

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



2020

RED BOOK

107th ANNUAL REPORT AND FINANCIAL STATEMENTS

TO BE APPROVED

REPORT OF THE DIOCESAN FINANCE COMMITTEE FOR THE YEAR ENDED 31 DECEMBER 2020

This booklet presents the management accounts for the Diocese of Chichester in a format with a supporting narrative that we hope you will find clear and understandable. We summarise the financial support we receive from parishes and all other sources of income, and our expenditure is itemised in detail.

It is an understatement to say that 2020 – the year of the pandemic – was a difficult year, both financially and in every other way. Undaunted the church in Sussex thrived and rose to the challenges. The resourcefulness of our clergy and our laity was so encouraging. Mission did not stall even though the churches closed, and worship went online. In the same way, while our income fell by 6.0% compared to 2019, this was a far better outcome than we had dared hope at the start of the pandemic when we feared that closed churches would lead to an even greater loss of income. I wish to record an enormous debt of gratitude to all in the parishes whose extraordinary generosity, faith and determination produced such an excellent overall result in unique circumstances.

The pandemic led to cuts in our outgoings as well. We made the difficult decision early on to stop all improvement work on parsonages following quinquennial inspections. In practice doing some of that work in lockdown would have been difficult. Additionally, some staff were put on furlough, and travel and event budgets were inevitably left unspent, resulting in our total expenses dropping by even more than income, falling 9.1% over 2019. Ironically, this resulted in the smallest deficit for a couple of years of £975,151 – a reduction compared with both 2019 and our 2020 budget.

Investment markets had roller coaster ride during 2020, so income from investments fell by 24% with income yield of 3.08%, and the value of our financial assets dropped by about 13% by year end. By contrast, income from our property portfolio held up well, growing by 9.7% over 2019.

Although the circumstances in which this financial result was achieved are not ones we would want to see repeated, the net result has preserved general reserves for the DBF, which had been of serious concern earlier in the year.

Our sincere thanks are due to Gabrielle, Tim and all the staff in the Finance team for keeping on top of our finances and accounting while working from home, with only remote access and virtual meetings. Tim has barely been in Church House to physically meet his colleagues as the lockdown coincided with his joining us.

Similarly, the majority of Autumn deanery meetings for 2020 were held via Zoom. It was encouraging how many turned out for the virtual meetings which showcased a video of the amazing work different churches were undertaking in challenging times.

Coming on board as your Chairman in May 2020, I was fearful that my timing was perfectly awful. In fact, it has been a privilege and pleasure to see how we have not only coped but thrived in adversity. There is an urgent need to address the deficit and rebuild Parish Share, but given how we all coped in 2020, I am confident we can achieve balanced finances in time.

Lesley Lynn
Chairman
April 2021

DETAILED COMMENTS

The accounts published in this booklet, known as the Red book, reflect expenditure versus the budget for 2020 approved by Diocesan Synod in November 2019. 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 (Incorporated) (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.

The finances and activities of the DBF and the parishes of the Diocese have been severely impacted by the COVID pandemic. As a result, there have been a number of significant variances between 2020 actuals and both 2020 budget and 2019 actual figures, and so direct comparisons are difficult.

A deficit (before transfers) of £1,699,208 was budgeted for the year. It was budgeted that £512,000 would be transferred from the Pastoral Account towards this deficit, with the balance being funded from General Reserves. The actual outturn (after the transfer) was a deficit of £463,151 against a budgeted deficit of £1,187,208.

Overall income for 2020 was £987,178 below budget. Parish share receipts of £13,119,962 were £888,738 below budget, but this was a considerably better final outcome than was feared at the start of the pandemic when churches were being closed for public worship and parishes were being deprived of other sources of income, particularly from the letting of facilities and fundraising events. 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 in such difficult times.

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. Two deaneries were still able to meet their promised pledges, and a further fourteen were within 90% of the figure pledged. Overall, taking into account receipts relating to prior year pledges, parishes were able to contribute 93.6% of the original pledge total.

The investment portfolio was also impacted by the pandemic, producing an income yield of approximately 3.08% with many companies having either cancelled or postponed dividend payments. It remains our policy to hold a balanced investment portfolio maximising income while protecting capital value for future generations.

Income from housing was above budget and represented a 10% increase on the prior year. The pandemic did not have a noticeable effect on the collection of rents and with moves difficult, there was an ability to let more properties for longer periods. The property department monitors empty properties and wherever possible 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 16% below budget. The closure of churches for public worship and the restrictions placed on weddings in particular was a principal cause of this.

The DBF was able to take advantage of the Government Job Retention Scheme with a number of staff being furloughed when work commitments allowed and for varying periods of time. Grants of £85,686 were claimed during the year.

Total expenditure before transfers from the Pastoral Fund was below budget by £1,711,235.

In March, when the potential consequences of the pandemic were becoming apparent, decisions were made about expenditure plans, based on potentially severe drops in income. An early decision was made to defer works on properties resulting from quinquennial inspections. This took advantage of the work that had been carried out over the previous few years to bring properties up to a standard where a deferral of planned works would not have a serious long term impact on the condition of those properties.

The pandemic led to a number of events being cancelled, postponed or being carried out online. May Camp was a particular example of this.

The work carried out in 2018 to upgrade IT systems made the transition to home working a lot easier than it otherwise might have been. Virtually all meetings were taken online, resulting in savings on travel and other costs associated with those meetings.

A number of other savings were made throughout the year, with the aim of, where possible, not impacting the services that were being offered from Church House.

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.

At the end of 2019 we launched the second stage of the Diocesan Vision for Growth, which built on the previous aims, but identified four priorities for 2020-2025:

1. More Open: a sign of being One;
2. More Converted to Jesus Christ: a sign of being holy;
3. More Generous: a sign of being catholic;
4. More Engaged: a sign of being apostolic.

These aims focus on similar themes identified by the national Church of England in their draft strategic vision for growth. In each of the coming years, the diocese will focus on one of the Four Mores in order that Anglicans in Sussex can address these priorities. 2021 will focus on More Open, recognising the need for congregations to reflect more fully the communities they serve, in terms of age and other profiles.

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 in a normal year carry out over 1,200 weddings or blessings, 3,900 funerals and 2,500 baptisms. During the Covid-19 pandemic they have engaged in many new projects to support their communities to combat issues ranging from hunger to loneliness, adapted to different worship patterns, notably online worship, and deepened existing work, with a particular call for funeral ministry. Almost 375 licensed clergy and 100 licensed readers minister in the 353 parishes in the Diocese, with 34 new stipendiary and 16 new house for duty or self-supporting clergy appointments in 2020, including 17 newly ordained deacons, and 3 new readers licensed.

The Education Department appointed 67 new foundation governors and reappointed 31 existing foundation governors for church schools and helped to appoint 6 new head teachers.

This year has seen the Education Department support a significantly increased number of interim leadership posts. A number of schools have adopted this strategy until they are able to undertake recruitment processes in person.

During the year the CDBF paid stipends, pensions and other employment costs totalling £9.8 million for incumbents, curates and other clergy, increasing stipends in line with national recommendations despite the financial challenges caused by Covid-19. 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 31, with an unusually high level of retirements towards the end of the year; this was above 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 and employment lawyers provide HR services and advice in respect of clergy as well as lay staff to improve the care and service provided and supplement in house work.

Provision of housing

The annual quinquennial repair programme for 2020 was deferred because of the Covid pandemic, we also suspended our improvement programme. The departments focussed switched to dealing with emergency repairs and supporting clergy and tenants through the lockdown.

20 properties were made ready for incoming clergy and private tenants (to derive a rent).

The pandemic also delayed the completion of the new vicarage at Chichester St Wilfrid, although this work is now all but complete.

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 £511k were made to ordinands to support them and their families during their training. There are currently 44 people in training.

The second year of Authorised Lay Ministry (ALM) training began in September 2019, training 57 people for community, family, pastoral and preaching ministries. The candidates were commissioned for these ministries in January 2020 at Chichester Cathedral. Sadly the 2020 programme of training for ALM was cancelled due to the pandemic and will resume in 2021.

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

MDR was suspended in spring 2020, due to lockdown and the absence of suffragan bishops. It will start again in May 2021, with most clergy undertaking their second review.

A wide range of courses in theology, spirituality and practical skills took place – many via Zoom. A new course for First Incumbents (three-year cycle) was begun and has continued by Zoom. The second cohort of clergy undertaking the Galilee leadership programme finished.

Pastoral care and welfare support

The Wellbeing for Clergy and Families (WCF) service continues to provide the wellbeing service for stipendiary and SSM clergy and their partners/spouses and families. We have delivered over 250 confidential short-term counselling episodes since the service was launched and we also facilitate 4 Reflective Practice Groups (RPGs) for clergy. We also have provided psychoeducational workshops for all clergy and annual CMD cohorts including Managing Stress, Managing Boundaries, and Managing Anxiety, and the Head of WCF is liaising with members of CONNECT, the support network for clergy partners and spouses.

In addition, welfare grants of approximately £62k have been awarded to 110 clergy and their families in times of need.

Implementing improvements to pastoral organisation

Due to the coronavirus restrictions, there were some delays to pastoral reorganisation, as the Church Commissioners advised that schemes should not be published for formal consultation during the first lockdown. Despite these delays, eleven Mission and Pastoral schemes and orders were completed in 2020: six pastoral reorganisation schemes, two bishop's pastoral orders to terminate defunct group ministries, two orders to amend the names of parishes and benefices, and a scheme to appropriate a small area of churchyard to the PCC. A further eleven cases were progressed.

Significant progress was also made in relation to finding new uses for closed church buildings. The church of St Elizabeth, Eastbourne was vested in the Church Commissioners and demolished, so that the site can be marketed for development, and agreement was reached for the church of St Bartholomew, Chichester, to be sold for use as a dance studio. Progress was also made towards finding new uses for six other closed churches.

Developing Christian presence for the future

Encouraging vocations

In 2020, the discernment process was paused briefly due to financial concerns brought about by the pandemic. However, 16 candidates were accompanied and subsequently recommended for training after attending national Temporary Online Discernment Panels.

The start of the new national Shared Discernment Process was delayed a year due to the crisis. Nonetheless, the diocesan discernment team worked on new local procedures needed for the national process and began assessing candidates against the new qualities.

Moving from using St Marylebone in London for psychotherapeutic assessments to local qualified assessors has been successful. This change not only reduces costs but improves the way assessments are integrated into our diocesan discernment process.

There have been some changes in the team. Our 0.5 Deputy DDO moved to another position in the diocese, and this post is now on hold. Our 0.5 Vocations Officer retired and was not replaced. We added an SSM ADDO to the team to further increase team diversity.

