013 our income increased by more than our expenditure, both in monetary and percentage terms. Income was up by 3.1%, or £524,998, over 2018, whilst expenditure rose by 0.4% or £83,981. Measured against our budget, income was £362,958 higher than expected, and expenditure £19,160 lower.

It is also pleasing to note that overall parish share receipts increased by 3% over 2018, with an overall collection rate of 99.7% of amounts pledged, after allowing for arrears payment from earlier years. I would like to express my gratitude to all parishes contributing to this excellent outcome.

These results helped in reducing our operating deficit in 2019 by £441,017 over 2018, a significant step in moving towards the planned balanced budgets over the coming years.

We changed the format of our presentations at the Autumn deanery meetings for 2019, with less emphasis on the detailed numbers, instead looking at the wider financial picture. We put more focus on the tremendous work we all do together across our diocese in promoting the Gospel and serving the people of Sussex. These changes were well received in our deaneries, and encouraged us all in seeing just how much impact we have in our communities.

Investment markets had another volatile year, but by year-end our investment portfolio had produced a capital gain for the year of £5.51m, while delivering a higher than expected income yield of 4.8%.

I would like to thank Gabrielle and the team at Church House, and all of our clergy for their part in contributing to a successful financial year in 2019, and to re-iterate my thanks to parishes and deaneries for their generosity in parish share and so many other ways.

It has been a privilege to serve as your Chairman as my term nears its end, and my thanks go to you all for your support. 2020 is turning out to be a very challenging year for us all, but together we can face the future with confidence.

Philip Bowden
Chairman
April 2020

DETAILED COMMENTS

The accounts published in this booklet, known as the Red book, reflect expenditure versus the budget for 2019 approved by Diocesan Synod in November 2018. The figures refer to the DBF's ordinary activities and provide a higher standard of accountability and transparency than our statutory accounts. The balance sheets and summary information contain fuller information than is required by legislation. In effect this booklet represents management accounts for internal diocesan use. Members of the Operating Committee regularly receive reports showing progress against budget and review strategy during the year.

A separate Report and Accounts which meets the requirements of the Companies Act and the current statement of recommended practice (SORP), and follows the guidelines set out under the regulations laid down in the Charities Act, is available on request. Those audited statutory accounts are presented to the annual general meeting of the Diocesan Fund and Board of Finance Inc (DBF) at its meeting in May.

It should be noted that since they are not the responsibility of the DBF, the accounts of Chichester Cathedral and various other associated diocesan bodies are published separately by each individual entity.

General Fund Income & Expenditure Account (pages 1 to 7)

The summary statement for the general fund on page 1 shows the breakdown of diocesan income and expenditure. A diagrammatic presentation of income and expenditure appears at the end of this introduction. The following paragraphs highlight particular points.

A deficit (before transfers) of £1,952,925 was budgeted for the year. It was budgeted that £1,469,000 would be transferred from the Pastoral Account: £1,447,000 towards property costs, and £22,000 towards education costs. The transfer in respect of property costs was the fifth year of a Diocesan Synod approved five year programme to upgrade parsonages starting in January 2015 and was duly made. The education transfer was the third and final made since Synod approved additional funding to support Church Schools in the diocese. The actual outturn after the transfer was a deficit of £101,807 against a budgeted deficit of £483,925.

Overall income for 2019 was £362,958 above budget and was an increase compared to income in 2018. Current year parish share receipts were ahead of 2018. Parish Share pledged for 2019 totalled £13,998,953, an encouraging 1.7% increase on the pledges for 2018. The collection rate for the year was 98.7%, or 99.6% if prior year amounts are included. Compared to other dioceses, Chichester continues to maintain a higher than average collection rate, and we remain extremely grateful to all our parishes for their tremendous support.

Details of payments by deanery are set out on page 10. The table indicates the percentage received against the amount promised by parishes by deanery. Six deaneries met their promised pledges, and a further ten met 98.5% or more of the figure pledged.

The investment portfolio performed well during the year, producing an income yield of approximately 4%, over £107,000 above budget and over £125,000 more than 2018. It remains our policy to hold a balanced investment portfolio maximising income while protecting capital value for future generations.

Income from glebe and parsonage housing combined was 5% below budget but still represented a 9% increase on the prior year. The letting market in Sussex continues to remain buoyant and the property department monitors empty properties and lets those which are not needed for parish clergy in the medium term. However there has been a recent exercise to identify those properties which will not be required for parochial use in future with a view to disposal. It continues to be diocesan policy to let empty parsonages during vacancies as well as glebe houses when not needed for parish clergy but to prioritise parochial use.

Income from fees and local income was almost on budget. Parochial fees had been budgeted to reduce compared to 2018 following a perceived downward trend in fee income in recent years. Fee income did decrease in 2019 and work is ongoing to understand the wider reasons. New forms for reporting fees to the DBF were issued in late 2017 which have improved compliance. Income from parish trusts showed a slight decrease of £1,205 against 2018 but an increase of almost £20,000 against budget.

Total expenditure before transfers from the Pastoral Fund was below budget by £19,160.

Expenditure on stipends and grants was £81,133 below budget and clergy pension contributions were £55,915 below budget. These variances are the result of a lower average National Insurance rate than used in the budget calculation, as well as some savings on sequestration fees due to the lower vacancy rate. Clergy deployment and resourcing will be reviewed as part of long term strategic planning but in the meantime it remains diocesan policy to fill vacancies on a timely basis where appropriate.

Housing and property costs were within £17k of budget, at £2.68m. Expenditure continued to reduce significantly as we near the end of a five year programme to improve the standard of clergy housing, after peaking at £3.37m in 2016. There was an under accrual of costs at the end of 2018 which has been corrected in these figures. Funding of this programme, as has been mentioned, is being subsidized by the Pastoral Fund. The provision of housing is an important factor in the clergy remuneration package and well maintained property will, we believe, attract new and retain existing clergy better.

Training costs for stipendiary and self-supporting clergy were £279,494 above budget. There has been a welcome increase in the number of candidates training for ordination and the expected increase in costs was evident in 2019. In addition the average number of curates during the year was higher than budget as people did not move on as soon as expected resulting in increased expenditure on stipends, pensions and housing.

There was an overall decrease in expenditure across the 'parish support services' departments compared to 2018 and overall the costs were below budget. Most departments were on or within budget with the principal exception of central services

which covers finance, governance, HR and the running costs of Church House Hove. The overspend was due to a number of factors, including the costs of the new accounting system which runs on a subscription basis. Costs of utilities, cleaning and equipment hire had also been inadequately budgeted for. The budget has been improved for 2020 and has been calculated by reference to the underlying contracts.

There was a significant underspend in the Diocesan Board of Education, where savings against budget of £55,628 reflected the fact that not all staff posts were filled during the year.

Careful planning and tight budgetary control by department heads remains a priority. In addition certain areas of Church House's activities are being reviewed to identify how procedures and resource management can be improved. Costs of managing the larger number of redundant churches vested in the DBF have risen and are expected to increase due to the need to maintain large buildings where one off repairs or planning costs are required.

General Fund Balance Sheet (page 8)

The figures set out in the balance sheet should be read in conjunction with the details of property owned by the Board set out on page 9 and the designated funds at the bottom of page 12.

Endowment and restricted funds (pages 11 to 17)

On page 11, it should be noted that the value of all properties is stated at market value to be consistent with the Board's accounting policies used in the statutory report and accounts.

The property fund is required to distinguish between the Board's free reserves and those held in property assets

Further details about all the funds may be found in the statutory accounts which are available on request.

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If there are any questions about any of the information published in this book, please do not hesitate to contact Tim Redding, Diocesan Finance Director, or Gabrielle Higgins, Diocesan Secretary.

Gabrielle Higgins
Diocesan Secretary

Some comments from the report of the trustees contained in the statutory report and accounts (full copy available from the accounts department Church House Hove):

STRATEGIC AIMS

The main role of the CDBF is to identify and manage the financial aspects of the provision of ministry throughout the Diocese so as to provide appropriate personnel and financial resources to support both the nurturing of faith in new and existing Anglicans in Sussex and engagement with the community, as part of the Church's response to the mission of God in Sussex. The CDBF aims to achieve this by equipping the Diocesan Synod, its Councils and Committees, deaneries, parishes, chaplaincies and schools to further the mission and strategic priorities of the Diocese and by doing only those things which are best done at diocesan level or otherwise add value to the work of parishes, chaplaincies and schools.

At Pentecost in May 2015, the Diocesan Synod launched a five year Diocesan Strategy with the following three priorities modelled on the priorities of the Archbishops' Council's Renewal and Reform body of work:

1. Growth in holiness and numbers;
2. Re-imagining ministry;
3. Contributing to the Common Good.

Four years with different themes were aimed to help Anglicans in Sussex address these priorities. 2016 was the Year of Mercy, recognising our condition before God and need of forgiveness as a preparation for the Year of the Bible in 2017, where we listened to God's voice as it comes to us in Scripture. That in turn led into the Year of Prayer in 2018, where as well as continuing to listen, we learned to respond to what God is saying. This took us into 2019 and the Year of Vocation where we explored how God is calling us to live out our Christian faith. At Diocesan Synod in November 2019 a new Vision for Growth was launched, building on those three priorities, to provide focus for 2020 to 2025, under which we will strive to be More Open, More Converted to Jesus Christ, More Generous and More Engaged.

OBJECTIVES FOR THE YEAR

The CDBF seeks to respond to its mission of growth in Christ and to its strategic aims by focusing on the following objectives for this and subsequent years:

- To resource a Christian presence in every parish by:
 - The appointment of stipendiary and self-supporting clergy, lay ministers and Christian leaders and governors in our schools
 - Enabling the laity in congregations to play their part in ministry
 - The payment of stipends and pensions
 - The provision and maintenance of housing which is safe, fit for purpose, and welcoming
 - The selection and training of ordinands and lay ministers, and the provision of financial support to those training for ministry

- Providing ministerial development reviews and continuing ministerial development for clergy
- Providing pastoral care and welfare support to clergy, including financial assistance where needed
- Planning and delivering improvements to mission and pastoral organisation
- To develop the ability to ensure a Christian presence in future by:
 - Encouraging vocations to both lay and ordained ministry, especially young vocations, and developing apostolic pathways for all, in particular re-imagined forms of lay ministry
 - Supporting apostolic partnerships to reinvigorate communities and establish a presence in areas of new housing
 - Enabling church schools to reach out to families in their communities
- To support clergy, lay leaders, parishes and chaplains and enable their work by providing training, information, advice, guidance, services and good governance
- To support schools and in particular head teachers and governors to provide the best possible education and Christian witness through training and support services and the provision of assistance and advice
- To support schools with planning pupil places and ensuring their buildings are fit for purpose, facilitating capital expenditure and the expansion of schools where possible
- To provide support for parishes and individuals in all aspects of safeguarding casework, liaising with the public authorities as necessary
- To promote a care for the environment and a sustainable use of resources, and work towards becoming an Eco Diocese
- To support the Anglican church, nationally and internationally, and other particular ministries to groups and communities
- To run an effective organisation in order to deliver these objectives, including the provision of support to the senior clergy and management of assets.

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Resourcing a Christian presence

Appointments, enabling the ministry of the laity, and payment of stipends and pensions

The presence of clergy and lay ministers in the parishes and communities of the Diocese is an important part of delivering the Diocese's mission. They engage in a wide variety of community and church projects and carry out over 1,200 weddings or blessings, 3,900 funerals and 2,500 baptisms each year. Almost 400 licensed clergy and over 100 licensed readers minister in the 363 parishes in the Diocese, with 14 new full time and 5 new part time stipendiary clergy appointments and 7 new readers licensed during 2019.

The Education Department appointed 101 new foundation governors and reappointed 32 existing foundation governors for church schools and helped to appoint 19 new head teachers, 11 of which were diocesan deputy heads moving into headship.

During the year the CDBF paid stipends, pensions and other employment costs totalling £10.1 million for incumbents, curates and other clergy, increasing stipends in line with national recommendations. The payroll is administered by a separate charity, the Church Commissioners for England, and the CDBF reimburses the costs, which form by far its largest financial commitment. The average rate of vacancies was 24 which was slightly below the budgeted rate of 26. Rural deans and churchwardens of vacant parishes work closely together to maintain worship and other community activities, aided by a large pool of retired and self-supporting ministers. The CDBF funds fees and expenses for those clergy during interregna.

