

## **Financial Overview 2000 – 2006**

An overview of the Church of England's finances has been undertaken at regular intervals over many decades. The most recent update is attached. This builds on 2006 figures and it is recognised that the financial background has changed quite considerably since then. That said, the paper gives some picture of the Church's financial health and its robustness in the light of the very difficult economic circumstances now unfolding.

The Archbishops' Council's Finance Committee discussed the overview at its recent meeting and was keen for the figures to be circulated throughout the Church.

Between 2000 and 2006 regular giving increased at the rate of 4.5 percent a year in real terms, well ahead of the growth in real incomes over that period. There was also a significant increase in tax recovered, as PCCs became more efficient in using the Gift Aid scheme. Expenditure on stipends did not increase so rapidly over that period, partly because the number of new stipendiary clergy did not match the numbers retiring. There was, however, a steep increase in the cost of pension contributions.

Some comparison is also made in the paper between the Church's financial position now and in the 1960s, acknowledging the difficulties of making such comparisons. Perhaps the most striking change is in the proportion of income contributed by the regular giving of church members. In 1963, 75% of the clergy stipend bill was paid by the Church Commissioners.

On the expenditure side the stability of the broad categories shown in the table masks some significant changes, for example the increase in the amount spent by parishes on the employment of children and youth workers. Overall the figures do reflect a decline, over those years, in the numbers of ministers and in Church attendance, although it is worth bearing in mind that attendance figures do not take account of all those who are in regular contact with the Church.

The Church's missionary task is ever more urgent and the extent to which it can fulfil that charge depends in part on the decisions taken at every level of the Church about resource allocation. The Committee hopes that the attached financial overview will help inform that decision-making.

Andrew Britton

Chair, Archbishops' Council's Finance Committee

23 March 2009

## Financial Overview 2000 – 2006

### Introduction

1. This overview builds on the figures produced by Christopher Daws and others for the years 2000–2004 and published as *An Overview of Church of England Finances, prepared May 2006, GS Misc 819*. Figures for 2005, 2006 and in most cases 2007 have been added.
2. The first section below offers a broad analysis of the 2006 aggregated ‘Church of England’ figures. The second section discusses some trends emerging from the Annexes. A third section considers their implications and invites suggestions on the practical use of the figures.
3. It must be noted that all figures should be considered as ‘broad brush’ only. There is no ‘Church of England plc’ entity, and different accounting practices between and within dioceses, cathedrals, parishes and NCIs as well as changes in classifications and practices over time mean that some inconsistencies may be noted. (By way of example, parishes show the total parish share bill for 2006 as £278.2m whilst dioceses show parish share income for 2006 as £285m; this is partly because some parish income figures are estimated by Research & Statistics as the returns response rate was 78%, and partly because most parishes account on the receipts and payments basis rather than on the accruals basis used by dioceses.) However, the figures are considered robust enough to give an overview.

### Section 1: Broad analysis of the 2006 figures

4. As shown in Table 1 below, the total income across the Church of England in 2006 was £1.199bn and total expenditure was £1.144bn. The major source of income (69%) is parishes. Parish income was £826.5m, of which the largest element (65%) was giving: £236.6m from regular giving, £230.6m from other donations and £71.7m from tax recovered through Giftaid. A further £70.5m was received in grants, meaning that 74% of parish income in 2006 was voluntary income. Investment income totalling £276.3m (23%) across the Church (£150m (12.5%) from the Church Commissioners alone) is the next most important factor, with income from trading, operations & fees at £169m (14%) and fundraising at £53.8m (4.5%).
5. The largest item of expenditure for the Church of England in 2006 was clergy, with stipends, housing and working costs amounting to £316.7m (28%) whilst a further £112.5m (almost 10%) was paid in pensions. Repairs to church buildings and cathedrals cost a total of £134.5m (almost 12%). Parish and cathedral operating costs (which includes *inter alia* expenditure on services, education, outreach and community work as well as running costs) were £189.4m. £106.4m (9%) was spent on generating funds across the Church, although this includes trading costs, parish hall costs etc. Administration costs were £57.4m or 5% of total expenditure.

