



# 2019

ANNUAL REPORT AND ACCOUNTS

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THE CHURCH OF ENGLAND  
**ROCHESTER**

# ABOUT US

WE ARE THE CHURCH OF ENGLAND OPERATING IN THE DIOCESE OF ROCHESTER IN THE AREAS OF MEDWAY, NORTH WEST KENT AND THE LONDON BOROUGH OF BROMLEY AND BEXLEY. A DIVERSE AND VIBRANT COMMUNITY OF FAITH, AS WE SERVE A POPULATION OF SOME 1.3 MILLION PEOPLE, INCLUDING 216 PARISHES, 90 SCHOOLS, AND NUMEROUS CHAPLAINS. WE ENJOY COMPANION LINKS WITH THE ANGLICAN DIOCESES OF HARARE IN ZIMBABWE, AND KONDOA AND MPWAPWA IN TANZANIA AS WELL AS AN ECUMENICAL LINK WITH THE EVANGELICAL LUTHERAN CHURCH OF ESTONIA.

*The Trustees, who are also directors for the purposes of company law, present their trustees' report together with the financial statements and auditor's report for the charitable company – the Rochester Diocesan Society and Board of Finance Limited (RDSBF) for the year ended 31 December 2019.*

*The financial statements comply with current statutory requirements of the Charities Act 2011, the Statement of Recommended Practice for Charities 2015 (SORP 2015) and the Companies Act 2006.*

## Registered & Principal

Office: Diocesan Office  
St Nicholas Church  
Boley Hill  
Rochester Kent ME1 1SL

## Members of the Bishop's Council (Directors and Trustees):

*The Lord Bishop of Rochester (Chair)*  
- The Rt Rev James Langstaff  
*The Bishop of Tonbridge*  
- The Rt Rev Simon Burton-Jones  
*The Chair of the Board of Finance*  
- Canon Judith Armitt (to 22/6/19)  
- Mr Nigel Pope (from 23/6/19)

## Ex-officio:

*The Archdeacon of Bromley & Bexley*  
- The Ven Dr Paul Wright  
*The Archdeacon of Rochester*  
- The Ven Andrew Wooding Jones  
*The Archdeacon of Tonbridge*  
- The Ven Julie Conalty  
*The Dean of Rochester Cathedral*  
- The Very Rev Dr Philip Hesketh  
*The Chair of the House of Laity*  
- Mrs Sarah Poole  
*The Chair of the House of Clergy*  
- The Rev Canon Alyson Davie  
*The Chair of the Board of Education*  
- The Rt Rev Simon Burton-Jones

## Elected – House of Clergy:

- The Rev Canon Mark Barker (from 1/1/19)  
- The Rev Dr Julie Bowen (from 1/1/19)  
- The Rev Dylan Turner (to 3/11/19)  
- The Rev Martyn Saunders (from 4/11/19)

## Elected – House of Laity:

- Miss Christine Bostock (from 1/1/19)  
- Mr David Fitzpatrick (from 1/1/19)  
- Mr Philip French (from 1/1/19)  
- Mr Guy Gallico (from 1/1/19)  
- Mr Gerald O'Brien (from 1/1/19)  
- Mr Alan Strachan (from 1/1/19)

## Senior Staff:

*Diocesan Secretary (and Company Secretary)*  
- Mr Geoff Marsh (to 31/5/19)  
- Mr Matthew Girt (Associate Diocesan Secretary to 31/5/19; Acting from 1/6/19; appointed 1/9/19)  
*Director of Finance*  
- The Rev Richard Williams  
*Diocesan Surveyor*  
- Mr Mark Trevett  
*Director of Formation and Ministry*  
- The Rev Canon Chris Dench  
*Director of Diocesan Board of Education*  
- Mr John Constanti  
*Bishop's Chaplain*  
- The Rev Lindsay Llewellyn-MacDuff

## Advisors:

Auditors:  
Haysmacintyre LLP  
10 Queen Street Place, London EC4R 1AG

## Registrar:

Mr Owen Carew-Jones  
Winckworth Sherwood LLP  
Minerva House, 5 Montague Close, London SE1 9BB

## Bankers:

Barclays Bank Plc, 2nd floor, 30 Tower View,  
Kings Hill, West Malling, Kent ME19 4WA

## Property Adviser and Glebe Agent:

Savills plc  
23 Kings Hill Avenue, Kings Hill, West Malling  
Kent ME19 4UA

## Investment Advisers:

Mercer Global Investment Management Ltd.  
1 Tower Place West, Tower Place, London,  
EC3R 5BU

## Insurers:

Ecclesiastical Insurance Office plc  
Beaufort House, Brunswick Road,  
Gloucester GL1 1JZ

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# MESSAGE FROM THE BISHOP OF ROCHESTER



Through our 2019 Annual Report and Accounts, I am pleased to be able to share with you something of how we are, in the Diocese of Rochester, being Called Together – to Grow Disciples, Enrich Communities, and Resource Mission and Ministry.

I continue to be amazed at and grateful for the contribution made by our volunteers, our ministers lay and ordained, our chaplains and our Diocesan

Support Staff in so many settings to ensure that the good news of Jesus Christ is shared and nurtured, through word, action and deed.

Over the last three years much work has been undertaken to enable our shared Called Together vision to come to fruition. Indeed throughout 2019, we have continued to invest in growth, enabling us both to build on growth we already see, and to plant new seeds, so we can sustain ourselves and plan for the future.

Significant to these ambitions, has been the launch during the year of our Called to Grow initiative; a 5-step approach to help parishes refresh and plan for the future.

We also received the welcome news that the Strategic Investment Board of the Church Commissioners agreed to award us funding for some key mission projects, worth £1,390,000.

However, it is impossible for this report to be read without looking through the lens of what we are experiencing now with the coronavirus pandemic. With church buildings closed to public worship for a length of time, and with the general financial, health and mental wellbeing of the nation and our churches under severe strain, we cannot over-estimate the significance of the time we are in.

As we live through the current pandemic and look ahead

to whatever is to follow, it could be that we are at one of those fulcrum moments in the life of a society, possibly even of the world, in terms of how we see ourselves, how we behave, how we relate to one another, how we live out our common life.

I want to pay tribute to the way our churches and worshipping communities have adapted so quickly to this new situation, as we have found new ways to stay connected, to worship and to serve. For many, this has involved going digital, and churches have been very fast to learn how digital communications can enhance their mission and ministry.

All of this will necessarily lead us to significant further reflection on our shared priorities as Diocese.

That reflection is now being shaped and will benefit greatly from the strong and fruitful patterns of leadership and consultation which we already have in place at diocesan and local levels.

The severity of the pandemic came during our seasons of Ascensiontide and Pentecost - a time when the disciples themselves approached a fulcrum moment in the life of the fledgling Church; as they waited on the coming of the Holy Spirit; as they waited for power to come from on high upon them, to give them a new strength that would lead to them being witnesses 'to the very ends of the earth.'

I pray to God that the decisions, the growth, and the resilience we have built up over the last year may continue to sustain us through this time. That, as we sit in spirit as it were with the disciples, we stay alert as we wait for that blowing of the wind, that crackling of the flames of the Holy Spirit, and pray 'Thy Kingdom come' as we face a new future together.

James

*The Rt Rev James Langstaff  
Bishop of Rochester*



# OUR VISION

WE ARE CALLED TOGETHER TO ENHANCE AND STEWARD OUR RESOURCES FOR THE WORK OF GOD

GOD CALLS US ABOVE ALL TO SHOW FORTH HIS CHARACTER IN ACTS AND ATTITUDES OF GRACE AND GENEROSITY

GOD CALLS US TOGETHER INTO A COMMON ENDEAVOUR OF WORSHIP AND OF PRAYER, OF PROCLAMATION AND OF SERVICE

# OUR AIMS

**GROW:** TO BETTER LIVE OUT THE GREAT COMMISSION, SHARE THE GOOD NEWS, AND SEE MORE PEOPLE FIND FAITH

**ENRICH:** ENRICH EVERY COMMUNITY THROUGH THE ACTIVITIES OF THE LOCAL CHURCH

**RESOURCE:** ENABLE PARISHES TO RUN EFFICIENTLY AND SUSTAINABLY, SO THAT THEY CAN FOCUS MORE ON MINISTRY AND MISSION

“ Throughout 2019, we have continued to invest in growth, enabling us both to build on growth we already see, and to plant new seeds, so we can sustain ourselves and plan for the future. ”

The Rt Rev James Langstaff, Bishop of Rochester

## CONTENT

### STRATEGIC REPORT

- 03 Message from the Bishop
- 04 Our Vision and our Aims
- 06 Message from the Diocesan Secretary
- 07 Our year in numbers
- 08 Strategic report and operating review
  - Grow
  - Enrich
  - Resource
- 20 Financial overview
- 24 Financial strategy
- 31 Mitigation of risks and uncertainties
- 33 Financial review
- 35 Governance, structure and management

### FINANCIAL STATEMENTS

- 38 STATEMENT OF TRUSTEES
- 39 INDEPENDENT AUDITOR'S REPORT
- 42 Statement of financial activities
- 43 Balance sheet
- 44 Statement of cash flows
- 45 Notes for the financial statements
- 72 Parish Fund Balances
- 74 Parish Offers





# MESSAGE FROM THE DIOCESAN SECRETARY



With all that is going on at the moment, everyone is rightly focused on doing what we can for those around us.

It's times like this when our shared ministry truly matters, yet as our annual report and accounts show, we are also celebrating our endeavours during 2019. Not only that, we are planning carefully as best we can for the times ahead. As Bishop James sets out, even though the pandemic is far from

over, we are considering the steps we are taking now to adjust and be ready for a future which is not yet clear.

This truly is a vibrant Diocese, one which is very much alive with the Spirit in word and deed. We are delighted to share the highlights of 2019's ministry and the real impact of the work of many people. It is rightly a celebration of the many blessings we have.

Over the last few years, we have deliberately planned through Called Together and acted in order to be able to set a balanced budget for 2020, and we were well on the way to achieving this in 2019. I would like to thank my predecessor, Geoff Marsh, for his unstinting commitment and work which enabled this.

We had set plans for future work which would build on this balanced budget to establish our finances to be sustainable going forward. The objective was to give stability to plan deployment of resources to build growth across the ministry of the Diocese.

We now find all our financial plans for 2020, 2021, and beyond radically changed by the coronavirus crisis.

We were able to run the functioning of the Diocesan Office completely off-site in a matter of weeks. I am indebted to the staff across the diocese, and to those we are there to serve. It has been nothing short of

inspirational how almost nothing has missed a beat. Even during a time where 35% of DBF staff were on furlough we have reshaped our work to meet the needs of parishes during these confusing times. We have moved quickly to protect our financial position.

With such a large proportion of the team on furlough, we have postponed some areas of work but many have been handled by staff working over and above capacity. It is this willingness and commitment which has brought us through, and on which we will need to draw moving forward.

The many, many meetings through digital platforms - whether that be about ministry or finances - have been hugely positive. It's not that the conversations are easy, or about simple subjects - and why would they be in a period of daily changing guidance? It's the spirit in which they have taken place. To me it has again shown that the Diocese is simply us, the people in it in our various roles. It is a partnership, a partnership in the Gospel. Individual, parish, diocese and National Church all seeking to build God's Kingdom.

We are building on all the work achieved in 2019 while planning for 2021 and beyond. We seek to make the most of all that has been learned across the diocese.

We're looking to a future where we enable ourselves to be part of building a fairer society, one which represents our faith, and one in which we plant the seeds that share that faith and its message of acceptance and welcome.

The pandemic of 2020 has sharpened the disparities in society, but it has also sharpened our focus, the need for sharing the Good News, the generosity, and the need to bring forward the change we need to carry out, and be the change we need to be.

Matthew Girt  
Diocesan Secretary

## OUR YEAR IN NUMBERS IN 2019.....



**57** people explored their vocation at an 'It's Your Calling' event



**24** people in training for Licensed Lay Ministry



**94%** of our primary and secondary schools were rated Good or Outstanding by OFSTED



**39** training and other events were held for those working with children and young people



**30** children and youth workers were commissioned and licensed



**55** Anna Chaplains and Anna Friends were present across 41 parishes and at Rochester Cathedral



Over **25,600** Spotting the Signs of Modern Slavery information cards were distributed



We supported  
parishes

**170** benefices and **216**



# GROWING DISCIPLES

We are investing in growth to create places of hope and flourishing personal relationships with God.



8 Gospel plant, St Mark's Gillingham

## NATIONAL GRANT BOOSTS GROWTH

A £1.39million grant from the National Church has given creative Christian outreach across the Diocese a boost this year. Church projects in Anerley, Slade Green and Erith, Gillingham and Strood received particular support, and a Learning Community has been established so that best practice from these projects can be shared.

The four parish projects were part of a bid made to the Church of England's Strategic Development Fund is part of the Church's Renewal and Reform programme; this national fund supports work to ensure the Church of England becomes a growing church for all people and in all places.

The Rt Rev Simon Burton Jones, the Bishop of Tonbridge, is leading the delivery of the successful bid:

"We are eager to fulfil the commission to go and make disciples in the places God has entrusted to us; to bring people into a living faith with the resurrection of Jesus Christ. It calls for ingenuity to do this well and there are real signs of creativity at work across the Diocese."

## WHOLE DIOCESE "CALLED TO GROW" SUPPORTED

A diocesan-wide focus on growing the Church in faith and number was launched in 2019. To help every church community consider how it is 'Called to Grow', three Growth Enablers began work, using a five-step toolkit to encourage and equip churches to reflect, plan and review what God may be asking of them.



650 people enjoyed an indoor picnic inside Rochester Cathedral as part of the national 'Thy Kingdom Come' initiative. Watch a film of highlights from the day [here](#)

To enable effective use of resources and share knowledge, the Archdeaconry Steering Groups have new terms of reference, enabling them to take a key role in shaping deployment and resource decisions for their local community.

Visit our '[Called To Grow](#)' page to find out more

## GROWING PERSONAL FAITH

'Life Together', an initiative to encourage a rhythm of listening, commitment, and regular prayer among small groups across the Diocese was launched in October following a successful pilot.

Designed to be flexible, a group might be based in church, a school or office. It could be a dispersed community who meet on-line, for example a group of students or a group of commuters. Based on Benedictine principles of abiding, commitment, and change, it draws on the historic foundations of the Diocese.

Having put all the appropriate safeguards and consents in place, the Diocese of Rochester's Youth Council (made up of 14 to 19 year olds) used Facebook Messenger to create a Life Together group.

"We use prayer points to help us

focus, which has been great for me. It has really helped me deepen my connection with Jesus and others in the group."

Visit [www.rochester.anglican.org/diocese/lifetogether/](http://www.rochester.anglican.org/diocese/lifetogether/)

## LIVING EVERYDAY FAITH – LAY AND ORDAINED

The Vocations Team continues to help individuals explore their vocation and to encourage parishes and deaneries in being or becoming places in which vocations are grown.

"It's Your Calling" days have seen an increase in attendance rising to fifty-seven in 2019.

We now have lay leaders in all kinds of ministry settings, not just based in churches, serving God through a variety of opportunities throughout the week – not just Sundays.

The diocesan Formation and Ministry Team supports this with a programme of learning and training delivered by tutors, learning advisers, incumbents, and members of church communities.

A former barrister, the founder of a charity, a bonsai tree grower and a doctor are just some of those who made up the seven priests and eight deacons ordained to serve in parishes across the Diocese of Rochester;

OVER 400  
THY KINGDOM  
COME EVENTS  
ACROSS THE  
DIOCESE



## EMPLOYMENT CONSULTATION VISITS AND INTERVIEWS: 28

both services were live streamed on Facebook.

The coming year sees major changes in the ordination discernment process and much of the latter part of 2019 saw the diocesan team training and preparing for these changes.

### SUPPORTING CLERGY

The diocesan team offers a wide range of Continuing Ministerial Development opportunities; during the year eighteen courses took place covering a wide range of areas: from Spirituality to Unconscious Bias; from Preaching about Stewardship to the Ministry of Deliverance.

They also offer ongoing residential programmes for New Post Programme, Mid Ministry and Rochester Leadership Programme.

Those new to post, as well as being given the opportunity to work with a mentor, are now invited to join a reflective practice group. Discussions are being held about how we extend the number of groups on offer to clergy who think they would benefit from belonging to such a group. This, together with the new diocesan counselling network, all goes to supporting the well-being of clergy.

The Bishop's Adviser for the Ministry

of Ordained Women, the Rev Canon Mandy Carr, has built connections with a network of ordained women, deacons and priests, stipendiary and non-stipendiary, parish and chaplaincy, retired and licensed throughout the year.

The increased number of requests for conversations suggests a growing confidence that women feel listened to, taken seriously and feel there is a greater part for them to play in ministry within the Church and that they will be supported.

### SUPPORTING CHILDREN AND YOUNG PEOPLE

In March, a service at Rochester Cathedral celebrated our dedicated employed Children and Young People ministers and volunteers. Nearly 200 gathered to pray and support 30 people as they received their commissioning and licensing from Bishop Simon – a sign of the strength and vibrancy of our work with children and young people.

There are now 46 youth, children, and family ministers/workers within the diocesan network; a 41 are employed by parishes and 5 employed by trusts or organisations affiliated to the network. In the past year, 4 new posts have been created and 3 posts re-recruited.

## TRAINING AND EVENTS: 39



12 Licensing and Commissioning of Employed workers and volunteers

The Children and Young People (CYP) Fund aims to support ideas that will give lifelong encounters with Jesus, and focuses on areas of deprivation and activities to include the excluded. In 2019, the CYP Fund supported 25 new projects with grants totalling £68,700.

Young people from St Justus Church in Rochester enjoyed a fantastic weekend away at the SOLID Festival, thanks to the Children and Young People Fund, supported by the Colyer-Fergusson Charitable Trust.

Visit our [Children and Young People Fund](#) page for more details.



"I got to try new things such as kayaking and banana boats, which led to us getting soaked, but it was great! I thank God for the wonderful time I had and the connection He made with me, making me more aware of His power and presence in my life."

Shola, 16



# ENRICHING COMMUNITIES

Sharing the love of Jesus through our actions and presence in our communities.

2

NEW PLACES OF WELCOME AT ST AUGUSTINE, GILLINGHAM AND ST FRANCIS, STROOD

## SUPPORTING COMMUNITY ENGAGEMENT AND SOCIAL ACTION

In the UK, two women a week are murdered by their current or ex-partner. One in five women have experienced sexual assault.\*

Shocking statistics like these have galvanised work in the Diocese this year to raise awareness of domestic abuse in all its forms, and to showcase the agencies who work with both victims and perpetrators of domestic abuse across the areas of Diocese.

We became the first Church of England diocese to sign up to the

White Ribbon Campaign – a global initiative inviting men to make a promise never to commit, excuse, or remain silent about male violence against women, while recognising that abuse takes many forms and is perpetrated by women against men and in same sex relationships too.

Working with both the Gangmasters and Labour Abuse Authority and the Clewer Initiative at a local and national level, we also campaigned this year against Modern Slavery. Work took place across the Diocese to help church members, the general public and agencies, spot the signs of modern slavery.

\*Office for National Statistics (2019)



12 White Ribbon Day, Chatham High Street.



## PIONEERING WORK IN PRISONS

A pioneering Church-supported project at HMP Rochester - a male Category C prison - is reaching into that moment when families are reunited, through the simple offer of refreshments, telling a Bible story, and some fun crafts.

"It's so important to be able to take God outside of the church building," says Jan Knight, a volunteer with Messy Church @ HMP Rochester, "and, if nothing else, what we are doing offers some respite to those families coming to visit their family member."

## ENGAGING WITH NEW COMMUNITIES AND BUILDING DEVELOPMENTS

The emerging new community at Ebbsfleet will be served by new schools run by the Aletheia Anglican Academies Trust. The Trust runs a number of successful primary schools and one secondary in the Gravesend area, and successfully bid for the education provision at Alkerden. The site will be home to a secondary school, primary school, nursery, and special educational needs unit.

Matching the Trust's Christian values and foundation, the school facilities will also host a new worshipping community, providing a space for Christians to worship in a development without dedicated church buildings.

## CHATHAM – A CENTRE OF MISSION

The first service in a church building for 20 years and an outreach service to the homeless are just two highlights of the Chatham Centre of Mission.

A worshipping community has been meeting in the Tap'n'Tin nightclub next

to St John's Church since 2017, while work to repair and reopen the church building takes place. At Pentecost, the structure was deemed safe for the first service of worship to take place, a significant milestone in the journey of this place and people.

Answering a need for local homeless people, Church Army evangelists Stephen Ramshaw and Mike Dare have launched Medway Oaks - a weekly drop-in on a Sunday with a 'God slot' in the middle, which starts and ends with prayer. The session has an average of 30 people attending, and one person has already made a decision to follow Christ. Watch a film about this project [here](#)

## GLOBAL COMPANIONS

2019 was an exciting year for our friendships with the Lutheran Church of Estonia, and the Anglican Dioceses of Harare (Zimbabwe), and Kondoa and Mpwapwa (Tanzania). Several visits between an increasing number of parish and school links took place.

Among the visitors were young people

94% OF CHURCH SCHOOLS HAVE EITHER A GOOD OR OUTSTANDING OFSTED RATING



## 15 NEW ANNA CHAPLAINCY TEAM MEMBERS

from Tonbridge Parish who travelled to Tanzania and took part in running a holiday club, and a group from St Stephen's Church, Tonbridge.

The Rev Dave Johnston and his wife, Cath, from Christ Church, Chislehurst, used a sabbatical to travel to the north, south, east, and west ends of the Diocese of Kondea, visiting 11 parishes and taking part in many baptisms and confirmations.

While in June, Bishop James, his Chaplain the Rev Lindsay Llewellyn-Macduff and Mrs Sue Chalkley, Chair of the Kondea Companion Diocese Group, visited Kondea to join the celebration on the ordination of the first women priests in the Diocese. Later that month we enjoyed a visit to Rochester from their Diocesan Bishop, the Rev Given Gaula.

In January, Bishop Simon, the Rev Canon David Kitley, our Bishop's Advisor for Companion Diocese Links and the Rev Dom de Mattos, the Harare Companion Diocese Group Chair, visited Zimbabwe for the consecration and enthronement of the Rev Dr Farai Mutamiri as Bishop of Harare.

We were delighted to welcome Bishop Farai to our Diocese, later in the year, when he spoke at our Annual Companion Dioceses Celebration Service.

### SUPPORTING CHAPLAINCY: CHAMPIONING ANNA CHAPLAINCY

The media spotlight, and the attention of the National Church, has fallen this year on work alongside older people and those with dementia – ministry being pioneered in the Diocese through our [Anna Chaplaincy](#) ministry.

Fifteen new Anna Chaplaincy team members were commissioned this year, bringing our total to 55 (27 Anna Chaplains and 28 Anna Friends) across 41 parishes and Rochester Cathedral.

A motion to General Synod, requesting that all dioceses across England raise the profile of work with those diagnosed with dementia and their carers, was presented by Anna Chaplain Angela Scott, from Christ Church, Chislehurst, and it was passed unanimously.

This has resulted in requests to the diocesan team, for help from other dioceses to develop ministry alongside older people through Anna Chaplaincy.

Our Anna Chaplaincy Lead and Dementia Specialist - Mrs Julia Burton-Jones, worked with partners at the Bible Reading Fellowship to publish 'Anna Chaplaincy in Rochester Diocese: A Blueprint for Other Dioceses Across the UK' to coincide with the General Synod debate and motion.

### SUPPORTING SCHOOLS

Our 85 primary schools and 5 secondary schools have continued to demonstrate how well their Christian distinctiveness supports their achievement, wellbeing and personal growth.

Ninety-four per cent of Church schools have either a Good or Outstanding OFSTED rating and 100% (of the 21 schools visited) have an Excellent or Good SIAMs rating under the new schedule.



New school Bishop Chavasse: The first Church of England School in Tonbridge moved into its new school building.



All are welcome: The Dementia Café at Christ Church, Chislehurst, is one of 13 such cafes currently running in churches across the Diocese.

"When we first started the café, we didn't know who would come," says Anna Chaplain, Angela Scott. "We had notices in the doctors and on the High Street and the library, and most people who came had nothing to do with the church. Sometimes when people arrive they are in a bad mood, but they always go home really happy. We just hope that, by people coming and seeing the friendship we can offer and the love and concern that we can show them, maybe something of the love of Christ can come through in that way."

Visit our [Anna Chaplaincy](#) page to find out more, or watch a film [here](#) about this work.



# RESOURCING MISSION AND MINISTRY

Diocesan support teams are committed to supporting parishes in all aspects of church life.

**5,564**  
PEOPLE IN  
PARISHES AND AT  
THE CATHEDRAL  
HAVE RECEIVED  
SAFEGUARDING  
TRAINING

## SAFEGUARDING

One hundred and ninety safeguarding training courses have been delivered this year.

This has included by online and face to face sessions. The training has covered safeguarding in a church context and specialist training for responding to domestic abuse

This year marked the second year of activity for the Bishop's Safeguarding Advisory Panel; its purpose is to oversee the safeguarding work of the Diocese and the Cathedral, assist and advise safeguarding staff and

challenge practice, decisions and thinking where necessary. It is one of a number of developments that have been put in place to build up and enable the continued improvement of the Diocese's and Cathedral's work in this vital area.

2019 saw the retirement of the first professional Safeguarding Adviser employed by the Diocese having served in that capacity for 10 years. The Safeguarding Team has continued to expand with the recruitment of two part time advisers, one of whom started in September and the other in 2020. This includes the

"There is a huge amount of commitment from staff and the Bishop to ensure vulnerable people receive appropriate support and that action is taken to protect people from any risk to their welfare."