Parish clergy are not employed by the CDBF, but the CDBF does have responsibilities in respect of their engagement. In addition to paying their stipends and National Insurance, paying into their pension funds, and housing them, it is responsible for training (see below). Under new terms of service, called Common Tenure, introduced in 2011, clergy have greater clarity on their rights and obligations and have access to Employment Tribunals and other useful services. These apply to all new appointments and some of those in post before 2012; others chose to retain their freehold. The CDBF's external HR consultants provide HR services in respect of clergy as well as lay staff to improve the care and service provided. During 2019 this service was enhanced by the engagement of an employment law service from local solicitors. The full-time in-house HR Officer left the Diocese in summer 2019 and, as an interim solution, her work has been reallocated internally to other members of staff and the external consultants. The most effective way to provide HR services continues to be monitored.

In addition to training and support for the laity, detailed below, the Order of St Richard award was launched to recognise outstanding contributions by lay people. 40 recipients attended the first award service at the cathedral in November.

Provision of housing

The annual quinquennial repair programme covered 45 of the diocese's 380 properties, spending c.£756k, and 50 properties were made ready for incoming clergy and private tenants (to derive a rent) at a cost of c. £480k. The following improvement works were also carried out:

- One property was re-roofed.
- 16 properties had replacement boilers or upgrades to their central heating systems
- 11 properties had replacement bathrooms
- 15 properties had replacement kitchens
- 8 properties had replacement UPVC windows and doors.

In addition to this major repair was undertaken to the boundary wall at the vicarage in Hurstpierpoint a cost of £105k.

Work has commenced on the rebuilding of the parsonage at Chichester St Wilfrid which will be completed in summer 2020.

Selection and training of ordinands and lay ministers

The training of curates (IME 2) includes the development and running of a diocesan course, which is a Common Awards programme validated through the University of Durham via St. Augustine's College of Theology (our local training institution). Curates are formally assessed at the end of their training to ensure they have reached an appropriate level of competency, a process overseen by the Department for Apostolic Life.

Grants of over £364k were made to ordinands to support them and their families during their training. There are currently 48 people in training.

Authorised Lay Ministry (ALM) training began in 2018 and the first 37 candidates were commissioned in January 2019 for ministries of pastoral care and children's work. In autumn 2019, 59 candidates began training across four electives: family ministry; pastoral care; preaching and community ministry. We aim to increase the number of electives in 2020. A very successful lay conference was held in March 2019 on the theme of 'Every day discipleship', attended by more than 100 people, including parish champions for the national Setting God's People Free initiative which seeks to help lay Christians live out their faith in their daily lives.

Ministerial Development Review (MDR) and Continuing Ministerial Development (CMD)

MDR continued to be run successfully with some minor changes. Most clergy are now on their second review.

During the year, a new CMD officer was recruited and started in the summer. We built on the previous year's programme of ongoing training for clergy, offering a wider range of courses. These focussed on theological development, enhancing ministerial skills and wellbeing.

The second cohort of clergy undertaking the Galilee Programme started, which is a diocesan programme for clergy ministerial development (including leadership). The CMD Officer took over oversight of the programme.

CMD 1 started, which is a programme designed to support and mentor those who are in their post of first responsibility.

Pastoral care and welfare support

During this year, we recruited a new officer to oversee the service supporting clergy and their families and changed the job title to Officer for Wellbeing for Clergy and their Families. This marked a move towards offering proactive training and support in

issues of well-being. Alongside this, the confidential counselling service for clergy and their families continued to receive a significant number of referrals; over 100 since the service was launched. We continue to be grateful for the generous legacy which has enabled this work.

In addition, welfare grants of approximately £75k have been awarded to 86 clergy and their families in time of need.

Implementing improvements to pastoral organisation

Twelve Mission and Pastoral schemes and orders were completed in 2019: four pastoral reorganisation schemes, six bishop's pastoral orders to terminate defunct group ministries, one pastoral order to create a plurality, and one pastoral order to rationalise parish boundaries. A further nine cases were progressed. Significant progress was also made towards finding new uses for seven churches that have already been closed.

Developing Christian presence for the future

Encouraging vocations

There was a change in staff during this year, with both the Diocesan Director of Ordinands (DDO) and Deputy DDO being appointed to new roles in the Diocese. A new DDO began in November.

The discernment processes for the selection of ordained ministers and specific lay ministries were further refined during the year. The enlarged team of Vocations Guides and Assistant DDOs continued to receive training in their work, including training on understanding bias & error.

The focus of the year for the diocese was vocations including a Lent course which sought to encourage all Christians to better engage with their baptismal calling. Of those who attended a Bishops Advisory Panel in 2019, 20 individuals were recommended for ordination training (14 men and 6 women, of whom 17 will train to be stipendiary ministers and 3 to be self-supporting ministers).

Supporting apostolic partnerships

The process for monitoring and measuring the Strategic Development Fund (SDF) projects was reviewed and simplified. The Deputy Director for Apostolic Life took over the role of managing the projects and there was progress on how we demonstrate success. All three of the partnerships currently supported by SDF have shown significant growth, both in numbers and in spiritual depth. Significant groundwork was undertaken for a 2020 bid.

Enabling church schools to reach out

Throughout 2019, church schools within the Diocese have continued to look at their vision statements in line with the SIAMS inspection schedule. This revised schedule is now embedded and whilst it does present new levels of challenge, our schools are engaging positively with our training and support. Within the schedule, schools are

being encouraged to engage in “courageous advocacy” and reach out to their local communities through engagement in both social action and charitable activities.

Supporting clergy, lay leaders, parishes and chaplains

Apostolic Life

Living Faith continued as a programme for nurturing faith and discipleship, alongside a diocesan Year of Vocation Lent course.

Following a confidential review, it was decided to bring the diocesan network of spiritual directors to an end. Directors on the network and those looking for a spiritual director were asked to consider engaging with the London Centre for Spiritual Direction, who extend their networks across Sussex and the south east.

The second phase of the diocesan strategy was prepared and launched at November Diocesan Synod.

Youth and Children

2019 saw the beginning of the development of a new children’s and youth strategy. Part of this has been the setting up of hubs across the diocese as centres of excellence and support for those involved in youth and children’s work in parishes.

Partnering with the Diocesan Mission Fund led to churches appointing more youth and children’s workers across the diocese. Networking events saw stronger cohesive working between churches across the diocese and regular ongoing training for salaried workers and volunteers.

The Pursuit programme, a year out leadership development scheme for young adults, did not run due to a lack of suitable candidates and parishes. May Camp, our diocesan youth festival, continued to see a healthy growth in numbers participating and over 60 young people made a personal commitment to Christ.

Communications

Throughout a busy 2019 the communications team continued to provide a proactive and reactive service to Church House departments, the senior clergy team, parishes, and partner organisations.

Partnership with the Church of England to engage with national initiatives continued with Thy Kingdom Come, Setting God’s People Free and the Christmas campaign #FollowtheStar which is now in its second year. Increased engagement was made possible by the appointment of a communications assistant at the start of 2019.

Social media has been a key feature throughout the year. Two fully attended workshops saw laity and clergy gaining an insight into the opportunities and issues around social media as a key tool for digital evangelism. Also, two workshops were held for training incumbents to help them gain a greater understanding of the issues

and challenges that training curates face. Positive feedback was received, with the top rating given by most attendees.

In 2019 resources for the diocesan Year of Vocation were issued with in-house materials produced to enhance engagement, including DVDs, USBs and videos of those being ordained in the summer. Seventy parishes ordered resources direct from CHH for Lent groups of all sizes. Parishes ordered a total of 2,785 lent booklets direct from CPO.

Thy Kingdom Come, an ecumenical event forming part of the Archbishops' call for nine days of prayer between Pentecost and Ascension, was held at the Dome Brighton and attracted around 800-1,000 people of all traditions from churches across the diocese.

An in-house video to be shown at the Autumn deanery meetings received much positive feedback and requests to make it available for PCCs and other audiences. This was also an opportunity to feature areas of the diocese that may not usually feature in promotional material.

The Faith in Sussex magazine continues to be valued as a mission tool that connects the whole of the diocese. A key development agreed in 2019 was to set up an editorial group which will help to hear from a company of voices to share the good news and best practice across the diocese.

Parish development and stewardship

In 2019, staff in the Apostolic Life department worked directly with 70 parishes across the diocese, reflecting a diverse range of context and theological tradition. We ran the Leading Your Church into Growth programme for the first time, with eight selected parishes.

In addition to providing manuals, templates and ad hoc advice throughout the year, the parish adviser on finance, governance and stewardship delivered 18 parish finance workshops across the diocese covering topics such as accounting regulations for PCCs, essentials of charity law, Gift Aid, regular giving, legacies and use of contactless devices. 544 people in total attended. When invited to PCC meetings or to speak to churches, he continued to encourage parishes to put together a strategy to raise their levels of regular giving, consider using legacies, contactless giving and the Parish Giving Scheme to facilitate their giving. 21 more churches adopted PGS in 2019.

Education

Autumn briefings were held in 6 venues across the diocese, with c.90 people attending including head teachers, chairs of governors and clergy. These briefings gave an opportunity to give information about the future focus of the department as well as sharing the wider context of education issues such as the small schools agenda and academisation.

The training programme offered by the Education department has continued to support Head Teachers, governors and clergy with a variety of courses covering topics from Understanding Christianity to SIAMS and Church School governance. All church school governors are expected to attend safeguarding training.

Safeguarding

The Independent Inquiry into Child Sexual Abuse, IICSA, published its report of the case study into the Diocese of Chichester and the case of the former Bishop of Lewes, Peter Ball, in May 2019. This report produced significant criticism of the history of the Diocese, and of the recent past up until 2011. However, the Inquiry noted considerable improvement in the Diocese's safeguarding procedures and culture since that time, in particular noting the Diocese's co-working with Sussex Police, and the support given to victims of abuse during police investigations. Both were noted as examples of national best practice that other Dioceses were recommended to follow.

The Diocese continues to implement the National Safeguarding Training Framework. 96% of licensed clergy and over 88% of PTO clergy have the full up-to-date training requirement, with the numbers of licensed clergy with no in-date training at 0.5% (and explained due to long-term absence). Over 7,500 safeguarding course completions were achieved across the Diocese during 2017, 2018 and 2019, with demand for training remaining extremely high.

Simple Quality Protects ('SQP'), the online parish safeguarding tool, was launched in 2017 and has had a very good take-up across the Diocese. Deanery assessment events have been completed or are scheduled in every Deanery across the Diocese, with the majority of those parishes attending these events having passed Level 1 of SQP. Both the enthusiasm and achievement of parishes across the Diocese in SQP is extremely encouraging.

The Diocese has been working with the Survivors' Network, via a Service Level Agreement, in 2018 and 2019 and into 2020. The SLA provides for an Independent Sexual Violence Adviser (ISVA) to work alongside the Safeguarding Team in providing specialist support to survivors of abuse, particularly during criminal investigations. This continues a successful model of casework pioneered in Chichester, which is now forming the basis of a national model of best practice.

Property

The Property Department continues to support parishes and clergy by providing advice on the management and development of property. The department also provides guidance to parishes regarding the Charities Act and the process to obtain diocesan consent for property sales.

Church Buildings and DAC

The Diocesan Advisory Committee for the Care of Churches has continued to fulfil its statutory role in the faculty jurisdiction system and has provided advice and guidance to the Chancellor, Archdeacons and parishes on issues relating to the care of church buildings.

The DAC issued written advice in relation to 168 applications (116 for Formal advice and 52 requests for Informal advice) and made 36 site visits to assist parishes in the early stages of planning major church building projects. The Church Buildings team and DAC also assisted the Archdeacons in processing 120 permissions for minor works under the List B process. The team also offered guidance on day-to-day issues relating to the care of churches and organised a series of training events, including four Roadshows, three training sessions aimed at new clergy and churchwardens on 'Looking after church buildings and permissions', and four training sessions in conjunction with Ecclesiastical Insurance on health and safety and insurance issues.