The first lockdown made moving some ordinands into the diocese from their TEIs challenging. Still, 17 deacons were ordained in an extensive sequence of parish-wide celebrations in September and October rather than June.

Vocations were encouraged on Vocations Sunday with a video from the DDO talking about Vocations and Crisis. The diocesan team continues to work with a good number of candidates including those from underrepresented groups.

Some ordinands have been in lockdown in residential colleges and others spent much of the year working online.

Supporting apostolic partnerships

A new post of Programme Delivery Manager was created to help drive the second SDF project forward and the Bishop of Horsham took over the leadership of the projects. This led to the application successfully completing stage 1 of the bid.

Enabling church schools to reach out

Within the current SIAMS (Statutory Inspection of Anglican and Methodist Schools) schedule, schools are being encouraged to demonstrate “courageous advocacy” and reach out to their local communities through engagement in both social action and charitable activities. Our School Effectiveness Team work alongside schools to determine what this looks like in a local context.

To develop this the Education Team have been developing our Growing Partnerships Document, which also picks up on the national Church of England Growing Faith initiative. This outlines key elements of how church and school can work in partnership effectively at a local level. This document has been ready to launch since March 2020 but due to the pandemic, it was not felt schools or churches would be as receptive as usual given the challenges they face. However, it has been made available to them and is on the diocesan website. A formal launch is planned for the Summer term of 2021.

Supporting clergy, lay leaders, parishes and chaplains

Apostolic Life

The Living Faith course began again in January 2020 and took place at three venues. The course was interrupted by the pandemic and moved online in the autumn of 2020. 43 people completed the course successfully, though numbers were inevitably impacted by the Covid crisis.

We had planned a lay conference on the theme of ‘Empowering Lay Ministry’ for March 2020 but sadly this event had to be cancelled at short notice because of the pandemic.

Youth and Children

2020 started with continuing to implement the new youth and children’s work strategy developed in 2019. Youth work training was put online and is accessible for anyone. Advising youth and children’s workers on running youth and children’s activities remotely and responding to the pandemic was a top priority in 2020. May Camp ran completely online and had hundreds of live participants with over a thousand hits in the following week.

Communications

2020 proved to be full of challenges on all levels of the communications agenda, in particular the challenge of supporting parishes in their mission and ministry and helping them to connect with their congregations in the new era of lockdown.

A whole range of online resources enabled the team to support parishes whether they could create their own content online or not.

Resources for Lent for the whole of Holy Week and Easter through to Pentecost were created at short notice to respond to the closure of churches both for worship and private prayer, with a constant stream of online worship, sermons and prayer.

156 videos were produced for our Youtube channel in 2020, including:

- Sunday sermons
- Live streamed services
- Ad hoc Video Messages
- Daily Lent reflections
- Vocations reflections
- Advent reflections
- Education End of year service
- Deanery presentations
- Remembrance

A highlight of the year was the Faith in Action video commissioned and created by the communications team to demonstrate how our churches responded to the challenges of online services during lockdown. It featured people and parishes from all traditions talking about how they have coped. This video currently has over 3,000 views and was highly commended by the Church institutions.

The regular communications from the weekly e-news and the Faith in Sussex magazine continue to be valued and connect the whole of the diocese.

Partnerships were further strengthened with the Church of England and charity partners to engage with national initiatives.

Parish development

Covid-19 meant that most of the parish development initiatives were placed on hold. Time was invested instead in helping parishes understand the implication of the restrictions and coping with these.

Education

The key aspect in this area is Growing Partnerships work. As indicated above, this has been delayed because of the pandemic. When launched, it is expected to provide support and training for clergy and school leaders together as well as engaging Apostolic Life in how ongoing support can be offered.

The annual Autumn briefings were held remotely this year. Three sessions were offered and in total 147 people attended including head teachers, chairs of governors and clergy. This is an increase of 50 people compared to 2019, which may well have been a result of the convenience of a remote session. These briefings gave an opportunity for the Education Team

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. Most of this moved online this year and we have seen a noticeable increase in attendance. In 2020, 81 Governors attended training. 156 school leaders attended CPD training.

All new Foundation Governors are expected to attend safeguarding training.

The Education department has continued to establish relationships with external organisations such as Open The Book and Big Start Assemblies to ensure that schools and parishes are able to deliver collective worship sessions for children that are both engaging and innovative.

Safeguarding

The Independent Inquiry into Child Sexual Abuse (IICSA) produced the final report into their investigation into the Church of England and the Church in Wales in 2020. This followed 2019's report into the specific case study involving the Diocese of Chichester. 2020's final report made many recommendations for the Church of England and the Church in Wales, including a primary recommendation which drew heavily from a paper submitted as evidence to IICSA by the Chichester Diocesan Safeguarding Adviser. Chichester Diocese's initial review of the IICSA recommendations did not reveal any major required changes; the practice currently employed across the Diocese already meets the requirements set out in the IICSA recommendations.

The Diocese entered the Covid-19 'lockdown' in March 2020 with approximately 99% of licensed clergy and over 90% of PTO clergy having met their full safeguarding training requirements. In September 2020 the Diocese implemented the new Safeguarding Leadership training programme to replace the 'C2' training previously used. Despite the inevitable challenges of lockdown and the suspension of training while the new training programme was awaited from the National Safeguarding Team, the Diocese is currently at 90% compliance for licensed clergy and 80% for PTO across all safeguarding training requirements.

Simple Quality Protects ('SQP'), the online parish safeguarding tool, launched in 2017, has had a very good take-up across the Diocese. During 2020, assessment events continued, often by video conference, and over 200 parishes have now completed the full requirements of Level 1, with almost all other parishes having very nearly completed.

The Diocese implemented the Past Case Review (2) protocol in 2020. PCR(2) is a major national project for the Church of England, involving a review of every case file, including all clergy files, by independent safeguarding professionals, to ensure that all necessary safeguarding actions have been taken. PCR(2) also involves written returns from every parish, to ensure that knowledge about safeguarding concerns held in parishes is also incorporated into the review. PCR(2) continues into 2021, and is anticipated to be completed by the summer of 2021.

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. It has made considerable efforts during the year to build the asset register to include parish property held by the CDBF as diocesan authority.

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 130 applications (99 requests for Formal advice and 31 requests for Informal advice). The Church Buildings team and DAC also assisted the Archdeacons in processing 132 permissions for minor works under the List B process. Due to the coronavirus, site visits were not possible for much of the year and only 16 DAC site visits were carried out.

The phased introduction of the Online Faculty System was accelerated due to the coronavirus; from March 2020, all faculty applications were moved online and this has been helpful in enabling parishes, the Church Buildings team, and the Registry to deal with applications remotely.

The Fundraising Adviser provided tailored fundraising and project management advice to 66 parishes and one Anglican pre-school by phone or email in 2020. She also visited five churches (independent of DAC site visits) and two parishes met with her at Church House. Because of coronavirus, grant-funding opportunities changed significantly and repeatedly throughout the year and keeping abreast of this fluid situation and updating parishes about the changes has comprised a large part of her work.

Parish Resources and Stewardship

Apostolic Life provides ongoing support to parishes through its training seminars and manuals, and by providing ad hoc advice throughout the year. Topics covered included accounting regulations for PCCs, essentials of charity law, Gift Aid, legacy giving and good stewardship. The pandemic meant few seminars took place in 2020, but a significant number of parishes sought advice and individual consultancy. The department shared its manuals and accounting templates on the diocesan website and responded to questions from parish treasurers, priests and churchwardens on an almost daily basis.

The 2019 Parish Finance Returns were released in 2020, which demonstrated a rise in average giving in the whole diocese rising from £12 to £14 per person per week by the end of 2019.

There was encouragement and advice about diversifying methods of giving, including the Parish Giving Scheme and contactless giving. At the beginning of 2019, 48 churches had obtained a digital device, and by the middle of 2020 that presence had grown to 89.

We also continued to promote legacy giving.

National church funding was also given for a new Generous Giving post, which will sit alongside the Parish Adviser for Finance Governance and Stewardship and will be an appointment in 2021.

Finance

The Diocese acts as custodian trustee for many trust funds; the Finance Department administers 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 and in particular the impact of the pandemic on the holding of meetings and alternative methods of decision-making.

Governing committee meetings continued to be held online, with only two cancelled early in lockdown. 19 were held, including the Bishop's Council, the Operating Committee, Assets Committee, Audit Committee, Education Finance Committee and Remuneration Committee.

Autumn Deanery meetings were also held online, with all 21 deaneries having a meeting for the first time in many years. These meetings offered a chance to reflect on and celebrate the work of all those in our deaneries and parishes, and to share and discuss key financial information. Two brief Diocesan Synod meetings were held online to transact essential business.

Supporting schools

During 2020, the programme of continuing professional development and school-based reviews for the 155 schools in the diocese was remodelled. The previous system, whilst effective and wide reaching, was not sustainable as funding came to an end. The staff team was reshaped with an initial increase in the permanent team which was more than balanced in terms of cost by the savings to the consultancy budget. Moving forward, the education department will continue to work with a lean team with a tight communication and feedback system that offers a coherent and consistent message.

All schools have benefitted from the support of a named Diocesan Effectiveness Officer with the experience to support school improvement and effectiveness.

The programme of Continuing Professional Development 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 SIAMS schedule have proved popular with governors and headteachers alike, with additional bespoke sessions being arranged for groups of schools.

Academisation remains an important part of the strategy of the department. Although the pace of academisation across the diocese is slow, the Diocese of Chichester Academy Trust have continued to grow and currently have eleven schools in their care with several more in the pipeline. The diocese is continuing to work on developing a new Multi Academy Trust in the area around Hurstpierpoint.

2020 also saw an unexpected conclusion to the West Sussex Consultation on Proposed School Closures. The Office of the Regional Schools Commissioner intervened and as a result, Clapham and Patching CE Primary School joined South Downs Educational Trust and Rumboldswyke CE Infant School joined Bishop Luffa Learning Partnership.

Steining Grammar School also became an academy after a challenging process, joining the Bohunt Education Trust.

By the end of 2020, 91% of our schools were judged to be graded good or above by Ofsted. 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. However, both Ofsted and SIAMS Inspections were paused indefinitely in March 2020 and will not restart until April 2021 at the earliest.

In 2020 the diocese supported 3 aspiring headteachers in Church schools to complete the Church of England Professional Qualification for Headship. This brings the total number of Heads to go through this scheme since its inception to 23. A further 14 are set to undertake the course in 2021, ensuring that there is a continuing future pipeline of leaders for Church Schools.