John Cameron OBE – Chair of BSAP



## NEW FACILITIES BOOST MISSION

St Francis, Petts Wood, is celebrating having a new accessible toilet and kitchen servery area at the west end of church. Fr Stephen Niechcial, says: "As well as being for the use of our usual congregation, it is a great boost to our local mission and ministry for us to be able to offer our church facilities to community groups and organisations."

The project received a grant from the [Missional Property Fund](#), a diocesan fund made possible with the support of Marshalls Charity.

recruitment of an additional part-time post to the team to increase capacity and support.

Parishes also undertook an audit of their safeguarding processes and policies, which was incredibly helpful in highlighting areas of good practice and those requiring improvement.

Independent reviewers began carrying out a comprehensive safeguarding review of the safeguarding cases and staff files across the Diocese including parishes and other churches and key institutions within the Diocese of Rochester, called the Past Cases Review.

Its purpose is to help establish whether all known cases of church-related abuse have been considered and dealt with appropriately, and to learn about concerns that may not have previously been known about.

The Diocese is committed to ensuring that victims and survivors are heard as part of the process and continue to be at the heart of our safeguarding response. Find out more at: [www.rochester.anglican.org/safeguarding/past-cases-review/](http://www.rochester.anglican.org/safeguarding/past-cases-review/)

## PROPERTY MATTERS

The Property Team works very hard to maintain clergy housing to the best standard possible within budget. In 2018/19 additional catch-up funding of £500K enabled us to prioritise and undertake some of the delayed programmed work, including a number of large re-roofing projects.

This year, 1,644 property work orders were raised over the year (up from 1,521 in 2018).

## KEEPING IN TOUCH

Through the quarterly magazine 'Together', regular e-mailings, use of social media, and targeted campaigns to highlight key projects or diocesan-wide events, the sharing of stories and celebrating good practice has continued to keep us connected as a family of faith throughout the year.

In particular, live streaming and the use of short films, has been explored to ensure that as many people as possible within the parishes and in our wider communities can engage in the life of the Diocese.

**1,644**  
PROPERTY  
WORK  
ORDERS  
WERE RAISED



# Our Aspirations

- To build practically on our commitment to becoming an Eco-Diocese
- To encourage more Life Together groups
- To listen and respond to the needs of our rural communities
- To explore how to engage with key national projects - Growing faith and, Growing in Love and Faith
- To support parishes and communities as they recover emotionally, financially, and spiritually from the impact of COVID-19



Celebrating 25 years of women's ministry, at Buckingham Palace



Healthy walks, St Mary, Platt



Places of Welcome  
St Augustine, Gillingham



Adventure Golf  
at Rochester Cathedral



Bromley Schools Festival



Bishop Farai with his father and  
Bishop Simon of Tonbridge



# FINANCIAL OVERVIEW

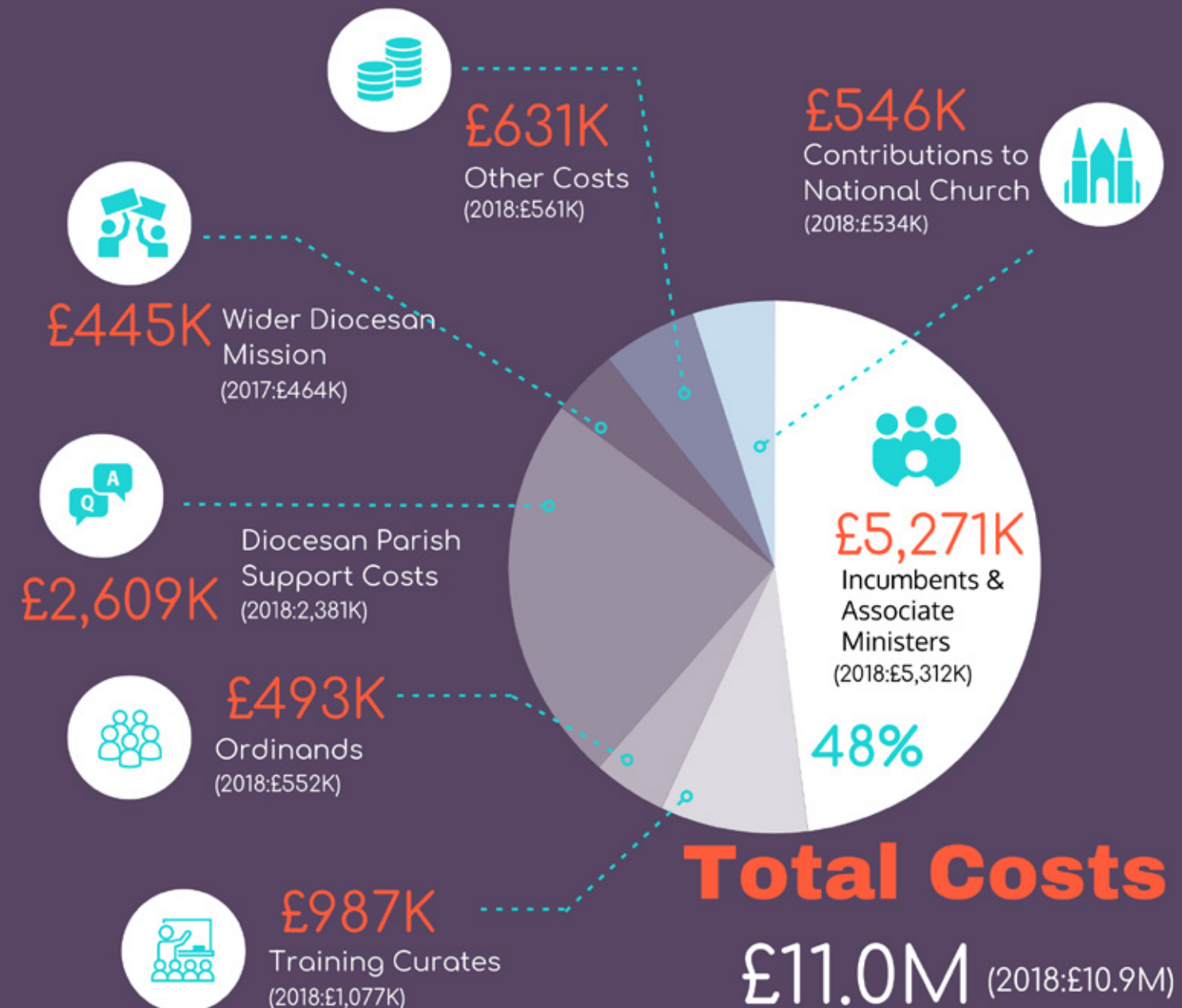
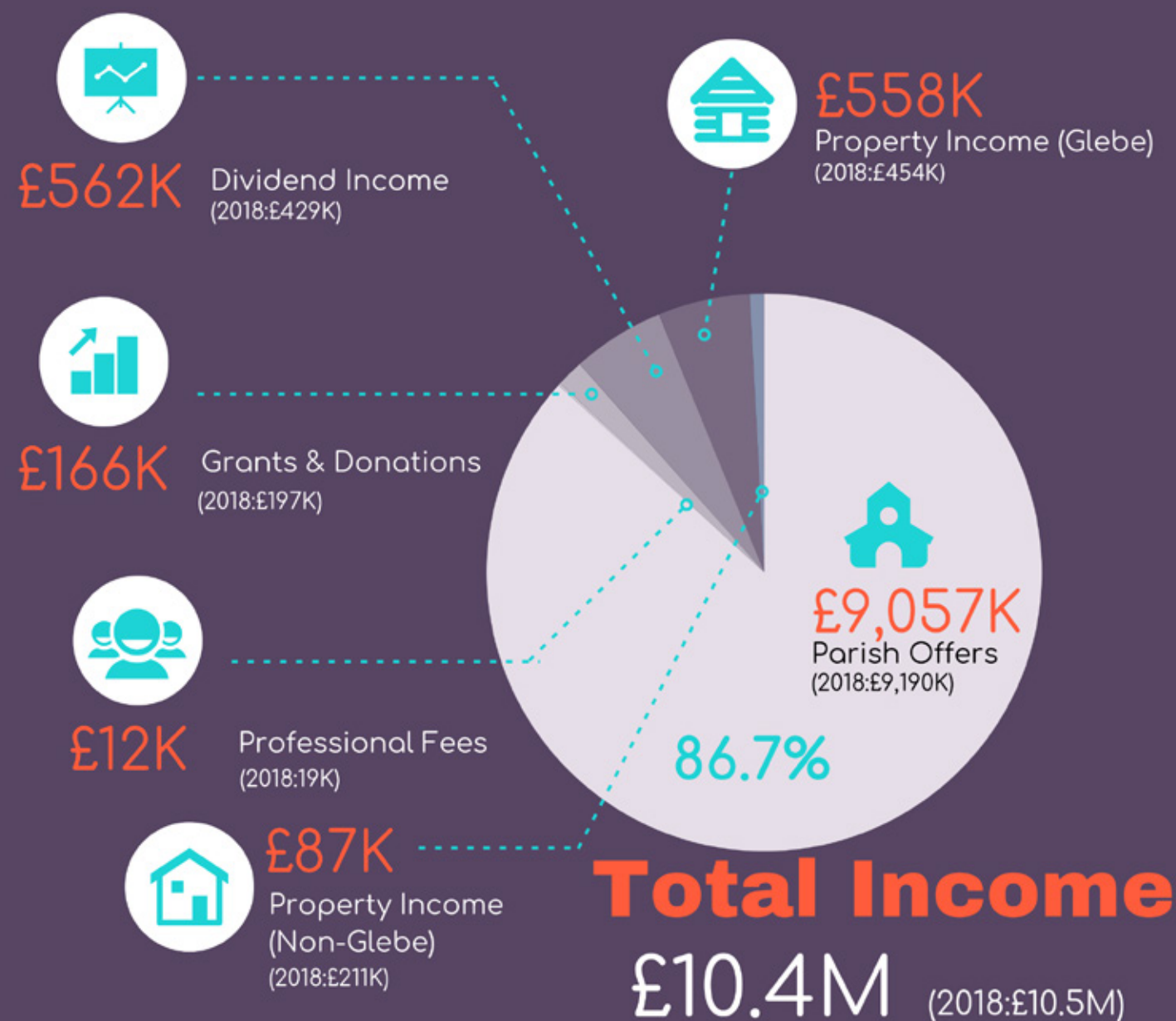
Net Income on all funds was a surplus of £1.2M (2018: £2.0M). The Operating Result on the Common Fund was a deficit for the year of £0.54M (2018: 0.38M).

The Diocese's financial strategy seeks to operate at break-even.

## WHERE OUR INCOME COMES FROM



## HOW THE MONEY IS SPENT





# SUPPORT COSTS FOR PARISHES

## Support Costs for Parishes

The Diocese of Rochester is reliant on the payment of Parish Offers which represent 87% (2018: 88%) of income

|                                      | 2019          | 2020B         |             |
|--------------------------------------|---------------|---------------|-------------|
| <b>Cost of a Full-time Incumbent</b> |               |               |             |
| Current Stipend (from April 2020)    | 26,725        | 27,260        |             |
| National Insurance (9.5%)            | 2,539         | 2,590         |             |
| Pension (24.2%)*                     | 6,922         | 6,602         |             |
| Parsonage Upkeep # (2019: £4,653)    | 4,653         | 4,590         |             |
| Cost of a Full-time Incumbent        | <b>40,839</b> | <b>41,042</b> | <b>£41K</b> |

\* excluding pension deficit payments of 11.9%

# based on 163.4 average clergy in post (2018: 165.8)

|   | 2018         | 2019         | 2020B        |             |
|---|--------------|--------------|--------------|-------------|
| <b>Diocesan Support Costs</b>                       |              |              |              |             |
| Clergy Removals & Resettlements                     | 152          | 162          | 160          |             |
| Support Clergy and Office                           | 191          | 203          | 194          |             |
| Formation and Ministry                              | 270          | 258          | 280          |             |
| Other Ministry Costs                                | 93           | 136          | 142          |             |
| Strategy & Implementation                           | 57           | 43           | 59           |             |
| Safeguarding  | 122          | 141          | 160          |             |
| Communications                                      | 82           | 88           | 96           |             |
| Legal & Secretariat                                 | 169          | 248          | 223          |             |
| Finance & Stewardship                               | 254          | 320          | 288          |             |
| IT  | 144          | 166          | 182          |             |
| DAC   | 119          | 125          | 130          |             |
| Other Office Costs                                  | 40           | 18           | 70           |             |
| Diocesan Parish Support Costs (ex Parsonage Upkeep) | <b>1,693</b> | <b>1,908</b> | <b>1,984</b> | <b>£11K</b> |
| Parsonage Upkeep (Budget included above)            | <i>688</i>   | <i>701</i>   | <i>841</i>   |             |
|   | <b>2,381</b> | <b>2,609</b> | <b>2,825</b> |             |
| Number of benefices                                 | <b>182</b>   | <b>182</b>   | <b>179</b>   |             |

|  | 2018         | 2019         | 2020B        |             |
|--|--------------|--------------|--------------|-------------|
| <b>Costs of Mission, Future Ministry and National Church</b> |              |              |              |             |
| Curates  | 1,077        | 987          | 885          |             |
| Ordinands  | 552          | 493          | 468          |             |
| Wider Diocesan Mission                                       | 464          | 445          | 608          |             |
| Contributions to National Church                             | 534          | 546          | 632          |             |
|  | <b>2,627</b> | <b>2,471</b> | <b>2,593</b> | <b>£14K</b> |

|  |              |              |            |
|--|--------------|--------------|------------|
| Contribution required for 97 (2018: 94) benefices unable to cover the allocated cost of a wte Incumbent and Diocesan Support Costs | <b>1,360</b> | <b>1,481</b> | <b>£8K</b> |
|--|--------------|--------------|------------|

|  |             |
|--|-------------|
| Average Contribution required from Benefices | <b>£74K</b> |
|--|-------------|



Both our ordination services in September were live-streamed as part of our commitment to involving as many people as possible in key moments in the life of the Diocese.



# FINANCIAL STRATEGY

The Financial Strategy remains the achievement of a break-even operating position and to successfully underpin the diocesan strategy of Called Together.

The Financial Strategy, which was approved by Bishop's Council in February 2018, aimed for a break-even position in 2020. The plan to attain break-even is to be achieved principally through a combination of moderate increases in Parish Offers and moderate reductions in stipendiary clergy posts, as long as the underlying church attendance remains in decline.

As we have noted before, the achievement of break-even entails two principal risks. First, we make plans for investment in growing that we cannot afford and end up in financial difficulty. Second, we limit our ambition and fail to address the underlying issues of general church decline. Neither of these would be satisfactory. Our aim is to address the underlying challenges that face the Diocese and provide a platform for growth, and all the while ensure we have the funds necessary to achieve this. This has entailed generating additional income through successful glebe development, securing significant grant funding support, bearing short-term deficits, and also investing some of our reserves in growth, seeking a smooth transition towards more viable and fresh models of ministry.

Significant work has also gone into the consideration of the suitable deployment of clergy. Over the last 10 years, there has been a reduction of 22 full-time posts. A new ministry deployment tool has been developed and is in use for all vacancies.

Further, new models of parish mission are also being implemented and these will increasingly form the basis of models of ministry in the future. 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.

Over the last decade, Parish Offers received, in real terms, have approximately kept track with the decline in church attendance and this has been matched by similar reduction in the levels of total stipendiary costs. One of the principal challenges, however, has been to make similar reductions in the costs of the diocesan expenditure at a time when the church has had to deal with increasing costs of compliance, such as safeguarding, as well as the transfer of costs from the National Church. In addition, the Diocese in recent years transferred the cost of curates from parishes to the Common Fund (c£1M p.a.). Further, the Diocese has had to fund from its reserves over the last 6 years the clergy pension deficit payments of c£7M. Despite these factors, costs have been closely controlled and increases in diocesan expenditure have not been fully passed on to parishes.

## COMMON FUND AND INDICATIVE OFFERS

On 30 September 2019, we launched our diocesan '[Common Fund](#)'. This is

essentially a renaming of the principal unrestricted fund that deals with the general income and expenditure of our Diocese.

Changing the name of a fund may seem a small thing, but it is about framing our conversations around our finances and resources in a way which reflects who we are – we are an interconnected family or fellowship of Christians dependent upon and supportive of one another.

Thanks to the generous and often sacrificial contributions of parishes into the fund each year, we are able to ensure a number of things including:

- that ministers, ordained and lay, stipendiary and self-supporting are available across the area of the Diocese;
- that the mission of the local church is supported, allowing us to retain a vital presence in our communities;
- that new vocations to ministry are discerned and developed; and
- that we make our fair contribution to the costs of the National Church.

Renaming this fund as the 'Common Fund' (a term now used in many dioceses) helps us recognise we are connected to one another, no matter what our setting or financial situation. This connection brings with it a shared concern and responsibility for one another.

In addition, after a long period of consultation, alongside the launch of the Common Fund, we introduced

a new system of Indicative Offers for parishes. This is to help inform parishes as they consider their contribution to the Common Fund and to apportion contributions on as fair a basis as possible.

Whilst retaining the voluntary nature of Parish Offers, the Indicative Offer enables parishes to assess their pledged offers based on the total mission and ministry funding requirement of the whole Diocese.

It is hoped that by introducing Indicative Offers and by targeted supportive follow-up with key parishes by the Archdeacons and Area Deans, assisted by the Finance Team, the level of Parish Offers may be increased to a sufficient level to meet our mission and deployment plans.

A parish's Indicative Offer is calculated as shown in the diagram below.

There are several variations and exceptions to the basic calculation. For example, benefices which in the previous year were unable to contribute sufficiently to cover the cost of the Ministry Cost and Diocesan Support Cost will be provided with a total Indicative Offer that is capped at 50% of Gross Income (unrestricted).

In conjunction with the implementation of Indicative Offers, as from 1 January 2020, the Diocesan Board of Finance (DBF) element of parochial fees (for weddings and funerals) are now being recovered from parishes by

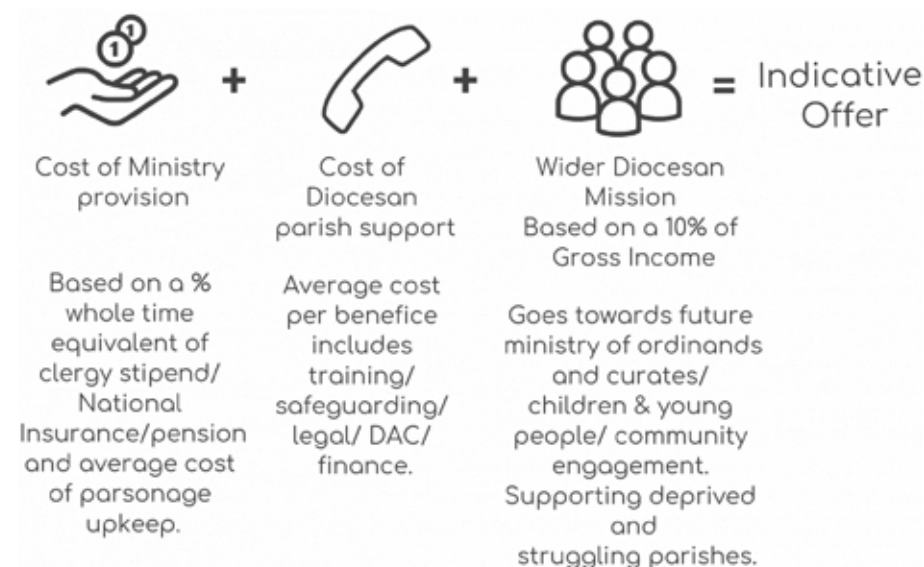
the Diocese and used as Stipend Support Grant, which is used to support mission and ministry in areas which are socially and economically challenged. These fees are the DBF's legal entitlement and their recovery is in keeping with the widespread practice of every other diocese in the Church of England.

## PARISH OFFER EVALUATION PANEL

In rolling out the new Indicative Offer system, it has become clear that we need to build on this with a formal system for receiving and responding to Parish Offers. This support needs to be in looking with the parish at the resources it has, and in some cases hasn't, so that where there is a challenging situation it is known and shared.

In getting to a fair level of offer which adequately reflects the cost of ministry and support that a parish receives, the emphasis is on collaboration and support. Where there are concerns of hardship these need to be seen and dealt with, not become another weight for the parish to carry. Equally, if a parish is able to meet its share, but doesn't, it needs to be clear that others including its neighbours will be picking up the cost.

With this in mind, we have introduced a Parish Offer Review Panel, a sub-committee of the Finance Committee comprising clergy and laity, which will deal with issues from parishes concerning the level of Parish Offers.



## BUDGET AND OUTLOOK FOR 2020

Bishop's Council approved a break-even budget for 2020, but included a fall-back budget if the planned Parish Offer increases were not achieved.

The break-even budget for 2020 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. It was at the time believed that this budget was achievable. If the Diocese can achieve a 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 will require a concerted effort from all parts of the Diocese. However, going forward, new patterns of clergy deployment need to be established if the underlying reductions in attendance and overall levels of parish contribution are to be reversed.

A break-even operating position, achieved principally through the implementation of Indicative offers together with a renewed emphasis on stewardship, would have entailed Parish Offers budgeted at £9.39M (2019A: £9.06M) and recovering £400K in respect of DBF fees, being introduced from 1 January 2020. This represents an increase in overall parish contributions of 7.1% in 2020 compared to the 2019 forecast, and 8.1% as compared to the 2019 actual outturn. The intention was then for an increase of c3.2% in 2020 over the 2019 forecast and to sustain the break-even position over the next five years with increases in Parish Offers in line with inflation thereafter.

Bishop's Council believed at the time that this was achievable, alongside the launch of the Common Fund and with the new system of Indicative Offers. This was in the knowledge that these plans would result in the level of parishes' contributions rising to the average contribution level experienced by dioceses in the Church of England.



The break-even budget had been arrived at after applying transfers from Trust for London to fund additional posts in connection with Called Together, including an additional part-time post in the Children and Young People Team and two additional part-time posts in the Mission & Community Engagement Team. This is being funded through redeployment of existing diocesan funding, Trust for London and Church Commissioner's Strategic Development Fund (SDF) funding. The total of these additional allocations is £90K.

We have also committed £500K to support the Called to Grow initiative.

Parsonage repair and maintenance is maintained in the 2020 break-even budget 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).

Bishop's Council was conscious of previous over-ambitious budgets that had included plans for significant increases in Parish Offers, but which in the event had not materialized. With this in mind, Bishop's Council 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.

The Base Case Budget assumed that Parish Offers actually decline from the £9.06M outturn 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%. The Base Case Budget still assumes an increase in parish contributions (including DBF fees) of £243K or 2.7%. This Base Case indicates a deficit of £833K, which compares to the 2019 deficit of £540K (2018: £381K); after £600K support from the Diocesan Pastoral Account – see note 17 of the financial statements and compares to the 2019 Budgeted deficit of £602K.

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 (2019A: 40.0; 2019B 39.8; 2018A 39.4). The budgeted increase in 2020 is due to 4 additional part-time Called Together posts described above, and an additional safeguarding post due to the increased burden of work created from past cases, and the increase in 2020 is largely due to the recruitment of the three Growth Enablers, again funded from diocesan funds, not Common Fund.

## FINANCIAL IMPLICATIONS OF THE COVID-19 CRISIS

We understand that parishes are being severely challenged with their income as a result of the Covid-19 crisis which has led to the closure of churches and ceasing of gathered worship. We are asking parishes to do all they can to maintain Parish Offers, which are largely used to support the clergy stipends. Parishes are first being encouraged to utilise unrestricted reserves. In addition, whilst some church members will no doubt be severely impacted in their own level of income, others may not be so affected, and there may be some who would wish to support the local church through this challenging time. This really is the time where individuals, parishes, the Diocese and National Church need to work together.

We estimate that approximately 40% of parish income comes from planned giving which may not be immune to decline and approximately 35% of parish income is from cash collections, other giving, hall rentals, fundraising and fees - most of which virtually ceased overnight.

The COVID-19 [Emergency Relief Fund](#) was launched in May 2020 and up to £250,000 in grants, based on certain qualifying criteria, and £500,000 in loans was made available to parishes.

There is obviously a great deal of uncertainty about the degree of impact on our parishes and on the regular income (especially from Parish Offers) of the RDSBF and the ongoing length of this crisis. There is a threat to RDSBF dividend income and property rental income too. The impact on DBF fee income (originally £400K p.a), is especially real as wedding gatherings have been suspended.

An initial review of potential savings in DBF costs has shown that we may be able to mitigate to a limited extent any reduction in income resulting from reduced Parish Offers, investment income and DBF fee income, by freezing major property expenditure and making other potential savings, such as RDSBF employee furloughs. It is too early to judge the impact on the Common Fund Operating Return successfully.

In early April, we successfully applied to the Church Commissioners to defer three months of Clergy stipend costs amounting to £1.86M.

A worst-case Common Fund forecast has been produced along with 12-month cash-flow projections for the RDSBF to ensure that there will be sufficient reserves and liquidity, although the policy to maintain free reserves in excess of £5M is likely be breached without support from National Church.

## LIQUIDITY POLICY

The RDSBF's liquidity policy has been to maintain minimum liquid reserves of £2.75m (defined as monies either on current account or on bank deposits of up to 35 days' notice, of which £1M should be in cash or on bank deposits of up to seven days); being £2.0M for the purposes of working capital and a sum of £0.75m (representing just under 10% of total deposits by parishes for the Church Repair Fund (CRF) and Diocesan Loan Fund (DLF)) to cover potential withdrawals from the CRF and DLF. In addition, for prudent "risk" reasons (as opposed to liquidity considerations), at least 10% to 15% of available funds for investment, subject to a maximum of £2.5m, should also be held in cash under the terms of the Cash Deposits Policy - in this case

through a range of maturities up to one year may be utilised.