The Fundraising Adviser provided fundraising advice to 72 parishes by phone or email in 2019 and visited 28 churches (independent of DAC site visits) and representatives of a further 4 churches came to Church House. The Fundraising Adviser spoke at three deanery or diocesan-wide events, and ran an information day on the National Lottery Heritage Fund attended by 47 people from across the diocese, including the Cathedral.

Finance

The Diocese acts as custodian trustee for many trust funds; the Finance Department holds investments on behalf of almost 500 parish and chancel trusts and 65 school trusts.

Governance

The Governance team continued to advise parishes on matters of governance, record-keeping, and the like.

2019 was the start of the new triennium for the new membership of the boards and committees. Training was arranged for the new and returning Bishop's Council members who are trustees of the CDBF. Twenty governing committee meetings were held, including the Bishop's Council, the Operating Committee, Assets Committee, Audit Committee, Education Finance Committee, Remuneration Committee and Credit for Mission.

Seventeen Autumn Deanery meetings were held on autumn evenings throughout the diocese, some deaneries joining together to share a meeting: to reflect on and celebrate the work of all those in our deaneries and parishes and to plan for the future. Two Diocesan Synod meetings were held for over 200 representatives across the diocese and topics included reflections on the Independent Inquiry into Child Sexual Abuse, planning for the new diocesan strategy, growing faith, deanery motions, and the latest reports from General Synod.

Supporting schools

During 2019, the programme of continuing professional development and school-based reviews for 155 schools in the diocese continued, funded through a combination of diocesan funding and contributions from schools made under a partnership agreement.

All schools have benefitted from the support of a named Diocesan Effectiveness Partner. The team of DEPs support schools on a local level, with a focus on school improvement and effectiveness.

The programme of CPD offered by the department is designed to support school leaders, governors and clergy through a wide variety of topics that are relevant to school life. Courses offered around the new Statutory Inspection of Anglican and Methodist Schools (SIAMS) schedule have continued to be popular with governors and headteachers alike, with additional bespoke sessions being arranged for groups of schools and the Diocese of Chichester Academy Trust (DCAT).

Academisation remains a key part of the strategy of the department. Although the pace of academisation across the diocese is slow, DCAT have taken on a further school in West Sussex and have strengthened their team during 2019.

By the end of 2019, 90% of our schools were judged to be graded good or above by Ofsted. This is encouraging as the number of good or better schools has steadily risen over the past four years, despite the Ofsted framework having increasingly raised expectations of schools.

The education department has worked closely with the University of Brighton to develop a non-hierarchical peer to peer mentoring programme for headteachers across the diocese. This has been received well by headteachers and has had 18 participants within the first cohort.

Facilitating of capital expenditure on schools

The Education Department continues to support the remaining Voluntary Aided Schools via capital funding from the government through the Locally Co-ordinated Voluntary Aided Programme (LCVAP), through which £2 million was allocated in 2019. There has been a gradual decrease in funding over the last few years mainly due to VA schools converting to academy status. Projects funded through the LCVAP route have primarily been to complete necessary maintenance with several central heating projects. In addition, in 2019 schools had access to the government's Healthy Pupil Capital Funding (HPCF) for mental and physical well-being, which was a one-off fund in 2018. A variety of projects were funded through this, with £221k allocated to the diocese and an additional £9k match funding from schools, giving a total value of £230k across the diocese spent on HPCF projects.

Safeguarding casework

The Safeguarding Team continues to work with Sussex Police and other statutory partners across Sussex, and with the Church's National Safeguarding Team, as required, and to assist churches across the Diocese in responding to issues they raise. A number of criminal investigations continued in 2018 and into 2019, involving a very considerable degree of co-working between the Diocese and the statutory agencies in Sussex. The quality of these working relationships were highlighted by Sussex Police in their evidence to IICSA, and in IICSA's findings in their Case Study report.

The environment

At the beginning of 2019 the Diocesan Rural Officer moved to take on the National Rural Officer role for the Church of England. A new Diocesan Environment Officer has been appointed who chairs the environment committee and has reformed its structures and work. The Environment Officer represents the Diocese on national committees and is currently preparing a report on how well the diocese is progressing towards its aim of becoming an Eco Diocese.

Supporting the wider church and specific ministries

Support for parish projects within diocese

The Diocesan Mission Fund deployed part of the grant from the AllChurches Trust as well as an amount from the Pastoral Fund to support outreach mission initiatives within the Diocese. It supports both new projects and development of current activities that need further financial assistance. During 2019 the Mission Fund awarded about £150,000 towards projects including parish youth workers, a schools worker and a series of small grants which enable local work to start including school pastors. All projects are linked closely to the Diocesan Strategy.

Due to funding changes there is now less money to give away and the committee has started to consider applications annually. A key priority for 2019 was to consider how to fund mission projects within the Diocese. The Committee resolved to invite parishes to consider contributing to the Mission Fund in 2020 to supplement the grant from the AllChurches Trust, and to produce a short film for PCCs and parishes showcasing some of the incredible ministry that the Mission Fund has funded and its outcomes. This may however be affected by the impact of Covid-19.

Grants are made to other connected charities, notably Chichester Diocesan Association for Family Support Work and St Barts Trust to support their work with disadvantaged families and youth work respectively. In 2019 the Diocese paid its third grant to the Church Urban Fund to support the Together in Sussex project. Together in Sussex is a joint venture between the Church Urban Fund and the Diocese of Chichester to support churches and others to bring positive change to their wider community. This occurs by enabling reflection on the needs of the parish and providing a broader understanding of what else is available in the community, linking groups and individuals where possible. Particular focuses have been mental health projects, Hear Here providing

hearing aid maintenance, homelessness projects, and modern day slavery. An analysis of grants made by the CDBF to support the furtherance of its objects can be found in note 11 to the financial statements.

Support for the wider church nationally

Contributions are made to the Archbishops' Council to cover a proportion of its central costs relating to the activities of various national boards and councils including General Synod, and also to cover a proportion of the cost of national training for ministry and the provision of housing for retired clergy (see note 9 to the financial statements).

Support for the wider church internationally

2019 was a year of consolidation and planning for the Diocesan Overseas Council. The grant application process has been overhauled and there are new forms in place for applying for student support grants and for organisational grant applications. Two more of our sponsored students in Kenya graduated in 2019 and have moved on to Diaconal ordination and curacy. We have also issued two new student grants to parish clergy in the Diocese of Kericho who would like to engage in further study. They have been encouraged in and endorsed for their studies by their local diocesan Bishop and the funding has been administered through St Paul's University, Limuru, Kenya and the Diocese of Kericho. During the latter half of 2019, much of DOC action was directed towards preparations for the pre-Lambeth hospitality which was to be offered by our Diocese to the Bishops of our Companion Link Dioceses in July 2020. A specific task group was set up to take the planning further, chaired by Canon Mark Payne, and although the Lambeth conference was postponed due to Covid-19, the planning will restart nearer the adjourned conference.

A meeting for representatives from all our diocesan schools with links to schools in our link dioceses was held at Church House in September, with constructive discussions about building and maintaining school links. The Companion Links Officer, Revd Christine Keyte, attended the Partnership for World Mission Conference at the Hayes Centre in Swanwick in Derbyshire in November, a meeting for Link Officers and representatives for World Mission in the Church of England and Anglican Communion, and preparations for Lambeth 2020 hospitality was one of the points of discussion on the agenda. We look to continue to build and celebrate our continued heritage in links of fellowship and friendship with our Companion Dioceses in the years to come.

The Diocesan European Ecumenical Committee (DEEC) continued to foster ecumenical links between the diocese and Roman Catholic and Lutheran churches in Germany. In October 2019, the Diocese hosted the Coburg Conference in Chichester. This biennial ecumenical meeting between delegates from this Diocese, the Lutheran and Roman Catholic churches in North Bavaria and the Protestant Church in Berlin had as its theme for 2019 'The Church's response to populism: Bishop George Bell and Dietrich Bonhoeffer as exemplars'.

Support for particular ministries

The work of the Rural Business Chaplaincy shared with the Diocese of Canterbury and the Chaplain to Gatwick Airport have continued to offer a Christian presence in these contexts/sectors during 2019. Direct diocesan support for other ministries has reduced to focus resources on parochial ministry, but parishes continue to be encouraged to develop their own locally appropriate projects.

Running an effective organisation

The Diocese makes great efforts to be a good steward of its assets, and to manage its investments effectively, balancing the need to maximise the long term return from our assets with the need to generate income to reduce the pressure on parishes. Following the change in church law allowing the capital accounts of Diocesan Stipends Funds to be invested on a total return basis, the Assets Committee adopted a new investment policy taking into account this new approach, and appointed Cazenove in December 2016 to manage part of the investment portfolio on a total return basis.

Progress continues to be made on the various glebe projects in the diocese although none came to fruition in 2019. The Property Department also continues to focus on letting empty houses where it can, generating rental income of c. £423k for parsonage houses and c. £257k for glebe houses and land.

During 2018 the accounting system for the DBF was changed. Further functionality was implemented during 2019 and the new system continues to work well. A new handbook of financial policies and procedures was also launched in 2019.

Following the migration to a new IT supplier at the end of 2018, the focus for IT in 2019 was to embed the new systems. Staff have received external and in-house training, a good relationship has been built with the IT supplier and efficient processes have been established. In addition, priority has been given to improving cybersecurity - multi-factor authentication has been set up on all Office 365 accounts and staff have received training in this area. Work has also taken place towards the Government's Cyber Essentials accreditation scheme leading to an application at the end of 2019.

During 2019 the trustees reviewed their practice against the Charity Governance Code, applying the template for larger charities. The review identified no major points of concern but has highlighted a number of issues for consideration which will be taken forward by the appropriate staff members and committees.

FUTURE PLANS

Any future plans are subject to the impact and consequences of the Covid-19 pandemic. Places of Worship have been closed for the immediate future and this is likely to have a major impact on income, particularly from parish share. Expenditure plans are being reviewed as a result, with the situation and its impact on cashflow being continuously monitored. Diocesan staff have, however, taken advantage of the improvements in information technology that have been implemented over the last couple of years, meaning that at the time of writing of this report there has been little impact on the services provided, subject to the restrictions being placed on day-to-day life. Unfortunately, in common with the rest of society, events have had to be postponed or

cancelled. Innovative ways of keeping the service provision at a high level across the whole of the household of faith are being developed, along with new programmes of support for people affected by the crisis.

Subject to the above, the strategic aims established by Diocesan Synod in May 2015 detailed on page v will continue to direct the activities of the CDBF for the coming year, although perhaps not at the pace originally envisaged. During 2019, the new Vision for Growth was launched which will be rolled out during 2020 to provide a new strategic focus for the next five years.

Our major commitment continues to be the maintenance of a Christian presence across the parishes of Sussex. As well as encouraging more vocations to the ordained ministry we plan to train and develop lay members of the Church, including the staff and governors of our church schools, as part of our strategic intention to re-imagine ministry. Ensuring that our parishes and schools are safe and welcoming places remains a priority.