Table 1: Elements of C of E income and expenditure 2007

<b>2007</b>	<b>Parishes</b>	<b>Dioceses</b>	<b>Cathedrals</b>	<b>NCIs</b>	<b>Consolidation adjustments</b>	<b>Consolidated 'Church of England'</b>
	£m	£m	£m	£m	£m	£m
<b><i>INCOMING RESOURCES</i></b>						
Regular giving	282.4	-	5.3	-		287.7
Other donations to parishes/cathedrals	204.4	-	11.8	-		226.2
Tax recovered	78.8	-	1.0	-		79.8
Parish share	-	295.3	-	-	(295.3)	-
NCI allocations/ contributions	-	31.0	6.6	25.2	(62.8)	-
Grants (incl. donations to dios/NCIs)	80.9	18.8	17.5	2.2		119.4
Fundraising	51.8	-	5.1	-		56.9
Trading/Operating income	70.6	-	38.1	14.5		123.2
Fees	30.5	25.9	-	-		56.4
Investment Income	53.8	56.9	17.4	182.1	(1.2)	309.0
Parishes' disposal of charitable assets	43.9	-	-	-		43.9
Pension contributions received	-	-	-	68.8	(56.0)	12.8
Other income	-	7.1	1.4	0.2		8.7
<b>Total incoming resources</b>	<b>897.1</b>	<b>435.0</b>	<b>104.3</b>	<b>292.9</b>	<b>(415.3)</b>	<b>1,314.0</b>
<b><i>RESOURCES EXPENDED</i></b>						
Costs of generating funds*	49.4	7.2	23.7	25.5		105.8
Parish share	287.5	-	-	-	(287.5)	
Clergy stipends	-	184.1	4.4	3.9	(2.4)	190.0
Clergy pension contributions	-	53.7	1.2	1.1	(56.0)	
Clergy housing	-	65.7	-	7.9	(1.2)	72.4
Clergy working costs	34.2	15.9	-	12.0		62.1
Pensions paid	-	-	-	116.6		116.6
National training for ministry	-	-	-	10.3		13.3
Parish/cathedral operating costs	227.8	-	24.7	-		252.5
Support costs	-	67.1	10.3	12.7	(4.7)	85.4
Management & Administration	-	10.3	4.6	4.7		19.6
NCI allocations/ contributions	-	23.1	-	40.3	(63.4)	
Retired clergy housing	-	-	-	13.3		13.3
Major church/cathedral repairs	104.4	-	28.0	0.9		133.3
Other major repairs	15.6	-	-			15.6
New building costs of parishes	64.1	-	-			64.1
Grants/donations to 3 <sup>rd</sup> parties	50.5	15.9	-	3.6		70.0
<b>Total resources expended</b>	<b>833.5</b>	<b>443.0</b>	<b>96.9</b>	<b>252.8</b>	<b>(415.3)</b>	<b>1,210.9</b>
<b>Net incoming/(outgoing) resources</b>	<b>63.6</b>	<b>(8.0)</b>	<b>7.5</b>	<b>40.1</b>		<b>103.1</b>
Net contribution to Funded Scheme	-	-		(70.7)		(70.7)
CC capital spent on pensions	-	-		33.2		33.2
<b>Net Surplus (deficit)</b>	<b>63.6</b>	<b>(8.0)</b>	<b>7.5</b>	<b>(2.6)</b>		<b>65.6</b>

\*(includes trading costs, parish hall costs etc)

6. The aggregate surplus across the Church of £55m for 2006 is reduced to £37m after accounting for pensions payments made from capital and net contributions to the Funded Scheme. Although there is a surplus overall, the ‘bottom lines’ of the individual entities (see Annex 2) show considerable variation.
7. Parish share, like other intra-Church money flows such as allocations, apportionment and pension contributions, is excluded from the consolidated totals in the above table (see ‘consolidated adjustments’ column) and from the pie-charts below.