Facilitating of capital expenditure on schools

The Education Department continues to support the remaining 49 Voluntary Aided schools via capital funding from the government, but the system has been completely revamped in 2020. The scheme is now known as the School Condition Allocation and it gives the diocese greater independence. With this comes greater accountability but also greater flexibility to use the resource effectively. In 2020/21 the diocese benefited from an additional allocation of £960k to take the total SCA funding for the year to just over £3m. In particular, this extra funding has allowed us to invest in two large projects to support the two remaining VA secondary schools.

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. Casework remains a significant part of the team's overall responsibilities. However, the amount of criminal investigations involving allegations of child sexual abuse by church officers has reduced very considerably since 2011, with this trend continuing into 2020 and 2021. Given that this reduction has continued despite the implementation of the PCR(2) protocol mentioned above, the Diocese should take this as a sign of encouragement.

The environment

A new group, chaired by the Archdeacon of Brighton and Lewes, has been set up to coordinate and promote the Diocese's response to General Synod's February 2020 call to all parts of the Church of England to draw up a climate crisis plan of action to cut carbon emissions year-on-year, reaching net zero emissions by 2030. The Covid-19 pandemic has slowed down the diocese's progress towards Eco Diocese status, but the number of churches joining Eco Church has continued to grow.

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 work and developments of current activities that need further financial assistance. In the last year the Mission Fund has awarded £23,000 towards projects including

parish children's & families worker and a series of small grants which enabled a young person to begin youth work training and to a church with equipment for live streaming across a number of churches. All projects are linked closely to the Diocesan Strategy.

Grants are made to other connected charities, notably Chichester Diocesan Association for Family Support Work and St Bartz Trust to support their work with disadvantaged families and youth work respectively. A smaller grant was made 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. 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

As the realities of the Covid 19 Pandemic set in, in April 2020 our Companion Links Officer, Reverend Christine Keyte, requested an online meeting with Canon Richard Bartlett, the Director of Mission Engagement for United Society Partners in the Gospel (USPG), with the proposal for a partnership in working and funding grants in our West African link Dioceses where USPG is already working. This partnership was approved by the Bishop's Council and USPG and we made a grant from the Harvest Appeal via USPG to the Dioceses of Bo and Freetown for Covid 19 support. The USPG grants committee meets once a week and with their on the ground network was able to follow up in terms of obtaining extra information required for the grant proposal quickly. The DOC has also approved emergency grants for computer equipment for two of our sponsored students from Kericho Diocese, so that they could continue to engage in online learning at St Paul's University in Limuru, Kenya when the university changed to an online platform due to the Covid 19 pandemic. A new student was sponsored for ordination training for ministry in the Diocese of Maralal and two of our sponsored students at Carlile College have graduated and moved on to curacy in Maralal and Baringo Dioceses. The Lambeth Conference planned for July 2020 has been postponed. It will be important to continue with the pre-conference planning for the rescheduled date of July 2022.

The major reflection this year for the Diocesan European Ecumenical Committee was the forthcoming Coburg Conference to be held in Bamberg. The theme of the conference will focus on what has happened as a result of the coronavirus, in particular because there has been criticism over the role of the churches during this pandemic.

Support for particular ministries

The Chaplain to Gatwick Airport has continued to offer a Christian presence in a context which has been particularly hard hit by the effects of the pandemic. 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.

Negotiations continue to progress on options for glebe land, and in 2020 we signed options on three glebes: Frant, Rotherfield and Fishbourne. The Property Department also continues to focus on letting empty houses where it can, generating rental income of c. £469k for parsonage houses and c. £256k for glebe houses and land.

Due to the pandemic and the Government's stay-at-home order, the majority of staff have exclusively worked from home since the end of March 2020. Our IT systems have enabled effective business continuity, and all staff have been able to work from home on this long-term basis. The DBF was granted cyber essential accreditation in February 2020, which demonstrates our commitment to cybersecurity and helps to guard us against the most common cyber threats. We continue to maintain a positive partnership with our IT supplier and will be working with them in 2021 to roll out a softphone telephone system which will further improve our business continuity.

FUTURE PLANS

Future plans remain subject to the impact and consequences of the Covid-19 pandemic. Churches were closed for significant parts of 2020 and many have not re-opened at the date of this report. This had a major impact on income, particularly from parish share, and future effects remain to be seen. Expenditure plans have been reviewed as a result, with the situation and its impact on cashflow being continuously monitored.

A particular focus for 2021 will be a diocesan wide deanery planning exercise to consult on, and made decisions about, the mission and ministry needs of the diocese, the resources that can be found to fund them, and the best way to deploy ministers in light of those needs and resources while closing the funding gap.

Notwithstanding the impact of lockdown, the strategic aims established by Diocesan Synod in 2019 detailed on page v. will continue to direct the activities of the CDBF. Although the planned use of 2020 to roll out the strategy as a whole was thwarted, there will be a focus in 2021 on being More Open, the first of the Four Mores of the strategy, with the following years being dedicated to each More in turn. A key part of the focus on being More Open will be a community audit which will feed into the deanery planning exercise, drawing on the Mission Action Plans parishes have worked on over the last decade, the One Thing each parish focussed on in the last five years, and the needs of the community which the pandemic has laid bare.

A more focussed parish development programme will be developed and run in 2021. This will be assisted by the appointment of a new 0.5 Parish Development post, funded by the national church. A newly appointed Generous Giving Adviser, also funded by the national church, will support the deanery planning exercise by helping parishes refocus their approaches to this essential part of Christian discipleship in order to resource diocesan work and commitments.

The diocese's 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

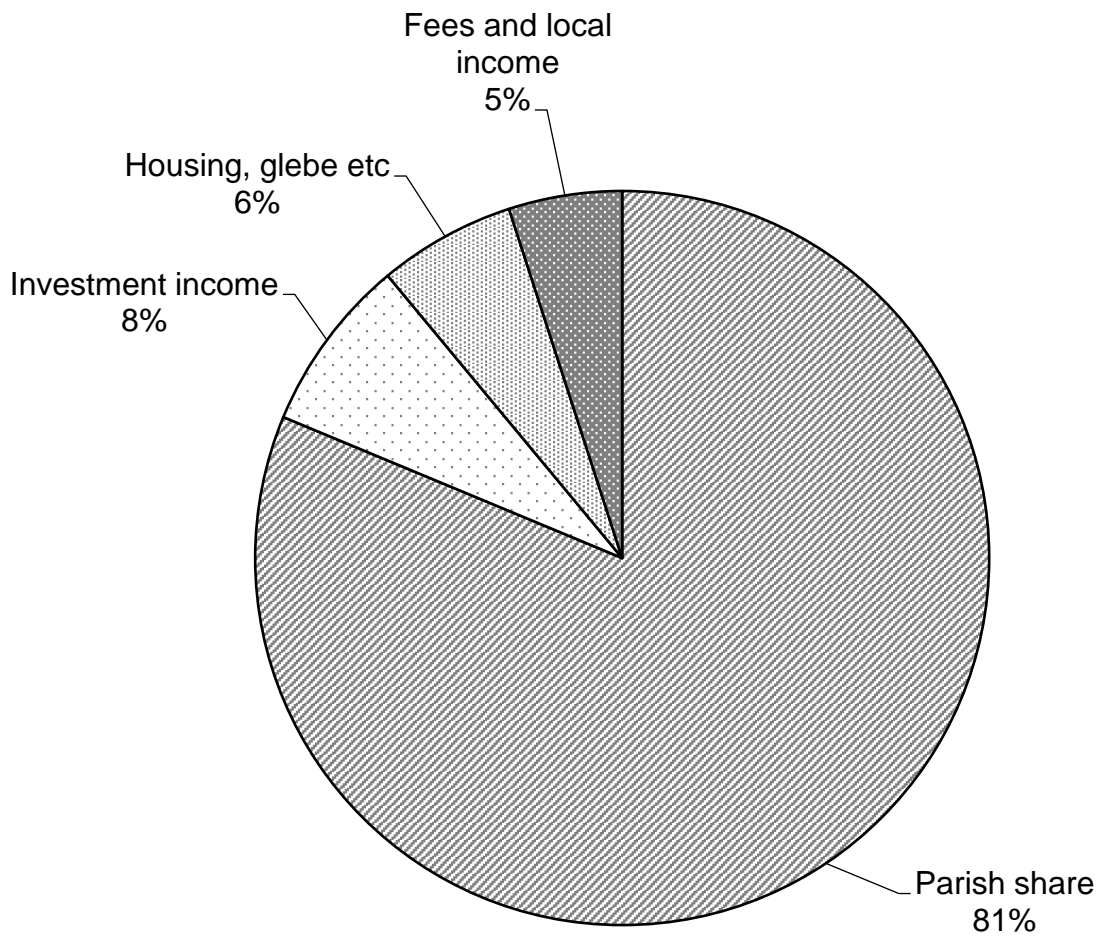
our church schools, as part of our strategic intention to re-imagine ministry. Ensuring that our parishes and schools are safe and welcoming places remains a priority.

The Education team will be focussing on the continued viability and breadth of MAT opportunities available to our schools. This will involve the measured growth of the Diocese of Chichester Academy Trust, the Bishop Otter Academy Trust, Hurst Education Trust and the Bishop Luffa Learning Partnership. We will continue to support them to ensure that they are strong and effective Multi-Academy Trusts for our schools to join. We will also be focussing on our school and parish approach to mission through our Growing Partnerships document.