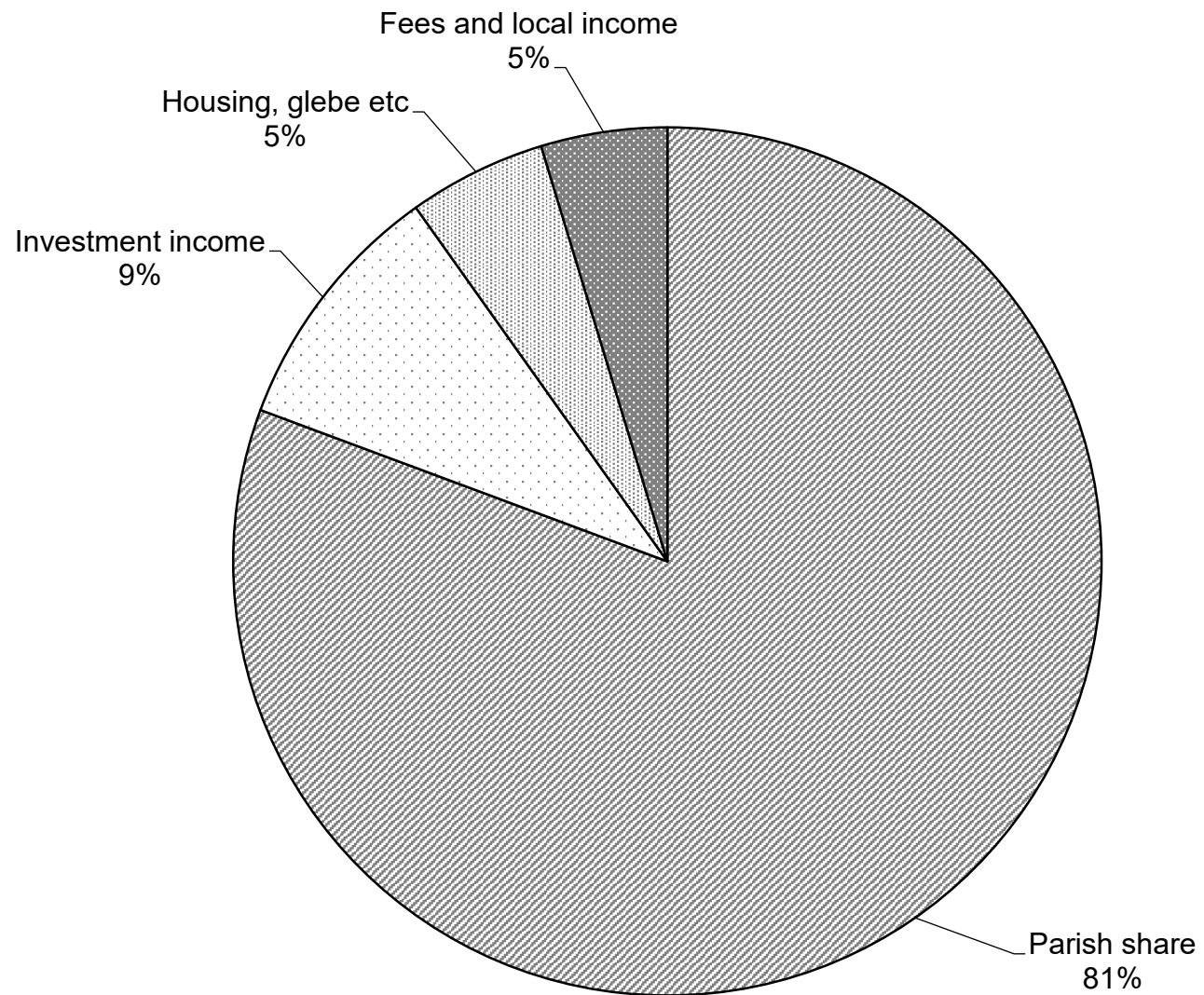
The Diocese is a pilot diocese for ‘Setting God’s People Free’, focussing on setting the laity who form 98% of our worshipping communities free to live out and share their faith Monday to Saturday. We are also encouraging community schools and academies to join the church family by developing a school affiliation programme to enable them to benefit from the support and training offered by the Education department as part of our family of schools.

The Education team will be focussing on providing support to rural and small schools through the development of a strategic guidance document which will help schools ensure that they are able to provide the best education available for the children that they serve. Measured growth of both the Diocese of Chichester Academy Trust and Bishop Otter Academy Trust will continue to be supported to ensure that they are strong and effective Multi-Academy Trusts for our schools to join.

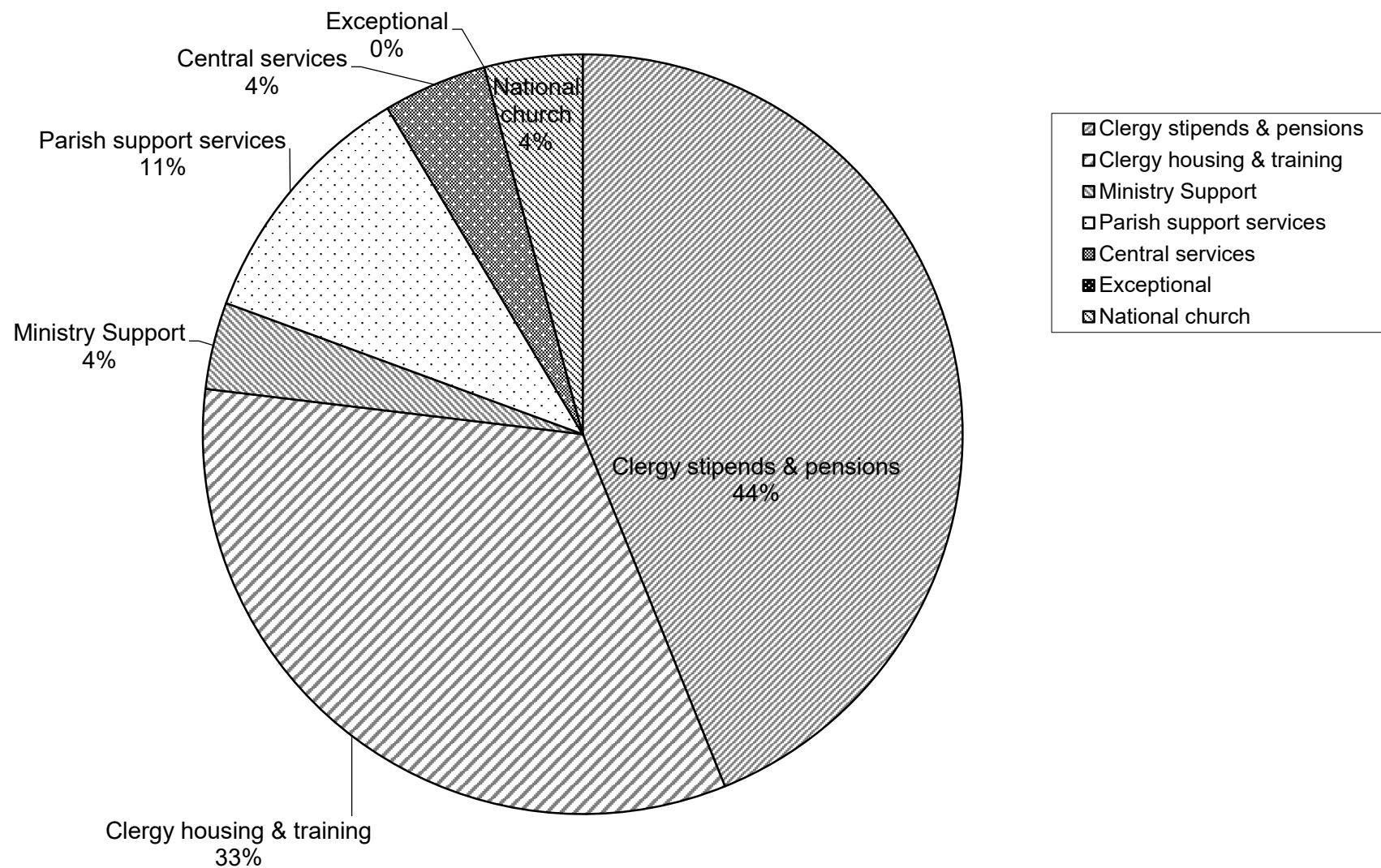
Another key priority is to strengthen the partnership between the school and its related Household of Faith. Schools present us with significant opportunities for mission in our local communities and we are developing a Covenant between Schools and their local church that will seek to increase our impact.

Our central structures are designed to support the vision and the priorities of the diocese and, as such, are kept under review to ensure that they are fit for that purpose.