Chart 1: Consolidated ‘Church of England’ income 2006

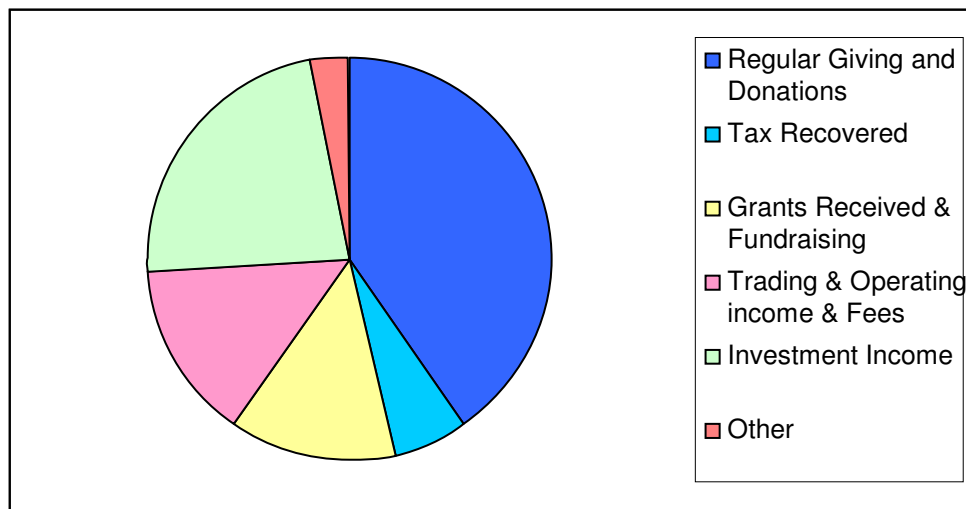
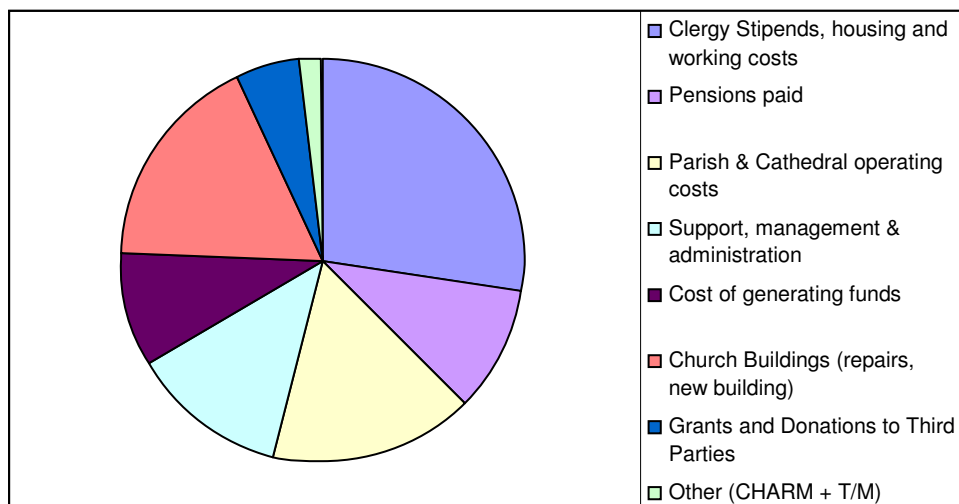


Chart 2: Consolidated ‘Church of England’ expenditure 2006

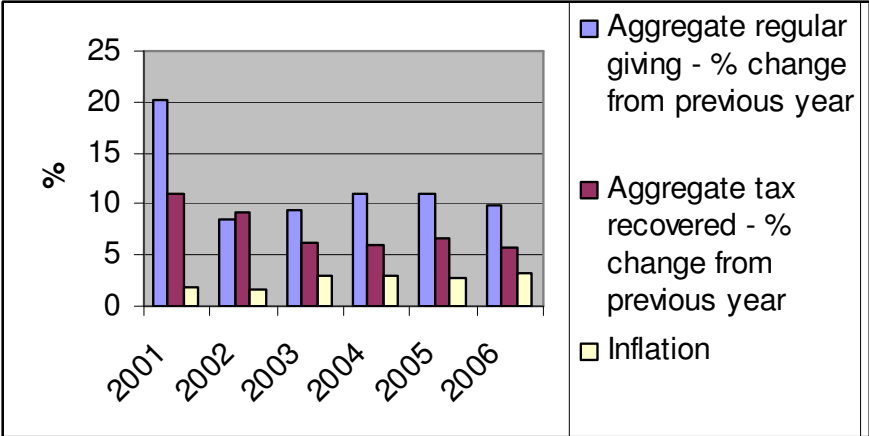


**Section 2: Highlights and Trends (see all Annexes)**

***i) Good News: Giving and Tax Recovered increase well above inflation 2000 - 06***

- 8. Annex 1 shows that income has grown well ahead of inflation since 2002. Expenditure increases have also tended to be above inflation, although less markedly so than income, and the annual increase dropped below inflation in 2006.
- 9. Chart 3 below shows that regular giving and tax recovered in particular have both increased well ahead of inflation. Annex 2.1, parishes 2000 – 2006, shows an actual increase in regular giving of 49.8% from 2000 to 2006, or an average annual increase of 4.5% in real terms (after stripping out inflation). The actual increase in tax recovered through Giftaid is 53.5% over 2000 – 2006, suggesting significant improvement in PCC’s utilisation of the scheme.