In the light of the Covid-19 crisis, the Trustees are confident that the RDSBF has a sufficient asset base to cover liquidity needs in the foreseeable future.

## RESERVES POLICY

The Trustees require reserves to:

- meet short-term excesses of expenditure over income;
- provide funds for expenditure with long-life horizons, such as clergy housing; and
- fund recognised future infrastructure and strategic policies which will require resources, such as the changing form of ministry and the deployment of clergy.

It is the RDSBF's policy, reviewed in March 2019, to maintain free reserves in excess of £5M.

Common Fund reserves at the year end stood at £6.8M (2018: £6.0M). This is in excess of the amount required under the policy. The Trustees consider it important to carry additional reserves to cover unforeseen eventualities and the possibility of future operating deficits.

## DESIGNATED RESERVES

The Trustees may designate unrestricted reserves to be retained for an agreed purpose where this is considered to be prudent. Such designated reserves are reviewed on an annual basis and returned to the Common Fund in the event that there is no further need to retain them for the purpose of their designation. A description of each reserve together with its intended use is set out in Note 16.

## RESTRICTED AND ENDOWMENT FUNDS

As set out in Notes 17 and 18, the RDSBF holds and administers a number of restricted and endowment funds.

None of these funds are available for the general purposes of the RDSBF,

although the income on endowed funds may be used for certain restricted or unrestricted purposes.

## INVESTMENT POLICY

The Board's investment policy is based on two key principles:

### Long-term responsibilities

The Trustees are aware of their long-term responsibilities in respect of endowment funds and as a result follow a correspondingly prudent approach to investment decisions.

Investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for the preservation of capital value and the possible need to realise investments to meet operational needs.

Unrestricted and restricted investments are invested to balance income, liquidity and the maintenance of capital, and are held in listed and unlisted equities and funds and fixed interest bonds in managed funds.

The Bishop's Council has agreed to seek an appropriate minimum return of at least CPI plus 3%, whilst at least maintaining the capital value of its non-property investments in real terms.

### Ethical Investment

RDSBF follows the guidance of the Church of England Ethical Advisory Group. In practice, this means applying an ethical screen to the portfolio which precludes direct investment in companies which have more than 10% of their turnover in armaments, pornography or tobacco. It also looks to invest in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

### Mercer Global Investment Management

In January 2020, the Diocese transferred its investment portfolio (excluding property investments) to Mercer Global Investment



Community soup kitchen, All Saints, Langton Green



Management Ltd. (“Mercer”). The change of provider was largely driven by a desire to give the day to day management of our whole portfolio to a professional investment manager with an outstanding track record. The RDSBF was also through this change able to increase the Investment Committee’s level of control on the financial and ethical aspects of the investments held by the Diocese.

Mercer’s investment platform provides the Investment Committee of Bishop’s Council with a greater level of flexibility to align the portfolio with the overall objectives of the Diocese and the flexibility for Mercer to respond to market changes and changes in the performance of specific funds and fund managers. The current portfolio includes allocations to a broad range of asset classes, with a strong focus on sustainability issues.

Mercer’s Approach to Environmental, Social & Governance (“ESG”) Issues

Mercer’s investment approach incorporates stewardship, ESG screening and climate-change issues as part of the investment process.

•Stewardship

Mercer supports the UK Stewardship Code as a universal good practice and has made a voluntary statement of commitment. Mercer monitors stewardship explicitly for funds by seeking disclosure from managers on their adherence to the UK Stewardship Code and reviews their voting and engagement activity on different topic areas.

•Screening

The underlying global equity funds held by the Diocese via Mercer’s platform exclude companies and activities which do not reflect certain ethical and sustainability values. These exclusions are as follows:

- Adult entertainment: companies with >10% revenue derived from adult entertainment-related business activities
- Alcohol: companies with >10% revenue derived from alcohol-related business activities
- Controversial weapons/armaments: Companies directly involved in the development and production, sale or

distribution of cluster munitions; anti-personnel mines; biological, chemical and nuclear weapons; and automatic or semi-automatic weapons

- Gambling: companies with >10% revenue derived from gambling-related business activities

- Tobacco: companies with any revenue derived from complete tobacco product manufacturing and/or >50% revenue derived from tobacco-related business activities (e.g. transport, packaging and retail).

- Tackling the Climate Crisis – private market investing

In relation to climate change, via the Mercer platform, the Diocese will be accessing private market investments that can contribute to tackling the climate crisis. In particular, this specifically targets companies, assets and projects that are expected to grow by enhancing existing technology, developing new technology and or finding alternative solutions to the environmental problems which society is increasingly facing.

Mercer’s sustainable private market offering aims to provide investors with access to these opportunities, focusing on the following key themes:

- Renewable and Alternative Energy, including solar, wind, wave, biofuel and geothermal technologies
- Sustainable Resource Management, such as soil management, sustainable farming and forest management
- Water Infrastructure and technologies, focused on irrigation, storage, treatment, drainage and flood protection
- Pollution control solutions and environmental testing
- Water management, such as recycling
- Energy efficiency, including building and transport efficiency
- Environmental support services, including carbon trading

Access to these themes, particularly those relating to new and emerging technologies, is most effective through private markets investing. This is because many of the companies who are at the forefront of delivering such

technologies are at earlier stages of their life-cycles and are yet to list publicly on exchanges. To access the most innovative companies, whilst they are experiencing their highest rates of growth, requires providing funding to them before they go public which is the function of private markets.

GRANT MAKING POLICY

The Memorandum of Association of the RDSBF explicitly permits the RDSBF to make grants in pursuance of its objects, and the nature of grants made in 2019 is indicated in Notes 6 and 8.

Grants are made to the National Church to cover a proportion of its central costs and also to cover training for ministry (see Note 6).

The Diocese operates a successful £500K fund (launched in 2018) to support local initiatives in connection with mission to Children & Young People (funded by a £250K grant from the Colyer-Fergusson Charitable Trust; a £125K grant from Trust for London income; and £125K from RDSBF’s Hollywood Manor Fund).

Grants are paid to other connected charities and to other charitable projects which appear to RDSBF to support the furtherance of RDSBF’s objects, including grants to assist our Companion Dioceses of Mwapwa and Kondoa in Tanzania, Harare in Zimbabwe, and to promote links with the Evangelical Lutheran Diocese of Estonia.

PROPERTY

There are three types of property that the RDSBF owns: glebe investments (historic land and buildings), clergy houses, and RDSBF owned corporate property held for operational purposes.

The RDSBF will consider the disposal of property for the following reasons:

- To replace unsuitable parsonages;
- To accommodate the changing geographical deployment of clergy within the Diocese;
- To realise the development potential in some properties, thereby releasing funds to invest in our mission; and

- To rebalance our overall glebe investment portfolio and to reduce our exposure to specific direct property investments.

CLERGY HOUSES STRATEGY

Inspired by the Called Together vision, RDSBF operates a Clergy Houses Strategy. It sets out the Clergy Houses Committee’s approach to clergy housing for the coming years and reaffirms the work and aspiration of the Committee.

Clergy houses often hold a significant place in the hearts and minds of the local church and community, as well as our ministers that live and serve within them.

The ambition is for an approach to housing which, while mindful of this, is also:

- flexible
- realistic, and
- responsible.

Key objectives over the coming years are that clergy housing should:

- Be suitable and appropriate in its use of diocesan funds;
- Be affordable for the occupant and practical as a home and working environment;
- Facilitate mission and ministry across the Diocese; and
- Achieve good standards of environmental sustainability.

The Trustees commit significant capital reserves to the purchase and improvement of housing for clergy. The RDSBF is also responsible for housing its training curates (currently 20) at any one time. The Clergy Houses Committee oversees the repair and maintenance of clergy houses.

In its role as the Diocesan Parsonages Board and as the housing provider, RDSBF is responsible for the provision, management, maintenance and improvement of approximately 230 houses, principally for the benefit of clergy.

During the year, in total £1.00M (2018: £0.99M) was spent on the care of parsonages and other

properties under the Clergy Property Measure 2018 and the Repair of Benefice Buildings Measure 1972. This includes £693K (2018: £564K (including insurance) charged to the Common Fund. This incorporates quinquennial building surveys and arranging for repair or improvement by contract or by order, and supervising and administering such works of repair or improvement. The majority of the operational property assets are held for the long-term use of the RDSBF, rather than for re-sale, and are carried in the accounts at their deemed cost in accordance with the provisions of Financial Reporting Standard 102.

The Diocesan Surveyor manages and maintains an ordering system, a 10-year rolling repair programme, and monitors and controls the annual budget.

The scope of the work includes all day-to-day and responsive and programmed repairs, including quinquennial works, and day-to-day repairs to (for example) roofs, windows, kitchens, bathrooms, electrics and plumbing.

The Property Team maintains a property database and advises on the retention and sale of each property as and when Archdeacons and the Clergy Houses Committee have identified former ministry housing as being surplus to requirements.

The Finance Committee approves proposals for any purchase or disposal of property. It will additionally consider, on the advice of the Archdeacons, whether rental of property is particularly appropriate in individual circumstances.

This strategic approach to our property requirements is worked in close association with the Archdeacons.

FINANCIAL RESILIENCE AND STEWARDSHIP

Each parish faces significant challenges as the financial regulatory environment imposes ever more stringent requirements upon PCCs.

The Finance Team in Diocesan Office supports parishes in relation to compliance with the Charity Commission and Accounting. PCCs



St George’s Church, Weald, Film Club received a boost from the CYP fund.



are becoming increasingly aware of due diligence in their financial affairs and the need to demonstrate to their congregations that they are obtaining value for money.

Stewardship training and support is provided to help parishes to raise income levels. Church finances would be transformed if the level of giving by church members were raised from its present level of 3.4% of personal income to the national aspiration of 5%.

Parishes are encouraged to take advantage of the various central purchasing schemes run by the National Church.

## FUNDRAISING

The RDSBF provides parishes with guidance to encourage them to adhere to best practice in their fundraising activities. It drives one-off campaigns around specific and strategic fundraising needs and supports and enables strategic relationship management.

The RDSBF does not engage with any direct marketing activities, nor does it share or purchase any donor data with or from third parties. The RDSBF rarely engages with independent professional fundraisers and, if so, will always ensure there is an appropriate contract in place.

## VOLUNTEERS

The RDSBF is dependent on the huge number of people involved in church activities both locally and at diocesan level. We believe that the number of active volunteers (or volunteer hours) given to the mission and ministry of the church is a key indicator of the health of a church.

The service provided to a community through church volunteering also has a significant impact on people's relationship to the church, particularly at times of crisis. Within this context, the RDSBF greatly values the considerable time given by all committee members and other volunteers across the Diocese in whatever capacity they are working in pursuit of the Church's mission.

The 'in kind' value of volunteer time to the operations of the RDSBF is particularly difficult to measure in a meaningful way. It is for this reason that no estimate of the value of this time has been included in the financial statements.

## RELATED PARTIES

There are a number of related parties with whom the RDSBF has financial links and/or has financial transactions with as follows:

General Synod, Church Commissioners and Archbishop's Council

The RDSBF has to comply with Measures passed by the General Synod of the Church of England and also makes certain annual payments to the Archbishops' Council towards the running costs of the National Church.

As disclosed in Note 7, certain costs of the bishops, including stipends and pension contributions, are borne by the Church Commissioners.

## PAROCHIAL CHURCH COUNCILS (PCCs)

The RDSBF is required by Measure to be custodian trustee in relation to certain PCC property, but has no control over PCCs, which are independent registered or excepted charities.

The accounts of PCCs and deaneries do not form part of these financial statements. PCCs are able to influence the decision making within the RDSBF and at diocesan Synod level through representation to those bodies and through the input of their deanery synods.

## OTHER RELATED PARTIES

- The Church of England Pensions Board: To which the RDSBF pays retirement benefit contributions for stipendiary clergy and certain ordained employees. It also offers schemes to provide housing for clergy in retirement.
- The Dean and Chapter of Rochester

Cathedral: Some diocesan events held in the Cathedral are paid for by the RDSBF. The RDSBF rents car parking space and housing for diocesan clergy from the Dean and Chapter and provides safeguarding services to the Chapter under a service level agreement.

- The Rochester Diocesan Board of Education: The Principal Office is located at Diocesan Office. The Board of Education supports and encourages churches and parishes across the Diocese of Rochester through the education of children and young people. The Bishop of Rochester is President of the Board of Education and the Bishop of Tonbridge serves as Chair.

- St Augustine's College of Theology: The College is located on the Malling Abbey estate owned by the RDSBF and is a lessee. Ordinands, Curates and Lay Workers from the Diocese are trained by the College.

- St Benedict's Centre: The Centre is located on the Malling Abbey estate owned by the RDSBF and is a lessee. By virtue of office, the Bishop of Rochester and the Diocesan Secretary are each a Trustee and Director. The Centre offers non-residential facilities for individuals or groups to go on retreat, study or meet.

- Emmaus Developments Limited (the trading subsidiary of St Mary & St John, Chatham PCC): The company has its registered office at the Diocesan Office.

- A number of discretionary trust funds administered by employees of the RDSBF.

Transactions with the main categories of related parties are identified in appropriate places throughout the financial statements.

Where materiality of transactions merits more detailed disclosure, this is given in Note 15 to the financial statements.

# MITIGATION OF RISKS AND UNCERTAINTIES

The Diocese is focused on mitigating the risks it faces. We are committed to ensuring that all our practices are of the highest Christian and moral standards according to biblical principles. We are also committed to sustaining widespread Christian ministry in all the parishes of the Diocese now and for generations to come.

## BISHOP'S COUNCIL RESPONSIBILITY

The Board is responsible for ensuring that effective and adequate risk management and internal control systems are in place to manage the major risks to which the Diocese is exposed.

It has a clear mechanism for obtaining assurance on the management of risks. It agrees the approach to risk including overseeing the process to identify and assess key risks and understanding how those risks are managed and mitigated.

The Trustees annually consider, evaluate and record the major areas of risk to which the RDSBF is exposed, assessing the likelihood and impact of those risks crystallising, together with measures in place to manage and mitigate such risks (see below).

## RISK ASSESSMENT MODEL

To support the identification and evaluation of our key risks, we use a risk assessment model which incorporates our key activities of mission and ministry as shown in the diagram to the right.

The five key areas of risk considered and the mitigation measures in place relating to the risks identified are then described, with any particular measures in the process of being implemented and the timing and the risk owner identified as responsible for managing this risk.

## RISK MANAGEMENT FRAMEWORK

Risk is managed effectively through an appropriate risk management framework designed to support informed decision-making regarding the risks that affect our ability to achieve our mission objectives.

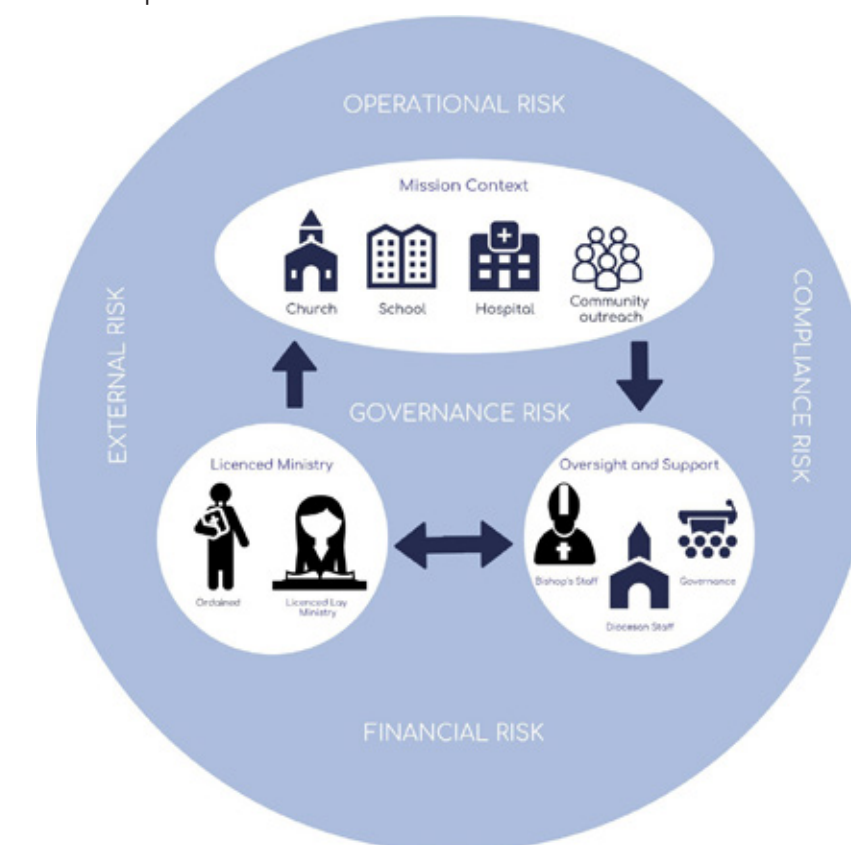
The framework provides a consistent approach to identifying, assessing and dealing with the risks facing us to ensure that they do not exceed the level of risk we are willing to assume.

The framework is designed to manage, rather than to eliminate, the risks to our objectives.

## PRINCIPAL RISKS

The risks in the Risk Register are ranked using a 'traffic light' scheme (red/amber/green) based on a score reached by multiplying the score for 'Likelihood', the average of the 'Financial Impact' plus 'Reputational Impact' score, and the 'Risk Tolerance' score. The key risks in red are identified as those which have high likelihood and overall impact.

The risks which are currently assessed as scoring highest, and the outline mitigating strategies to address them, are as follows:





RISK AREA

• Current and non-recent cases of abuse of children or vulnerable adults in the Diocese resulting in a breach of trust and negative impact on the victims, impacting the Church’s reputation and potentially leading to litigation.

• Cases/poor practice identified in audits/ reviews or as part of the Past Cases Review reveal a breach of trust and negative impact on the victims, impacting the Church’s reputation and potentially leading to litigation.

• Deployment of untrained staff/clergy and volunteers not safely recruited in accordance with the requirements of the House of Bishops and Central Government advice leading to poor practice or abuse.

• Survivors/victims/those living with abuse do not come forward or have difficulty accessing advice and support though a lack of good communication avenues to make contact, or they do not believe the Church will respond in a positive way and put reputation and the needs of those in power first.

• Impact from a prolonged epidemic resulting in the closure of churches, the cessation of worship and the reduction of income of parishes, and thereby impacting Parish Offers and the income of the RDSBF, the loss of dividend and property rental income and substantial reductions in underlying investments valuations.

• Parishes experiencing stagnant investments or declining membership, impacting the ability to conduct viable mission or growth initiatives at a local level and increasingly being unable to pay for ministry being provided and/or donate as generously as they would wish.

• Nationally divisive issues leading to loss of clergy and/or congregations and finances and impacting the church’s reputation.

• Deployment of clergy that involves altering the ministerial oversight in local churches.

• Financial operating deficit leading to breakdown in trust with parishes and the inability to maintain support to legally committed ministry.

• Information security, IT systems availability and performance, staff proficiency in using IT systems.

• Data protection including breach of confidentiality through sharing of personal data and lack of consent.

MITIGATION STRATEGY

• The Diocesan Safeguarding Team working with senior clergy and staff in conjunction with the Diocesan Communications Team and the Registrar respond to all cases in accordance with the House of Bishops Guidance and local policy. Liaison with the insurers, Charity Commission and the National Safeguarding Team as well as outside agencies takes place where appropriate.

• The Bishop’s Safeguarding Advisory Panel provides external scrutiny of the Diocese’s safeguarding response.

• The strengthened Diocesan Safeguarding Team with extended availability of the service and skills along with the use of an electronic case management system will reduce the possibility of poor recording and practice as well as delay in responding to concerns.

• Out of hours safeguarding advice at weekends, bank holidays and when advisers are on leave is provided by Thirtyone:eight (formerly Churches’ Child Protection & Advisory Service).

• Comprehensive training programme available from the National Safeguarding Team.

• Parishes subject to safeguarding audit, self-assessment and increased safeguarding assessments as part questions in the Archdeacon’s Articles of Enquiry.

• All guidance and case work is now survivor-led.

• The Diocese is working directly with survivors to enhance their response.

• The safeguarding website pages have been updated to make them more accessible and further work will take place when the new website is developed.

• A more positive and pro-active media response has been adopted with a view to encouraging people to come forward.

• Leaflets, cards and posters for survivors and children have been developed.

• Maintaining a conservative liquidity policy with sufficient cash reserves to weather the impact on income and cash withdrawals of parishes’ funds, seeking access to debt finance and National Church assistance with liquidity, and an adequate reserves policy to deal with reductions in income. Crisis management through the duration of the crisis that engages with parishes and provides advice and where necessary liquidity through loans and grants.

• Introduction of Strategic Framework of Called Together in November 2017. Effective monitoring of mission goals through deanery reviews, with assessment of the financial impact of the consequences. Supporting parishes by implementing local plans and providing support to reverse decline and building resilient and growing churches.

• Strong episcopal leadership and professional support in handling difficult issues and sensitive negotiation with churches concerning the pastoral, operational and financial implications.

• Archdeaconry Steering Groups. Implementation of the Ministerial Deployment Tool. Legal process for pastoral reorganisation, involving extensive consultation.

• Financial Strategy that sets out the approach to achieve a balanced budget, regular financial planning and budgetary control. Introducing the Common Fund and new system of Indicative Offers in 2019.

• In response to the increasing risk in this area, work to further improve our security measures to protect unauthorised access to IT systems and safeguards against potential vulnerabilities in the IT network.

• GDPR policy and processes at Diocesan Office, including staff training, and advice and training provided to parishes.

FINANCIAL REVIEW

There was a Net Income surplus for the year of £1.2M (2018: £2.0M). Net movement in funds was £3.1M (2018: £3.6M). The Common Fund shows an operating deficit for the year of £0.54M, which compares to the operating deficit last year of £0.38M. The reserve balance on the Common Fund was £6.8M as at 31 December 2019 (2018: £6.0M), which slightly exceeds the requirement under the reserves policy.

FINANCIAL PERFORMANCE – INCOME AND EXPENDITURE

The Statement of Financial Activities (on page 42) shows an overall Net Income surplus for the year of £1.2M (2018: £2.0M) gains on investments of £2.9M (2018:1.6M) and after profits on the sale of property of £nil (2018: £1.4M).

The Common Fund shows an operating deficit for the year of £0.54M (2018: £0.38M). This is after supporting expenditure with transfers from the Diocesan Pastoral Account of £500k towards clergy stipends (2018: £500k) and £100k (2018: £nil) towards parsonage repairs. This compares to a budgeted operating deficit of £0.60M (2018: £0.55M).

After taking account of profit on investments of £1.2M (2018: loss £0.5M) and nil gain on the sale of properties (2018: gain £52K), the Common Fund showed a Net Income surplus for the year of £0.7M (2018: deficit £0.8M).

Restricted Funds show an operating deficit of £1.0M (2018: deficit £1.1M) and a Net Income deficit of £1.0M (2018: surplus £0.2M) after taking into account profits on sale of

properties of £nil (2018: £1.3M) and gains on investments of £nil (2018: £32K).

Endowment Funds had an operating deficit of £0.1M (2018: surplus £0.5M) and a Net Income of £1.5M (2018: £2.7M) gains on investments of £1.7M (2018: £2.1M) and after profit on sale of properties of £nil (2018: £24K).

The main income of the Diocese is Parish Offers, the money given by parishes to the Diocese to fund mission and ministry and in particular the costs of clergy stipends, pensions, housing and training, which are charged to the Common Fund. Income from Parish Pledged Offers was £9.06M (2018: £9.19M) and represented 87% (2018: 88%) of the RDSBF’s unrestricted operating income.

The other main sources of income in the year were donations and property and investment income. Donations were £1.3M (2018: £1.6M) and property rentals and investment income increased to £1.3M (2018: £1.1M).

Total expenditure on the Common Fund (including the one off items

noted either) was £11.0M (2018: £10.9M) and in all funds was £13.3M (2018: £12.9M).

During the year, the RDSBF paid stipends and associated costs totalling £6.70M (2018: £6.75M) for incumbents, curates and other clergy. The total number of full-time equivalent clergy in post fell from 192 to 187.

A detailed breakdown of income and expenditure on the Common Fund and a breakdown of the support costs for a parish are set out on pages 20-22 of the Trustees’ Report.

Contributions are made to the Archbishops’ Council to cover a proportion of its central costs relating to the activities of the various national boards and councils, as well as the General Synod, and to cover a proportion of the cost of national training for ministry (see note 6 to the financial statements).

INVESTMENT INCOME

Market investments held at 31 December 2019 were £16.3M (2018: £14.0M) and investment properties were valued at £12.2M (2018:

|                               | At         | At         | 2019   | 2018   | 2019   | 2018   | 2019   | 2018   |
|-------------------------------|------------|------------|--------|--------|--------|--------|--------|--------|
|                               | 31/12/2019 | 31/12/2018 | %      | %      | Income | Income | Total  | Total  |
|                               | £K         | £K         |        |        | Yield  | Yield  | Return | Return |
| Glebe                         | 12,169     | 11,983     | 42.7%  | 46.0%  | 3.7%   | 4.0%   | 7.6%   | 19.8%  |
| Sarasin Endowment             | 11,767     | 10,065     | 41.3%  | 38.7%  | 3.8%   | 3.4%   | 20.5%  | -4.6%  |
| Eden Tree Amity Balanced Fund | 970        | 877        | 3.4%   | 3.4%   | 5.9%   | 5.1%   | 16.6%  | -7.1%  |
| Eden Tree Global Equity Fund  | 3,591      | 3,097      | 12.6%  | 11.9%  | 3.8%   | 3.4%   | 19.7%  | -4.0%  |
|                               | 28,497     | 26,022     | 100.0% | 100.0% | 3.8%   | 3.7%   | 14.4%  | 6.6%   |



£12.0M) (see Note 10). Net dividends were £562K (2018: £455K) and net rental income was £672K (2018: £676K) (see Note 3).

