

DBF BUDGET 2020**Motion**

The Chair of the Board of Finance to move:

"That the Synod authorises the expenditure of a sum for the Common Fund not exceeding £13.5M".

The Chair of the Board of Finance to then move:

"That the Synod endorses the Bishop's Council's approach to the 2020 Budget with the aim of breaking even in 2020 but with a prudent fall-back plan should parish offers fall short of the required level."

Background

The Budget for 2020 is the last year of the three-year Financial Strategy, approved by Bishop's Council in February 2018, which aimed for a break-even position in this calendar year. Bishop's Council has approved a break-even budget for 2020, which is here put before Synod.

In the last three years, much work has been undertaken to enable this strategy to come to fruition. This has included the launch of Called Together and implementation of its workstreams.

Extensive work has been done on the twelve workstreams. This whole exercise is concerned with growth and enrichment of the churches in our Diocese, building resilient and growing churches, and is essential for the ongoing well-being and financial viability of the Diocese.

In early 2019, the Called to Grow initiative was launched; a process to encourage and enable every church to develop a plan for growth. A 5-step approach has been developed for parishes, delivered through a toolkit. Three Archdeaconry Growth Enablers have been recruited who will support parishes as they develop and implement their growth plans. Bishop's Council last year agreed to commit £500K from the Diocesan Pastoral Account (available to fund mission) to fund these Growth Enablers over three years.

In late June 2019, we received the welcome news that the Strategic Investment Board of the Church Commissioners agreed to award funding, on behalf of the Archbishops' Council, of £1,388K. This was the full amount of our Stage Two application and facilitates growth enablement projects in five focus parishes. In particular, this support is to evangelistic activities in Anerley, Erith, Gillingham and Strood – all deprived urban areas, but with growing churches and a passion to bring more people to become disciples of the Lord Jesus. The funding is over 5 years, 2019-2024, and mobilisation work has already begun.

Altogether, the Diocese has now secured approximately £4M of external funding towards the mission of the Diocese.

Significant work has also gone into the consideration of the suitable deployment of clergy. Over the last 10 years, 22 full-time posts have been reduced. A new Deployment Tool has been developed and is in use for all vacancies. Further, new models of parish mission are also being implemented. In the last decade, there have been 38 Pastoral Schemes/Orders that have re-organised parishes or appropriated parts of churchyards and there have been 5 Bishop's Mission Orders (one of which is no longer in existence).

Diocesan expenditure has been kept under close control over the last 10 years. This is at a time when it has had to deal with increasing costs of compliance, including safeguarding, as well as the transfer of costs from the national church, including clergy pension deficit payments (c£7M provision) and the

transfer of the cost of curates from parishes (c£1M p.a.) to the Common Fund. All this has been contained within the envelope of diocesan expenditure and has not been fully passed onto parishes.

We are also, from 2020, implementing the new Common Fund and the underlying Indicative Offer calculation as the suggested basis for Parish Offers. This follows a period of extensive consultation and has included detailed modelling, with in-depth review of underlying finances and reserves of parishes.

The break-even budget agreed by Bishop's Council is based on the successful implementation of the proposal for Indicative Offers, alongside the recovery of DBF fees. Bishop's Council believes it is appropriate to place this challenge before the Diocese at this point. If everyone pulls together, it is believed that this budget is achievable. If the Diocese can achieve break-even level, the five-year plan shows that it can be sustained and the narrative can change from one of decline and downsizing to one of mission and growth and the appropriate deployment of ministry. This is the hope.

However, Bishop's Council is conscious of our previous record of over-ambitious budgets which have included significant increases in Parish Offers and which in the event have not materialized. With this in mind, Bishop's Council has also produced a 'Base-case' budget, being a prudent fall-back plan should Parish Offers fall short of the required level and to satisfy itself that adequate resources and liquidity would be available in such circumstance.