Chart 3: % increases in regular giving and tax recovered 2000 – 06, shown against inflation



- 10. Annex 2.3, cathedrals 2000 – 2007, suggests that cathedral congregations, like parishes, have significantly increased their regular giving and tax recovered. Income from trading/operating has also increased ahead of inflation, perhaps reflecting the decision of some cathedrals to charge entrance fees and the increasingly commercial approach to hire of their facilities. Although Annex 1 shows some fluctuations in real terms, broadly-speaking, the Church in aggregate seems to have capitalised on opportunities for fundraising and accessing income through trading, fees and operations; all of these have an average increase above inflation across 2000 – 2006. Investment income has also performed particularly well in the last couple of years, outstripping inflation by 5.5% in 2006.

***ii) Trend: Income and expenditure patterns 2000 – 2006 are broadly consistent***

- 11. Looking at the time series data for 2000 to 2006 (see Annex 1), the most noticeable aspect of these figures is how consistent almost every line under both income and expenditure appears. This is shown in the charts below, where the size of each ‘block’ in relative terms remains broadly constant across the years.

Chart 4: C of E income profile 2000 - 2006

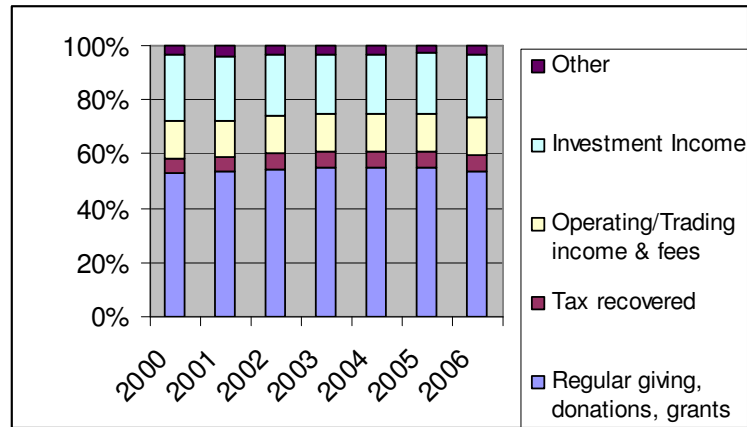
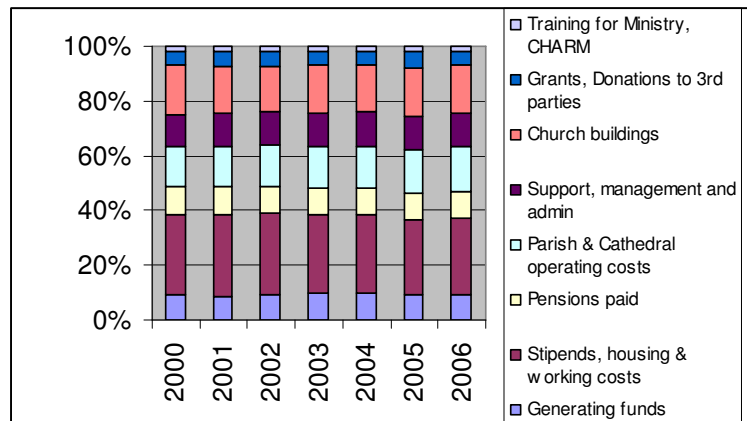


Chart 5: Breakdown of C of E expenditure 2000 - 2006



**iii) Trend: A Longer View: 1963 – 2006**

12. The table below compares expenditure in 1963 with expenditure in 2006. Even over 43 years, it is perhaps surprising how much similarity there is across some lines in the table; training for ministry, maintenance of the worship and witness of the Church (operating costs), costs of repairs/capital needs, and donations to mission societies / other charitable bodies all account for very similar percentages of total expenditure.
13. The biggest disparity apparent when comparing 1963 and 2006 is the percentage of total expenditure spent on pensions, which came close to increasing 3-fold (3.5% to 9.8%). The percentage of total expenditure spent on stipends, in contrast, more than halved from 1963 and 2006.
14. Another major change lies in the sources of income used to meet expenditure. In 1963, 63.7% of the total bill was described as being met by ‘the Laity’ and the other 36.3% was met by the Church Commissioners, who met 75% of the 1963 clergy stipend bill. In 2006, 12.3% of the total income came from the Church Commissioners (excluding capital spent on pensions).