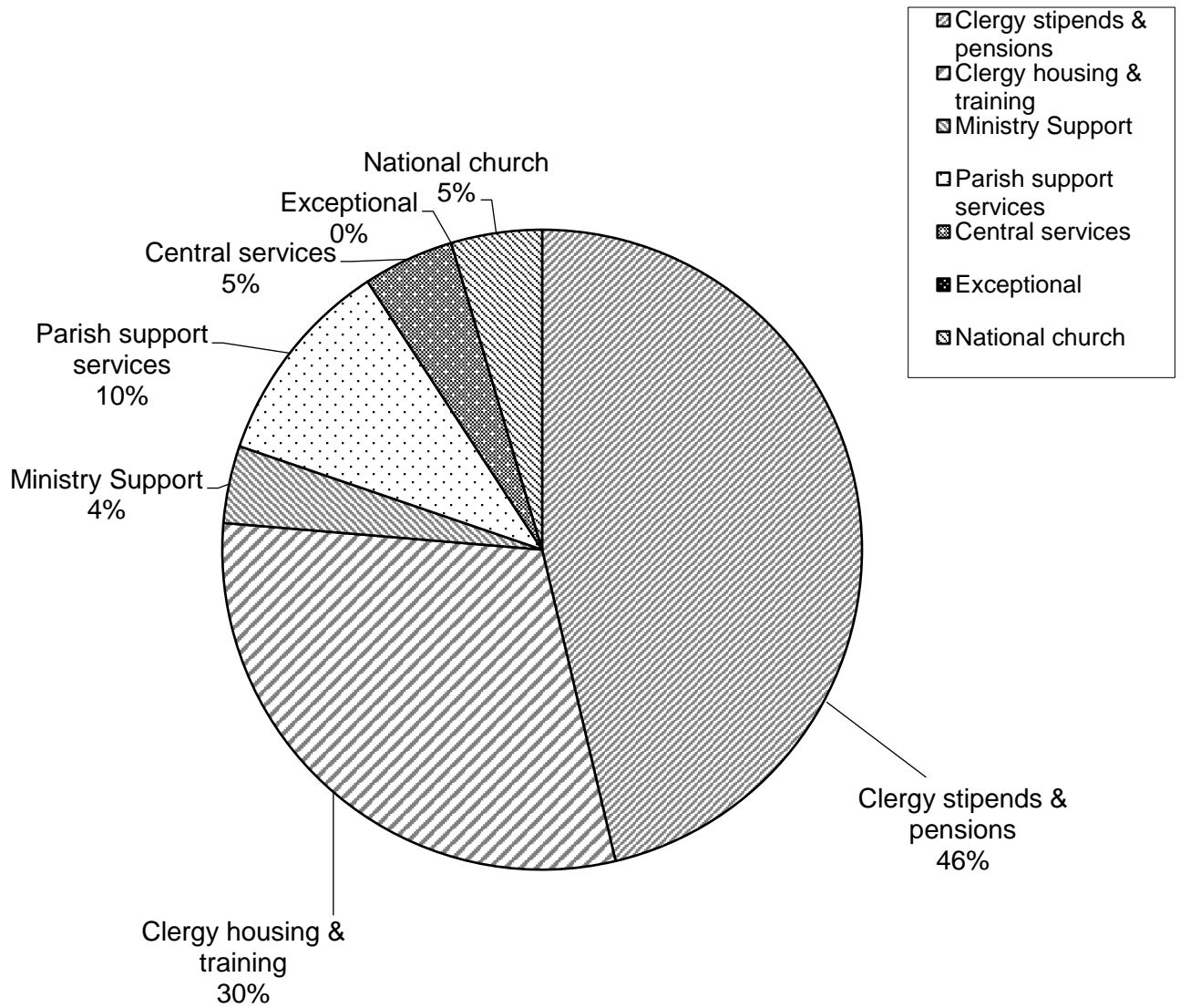
Much has been learned during the pandemic which will change our operations permanently: the online worship and other engagement developed by churches has reached many who would not come to a church building, and diocesan staff have taken advantage of the improvements in information technology that have been implemented over the last couple of years to enable provision of services remotely, and that learning will continue to be used even when workplaces can re-open.

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.