The investments held and their return during the year is set out in the table (page 33) which shows an overall yield on investments of 3.8% (2018: 3.7%) and total return of 13.8% (2018: 6.6%).

#### GRANTS RECEIVED

The RDSBF gratefully acknowledges all grants received including those from Trust for London for £244K (2018: 224K); All Churches Trust for £139K (2018: £136K); Historic England for £81K (2018: 23K); Colyer Fergusson for £78K (2018: £nil); and the Henry Smith Charity for £39K (2018: £20K).

The RDSBF received the following grants from the Archbishops' Council:

- £75K (2018: £nil) Strategic Development Funding towards Called to Grow.
- £51K (2018: £173K) Strategic Development Funding towards Chatham Town Centre.
- £236K (2018: £116K) block grant for ordinands' training fees and expenses under the Resourcing Ministerial Education process.

#### SIGNIFICANT PROPERTY TRANSACTIONS

Two (2018:11) investment properties were sold during the year for a total of £397K (2018: £8.6M), realising a

total profit of £172K (2018: £4.1M).

During the year, a curate's house was purchased at Rochester Riverside for £472K and a vicarage was purchased for St Luke, Gillingham for £280K.

#### BALANCE SHEET POSITION

Net assets at the balance sheet date totalled £75.2M (2018: £72.1M).

This includes properties which are mostly in use for ministry; the book value of which amounted to £51.5M as at 31 December 2019 (2018: £49.8M).

The Trustees consider the market value of these properties to be considerably in excess of the book value, and this market value is realised as and when a property disposal takes place.

Much of the remainder of the assets shown in the balance sheet are held in restricted funds and cannot necessarily be used for the general purposes of the RDSBF.

The cash and short-term deposits position at 31 December 2019 stands at £5.2M (2018: £9.3M) and including market investments provides realisable liquid assets at 31 December 2019 of £21.6M (2018: £23.4M).

#### COMMON FUND

The reserve balance on the Common Fund was £6.8M as at 31 December 2019 (2018: £6.0M), which slightly exceeds the requirement under the reserves policy of £5M (see Reserves

Policy under Financial Strategy on page 27).

#### DESIGNATED FUNDS

The balance of designated funds as at 31 December 2019 was £7.3M (2018: £6.8M).

#### RESTRICTED AND ENDOWMENT FUNDS

The RDSBF holds and administers a large number of restricted and endowment funds. As at 31 December 2019, restricted funds totalled £39.0M (2018: £40.0M) and endowment funds totalled £22.1M (2018: £19.2M).

#### FUNDS HELD AS CUSTODIAN TRUSTEE

The RDSBF is custodian trustee of assets held on permanent trust by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 where the managing trustees are parochial church councils and others. These assets are not aggregated in the financial statements as the RDSBF does not control them.

Further details of financial trust assets, whose market value amounted to £2.1M at 31 December 2019 (2018: £2.0M), are available from the RDSBF on request, and are summarised in Note 21. Where properties are held as custodian trust, the deeds are identified as such and held in safe custody by the RDSBF.

# GOVERNANCE, STRUCTURE AND MANAGEMENT

The principal activity of the RDSBF is to serve and support the parishes and people within the Diocese of Rochester in their mission of proclaiming the Gospel of Jesus Christ. Within this, one of the key functions of the RDSBF is to identify and manage the financial aspects of the provision of ministry throughout the Diocese.

#### LEGAL FRAMEWORK

The company's principal object is to promote, assist and advance the work of the Church of England within the Diocese of Rochester by acting as the financial executive of the Rochester Diocesan Synod.

The RDSBF has the following statutory responsibilities:

- the management of glebe property and investments to generate income to support the cost of stipends arising from the Endowment and Church Property Measure 2018;
- the repair of benefice houses as the Diocesan Parsonages Board under the Repair of Benefice Buildings Measure 1972; and
- the custody of permanent endowment and real property assets relating to trusts held by Incumbents and Churchwardens and by Parochial Church Councils as Diocesan Authority under the Incumbents and Churchwardens (Trusts) Measure 1964 and the Parochial Church Councils (Powers) Measure 1956.

The strategic priorities of the company are established by the Diocesan Synod in communication

with deanery synods, PCCs, and the Bishop of Rochester (in respect of his responsibility for the provision of the cure of souls). To this end, significant time and effort is committed to communication between and with these bodies, as well as with the Church nationally, including consultations on specific matters relating to the priorities for the forthcoming year.

#### PUBLIC BENEFIT

The Trustees are aware of the Charity Commission's guidance on public benefit, "The Advancement of Religion for the Public Benefit", and have regard to that guidance in their administration of the charity.

The RDSBF believes that this report provides evidence of the public benefit of the charity's work in 2019.

As described more fully throughout the report, the RDSBF provides funds to support ministers of religion in the Diocese, and the maintenance of many buildings including parsonages and churches, many of which form an important part of the historic fabric and architectural heritage of the area.

The ministry of the parishes within the Diocese, actively involved in a wide range of community projects and supporting ministries, represents a substantial contribution to the wider public benefit.

The vast majority of churches are available to the public at large and none is restricted to members of the Church of England.

#### THE STRUCTURE OF THE CHURCH OF ENGLAND

The Church of England is organised as two provinces; each led by an archbishop (Canterbury for the Southern Province and York for the Northern Province). Each province comprises dioceses of which there are 42. Each diocese in England is divided into parishes. Each parish is overseen by a parish priest (usually called a Vicar or Rector).

From ancient times through to today, they and their bishop are jointly responsible for the 'cure of souls' in their parish. Her Majesty the Queen, who is the Supreme Governor of the Church of England, appoints archbishops, bishops and deans of



A number of digital training days, run by the National Church's Digital Team, have been organised for parishes.



cathedrals on the advice of the Prime Minister. The two archbishops and 24 senior bishops sit in the House of Lords.

The Church of England is episcopally-led (there are over 100 bishops including diocesan bishops and assistant or suffragan bishops). It is governed by General Synod as its legislative and deliberative body at national level, making decisions on matters of doctrine, the holding of church services and relations with other churches.

General Synod passes Measures which, if accepted by Parliament, have the effect of acts of Parliament. It is made up of three groups or houses of members: the Houses of Bishops, of Clergy and of Laity.

#### NATIONAL CHURCH INSTITUTIONS

The Archbishops' Council, the Church Commissioners and the Church of England Pensions Board are sometimes referred to as the National Church Institutions.

The Archbishops' Council was established in 1999 to co-ordinate, aid and further the mission of the Church of England. Its task is to give a sense of direction to the Church of England nationally and support the Church of England locally in parishes and dioceses. Its goals are: Contributing to the Common Good; Going for Growth (both numerically and spiritually) and Reimagining Ministry (both lay and ordained).

The Church Commissioners manage the historic assets of the Church of England, spending most of their income on pensions for clergy. The stipend, housing and office costs of the Bishop of Rochester are met by the Church Commissioners. In the case of the Bishop of Tonbridge, the stipend and office costs are met by the Church Commissioners, with the housing costs being met by the RDSBF.

The Church of England Pensions Board was established in 1926 as the Church of England's pension authority and to administer the pension scheme for the clergy. Subsequently it has been given wider powers, in respect of discretionary benefits and accommodation, both for those retired

from stipendiary ministry and for widow(er)s of those who have served in that ministry, and to administer pension schemes for lay employees of Church of England organisations.

The Pensions Board, which reports to the General Synod, is trustee of a number of pension funds and charitable funds. Whilst the Church of England has drawn together under the Pensions Board its central responsibilities for retirement welfare, the Pensions Board works in close co-operation both with the Archbishops' Council and the Church Commissioners.

#### THE CATHEDRAL

The Cathedral is the mother church of the Diocese and legally constituted as a separate charity currently exempt from Charity Commission registration and supervision. For Rochester Cathedral copies of its trustees' report and financial statements may be obtained from the Chapter Office, Garth House, Rochester ME1 1SX.

The information about the General Synod, the Church Commissioners, the Archbishops' Council and Rochester Cathedral is included as background only. The financial transactions of these bodies do not form part of these financial statements.

#### THE DIOCESE

##### DIOCESAN SYNOD

The statutory governing body of the Diocese is the Diocesan Synod which is elected with representation across the Diocese with broadly equal numbers of clergy and lay people meeting together with the two bishops. Elections occurred in 2018 for the 2018 to 2021 triennium.

Its role is to:

- consider matters affecting the Church of England in the Diocese;
- act as a forum for debate of Christian opinion on matters of religious or public interest;
- advise the Bishop of Rochester where requested;
- deal with matters referred by General Synod; and

- provide for the financing of the Diocese.

#### DEANERY SYNOD

A deanery synod has two houses, laity and clergy, and its role is to:

- respond to requests from General Synod;
- give effect to decisions made by the Diocesan Synod;
- consider matters affecting the Church of England by drawing together the views of the parishes within the deanery;
- act as a channel of communication to express the views of parishes to Diocesan Synod and through it to General Synod;
- raise with Diocesan Synod such matters as it considers appropriate;
- elect members of the deanery to the Diocesan Synod and of the Diocese to General Synod.

#### BISHOP'S COUNCIL

The Bishop's Council acts as:

- the Board of Directors and Trustees of the RDSBF
- the Diocesan Mission and Pastoral Committee
- the Diocesan Parsonages Board.

Elections occurred during 2018 for the 2019 to 2021 triennium.

#### PAROCHIAL CHURCH COUNCIL (PCC)

The PCC is the elected governing body of an individual parish which broadly is the smallest pastoral area of the Church of England. Typically, each parish has one church.

The PCC is made up of the incumbent or priest-in-charge as chair, the churchwardens and a number of elected and ex-officio members.

Each PCC is a charity, but those with an annual income below £100,000 are currently excepted from the need to register with the Charity Commission; all others are now required to register. Except where shown, the transactions of PCCs do not form part of these financial statements.

#### PASTORAL UNITS

A benefice is a parish or group of parishes served by the incumbent or priest-in-charge who typically receives a stipend and the benefit of free occupation and use of a parsonage house from the Diocese for carrying out spiritual duties.

A deanery is a group of parishes over which an area dean has oversight, and an archdeaconry is a group of deaneries for which an archdeacon is responsible. There are seventeen deaneries and three archdeaconries in the Diocese.

The Diocese is then the principal pastoral, financial and administrative resource of the Church of England, encompassing the various archdeaconries under the spiritual leadership of the Bishop of Rochester.

#### THE DIOCESE OF ROCHESTER

The Diocese of Rochester has existed in West Kent since 604. Since then the historic county of Kent has been shared between the two Dioceses of Canterbury and Rochester.

The Rochester part of Kent, however, changed significantly during the 19th and 20th centuries, largely as a result of the expansion of London.

The Diocese serves a population of some 1.3million, which is expected to increase by 300,000 over the next 20+ years. We have 184 full-time equivalent substantive stipendiary parochial posts, and 31 substantive self-supporting posts; at any time, we have around 20 stipendiary and 10 self-supporting curates in training.

Other licensed clergy and lay ministers serve as chaplains and in diocesan and Cathedral roles. This population is also served by 90 Church of England schools, with significant local involvement also in community schools.

The communities of the Diocese are characterised by increasing diversity of varying kinds. It covers some of the most affluent areas in England, and also some of the most deprived wards in the South-East. With the expansion of London and adjoining communities, it is increasingly urban and suburban, yet still retains places which see themselves as rural.

The Ebbsfleet Garden City development will have a new population of some 45,000 people – it is the largest single housing development in England.

Ethnic and religious diversity is a growing feature of our communities, and this is reflected in many of our congregations.

Our diocesan-level world Church partnerships are an important element of who we are. We have very active relationships with the Dioceses of Mpwapwa and Kondoa in Tanzania, the Diocese of Harare in Zimbabwe and with the Evangelical Lutheran Church of Estonia. These partnerships are expressed through parish and school links, as well as at diocesan level.

#### ORGANISATIONAL AND DECISION-MAKING STRUCTURE

The RDSBF was incorporated on 14 June 1915 as a company limited by guarantee (No. 140656) and its governing documents are its Memorandum and Articles of Association. The RDSBF is a registered charity (No. 249339).

The company was formed to manage the financial affairs and hold the assets of the Diocese. Its principal activity is to promote, assist and advance the work of the Church of England within the Diocese of Rochester.

Governance and policy of the RDSBF is the responsibility of the Trustees, who are directors of the company and trustees for the purposes of charity law.

The members of Bishop's Council are the Board of Directors (the Board) of the RDSBF, and the members of the Diocesan Synod are the members of the RDSBF. Additionally, there is the Finance Committee of the Bishop's Council, acting for and assisting the Board in its more detailed work.

The Board has delegated responsibility for the day-to-day management of the company to the Diocesan Secretary who is supported by the Finance Director, the Diocesan Surveyor, the Communications Manager, and the HR and Governance Manager, and their respective staff. The Diocesan Secretary is also a member of the Bishop's Leadership Team which meets

regularly throughout the year.

The statutory governing body of the Diocese is the Diocesan Synod, which is an elected body with representation from all parts of the Diocese. Its legal basis is the Synodical Government Measure 1969. Membership consists of ex-officio members, including the Bishops and Archdeacons, clergy members elected by the houses of clergy in deanery synods; lay persons elected by the houses of laity in deanery synods, being up to 181 persons including 5 that may be co-opted by each of the House of Clergy and the House of Laity and 10 members who may be nominated by the Bishop of Rochester. The Diocesan Synod typically meets three times a year during February, June and October.

#### TRUSTEE RECRUITMENT, SELECTION AND INDUCTION

The Board includes:

- Ex-officio Trustees
- Trustees who have been elected by Diocesan Synod to serve for three years, and
- Trustees appointed by the Bishop of Rochester for the same term.

Trustees are given induction at the outset of the triennium and at other times as appropriate. They are also informed, before seeking membership and at all other relevant times, of the role and function of the Board, including a Code of Conduct for Trustees and Committee Members.

Some senior staff have job titles incorporating the title 'Director' but they are not directors of the company for the purposes of company law.

Remuneration of Key Management Personnel

Emoluments of higher paid staff are determined by the HR Group in accordance with the Board's remuneration policy. Details of the aggregate remuneration of the key management personnel is shown in Note 7 of the accounts.



# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the Trustees (as Directors) to prepare financial statements for each financial year. Under company law the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the RDSBF and of the surplus or deficit of the RDSBF for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the RDSBF and enable them to ensure that the financial statements comply with United Kingdom Generally Accepted Accounting Practice. They are also responsible for safeguarding the assets of the RDSBF and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the RDSBF's website. Legislation in England/ Wales governing the preparation and

dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

## STATEMENT OF DISCLOSURE TO THE AUDITORS

The Trustees have taken all the necessary steps to ensure that they are aware, as trustees, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware.

## APPOINTMENT OF AUDITORS

The appointment of haysmacintyre LLP as auditors to the RDSBF will be proposed at the Annual General Meeting.

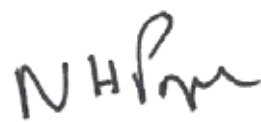
In approving this Trustees' report, the Trustees are also approving the Strategic Report included on pages 8 to 37 in their capacity as company directors.

## BY ORDER OF THE TRUSTEES



Mr Matthew Girt  
Diocesan Secretary

21 July 2020



Mr Nigel Pope  
Chair of Rochester Diocesan Society  
and Board of Finance

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCHESTER DIOCESAN SOCIETY AND BOARD OF FINANCE

We have audited the financial statements of the Rochester Diocesan and Society Board of Finance for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs, as at 31 December 2019 and of the charitable company's net movement in funds, including income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs

(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on page 38, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern,

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## CONCLUSION RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required

to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006

requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.

Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



A Halsey (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

21 July 2020



In September, over 25,000 people came to visit the Knife Angel at Rochester Cathedral as part of the Diocese's campaign to raise awareness of the dangers carrying knives.



STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2019

|   | Note | Unrestricted    |              | Restricted     | Endowment     | Total           | Total           |
|---|------|-----------------|--------------|----------------|---------------|-----------------|-----------------|
|   |      | Common          | Designated   | £'000          | £'000         | 2019            | 2018            |
|   |      | £'000           | £'000        | £'000          | £'000         | £'000           | £'000           |
| <b>Income</b>                             |      |                 |              |                |               |                 |                 |
| Donations:                                |      |                 |              |                |               |                 |                 |
| - Parish Offers                           |      | 9,057           | -            | -              | -             | 9,057           | 9,190           |
| - Other                                   | 2    | 166             | -            | 1,093          | -             | 1,259           | 1,576           |
| Investment income                         | 3    | 1,207           | -            | 53             | 5             | 1,265           | 1,131           |
| Charitable activities                     | 4    | 12              | -            | -              | -             | 12              | 19              |
| <b>Total income</b>                       |      | <b>10,442</b>   | <b>-</b>     | <b>1,146</b>   | <b>5</b>      | <b>11,593</b>   | <b>11,916</b>   |
| <b>Expenditure</b>                        |      |                 |              |                |               |                 |                 |
| Generating income                         | 5    | (243)           | -            | (10)           | (1)           | (254)           | (271)           |
| Charitable activities                     |      | (10,739)        | -            | (2,150)        | (147)         | (13,036)        | (12,671)        |
| <b>Total Expenditure</b>                  | 6    | <b>(10,982)</b> | <b>-</b>     | <b>(2,160)</b> | <b>(148)</b>  | <b>(13,290)</b> | <b>(12,942)</b> |
| <b>Operating (Deficit)/Surplus:</b>       |      | <b>(540)</b>    | <b>-</b>     | <b>(1,014)</b> | <b>(143)</b>  | <b>(1,697)</b>  | <b>(1,026)</b>  |
| Profit on sale of property                |      | -               | -            | -              | -             | -               | 1,408           |
| Gains/(losses) on investments             | 10   | 1,201           | -            | -              | 1,672         | 2,873           | 1,647           |
| <b>Net Income</b>                         |      | <b>661</b>      | <b>-</b>     | <b>(1,014)</b> | <b>1,529</b>  | <b>1,176</b>    | <b>2,029</b>    |
| <b>Reserve Movements:</b>                 |      |                 |              |                |               |                 |                 |
| Net Income                                |      | 661             | -            | (1,014)        | 1,529         | 1,176           | 2,029           |
| Gains on revaluation of fixed assets      |      | -               | -            | -              | -             | -               | 1,144           |
| Revaluation of pension scheme liabilities | 22   | 1,930           | -            | -              | -             | 1,930           | 449             |
| Transfers between funds                   | 19   | (1,826)         | 460          | (26)           | 1,392         | -               | -               |
| <b>Net movement in funds</b>              |      | <b>765</b>      | <b>460</b>   | <b>(1,040)</b> | <b>2,921</b>  | <b>3,106</b>    | <b>3,622</b>    |
| Reserve balances at 1st January 2019      |      | 6,047           | 6,844        | 40,045         | 19,199        | 72,135          | 68,513          |
| Reserve balances at 31st December 2019    |      | <b>6,812</b>    | <b>7,304</b> | <b>39,005</b>  | <b>22,120</b> | <b>75,241</b>   | <b>72,135</b>   |
|   |      | note 16         |              | note 17        | note 18       |                 |                 |

All income and expenditure relates to continuing activities

The Companies Act 2006 requires a separate income and expenditure account to be prepared to exclude transactions relating to Endowment Funds. No such income and expenditure account has been included in these statements as the relevant exclusions from this Statement of Financial Activities are all clearly shown above. These are: Endowment Fund income – £5k (2018 : £650k); Endowment Fund expenditure - £148k (2018 - £149k); Profit on Sale of Property - £0k (2018 : £24k); and Endowment Fund gains and losses on investments - £1,672k (2018 : £2,128k).

BALANCE SHEET

For the year ended 31 December 2019

| Rochester Diocesan Society and Board of Finance(The)           |      |              |              |
|--|------|--------------|--------------|
| Company registration number 140656                             |      |              |              |
|  |      | <b>Total</b> | <b>Total</b> |
|  |      | <b>2019</b>  | <b>2018</b>  |
|  |      | <b>£'000</b> | <b>£'000</b> |
|  | Note |              |              |
| <b>FIXED ASSETS</b>  |      |              |              |
| Tangible assets  | 9    | 51,529       | 49,821       |
| Investments  | 10   | 28,497       | 26,022       |
|  |      | 80,026       | 75,843       |
| <b>CURRENT ASSETS</b>  |      |              |              |
| Debtors  | 11   | 1,059        | 1,356        |
| Short term deposits  |      | 2,890        | 7,582        |
| Cash at bank   |      | 2,332        | 1,755        |
|  |      | 6,281        | 10,693       |
| <b>CREDITORS: Amounts falling due within one year</b>          |      |              |              |
| Bank overdraft   |      | 58           | 21           |
| Creditors  | 12   | 9,534        | 10,526       |
|  |      | 9,592        | 10,547       |
| <b>NET CURRENT LIABILITIES</b>                                 |      |              |              |
|  |      | (3,311)      | 146          |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      |              |              |
|  |      | 76,715       | 75,989       |
| <b>CREDITORS: Amounts falling due after more than one year</b> |      |              |              |
| Pensions liability   | 12   | 1,179        | 3,559        |
| Other creditors  |      | 295          | 295          |
| <b>NET ASSETS</b>  |      |              |              |
|  |      | 75,241       | 72,135       |
| <b>Unrestricted</b>  |      |              |              |
|  |      | 14,116       | 12,891       |
| <b>Restricted</b>  |      |              |              |
|  |      | 39,005       | 40,045       |
| <b>Endowment</b>   |      |              |              |
|  |      | 22,120       | 19,199       |
| <b>FUNDS</b>   |      |              |              |
|  | 20   | 75,241       | 72,135       |

The Statement of Cash Flows and the Notes form part of these financial statements.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 July 2020 and signed on behalf of the Board by:

NHPm

Nigel Pope  
Chair of Rochester Diocesan Society and Board of Finance



STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

|   | 2019    | 2018    |
|---|---------|---------|
|   | £'000   | £'000   |
| Net cash outflow from operating activities  | (4,094) | (2,036) |
| Cash flows from investing activities  |         |         |
| Investment income   | 1,265   | 1,131   |
| Proceeds from the sale of:  |         |         |
| Tangible fixed assets   | -       | 1,707   |
| Fixed asset investments   | 1,498   | 6,902   |
| Purchase of:  |         |         |
| Tangible fixed assets   | (1,720) | (1,599) |
| Fixed asset investments   | (1,101) | (3,500) |
| Net cash provided by investing activities   | (58)    | 4,641   |
| Change in cash and cash equivalents in the reporting period                           | (4,152) | 2,605   |
| Cash and cash equivalents at 1 January  | 9,316   | 6,711   |
| Cash and cash equivalents at 31 December  | 5,164   | 9,316   |
| Reconciliation of net movement in funds to net cash outflow from operating activities | 2019    | 2018    |
|   | £'000   | £'000   |
| Net movement in funds for the year ended 31 December                                  | 3,106   | 3,622   |
| Adjustments for:  |         |         |
| Investment income   | (1,265) | (1,131) |
| Depreciation  | 12      | 13      |
| Gain on disposal of fixed assets  | -       | (1,408) |
| Gain on sale of investments   | (423)   | (2,712) |
| Unrealised loss on investments  | (2,039) | 1,045   |
| Revaluation of fixed assets   | -       | (1,144) |
| Revaluation of investment property  | (411)   | 20      |
| Equity Share loan in 24 Highlands Road - disposed in year                             | -       | 78      |
| Increase in creditors: falling due within one year                                    | (991)   | 680     |
| (Increase)/Decrease in debtors  | 297     | (24)    |
| Decrease in creditors: falling due after one year                                     | (2,380) | (1,075) |
| Net cash used in operating activities   | (4,094) | (2,036) |
| Analysis of cash and cash equivalents   |         |         |
|   | £'000   | £'000   |
| Money on deposit less overdraft   | 2,890   | 7,582   |
| Cash at bank less overdraft   | 2,274   | 1,734   |
|   | 5,164   | 9,316   |

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. ACCOUNTING POLICIES

a) Accounting convention and basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of freehold properties, which are included at their fair value, and fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019), the Companies Act 2006 and applicable accounting standards (FRS102).

b) Going concern

The Trustees consider that there are no material uncertainties regarding the RDSBF’s ability to continue as a going concern. Plans are being developed to bring the operating result back to a break-even position. The RDSBF has net assets of £75.2m (2018 : £72.1m) and the Trustees believe that there is sufficient liquidity in these assets to ensure that the charitable company can meet its obligations for the next 12 months and beyond (see Note 23).

c) Income

All income is included in the Statement of Financial Activities (SOFA) when the RDSBF is legally entitled to it, when ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

- i) Parish Offer is recognised as income of the year in respect of which it is receivable.
- ii) Rent receivable is recognised as income in the period with respect to which it relates.
- iii) Interest and dividends are recognised as income when receivable.
- iv) Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.
- v) Parochial fees that relate to the RDSBF are not recognised as diocesan income as parishes have been allowed to hold on to these and pass any amounts received as part of their Parish Offer.
- vi) Donations other than grants are recognised when receivable or in the case of material legacies, when the conditions for recognition under the charities SORP have been met.

d) Expenditure

Expenditure is included on an accruals basis and has been classified under headings that aggregate all costs related to the Statement of Financial Activity category.