Table 2: Comparison of 1963 expenditure with 2006 expenditure (RPI figures from [www.statistics.gov.uk/rpi](http://www.statistics.gov.uk/rpi))

	% of 1963 total expenditure	% of 2006 total expenditure	1963 actual	1963 real terms*	2006 actual
	%	%	£m	£m	£m
Clergy stipends, houses and expenses of office/ working costs	39.2	27.7	16.75	240.0	316.7
Of which clergy stipends alone	35.0	16.2	15.0	215.0	185.0
Pensions	3.5	9.8	1.5	21.5	112.5
Retired Clergy Housing	N/A	0.9	N/A	N/A	10.1
Training for Ministry	1.2	0.8	0.5	7.2	9.7
1963: Maintenance of the worship of the Church & its witness in society; 2006: Operating costs (incl. services, education, outreach, community)	29.2	27.3	12.5	178.9	313.1
1963: Central and diocesan services 2006: Management & admin, NCIs & dioceses	3.5	1.6	1.5	21.5	17.9
Cost of generating funds (parishes, dioceses, cathedrals and NCIs)	N/A	9.3	N/A	N/A	106.4
1963: Capital needs; 2006: Repairs and new building costs	16.4	17.4	7.0	100.0	199.5
1963: Support of the Church overseas; 2006 nearest equivalent: Grants and donations to third parties	5.8	5.2	2.5	35.8	59.0
Allowance for marginal items	1.2	N/A	0.5	7.2	N/A
<b>TOTAL EXPENDITURE</b>	<b>100</b>	<b>100</b>	<b>42.75</b>	<b>612.0</b>	<b>1145</b>

15. Despite the apparent continuity, it is possible that new forms of expenditure (such as the employment of youth workers) are occurring; published accounts tend to maintain the same income and expenditure categories year on year which may have the effect of ‘squashing’ different items into the same line and concealing underlying changes.

16. By way of further contrast, table 3 offers some more comparisons 1968–2006.

Table 3: Some comparisons 1968 – 2006.

	1968	2006	% change
Number on Electoral Roll	2,636,000	1,266,000	-52%
Usual Sunday/Weekly Attendance*	1,606,000	1,163,000	-28%
Number of Ordained Ministers**	15,607	11,904	-24%
Population estimates (England)	c.46,000,000 <sup>^</sup>	50,763,000	10%
Number of church buildings	17,534 <sup>^*</sup>	16,057	-8%

Sources: the Sheffield Report; ‘Facts and Figures about the Church of England’ (Church Commissioners, 1962); [www.statistics.gov.uk](http://www.statistics.gov.uk); and [www.cofe.anglican.org/info/statistics/churchstatisticslink.html](http://www.cofe.anglican.org/info/statistics/churchstatisticslink.html) See the latter for definitions.

\* 1968 figure is Usual Sunday Attendance; 2006 is Average Weekly Attendance. Changing patterns of ministry / ‘fresh expressions’ mean that uSa no longer captures the number of adults, children and young people regularly attending Church services.

\*\* 1968 figure is full-time stipendiary clergy only. 2006 figure is all licensed clergy ie full-time stipendiary clergy (8,616), part-time stipendiary clergy (277), NSMs (2,421) and OLMs (590).

<sup>^</sup> Estimation based on 1971 census which gives population of England as 46,412,000. The 1960 figure was 45,503,000

<sup>^\*</sup> 1972 data, from the Sheffield Report. There is no record for 1968 but it is unlikely to differ much from 1972.