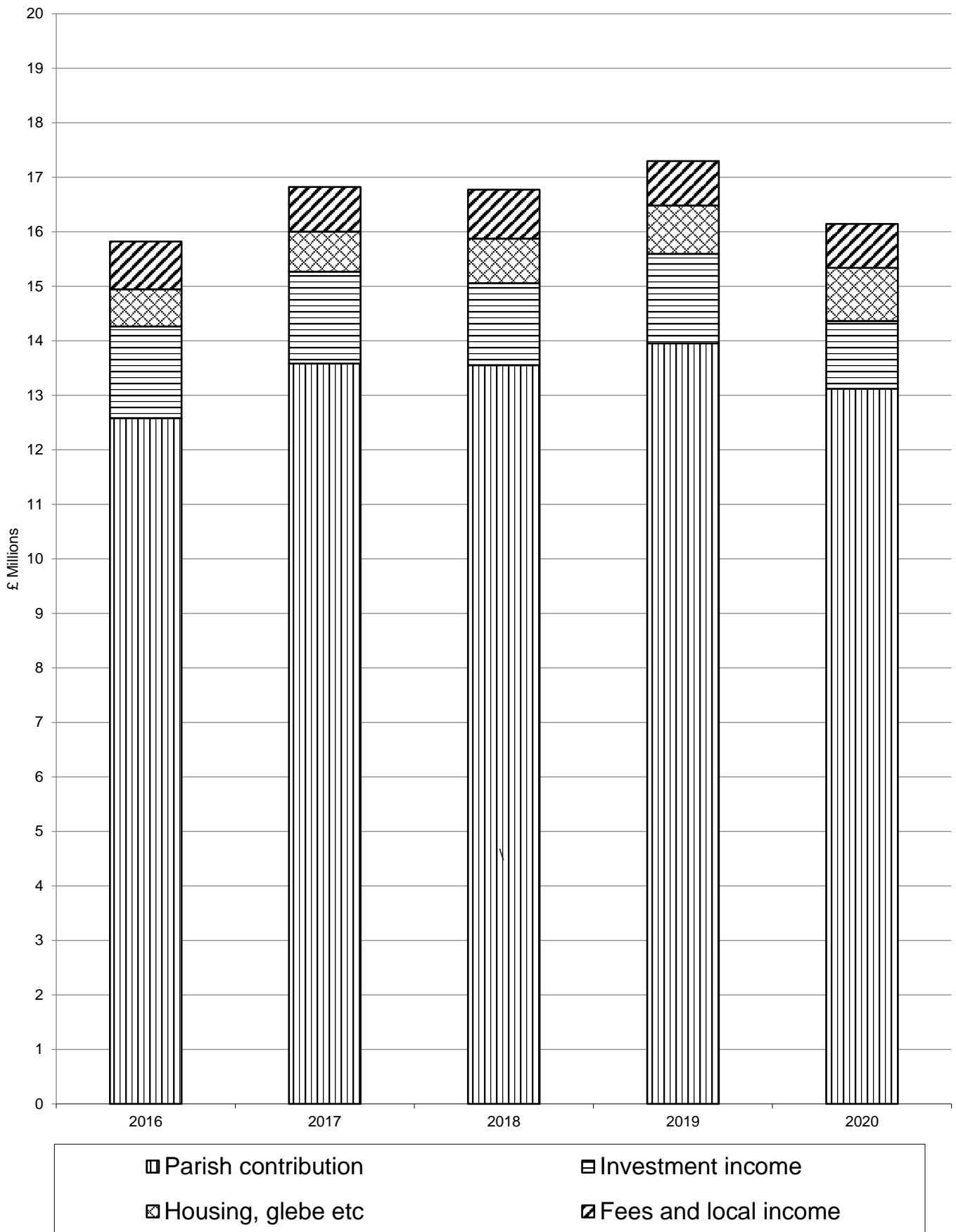
INCOME 2020



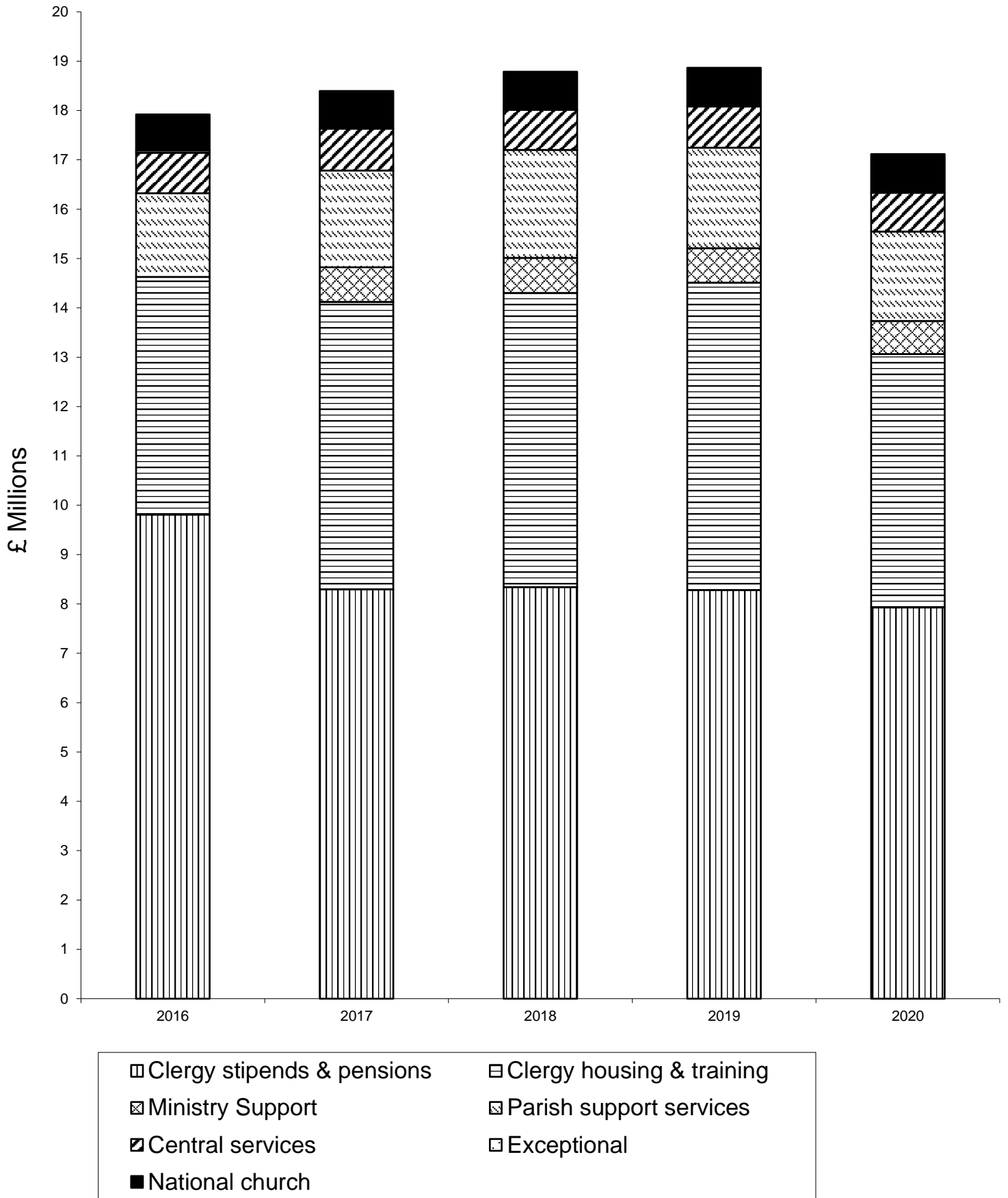
EXPENDITURE 2020



Income Trend 2016 - 2020



Expenditure Trend 2016 - 2020



UNRESTRICTED FUNDS - GENERAL FUND
SUMMARY OF INCOME & EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2020

<u>ACTUAL</u> <u>2019</u> £		<u>ACTUAL</u> <u>2020</u> £	<u>BUDGET</u> <u>2020</u> £
13,953,659	Parish Share	13,119,962	14,008,700
1,496,387	Investment Income and Drawings	1,137,577	1,228,000
146,220	Grants from Restricted Funds	105,064	111,750
888,547	Glebe and Housing	975,169	841,910
653,588	Fees & Local Income	577,682	690,000
158,689	Miscellaneous Grants and Donations	227,728	250,000
<u>17,297,090</u>	TOTAL INCOME	<u>16,143,182</u>	<u>17,130,360</u>
6,282,862	Clergy Stipends, Grants and Fees	5,988,801	6,412,516
1,998,480	Clergy Pension Contributions	1,939,101	2,033,744
2,681,468	Clergy Housing	1,703,786	2,354,348
1,368,220	Training - Ordination	1,100,188	1,286,240
2,179,286	Training - Curates	2,334,873	2,098,196
<u>14,510,316</u>	Total - Ministry	<u>13,066,749</u>	<u>14,185,044</u>
698,682	Ministry Support	669,213	821,741
<u>698,682</u>	Total - Ministry Support	<u>669,213</u>	<u>821,741</u>
504,763	Apostolic Life	392,708	491,600
124,904	Common Good	96,894	106,128
622,384	Diocesan Board of Education	467,960	649,777
246,206	Safeguarding	335,217	310,644
80,542	Diocesan Advisory Committee	78,517	97,067
44,745	Pastoral Committee	50,059	86,622
104,180	Closed Churches	127,823	85,000
30,034	Glebe Administration	16,066	43,340
90,731	Communications	92,092	99,670
190,212	Information Technology	152,251	183,345
832,066	General Office, Finance, Central Services, HR	787,547	841,321
<u>2,870,767</u>	Total - Parish Support Services	<u>2,597,134</u>	<u>2,994,514</u>
786,797	National Church Responsibilities	785,237	788,269
1,335	Contingency & Exceptional Items	0	40,000
<u>18,867,897</u>	TOTAL EXPENDITURE	<u>17,118,333</u>	<u>18,829,568</u>
(1,570,807)	Deficit before transfers	(975,151)	(1,699,208)
22,000	Funded from Pastoral Fund - Dept of Education	0	0
1,447,000	Funded from Pastoral Fund - Property	512,000	512,000
<u>(101,807)</u>	SURPLUS/DEFICIT	<u>(463,151)</u>	<u>(1,187,208)</u>

INCOME

<u>ACTUAL</u> <u>2019</u> £		<u>ACTUAL</u> <u>2020</u> £	<u>BUDGET</u> <u>2020</u> £
13,815,419	Parish Share - Current Year	13,032,139	14,008,700
138,240	Parish Share - Prior Year	87,823	-
<u>13,953,659</u>	Total Parish Share	<u>13,119,962</u>	<u>14,008,700</u>
777,886	Diocesan Stipends Fund	580,758	615,000
716,186	Diocesan Pastoral Fund	556,140	613,000
2,315	Interest Income	679	-
<u>1,496,387</u>	Total Investment Income	<u>1,137,577</u>	<u>1,228,000</u>
82,196	Elfinward for Stipends	59,010	63,000
14,556	Elfinward for Retreats	10,457	11,150
7,288	Elfinward for Information	5,226	5,600
42,180	Training Fund	30,371	32,000
<u>146,220</u>	Total Grants from Restricted Funds	<u>105,064</u>	<u>111,750</u>
18,818	Rents from Glebe Land	7,699	-
237,753	Rents from Glebe Properties	242,325	158,760
225,011	Notional rents from Diocesan Officers' & Curates' Houses	256,404	230,650
<u>481,582</u>	Total Glebe Income	<u>506,428</u>	<u>389,410</u>
379,265	Rents from Parsonage Houses	442,941	415,000
27,700	Rents from Miscellaneous Houses	25,800	37,500
<u>406,965</u>	Total Housing Income	<u>468,741</u>	<u>452,500</u>
560,355	Parochial Fees	468,132	615,000
93,233	Parish Trust Income	109,550	75,000
<u>653,588</u>	Total Fees & Local Income	<u>577,682</u>	<u>690,000</u>
15,792	Rents from Redundant Churches	7,706	28,000
-	Other income	-	100,000
21,897	Donations	12,336	1,000
-	Job Retention Scheme Grant	85,686	-
121,000	Allchurches Trust Grant	122,000	121,000
<u>158,689</u>	Miscellaneous Grants & Donations	<u>227,728</u>	<u>250,000</u>
<u>17,297,090</u>	Total Income	<u>16,143,182</u>	<u>17,130,360</u>

<u>EXPENDITURE</u>		<u>ACTUAL</u>	<u>BUDGET</u>
<u>ACTUAL</u>		<u>2020</u>	<u>2020</u>
<u>2019</u>			
£		£	£
5,658,869	Clergy Stipends	5,417,333	5,754,314
464,720	Clergy Stipend - National Insurance	461,732	478,702
99,384	Fees for Vacancies & Sickness	50,204	101,500
-	Housing costs	6,000	-
55,015	Investment Manager Fees - Stipends Fund	53,532	78,000
4,874	Interest Payable	-	-
6,282,862	Total Clergy Stipends and Fees	5,988,801	6,412,516
1,998,480	Clergy Pension Contributions	1,939,101	2,033,744
1,998,480	Total Clergy Pensions	1,939,101	2,033,744
18,389	Suffragan Bishops' Housing	5,500	18,725
14,438	Bishop's Chaplain's Housing	14,215	15,010
144,480	Archdeacons' Stipends & NI	150,887	159,060
43,213	Archdeacons' Pensions	47,113	39,337
26,110	Archdeacons' Housing	52,009	60,600
29,521	Archdeacons' Office & Operating Costs	11,459	29,982
58,421	Archdeacons' Staff Costs	58,627	59,618
32,617	Rural Deans' Allowance & NI	-	-
64,941	Continuing Ministerial Education	55,937	109,947
33,479	Clergy Administration	36,123	39,962
81,296	Resettlement Grants	93,240	106,000
53,159	First Appointment Grants	69,440	64,500
96,420	Removal Grants	72,114	114,000
2,198	BMO Costs & Other Ministry Support	2,549	5,000
698,682	Total Ministry Support	669,213	821,741
-	Other income	(15,293)	-
529,193	Quinquennial Repairs	(5,970)	664,312
487,042	Ingoing Works	549,103	434,000
568,038	Interim Repairs	500,737	474,000
520,531	Improvements & Decoration Grants	132,487	234,144
55,235	Insurance	55,139	57,250
137,543	Fees	122,085	67,200
75,932	Housing Rental Costs	37,378	54,625
(64,908)	Costs Attributed to Curates' Housing	(60,000)	(60,000)
2,308,607	Clergy Housing	1,315,666	1,925,531
333,430	Staff Costs - Property	340,052	349,860
30,024	Office Costs - Property	33,725	26,625
8,511	Travel Costs - Property	8,824	12,075
896	Resources & Equipment - Property	107	27,657
-	Projects & Activities - Property	5,412	12,600
372,861	Property Department	388,120	428,817
2,681,468	Total Clergy Housing	1,703,786	2,354,348

<u>ACTUAL</u> <u>2019</u> £		<u>ACTUAL</u> <u>2020</u> £	<u>BUDGET</u> <u>2020</u> £
16,858	Clergy Staffing - Training	6,459	19,669
145,128	Staff Costs - Training	130,519	154,500
4,236	Office Costs - Training	12,200	12,825
2,297	Housing Costs - Training	(1,393)	-
4,558	Travel Costs - Training	855	5,500
4,136	BAP Fees	1,582	7,000
11,080	Psychological Assessments & Support	4,805	6,800
(419,399)	Block Grant - Income	(568,016)	(540,000)
455,895	Block Grant - Expenditure	545,630	540,000
-	Other Grants	(15,547)	-
466,482	Ordinand Maintenance	427,476	404,000
821	Resources & Equipment - Training	180	680
844	Projects & Activities - Training	-	6,000
199	Governance & Support - Training	566	-
3,048	Events & Courses - Training	4,303	-
2,771	Investment Manager Fees	1,223	-
<u>698,954</u>	Ordination Training	<u>550,842</u>	<u>616,974</u>
669,266	National Church Apportionment	549,346	669,266
<u>1,368,220</u>	Total Training - Ordination	<u>1,100,188</u>	<u>1,286,240</u>
23,915	Post Ordination Training	12,125	30,000
1,170,324	Curates' Stipends & NI	1,202,325	1,062,242
408,395	Curates' Pensions	438,492	358,954
511,744	Curates' Housing - Rental	621,931	587,000
64,908	Curates' Housing - Maintenance	60,000	60,000
<u>2,179,286</u>	Total Training - Curates	<u>2,334,873</u>	<u>2,098,196</u>
(1,937)	Income - Directorate	0	(1,000)
0	Clergy Support - Directorate	495	0
0	Grants - Directorate	350	0
46,407	Staff Costs - Directorate	50,232	50,300
2,899	Office Costs - Directorate	3,210	6,164
906	Travel Costs - Directorate	855	1,500
371	Resources & Equipment - Directorate	10	-
-	Projects & Activities - Directorate	120	23,000
2,269	Events & Courses - Directorate	-	-
<u>50,915</u>	Total Apostolic Life Directorate	<u>55,272</u>	<u>79,964</u>
(468)	Income - Resources & Stewardship	(1,376)	-
98,883	Staff Costs - Resources & Stewardship	93,395	85,100
5,061	Office Costs - Resources & Stewardship	6,228	6,227
2,258	Travel Costs - Resources & Stewardship	214	3,000
6,700	Resources & Equipment - Resources & Stewardship	371	4,300
16,392	Governance & Support - Resources & Stewardship	16,802	18,000
21,995	Events & Courses - Resources & Stewardship	871	10,000
9,468	Projects & Activities - Resources & Stewardship	1,868	20,000
<u>160,289</u>	Total Parish Resources & Stewardship	<u>118,373</u>	<u>146,627</u>
(36,869)	Income - Children & Youth	(3,154)	(30,500)
22,872	Grants Paid inc St Bartz	19,490	14,800
91,166	Staff Costs - Children & Youth	76,145	79,300
5,229	Office Costs - Children & Youth	6,540	6,538
3,341	Travel Costs - Children & Youth	977	2,700
6,128	Resources & Equipment - Children & Youth	459	2,700
63,438	Events & Courses - Children & Youth	16,436	43,000
2,538	Projects & Activities - Children & Youth	400	7,500
<u>157,843</u>	Total Children & Young People	<u>117,293</u>	<u>126,038</u>