Budget 2019

The 2020 Budget for the Common Fund that is recommended for approval is to reach breakeven. We are budgeting a small deficit of £82K (see Budget 2020 Break-even Budget attached, and at Appendix II, Schedule I), which compares to the 2019 Forecast deficit of £618K (after a transfer of £500K from the Diocesan Pastoral Account) and the 2019 Budget deficit approved last year of £602K.

The principal movements are shown below:

	£'K
Deficit per 2019 Forecast	(618)
Transfer from Diocesan Pastoral Account (re 2019 Budget)	(500)
Decrease in clergy stipends	105
Increase in Parish Offers	250*
Recovery of DBF fees	387*
Reduction in lay pension costs	166
Increase in capitalisation of parsonage costs	100
Other	<u>28</u>
Deficit per 2020 Budget	<u>(82)</u>
Deficit per 2019 Budget	(602)
Decrease in clergy stipends	70
Reduction in Parish Offers	(56)
Increase in DBF fees	380
Reduction in lay pension costs	166
Increase in capitalisation of parsonage costs	100
Other	<u>(140)</u>
Deficit per 2020 Budget	<u>(82)</u>

*representing in aggregate a 7.1% increase on the forecast Parish Offers in 2019

The Financial Strategy, adopted by Synod in March 2018, was to break-even by 2020. This budget delivers that objective. It is contingent upon the successful implementation of the proposal for Indicative Offers alongside the recovery of DBF fees. This implies a 7.1% increase in aggregate contributions to the Diocese (Parish Offers plus DBF Fees) from parishes on the forecast Parish

Offers in 2019.

The overall cash balances are budgeted to decrease from the forecast year-end balance of £7.4M to £5.0M (being in excess of the current level of minimum liquidity and cash reserves of £4.6M).

The Break-even Budget has been arrived at after applying transfers from Trust for London to fund additional posts in connection with Called Together (see below). We have also committed £500K funds from the Diocesan Pastoral Account to fund three Archdeaconry Growth Enablers over three years to support the Called to Grow initiative.

Parsonage repair and maintenance is maintained at last year's level of £750K (including insurance). In addition, we are investing a further £500K over two years (funded from the Diocesan Pastoral Account). This follows £500K of catch-up work in 2018/9 (with c£250K in late 2018 and c£250K in early 2019).

In late June, we received the welcome news that the Strategic Investment Board agreed to award funding, on behalf of the Archbishop's Council, of £1,388K. This was the full amount of our Stage Two application and facilitates growth enablement projects in five focus parishes. The funding is over 5 years, 2019-2024, and mobilisation work has already begun. The budget incorporates the award.

Break-even Budget and Key Assumptions

The detailed assumptions to the Budget are set out in Schedule II of the Budget 2020 in Appendix II and includes as follows:

- The stipendiary clergy numbers are budgeted at 181.5 (2019F: 182.4) and with vacancies budgeted at 11.0% (2019B: 9.4%; 2018A: 10.2%). This assumes an additional number of vacancies.
- An intake of 6 stipendiary curates from June 2020, giving a total of 23.0 (2019F: 23.7; 2018A: 25.5 stipendiary posts).
- Parish Offers budgeted at £9.39M (2019F: £9.14M; 2019B: £9.45M; 2018A: £9.19M). This assumes that there is an increase of £250K compared to the 2019 forecast, resulting from the introduction of Indicative Offers; the total calculation of 2020 Indicative Offers, based on 2017 and 2018 accounts, being £9.69M.
- Recovering £400K of DBF fees, to be introduced from 1 January 2020; being the estimated level of DBF fees.
- Revised arrangements with Lay Staff Defined Pension Scheme (with an employer's contribution rate of 26.3% from July 2019 (2019B: 37.8%).
- A 2.0% increase in Diocesan Staff salaries from 1 April 2020.
- Property Repairs of £750K (2019B: £750K). And an additional £500K over two years (funded from the Diocesan Pastoral Account) toward additional parsonage repair and maintenance.
- Capitalisation of £350K of property expenditure in relation to parsonage and DBF owned properties.