- i) Cost of raising funds - relate to costs incurred in the temporary renting out of parsonages and investment management costs of glebe and any other investment properties.
- ii) Charitable expenditure - analysed according to Diocese’s main areas of activity.
- iii) Grants payable - charged in the year when the grant is approved and conveyed to the recipient except those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the RDSBF, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.
- iv) Support costs - consist of central management, administration and governance costs. The amount of support costs spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff usage basis.
- v) Pension contributions – pension schemes in which the RDSBF participates are described in Note 22. Pension costs are charged as resources expended and represent the RDSBF’s contributions payable in respect of the accounting period in accordance with FRS102. Deficit funding for the pension schemes to which RDSBF participates and which are unpaid at this year-end, is accrued at current value in creditors, distinguished between contributions due within one year and after more than one year.
- vi) Short term employee benefits - short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- vii) Employee termination benefits - termination benefits are accounted for on an accrual basis and in line with FRS 102.
- viii) Tangible fixed assets and depreciation - tangible fixed assets are shown in note 9 to the financial statements.

Freehold properties

The RDSBF measures all freehold property assets at historical cost as required by FRS102.

Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case and because the expected residual value is



# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

not materially less than the carrying value. The RDSBF has a policy of regular structural inspection, repair and maintenance, which in the case of parsonage properties is in accordance with the Repair of Benefice Buildings measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties occur well before the end of their economic lives and disposal proceeds are usually not less than the carrying value. Where the Trustees believe that the value of an asset might have been impaired, an annual impairment review is carried out in accordance with the requirements of FRS102, to ensure that the carrying value is not more than the recoverable amount.

## Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are stated using the value of the related loan at the balance sheet date. Each year end the respective property and loan are carried at their historical value.

## Investment properties

Glebe properties which are held for investment purposes have been included at their market value.

## Parsonage Houses

The RDSBF has followed the requirements of FRS102 in its accounting treatment of benefice houses. FRS102 requires the accounting treatment to follow the substance of arrangements rather than strict legal form. The RDSBF is responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as restricted assets and carry them at their historical cost.

- ix) Other tangible fixed assets- depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives. All capital expenditure on computer and office equipment over £1k is capitalised and depreciated over 3 years.
- x) Project Costs - expenditure in relation to projects is capitalised where there is likelihood that the project will become an income-bearing asset.

## e) Other accounting policies

- i) Fixed asset investments - included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.
- ii) Realised gains/(losses) on sale of investments - represent proceeds of sale less the appropriate proportion of the opening carrying value and are shown in the Statement of Financial Activities.
- iii) Leases – the RDSBF has entered into operating lease agreements the rental for which is charged in full as expenditure in the year to which it relates.
- iv) Financial instruments - the RDSBF only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently carried at either amortised cost or fair value.
- v) Debtors - trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. At the end of each reporting period debtors are assessed for evidence of impairment. If an asset is impaired an impairment loss is recognised in the Statement of Financial Activities.
- vi) Cash - cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity.
- vii) Creditors - basic financial liabilities, including trade and other payables and bank loans, are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at transaction price.

## f) Fund balances

Fund balances are split between unrestricted (common and designated), restricted and endowment funds.

- i) Unrestricted funds are the RDSBF's corporate funds and are freely available for any purpose within the charitable company's objects, at the discretion of the RDSBF.

# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

There are two types of unrestricted funds:

- Common fund which the RDSBF intends to use for the general purposes of the RDSBF.
  - Designated funds set aside out of unrestricted funds by the RDSBF for a purpose specified by the Trustees.
- ii) Restricted funds are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.
  - iii) Endowment funds are those held on trust to be retained for the benefit of the charitable company as a capital fund. Endowment funds where there is no provision for expenditure of capital are classified as permanent endowment.
  - iv) "Special Trusts" (as defined by the Charities Act 2011) and any other trusts where the company acts as trustee and controls the management and use of the funds, are included in the company's own financial statements. Trusts where the RDSBF acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements.

## g) Judgments and Estimates

In the application of the accounting policies, the Trustees are required to make judgments, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

- i) Significant judgments - valuation of liabilities arising from the charity's obligation to meet deficit reduction payments for its multi- employer defined benefit pension schemes: These liabilities are revalued at each year end using discount rates which are reassessed annually.
- ii) Residual values of Freehold properties - the Trustees consider that residual value of freehold properties is sufficiently high that depreciation would not be material.
- iii) Sources of estimation uncertainty - in the view of the Trustees there are no sources of estimation uncertainty affecting assets or liabilities at the balance sheet date that are likely to result in a material adjustment to their carrying amounts in the next financial year.



# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 2. INCOME FROM DONATIONS

|  | Unrestricted |            | Restricted | Endowment | Total |
|--|--------------|------------|------------|-----------|-------|
|  | Common       | Designated |            |           | 2019  |
|  | £'000        | £'000      | £'000      | £'000     | £'000 |
| (Donations, Legacies and similar income)                                   |              |            |            |           |       |
| Trust for London (formerly City Parochial Foundation)                      | -            | -          | 244        | -         | 244   |
| All Churches Trust - annual distribution                                   | 139          | -          | -          | -         | 139   |
| Henry Smith Charity  | -            | -          | 39         | -         | 39    |
| Partnership Fund appeals, confirmations, licensing & induction collections | -            | -          | 168        | -         | 168   |
| Poverty & Hope Appeal  | -            | -          | 34         | -         | 34    |
| Diocesan Board of Finance element of Parochial Fees                        | 9            | -          | -          | -         | 9     |
| Guaranteed annuities   | 15           | -          | -          | -         | 15    |
| RME Ordinands Grants   | -            | -          | 236        | -         | 236   |
| Colyer Fergusson re Ebbsfleet Youth Worker                                 | -            | -          | 28         | -         | 28    |
| Swanscombe and Greenhithe Town Council re Ebbsfleet Youth Worker           | -            | -          | 5          | -         | 5     |
| Colyer Fergusson re Children and Young People Fund                         | -            | -          | 50         | -         | 50    |
| Church Commissioners re Chatham Town Centre                                | -            | -          | 51         | -         | 51    |
| Historic England re Chatham Town Centre                                    | -            | -          | 81         | -         | 81    |
| Listed Places of Worship Grant re Chatham                                  | -            | -          | 33         | -         | 33    |
| Diocesan Community Engagement Advisor                                      | -            | -          | 5          | -         | 5     |
| Readers' Fees  | 1            | -          | -          | -         | 1     |
| Bishop's Fund for Mission re Together Magazine                             | -            | -          | 4          | -         | 4     |
| Strategic Development Funding - Called to Grow                             | -            | -          | 75         | -         | 75    |
| Past Cases Review  | -            | -          | 40         | -         | 40    |
| Margaret Louise Swanson Legacy   | 1            | -          | -          | -         | 1     |
| Other sundry items   | 1            | -          | -          | -         | 1     |
|  | 166          | -          | 1,093      | -         | 1,259 |

|   | Unrestricted |            | Restricted | Endowment | Total |
|---|--------------|------------|------------|-----------|-------|
|   | Common       | Designated |            |           | 2018  |
|   | £'000        | £'000      | £'000      | £'000     | £'000 |
| (Donations, Legacies and similar income)                    |              |            |            |           |       |
| Trust for London (formerly City Parochial Foundation)       | -            | -          | 224        | -         | 224   |
| All Churches Trust - annual distribution                    | 136          | -          | -          | -         | 136   |
| Henry Smith Charity   | 20           | -          | -          | -         | 20    |
| David Goodwin Legacy  | -            | -          | -          | 650       | 650   |
| Partnership Fund appeals and confirmations                  | -            | -          | 99         | -         | 99    |
| Poverty & Hope Appeal                                       | -            | -          | 30         | -         | 30    |
| Diocesan Board of Finance element of Parochial Fees         | 13           | -          | -          | -         | 13    |
| Licensing & induction - collections                         | 8            | -          | -          | -         | 8     |
| Guaranteed annuities  | 15           | -          | -          | -         | 15    |
| RME Ordinands Grants  | -            | -          | 116        | -         | 116   |
| Ebbsfleet Development Corporation re Ebbsfleet Youth Worker | -            | -          | 6          | -         | 6     |
| Church Commissioners re Chatham Town Centre                 | -            | -          | 173        | -         | 173   |
| Historic England re Chatham Town Centre                     | -            | -          | 23         | -         | 23    |
| Diocesan Community Engagement Advisor                       | -            | -          | 58         | -         | 58    |
| Readers' Fees   | 4            | -          | -          | -         | 4     |
| Other sundry items  | 1            | -          | -          | -         | 1     |
|   | 197          | -          | 729        | 650       | 1,576 |

# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 3. INVESTMENT INCOME

|                                 | Unrestricted |            | Restricted | Endowment | Total |
|---------------------------------|--------------|------------|------------|-----------|-------|
|                                 | Common       | Designated |            |           | 2019  |
|                                 | £'000        | £'000      | £'000      | £'000     | £'000 |
| Rents receivable                | 645          | -          | 27         | -         | 672   |
| Dividends receivable            | 536          | -          | 26         | -         | 562   |
| Interest on deposits receivable | 26           | -          | -          | 5         | 31    |
|                                 | 1,207        | -          | 53         | 5         | 1,265 |

|                      | Unrestricted |            | Restricted | Endowment | Total |
|----------------------|--------------|------------|------------|-----------|-------|
|                      | Common       | Designated |            |           | 2018  |
|                      | £'000        | £'000      | £'000      | £'000     | £'000 |
| Rents receivable     | 665          | -          | 11         | -         | 676   |
| Dividends receivable | 429          | -          | 26         | -         | 455   |
|                      | 1,094        | -          | 37         | -         | 1,131 |

## 4. INCOME FROM CHARITABLE ACTIVITIES

|                   | Unrestricted |            | Restricted | Endowment | Total |
|-------------------|--------------|------------|------------|-----------|-------|
|                   | Common       | Designated |            |           | 2019  |
|                   | £'000        | £'000      | £'000      | £'000     | £'000 |
| Professional fees | 12           | -          | -          | -         | 12    |
|                   | 12           | -          | -          | -         | 12    |

|                   | Unrestricted |            | Restricted | Endowment | Total |
|-------------------|--------------|------------|------------|-----------|-------|
|                   | Common       | Designated |            |           | 2018  |
|                   | £'000        | £'000      | £'000      | £'000     | £'000 |
| Professional fees | 19           | -          | -          | -         | 19    |
|                   | 19           | -          | -          | -         | 19    |

## 5. EXPENDITURE ON GENERATING INCOME

|                           | Unrestricted |            | Restricted | Endowment | Total |
|---------------------------|--------------|------------|------------|-----------|-------|
|                           | Common       | Designated |            |           | 2019  |
|                           | £'000        | £'000      | £'000      | £'000     | £'000 |
| Glebe management costs    | 89           | -          | -          | -         | 89    |
| Non glebe commissions     | 23           | -          | -          | -         | 23    |
| Cost of income generation | 131          | -          | 10         | 1         | 142   |
|                           | 243          | -          | 10         | 1         | 254   |

|                           | Unrestricted |            | Restricted | Endowment | Total |
|---------------------------|--------------|------------|------------|-----------|-------|
|                           | Common       | Designated |            |           | 2018  |
|                           | £'000        | £'000      | £'000      | £'000     | £'000 |
| Glebe management costs    | 89           | -          | -          | -         | 89    |
| Non glebe commissions     | 24           | -          | -          | -         | 24    |
| Cost of income generation | 147          | -          | 10         | 1         | 158   |
|                           | 260          | -          | 10         | 1         | 271   |



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

6. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

|   | Direct<br>Costs<br>£'000 | Grants<br>£'000 | Allocated<br>Support<br>Costs<br>£'000 | Total<br>2019<br>£'000 |
|---|--------------------------|-----------------|--|------------------------|
| <b>Income generation</b>                        |                          |                 |  |                        |
| Glebe property advice and commission            | 112                      | -               | -                                      | 112                    |
| Cost of income generation                       | 1                        | -               | 141                                    | 142                    |
|   | 113                      | -               | 141                                    | 254                    |
| <b>Charitable activities</b>                    |                          |                 |  |                        |
| <b>Bringing people to faith in Christ</b>       |                          |                 |  |                        |
| Mission & Community Engagement (50%)            | 82                       | -               | -                                      | 82                     |
| Formation & Ministry (50%)                      | 176                      | -               | -                                      | 176                    |
| Youth & Children                                | 81                       | -               | -                                      | 81                     |
| Allocated support costs                         | -                        | -               | 220                                    | 220                    |
|   | 339                      | -               | 220                                    | 559                    |
| <b>A priestly presence in every community</b>   |                          |                 |  |                        |
| Stipend costs                                   | 6,619                    | -               | -                                      | 6,619                  |
| Apprenticeship levy                             | 23                       | -               | -                                      | 23                     |
| Actuarial gains/losses on clergy pension scheme | 76                       | -               | -                                      | 76                     |
| Glebe reinstatement works                       | 132                      | -               | -                                      | 132                    |
| Grants  | -                        | 539             | -                                      | 539                    |
| Parsonage maintenance & improvements            | 693                      | -               | -                                      | 693                    |
| Clergy conference                               | 33                       | -               | -                                      | 33                     |
| Ministry houses - housing costs                 | 165                      | -               | -                                      | 165                    |
| Curate and Associate Clergy Housing Costs       | 147                      | -               | -                                      | 147                    |
| National Church - training for ministry         | 493                      | -               | -                                      | 493                    |
| Formation & Ministry (50%)                      | 176                      | -               | -                                      | 176                    |
| Stewardship, Legal, Accounts Advisors & other   | 76                       | -               | -                                      | 76                     |
| Diocesan appointments                           | 423                      | -               | -                                      | 423                    |
| Allocated support costs                         | -                        | -               | 761                                    | 761                    |
|   | 9,056                    | 539             | 761                                    | 10,356                 |
| <b>Engagement with the community</b>            |                          |                 |  |                        |
| Grants  | -                        | 877             | -                                      | 877                    |
| Mission & Community Engagement (50%)            | 82                       | -               | -                                      | 82                     |
| Communications                                  | 23                       | -               | -                                      | 23                     |
| Faculty & inspection fees                       | 89                       | -               | -                                      | 89                     |
| Diocesan committees                             | 9                        | -               | -                                      | 9                      |
| National Church grant/allocation                | 375                      | -               | -                                      | 375                    |
| Partnership Dioceses & Church Urban Fund        | 10                       | -               | -                                      | 10                     |
| Ebbsfleet Youth Worker                          | 30                       | -               | -                                      | 30                     |
| Diocesan Magazine                               | 3                        | -               | -                                      | 3                      |
| Dementia Project                                | 34                       | -               | -                                      | 34                     |
| Chatham Town Centre                             | 49                       | -               | -                                      | 49                     |
| Past Cases Review                               | 25                       | -               | -                                      | 25                     |
| Growth Enablers                                 | 25                       | -               | -                                      | 25                     |
| Called to Grow - SDF Funding                    | 25                       | -               | -                                      | 25                     |
| Allocated support costs                         | -                        | -               | 465                                    | 465                    |
|   | 779                      | 877             | 465                                    | 2,121                  |
| <b>Total Expenditure</b>                        | 10,287                   | 1,416           | 1,587                                  | 13,290                 |
|   |                          | note 8          |  |                        |

Support costs comprise administration and governance costs which includes the audit fee of £20k (2018 : £18k).

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

6. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS

|   | Direct<br>Costs<br>£'000 | Grants<br>£'000 | Allocated<br>Support<br>Costs<br>£'000 | Total<br>2018<br>£'000 |
|---|--------------------------|-----------------|--|------------------------|
| <b>Income generation</b>  |                          |                 |  |                        |
| Glebe property advice and commission  | 113                      | -               | -                                      | 113                    |
| Cost of income generation   | 1                        | -               | 157                                    | 158                    |
|   | 114                      | -               | 157                                    | 271                    |
| <b>Charitable activities</b>  |                          |                 |  |                        |
| Grants  | -                        | -               | -                                      | -                      |
| Mission & Community Engagement (50%)  | 97                       | -               | -                                      | 97                     |
| Formation & Ministry (50%)  | 174                      | -               | -                                      | 174                    |
| Youth & Children  | 73                       | -               | -                                      | 73                     |
| Allocated support costs   | -                        | -               | 210                                    | 210                    |
|   | 344                      | -               | 210                                    | 554                    |
| <b>A priestly presence in every community</b>                                     |                          |                 |  |                        |
| Stipend costs   | 6,692                    | -               | -                                      | 6,692                  |
| Apprenticeship levy   | 23                       | -               | -                                      | 23                     |
| Actuarial gains/losses on clergy pension scheme                                   | 59                       | -               | -                                      | 59                     |
| Write off old balance sheet item  | 2                        | -               | -                                      | 2                      |
| Glebe reinstatement works   | 144                      | -               | -                                      | 144                    |
| Grants  | -                        | 408             | -                                      | 408                    |
| Parsonage maintenance & improvements  | 564                      | -               | -                                      | 564                    |
| Clergy conference   | 7                        | -               | -                                      | 7                      |
| Ministry houses - housing costs   | 338                      | -               | -                                      | 338                    |
| Curate and Associate Clergy Housing Costs   | 158                      | -               | -                                      | 158                    |
| National Church - training for ministry   | 454                      | -               | -                                      | 454                    |
| Formation & Ministry (50%)  | 174                      | -               | -                                      | 174                    |
| Provision re Holy Trinity Gillingham  | 30                       | -               | -                                      | 30                     |
| Stewardship, Legal, Accounts Advisors & other                                     | 82                       | -               | -                                      | 82                     |
| Diocesan appointments   | 407                      | -               | -                                      | 407                    |
| Kings Hill - New church project*  | (49)                     | -               | -                                      | (49)                   |
| Allocated support costs   | -                        | -               | 753                                    | 753                    |
|   | 9,085                    | 408             | 753                                    | 10,246                 |
| <b>Engagement with the community</b>  |                          |                 |  |                        |
| Grants  | -                        | 854             | -                                      | 854                    |
| Mission & Community Engagement (50%)  | 97                       | -               | -                                      | 97                     |
| Communications  | 22                       | -               | -                                      | 22                     |
| Faculty & inspection fees   | 79                       | -               | -                                      | 79                     |
| Diocesan committees   | 11                       | -               | -                                      | 11                     |
| National Church grant/allocation  | 360                      | -               | -                                      | 360                    |
| Partnership Dioceses & Church Urban Fund  | 10                       | -               | -                                      | 10                     |
| Ebbsfleet Youth Worker  | 16                       | -               | -                                      | 16                     |
| Kendall House Review  | -                        | -               | -                                      | -                      |
| Allocated support costs   | -                        | -               | 412                                    | 412                    |
|   | 605                      | 854             | 412                                    | 1,871                  |
| <b>Total Expenditure</b>  | 10,148                   | 1,262           | 1,532                                  | 12,942                 |
|   |                          | note 8          |  |                        |
| * Project costs for last 3 years capitalised according to accounting policy d(x). |                          |                 |  |                        |



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

7. STAFF COSTS

|  | 2019   | 2018   |
|--|--------|--------|
|  | £'000  | £'000  |
| Ordained Diocesan Officials stipends   | 289    | 263    |
| Other Lay Diocesan Personnel salaries  | 1,152  | 1,077  |
| National Insurance   | 140    | 141    |
| Life Insurance Policy  | 19     | 19     |
| Pension Costs  | 263    | 293    |
| - Lay Diocesan Personnel   |        |        |
| - Diocesan Clergy  | 89     | 85     |
|  | 1,952  | 1,878  |
| The average number of persons employed by the RDSBF during the year:   |        |        |
|  | 2019   | 2018   |
|  | Number | Number |
| Common Fund  |        |        |
| Administration and financial management  | 26     | 25     |
| Training   | 10     | 9      |
| Mission and Community Engagement   | 7      | 8      |
| Diocesan Appointments  | 6      | 6      |
|  | 49     | 48     |
| Called to Grow (funded by Strategic Development Fund)  | 1      | -      |
|  | 50     | 48     |
| The average number of persons employed by the RDSBF during the year based on full-time equivalents:  |        |        |
|  | 2019   | 2018   |
|  | Number | Number |
| Common Fund  |        |        |
| Administration and financial management  | 22     | 21     |
| Training   | 7      | 7      |
| Mission and Community Engagement   | 6      | 6      |
| Diocesan Appointments  | 5      | 5      |
|  | 40     | 39     |
| Called to Grow (funded by Strategic Development Fund)  | -      | -      |
|  | 40     | 39     |
| The numbers of staff whose emoluments (including benefits in kind but excluding pension contributions) amounted to more than £60,000 were as follows:- |        |        |
|  | 2019   | 2018   |
|  | Number | Number |
| £60,000 - £70,000  | -      | 2      |
| £70,000 - £80,000  | 2      | 1      |
| £80,000 - £90,000  | 1      | 1      |

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

7. STAFF COSTS (CONTINUED)

Remuneration of Key Management Staff

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees for planning, directing and controlling the activities of the Diocese. During 2019, they were:

|  |                           |
|--|---------------------------|
| Diocesan Secretary (retired 31 May 2019)   | Mr Geoff Marsh            |
| Associate Diocesan Secretary/Acting Diocesan Secretary (from 1 June 2019)/Diocesan Secretary (from 1 September 2019) | Mr Matthew Girt           |
| Finance Director   | The Rev Richard Williams  |
| Director of Formation and Ministry   | The Rev Canon Chris Dench |
| Diocesan Surveyor  | Mr Mark Trevett           |

Remuneration, pensions, national insurance contributions and expenses for these 5 employees amounted to £387,443 (2018 : £442,578).

Trustees’ Emoluments

No trustee received any remuneration for services as a Trustee. Six Trustees received travelling and out of pocket expenses (2018 : 7), totalling £23,652 (2018 : £20,153) in respect of General Synod duties, duties as archdeacon or area/rural dean and other duties as Trustees.