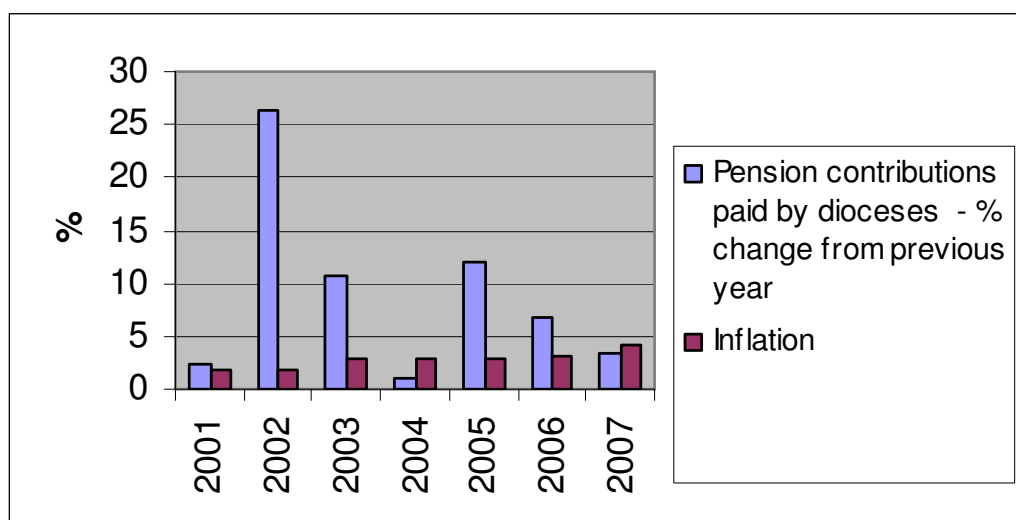
17. The relative numbers of full-time clergy, part-time clergy, NSMs and OLMs in 2006 suggests something about changes in stipendiary ministry, but these figures were not collected in 1968 so comparisons are difficult. Further, increases in Reader ministry, Youth Worker ministry and other chaplaincies/ministries, ordained and lay, are not captured. Care should be taken when considering any of these figures since the comparisons will not be exactly like-for-like and the figures cannot reveal the many factors involved nor the many things happening beneath the surface.

**iv) Expenditure on Stipends and Pensions**

18. Stipend bills met by dioceses (Annex 2.2) and pensions paid out centrally to retired clergy (Annex 2.4) have increased steadily over the period 2000–2007. However, the percentage increase in the total amount of stipends paid has fallen behind inflation each year 2003 – 2007 (Annex 1), because the total number of stipendiary clergy has declined. The national average stipend increased well above RPI in each year 2000 – 2006, except one year when it increased in line with RPI.

19. Pension contributions paid by dioceses (see annex 2.2) have increased substantially from £30.0m in 2000 to £53.7m in 2007, a total increase of 79%, as shown below. The reason that pension contributions have grown faster than stipends is partly due to the planned tapering away of the transitional support for the Funded Scheme from the Church Commissioners and also due to the increased costs of pension provision.

Chart 6: % changes in pension contributions paid by dioceses compared with inflation, 2001 - 2007



**v) Repairs to Church Buildings**

20. The table below shows the cost of repairs to church buildings and cathedrals 2001 – 2006, which have increased over the period although the size of the increase has declined. However, these figures do not reveal whether expenditure on repairs is in line with actual repair needs or whether lack of resources means that fewer repairs are being undertaken even when necessary or desirable.