The Break-even Budget, as stated above, is based on the successful implementation of the proposal for Indicative Offers alongside the recovery of DBF fees. It also assumes an increase in vacancies from 10.2% to 11.0% and more efficient rental of properties. These factors are crucial in enabling a break-even position to be achieved.

A fall-back Base Case Budget has however also been worked up. This assumes that Parish Offers actually decline from the £9.14M forecast in 2019 to £8.9M in 2020, with the recovery of DBF Fees of £400K, and that the clergy vacancy percentage is maintained at 10.5%. This Base Case indicates a deficit of £833K, which compares to the 2019 Forecast deficit of £618K (after £500K transfer from Diocesan Pastoral Account) and the 2019 Budget deficit of £602K.

Cash Flow and Fund Value Projections

Appendix III sets out the Cash Flow and Fund Value Projections with Capital Budget. The Summary 2020 Cash Flow summarised in the table below:

Summary 2020 Annual Cash-flow (Operating & Capital)

	£K
Forecast Operating Loss on Common Fund	(82)
Expenditure transferred from other funds	(580)
	(662)
Capitalized property deducted in 'Property Additions' below	350
Less Pension scheme deficit funding - clergy scheme	(527)
Add Non-cash interest on pension liabilities	45
	(794)
Property Disposals	
General Fund	0
Restricted Fund	3,658
Endowment Fund	1,498
	5,156
Property Additions	
General Fund	0
Restricted Fund	(3,945)
Endowment Fund	(90)
	(4,035)
Project Capital Expenditure	
Chatham Town Centre	(46)
Kings Hill	(1,173)
Ebbsfleet	(575)
	(1,794)
Loans to Parishes	(750)
Contingency	(250)
Net Cash inflow/(outflow)	(2,467)
Cash & Short-term investments b/f (Forecast 1/1/20)	7,431
Cash c/f (31/12/20)	4,964

The Capital Budget includes envisaged property disposals and additions and project expenditure. Inevitably, they are estimations both in terms of value and timing. Cash-flow is projected on a monthly basis. Assumptions are made concerning anticipated dates for disposals and additions which are currently in the process of being considered. A contingency of unexpected cash-outflow of £250K is included.

An overall cash flow monthly analysis, combining budgeted operating and capital movements, is set out in Schedule II of Appendix III. This shows that overall cash balances are budgeted to decrease from the forecast year-end balance of £7.4M to £5.0M. Of the £2.0M cash outflow, £1,794K is from existing projects, including £1,173K for the new build of St Gabriel's at Kings Hill. This is in excess of the minimum liquidity policy and cash reserves currently at £4.6M.

However, should the budgeted income figure not be achieved, then there will be significant pressure on liquidity and steps will need to be taken to manage cash-flow carefully. Under the Base Case, overall cash balances are budgeted to decrease from the forecast year-end balance of £7.4M to £4.2M, which would lead to a breach in the liquidity and minimum cash reserves policy and would entail the need to realize market investments of at least £0.5M.

Schedule II of Appendix III includes the budgeted movement in funds. The Common Fund at the end of 2019 is forecast to be standing at £6.1M. This is expected to fall to £5.8M at the end of 2020 (being in excess of the minimum policy of £5.0M). The Common Fund at the end of 2019 under the Base Case Budget would stand at £5.1M (being just in excess of the minimum policy of £5.0M).

Five-year Projections

As stated above, the aim is to break-even in 2020, as per the Financial Strategy adopted in February 2018, which is dependent upon the successful take-up of Indicative Offers implemented in Autumn 2019 for 2020.

Financial Projections (Rolling Five-year Financial Projections, Appendix IV) have been modelled and flexed based on a number of scenarios to ensure that a range of eventualities are assessed and the appropriate management action required.