The table below gives details of the Trustees who were in receipt of a stipend and/or housing provided by the RDSBF (or the Church Commissioners where shown \*) during the year:

|   | Stipend | Housing |
|---|---------|---------|
| The Bishop of Rochester – The Right Revered James Langstaff         | Yes*    | Yes*    |
| The Bishop of Tonbridge – The Right Reverend Simon Burton-Jones     | Yes*    | Yes     |
| The Dean of Rochester Cathedral                                     | Yes*    | Yes*    |
| The Archdeacon of Bromley and Bexley – The Venerable Dr Paul Wright | Yes     | Yes     |
| The Archdeacon of Tonbridge – The Venerable Julie Conalty           | Yes     | Yes     |
| The Archdeacon of Rochester – The Venerable Andrew Wooding-Jones    | Yes     | Yes     |
| The Chair of the House of Clergy – The Reverend Canon Alyson Davie  | Yes     | Yes     |
| The Reverend Canon Mark Barker                                      | Yes     | Yes     |
| The Reverend Dr Julie Bowen   | Yes     | Yes     |
| The Reverend Dylan Turner   | Yes     | Yes     |
| The Reverend Martyn Saunders  | Yes     | Yes     |

The RDSBF is responsible for funding via the Church Commissioners the stipends of licensed stipendiary clergy of the diocese, other than bishops and cathedral staff. The RDSBF is also responsible for the provision of housing for stipendiary clergy in the diocese including the suffragan bishop but excluding the diocesan bishop and cathedral staff.

|  | 2019  | 2018  |
|--|-------|-------|
|  | £'000 | £'000 |
| Parish Stipends, National Insurance & Pension Costs                      |       |       |
| Parish Stipends  | 4,981 | 5,022 |
| National Insurance   | 397   | 404   |
| Pension Costs  | 1,317 | 1,326 |
|  | 6,695 | 6,752 |
| Number of parish clergy in post as at 31 December (Full-time equivalent) | 187   | 192   |



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

8. ANALYSIS OF GRANTS MADE

|   | No. | Individuals<br>£'000 | Institutions<br>£'000 | Source                     | 2019<br>£'000 |
|---|-----|----------------------|-----------------------|----------------------------|---------------|
| From unrestricted funds:                |     |                      |                       |                            |               |
| Ordinands in training                   | 14  | 119                  | -                     | Common Fund                | 119           |
| Clergy training                         | 55  | 27                   | -                     | Common Fund                | 27            |
| Clergy removal grants                   | 28  | 50                   | -                     | Common Fund                | 50            |
| Clergy resettlement grants              | 24  | 52                   | -                     | Common Fund                | 52            |
| Clergy first appointment grants         | 23  | 52                   | -                     | Common Fund                | 52            |
| Kent Workplace Mission                  | 1   | -                    | 4                     | Common Fund                | 4             |
| Archdeacons' discretionary grants       | 30  | 6                    | -                     | Common Fund                | 6             |
| From restricted funds:                  |     |                      |                       |                            |               |
| Ministry Division Ordinand Block Grants | 37  | 36                   | 197                   | Ministry Division Fund     | 233           |
| Overseas Partnership: Harare            | 5   | 1                    | 20                    | Links Fund                 | 21            |
| Overseas Partnership: Tanzania          | 31  | 4                    | 131                   | Links Fund                 | 135           |
| Beckenham St Michael                    | 1   | -                    | 10                    | Pastoral Account           | 10            |
| Bishop of Rochester Discretionary Fund  | 1   | -                    | 20                    | Pastoral Account           | 20            |
| Lamorbey Holy Redeemer PCC              | 3   | -                    | 417                   | Pastoral Account           | 417           |
| Gillingham St Augustine PCC             | 1   | -                    | 5                     | Pastoral Account           | 5             |
| Christian Aid                           | 1   | -                    | 12                    | Poverty & Hope Appeal      | 12            |
| Church Mission Society                  | 1   | -                    | 6                     | Poverty & Hope Appeal      | 6             |
| Commonwork Land Trust                   | 1   | -                    | 6                     | Poverty & Hope Appeal      | 6             |
| United Society (formerly USPG)          | 1   | -                    | 6                     | Poverty & Hope Appeal      | 6             |
| Gravesend St George PCC                 | 1   | -                    | 2                     | Local Church Urban Fund    | 2             |
| Erith & Thamesmead CAP Debt Centre      | 1   | -                    | 2                     | Local Church Urban Fund    | 2             |
| Beckenham St Barnabas PCC               | 1   | -                    | 5                     | Trust for London           | 5             |
| Beckenham St George PCC                 | 1   | -                    | 5                     | Trust for London           | 5             |
| Belvedere All Saints PCC                | 2   | -                    | 4                     | Trust for London           | 4             |
| Bexley St Mary PCC                      | 1   | -                    | 4                     | Trust for London           | 4             |
| Bishop of Rochester Discretionary Fund  | 1   | -                    | 10                    | Trust for London           | 10            |
| Chislehurst Christ Church PCC           | 1   | -                    | 10                    | Trust for London           | 10            |
| Cray Valley - St Andrew PCC             | 3   | -                    | 9                     | Trust for London           | 9             |
| Crayford PCC                            | 1   | -                    | 10                    | Trust for London           | 10            |
| Crofton PCC                             | 1   | -                    | 2                     | Trust for London           | 2             |
| Erith Christ Church PCC                 | 3   | -                    | 2                     | Trust for London           | 2             |
| Farnborough PCC                         | 2   | -                    | 5                     | Trust for London           | 5             |
| Lamorbey Holy Redeemer PCC              | 2   | -                    | 35                    | Trust for London           | 35            |
| Lamorbey Holy Trinity PCC               | 2   | -                    | 5                     | Trust for London           | 5             |
| Orpington All Saints                    | 1   | -                    | 2                     | Trust for London           | 2             |
| Penge St John PCC                       | 1   | -                    | 10                    | Trust for London           | 10            |
| Slade Green PCC                         | 2   | -                    | 2                     | Trust for London           | 2             |
| Sidcup St John PCC                      | 1   | -                    | 20                    | Trust for London           | 20            |
| St Mary's Church House (under £1,000)   | 3   | -                    | 1                     | Trust for London           | 1             |
| Clergy grants                           | 29  | 27                   | -                     | Trust for London           | 27            |
| Other grants under £1,000               | 7   | -                    | 3                     | Trust for London           | 3             |
| Retired Clergy Grant                    | 1   | 1                    | -                     | Pension and Retired Clergy | 1             |
| Anerley Team Ministry                   | 1   | -                    | 6                     | £500k CYP Fund             | 6             |
| Barnehurst PCC                          | 1   | -                    | 1                     | £500k CYP Fund             | 1             |
| Bexleyheath Christ Church PCC           | 1   | -                    | 5                     | £500k CYP Fund             | 5             |
| Chalk PCC                               | 1   | -                    | 3                     | £500k CYP Fund             | 3             |
| Cray St Barnabas PCC                    | 1   | -                    | 5                     | £500k CYP Fund             | 5             |
| Crofton PCC                             | 1   | -                    | 1                     | £500k CYP Fund             | 1             |
| Farnborough PCC                         | 1   | -                    | 1                     | £500k CYP Fund             | 1             |
| Gillingham St Mark PCC                  | 1   | -                    | 2                     | £500k CYP Fund             | 2             |
| Gravesend St Mary PCC                   | 2   | -                    | 2                     | £500k CYP Fund             | 2             |
| Horsmonden PCC                          | 1   | -                    | 2                     | £500k CYP Fund             | 2             |
| Luton PCC                               | 1   | -                    | 5                     | £500k CYP Fund             | 5             |
| Paddock Wood PCC                        | 1   | -                    | 1                     | £500k CYP Fund             | 1             |
| Rainham PCC                             | 2   | -                    | 9                     | £500k CYP Fund             | 9             |
| Rochester Cathedral                     | 1   | -                    | 5                     | £500k CYP Fund             | 5             |
| Rochester St Justus PCC                 | 1   | -                    | 2                     | £500k CYP Fund             | 2             |
| Strood St Francis PCC                   | 1   | -                    | 2                     | £500k CYP Fund             | 2             |
| Tonbridge St Peter and St Paul PCC      | 1   | -                    | 1                     | £500k CYP Fund             | 1             |
| Weald PCC                               | 1   | -                    | 3                     | £500k CYP Fund             | 3             |
| Wilmington PCC                          | 1   | -                    | 3                     | £500k CYP Fund             | 3             |
|   |     |                      |                       |                            | 1,416         |

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

8. ANALYSIS OF GRANTS MADE

|   | No. | Individuals<br>£'000 | Institutions<br>£'000 | Source                  | 2018<br>£'000 |
|---|-----|----------------------|-----------------------|-------------------------|---------------|
| From unrestricted funds:                |     |                      |                       |                         |               |
| Ordinands in training                   | 14  | 100                  | -                     | Common Fund             | 100           |
| Clergy training                         | 70  | 29                   | -                     | Common Fund             | 29            |
| Clergy removal grants                   | 24  | 39                   | -                     | Common Fund             | 39            |
| Clergy resettlement grants              | 24  | 48                   | -                     | Common Fund             | 48            |
| Clergy first appointment grants         | 24  | 58                   | -                     | Common Fund             | 58            |
| Kent Workplace Mission                  | 1   | -                    | 4                     | Common Fund             | 4             |
| Archdeacons' discretionary grants       | 37  | 11                   | 2                     | Common Fund             | 13            |
| From restricted funds:                  |     |                      |                       |                         |               |
| Ministry Division Ordinand Block Grants | 33  | 21                   | 104                   | Ministry Division Fund  | 125           |
| Overseas Partnership: Harare            | 2   | -                    | 4                     | Links Fund              | 4             |
| Overseas Partnership: Tanzania          | 31  | 3                    | 78                    | Links Fund              | 81            |
| Beckenham St Michael                    | 1   | -                    | 460                   | Pastoral Account        | 460           |
| Hever, Four Elms & Markbeech            | 1   | -                    | 5                     | Pastoral Account        | 5             |
| Bishop of Rochester Discretionary Fund  | 1   | -                    | 5                     | Pastoral Account        | 5             |
| Christian Aid                           | 1   | -                    | 14                    | Poverty & Hope Appeal   | 14            |
| Church Mission Society                  | 1   | -                    | 6                     | Poverty & Hope Appeal   | 6             |
| Commonwork Land Trust                   | 1   | -                    | 6                     | Poverty & Hope Appeal   | 6             |
| United Society (formerly USPG)          | 1   | -                    | 6                     | Poverty & Hope Appeal   | 6             |
| Gravesend St George PCC                 | 1   | -                    | 5                     | Local Church Urban Fund | 5             |
| Erith & Thamesmead CAP Debt Centre      | 1   | -                    | 2                     | Local Church Urban Fund | 2             |
| South Gillingham St Paul                | 1   | -                    | 8                     | Church Extension Fund   | 8             |
| Bexley St Mary PCC                      | 1   | -                    | 1                     | Trust for London        | 1             |
| Bexleyheath Christ Church               | 1   | -                    | 2                     | Trust for London        | 2             |
| Bickley PCC                             | 1   | -                    | 5                     | Trust for London        | 5             |
| Bishop of Rochester Discretionary Fund  | 1   | -                    | 5                     | Trust for London        | 5             |
| Cray St Barnabas                        | 1   | -                    | 10                    | Trust for London        | 10            |
| Cray Valley - St Andrew PCC             | 2   | -                    | 9                     | Trust for London        | 9             |
| Erith Christ Church PCC                 | 1   | -                    | 15                    | Trust for London        | 15            |
| Orpington Unity Church                  | 1   | -                    | 10                    | Trust for London        | 10            |
| Petts Wood PCC                          | 1   | -                    | 1                     | Trust for London        | 1             |
| Sidcup St Andrew PCC                    | 1   | -                    | 5                     | Trust for London        | 5             |
| Sidcup Christ Church PCC                | 1   | -                    | 25                    | Trust for London        | 25            |
| Welling PCC                             | 1   | -                    | 20                    | Trust for London        | 20            |
| Hayes PCC                               | 1   | -                    | 2                     | Trust for London        | 2             |
| Lamorbey Holy Redeemer PCC              | 3   | -                    | 25                    | Trust for London        | 25            |
| Slade Green PCC                         | 3   | -                    | 16                    | Trust for London        | 16            |
| St Mary's Church House                  | 2   | -                    | 1                     | Trust for London        | 1             |
| Clergy grants                           | 19  | 26                   | -                     | Trust for London        | 26            |
| Other grants under £1,000               | 4   | -                    | 2                     | Trust for London        | 2             |
| Anerley Team Ministry                   | 1   | -                    | 6                     | £500k CYP Fund          | 6             |
| Barming PCC                             | 1   | -                    | 1                     | £500k CYP Fund          | 1             |
| Chalk PCC                               | 1   | -                    | 4                     | £500k CYP Fund          | 4             |
| Chatham St Paul with All Saints         | 1   | -                    | 4                     | £500k CYP Fund          | 4             |
| Chatham St Philip and St James          | 1   | -                    | 3                     | £500k CYP Fund          | 3             |
| Chatham St Stephen PCC                  | 1   | -                    | 2                     | £500k CYP Fund          | 2             |
| Dartford Christ Church                  | 1   | -                    | 3                     | £500k CYP Fund          | 3             |
| Gillingham St Mark PCC                  | 1   | -                    | 5                     | £500k CYP Fund          | 5             |
| Gravesend St Mary PCC                   | 1   | -                    | 3                     | £500k CYP Fund          | 3             |
| Orpington Unity Church                  | 1   | -                    | 4                     | £500k CYP Fund          | 4             |
| Paddock Wood PCC                        | 1   | -                    | 1                     | £500k CYP Fund          | 1             |
| Perry Street PCC                        | 1   | -                    | 4                     | £500k CYP Fund          | 4             |
| Rainham PCC                             | 1   | -                    | 5                     | £500k CYP Fund          | 5             |
| Strood St Francis PCC                   | 1   | -                    | 4                     | £500k CYP Fund          | 4             |
| Swanley St Peter and St Paul PCC        | 1   | -                    | 5                     | £500k CYP Fund          | 5             |
| Tonbridge St Peter and St Paul PCC      | 1   | -                    | 5                     | £500k CYP Fund          | 5             |
| Tonbridge St Stephen PCC                | 1   | -                    | 5                     | £500k CYP Fund          | 5             |
| Watch Club Youth Group (under £1,000)   | 1   | -                    | -                     | £500k CYP Fund          | -             |
|   |     |                      |                       |                         | 1,262         |



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

9. TANGIBLE FIXED ASSETS

|                          | Board Property |           | Equity Sharing Property |           | Benefice Property |           | Assets Held For Sale |           | Assets in course of construction | Computer & Phone Equipment | Total  |
|--------------------------|----------------|-----------|-------------------------|-----------|-------------------|-----------|----------------------|-----------|----------------------------------|----------------------------|--------|
|                          | Land           | Buildings | Land                    | Buildings | Land              | Buildings | Land                 | Buildings | £'000                            | £'000                      | £'000  |
|                          | £'000          | £'000     | £'000                   | £'000     | £'000             | £'000     | £'000                | £'000     | £'000                            | £'000                      | £'000  |
| <b>Cost or valuation</b> |                |           |                         |           |                   |           |                      |           |                                  |                            |        |
| Balance 1 January 2019   | 4,725          | 7,397     | 123                     | 174       | 19,778            | 19,951    | 495                  | 527       | 2,397                            | 166                        | 55,733 |
| Additions                | -              | 47        | -                       | -         | -                 | 330       | -                    | -         | 1,338                            | 5                          | 1,720  |
| Disposals                | -              | -         | -                       | -         | -                 | -         | -                    | -         | -                                | -                          | -      |
| Revaluation              | -              | -         | -                       | -         | -                 | -         | -                    | -         | -                                | -                          | -      |
| Transfer                 | 376            | 376       | -                       | -         | -                 | -         | -                    | -         | (752)                            | -                          | -      |
| Balance 31 December 2019 | 5,101          | 7,820     | 123                     | 174       | 19,778            | 20,281    | 495                  | 527       | 2,983                            | 171                        | 57,453 |
| <b>Depreciation</b>      |                |           |                         |           |                   |           |                      |           |                                  |                            |        |
| Balance 1 January 2019   | -              | 1,189     | -                       | 52        | -                 | 4,368     | -                    | 157       | -                                | 146                        | 5,912  |
| Charge for the year      | -              | -         | -                       | -         | -                 | -         | -                    | -         | -                                | 12                         | 12     |
| Disposals                | -              | -         | -                       | -         | -                 | -         | -                    | -         | -                                | -                          | -      |
| Transfer                 | -              | -         | -                       | -         | -                 | -         | -                    | -         | -                                | -                          | -      |
| Balance 31 December 2019 | -              | 1,189     | -                       | 52        | -                 | 4,368     | -                    | 157       | -                                | 158                        | 5,924  |
| <b>Net book values</b>   |                |           |                         |           |                   |           |                      |           |                                  |                            |        |
| At 31 December 2019      | 5,101          | 6,631     | 123                     | 122       | 19,778            | 15,913    | 495                  | 370       | 2,983                            | 13                         | 51,529 |
| At 31 December 2018      | 4,725          | 6,208     | 123                     | 122       | 19,778            | 15,583    | 495                  | 370       | 2,397                            | 20                         | 49,821 |

Following the introduction of Financial Reporting Standard 15 “Tangible Fixed Assets”, all fixed asset land and buildings, excluding investment properties, were crystallised at their carrying value on 1 January 2000. The land proportion for each property was estimated and depreciation at 2% was applied to the remaining portion in respect of the building content. The land content was estimated to be between 40% and 51% of the carrying value as at 1 January 2000.

Depreciation is no longer provided on buildings as any provision would not be material due to the very long expected remaining useful economic life in each case and because their expected residual value is not materially less than their carrying value.

(a) Freehold Land and Buildings

The land and buildings are shown divided between Board Property, purchased from the Board’s own funds, and Equity Sharing Property, which is purchased partially or wholly by a loan from the Church Commissioners. Although title to properties under the Equity Sharing Scheme rests with the Board, any profit or loss on sale is apportioned between the Board and Church Commissioners in proportion to the original funding.

(b) Equity Sharing Properties

Equity sharing properties are part owned by the Board and are included as fixed assets land and buildings. In each case there is a loan with the interest being paid by the parish for which the property is provided. On disposal, the Board receives only its share of the equity.

(c) Benefice Property

Properties not owned by the Board but from which the Board derives the benefit and incurs the obligation of ownership are included in the accounts at historical cost or market value on 1st January 2000. The proceeds of any sales are available to the Board.

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

10. FIXED ASSET INVESTMENTS

|                                 | 2019    |              | 2018    |              |
|---------------------------------|---------|--------------|---------|--------------|
|                                 | Cost    | Market Value | Cost    | Market Value |
|                                 | £'000   | £'000        | £'000   | £'000        |
| <b>Investments</b>              |         |              |         |              |
| Sarasin & Partners              | 9,105   | 11,767       | 8,801   | 10,065       |
| Eden Tree Investment Management | 3,407   | 4,561        | 3,407   | 3,974        |
| <b>Investment Properties</b>    |         |              |         |              |
|                                 |         | 12,169       |         | 11,983       |
|                                 |         | 28,497       |         | 26,022       |
|                                 |         |              |         |              |
|                                 |         | £'000        |         | £'000        |
| At 1 January 2019               |         | 26,022       |         | 27,777       |
| Additions                       |         | 1,100        |         | 3,500        |
| Disposals                       | (1,075) |              | (4,190) |              |
| Realised gains                  | (423)   |              | (2,712) |              |
| Sale proceeds                   |         | (1,498)      |         | (6,902)      |
|                                 |         |              |         |              |
| Net gains on investments        |         | 2,873        |         | 1,647        |
| At 31 December 2019             |         | 28,497       |         | 26,022       |

Net gains on investments shown in the Statement of Financial Activities of £2,873k (2018 : 1,647k) comprise unrealised gains £2,450k (2018 : losses £1,065k) and realised gains £423k (2018 : £2,712k) as a result of disposals realising proceeds of £1.5m (2018 : £6.9m).

The investments held by Sarasin and Eden Tree can all be converted into cash within one month of application.

Investment properties include Glebe and other properties, the income from which is included in the Board accounts. Investment Properties were valued during 2019 by Laura Piper MRICS on an open market valuation basis. The historical cost of these properties is not available.

11. DEBTORS

|                                       | 2019                                |                                      | 2018                                |                                      |
|---------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
|                                       | Amounts falling due within one year | Amounts due after more than one year | Amounts falling due within one year | Amounts due after more than one year |
|                                       | £'000                               | £'000                                | £'000                               | £'000                                |
| Diocesan Parishes - Loans to parishes | 97                                  | 25                                   | 97                                  | 59                                   |
| Diocesan Parishes - Other amounts due | 258                                 | -                                    | 256                                 | -                                    |
| Sundry Debtors                        | 666                                 | 13                                   | 929                                 | 15                                   |
|                                       | 1,021                               | 38                                   | 1,282                               | 74                                   |

The loans to 5 parishes (2018 : 5) are generally unsecured, repayable over a period of five years with interest charged at 0% for loans from the Church Repair Fund and at various rates for loans from the Diocesan Loans Fund.



# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 12. CREDITORS

|   | 2019                                |                                      | 2018                                |                                      |
|---|-------------------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
|   | Amounts falling due within one year | Amounts due after more than one year | Amounts falling due within one year | Amounts due after more than one year |
|   | £'000                               | £'000                                | £'000                               | £'000                                |
| <b>Related Party Balances:</b>            |                                     |                                      |                                     |                                      |
| Amount due to Diocesan Board of Education | 30                                  | -                                    | 25                                  | -                                    |
| <b>Other Balances:</b>                    |                                     |                                      |                                     |                                      |
| Amount due to Other Trust Funds           | 8                                   | -                                    | 1                                   | -                                    |
| Equity Sharing Loans                      | -                                   | 295                                  | -                                   | 295                                  |
| Deposits - Diocesan Loans Fund (Parishes) | 3,667                               | -                                    | 4,362                               | -                                    |
| Deposits - Diocesan Loans Fund (Other)    | 36                                  | -                                    | 19                                  | -                                    |
| Deposits - Church Repair Fund             | 4,674                               | -                                    | 4,477                               | -                                    |
| Pension Scheme Liabilities                | 131                                 | 1,179                                | 356                                 | 3,559                                |
| Sundry Creditors                          | 988                                 | -                                    | 1,286                               | -                                    |
|   | 9,534                               | 1,474                                | 10,526                              | 3,854                                |

The Equity Sharing Loans are made by the Church Commissioners and are secured on property with interest charged at a commercial rate and repayable on the sale of the related property.

The parish deposits in the Church Repair Fund and Diocesan Loan Fund are repayable on demand and they are therefore classified as ‘falling due within one year’. These deposits are placed in bank deposits and other assets. The likelihood of all parishes wishing to withdraw all of their funds at the same time is highly unlikely as Church Repair Fund deposits are generally intended to pay for repairs arising from quinquennial surveys.

## 13. MEMBERS’ LIABILITY

The Board is a company limited by Guarantee. At 31 December 2019 there were 134 (2018 : 145) members who are liable to contribute £1 each in the event of the company being wound up.

## 14. OPERATING LEASES

Total commitments under non-cancellable operating leases are as follows:

|   | 2019  | 2018  |
|---|-------|-------|
|   | £'000 | £'000 |
| <b>Lease payments - other operating lease:</b>            |       |       |
| Not later than one year after the balance sheet date      | 12    | 11    |
| In the second to fifth years after the balance sheet date | 38    | 40    |
|   | 50    | 51    |

## 15. RELATED PARTY TRANSACTIONS

During the year the following related party transactions took place:

| Related Party  | Relationship                |   | 2019  | 2018  |
|--|-----------------------------|---|-------|-------|
|  |                             |   | £'000 | £'000 |
|  |                             |   |       |       |
| Mrs Julia Burton-Jones   | Wife of Bishop of Tonbridge | Professional fees in respect of work on Dementia Friendly Church Project. | 34    | 30    |
|  |                             |   |       |       |
| The outstanding balances with related parties at 31 December 2019 are included in note 12. |                             |   |       |       |

# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 16. DESIGNATED FUNDS

|                        | Balance at 1 January 2019 | Income | Expenditure | Investment Movements | Transfers | Balance at 31 December 2019 |
|------------------------|---------------------------|--------|-------------|----------------------|-----------|-----------------------------|
|                        | £'000                     | £'000  | £'000       | £'000                | £'000     | £'000                       |
|                        |                           |        |             |                      |           |                             |
|                        |                           |        |             |                      |           |                             |
| Central Church Funding | 99                        | -      | -           | -                    | -         | 99                          |
| Property Fund          | 6,745                     | -      | -           | -                    | 460       | 7,205                       |
|                        | 6,844                     | -      | -           | -                    | 460       | 7,304                       |

### Central Church Funding

These funds have been received from the Church Commissioners for designated purposes and so have been retained within a specific designated fund.

### Property Fund

This fund has been set aside by the Trustees for the purpose of funding Board property acquisitions and development. A transfer of £460k was made from the Stipends Capital Account to the Designated Property Fund in respect of the reclassification of the property 4a/4b Burnt Ash Way, Beckenham from Glebe to DBF property.

|                        | Balance at 1 January 2018 | Income | Expenditure | Investment Movements | Transfers | Balance at 31 December 2018 |
|------------------------|---------------------------|--------|-------------|----------------------|-----------|-----------------------------|
|                        | £'000                     | £'000  | £'000       | £'000                | £'000     | £'000                       |
|                        |                           |        |             |                      |           |                             |
|                        |                           |        |             |                      |           |                             |
| Central Church Funding | 99                        | -      | -           | -                    | -         | 99                          |
| Property Fund          | 9,559                     | 7      | -           | 1,144                | (3,965)   | 6,745                       |
|                        | 9,658                     | 7      | -           | 1,144                | (3,965)   | 6,844                       |



# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 17. RESTRICTED FUNDS

|  | Balance at<br>1 January<br>2019<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Investment<br>Movements<br>£'000 | Transfers<br>£'000 | Balance at<br>31 December<br>2019<br>£'000 |
|--|--|-----------------|----------------------|----------------------------------|--------------------|--|
| Poverty & Hope Appeal  | 20                                       | 34              | (30)                 | -                                | -                  | 24   |
| Committee Amongst Deaf   | 23                                       | -               | -                    | -                                | -                  | 23   |
| Local Church Urban Fund  | 25                                       | 13              | (4)                  | -                                | -                  | 34   |
| Diocesan Pastoral Account                                      | 2,230                                    | 31              | (1,195)              | -                                | 219                | 1,285                                      |
| Diocesan Pastoral Account re Sale of Beckenham St Michael Hall | 169                                      | -               | (10)                 | -                                | -                  | 159  |
| Trust for London (formerly City Parochial Foundation)          | 30                                       | 244             | (187)                | -                                | (83)               | 4  |
| Benefice Property  | 35,360                                   | -               | -                    | -                                | 330                | 35,690                                     |
| Thames Gateway   | 7  | -               | -                    | -                                | -                  | 7  |
| Thames Gateway Capital Fund                                    | 457                                      | -               | -                    | -                                | -                  | 457  |
| Parsonage Building Fund  | 563                                      | -               | -                    | -                                | (559)              | 4  |
| Church Extension Fund  | 786                                      | -               | (143)                | -                                | -                  | 643  |
| Partnership Funds  | 32                                       | 168             | (168)                | -                                | -                  | 32   |
| Ministry Division RME Ordinand's Grant                         | (11)                                     | 236             | (233)                | -                                | -                  | (8)  |
| Ebbsfleet Youth Worker   | 15                                       | 33              | (30)                 | -                                | -                  | 18   |
| Children & Young People Fund                                   | 22                                       | 64              | (58)                 | -                                | 25                 | 53   |
| Chatham Town Centre  | 256                                      | 165             | (15)                 | -                                | -                  | 406  |
| Children & Young People misc. funds                            | 3  | -               | -                    | -                                | -                  | 3  |
| Cobham and Gravesend Churches Fund                             | 58                                       | -               | -                    | -                                | 2                  | 60   |
| Henry Smith Dementia Project                                   | -  | 39              | (34)                 | -                                | -                  | 5  |
| Together Magazine  | -  | 4               | (3)                  | -                                | -                  | 1  |
| Called to Grow - Strategic Development Funding                 | -  | 75              | (25)                 | -                                | -                  | 50   |
| Past Cases Review  | -  | 40              | (25)                 | -                                | 40                 | 55   |
|  | 40,045                                   | 1,146           | (2,160)              | -                                | (26)               | 39,005                                     |

### Poverty and Hope Appeal

Money raised by an annual appeal and passed on in grants to various missionary and relief agencies.

### Committee Amongst the Deaf

Specific donations received for use by this committee.

### Local Church Urban Fund

The income arising from the appeal capital is used to pay grants in support of specified projects in urban priority areas within the Diocese.