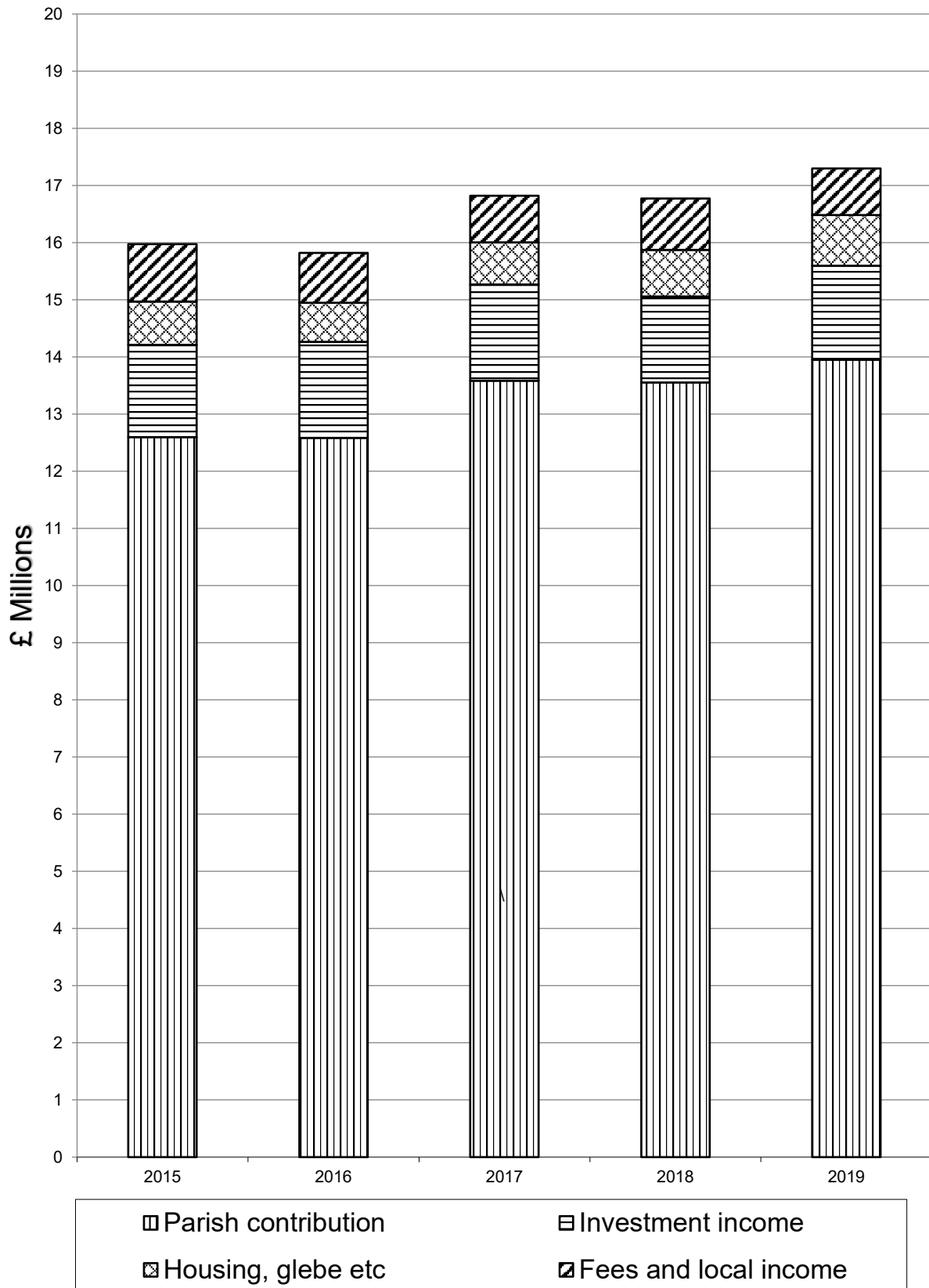
INCOME 2019



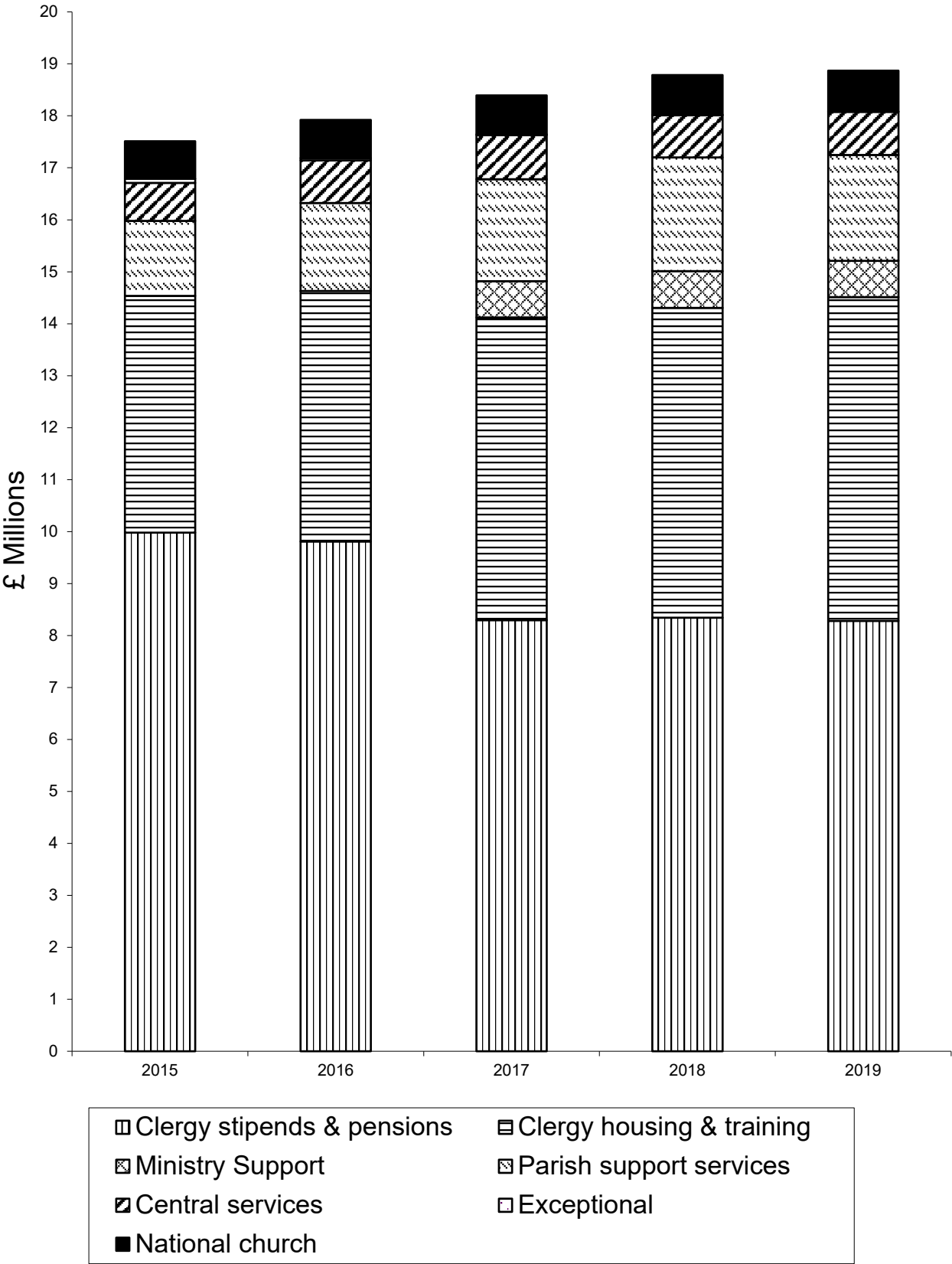
EXPENDITURE 2019



Income Trend 2015 - 2019



Expenditure Trend 2015 - 2019



UNRESTRICTED FUNDS - GENERAL FUND
SUMMARY OF INCOME & EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2019

ACTUAL 2018 £		ACTUAL 2019 £	BUDGET 2019 £
13,552,661	Parish Share	13,953,659	13,684,236
1,370,741	Investment Income and Drawings	1,496,387	1,388,900
134,691	Grants from Restricted Funds	146,220	124,500
816,186	Glebe and Housing	888,547	932,604
706,648	Fees & Local Income	653,588	654,996
191,165	Miscellaneous Grants and Donations	158,689	148,896
<u>16,772,092</u>	TOTAL INCOME	<u>17,297,090</u>	<u>16,934,132</u>
6,351,014	Clergy Stipends, Grants and Fees	6,282,862	6,363,995
1,992,107	Clergy Pension Contributions	1,998,480	2,054,395
3,157,981	Clergy Housing	2,681,468	2,664,602
2,802,852	Training - Ordination & Other	3,547,506	3,268,012
<u>14,303,954</u>	Total - Ministry	<u>14,510,316</u>	<u>14,351,004</u>
707,144	Ministry Support	698,682	763,133
<u>707,144</u>	Total - Ministry Support	<u>698,682</u>	<u>763,133</u>
506,411	Apostolic Life	504,763	510,412
193,943	Common Good	124,904	152,572
629,658	Diocesan Board of Education	622,384	678,012
226,328	Safeguarding	246,206	257,400
59,284	Diocesan Advisory Committee	80,542	87,252
37,953	Pastoral Committee	44,745	46,644
93,709	Closed Churches	104,180	84,996
39,594	Glebe Administration	30,034	43,344
89,650	Communications	90,731	92,448
313,115	Information Technology	190,212	198,204
812,315	General Office, Finance, Central Services, HR	832,066	751,367
<u>3,001,960</u>	Total - Parish Support Services	<u>2,870,767</u>	<u>2,902,651</u>
764,744	National Church Responsibilities	786,797	790,269
6,114	Contingency & Exceptional Items	1,335	80,000
<u>18,783,916</u>	TOTAL EXPENDITURE	<u>18,867,897</u>	<u>18,887,057</u>
(2,011,824)	Deficit before transfers	(1,570,807)	(1,952,925)
212,500	Funded from Pastoral Fund - Dept of Education	22,000	22,000
1,447,000	Funded from Pastoral Fund - Property	1,447,000	1,447,000
<u>(352,324)</u>	SURPLUS/DEFICIT	<u>(101,807)</u>	<u>(483,925)</u>

INCOME

<u>ACTUAL</u> <u>2018</u> £		<u>ACTUAL</u> <u>2019</u> £	<u>BUDGET</u> <u>2019</u> £
13,466,264	Parish Share - Current Year	13,815,419	13,684,236
86,397	Parish Share - Prior Year	138,240	-
<u>13,552,661</u>	Total Parish Share	<u>13,953,659</u>	<u>13,684,236</u>
724,865	Diocesan Stipends Fund	777,886	682,900
639,618	Diocesan Pastoral Fund	716,186	679,000
6,258	Interest Income	2,315	27,000
<u>1,370,741</u>	Total Investment Income	<u>1,496,387</u>	<u>1,388,900</u>
77,215	Elfinsward for Stipends	82,196	69,912
13,683	Elfinsward for Retreats	14,556	12,396
6,841	Elfinsward for Information	7,288	6,192
36,952	Training Fund	42,180	36,000
<u>134,691</u>	Total Grants from Restricted Funds	<u>146,220</u>	<u>124,500</u>
15,845	Rents from Glebe Land	18,818	26,400
270,944	Rents from Glebe Properties	237,753	339,996
42,717	Notional rents from Diocesan Officers' & Curates' Houses	225,011	39,804
<u>329,506</u>	Total Glebe Income	<u>481,582</u>	<u>406,200</u>
462,533	Rents from Parsonage Houses	379,265	500,004
24,147	Rents from Miscellaneous Houses	27,700	26,400
<u>486,680</u>	Total Housing Income	<u>406,965</u>	<u>526,404</u>
612,210	Parochial Fees	560,355	579,996
94,438	Parish Trust Income	93,233	75,000
<u>706,648</u>	Total Fees & Local Income	<u>653,588</u>	<u>654,996</u>
20,868	Rents from Redundant Churches	15,792	27,900
50,323	Donations	21,897	996
119,974	Allchurches Trust Grant	121,000	120,000
<u>191,165</u>	Miscellaneous Grants & Donations	<u>158,689</u>	<u>148,896</u>
<u><u>16,772,092</u></u>	Total Income	<u><u>17,297,090</u></u>	<u><u>16,934,132</u></u>

<u>ACTUAL</u> <u>2018</u>	<u>EXPENDITURE</u>	<u>ACTUAL</u> <u>2019</u>	<u>BUDGET</u> <u>2019</u>
£		£	£
5,725,512	Clergy Stipends	5,658,869	5,716,065
485,641	Clergy Stipend - National Insurance	464,720	492,926
88,443	Fees for Vacancies & Sickness	99,384	104,004
51,419	Investment Manager Fees - Stipends Fund	55,015	51,000
	Interest Payable	4,874	-
<u>6,351,014</u>	Total Clergy Stipends and Fees	<u>6,282,862</u>	<u>6,363,995</u>
1,992,107	Clergy Pension Contributions	1,998,480	2,054,395
<u>1,992,107</u>	Total Clergy Pensions	<u>1,998,480</u>	<u>2,054,395</u>
13,200	Suffragan Bishops' Housing	18,389	34,704
13,090	Bishop's Chaplain's Housing	14,438	15,096
136,674	Archdeacons' Stipends & NI	144,480	155,372
41,538	Archdeacons' Pensions	43,213	38,560
21,083	Archdeacons' Housing	26,110	21,984
35,013	Archdeacons' Office & Operating Costs	29,521	27,936
54,922	Archdeacons' Staff Costs	58,421	52,308
33,422	Rural Deans' Allowance & NI	32,617	32,432
28,103	Continuing Ministerial Education	64,941	84,861
52,323	Clergy Administration	33,479	35,880
97,763	Resettlement Grants	81,296	101,004
71,516	First Appointment Grants	53,159	60,000
104,840	Removal Grants	96,420	102,996
3,657	BMO Costs & Other Ministry Support	2,198	-
<u>707,144</u>	Total Ministry Support	<u>698,682</u>	<u>763,133</u>
1,105,519	Quinquennial Repairs	529,193	568,162
646,196	Ingoing Works	487,042	674,000
543,648	Interim Repairs	568,038	474,000
352,725	Improvements & Decoration Grants	520,531	418,595
54,230	Insurance	55,235	57,250
101,223	Fees	137,543	79,200
29,082	Housing Rental Costs	75,932	54,625
(48,392)	Costs Attributed to Curates' Housing	(64,908)	(64,910)
<u>2,784,231</u>	Clergy Housing	<u>2,308,607</u>	<u>2,260,922</u>
325,765	Staff Costs - Property	333,430	333,810
23,800	Office Costs - Property	30,024	38,328
9,268	Travel Costs - Property	8,511	12,075
14,917	Resources & Equipment - Property	896	9,387
-	Projects & Activities - Property	-	10,080
<u>373,750</u>	Property Department	<u>372,861</u>	<u>403,680</u>
<u>3,157,981</u>	Total Clergy Housing	<u>2,681,468</u>	<u>2,664,602</u>

ACTUAL 2018 £		ACTUAL 2019 £	BUDGET 2019 £
189,366	Clergy Staffing - Training	16,858	19,280
12,578	Staff Costs - Training	145,128	135,717
2,838	Office Costs - Training	4,236	4,739
3,601	Housing Costs - Training	2,297	6,800
1,733	Travel Costs - Training	4,558	6,000
1,360	BAP Fees	4,136	7,700
(224,686)	Psychological Assessments & Support	11,080	6,800
226,849	Block Grant - Income	(419,399)	(415,000)
279,982	Block Grant - Expenditure	455,895	474,300
1,066	Ordinand Maintenance	466,482	484,800
259	Resources & Equipment - Training	821	450
-	Projects & Activities - Training	844	6,000
-	Governance & Support - Training	199	-
14,893	Events & Courses - Training	3,048	-
957,265	Post Ordination Training	23,915	30,000
330,296	Curates' Stipends & NI	1,170,324	1,079,405
310,538	Curates' Pensions	408,395	361,845
48,392	Curates' Housing - Rental	511,744	325,000
2,630	Curates' Housing - Maintenance	64,908	64,910
2,158,960	Investment Manager Fees	2,771	-
	Ordination Training and Curates	2,878,240	2,598,746
643,892	National Church Apportionment	669,266	669,266
2,802,852	Total Training - Ordination and Curates	3,547,506	3,268,012
-	Income - Directorate	(1,937)	(996)
45,888	Staff Costs - Directorate	46,407	46,956
3,947	Office Costs - Directorate	2,899	6,168
398	Travel Costs - Directorate	906	2,004
45	Resources & Equipment - Directorate	371	408
19,710	Events & Courses - Directorate	2,269	2,496
69,988	Total Apostolic Life Directorate	50,915	57,036
-	Income - Resources & Stewardship	(468)	-
104,242	Staff Costs - Resources & Stewardship	98,883	101,112
7,422	Office Costs - Resources & Stewardship	5,061	4,724
1,717	Travel Costs - Resources & Stewardship	2,258	3,500
1,350	Resources & Equipment - Resources & Stewardship	6,700	1,848
16,826	Governance & Support - Resources & Stewardship	16,392	18,000
13,101	Events & Courses - Resources & Stewardship	21,995	20,004
9,293	Projects & Activities - Resources & Stewardship	9,468	20,004
153,951	Total Parish Resources & Stewardship	160,289	169,192
(24,212)	Income - Children & Youth	(36,869)	(30,000)
18,158	Grants Paid inc St Bartz	22,872	21,096
84,842	Staff Costs - Children & Youth	91,166	98,700
7,949	Office Costs - Children & Youth	5,229	5,628
2,398	Travel Costs - Children & Youth	3,341	2,700
1,682	Resources & Equipment - Children & Youth	6,128	1,296
56,237	Events & Courses - Children & Youth	63,438	41,496
-	Projects & Activities - Children & Youth	2,538	7,500
147,054	Total Children & Young People	157,843	148,416