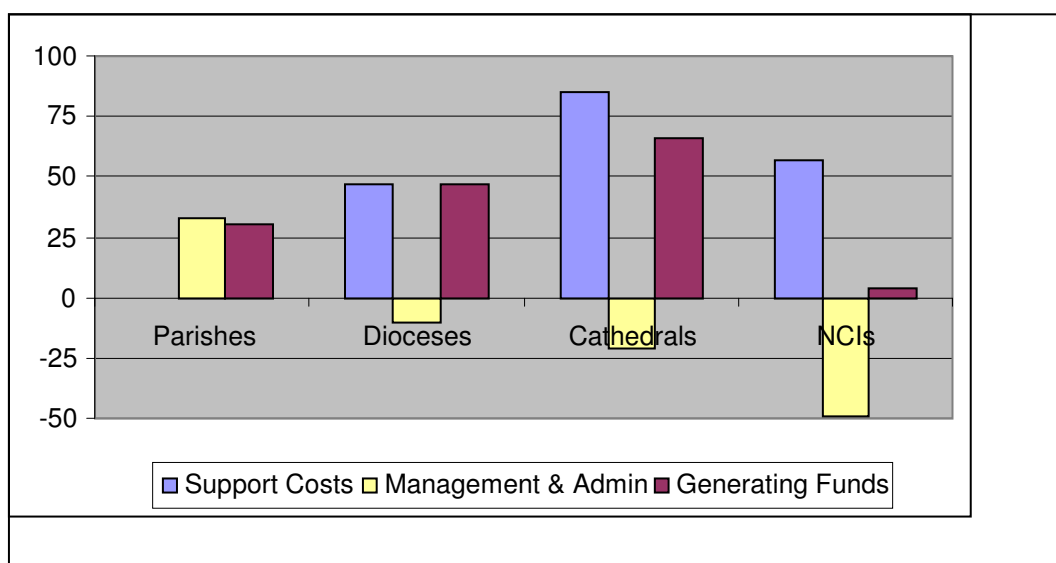
Table 4: Repairs

	2001	2002	2003	2004	2005	2006
Major Church and Cathedral Repairs (£,m)	100.5	110.3	120.2	125.5	130.7	134.5
% increase on previous year	-6.34	9.75	8.98	4.41	4.14	2.91
Other Repairs (£,m)	11.60	13.6	11.5	14.8	15.5	13.4

### vi) Support and Operating Costs

21. Annex 1 and the chart below show the cost of generating funds increasing steadily from 2000 – 2006 across the Church, probably reflecting the Church’s (and indeed charity sector’s) increasing need for professional advice and support, and professional fund-raising.
22. Support costs have also increased, but this is matched by a decrease in administration costs and is probably due to changes in accounting conventions where expenditure previously charged to ‘administration’ is now charged to ‘support.’ The Chart below illustrates this. (Parish data does not show a separate line for support costs.)

Chart 9: Costs of generating funds, support, management & administration across the C of E, 2000-2006



### vii) Disposal of Assets

23. Mirroring the approach adopted in the 2000 - 2004 exercise, these figures *exclude* income and expenditure relating to schools, sales of charitable assets, purchases of charitable assets, depreciation, and gains and losses on investments. If these items were to be *included*, 22 dioceses would report a deficit and 22 a surplus, and there would be a net surplus of £8.9m across all the dioceses.
24. When these figures are excluded, as in Annex 2.2, 27 dioceses report a deficit and 17 a surplus, with a net deficit across all the dioceses of £8m. Of the excluded items, by far the most significant is proceeds from the sales of charitable assets, with £32.2m

received in 2007. Expenditure on the purchase of charitable assets is much lower. This suggests that the sale of assets (principally parsonages) is plugging the gap between deficit and surplus. However, it should be acknowledged that considering surpluses and deficits in any one year without any explanation of a diocese's specific circumstances can be misleading as the raw figures take no account of longer term financial planning.

Table 6: Dioceses' income from sales of assets and expenditure on purchase of assets (£m)

DIOCESES	2000	2001	2002	2003	2004	2005	2006	2007
Proceeds from sales of charitable assets	9.5	19.7	29.8	21.6	24.4	21.6	30.3	32.2
Purchase of charitable assets	0	(0.3)	(1.7)	(1.6)	(2.8)	(1.8)	(2.6)	(2.2)

25. It should be reiterated here that these figures are indicative only. Differences in diocesan valuation and depreciation practices as well as the difficulty of identifying which schools income and expenditure to exclude should be noted in this context.

26. In contrast to the diocesan picture, parishes appear to be spending much more on purchasing new assets than they are earning from the sale of assets:

Table 7: Parishes' income from sales of assets and expenditure on purchase of assets (£m)

PARISHES	2000	2001	2002	2003	2004	2005	2006
Proceeds from sales of charitable assets	12.6	18.9	16.1	16.2	17.2	15	25.9
New building costs of parishes	(44.3)	(46.3)	(40.9)	(48.9)	(37.2)	(54.9)	(51.6)

#### ***vii) Balance Sheet Data***

27. Annex 3.1 is the sum of diocesan balance sheet data for the period 2005 – 2007. This is a new annex not produced for the 2000 – 2004 exercise. It indicates that much diocesan money is held in restricted or endowment funds and non-investment assets (ie non-investment property such as parsonage houses). Underlying the aggregated figures there is of course considerable variation between individual dioceses.