The first scenario is the Break-even Budget, which assumes: in 2020, the full recovery of DBF Fees of £400K and Parish Offers increasing £250K in each of next two years to £9.7M (being the calculated level of Indicative Offers) (i.e. an increase in parish contributions of 7.1% in 2019 and a follow on 3.2% increase in 2021) and growing by 1% p.a. thereafter; a reduction of 1 Stipendiary Clergy post in 2020 and nil for next four years; an increase in the clergy vacancy rate to 11% and rental of 10 parsonages for six months; and a 2.0% increase in stipends and diocesan staff salaries. This shows the maintenance of a break-even position over the next five years.

The second scenario is the Base Case Budget (as adjusted for achievable additional rental income), which assumes: in 2020, the full recovery of DBF Fees of £400K and Parish Offers of £8.9M, with DBF fees and Parish Offers together representing a 1.7% growth on 2019 Forecast Parish Offers of £9.14M; DBF fees and Parish Offers growing 2% in 2021 and 2022 and 1% growth p.a. thereafter; a reduction of 1 Stipendiary Clergy post in 2020 and 3 p.a. for next four years. This indicates that break-even might be reached by the end of 2022.

The other scenarios show the impact of differing levels of Parish Offers and clergy numbers; these being the principal drivers of the budget.

Called Together

The Called Together strategy focuses on growth, and aims to support parishes to grow disciples, enrich communities, and resource mission and ministry at every level. To deliver some of this work to the desired level requires additional staff resource. As stated in last year's budget, this includes 2 additional part time posts in the Children and Young People team and additional part time posts in Mission & Community Engagement team. This is being funded through realignment of existing diocesan funding, Trust for London and Strategic Development Fund (SDF) funding. The total of these cost re-allocations is £102K.

The recent SDF grant of £1.388M enables projects in five focus parishes to proceed. The funding is over 5 years, 2019-2024, and mobilisation work has already begun. The Missional Property Fund and Children's' and Young People Fund will continue to make grants, which have been over-subscribed and successfully achieving their objectives.

In early 2019, the Called to Grow initiative was launched; a process to encourage and enable every church to develop a plan for growth. A 5-step approach has been developed for parishes, delivered through a toolkit. Three Archdeaconry Growth Enablers have been recruited who will support parishes as they develop and implement their growth plans. We have also committed £500K from the Diocesan Pastoral Account to fund these Growth Enablers over three years.

Financial Management and Control

A summary of departmental budgets together with the purpose and objectives of each, is set out in Appendix I: Department Budgets 2020.

Detailed monthly management accounts scrutinizing expenditure and cash-flow (including capital movements) are produced and reviewed. During 2018, cash flow projections were enhanced by detailed capital plans. There are strong levels of budgetary control in place. There remains confidence that we have a tight rein over all expenditure and cash flow.

Much of the expenditure for the Diocesan Office is related to staff that we employ. We are budgeting the headcount of full-time equivalents of 46.9 (2019F: 43.6; 2019B 39.8; 2018A 39.4). The increase in 2019 resulted from the additional Called Together posts described above and an additional Safeguarding post, and the increase in 2020 is largely due to the recruitment of the 3 Growth Enablers.

Financial Strategy

The current financial strategy is to achieve a break-even operating position by the end of 2020. We had indicated last year that this may take longer to achieve, but full take-up of Indicative Offers and the recovery of DBF fees will enable this to be achieved in 2020. It has been planned to reach this position through two strategic pillars – a combination of moderate reductions in stipendiary clergy posts and moderate increases in Parish Offers.

In the last 10 years, overall stipendiary clergy in post at the year-end has declined from 206 to 192; i.e. 6.8%. Clergy FTE posts have fallen from 203 to 181 (a reduction of 22!). There have been 38 Pastoral Schemes/Orders that have re-organised parishes or appropriated parts of churchyards; and 3 or 4 to simply change the names of benefices. And there have been 5 Bishop's Mission Orders (one of which is no longer in existence).