ACTUAL 2018 £		ACTUAL 2019 £	BUDGET 2019 £
-	Income - Lay Apostolic Life	(4,806)	-
9,460	Clergy - Lay Apostolic Life	9,640	9,636
18,824	Housing Costs - Lay Apostolic Life	19,100	21,396
58,878	Staff Costs - Lay Apostolic Life	62,105	57,828
5,466	Office Costs - Lay Apostolic Life	8,728	2,916
2,076	Travel Costs - Lay Apostolic Life	1,154	3,000
153	Resources & Equipment - Lay Apostolic Life	3,046	744
40,561	Events & Courses - Lay Apostolic Life	36,749	40,248
<u>135,418</u>	Total Lay Apostolic Life	<u>135,716</u>	<u>135,768</u>
506,411	Total Apostolic Life	504,763	510,412
-	Generated Income - Social Concerns	(1,412)	-
12,053	Staff Costs - Social Concerns	5,599	6,456
4,071	Office Costs - Social Concerns	2,633	2,628
909	Travel Costs - Social Concerns	1,597	2,004
4,730	Events & Courses - Social Concerns	2,729	4,500
10,000	Grants Payable - Social Concerns	10,000	9,996
<u>31,763</u>	Total Social Concerns	<u>21,146</u>	<u>25,584</u>
(10,000)	Grant Income - Workplace Ministry	(5,000)	(9,996)
60,334	Clergy Payroll - Workplace Ministry	32,372	43,404
-	Clergy Pensions - Workplace Ministry	9,640	14,460
6,559	Housing Costs - Workplace Ministry	6,221	6,792
-	Staff Costs - Workplace Ministry	-	3,096
-	Office Costs - Workplace Ministry	431	804
3,737	Travel Costs - Workplace Ministry	1,025	3,504
-	Governance & Support - Workplace Ministry	82	-
16,715	Projects & Activities - Workplace Ministry	17,890	16,800
<u>77,345</u>	Total Workplace Ministry	<u>62,661</u>	<u>78,864</u>
20,032	Overseas Council	2,188	10,968
1,127	European Ecumenical Committee	(1,091)	1,000
27,676	University Chaplain	0	156
36,000	Family Support Work/Other grants	40,000	36,000
<u>84,835</u>	Total Grants to Councils & Organisations	<u>41,097</u>	<u>48,124</u>
193,943	Total Common Good	124,904	152,572
(36,967)	Generated Income - Education	(19,204)	(31,992)
(129,680)	Schools Income - Education	(119,453)	(126,000)
(42,000)	Grant from Aided Schools Fund	(42,000)	(42,000)
692,354	Staff Costs - Education	664,274	712,812
32,514	Office Costs - Education	18,966	23,184
25,560	Travel Costs - Education	23,167	25,500
6,036	Resources & Equipment - Education	7,802	8,496
-	Governance & Support - Education	13,195	12,000
68,903	Events & Courses - Education	52,118	69,000
12,938	Projects & Activities - Education	23,519	27,012
<u>629,658</u>	Total Education	<u>622,384</u>	<u>678,012</u>

ACTUAL 2018 £		ACTUAL 2019 £	BUDGET 2019 £
-	Generated Income - Safeguarding	(2,750)	-
189,824	Staff Costs - Safeguarding	198,867	204,060
13,359	Office Costs - Safeguarding	9,421	10,860
5,486	Travel Costs - Safeguarding	4,742	5,004
4,703	Resources & Equipment - Safeguarding	3,191	3,468
3,370	Governance & Support - Safeguarding	8,898	6,000
-	Events & Courses - Safeguarding	3,184	-
9,586	Projects & Activities - Safeguarding	20,433	28,008
-	Finance Charges - Safeguarding	220	-
226,328	Total Safeguarding	246,206	257,400
43,524	Staff Costs - Church Buildings	65,120	64,980
6,601	Office Costs - Church Buildings	4,219	6,312
7,055	Travel Costs - Church Buildings	6,530	8,904
2,880	Resources & Equipment - Church Buildings	3,077	4,056
(776)	Events & Courses - Church Buildings	1,596	3,000
59,284	Total Church Buildings	80,542	87,252
34,758	Staff Costs - Mission & Pastoral	42,009	42,636
2,868	Office Costs - Mission & Pastoral	1,819	2,112
176	Travel Costs - Mission & Pastoral	755	-
151	Resources & Equipment - Mission & Pastoral	102	1,896
-	Events & Courses - Mission & Pastoral	60	-
37,953	Total Mission & Pastoral Committee	44,745	46,644
93,709	Closed Churches Expenditure	104,180	84,996
93,709	Total Closed Churches	104,180	84,996
12,802	Property Costs - Glebe Administration	21,322	43,344
26,792	Governance & Support Costs - Glebe Administration	8,712	-
39,594	Total Glebe Administration	30,034	43,344
(2,238)	Generated Income - Central Services	(3,079)	(5,004)
66,728	Investment Management Costs - Central Services	73,126	49,000
-	Property Costs - Central Services	12,741	-
527,997	Staff Costs - Central Services	505,306	538,110
60,975	Office Costs - Central Services	55,789	(3,366)
1,796	Travel Costs - Central Services	1,602	2,400
33,219	Resources & Equipment - Central Services	53,635	37,677
97,402	Governance & Support - Central Services	114,781	115,742
-	Events & Courses - Central Services	570	1,004
15,855	Projects & Activities - Central Services	8,008	3,300
10,581	Finance Charges - Central Services	9,587	12,504
812,315	Total Central Services (Governance, HR, Finance)	832,066	751,367
(7,430)	Generated Income - Comms	(13,411)	(9,996)
(172)	Trading Income - Comms	(3,654)	(996)
65,525	Staff Costs - Comms	74,889	72,600
3,518	Office Costs - Comms	2,356	2,580
254	Travel Costs - Comms	1,158	504
27,955	Resources & Equipment - Comms	28,763	27,756
-	Events & Courses - Comms	630	-
89,650	Total Communications	90,731	92,448

ACTUAL 2018 £		ACTUAL 2019 £	BUDGET 2019 £
30,036	Staff Costs - IT	5,804	30,792
163,674	Office Costs - IT	145,136	123,960
68	Travel Costs - IT	16	156
10,427	Resources & Equipment - IT	1,554	5,100
-	Governance & Support - IT	-	9,996
103,745	Projects & Activities - IT	5,963	-
5,165	Finance Charges - IT	31,739	28,200
313,115	Total Information Technology (IT)	190,212	198,204
1,215,080	Total General Office Costs	1,113,009	1,042,019
6,114	Total Exceptional Costs	1,335	80,000
543,031	National Church & General Synod Costs	555,685	555,684
5,987	Mission Agencies & CPAS Pensions	6,651	6,651
206,767	Retired Clergy Housing Scheme	215,934	215,934
8,959	General Synod Members' Expenses	8,527	12,000
764,744	Total National Church Responsibilities	786,797	790,269
18,783,916	TOTAL EXPENDITURE	18,867,897	18,887,057

UNRESTRICTED FUND - BALANCE SHEET
AS AT 31 DECEMBER 2019

<u>2018</u> £		£	£	<u>2019</u> £
	Tangible fixed assets			
6,101,659	Properties (page 9)			6,101,659
163,953	Furniture, fittings & equipment			134,205
<u>6,265,612</u>				<u>6,235,864</u>
	Investments			
114,465	Investments			130,188
<u>6,380,077</u>				<u>6,366,051</u>
	Current assets			
516,216	Debtors	519,383		
481,898	Loans	752,765		
5,072,360	Bank & Cash Deposit accounts	<u>4,838,947</u>		
<u>6,070,475</u>			6,111,095	
	Less current liabilities			
(1,504,698)	Creditors	(507,294)		
<u>(1,504,698)</u>			<u>(507,294)</u>	
4,565,776	Net current assets			5,603,801
	Less long term liabilities			
(43,000)	Church Workers Pension Fund - DBS	(43,000)		
<u>(130,000)</u>	Loans	<u>(100,000)</u>		
				(143,000)
<u>10,772,853</u>	NET ASSETS			<u>11,826,852</u>
	FUNDS			
	General fund			
4,129,381	Balance brought forward 1 January		4,413,181	
6,156	Restated opening balance		-	
(352,324)	Excess income over expenditure for year		(101,807)	
722,000	Reallocation of payments: Clergy pension liability - 2018		-	
-	Reallocation of payments: Clergy pension liability - 2019		745,000	
(43,000)	Recognition of Pension Deficit liability - CWPf DBS		-	
(13,618)	Pre-2018 Pension deficit contributions recognised in 2018		-	
(14,359)	Unrealised gain on revaluation of investments		15,804	
-	Gain on property sale		27,826	
-	Realised gains		321,460	
(21,055)	Net transfers to Restricted funds		<u>62,431</u>	
<u>4,413,181</u>	Total General fund			5,483,895
6,359,672	Designated funds (page 12)			6,342,957
<u>10,772,853</u>	TOTAL FUNDS			<u>11,826,852</u>

PROPERTY IN THE OWNERSHIP OF THE BOARD OF FINANCE
UNRESTRICTED FUND

<u>Date</u>		<u>2019</u>	<u>2018</u>
<u>Acquired</u>		<u>Valuation</u>	
	<u>MISCELLANEOUS PROPERTIES</u>		
Sept 95	Church House, New Church Rd Hove	4,364,949	4,364,949
April 02	The Chapel, Pulborough	361,334	361,334
	<u>RETIRED CLERGY HOUSES</u>		
Sept 83	49 Westgate, Chichester	227,315	227,315
Dec 87	12 Walsingham Road, Hove	575,320	575,320
Jan 06	19 Mill Close, Fishbourne (leasehold)	572,741	572,741
	TOTAL VALUATION OR COST	6,101,659	6,101,659
	NET BOOK VALUE	6,101,659	6,101,659

Miscellaneous church properties vested in the Board of Finance following closure for public worship

Brighton, Holy Trinity	Lowfield Heath, St Michael and All Saints
Brighton, St Peter *	Milland Old Chapel
Stanmer	Rumboldswyke, St Mary
Burgess Hill, St John (part)	Southwick, St Peter
Chichester, St Bartholomew	Spithurst, St Bartholomew
Chichester, St Olaf	St Leonards-on-Sea, St Leonard
Eastbourne, St Elisabeth	St Leonards-on-Sea, St Peter and St Paul
Hammerwood, St Stephen	West Lavington, St Mary Magdalene
Hastings, All Souls	Wiston, St Mary
Holtye, St Peter	Woolavington, St Peter's Church
Hove, St John the Baptist Day Centre	Worthing, Holy Trinity
Hove, St Patrick	Worthing, St Paul

* Public worship according to the rites and ceremonies of the Church of England continues to take place in these buildings under licence