<u>ACTUAL</u> <u>2019</u> £		<u>ACTUAL</u> <u>2020</u> £	<u>BUDGET</u> <u>2020</u> £
(4,806)	Income - Lay Apostolic Life	(4,925)	(500)
9,640	Clergy - Lay Apostolic Life	9,688	9,834
-	Grants - Lay Apostolic Life	450	-
19,100	Housing Costs - Lay Apostolic Life	18,264	18,860
62,105	Staff Costs - Lay Apostolic Life	68,027	61,800
8,728	Office Costs - Lay Apostolic Life	6,588	6,227
1,154	Travel Costs - Lay Apostolic Life	591	3,000
3,046	Resources & Equipment - Lay Apostolic Life	2,659	2,850
36,749	Events & Courses - Lay Apostolic Life	428	36,900
<u>135,716</u>	Total Lay Apostolic Life	<u>101,770</u>	<u>138,971</u>
<u>504,763</u>	Total Apostolic Life	<u>392,708</u>	<u>491,600</u>
(1,412)	Generated Income - Social Concerns	(4)	-
5,599	Staff Costs - Social Concerns	5,705	6,600
2,633	Office Costs - Social Concerns	624	623
1,597	Travel Costs - Social Concerns	116	1,000
2,729	Events & Courses - Social Concerns	-	-
10,000	Grants Payable - Social Concerns	4,000	4,000
<u>21,146</u>	Total Social Concerns	<u>10,441</u>	<u>12,223</u>
(5,000)	Grant Income - Workplace Ministry	0	0
32,372	Clergy Payroll - Workplace Ministry	32,757	29,621
9,640	Clergy Pensions - Workplace Ministry	9,688	9,834
6,221	Housing Costs - Workplace Ministry	6,297	6,750
-	Staff Costs - Workplace Ministry	-	3,000
431	Office Costs - Workplace Ministry	949	700
1,025	Travel Costs - Workplace Ministry	341	500
82	Governance & Support - Workplace Ministry	-	-
17,890	Projects & Activities - Workplace Ministry	-	-
<u>62,661</u>	Total Workplace Ministry	<u>50,032</u>	<u>50,405</u>
2,188	Overseas Council	366	6,500
(1,091)	European Ecumenical Committee	55	1,000
0	University Chaplain	0	-
40,000	Family Support Work/Other grants	36,000	36,000
<u>41,097</u>	Total Grants to Councils & Organisations	<u>36,421</u>	<u>43,500</u>
<u>124,904</u>	Total Common Good	<u>96,894</u>	<u>106,128</u>
(19,204)	Generated Income - Education	(17,180)	(32,000)
(119,453)	Schools Income - Education	(194,885)	(132,000)
(42,000)	Grant from Aided Schools Fund	(48,000)	(42,000)
664,274	Staff Costs - Education	642,300	695,200
18,966	Office Costs - Education	31,054	32,477
23,167	Travel Costs - Education	5,874	25,500
7,802	Resources & Equipment - Education	5,804	5,600
13,195	Governance & Support - Education	26,727	12,000
52,118	Events & Courses - Education	4,251	58,000
23,519	Projects & Activities - Education	12,015	27,000
<u>622,384</u>	Total Education	<u>467,960</u>	<u>649,777</u>

<u>ACTUAL</u> <u>2019</u> £		<u>ACTUAL</u> <u>2020</u> £	<u>BUDGET</u> <u>2020</u> £
(2,750)	Generated Income - Safeguarding	0	-
198,867	Staff Costs - Safeguarding	228,538	210,300
9,421	Office Costs - Safeguarding	13,613	16,494
4,742	Travel Costs - Safeguarding	1,818	5,000
3,191	Resources & Equipment - Safeguarding	2,375	3,150
8,898	Governance & Support - Safeguarding	12,037	10,000
3,184	Events & Courses - Safeguarding	3,824	500
20,433	Projects & Activities - Safeguarding	72,757	65,000
220	Finance Charges - Safeguarding	255	200
246,206	Total Safeguarding	335,217	310,644
65,120	Staff Costs - Church Buildings	69,317	69,400
4,219	Office Costs - Church Buildings	5,938	10,182
6,530	Travel Costs - Church Buildings	1,640	9,500
3,077	Resources & Equipment - Church Buildings	1,622	4,585
1,596	Events & Courses - Church Buildings	-	3,400
80,542	Total Church Buildings	78,517	97,067
42,009	Staff Costs - Mission & Pastoral	43,648	78,200
1,819	Office Costs - Mission & Pastoral	6,228	6,527
755	Travel Costs - Mission & Pastoral	31	-
102	Resources & Equipment - Mission & Pastoral	152	1,895
60	Events & Courses - Mission & Pastoral	-	-
44,745	Total Mission & Pastoral Committee	50,059	86,622
104,180	Closed Churches Expenditure	127,823	85,000
104,180	Total Closed Churches	127,823	85,000
21,322	Property Costs - Glebe Administration	12,977	43,340
8,712	Governance & Support Costs - Glebe Administration	3,089	-
30,034	Total Glebe Administration	16,066	43,340
(3,079)	Generated Income - Central Services	(1,132)	(5,000)
73,126	Investment Management Costs - Central Services	73,094	93,000
12,741	Property Costs - Central Services	262	-
505,306	Staff Costs - Central Services	548,168	555,260
55,789	Office Costs - Central Services	2,170	10,636
1,602	Travel Costs - Central Services	863	2,100
53,635	Resources & Equipment - Central Services	40,115	52,825
114,781	Governance & Support - Central Services	135,646	119,000
570	Events & Courses - Central Services	-	-
8,008	Projects & Activities - Central Services	7,064	3,000
9,587	Finance Charges - Central Services	(18,703)	10,500
832,066	Total Central Services (Governance, HR, Finance)	787,547	841,321
(13,411)	Generated Income - Comms	(240)	(8,000)
(3,654)	Trading Income - Comms	0	(1,000)
74,889	Staff Costs - Comms	73,685	75,300
2,356	Office Costs - Comms	4,668	5,870
1,158	Travel Costs - Comms	239	1,000
28,763	Resources & Equipment - Comms	13,740	26,500
630	Events & Courses - Comms	-	-
90,731	Total Communications	92,092	99,670

ACTUAL 2019 £		ACTUAL 2020 £	BUDGET 2020 £
5,804	Staff Costs - IT	-	11,500
145,136	Office Costs - IT	104,056	125,745
16	Travel Costs - IT	18	100
1,554	Resources & Equipment - IT	327	1,000
-	Governance & Support - IT	1,030	-
5,963	Projects & Activities - IT	14,447	14,000
31,739	Finance Charges - IT	32,373	31,000
<u>190,212</u>	Total Information Technology (IT)	<u>152,251</u>	<u>183,345</u>
<u>1,113,009</u>	Total General Office Costs	<u>1,031,890</u>	<u>1,124,336</u>
<u>1,335</u>	Total Exceptional Costs	<u>-</u>	<u>40,000</u>
555,685	National Church & General Synod Costs	527,859	555,684
6,651	Mission Agencies & CPAS Pensions	23,687	6,651
215,934	Retired Clergy Housing Scheme	226,731	215,934
8,527	General Synod Members' Expenses	6,960	10,000
<u>786,797</u>	Total National Church Responsibilities	<u>785,237</u>	<u>788,269</u>
<u>16,688,611</u>	TOTAL EXPENDITURE	<u>14,783,460</u>	<u>16,731,372</u>

UNRESTRICTED FUND - BALANCE SHEET
AS AT 31 DECEMBER 2020

<u>2019</u>			<u>2020</u>
£		£	£
	Tangible fixed assets		
6,101,659	Properties (page 9)		5,854,269
<u>134,205</u>	Furniture, fittings & equipment		<u>98,244</u>
6,235,864			5,952,513
	Investments		
130,188	Investments		107,210
<u>6,366,051</u>			<u>6,059,723</u>
	Current assets		
519,383	Debtors	1,098,635	
752,765	Loans	725,848	
<u>4,838,947</u>	Bank & Cash Deposit accounts	<u>5,129,586</u>	
6,111,095			6,954,069
	Less current liabilities		
(507,294)	Creditors	(570,822)	
<u>(507,294)</u>			<u>(570,822)</u>
5,603,801	Net current assets		6,383,246
	Less long term liabilities		
(37,000)	Church Workers Pension Fund - DBS	(31,000)	
<u>(100,000)</u>	Loans	<u>-</u>	
			(31,000)
<u>11,832,852</u>	NET ASSETS		<u>12,411,970</u>
	FUNDS		
	General fund		
4,413,181	Balance brought forward 1 January	5,489,895	
(101,807)	Excess expenditure over income for year	(463,151)	
745,000	Reallocation of payments: Clergy pension liability - 2020	741,000	
6,000	Reallocation of payments: CWPf DBF - 2020	6,000	
15,804	Unrealised gains/(losses) on revaluation of investments	(12,795)	
27,826	Gain on property sale	-	
321,460	Realised gains/(losses)	(1,593)	
<u>62,431</u>	Net transfers to Restricted funds	<u>(22,386)</u>	
5,489,895	Total General fund		5,736,971
6,342,957	Designated funds (page 12)		6,674,999
<u>11,832,852</u>	TOTAL FUNDS		<u>12,411,970</u>

PROPERTY IN THE OWNERSHIP OF THE BOARD OF FINANCE
UNRESTRICTED FUND

<u>Date</u>		<u>2020</u>	<u>2019</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	331,000	361,334
<u>RETIRED CLERGY HOUSES</u>			
Sept 83	49 Westgate, Chichester	330,000	227,315
Dec 87	12 Walsingham Road, Hove	575,320	575,320
Jan 06	19 Mill Close, Fishbourne (leasehold)	253,000	572,741
TOTAL VALUATION OR COST		5,854,269	6,101,659
NET BOOK VALUE		5,854,269	6,101,659

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

Brighton, Holy Trinity	Milland Old Chapel
Brighton, St Peter *	Rumboldswyke, St Mary
Stanmer	Southwick, St Peter
Burgess Hill, St John (part)	Spithurst, St Bartholomew
Chichester, St Bartholomew	St Leonards-on-Sea, St Leonard
Chichester, St Olaf	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
Lowfield Heath, St Michael and All Saints	