In real terms, Parish Offers have declined by 5.1% in the last 10 years. During this period Average Weekly Attendance fell from 30,300 to 22,927; a decline of 24.3%. Parish Offers have been held remarkably flat in nominal terms in recent years, although in 2018 they decreased by 2% as shown in the table below:

£'000	2014	2015	2016	2017	2018	2019F
Parish Offers	9,222	9,223	9,374	9,388	9,190	9,142
<i>Clergy Incumbents WTE</i>	<i>197</i>	<i>190.2</i>	<i>189.1</i>	<i>184.5</i>	<i>180.2</i>	<i>182.2</i>

Parish Offer per adult (Parish Offers/ AWA (adult)) has increased over the last 10 years from £416 p.a. per adult to £462 p.a., which is an increase of 16.6% in nominal terms and 5.4% in real terms.

In summary, Parish Offers have declined in real terms as attendance has declined and contributions per member have been increasing in real terms to prop up actual levels of Parish Offers. This notably has been during a period of austerity.

Notwithstanding, Rochester's Contribution Percentage (Parish Share as a percentage of Total Income) is at 31.3%, which compares to the CofE diocesan average of 33.4%; placing our Diocese 37 out of 46, in the lowest quartile. This is principally a legacy of the past financing structure of

the diocese, whereby stipends up until 2015 were funded locally at parish level.

If the Contribution Percentage could be increased to the CofE average of 33.4%, this would imply an increase in Parish Offers to £9.78M. It should be noted the CofE average Contribution Percentage is apart from the recovery of DBF fees, which already happens in every other Diocese.

Further, if the freewill offering rate can be increased from the current rate of 3.2% of income to the CofE average of 3.4%, then an additional £870K might be raised by parishes on total giving of £13.95M (based on 2017 rates). At the current contribution rate of 31.3%, this implies a further potential increase in Parish Offers of £272K. Plans are afoot to recruit a Generous Giving Officer, so it will take some time for renewed focus to work through.

Taking the above two factors into account would imply Parish Offers levels of £10.1M. Interestingly, this is approximately equal to the modelled total of Indicative Offers for 2020 of £9.7M (based on 2017 and 2018 income) together with the DBF fees of £400K. It should, however, be noted that this level of Parish Offers implies, all things being equal, an increase in Parish Offer per adult (Parish Offers/ AWA (adult)) from £462 p.a. to £508, which is an increase of 10.0% on current levels.

Other Dioceses Increasing Parish Contributions

Evidence shows that the particular share system adopted is not a major factor in recovery of parish share. The three dioceses with the largest increases in recent years are Truro, Peterborough and Norwich; and all have different stories behind their growth¹. Truro requested a 26% increase in parish share in 2015, and whilst it wasn't achieved in full, it gave a 21.5% in-year step change in parish share collected, leaving them with the highest growth in receipts between 2013 and 2017 of 19.2%. Peterborough has had a consistently demanding ask (2014 to 2017 saw increases requested between 4.7% and 5.9%) with a strong follow-up and stewardship support to parishes targeted in part to those struggling to contribute share. This has yielded an 18.2% increase between 2013 and 2017.

The third diocese in the top category, Norwich, introduced a new share system in 2014, which moved to a cost basis of parish share (i.e. based on stipends and diocesan support costs). Supported benefices (those contributing less than their cost) "were invited to start a journey towards paying for their own ministry, starting with what they have actually paid in the past and challenging themselves to contribute an additional 15% each year until they are meeting their costs." Again, there was strong diocesan engagement, and a series of meetings with parishes to help and support them with planning and execution. This resulted in a 15.9% increase over the period.

It is recommended to pursue an increase in Parish Offers and there is experience in other Dioceses that significant increases in giving have been achievable.

A break-even operating position, achieved principally through the implementation of Indicative offers together with a renewed emphasis on Stewardship, will entail an increase in parish contributions of 7.1% in 2019 and a follow on 3.2% increase in 2021. This will require a concerted effort from all parts of the Diocese.