PARISH SHARE SUMMARY 2019

<u>Net Parish Ministry Costs</u>		<u>Deanery promise</u>	<u>Amount collected</u>	<u>Percentage of receipts to promise</u>	
		£	£	<u>2019 %</u>	<u>2018 %</u>
<u>ARCHDEACONRY OF CHICHESTER</u>					
1,062,240	Arundel & Bognor Deanery	1,028,353	962,526	93.6	93.0
820,702	Chichester Deanery	793,423	786,423	99.1	100.0
863,109	Worthing Deanery	821,562	821,005	99.9	95.5
369,699	Westbourne Deanery	369,417	369,417	100.0	100.0
<u>3,115,751</u>		<u>3,012,755</u>	<u>2,939,371</u>	<u>97.6</u>	<u>96.4</u>
<u>ARCHDEACONRY OF HORSHAM</u>					
803,311	Cuckfield Deanery	811,906	807,906	99.5	97.5
900,445	East Grinstead Deanery	750,513	725,593	96.7	98.6
936,365	Horsham Deanery	850,085	847,268	99.7	100.0
596,652	Hurst Deanery	597,431	591,561	99.0	99.7
397,259	Midhurst Deanery	397,613	397,613	100.0	100.0
426,317	Petworth Deanery	426,273	421,023	98.8	97.9
440,167	Storrington Deanery	437,796	437,796	100.0	99.2
<u>4,500,514</u>		<u>4,271,617</u>	<u>4,228,760</u>	<u>99.0</u>	<u>98.9</u>
<u>ARCHDEACONRY OF HASTINGS</u>					
563,206	Battle & Bexhill Deanery	449,007	448,884	100.0	92.4
639,429	Dallington Deanery	509,143	508,143	99.8	100.0
1,020,093	Eastbourne Deanery	1,019,618	1,011,902	99.2	94.7
765,780	Hastings Deanery	487,465	487,465	100.0	100.0
667,569	Rotherfield Deanery	650,105	650,105	100.0	99.1
432,677	Rye Deanery	406,606	404,002	99.4	98.0
573,693	Uckfield Deanery	468,417	453,976	96.9	100.0
<u>4,662,447</u>		<u>3,990,361</u>	<u>3,964,477</u>	<u>99.4</u>	<u>97.4</u>
<u>ARCHDEACONRY OF BRIGHTON & LEWES</u>					
1,210,203	Brighton Deanery	1,192,687	1,172,190	98.3	98.4
728,936	Hove Deanery	670,785	645,232	96.2	90.1
1,009,926	Lewes & Seaford Deanery	860,748	860,140	99.9	100.0
<u>2,949,064</u>		<u>2,724,220</u>	<u>2,677,562</u>	<u>98.3</u>	<u>96.8</u>
<u>15,227,777</u>	Total	<u>13,998,953</u>	<u>13,810,169</u>	<u>98.7</u>	<u>97.5</u>
	Prior Year Parish Share		138,240		
<u>15,227,777</u>	Total including prior years	<u>13,998,953</u>	<u>13,948,409</u>	<u>99.6</u>	<u>98.2</u>
Reconciliation: add additional voluntary contributions not attributed to a year 5,250 Total Parish Share reported <u>13,953,659</u>					

ENDOWMENT AND RESTRICTED FUNDS - BALANCE SHEET
AS AT 31 DECEMBER 2019

<u>2018</u>		<u>2019</u>
£	<u>PROPERTY AT VALUATION</u>	£
5,167,433	Terry's Cross main house - Terry Cross Fund	5,167,433
631,257	Chaplaincy House, Falmer - University Fund	631,257
1,542,514	Deserted Widows property - Clergy Welfare fund	1,542,514
176,139,281	Parsonage property - Parsonage fund	174,012,044
43,944,563	Glebe property - Stipend fund	42,453,941
4,484,353	Glebe Land - Stipend Fund	4,439,485
<u>231,909,401</u>		<u>228,246,674</u>
	<u>INVESTMENTS AT MARKET VALUE</u>	
12,685,841	M&G Charifund units	14,719,012
25,001	M&G Charibond units	25,394
11,370,425	Charles Stanley Portfolio	13,039,250
6,528,710	JM Finns Portfolio	7,317,461
6,743,130	Cazenove Portfolio	7,373,903
3,907	CBF fixed interest security shares	4,180
<u>37,357,014</u>		<u>42,479,201</u>
	<u>CURRENT ASSETS</u>	
422,131	Loans	309,958
	Debtors	16,417
(1,775,901)	Bank & Cash Deposit accounts	1,861,342
<u>(1,353,770)</u>		<u>2,187,717</u>
<u>267,912,646</u>		<u>272,913,592</u>
	<u>LESS: CURRENT LIABILITIES</u>	
(1,763,244)	Loans to the Board for houses	
(526)	purchased for deserted spouses	(1,726,671)
(4,988,000)	Creditors	135
	Clergy pension scheme	(1,628,000)
<u>(6,751,770)</u>		<u>(3,354,536)</u>
<u><u>261,160,875</u></u>		<u><u>269,559,056</u></u>
	<u>FUNDS (page 12)</u>	
246,179,610	Endowment funds	252,020,628
14,981,266	Restricted funds	17,538,428
<u><u>261,160,875</u></u>		<u><u>269,559,056</u></u>

BREAKDOWN OF ENDOWMENT, RESTRICTED AND DESIGNATED FUNDS

<u>ENDOWMENT FUNDS</u>	Balance 01/01/2019	Income	Expendi- ture	Revaluation of property / investments	Transfers	Balance 31/12/2019
	£	£	£	£		£
Diocesan stipends fund (p13)	53,938,307	(199,620)	-	5,303,321	-	59,042,008
Parsonage Fund (p15)	180,471,912	4,178	-	1,786,603	(1,951,143)	180,311,549
Clergy welfare fund	2,056,117			308,613		2,364,729
Elfinsward trust	2,017,909			302,878		2,320,787
Terry's Cross	5,167,433					5,167,433
Jenkinson trust	45,530			6,802		52,333
Training fund	819,561			122,930		942,491
University chaplaincy	658,074			3,963		662,037
Hayllar trust	66,863			9,935		76,798
The Poling Fund	580,385			88,481		668,866
The Arnold Bequest	357,520			54,078		411,597
	246,179,610	- 195,442	-	7,987,604	(1,951,143)	252,020,628

Note: Endowment funds consist of invested capital. Realised gains are shown as income in the individual Endowment funds. Investment income from the Diocesan stipend, Elfinsward and Training funds is credited to the general fund (see pg 2). All other income is credited to restricted funds (see below).

<u>RESTRICTED FUNDS</u>	Balance 01/01/2019	Income	Expendi- ture	Revaluation of property/ investments	Transfers	Balance 31/12/2019
	£	£	£	£		£
Diocesan pastoral account (p14)	12,553,704		(50,000)	2,161,472	407,201	15,072,377
Clergy welfare fund	1,109,109	132,917	(71,664)			1,170,362
B Wild Clergy Welfare Fund	900,103	29,371	(84,892)	95,474		940,056
The Poling Fund	8,396	30,985	(22,388)			16,993
Clergy widows	44,310	39	(18,246)			26,102
University chaplaincy	36,805	1,485	(424)			37,866
Jenkinson trust	18,941	2,345	(1,148)			20,137
Hayllar trust	74,397	3,824	(248)			77,973
World Church Experience	43,050	369	(300)			43,120
Harvest Appeal	72,052	9,448	(13,144)			68,356
The Arnold Bequest	39,938	18,445	(17,521)			40,862
Hospital Chaplaincy	19,726		(126)			19,600
Readers Funds	16,144	824	(8,197)	273		9,044
Schools resources	4,671		(1,318)			3,354
ADs' funds - Care of Churches	5,635	6	(4,188)			1,453
Scorner Music fund	19,655	148				19,803
Leavers Service Collections	3,582	5,479	(5,400)			3,660
Strategic Development Funding	-	170,498	(175,441)		4,942	-
West Lavington Fabric Fund	10,128					10,128
RME Block grant	(9,536)	419,399	(455,895)			(46,032)
St Richard's Awards	-	6,000	-6,000			-
Charles Marriott Fund	-	2,435	-			2,435
Disadvantaged Youth Fund	777	-				777
Youth development/leadership	9,679		-9,679			-
	14,981,266	834,018	-946,218	2,257,219	412,143	17,538,428

Note: Investment income from the Pastoral account is credited directly to the general fund (see pg 2)

<u>DESIGNATED FUNDS</u>	Balance 01/01/2019	Income	Expendi- ture	Revaluations	Transfers	Balance 31/12/2019
	£	£	£	£		£
Property fund	6,085,931					6,085,931
Parish mission fund	242,247	50,000	(121,162)		70,000	241,085
Bishop Certificates	12,926	334	(30)	346	0	13,576
Closed Church Furnishings	2,315	50				2,365
Ecumenical officer fund	16,254	-			(16,254)	-
	6,359,673	50,384	(121,192)	346	53,746	6,342,957

DIOCESAN STIPENDS FUND CAPITAL ACCOUNT
31 December 2019

	£
Balance 1 January 2019	53,938,307
	<u>53,938,307</u>

INCOME

<u>Sale of Glebe property etc.</u>	Valuation	Proceeds	Profit/(loss)	
Yorklands	1,100,000	1,158,211	58,211	
2 Shepherd's Close	371,850	370,848	(1,002)	
Cambridge Road	1,236,000	1,259,700	23,700	
9 McMichaels Way	653,307	481,633	(171,674)	
4 Gresham Way	359,000	354,892	(4,108)	
1 Amberley Road	455,748	351,002	(104,746)	
	<u>4,175,905</u>	<u>3,976,285</u>	<u>(199,620)</u>	
TOTAL INCOME				(199,620)

TRANSFER TO OTHER FUNDS

REVALUATIONS OF ASSETS AND PENSION LIABILITY

Revaluation of Glebe property for the 12 months at 31st December 2019	436,976
Revaluation of Glebe land for the 12 months at 31st December 2019	(44,868)
Revaluation of Clergy Pension Deficit at 31st December 2019	2,615,000

GAINS/(LOSS) ON REVALUATION OF INVESTMENTS

Realised gain/(loss) on sale of Charles Stanley Portfolio	25,267
Realised gain/(loss) on sale of Cazenove Portfolio	10,697
Realised gain/(loss) on sale of JM Finns Portfolio	9,547
	<u>45,511</u>
Unrealised gain/(loss) on revaluation of Cazenove Portfolio	181,886
Unrealised gain/(loss) on revaluation of Charles Stanley Portfolio	801,179
Unrealised gain/(loss) on revaluation of JM Finns Portfolio	341,218
Unrealised gain/(loss) on revaluation of M&G Charifund units	926,419
	<u>2,250,702</u>

NET GAIN ON REVALUATION OF INVESTMENTS 2,296,213

Balance 31 December 2019	<u><u>59,042,008</u></u>
--------------------------	--------------------------

REPRESENTED BY:

	<u>Market</u>
	<u>value</u>
	£
Charles Stanley Portfolio	6,002,423
JM Finns Portfolio	3,052,908
M&G Charifund units	6,500,863
Cazenove Portfolio	1,996,704
	<u>17,552,898</u>
Glebe Property at Valuation	42,453,941
Glebe Land at Valuation	4,439,485
Cash at bank	(3,776,317)
Creditor - Clergy pension Fund Liability	<u>(1,628,000)</u>
	<u><u>59,042,008</u></u>

MEMO

<u>Purchase & transfers of Glebe properties</u>	
Cambridge Road (transfer)	1,236,000
9 McMichael's Way (transfer)	653,307
4 Gresham Way (transfer)	359,000
	<u>2,248,307</u>

DIOCESAN PASTORAL ACCOUNT
31 December 2019

£

Balance 1 January 2019 12,553,704

INCOME

Sale of land

	-	
<u>Proceeds of former parsonages</u>		
Trf from parsonage fund	1,951,143	
		1,951,143
TOTAL INCOME		1,951,143

EXPENDITURE

Grants

Brighton Deanery	(50,000)	
		(50,000)