### Diocesan Pastoral Account

Capital monies received under the Pastoral Measures 1983 and is restricted thereby. Expenditure includes a £400k grant towards the Lamorbey Holy Redeemer development project (2018:£nil), £500k towards Clergy Stipends (2018:£500k) and £100k (2018:£nil) towards parsonage repairs. The net transfer of £219k relates to adjustments required with regard to the sale of the parsonage at Dartford, St Albans (originally £559k credited to the Parsonage Building Fund in 2018), parsonage

# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 17. RESTRICTED FUNDS (CONTINUED)

catch up works of £250k, provision of the Archdeacon’s Discretionary Funds of £20k, write off of an outstanding debtor of £30k in respect of Gillingham Holy Trinity and a £40k contribution to the Past Cases Review (see below).

### Pastoral Account re Sale of Beckenham St. Michael Hall

Capital monies received under the Pastoral Measure 1983 and is restricted thereby. This has been shown separately from the Diocesan Pastoral Account because the aim is to use the funds for that specific parish.

### Trust for London

An annual allocation from the Foundation to use within the Archdeaconry of Bromley and Bexley. The transfer of £83k represents contributions to the Children and Young Peoples 500k Fund, community and children’s projects, training, stipends, administration and the 2021 Clergy Conference.

### Benefice Property

The fund value represents the capital value of parsonage houses less depreciation. The transfer of £330k relates to adjustments required in relation to the capitalisation of parsonage improvement projects.

### Thames Gateway

Money given by Tonbridge Deanery towards specific projects in the Thames Gateway area.

### Thames Gateway Capital

Money initially collected through the parish share specifically to raise £1m over 10 years towards capital projects in the Thames Gateway area.

### Parsonage Building Fund

Money held by the RSDBF, under s5(3) of the Parsonages Measure 1938 (amended), from the sale of a parsonage or other parsonage land held in trust for the benefice concerned. The transfer of £559k represents the proceeds received from the sale of the parsonage at St. Albans, Dartford in 2018 transferred to the Diocesan Pastoral Account under s7 of the Parsonages Measure 1938.

### Church Extension Fund

Monies given under an appeal in 1956 for the purchase or improvement of churches, halls, parsonages, curate houses and other property. Currently represented by 4 houses in various parishes.

### Partnership Funds

This represents collections taken at Confirmation services and other income for the purpose of maintaining and developing partnerships with overseas link Dioceses.

### Ministry Division RME Ordinand’s Grant

Block grant received from the Archbishop’s Council Ministry Division to fund ordinand training. This is currently in deficit but this will reverse when further grants are received from the Ministry Division.

### Ebbsfleet Youth Worker

Grant received from the Ebbsfleet Development Corporation to be spent on the provision of a youth worker in Ebbsfleet for the next 3 years.

### Children and Young People 500K Fund

Fund established as part of the Called Together initiative. The transfer of £25k was allocated from the Trust for London Fund to support Children and Young People projects specifically in the Bromley and Bexley Archdeaconry.

### Chatham Town Centre

Grant received from the Church Commissioners to help fund redevelopment of Chatham Town Centre.

### Children and Young People Funds

This represents 2 small grants specifically for the Children and Young People Projects, Angel Space and Listen to Learn.

### Cobham and Gravesend Churches Fund

Fund to be used for purposes connected with the social responsibility mission of churches in the Cobham and Gravesend area.



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

17. RESTRICTED FUNDS (CONTINUED)

Henry Smith Dementia Project

Grant received from the Henry Smith Charity towards 2 year’s salary costs of a part-time project worker helping churches in Rochester and Canterbury Dioceses develop their ministry with older people and people with dementia.

Together Magazine

Grant from the Bishops Fund for Mission towards the production and circulation of the Rochester Diocese Together Magazine.

Called to Grow

In late June 2019, 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 the RDSBF’s 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. The funding is over 5 years, 2019-2024.

Past Cases Review

The Past Cases Review, is a comprehensive safeguarding review currently underway across churches and key institutions within the Diocese of Rochester. The purpose of the Review is to help find out whether all known cases of concern about the behaviour of clergy and church officers towards children and vulnerable adults have been considered, risk assessed and dealt with appropriately. Independent reviewers are carrying out the Review and are expected to be completed by the end of 2020. A transfer of £40k was made from the Diocesan Pastoral Account

|   | Balance at<br>1 January<br>2018<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Investment<br>Movements<br>£'000 | Transfers<br>£'000 | Balance at<br>31 December<br>2018<br>£'000 |
|---|--|-----------------|----------------------|----------------------------------|--------------------|--|
| Poverty & Hope Appeal                                 | 23                                       | 30              | (33)                 | -                                | -                  | 20   |
| Committee Amongst Deaf                                | 23                                       | -               | -                    | -                                | -                  | 23   |
| Local Church Urban Fund                               | 19                                       | 13              | (7)                  | -                                | -                  | 25   |
| Pastoral Account                                      | 1,784                                    | 642             | (887)                | 32                               | 659                | 2,230                                      |
| Pastoral Account re Sale of Beckenham St Michael Hall | 643                                      | -               | (474)                | -                                | -                  | 169  |
| Trust for London (formerly City Parochial Foundation) | 73                                       | 224             | (189)                | -                                | (78)               | 30   |
| Benefice Property                                     | 31,592                                   | -               | -                    | -                                | 3,768              | 35,360                                     |
| Thames Gateway  | 7  | -               | -                    | -                                | -                  | 7  |
| Thames Gateway Capital Fund                           | 457                                      | -               | -                    | -                                | -                  | 457  |
| Parsonage Building Fund                               | 504                                      | 430             | -                    | -                                | (371)              | 563  |
| Church Extension Fund                                 | 486                                      | 319             | (19)                 | -                                | -                  | 786  |
| Partnership Funds                                     | 26                                       | 102             | (96)                 | -                                | -                  | 32   |
| Ministry Division RME Ordinand's Grant                | (2)                                      | 116             | (125)                | -                                | -                  | (11)                                       |
| Ebbfleet Youth Worker                                 | 25                                       | 6               | (16)                 | -                                | -                  | 15   |
| Children & Young People Fund                          | 50                                       | 14              | (67)                 | -                                | 25                 | 22   |
| Chatham Town Centre                                   | 60                                       | 196             | -                    | -                                | -                  | 256  |
| Children & Young People misc. funds                   | 3  | -               | -                    | -                                | -                  | 3  |
| Cobham and Gravesend Churches Fund                    | -  | -               | -                    | -                                | 58                 | 58   |
|   | 35,773                                   | 2,092           | (1,913)              | 32                               | 4,061              | 40,045                                     |

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

18. ENDOWMENT FUNDS

|                           | Balance at<br>1 January<br>2019<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Investment<br>Movements<br>£'000 | Transfers<br>£'000 | Balance at<br>31 December<br>2019<br>£'000 |
|---------------------------|--|-----------------|----------------------|----------------------------------|--------------------|--|
| Stipends Capital Account  | 14,031                                   | -               | (146)                | 1,173                            | 1,392              | 16,450                                     |
| Training                  | 1,173                                    | -               | -                    | 158                              | -                  | 1,331                                      |
| Pensions & Retired Clergy | 1,403                                    | -               | (1)                  | 73                               | -                  | 1,475                                      |
| Buildings                 | 64                                       | -               | -                    | 11                               | -                  | 75   |
| Parsonages                | 543                                      | -               | -                    | 73                               | -                  | 616  |
| Local Church Urban Fund   | 401                                      | -               | -                    | 54                               | -                  | 455  |
| Social Mission            | 939                                      | -               | -                    | 130                              | -                  | 1,069                                      |
| David Goodwin Legacy      | 645                                      | 5               | (1)                  | -                                | -                  | 649  |
|                           | 19,199                                   | 5               | (148)                | 1,672                            | 1,392              | 22,120                                     |

Stipends Capital Account

Investments held under the Endowments and Glebe Measure. Income is credited to the Common Fund and used for stipend purposes. The main movements in the year relate to the transfer to the Common Fund in respect the purchase of DBF properties, the reclassification of 4a/4b Burnt Ash Way, Beckenham from Glebe to DBF property and investment gains. The original liability for clergy pensions liabilities was funded by the Stipends Capital account, and the transfer also represents the reduction in clergy pension deficit contribution liabilities in the year.

Training

Mainly a legacy to provide a contribution towards the cost of training ordinands. Some small funds also for general training of clergy and readers. Income arising in the year has been applied to the Common Fund to offset the full costs incurred.

Pensions and Retired Clergy

Legacies and the result of an appeal for the provision of housing for the retired clergy. Income from investments arising in the year has been applied to the Common Fund to offset pension costs incurred.

Buildings

Comprises of two funds, the first to support the fabric of the Diocesan Office and the second to provide income for grants to PCC’s. Income arising has been applied to the Common Fund to offset the full costs incurred.

Parsonages

An endowment transferred from the Church Commissioners upon setting up of the Parsonage Scheme. Income arising has been applied to the Common Fund to offset full costs incurred.

Local Church Urban Fund

The initial capital of £250k was raised by appeal. The income is used to pay grants in support of specified projects in urban priority areas within the Diocese.

Social Mission

Comprised of five funds, Kendall House, Oakhurst, Ravensbourne, Hollywood Manor and Council for Social Aid (formerly Rock Avenue). Income from the funds may be applied for the general purposes of social mission in the Diocese.

David Goodwin Legacy

A residuary estate held in trust by the RDSBF as a Capital Fund and the interest thereon being applied for Ecclesiastical or charitable purposes of St Peter with St Margaret, Rochester, being known as the ‘Parish of Rochester’. The capital sum is owned by the RDSBF. The members of the RDSBF are the charity trustees, being the persons who have the general control and management of the administration of the capital and make decisions about how the income is spent, or the development of a reserves policy.



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

18. ENDOWMENT FUNDS (CONTINUED)

|                           | Balance at<br>1 January<br>2018<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Investment<br>Movements<br>£'000 | Transfers<br>£'000 | Balance at<br>31 December<br>2018<br>£'000 |
|---------------------------|--|-----------------|----------------------|----------------------------------|--------------------|--|
| Stipends Capital Account  | 15,138                                   | 24              | (144)                | 2,363                            | (3,350)            | 14,031                                     |
| Training                  | 1,248                                    | -               | -                    | (75)                             | -                  | 1,173                                      |
| Pensions & Retired Clergy | 1,437                                    | -               | -                    | (34)                             | -                  | 1,403                                      |
| Buildings                 | 69                                       | -               | -                    | (5)                              | -                  | 64   |
| Parsonages                | 577                                      | -               | -                    | (34)                             | -                  | 543  |
| Local Church Urban Fund   | 427                                      | -               | -                    | (26)                             | -                  | 401  |
| Social Mission            | 1,000                                    | -               | -                    | (61)                             | -                  | 939  |
| David Goodwin Legacy      | -  | 650             | (5)                  | -                                | -                  | 645  |
|                           | 19,896                                   | 674             | (149)                | 2,128                            | (3,350)            | 19,199                                     |

19. TRANSFERS BETWEEN FUNDS

|  | Common<br>Fund<br>£'000 | Designated<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowment<br>Funds<br>£'000 |
|--|-------------------------|------------------------------|------------------------------|-----------------------------|
| Transfer of funds to reduce the clergy pension deficit | (2,605)                 | -                            | -                            | 2,605                       |
| Parsonage and ministry house additions                 | (82)                    | -                            | 82                           | -                           |
| Transfer of DBF Properties                             | -                       | 460                          | -                            | (460)                       |
| Purchase of DBF Properties                             | 753                     | -                            | -                            | (753)                       |
| Transfer to Archdeacons' Discretionary Funds           | 20                      | -                            | (20)                         | -                           |
| Transfers from Trust for London                        | 58                      | -                            | (58)                         | -                           |
| Write off of Holy Trinity Gillingham Loan              | 30                      | -                            | (30)                         | -                           |
| Transfers as at 31 December 2019                       | (1,826)                 | 460                          | (26)                         | 1,392                       |

The transfers summarised above are described in notes 16-18.

|  | Common<br>Fund<br>£'000 | Designated<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowment<br>Funds<br>£'000 |
|--|-------------------------|------------------------------|------------------------------|-----------------------------|
| Transfer of funds to reduce the clergy pension deficit | (615)                   | -                            | -                            | 615                         |
| Parsonage and ministry house additions                 | (157)                   | (3,965)                      | 4,122                        | -                           |
| Purchase of Bishops Lodge/Archdeaconries               | 3,965                   |                              |                              | (3,965)                     |
| Transfer to Archdeacons' Discretionary Funds           | 8                       | -                            | (8)                          | -                           |
| Transfers from Trust for London                        | 53                      | -                            | (53)                         | -                           |
| Transfers as at 31 December 2018                       | 3,254                   | (3,965)                      | 4,061                        | (3,350)                     |

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

20. NET ASSETS BETWEEN FUNDS

|                        | Common<br>Fund<br>£'000 | Designated<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowment<br>Funds<br>£'000 | Total<br>£'000 |
|------------------------|-------------------------|------------------------------|------------------------------|-----------------------------|----------------|
| Fixed assets           | 2,982                   | 9,427                        | 36,808                       | 2,312                       | 51,529         |
| Investments            | 7,622                   | 985                          | -                            | 19,890                      | 28,497         |
| Current assets         | 5,433                   | (2,635)                      | 2,197                        | 1,228                       | 6,223          |
| Creditors              | (9,225)                 | (178)                        | -                            | (131)                       | (9,534)        |
| Creditors > 1 year     | -                       | (295)                        | -                            | (1,179)                     | (1,474)        |
| As at 31 December 2019 | 6,812                   | 7,304                        | 39,005                       | 22,120                      | 75,241         |

|                        | Common<br>Fund<br>£'000 | Designated<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowment<br>Funds<br>£'000 | Total<br>£'000 |
|------------------------|-------------------------|------------------------------|------------------------------|-----------------------------|----------------|
| Fixed assets           | 2,397                   | 8,634                        | 36,478                       | 2,312                       | 49,821         |
| Investments            | 6,422                   | 525                          | -                            | 19,075                      | 26,022         |
| Current assets         | 7,220                   | (1,842)                      | 3,567                        | 1,727                       | 10,672         |
| Creditors              | (9,992)                 | (178)                        | -                            | (356)                       | (10,526)       |
| Creditors > 1 year     | -                       | (295)                        | -                            | (3,559)                     | (3,854)        |
| As at 31 December 2018 | 6,047                   | 6,844                        | 40,045                       | 19,199                      | 72,135         |

21. ASSETS HELD AS CUSTODIAN TRUSTEE

|                       | 2019<br>£'000 | 2018<br>£'000 |
|-----------------------|---------------|---------------|
| Investments (at cost) | 687           | 747           |
| Property              | 648           | 648           |
| Cash at bank          | 764           | 570           |
|                       | 2,099         | 1,965         |

22. PENSION SCHEMES

a. Revaluation of Pension Scheme Liabilities

The revaluation shown in the Statement of Financial Activities comprises revaluations of both the clergy scheme and the lay scheme as follows:-

|                                    | 2019<br>£'000 | 2018<br>£'000 |
|------------------------------------|---------------|---------------|
| Clergy Scheme (see note 22b below) | 2,108         | 96            |
| Lay Scheme (see note 22d below)    | (178)         | 353           |
|                                    | 1,930         | 449           |

b. The Church of England Funded Pension Scheme (for clergy)

RDSBF participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

22. PENSION SCHEMES (CONTINUED)

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme’s assets and liabilities to a specific Responsible Body and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.; and
- Mortality in accordance with 95% of the S3NA\_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a..

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

| % of pensionable stipends      | January 2018 to December 2020 | January 2021 to December 2022 |
|--------------------------------|-------------------------------|-------------------------------|
| Deficit recovery contributions | 11.9%                         | 7.1%                          |

As at 31 December 2017 and 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.  
As at 31 December 2019 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme’s rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2018 and over 2019 is set out in the table below.

|   | 2019    | 2018  |
|---|---------|-------|
|   | £’000   | £’000 |
| Balance sheet liability at 1 January                                  | 3,915   | 4,530 |
| Deficit contribution paid   | (573)   | (578) |
| Interest cost (recognised in SoFA)                                    | 76      | 59    |
|   | (497)   | (519) |
| Remaining change to the balance sheet liability* (recognised in SoFA) | (2,108) | (96)  |
|   | (2,605) | (615) |
| Balance sheet liability at 31 December                                | 1,310   | 3,915 |

\* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability is a liability of the Stipends Capital Account (within Endowment Funds). Deficit contributions have been paid during the year by the Common Fund. Interest costs have been incurred in the Common Fund. The net of these two items together with the revaluation of liabilities shown above, is included in Transfers (note 19) to ensure that the deficit

NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

22. PENSION SCHEMES (CONTINUED)

reduction is reflected in the Stipends Capital Account (note 18). The current year costs of providing pensions to diocesan clergy are included within expenditure within the Common Fund.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

|                                       | December 2019 | December 2018 | December 2017 |
|---------------------------------------|---------------|---------------|---------------|
| Discount rate                         | 1.1% pa       | 2.1% pa       | 1.4% pa       |
| Price inflation                       | 2.8% pa       | 3.1% pa       | 3.0% pa       |
| Increase to total pensionable payroll | 1.3% pa       | 1.6% pa       | 1.5% pa       |

The legal structure of the scheme is such that if another Responsible Body fails, RDSBF could become responsible for paying a share of that Responsible Body’s pension liabilities.

c. Defined Contribution Scheme (for lay personnel)

A defined contribution scheme is operated for the majority of current RDSBF staff. The RDSBF contributes 5% of base salary into the Scheme and employees also contribute 5% (after tax). The Scheme is administered by Scottish Widows.

Amounts payable in the year to this scheme by the RDSBF amount to £39,457 (2018 : £32,527) and the amount owed to the scheme at 31 December 2019 was £nil (2018 : £nil).

d. Staff Defined Benefit Scheme (for lay personnel)

RDSBF (the Employer) operates a defined benefit pension arrangement called the Rochester Diocesan Staff Retirement Scheme (the Scheme). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. This is a closed scheme to new employees and currently has six current employees of the RDSBF and one current employee of the Rochester Diocesan Board of Education whom are beneficiaries of the Scheme.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the Trustees of the Scheme that the contributions to be paid to address any shortfall against the Statutory Funding Objectives and contributions to pay for future accrual of benefits.

The most recent comprehensive actuarial valuation of the Scheme was carried out as at 31 March 2018 and the next valuation of the Scheme is due as at 31 March 2021. In the event that the valuation reveals a larger deficit than expected the RDSBF may be required to increase contributions above those set out in the existing Schedule of Contributions. Conversely, if the position is better than expected, it’s possible that contributions may be reduced.

The RDSBF expects to pay accrual contributions of £97k in the year to 31 December 2020 (based on salaries between 31 December 2018 and 31 December 2019 – if members have left or retired then this number would be expected to reduce).

There were no plan amendments (albeit the future service accrual rate was changed from 1/60 to 1/80 partway through the year), curtailments or settlements through the period.

At 31 December 2019 the FRS102 valuation, which is based on different underlying assumptions to the actuarial valuation, calculated a surplus in the Scheme of £855k (2018:£598k). Under FRS102 the Employer is only allowed to recognise such assets in its balance sheet to the extent that it can recover the surplus either through reduced contributions in the future or through refunds from the plan. As RDSBF is unable to recover the surplus, the asset value of the Scheme as at 31 December 2019 reflected in these accounts is £nil.. This compares to an asset value of £nil at the previous review date.



# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 22. PENSION SCHEMES (CONTINUED)

| Principal actuarial assumptions  | 31 December 2019   | 31 December 2018   |
|--|--|--|
|  |  |  |
| Discount rate  | 2.1%   | 3.0%   |
| Inflation (RPI)  | 3.2%   | 3.6%   |
| Inflation (CPI)  | 2.2%   | 2.6%   |
| Salary increases   | 3.2%   | 3.6%   |
| Increases in payment to Post 92 benefits in excess of GMP (RPI max 5%) | 3.1%   | 3.5%   |
| Revaluation in deferment (benefits in excess of GMP)                   | 2.2%   | 2.6%   |
| Post-retirement mortality  | 95% of the S2PxA tables with CMI 2017 projections using a long-term improvement rate of 1.25% p.a. | 95% of the S2PxA tables with CMI 2017 projections using a long-term improvement rate of 1.25% p.a. |
| Commutation  | No allowance has been made for members to take tax free cash                                       | No allowance has been made for members to take tax free cash                                       |

The current asset split is as follows:

|                                     | Bid values as at 31 December 2019 | Bid values as at 31 December 2018 |
|-------------------------------------|-----------------------------------|-----------------------------------|
|                                     | £'000                             | £'000                             |
| Global Equities                     | 4,442                             | 3,388                             |
| Index Linked gilts                  | 2,757                             | 2,566                             |
| With-profit deferred annuity policy | 18                                | 16                                |
| Cash                                | 110                               | 219                               |
| <b>Total assets</b>                 | <b>7,327</b>                      | <b>6,189</b>                      |

The following amounts at 31 December 2019 and 31 December 2018 were measured in accordance with the requirements of FRS102.

| Balance sheet                                | At 31 December 2019 | At 31 December 2018 |
|--|---------------------|---------------------|
|  | £'000               | £'000               |
| Fair value of assets                         | 7,327               | 6,189               |
| Present value of funded obligations          | (6,472)             | (5,591)             |
| <b>Surplus/(deficit) in scheme</b>           | <b>855</b>          | <b>598</b>          |
| Impact on limit of recognisable surplus      | (855)               | (598)               |
| <b>Net defined benefit asset/(liability)</b> | <b>-</b>            | <b>-</b>            |

| Amount recognised in Statement of Financial Activities (SOFA) | Period to 31 December 2019 | Period to 31 December 2018 |
|---|----------------------------|----------------------------|
|   | £'000                      | £'000                      |
| Current service cost  | 99                         | 164                        |
| Administration costs  | 28                         | 49                         |
| Interest on liabilities                                       | 166                        | 167                        |
| Interest on assets  | (188)                      | (160)                      |
| Past service costs  | -                          | 52                         |
| Settlement and curtailment cost                               | -                          | -                          |
| <b>Total charge to SOFA</b>                                   | <b>105</b>                 | <b>272</b>                 |

# NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

## 22. PENSION SCHEMES (CONTINUED)

| Remeasurements over the year                           | Period to 31 December 2019 | Period to 31 December 2018 |
|--|----------------------------|----------------------------|
|  | £'000                      | £'000                      |
| (Gain)/loss on assets in excess of interest            | (814)                      | 281                        |
| Experience losses/(gains) on liabilities               | -                          | (171)                      |
| Losses/(gains) from changes to demographic assumptions | -                          | (421)                      |
| Losses/(gains) from changes to financial assumptions   | 735                        | (640)                      |
| Losses/(gains) from change in effect of asset ceiling  | -                          | -                          |
| <b>Total remeasurements</b>                            | <b>(79)</b>                | <b>(951)</b>               |

| Change in value of the assets                 | Period to 31 December 2019 | Period to 31 December 2018 |
|---|----------------------------|----------------------------|
|   | £'000                      | £'000                      |
| <b>Fair value of assets at start</b>          | <b>6,189</b>               | <b>6,017</b>               |
| Interest on assets                            | 188                        | 160                        |
| Company contributions                         | 283                        | 322                        |
| Contributions by Scheme participants          | 18                         | 20                         |
| Benefits paid                                 | (137)                      | -                          |
| Administration costs                          | (28)                       | (49)                       |
| Change due to settlement and curtailment cost | -                          | -                          |
| Return on assets less interest                | 814                        | (281)                      |
| <b>Fair value of assets at end</b>            | <b>7,327</b>               | <b>6,189</b>               |

|                                |              |              |
|--------------------------------|--------------|--------------|
| <b>Actual return on assets</b> | <b>1,002</b> | <b>(121)</b> |
|--------------------------------|--------------|--------------|

| Change in value of DB liabilities            | Period to 31 December 2019 | Period to 31 December 2018 |
|--|----------------------------|----------------------------|
|  | £'000                      | £'000                      |
| <b>Value of liabilities at start</b>         | <b>5,591</b>               | <b>6,420</b>               |
| Current service cost                         | 99                         | 164                        |
| Contributions by scheme participants         | 18                         | 20                         |
| Past service cost                            | -                          | 52                         |
| Interest cost                                | 166                        | 167                        |
| Benefits paid                                | (137)                      | -                          |
| Change due to settlement or curtailment cost | -                          | -                          |
| Experience (gain)/loss on liabilities        | -                          | (171)                      |
| Changes to demographic assumptions           | -                          | (421)                      |
| Changes to financial assumptions             | 735                        | (640)                      |
| <b>Value of liabilities at end</b>           | <b>6,472</b>               | <b>5,591</b>               |

| Projected Profit & Loss account for next year  | Period to 31 Dec 2020 |
|--|-----------------------|
|  | £'000                 |
| Current service cost                           | 102                   |
| Admin expenses                                 | -                     |
| Interest on liabilities                        | 135                   |
| Interest on assets                             | (154)                 |
| (Gains)/losses on settlements and curtailments | -                     |
| Past service cost                              | -                     |
| <b>Total</b>                                   | <b>83</b>             |

The above estimate is based on the assumptions adopted at the Review Date and assumes the following:

- i Cashflows to and from the pension scheme are broadly the same as for the current period.
- ii There are no events (other than those already notified to us) that would give rise to a settlement, curtailment or past service cost.