The Rev Richard Williams BSc FCA
Finance Director

¹ 2018 Parish Share Systems Review, John Preston former National Stewardship and Resources Officer

The Diocese of Rochester
Schedule I
2020 Budget Break-even (based on April 19 Forecast)

Common Fund (Unrestricted)

£	2018 Act	2019 B	2019 FC	Variance 2019 FC Vs 2019 Budget	Notes	2020 B	Variance 2019 FC Vs 2020 Budget	Notes
Incoming Resources								
Parish Offer	9,190,450	9,448,361	9,142,426	(305,935)	Offers lower than budget. 23 not confirmed yet	9,392,000	249,574	Assumes a base case of £9.1m, with a reduction of £200k for DBF fees
Professional Fees	18,546	10,000	10,000	-		10,000	-	
Grants & Donations Received	168,922	180,840	151,500	(29,340)	Henry Smith Grant now moved to Restricted Fund	191,000	39,500	£25k for Stewardship/(-£15k) end of Henry Smith Grant
DBF Fees	13,132	20,000	13,000	(7,000)	DBF fees budget looked optimistic, reduced to 2018 level	400,000	387,000	Assumes £400k for DBF Fees
Investment Income	429,566	452,520	452,520	-		480,000	27,480	Assumes £15m invested
Property Income - Glebe	550,882	565,839	565,839	-		593,633	27,794	Assumes no rent from Lower Beckenham & Other West Country
Property Income -Non-Glebe	294,806	280,000	280,000	-		397,670	117,670	Assumes current stock less sales plus £180K from additional rental of parsonages
Total Incoming Resources	10,666,305	10,957,560	10,615,285	(342,275)		11,464,303	849,018	
Resources Expended								
Incumbents Stipend and Pension	6,315,296	6,391,720	6,436,186	(44,465)	167.74 FTEs vs. 165 in budget	6,321,797	114,388	Assumes 181.5 posts with a vacancy rate of 11.0%; ie 161.5 (2019F: 167.7) Includes Pension Deficit Funding
Curates Stipend and Pension	962,459	938,129	878,507	59,622	23.67FTE Vs. 25.5 in Budget	884,896	(6,389)	Assumes 23 FTEs (2019F: 23.67) Includes Pension Deficit Funding
Removals & Resettlements	152,488	170,000	170,000	-		160,000	10,000	Based on an average of 2016/17/18
Clergy Property	917,345	1,116,635	1,116,635	-		1,121,447	(4,812)	Assumes £750K parsonage Insurance + repairs
Support Clergy and Office	281,624	282,101	364,419	(82,318)	Discretionary grants, funded from restricted funds	518,783	(154,364)	Assumes £148k for Growth Enablers
Formation and Ministry	405,543	426,371	398,781	27,590	Henry Smith Project costs now moved to Restricted Fund	424,992	(26,211)	Assumes Dementia Project continues after end of grant (£15k)/Includes provision for Wellness services now that Burrswood closed (£4k), CMD grants (£3k).
Ordinands Training	98,990	101,000	96,902	4,098		93,000	3,902	
Other Ministry Costs	100,560	132,230	138,352	(6,122)	New 0.16FTE Disability Adviser	142,381	(4,029)	Full year of New staff
Community Engagement Social Action	100,880	104,734	108,270	(3,536)		127,437	(19,167)	New structure for Full Year, part funded by Restricted Funds
Youth and Children	72,880	111,010	101,011	9,999	Vacancy filled later than budgeted	107,074	(6,063)	New structure for Full Year, part funded by Restricted Funds
Strategy & Implementation	113,210	121,399	123,399	(2,000)	Temporary extra hours	117,401	5,998	
Safeguarding	121,522	174,197	175,126	(929)		160,438	14,688	Departmental restructure
Communications	81,854	88,603	89,601	(998)		96,259	(6,658)	Includes funding for magazine (£8.5k)
Legal & Secretariat	337,986	338,404	357,544	(19,140)	DS retirement saving(£24k), Recruitment Costs(-£13k)	318,764	38,780	New DS saving (£20k), Legal Fees (£20k)