TRANSFER TO OTHER FUNDS

Mission Fund	(70,000)	
SDF projects	(4,942)	
General Fund for education	(22,000)	
General Fund for Clergy housing	(1,447,000)	
		(1,543,942)

TOTAL EXPENDITURE AND TRANSFER (1,593,942)

GAINS/(LOSS) ON REVALUATION OF INVESTMENTS

Realised gain/(loss) on sale of Charles Stanley Portfolio	17,697	
Realised gain/(loss) on sale of Cazenove	24,944	
Realised gain/(loss) on sale of JM Finns Portfolio	9,680	
		52,321

Unrealised gain/(loss) on revaluation of Charles Stanley Portfolio	561,131	
Unrealised gain/(loss) on revaluation of JM Finns Portfolio	345,991	
Unrealised gain/(loss) on revaluation of M&G Charifund units	777,892	
Unrealised gain/(loss) on revaluation of Cazenove Portfolio	424,137	
		2,109,151

NET GAIN ON REVALUATION OF INVESTMENTS 2,161,472

Balance 31 December 2019 15,072,377

REPRESENTED BY:

		<u>Market value</u>
		£
Investments		
Charles Stanley Portfolio		4,203,985
JM Finns Portfolio		3,095,606
M&G Charifund units		5,458,625
Cazenove		4,656,080
		17,414,296
Debtors		0
Cash at bank		(2,341,919)
Creditors		-
		15,072,377

PARSONAGE FUND
31 December 2019

£

Balance 1 January 2019

180,471,912

INCOME

<u>Sale of parsonages, etc.</u>	Valuation	Proceeds	Profit/(loss)
Sale of Richmond Terrace	875,000	811,153	(63,847)
Sale of Manor Road	541,000	609,025	68,025
	<u>1,416,000</u>	<u>1,420,178</u>	<u>4,178</u>

TOTAL INCOME

4,178

EXPENDITURE

Transfer net proceeds of sale of former parsonages (1,951,143)

Revaluation of property for the 12 months to 31st December 2019 1,786,603

Balance 31 December 2019 180,311,550

REPRESENTED BY:

Parsonage Property at Valuation 31/12/19	174,012,044
Cash at bank	<u>6,299,506</u>
	<u><u>180,311,550</u></u>

MEMO

Purchase & transfers of parsonages

North Bersted	436,466
Cambridge Road (transfer)	(1,236,000)
9 McMichaels Way (transfer)	(653,307)
Stedham (transfer)	(686,000)
4 Gresham Way (transfer)	(359,000)
	<u>(2,497,841)</u>

ARCHDEACON'S LOAN FUNDS - BALANCE SHEET AT 31/12/19

	<u>Sussex Church Campaign</u>	<u>Denne</u>	<u>Godman</u>	<u>Rawson</u>	<u>TOTAL</u>
	£	£	£	£	£
<u>CAPITAL</u>					
At 1 January 2019	150,349	334,905	183,849	180,787	849,890
Gain on disposal	288	1,312	643	537	2,780
Additions	-	-	-	-	-
Unrealised gains/(loss) on revaluation of investments	21,717	40,751	23,245	23,938	109,651
At 31 December 2019	172,353	376,968	207,737	205,263	962,322
<u>Investments at market value</u>					
M&G Charifund units	118,058	129,448	86,372	103,860	437,739
Cazenove	53,709	244,849	120,055	100,309	518,922
Cash	586	2,671	1,310	1,094	5,661
	172,353	376,968	207,737	205,263	962,321
<u>ACCUMULATED INCOME</u>					
At 1 January 2019	211,251	325,331	115,810	201,982	854,373
Investment income 2019	7,591	13,416	7,813	8,145	36,965
Expenses	(313)	(1,467)	(699)	(584)	(3,063)
	218,529	337,280	122,924	209,542	888,275
<u>Represented by:</u>					
CBF deposits	25,464	27,382	25,511	25,694	104,050
Bank	107,065	107,704	49,419	79,349	343,537
Loans outstanding	86,000	202,194	47,994	104,500	440,688
	218,529	337,280	122,924	209,543	888,275
 Funds currently available	 132,529	 135,086	 74,930	 105,043	 447,587

AIDED SCHOOLS FUND
INCOME & EXPENDITURE 2019

<u>2018</u>		<u>2019</u>	
£	INCOME	£	£
24,171	Donations	976	
108,397	Voluntary Aided Schools Capital Project Fund	-	
32,900	Dividends and interest	49,656	
92,484	Rental income	33,099	
2,600	Other income	1,358	
<u>356,161</u>	Gain on sale of a school house	<u>125,000</u>	
616,713	TOTAL INCOME		210,089
	EXPENDITURE		
42,000	DBF administration charge	42,000	
8,356	Other expenses	900	
-	Grants paid	20,000	
<u>56</u>	Bank charges	<u>486</u>	
(50,413)	TOTAL EXPENDITURE		(63,386)
(92,202)	UNREALISED GAIN/(LOSS) ON REVALUATION OF INVESTMENTS		150,755
<u><u>474,098</u></u>	NET MOVEMENT IN FUNDS		<u><u>297,457</u></u>

BALANCE SHEET 31/12/19

£		
1,939,991	Balance 1 January	2,414,089
474,098	Profit/(loss) for the year	297,457
<u><u>2,414,089</u></u>	Balance 31 December	<u><u>2,711,546</u></u>
	REPRESENTED BY:	
1,054,636	Investments at market value	1,206,748
1,302	Long term loans to governors	-
51,637	Debtor - School Building Projects	67,207
470	Debtors	52,390
856,524	CBF deposit accounts	855,680
1,027,645	Cash at bank	891,906
(79,842)	Creditor - School Building Projects	(113,151)
(450,273)	Creditors	(210,539)
(8,363)	Amount owed from General Funds	952
<u>(39,647)</u>	Contingent liability	<u>(39,647)</u>
<u><u>2,414,089</u></u>		<u><u>2,711,546</u></u>

The Aided Schools Fund includes two restricted funds:

- 1 *Voluntary Aided Schools Capital Project Fund*
- 2 *Deanery Donation Fund*

FUNDS HELD IN TRUST
FOR PARISHES AND OTHER ORGANISATIONS
YEAR ENDING 31 DECEMBER 2019

2018 £		2019 £
	<u>PARISH TRUSTS</u>	
12,459,189	Capital	16,001,001
127,988	Income	127,988
<u>12,587,177</u>		<u>16,128,989</u>
	REPRESENTED BY:	
12,051,903	Investments at market value	15,444,701
-	Sundry debtors	-
407,286	Central Board of Finance deposits	541,576
(146,335)	Creditor	-
274,323	Cash at bank	142,712
<u>12,587,177</u>		<u>16,128,989</u>
	<u>CHANCEL TRUSTS</u>	
521,897	Capital held in trust for chancels	617,493
2,623	Capital held on account for administration	37
237,471	Accumulated income (claimable by parishes)	254,607
<u>761,991</u>		<u>872,137</u>
	REPRESENTED BY:	
521,897	Investments at market value	617,493
240,087	Central Board of Finance deposits	254,607
7	Cash at bank	37
-	Creditor	-
<u>761,991</u>		<u>872,137</u>
	<u>EDUCATION TRUST FUNDS</u>	
<u>2,445,366</u>	Funds held for Governors and Trustees	<u>3,238,316</u>
	REPRESENTED BY:	
1,584,411	Investments at market value	2,292,033
860,956	Current deposits and bank	946,283
<u>2,445,366</u>		<u>3,238,316</u>

TRUSTEESHIP

The Chichester Diocesan Fund and Board of Finance (Inc.) being a duly appointed Trust Corporation, is the official body to act as trustees for Church trusts and ecclesiastical charities, under either deeds or wills.

The Board is the diocesan authority within the meaning of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964. Under these Measures parochial church councils and incumbents and churchwardens respectively are required to obtain the consent of the Board before acquiring an interest in land (other than a short lease) or in funds to be held on permanent trusts. Such assets are to be vested in the board as custodian trustees, but management and administration are with the parochial church council or incumbent and churchwardens as the case may be.

Good Stewardship and Financial Challenges for your church

In a busy and fast-changing age a parish church is a symbol of stability and sameness reaching out to each parishioner's sense of history; reaching through the generations and speaking of the timelessness and togetherness of their town or village life. When many memories seem to be disappearing, the parish church establishes a focus and a reality of faith and meaning that most people would like to continue and support.

But every local church has its own varied and special set of financial challenges. For a few, regular donations and legacies provided by those who came before us, provide a sense of self-sufficiency and sustainability – the church reaches into its local population, who are more than willing to provide the money needed to ensure its work continues and even, in some cases, expands to meet ever-changing situations.

For some there are major building or project costs to be funded and for others, even meeting running costs is severely challenging their faith to keep calm and carry on.

Some churches are experiencing a change in the ability or willingness of parishioners to donate the necessary sums to maintain the church and to provide that link with history; experiencing falling income and cost-cutting, which ultimately leads to closure rather than to expansion.

Help is at hand! While there is no universal model or solution, no “magic money tree” nor printing press, there is some well-organised guidance online. The starting point for planning a stewardship campaign is www.chichester.anglican.org/generous-giving from where you will be quickly guided to resources of interest. Follow this up with a call to your Parish Advisor (01273 425797 or email john.kemp@chichester.anglican.org) and you'll find us ready to discuss realistically the challenges you face to identify solutions for encouraging congregations to consider more generous and tax-efficient giving.

While the challenges are significant, there's no reason to be pessimistic. Across our diocese, some £31million is given each year to, and through, our local churches. That's a huge sum reflecting the extraordinary generosity of the people of Sussex. But – looked at another way – it's a very tiny fraction of the total household disposable income across the Sussex area. So, we can be optimistic about fundraising (because we know the people of Sussex to be generous) while we also know there is a huge potential, including a pool of disposable income, as yet untapped.

Diocesan initiatives will help local churches understand their populations in greater detail, and the Parish Advisor has access to a wealth of demographic and deprivation data.

For regular giving, the Parish Giving Scheme (PGS) is now used by 26 Church of England dioceses. New ways of digital giving are also becoming mainstream and some churches are eagerly joining the moves to using new technology that is driving community communications in the 21st century.

These innovations may help, but they are not a substitute for the need for local churches to continue to inspire and engage the million-and-a-half people who live in Sussex, and to invite them to participate in and contribute to church life. Some of our parishes are exemplary in the way they do this – and we are looking to see their good practices echoed more widely across the Diocese.

The ‘four tenets’ of good church financial management do not change:

- Preach and teach generous giving in accordance with apostolic instruction
- Link the giving to mission and ministry rather than just maintenance of buildings
- Encourage an annual review of giving and its relationship to financial solvency
- Thank givers personally every year.

“For all things come from you, and of your own have we given you.” (1 Chronicles 29:14)

For more information, try www.chichester.anglican.org/generous-giving, search for other resources online or call 01273 425797 and ask for the Parish Advisor (PCC Governance, Stewardship and Finance).

Help for local churches seeking to resource their ministry

Four key points from 'Giving for Life'

- Preach and teach generous giving
- Link giving to mission and ministry
- Encourage a review of giving annually
- Thank givers annually

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If you would like to speak to your Parish Advisor at Church House, call 01273 425797

Did you know that diocesan income approximately equals the cost of Church House?

The remainder of the diocesan budget pays for clergy ministry and is funded by pledges from our parishes

The Parish Giving Scheme (PGS) is now used by 26 Church of England dioceses and is very effectively helping in enabling a stream of regular income for PCCs. Average giving per person per week in Chichester Diocese through PGS currently amounts to £16

Many smartphone-users no longer carry cash. If they need to donate to their church, they may need to do so contactlessly. To find out more about contactless giving or PGS, go to www.chichester.anglican.org/generous-giving

Legacies are a very effective method of providing for parish ministry, provided that they are not restricted to the fabric.

Does your PCC have an approved legacy policy? Download a template from www.chichester.anglican.org/generous-giving

More online resources:

www.parishresources.org.uk

an excellent website setting out all aspects of local church administration including cost saving ideas

www.parishbuying.org.uk

churches can obtain cost savings when buying such items as energy, office products and contactless devices

www.churchlegacy.org.uk

a recently refurbished site with information about gifts in wills, or legacies