* 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 2020

<u>Net Parish Ministry Costs</u>	<u>Deanery promise</u>	<u>Amount collected</u>	<u>Percentage of receipts to promise</u>		
	<u>£</u>	<u>£</u>	<u>2020 %</u>	<u>2019 %</u>	
<u>ARCHDEACONRY OF CHICHESTER</u>					
1,165,468	Arundel & Bognor Deanery	975,714	873,572	89.5	93.6
863,234	Chichester Deanery	799,806	739,279	92.4	99.1
950,461	Worthing Deanery	798,864	789,031	98.8	99.9
363,238	Westbourne Deanery	383,800	361,370	94.2	100.0
<u>3,342,401</u>		<u>2,958,184</u>	<u>2,763,252</u>	<u>93.4</u>	<u>97.6</u>
<u>ARCHDEACONRY OF HORSHAM</u>					
765,448	Cuckfield Deanery	739,169	719,786	97.4	99.5
1,142,414	East Grinstead Deanery	772,618	738,932	95.6	96.7
946,014	Horsham Deanery	866,873	789,263	91.0	99.7
608,380	Hurst Deanery	607,185	582,851	96.0	99.0
405,701	Midhurst Deanery	366,249	373,116	101.9	100.0
450,008	Petworth Deanery	442,298	390,153	88.2	98.8
495,153	Storrington Deanery	470,058	469,465	99.9	100.0
<u>4,813,118</u>		<u>4,264,450</u>	<u>4,063,566</u>	<u>95.3</u>	<u>99.0</u>
<u>ARCHDEACONRY OF HASTINGS</u>					
610,793	Battle & Bexhill Deanery	443,632	422,213	95.2	100.0
640,870	Dallington Deanery	537,321	495,809	92.3	99.8
1,218,852	Eastbourne Deanery	1,019,962	866,824	85.0	99.2
719,147	Hastings Deanery	485,041	445,310	91.8	100.0
691,056	Rotherfield Deanery	666,876	676,691	101.5	100.0
520,070	Rye Deanery	398,975	327,379	82.1	99.4
593,168	Uckfield Deanery	458,401	428,950	93.6	96.9
<u>4,993,956</u>		<u>4,010,208</u>	<u>3,663,176</u>	<u>91.3</u>	<u>99.4</u>
<u>ARCHDEACONRY OF BRIGHTON & LEWES</u>					
1,504,330	Brighton Deanery	1,219,141	1,084,516	89.0	98.3
802,689	Hove Deanery	666,198	610,778	91.7	96.2
1,163,607	Lewes & Seaford Deanery	891,782	844,351	94.7	99.9
<u>3,470,626</u>		<u>2,777,121</u>	<u>2,539,645</u>	<u>91.4</u>	<u>98.3</u>
<u>16,620,101</u>	Total	<u>14,009,963</u>	<u>13,029,639</u>	<u>93.0</u>	<u>98.7</u>
	Prior Year Parish Share		87,823		
<u>16,620,101</u>	Total including prior years	<u>14,009,963</u>	<u>13,117,462</u>	<u>93.6</u>	<u>99.6</u>
Reconciliation:					
	add additional voluntary contributions not attributed to a year		2,500		
	Total Parish Share reported		<u>13,119,962</u>		

ENDOWMENT AND RESTRICTED FUNDS - BALANCE SHEET
AS AT 31 DECEMBER 2020

<u>2019</u>		<u>2020</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	1,152,184
174,012,044	Parsonage property - Parsonage fund	172,006,905
42,453,941	Glebe property - Stipend fund	45,293,676
4,439,485	Glebe Land - Stipend Fund	4,439,485
<u>228,246,674</u>		<u>228,690,940</u>
	<u>INVESTMENTS AT MARKET VALUE</u>	
14,719,012	M&G Charifund units	12,165,350
25,394	M&G Charibond units	25,686
13,039,250	Charles Stanley Portfolio	9,523,020
7,317,461	JM Finns Portfolio	7,258,743
7,373,903	Cazenove Portfolio	7,516,675
4,180	CBF fixed interest security shares	4,468
<u>42,479,201</u>		<u>36,493,942</u>
	<u>CURRENT ASSETS</u>	
309,958	Loans	309,681
16,417	Debtors	16,417
1,861,342	Bank & Cash Deposit accounts	3,436,484
<u>2,187,717</u>		<u>3,762,582</u>
272,913,592		268,947,464
	<u>LESS: CURRENT LIABILITIES</u>	
(1,726,671)	Loans to the Board for houses purchased for deserted spouses	(1,720,636)
135	Creditors	-
(1,628,000)	Clergy pension scheme	(852,000)
<u>(3,354,536)</u>		<u>(2,572,636)</u>
<u>269,559,056</u>		<u>266,374,827</u>
	FUNDS (page 12)	
252,020,628	Endowment funds	250,991,987
17,538,428	Restricted funds	15,382,840
<u>269,559,056</u>		<u>266,374,827</u>

BREAKDOWN OF ENDOWMENT, RESTRICTED AND DESIGNATED FUNDS

<u>ENDOWMENT FUNDS</u>	Balance 01/01/2020	Income	Expendi- ture	Revaluation of property / investments	Transfers	Balance 31/12/2020
	£	£	£	£		£
Diocesan stipends fund (p13)	59,042,008	135,956	(53,378)	883,473	35,000	60,043,059
Parsonage Fund (p15)	180,311,549	(81,745)	-	(1,178,117)	0	179,051,687
Clergy welfare fund	2,364,729			(258,373)		2,106,356
Elfinsward trust	2,320,787			(253,406)		2,067,381
Terry's Cross	5,167,433			0		5,167,433
Jenkinson trust	52,333			(5,685)		46,648
Training fund	942,491			(102,359)		840,132
University chaplaincy	662,037			(2,881)		659,156
Hayllar trust	76,798			(7,567)		69,231
The Poling Fund	668,866			(94,609)		574,258
The Arnold Bequest	411,597			(44,951)		366,646
	252,020,628	54,211	(53,378)	(1,064,474)	35,000	250,991,987

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 01/01/2020	Income	Expendi- ture	Revaluation of property/ investments	Transfers	Balance 31/12/2020
	£	£	£	£		£
Diocesan pastoral account (p14)	15,072,377		(122,030)	(1,253,058)	(650,045)	13,047,244
Clergy welfare fund	1,170,362	78,256	(82,387)	(86,828)	0	1,079,402
B Wild Clergy Welfare Fund	940,056	22,751	(61,322)	(34,935)		866,550
The Poling Fund	16,993	25,281	(446)			41,829
Clergy widows	26,102	22	(4,130)			21,995
University chaplaincy	37,866	1,107	(104)			38,869
Jenkinson trust	20,137	1,701	(143)			21,695
Hayllar trust	77,973	2,844	(241)			80,576
World Church Experience	43,120	210	0			43,330
Harvest Appeal	68,356	1,874	(8,849)			61,382
The Arnold Bequest	40,862	13,658	(18,408)			36,113
Hospital Chaplaincy	19,600					19,600
Readers Funds	9,044	158	(6,884)	288		2,607
Schools resources	3,354					3,354
ADs' funds - Care of Churches	1,453					1,453
Scorrer Music fund	19,803	84				19,887
Leavers Service Collections	3,660					3,660
Strategic Development Funding	-	93,315	(181,360)		88,045	-
West Lavington Fabric Fund	10,128					10,128
RME Block grant	(46,032)	568,016	(545,630)			(23,646)
Restricted Donations	-	500	0			500
Charles Marriott Fund	2,435	3,100	-			5,535
Disadvantaged Youth Fund	777	-				777
Youth development/leadership	0					0
	17,538,428	812,880	(1,031,935)	(1,374,533)	(562,000)	15,382,840

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

<u>DESIGNATED FUNDS</u>	Balance 01/01/2020	Income	Expendi- ture	Revaluations	Transfers	Balance 31/12/2020
	£	£	£	£		£
Property fund	6,085,931			(247,390)		5,838,541
Parish mission fund	241,085	50,000	(121,532)		50,000	219,553
Bishop Certificates	13,576	103		360	0	14,040
Closed Church Furnishings	2,365	500				2,865
Sustainability Fund	0	600,000				600,000
Ecumenical officer fund	-	-			0	-
	6,342,957	650,603	(121,532)	(247,030)	50,000	6,674,999

DIOCESAN STIPENDS FUND CAPITAL ACCOUNT

31 December 2020

Balance 1 January 2020	£
	59,042,008
	<hr/>
	59,042,008

INCOME

<u>Sale of Glebe property etc.</u>	Valuation	Proceeds	Profit/(loss)
Park View	289,285	380,192	90,907
The Bungalow	348,067	343,116	(4,951)
Release of restrictive covenant	0	50,000	50,000

<hr/>	<hr/>	<hr/>	<hr/>
637,352	773,308	135,956	

TOTAL INCOME 135,956

EXPENDITURE

Stipend costs (53,378)

TRANSFER TO OTHER FUNDS

REVALUATIONS OF ASSETS AND PENSION LIABILITY

Revaluation of Glebe property for the 12 months at 31st December 2020	2,673,073
Revaluation of Glebe land for the 12 months at 31st December 2020	0
Revaluation of Clergy Pension Deficit at 31st December 2020	35,000

GAINS/(LOSS) ON REVALUATION OF INVESTMENTS

Realised gain/(loss) on sale of Charles Stanley Portfolio	(112,106)
Realised gain/(loss) on sale of Cazenove Portfolio	(20,941)
Realised gain/(loss) on sale of JM Finns Portfolio	<u>(80,998)</u>
	(214,044)

Unrealised gain/(loss) on revaluation of Cazenove Portfolio	108,099
Unrealised gain/(loss) on revaluation of Charles Stanley Portfolio	(685,424)
Unrealised gain/(loss) on revaluation of JM Finns Portfolio	129,631
Unrealised gain/(loss) on revaluation of M&G Charifund units	<u>(1,127,862)</u>
	(1,575,556)

NET GAIN ON REVALUATION OF INVESTMENTS (1,789,600)

Balance 31 December 2020	<hr/>
	60,043,059

REPRESENTED BY:

	<u>Market</u>
	<u>value</u>
	£
Charles Stanley Portfolio	4,383,779
JM Finns Portfolio	3,028,411
M&G Charifund units	5,373,001
Cazenove Portfolio	<u>2,035,364</u>
	14,820,554
Glebe Property at Valuation	45,293,679
Glebe Land at Valuation	4,439,485
Cash at bank	(3,658,659)
Creditor - Clergy pension Fund Liability	<u>(852,000)</u>
	<hr/> <hr/>
	60,043,059

MEMO

<u>Purchase & transfers of Glebe properties</u>	
Knowle Cottage	804,014
	<hr/>
	804,014