Finance & Stewardship	339,269	363,931	379,725	(15,794)	50% IDOX Software, higher Professional Fees (Property + Pension)	384,410	(4,685)	New structure for Full Year/Includes £15k for Parish Giving Scheme
IT	144,552	155,116	167,117	(12,001)	IT depreciation not in budget	182,477	(15,360)	Updating Cloud environment and support for additional staff
Glebe property costs	186,762	150,135	150,135	-		169,603	(19,468)	
Non-Glebe property costs - Savills	89,087	110,000	110,000	-		87,399	22,601	Fewer properties. This will increase if more properties are added.
Other property costs	18,397	120,000	120,000	-		120,000	-	
DAC	118,607	114,580	124,879	(10,299)	Registrar's retainer not in DAC budget+Inspection 'catch-up'	129,952	(5,073)	More inspections due
Other Office Costs	77,762	102,544	102,543	1		102,543	-	
Contributions to National Church	945,015	995,533	999,880	(4,347)	General Synod Expenses	1,007,115	(7,235)	0.7% increase
Lay pension deficit funding	136,878	165,878	165,878	-	Rates for review in July	0	165,878	Deficit payments cease at the end of 2019
Interest on pension scheme deficits	59,000	90,000	55,000	35,000		45,000	10,000	Reduction in deficit therefore less interest due.
Finance Committee Provisions	44,046	0						
Total Resources Expended	12,222,011	12,864,250	12,929,889	(65,639)		12,823,168	106,721	
Surplus/(Deficit)	(1,555,706)	(1,906,690)	(2,314,604)	(407,914)		(1,358,865)	955,739	
Pension Scheme Credit								
Vicars	(523,137)	(522,204)	(530,844)			(521,432)		Credited to above figures
Curates	(82,540)	(79,505)	(74,946)			(75,491)		Credited to above figures
Lay	(136,878)	(165,878)	(165,878)					
Credit from DPA	500,000							
Stat A/Cs adjustments	(67,761)							
Surplus/(Deficit) before transfers from other funds	(380,912)	(1,139,103)	(1,542,936)	(403,833)		(761,942)	780,994	
Funding from Other Funds								
Clergy Conference contribution - TfL	20,000	20,000	20,000			13,000		General Assumptions 2% Stipend Increases
Contribution to training costs - TfL	5,000	5,000	5,000			5,000		
Y&C Called Together additional headcount - TfL		25,000	12,500			25,000		2% Staff increases from April
CESA Called Together funding from TfL	16,500	25,000	25,000			25,000		0% Cost Inflation
CESA Additional Posts - DPA (KH+DL)			40,000			40,000		
B&B Admin from TfL	11,500	12,000	12,000			12,000		
Bishops/Ads Discretionary TfL			20,000			20,000		
Bishops/Ads Discretionary DPA	8,000		40,000			40,000		
Growth Enabler Funding DPA						148,500		
Capitalisation of Parsonage and other property repairs		250,000	250,000			350,000		
Overall Surplus/(Deficit)	(319,912)	(802,103)	(1,118,436)	(316,333)		(83,442)	1,034,994	
Diocesan Office Savings		100,000	-					
Parsonage repairs		100,000	-					
Overall Surplus/(Deficit)	(319,912)	(602,103)	(1,118,436)	(516,333)				
First-Cut Budget Changes made								
Original Dec MA s	(753,128)					(1,107,475)		
Pension Journals	(59,000)					1,024,033		
Lay deficit diff	(1,022)						38,000	DBF pension contributions
MA s above	(813,150)						12,000	Central Church pooling 0.7% instead of 2%
BW Clergy Pension Changes	(27,677)	(67,761)					10,000	Grant Finder Software
BW Lay Pension Changes	(88,248)						22,000	Professional Fees
DPA	500,000						130,000	Clergy Numbers
Kings Hill WIP	49,431						100,000	Capitalisation
Roundings	(1,267)						10,000	IT
Statutory AC s	(380,911)						(10,000)	Curate Housing
							(36,000)	Investment return on Glebe sales
							276,000	