NOTES FOR THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

22. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

|   | Unrestricted    |                | Restricted     | Endowment     | Total           | Total           |
|---|-----------------|----------------|----------------|---------------|-----------------|-----------------|
|   | Common          | Designated     |                |               | 2018            | 2017            |
|   | £'000           | £'000          | £'000          | £'000         | £'000           | £'000           |
| <b>Income</b>                             |                 |                |                |               |                 |                 |
| Donations:                                |                 |                |                |               |                 |                 |
| - Parish Offers                           | 9,190           | -              | -              | -             | 9,190           | 9,388           |
| - Other                                   | 197             | -              | 729            | 650           | 1,576           | 690             |
| Investment income                         | 1,094           | -              | 37             | -             | 1,131           | 1,062           |
| Charitable activities                     | 19              | -              | -              | -             | 19              | 34              |
| <b>Total income</b>                       | <b>10,500</b>   | <b>-</b>       | <b>766</b>     | <b>650</b>    | <b>11,916</b>   | <b>11,174</b>   |
| <b>Expenditure</b>                        |                 |                |                |               |                 |                 |
| Generating income                         | (260)           | -              | (10)           | (1)           | (271)           | (310)           |
| Charitable activities                     | (10,621)        | -              | (1,902)        | (148)         | (12,671)        | (11,377)        |
| <b>Total Expenditure</b>                  | <b>(10,881)</b> | <b>-</b>       | <b>(1,912)</b> | <b>(149)</b>  | <b>(12,942)</b> | <b>(11,687)</b> |
| <b>Operating (Deficit)/Surplus:</b>       | <b>(381)</b>    | <b>-</b>       | <b>(1,146)</b> | <b>501</b>    | <b>(1,026)</b>  | <b>(513)</b>    |
| Profit on sale of property                | 52              | 7              | 1,325          | 24            | 1,408           | 3,248           |
| Gains/(losses) on investments             | (513)           | -              | 32             | 2,128         | 1,647           | 5,071           |
| <b>Net Income</b>                         | <b>(842)</b>    | <b>7</b>       | <b>211</b>     | <b>2,653</b>  | <b>2,029</b>    | <b>7,806</b>    |
| <b>Reserve Movements:</b>                 |                 |                |                |               |                 |                 |
| Net Income                                | (842)           | 7              | 211            | 2,653         | 2,029           | 7,806           |
| Gains on revaluation of fixed assets      | -               | 1,144          | -              | -             | 1,144           | -               |
| Revaluation of pension scheme liabilities | 449             | -              | -              | -             | 449             | 112             |
| Transfers between funds                   | 3,254           | (3,965)        | 4,061          | (3,350)       | -               | -               |
| <b>Net movement in funds</b>              | <b>2,861</b>    | <b>(2,814)</b> | <b>4,272</b>   | <b>(697)</b>  | <b>3,622</b>    | <b>7,918</b>    |
| Reserve balances at 1st January 2018      | 3,186           | 9,658          | 35,773         | 19,896        | 68,513          | 60,595          |
| Reserve balances at 31st December 2018    | <b>6,047</b>    | <b>6,844</b>   | <b>40,045</b>  | <b>19,199</b> | <b>72,135</b>   | <b>68,513</b>   |
|   |                 | note 16        | note 17        | note 18       |                 |                 |

23. POST BALANCE SHEET EVENT

As stated in more detail in the Trustees Report, the Covid-19 pandemic has caused major disruption to the activities of the Diocese, including the Diocesan Board of Finance and the parishes of the Diocese. The RDSBF has been modelling different scenarios for the impact on the budget and the consequent cash flow implications over the coming year, but at the time of writing it is not possible to estimate the full impact of the current disruption.

Whilst world stock markets have fallen significantly and the UK economy has been severely impacted since the start of the financial year, the RDSBF remains in a reasonably robust financial position, with sufficient cash and investment balances to withstand the short-term effects of reduced income. Revenue and capital expenditure is being contained, with expenditure being deferred or cancelled wherever possible.

Covid-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the charity balance sheets as at 31 December 2019.

CUSTODIAN TRUSTEESHIP FUNDS – BALANCE SHEET

For the year ended 31 December 2019

This page does not form part of the audited financial statements

|   | 2019    |              | 2018    |              |
|---|---------|--------------|---------|--------------|
|   | Capital | Revenue      | Capital | Revenue      |
|   | £'000   | £'000        | £'000   | £'000        |
| Investments at cost (see below)               | 683     | 4            | 743     | 4            |
| Freehold property                             | 645     | -            | 645     | -            |
| Freehold interest in leased properties        | 3       | -            | 3       | -            |
| Cash  |         |              |         |              |
| National Savings Bank                         | 11      | 1            | 11      | 1            |
| CCLA Investment Management Ltd - Deposit Fund |         |              |         |              |
| Miscellaneous                                 | 650     | 94           | 464     | 93           |
| Church Commissioners Deposit Account          |         |              |         |              |
| Barclays Bank - Current Account               | -       | 8            | -       | 1            |
|   | 661     | 103          | 475     | 95           |
| Total Assets                                  | 1,992   | 107          | 1,866   | 99           |
| Representing                                  |         |              |         |              |
| Parochial Funds                               | 1,960   | 102          | 1,834   | 94           |
| Non-Parochial Funds                           | 32      | 5            | 32      | 5            |
| Total Funds                                   | 1,992   | 107          | 1,866   | 99           |
| <b>INVESTMENTS NOTE</b>                       |         |              |         |              |
|   | 2019    |              | 2018    |              |
|   | Cost    | Market value | Cost    | Market value |
|   | £'000   | £'000        | £'000   | £'000        |
| CAPITAL                                       |         |              |         |              |
| Quoted Investments                            | 5       | 145          | 5       | 126          |
| Unlisted Investments                          |         |              |         |              |
| CCLA Investment Management Ltd                |         |              |         |              |
| Investment Fund Income Shares                 |         |              |         |              |
| 203,552 (2018 204,587 shares)                 | 532     | 3,901        | 548     | 3,304        |
| Fixed Interest Fund Income Shares             |         |              |         |              |
| 44,806 (2018 70,489 shares)                   | 72      | 73           | 116     | 113          |
| Global Equity                                 |         |              |         |              |
| 25,919 (2018 25,919 shares)                   | 30      | 57           | 30      | 47           |
| Property Fund                                 |         |              |         |              |
| 34,935 (2018 34,935 shares)                   | 44      | 48           | 44      | 49           |
|   | 678     | 4,079        | 738     | 3,513        |
|   | 683     | 4,224        | 743     | 3,639        |
| REVENUE                                       |         |              |         |              |
| Unlisted Investments                          |         |              |         |              |
| CCLA Investment Management Ltd                |         |              |         |              |
| Investment Fund Income Shares                 |         |              |         |              |
| 2,312 (2018 2,312 shares)                     | 4       | 44           | 4       | 37           |



# PARISH FUND BALANCES

For the year ended 31 December 2019

This page does not form part of the audited financial statements

| CHURCH REPAIR FUND BALANCES                      |       |       |       |       |
|--|-------|-------|-------|-------|
| As at 31 December 2019                           |       |       |       |       |
|  | 2019  | 2018  | 2019  | 2018  |
|  | £'000 | £'000 | £'000 | £'000 |
| Deposits by Parishes with Diocese:               |       |       |       |       |
| Parochial Funds                                  | 4,674 | 4,477 |       |       |
|  | 4,674 | 4,477 |       |       |
| Use of Funds Deposited by Parishes with Diocese: |       |       |       |       |
| Parish Loans                                     |       |       | 9     | 14    |
| Funds on Deposit and other assets                |       |       | 4,665 | 4,463 |
|  |       |       | 4,674 | 4,477 |
| LOANS FUND BALANCES                              |       |       |       |       |
| As at 31 December 2019                           |       |       |       |       |
|  | 2019  | 2018  | 2019  | 2018  |
|  | £'000 | £'000 | £'000 | £'000 |
| Deposits by Parishes with Diocese:               |       |       |       |       |
| Parochial Funds                                  | 3,667 | 4,345 |       |       |
| Other Sources                                    | 36    | 36    |       |       |
|  | 3,703 | 4,381 |       |       |
| Use of Funds Deposited by Parishes with Diocese: |       |       |       |       |
| Parish & Clergy - Loans                          |       |       | 113   | 142   |
| Other Loans                                      |       |       | 18    | 19    |
| Funds on Deposit and other assets                |       |       | 3,572 | 4,220 |
|  |       |       | 3,703 | 4,381 |

The Church Repair Fund and Loans Fund have been consolidated in the Financial Statements of the Rochester Diocesan Society and Board of Finance.



Colleagues from across the Diocese went to St Paul’s Cathedral to support the consecration of Bishop Rose Hudson-Wilkin as the new Bishop of Dover, in the neighbouring Diocese of Canterbury.



## PARISH OFFERS RECEIVED BY PARISH

For the year ended 31 December 2019

This page does not form part of the audited financial statements

|  | Offers received |
|--|-----------------|
| <b>Beckenham Deanery</b>                   |                 |
| ANERLEY TEAM MINISTRY                      | 66,900          |
| BECKENHAM CHRIST CHURCH PCC                | 101,395         |
| BECKENHAM HOLY TRINITY PCC                 | 54,763          |
| BECKENHAM ST BARNABAS PCC                  | 57,624          |
| BECKENHAM ST GEORGE PCC                    | 63,333          |
| BECKENHAM ST JAMES PCC                     | 31,665          |
| BECKENHAM ST JOHN THE BAPTIST PCC          | 84,160          |
| BECKENHAM ST MICHAEL W ST AUGUSTINE PCC    | 60,000          |
| BECKENHAM ST PAUL PCC                      | 66,447          |
| PENGE ST JOHN THE EVANGELIST PCC           | 41,932          |
| SHORTLANDS PCC                             | 75,269          |
| <b>Total Beckenham Deanery</b>             | <b>703,488</b>  |
| <b>Bromley Deanery</b>                     |                 |
| BICKLEY PCC                                | 57,000          |
| BROMLEY CHRIST CHURCH PCC                  | 48,687          |
| BROMLEY COMMON HOLY TRINITY PCC            | 35,000          |
| BROMLEY COMMON ST AUGUSTINE w ST LUKES PCC | 81,180          |
| BROMLEY ST ANDREW PCC                      | 28,767          |
| BROMLEY ST JOHN THE EVANGELIST PCC         | 62,560          |
| BROMLEY ST MARK PCC                        | 65,600          |
| BROMLEY ST MARY PCC                        | 64,112          |
| BROMLEY ST PETER & ST PAUL PCC             | 77,799          |
| CHISLEHURST THE ANNUNCIATION PCC           | 62,361          |
| CHISLEHURST CHRIST CHURCH PCC              | 79,323          |
| CHISLEHURST ST NICHOLAS PCC                | 89,700          |
| HAYES PCC                                  | 67,800          |
| <b>Total Bromley Deanery</b>               | <b>819,889</b>  |
| <b>Erith Deanery</b>                       |                 |
| BARNEHURST PCC                             | 39,150          |
| BELVEDERE ALL SAINTS PCC                   | 40,000          |
| BELVEDERE ST AUGUSTINE PCC                 | 35,000          |
| BEXLEYHEATH CHRIST CHURCH PCC              | 72,429          |
| BEXLEYHEATH ST PETER PCC                   | 29,817          |
| BOSTALL HEATH PCC                          | 33,939          |
| CRAYFORD PCC                               | 56,508          |
| ERITH CHRIST CHURCH PCC                    | 9,000           |
| ERITH ST JOHN THE BAPTIST PCC              | 40,000          |
| FALCONWOOD PCC                             | 37,038          |
| NORTHUMBERLAND HEATH PCC                   | 55,968          |
| SLADE GREEN PCC                            | 15,145          |
| WELLING PCC                                | 76,604          |
| <b>Total Erith Deanery</b>                 | <b>540,598</b>  |

## PARISH OFFERS RECEIVED BY PARISH

For the year ended 31 December 2019

This page does not form part of the audited financial statements

|   | Offers received  |
|---|------------------|
| <b>Orpington Deanery</b>                |                  |
| BIGGIN HILL PCC                         | 57,000           |
| CHELSEFIELD PCC                         | 54,095           |
| CRAY ST BARNABAS PCC                    | 22,932           |
| CRAY VALLEY                             | 7,000            |
| CROFTON PCC                             | 80,000           |
| CUDHAM PCC                              | 32,550           |
| DOWNE PCC                               | 21,700           |
| FARNBOROUGH PCC                         | 125,808          |
| GREEN STREET GREEN PCC                  | 76,064           |
| KESTON PCC                              | 33,000           |
| ORPINGTON ALL SAINTS PCC                | 82,500           |
| ORPINGTON CHRIST CHURCH PCC             | 79,524           |
| PETTS WOOD PCC                          | 47,925           |
| <b>Total Orpington Deanery</b>          | <b>720,098</b>   |
| <b>Sidcup Deanery</b>                   |                  |
| BEXLEY ST JOHN THE EVANGELIST PCC       | 37,191           |
| NORTHCRAV                               | 6,000            |
| BEXLEY ST MARY PCC                      | 26,650           |
| BLENDON PCC                             | 53,100           |
| FOOTSCRAY PCC                           | 7,000            |
| JOYDENS WOOD PCC                        | 47,214           |
| LAMORBAY HOLY REDEEMER PCC              | 17,022           |
| LAMORBAY HOLY TRINITY PCC               | 45,493           |
| SIDCUP CHRIST CHURCH PCC                | 68,000           |
| SIDCUP ST ANDREW PCC                    | 36,000           |
| SIDCUP ST JOHN THE EVANGELIST pcc       | 46,000           |
| <b>Total Sidcup Deanery</b>             | <b>389,670</b>   |
| <b>Total Bromley &amp; Bexley</b>       | <b>3,173,743</b> |
| <b>Cobham Deanery</b>                   |                  |
| ASH PCC                                 | 39,000           |
| RIDLEY PCC                              | 7,300            |
| COBHAM PCC                              | 21,408           |
| LUDDSDOWNE & DODE PCC                   | 14,400           |
| FAWKHAM & HARTLEY PCC                   | 52,617           |
| ISTEAD RISE PCC                         | 37,432           |
| LONGFIELD PCC                           | 23,000           |
| MEOPHAM PCC                             | 71,775           |
| SOUTHFLEET PCC                          | 47,071           |
| <b>Total Cobham Deanery</b>             | <b>314,003</b>   |
| <b>Dartford Deanery</b>                 |                  |
| CROCKENHILL PCC                         | 24,880           |
| DARENTH PCC                             | 20,986           |
| HORTON KIRBY PCC                        | 20,985           |
| SUTTON-AT-HONE PCC                      | 21,126           |
| DARTFORD CHRIST CHURCH PCC              | 50,605           |
| DARTFORD HOLY TRINITY PCC               | 78,648           |
| DARTFORD ST ALBAN PCC                   | 19,992           |
| DARTFORD ST EDMUND KING & MARTYR PCC    | 363              |
| STONE PCC                               | 41,750           |
| SWANLEY ST MARY THE VIRGIN PCC          | 18,979           |
| SWANLEY ST PAUL & HEXTABLE ST PETER PCC | 66,442           |
| WILMINGTON PCC                          | 55,256           |
| <b>Total Dartford Deanery</b>           | <b>420,013</b>   |



## PARISH OFFERS RECEIVED BY PARISH

For the year ended 31 December 2019

This page does not form part of the audited financial statements

|   | Offers received  |
|---|------------------|
| <b>Gillingham Deanery</b>                   |                  |
| GILLINGHAM HOLY TRINITY PCC                 | 15,839           |
| GILLINGHAM ST AUGUSTINE PCC                 | 27,640           |
| GILLINGHAM ST BARNABAS PCC                  | 7,020            |
| GILLINGHAM ST LUKE PCC                      | 7,488            |
| GILLINGHAM ST MARK PCC                      | 62,639           |
| GILLINGHAM ST MARY ISLAND DCC               | 15,660           |
| GILLINGHAM ST MARY MAGDALENE PCC            | 17,335           |
| RAINHAM PCC                                 | 72,000           |
| SOUTH GILLINGHAM PCC                        | 130,008          |
| <b>Total Gillingham Deanery</b>             | <b>355,629</b>   |
| <b>Gravesend Deanery</b>                    |                  |
| CHALK PCC                                   | 56,334           |
| GRAVESEND HOLY FAMILY PCC                   | 9,600            |
| IFIELD PCC                                  | 16,080           |
| GRAVESEND ST AIDAN PCC                      | 22,063           |
| GRAVESEND ST GEORGE PCC                     | 47,200           |
| GRAVESEND ST MARY PCC                       | 22,625           |
| GREENHITHE PCC                              | 34,500           |
| MILTON CHRIST CHURCH PCC                    | 56,900           |
| MILTON ST PETER & ST PAUL PCC               | 12,623           |
| NORTHFLEET & ROSHERVILLE PCC                | 5,500            |
| PERRY STREET PCC                            | 5,000            |
| SHORNE PCC                                  | 26,208           |
| SWANSCOMBE PCC                              | 20,259           |
| <b>Gravesend</b>                            | <b>334,892</b>   |
| <b>Rochester Deanery</b>                    |                  |
| BORSTAL PCC                                 | 15,386           |
| CHATHAM ST MARY W ST JOHN PCC               | 1,635            |
| CHATHAM ST PAUL W ALL SAINTS PCC            | 27,918           |
| CHATHAM ST PHILIP & ST JAMES PCC            | 70,832           |
| CHATHAM ST STEPHEN PCC                      | 50,000           |
| LUTON PCC                                   | 11,594           |
| PRINCES PARK PCC                            | 37,469           |
| ROCHESTER ST JUSTUS PCC                     | 60,547           |
| ROCHESTER ST PETER W ST MARGARET PCC        | 37,872           |
| SOUTH CHATHAM HOLY TRINITY PCC              | 60,735           |
| <b>Total Rochester Deanery</b>              | <b>373,988</b>   |
| <b>Strood Deanery</b>                       |                  |
| CLIFFE-AT-HOO W COOLING PCC                 | 48,840           |
| CUXTON & HALLING PCC                        | 27,000           |
| FRINDSBURY W UPNOR & CHATTENDEN PCC         | 51,000           |
| GRAIN PCC                                   | 5,330            |
| HIGH HALSTOW W ALLHALLOWS & HOO ST MARY PCC | 28,600           |
| HIGHAM W MERSTON PCC                        | 52,482           |
| HOO ST WERBURGH PCC                         | 28,243           |
| STROOD ST FRANCIS PCC                       | 28,685           |
| STROOD ST NICHOLAS W ST MARY PCC            | 49,200           |
| <b>Total Strood Deanery</b>                 | <b>319,380</b>   |
| <b>Total Rochester</b>                      | <b>2,117,905</b> |

## PARISH OFFERS RECEIVED BY PARISH

For the year ended 31 December 2019

This page does not form part of the audited financial statements

|                                      | Offers received |
|--------------------------------------|-----------------|
| <b>Malling Deanery</b>               |                 |
| ADDINGTON PCC - BART GROUP           | 18,392          |
| BIRLING PCC                          | 10,388          |
| RYARSH PCC                           | 16,410          |
| TROTTISCLIFFE PCC                    | 13,069          |
| AYLESFORD PCC                        | 40,000          |
| BARMING PCC                          | 62,214          |
| BURHAM & WOULDHAM PCC                | 20,200          |
| COXHEATH PCC                         | 14,432          |
| EAST FARLEIGH PCC                    | 12,052          |
| HUNTON PCC                           | 11,541          |
| LINTON PCC                           | 12,703          |
| WEST FARLEIGH PCC                    | 10,972          |
| DITTON PCC                           | 55,915          |
| EAST MALLING PCC                     | 25,968          |
| TESTON PCC                           | -               |
| WATERINGBURY PCC                     | 15,788          |
| LARKFIELD PCC                        | 2,400           |
| LEYBOURNE PCC                        | 50,417          |
| MEREWORTH PCC                        | 15,503          |
| WEST PECKHAM PCC                     | 11,771          |
| SNODLAND W LOWER BIRLING PCC         | 43,238          |
| WEST MALLING PCC                     | 41,572          |
| KINGS HILL                           | -               |
| OFFHAM PCC                           | 15,836          |
| <b>Total Malling Deanery</b>         | <b>520,780</b>  |
| <b>Paddock Wood</b>                  |                 |
| BRENCHLEY PCC                        | 59,392          |
| EAST PECKHAM PCC                     | 32,083          |
| NETTLESTEAD PCC                      | -               |
| HADLOW PCC                           | 52,508          |
| HORSMONDEN PCC                       | 37,905          |
| LAMBERHURST PCC                      | 31,770          |
| MATFIELD PCC                         | 24,000          |
| PADDOCK WOOD PCC                     | 61,200          |
| PEMBURY PCC                          | 59,384          |
| TUDELEY PCC                          | 32,800          |
| YALDING PCC                          | 37,691          |
| COLLIER STREET PCC                   | 4,658           |
| <b>Total Paddock Wood Deanery</b>    | <b>433,391</b>  |
| <b>Sevenoaks Deanery</b>             |                 |
| BRASTED PCC                          | 32,288          |
| CHEVENING PCC                        | 67,106          |
| KIPPINGTON PCC                       | 69,100          |
| KNOCKHOLT PCC                        | 20,800          |
| HALSTEAD PCC                         | 35,000          |
| RIVERHEAD W DUNTON GREEN PCC         | 48,878          |
| SEAL ST LAWRENCE PCC                 | 21,120          |
| UNDERRIVER PCC                       | 13,350          |
| SEAL ST PETER & ST PAUL PCC          | 47,859          |
| SEVENOAKS ST JOHN THE BAPTIST PCC    | 48,500          |
| SEVENOAKS ST LUKE PCC                | 60,000          |
| SEVENOAKS ST NICHOLAS PCC            | 188,142         |
| SUNDRIDGE W IDE HILL & TOYS HILL PCC | 33,456          |
| WEALD PCC                            | 41,845          |
| WESTERHAM PCC                        | 52,600          |
| <b>Total Sevenoaks Deanery</b>       | <b>780,044</b>  |



PARISH OFFERS RECEIVED BY PARISH

For the year ended 31 December 2019

This page does not form part of the audited financial statements

|   | Offers received  |
|---|------------------|
| <b>Shoreham Deanery</b>                               |                  |
| BOROUGH GREEN PCC                                     | 52,836           |
| EYNSFORD PCC  | -                |
| FARNINGHAM PCC  | -                |
| LULLINGSTONE PCC                                      | 64,085           |
| IGHTHAM PCC   | 63,374           |
| KEMSING PCC   | 50,400           |
| WOODLANDS PCC   | -                |
| KINGSDOWN W MAPPISCOMBE PCC                           | 46,767           |
| OTFORD PCC  | 64,969           |
| PLATT PCC   | 44,928           |
| PLAXTOL PCC   | 62,575           |
| SHIPBOURNE PCC  | -                |
| SHOREHAM PCC  | 39,950           |
| STANSTED W FAIRSEAT & VIGO PCC                        | 50,372           |
| WROTHAM PCC   | 32,841           |
| <b>Total Shoreham Deanery</b>                         | <b>573,097</b>   |
| <b>Tonbridge Deanery</b>                              |                  |
| CHIDDINGSTONE CAUSEWAY PCC                            | 22,110           |
| CHIDDINGSTONE PCC                                     | 22,110           |
| CROCKHAM HILL PCC                                     | 31,020           |
| EDENBRIDGE PCC  | 58,496           |
| HEVER PCC   | 17,640           |
| FOUR ELMS PCC   | 12,600           |
| MARKBEECH PCC   | 11,760           |
| HILDENBOROUGH PCC                                     | 69,000           |
| LEIGH PCC   | 50,747           |
| PENSHURST PCC   | 44,400           |
| FORDCOMBE PCC   | 15,240           |
| TONBRIDGE ST PETER & ST PAUL PCC                      | 104,000          |
| TONBRIDGE ST STEPHEN PCC                              | 102,037          |
| <b>Total Tonbridge Deanery</b>                        | <b>561,160</b>   |
| LANGTON GREEN PCC                                     | 20,000           |
| RUSTHALL PCC  | 61,000           |
| SOUTHBOROUGH TEAM MINISTRY PCC                        | 191,500          |
| SOUTHBOROUGH ST THOMAS PCC                            | 42,667           |
| SPELDHURST PCC  | 76,185           |
| TUNBRIDGE WELLS HOLY TRINITY W CHRIST CHURCH PCC      | 82,000           |
| TUNBRIDGE WELLS KING CHARLES THE MARTYR PCC           | 75,840           |
| TUNBRIDGE WELLS ST BARNABAS PCC                       | 2,083            |
| TUNBRIDGE WELLS ST JAMES PCC                          | 83,126           |
| TUNBRIDGE WELLS ST JOHN PCC                           | 75,574           |
| TUNBRIDGE WELLS ST LUKE PCC                           | 53,520           |
| TUNBRIDGE WELLS ST MARK PCC                           | 18,133           |
| TUNBRIDGE WELLS ST PETER PCC                          | 45,000           |
| TUNBRIDGE WELLS ST PHILIP PCC                         | 53,000           |
| <b>Total Tunbridge Wells Deanery</b>                  | <b>879,628</b>   |
| <b>Total Tonbridge</b>                                | <b>3,748,100</b> |
| <b>Total received</b>                                 | <b>9,039,748</b> |
| <b>Offer in lieu of housing</b>                       | <b>16,800</b>    |
| <b>Total as per Statement of Financial Activities</b> | <b>9,056,548</b> |



The first Christian act of worship since the 5th century AD has took place at the historic Lullingstone Roman Villa





Diocese of  
**Rochester**



**Called together**  
grow enrich resource

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