DIOCESAN PASTORAL ACCOUNT
31 December 2020

		£
Balance 1 January 2020		15,072,377
INCOME		
<u>Sale of land</u>		
	_____	-
<u>Proceeds of former parsonages</u>		
<u>Trf from parsonage fund</u>	_____	-
TOTAL INCOME		-
EXPENDITURE		
<u>Grants</u>		
Brighton Deanery	(50,000)	
Parishes	(72,030)	
	_____	(122,030)
TRANSFER TO OTHER FUNDS		
Mission Fund	(50,000)	
SDF projects	(88,045)	
General Fund for Clergy housing	(512,000)	
	_____	(650,045)
TOTAL EXPENDITURE AND TRANSFER		(772,075)
GAINS/(LOSS) ON REVALUATION OF INVESTMENTS		
Realised gain/(loss) on sale of Charles Stanley Portfolio	(78,517)	
Realised gain/(loss) on sale of Cazenove	(48,831)	
Realised gain/(loss) on sale of JM Finns Portfolio	(82,131)	
	_____	(209,479)
Unrealised gain/(loss) on revaluation of Charles Stanley Portfolio	(480,058)	
Unrealised gain/(loss) on revaluation of JM Finns Portfolio	131,444	
Unrealised gain/(loss) on revaluation of M&G Charifund units	(947,039)	
Unrealised gain/(loss) on revaluation of Cazenove Portfolio	252,074	
	_____	(1,043,579)
NET GAIN ON REVALUATION OF INVESTMENTS		(1,253,058)
Balance 31 December 2020		<u>13,047,244</u>
REPRESENTED BY:		
		<u>Market</u>
		<u>value</u>
		£
Investments		
Charles Stanley Portfolio		3,070,317
JM Finns Portfolio		3,070,766
M&G Charifund units		4,511,585
Cazenove		4,746,231
		<u>15,398,899</u>
Debtors		-
Cash at bank		(2,351,655)
Creditors		-
		<u>13,047,244</u>

PARSONAGE FUND
31 December 2020

£

Balance 1 January 2020 180,311,551

INCOME

<u>Sale of parsonages, etc.</u>	Valuation	Proceeds	Profit/(loss)
Sale of Field House	972,005	799,754	(172,251)
Sale of Fairlight Road	440,534	591,998	151,464
Sale of 16 The Paddock	583,001	522,043	(60,958)
	<u>1,995,540</u>	<u>1,913,795</u>	<u>(81,745)</u>

TOTAL INCOME (81,745)

EXPENDITURE

Transfer net proceeds of sale of former parsonages	0
Revaluation of property for the 12 months to 31st December 2020	(1,178,117)
Balance 31 December 2020	<u><u>179,051,689</u></u>

REPRESENTED BY:

Parsonage Property at Valuation 31/12/20	172,006,906
Cash at bank	<u>7,044,783</u>
	<u><u>179,051,689</u></u>

MEMO

<u>Purchase & transfers of parsonages</u>		
Chantry Mead	604,614	
Forest Oaks	563,903	
		<u>1,168,517</u>

ARCHDEACON'S LOAN FUNDS - BALANCE SHEET AT 31/12/20

	<u>Sussex Church Campaign</u>	<u>Denne</u>	<u>Godman</u>	<u>Rawson</u>	<u>TOTAL</u>
	£	£	£	£	£
<u>CAPITAL</u>					
At 1 January 2020	172,353	376,968	207,737	205,263	962,322
Gain/(loss) on disposal	(563)	(2,568)	(1,259)	(1,052)	(5,442)
Additions	-	-	-	-	-
Unrealised gains/(loss) on revaluation of investments	(17,575)	(9,203)	(8,486)	(12,588)	(47,851)
At 31 December 2020	154,215	365,197	197,993	191,622	909,027
<u>Investments at market value</u>					
M&G Charifund units	97,576	106,990	71,387	85,841	361,793
Cazenove	54,749	249,590	122,379	102,251	528,969
Cash	1,890	8,618	4,226	3,530	18,264
	154,215	365,197	197,993	191,622	909,027
<u>ACCUMULATED INCOME</u>					
At 1 January 2020	218,529	337,280	122,924	209,542	888,275
Investment income 2020	6,166	11,158	6,446	6,683	30,454
Expenses	(313)	(1,457)	(699)	(584)	(3,053)
	224,383	346,981	128,671	215,641	915,676
Represented by:					
CBF deposits	25,572	27,498	25,619	25,803	104,492
Bank	116,811	81,210	64,055	102,838	364,914
Loans outstanding	82,000	238,273	38,997	87,000	446,270
	224,383	346,981	128,671	215,641	915,676
Funds currently available	142,383	108,709	89,674	128,641	469,407

AIDED SCHOOLS FUND
INCOME & EXPENDITURE 2020

<u>2019</u>		<u>2020</u>	
£	INCOME	£	£
976	Donations	1,703	
-	Voluntary Aided Schools Capital Project Fund	-	
49,656	Dividends and interest	47,534	
33,099	Rental income	10,440	
1,358	Other income	-	
<u>125,000</u>	Gain on sale of school house property	<u>115,328</u>	
210,089	TOTAL INCOME		175,005
	EXPENDITURE		
42,000	DBF administration charge	48,000	
900	Other expenses	4,744	
20,000	Grants paid	68,684	
<u>486</u>	Bank charges	<u>603</u>	
(63,386)	TOTAL EXPENDITURE		(122,031)
150,755	UNREALISED GAIN/(LOSS) ON REVALUATION OF INVESTMENTS		(97,772)
<u>297,457</u>	NET MOVEMENT IN FUNDS		<u>(44,798)</u>

BALANCE SHEET 31/12/20

£			
2,414,089	Balance 1 January		2,711,546
<u>297,457</u>	Profit/(loss) for the year		<u>(44,798)</u>
<u>2,711,546</u>	Balance 31 December		<u>2,666,748</u>
	REPRESENTED BY:		
1,206,748	Investments at market value		1,108,976
-	Long term loans to governors		-
67,207	Debtor - School Building Projects		523,926
52,390	Debtors		46,695
855,680	CBF deposit accounts		1,988,303
891,906	Cash at bank		2,402,818
(113,151)	Creditor - School Building Projects		(216,825)
-	Creditor - School Condition Allowance		(1,901,829)
(210,539)	Creditors		(1,252,529)
952	Amount owed from General Funds		233
<u>(39,647)</u>	Contingent liability		<u>(33,020)</u>
<u>2,711,546</u>			<u>2,666,748</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 2020

2019		2020
£		£
<u>PARISH TRUSTS</u>		
16,001,001	Capital	16,452,211
127,988	Income	134,269
<u>16,128,989</u>		<u>16,586,480</u>
REPRESENTED BY:		
15,444,701	Investments at market value	15,868,134
-	Sundry debtors	-
541,576	Central Board of Finance deposits	584,077
0	Creditor	-
142,712	Cash at bank	134,269
<u>16,128,989</u>		<u>16,586,480</u>
<u>CHANCEL TRUSTS</u>		
617,493	Capital held in trust for chancels	576,024
37	Capital held on account for administration	37
254,607	Accumulated income (claimable by parishes)	257,498
<u>872,137</u>		<u>833,559</u>
REPRESENTED BY:		
617,493	Investments at market value	576,024
254,607	Central Board of Finance deposits	257,498
37	Cash at bank	37
-	Creditor	-
<u>872,137</u>		<u>833,559</u>
<u>EDUCATION TRUST FUNDS</u>		
<u>3,238,316</u>	Funds held for Governors and Trustees	<u>4,148,450</u>
REPRESENTED BY:		
2,292,033	Investments at market value	2,405,200
946,283	Current deposits and bank	1,743,250
<u>3,238,316</u>		<u>4,148,450</u>

Reconciliation of Red Book and Statutory Accounts - 2020

	UF £	DF £	RF £	EF £	Total £
Income per Red Book					
AD Loans	16,143,182	650,603	812,880	54,211	
Schools			30,454		
			175,005		
	<u>16,143,182</u>	<u>650,603</u>	<u>1,018,339</u>	<u>54,211</u>	<u>17,866,335</u>
Adjustments:					
Stipend fund income - restricted in statutory accounts and unrestricted in Red Book	(952,045)		952,045		
Training fund income - restricted in statutory accounts and unrestricted in Red Book	(30,371)		30,371		
Departmental income credited to expenditure in Red Book	263,887				
Curates and Officers Housing - internal transfer. Excluded from statutory accounts	(256,404)				
Guaranteed annuities - not reported in Red Book	11,426				
Realised gain on sale of Glebe property below the line in statutory accounts				(135,956)	
Realised loss on sale of Parsonage property below the line in statutory accounts				81,745	
Rounding	(3)				
Adjusted Red Book total - income	<u>15,179,672</u>	<u>650,603</u>	<u>2,000,755</u>	<u>-</u>	<u>17,831,030</u>
Statutory accounts totals - income	15,179,672	650,603	2,000,755	-	17,831,030

	UF £	DF £	RF £	EF £	Total £
Expenditure per Red Book					
AD Loans	17,118,333	121,532	1,031,935	53,378	
Schools			3,053		
			122,031		
	<u>17,118,333</u>	<u>121,532</u>	<u>1,157,019</u>	<u>53,378</u>	<u>18,450,261</u>
Adjustments:					
Pension fund movement - not reported in Red Book	(35,000)				
Stipend fund expenditure - restricted in statutory accounts and unrestricted in Red Book	(952,045)		952,045		
Pension deficit contribution - movement in creditors in statutory accounts	(747,000)				
RME Block Grant income and expenditure - included in Red Book but restricted in statutory accounts	22,386				
Departmental income credited to expenditure in Red Book	263,887				
Grant from Aided Schools fund - transfer in statutory accounts	48,000		(48,000)		
Curates and Officer housing. Internal transfer. Excluded from statutory accounts	(256,404)				
Guaranteed annuities - not reported in Red Book	11,426				
Training fund expenditure - restricted in statutory accounts and unrestricted in Red Book	(30,371)		30,371		
Adjusted Red Book total - expenditure	<u>15,443,212</u>	<u>121,532</u>	<u>2,091,435</u>	<u>53,378</u>	<u>17,709,557</u>
Statutory accounts totals - expenditure	15,443,212	121,532	2,091,435	53,378	17,709,557

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, and in a period where Covid has and continues to present its own particular challenges, 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 our new Generous Giving Advisor, Reverend Andrew Smith (01273 425042 or email andrew.smith@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. The Parish Advisor, John Kemp, retires at the end of April 2021. Details of his successor will be communicated when available.

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