

NOTES OF THE ANNUAL GENERAL MEETING OF THE CHICHESTER DIOCESAN FUND AND BOARD OF
FINANCE (INCORPORATED)

Held virtually via Zoom on

SATURDAY 30th MAY 2020

PRESENT: The Bishop (President)
 Clergy 45
 Laity 44

 Mr Darren Oliver (Diocesan Registrar)
 Miss Gabrielle Higgins (Diocesan Secretary)

The Bishop of Chichester opened the meeting with a prayer and welcomed everyone.

1. PRESENTATION OF THE 2019 ACCOUNTS

Mr Philip Bowden (PB), Chair of the Finance Committee, thanked the finance team and all those who contributed to the preparation of the accounts.

PB reported that 2019 had been a year of significant progress. It was the first year since 2013 that increases in income had exceeded increases in expenditure. Income was up by 3.1% and expenditure was up by 0.4%. Income was ahead of budget by approximately £363k and expenditure was below budget by £19k. A big contributor was the increase in parish share by 2.6% on an in-year basis and by 3% including payments for pre-2019 arrears and the parish share collection rate had also increased. PB expressed huge thanks to everyone and to all parishes for contributing to this encouraging outcome. There was still an operating deficit, albeit lower than budget, of over £1.5m. The reduction in the operating deficit marked a huge step forwards towards achieving fully balanced budgets in the coming years. Investment values had recovered by year end compared to the start of the year.

Miss Gabrielle Higgins (GH), Diocesan Secretary, reported that just prior to the pandemic senior staff had started to communicate about a deanery planning exercise. Covid 19 then hit and the financial outlook changed significantly. The intention had been to ask all deaneries to do a careful but rapid assessment of the sustainable deployment of clergy in their deanery in order to sustain ministry and serve communities; and simultaneously look at financial giving and how that might become sustainable with the goal that each deanery might be able to fully cover the direct costs of its own ministry (stipends, national insurance, pension and housing costs) and also make an appropriate contribution to the shared costs of the entire diocese. That shared contribution would need to vary to take account that some deaneries were more deprived and less able to contribute than others, with a focus on the household of faith where all were part of the diocesan family and the stronger helped support those in need.

GH reported that appropriate targets for deaneries were being calculated the week that lockdown hit. Consequently, efforts had to be diverted to more urgent matters and the financial outlook changed. The diocese was blessed with significant reserves which would have allowed a period of a few years to effect the turnaround and eliminate the £1.7m structural deficit. However, due to the effects of Covid 19 those reserves were being used at an alarming rate.

GH explained that a rapid contraction of expenditure would be necessary, including where possible on clergy but without redundancies, with a view to then growing back up financially and in other ways as the diocese began to recover from the crisis. This was an urgent piece of work that was in progress.

Mr Philip Bowden invited any comments or questions on the 2019 accounts.

Mr John Booth, Chair of the House of Laity, asked for more information about the transfer from the Parsonages Fund to the Pastoral Fund. PB explained that when parsonages became redundant the proceeds of sale were paid to the Parsonages Fund. Accumulation of net proceeds in the Parsonages Fund (arising where a replacement parsonage cost less than the original parsonage sold or where no replacement was needed) could be transferred to the Pastoral Fund. PB explained that the transfer to the Pastoral Fund represented historic accumulated net proceeds of sale. GH reported that work was being done to see if further transfers might be made due to further accumulations of historic net proceeds of sale.

Fr Michael Bailey asked GH if there was a strategic mission focussed plan with resources for similar poor mission-minded priority parishes/areas to work together to form a cost-effective partnership. GH said this would be part of the deanery planning process - to encourage imaginative ways of deaneries working together to share costs and resources. GH hoped that deaneries would look at this and emphasised that apostolic partnerships were a very good thing to look at going forwards. The Bishop of Chichester reported that similar work had begun at St Barnabas, Bexhill and was also being looked at in Brighton and Worthing deaneries.

Mr Philip Bowden moved "That the Annual Accounts and report of the DBF for 2019 be received".

This was approved by a show of hands, with no votes against and no abstentions

PB expressed his support for the reappointment of Haysmacintyre LLP due to the benefit from their experience and expertise in auditing other dioceses.

Mr Philip Bowden moved "That Haysmacintyre LLP, Chartered Accountants, be re-appointed as auditors of the Company to hold office until the conclusion of the next Annual General Meeting".

This was approved by a show of hands, with no votes against and no abstentions

FAREWELL TO THE CHAIR OF THE FINANCE COMMITTEE

PB explained that his term as Chair of the Finance Committee came to an end at the conclusion of the AGM. He said it had been a great privilege and pleasure to serve as chair for the past two years and for the prior two years as vice chair. He had enjoyed both roles and thanked everyone he had worked with for their support whether at Church House or in the parishes or deaneries and for their enthusiasm. PB commented that he would prefer the new chair to be in less challenging circumstances but expressed his confidence in Lesley Lynn and wished her all the best as the new Chair of the Finance Committee. PB wished the diocesan household of faith every success and expressed his confidence in its future.

The Bishop of Chichester expressed thanks to Philip on behalf of the diocese and synod for seeing the diocese through some very challenging times financially and the very positive reports he presented to the AGM was an indication of the hard work he had done and which he had inspired,

sustained and encouraged in others - it was always a team effort. The Bishop commented that one of the marks of an effective chair of a board of finance was the extent to which that person harnessed the energies and brought together the focus and vision which created not only purpose but positive outcome. The report today had been an indication not only of the quality of the team work but the fact that PB had lead that and had encouraged and harnessed and given direction to that. The Bishop emphasised that the diocese was immensely grateful and also thanked PB for his long suffering patience and sense of humour.

The Bishop explained that prior to becoming chair of the board of finance, Philip had been treasurer of Rye Deanery, and a member of a congregation and witnessing to Jesus Christ in the living of his daily life. The opportunity to see the quality of his work revealed the extraordinary resources in this household faith. The Bishop thanked Philip very much indeed and wished him a little bit more relaxation in his timetable and hoped to continue to benefit from his wisdom and experience in the household of faith. The Bishop expressed every good wish to Mrs Lesley Lynn as the new Chair of the Finance Committee in tackling the intensified challenge and felt confident it was a challenge that would be met. Following the work Philip had done there was a serious level of financial commitment across the diocese. The Bishop expressed his clear understanding that financial commitment was an emblem of spiritual life, of the depth of the love of God and commitment to Jesus Christ. The Bishop looked forward to taking this forward with Mrs Lesley Lynn and to be a sign of hope for the people of Sussex.

Mr John Booth also thanked PB on behalf of the House of Laity. JB felt that PB had done an extraordinary job and had left the diocese in the best possible shape to embark on the very uncertain time ahead. The outcome of 2019 had put the diocese in a good position to weather the undoubtedly prolonged storm. JB paid tribute to the quiet integrity and good humour with which PB carried out every duty and to PB's unfailingly high standards. PB had brought rigour and self-discipline to the diocese's financial oversight but behind a sometimes stern exterior there was a twinkle.

Revd Canon Mark Gilbert, Chair of the House of Clergy, gave thanks to Archdeacon Fiona Windsor as it would have been her last synod and for her contribution to the diocese including her contribution to the financial oversight of the diocese.

The Bishop reiterated thanks to Archdeacon Fiona and commented on the growing quantity of undone business in terms of thankyou's, farewells and welcomes: to Archdeacon Fiona and in terms of welcome to the two new bishops and looked forward to an opportunity to do that in the future.

The Bishop thanked all the participants and wished everyone a happy Pentecost.

The Bishop dismissed the meeting with the Grace.