28. Annex 3.2 shows the aggregate balance sheets of cathedrals for the same period, and likewise shows that the greater portion of funds is restricted or endowment funds, with net current assets for both dioceses and cathedrals considerably lower.

### **Section 3: Looking to the Future – How can the data be used?**

29. One purpose of this exercise was to provide data for ‘Church of England’ campaigning purposes. For example, total Church expenditure on repairs to church buildings will be useful to those petitioning English Heritage for greater support, whilst the value of the Giftaid scheme to the Church in aggregate will help calls for the scheme to be protected. The figures also have some PR applications; the increases in giving over the last decade (especially set against church attendance figures) and the significant amount given to other charities by the Church, for example, are both ‘good news stories.’
30. The scope for using the total income and expenditure figures as a management tool is more limited because, as already pointed out, there is no ‘Church of England plc’ and the figures are not current enough. Nonetheless, there are some broad lessons within the figures which provide some help to the Church as it thinks through how to face the future, which is likely to be very challenging in financial terms. For example, Chart 1 above emphasises the Church’s heavy reliance on voluntary income as its chief source of incoming funds. Given that investment income is likely to reduce and that dioceses/parishes are unlikely to be able to sell assets so easily in order to boost their income over the next few years (see section vii) above), the importance of regular giving will become even more pronounced. Historically, the Church’s regular givers have proved to be more robust than regular givers to other charities, with fewer decreases even in straitened economic times. However, these look like being more than usually straitened times and with likely falls in investment income and increases in pensions liabilities, the stewardship message will remain crucial if the Church is to maintain (and/or increase) existing expenditure levels. If Church attendance figures continue to decline, the burden per Church member will increase proportionately too.
31. The broad consistency in the pattern of the Church’s income and expenditure figures from 2000 (or even 1963) to 2007 raises the question of to what extent its finances are cost- or demand-driven rather than supply-driven i.e. does giving increase as a matter of necessity to meet increased bills, or is increased expenditure enabled by higher levels of giving? Intuitively, we might suspect the former given the ‘top-down’ way that many financial decisions are taken in the Church. However, the very positive increases in giving at parish levels are evidence of the motivation of Church members to give in response to something more than the size of the parish share bill. It is this motivation – the generous response to God’s generosity – which holds the key to the Church’s future health.
32. In terms of the Church’s future, the figures provide no guide to future ordinand numbers, church attendance, demographic changes and changes in ministry patterns (such as expenditure on youth-workers or ‘fresh expressions.’). However, they do provide some illustration of the scope which exists for (different parts of) the Church to make choices about resource allocation and thus move towards a different future. To reduce the issue to three simple questions, what changes to the Church’s current expenditure pattern (as shown in Chart 2) can and should it make to aid its future mission to the nation? Is the balance between funds spent on clergy remuneration, support, operational and administration costs, and church building expenditure correct? What new forms of expenditure are required? The decisions made on those kinds of question will help to determine what sort of future the Church has.

The Church of England

Annex I

Overall Incoming and Outgoing Resources 2000-06

% change y-o-y in real terms (ie RPI deducted)

RPI 2000 3% RPI 2001 1.8% RPI 2002 1.7% RPI 2003 2.9% RPI 2004 3% RPI 2005 2.8%

% change 00-01 % change 01-02 % change 02-03 % change 03-04 % change 04-05 % change 05-06

	2000	2001	2002	2003	2004	2005	2006								
	£m	£m	£m	£m	£m	£m	£m								
<b>INCOMING RESOURCES</b>															
<b>Voluntary income</b>															
Regular giving	159.6	181.3	191.6	203.0	216.1	229.4	241.5	10.6	3.8	4.3	3.6	3.1	2.5		
Other donations to parishes and cathedrals	208.5	206.2	217.4	219.8	230.9	235.7	242.3	(4.1)	3.6	(0.6)	2.1	(0.9)	(0.0)		
Tax recovered	47.2	52.3	57.2	60.8	64.4	68.7	72.6	8.0	7.4	4.6	3.1	3.6	2.8		
Grants (incl. donations to dioceses & NCI)	83.9	75.5	77.4	94.0	93.3	104.8	105.0	(13.0)	0.7	19.7	(3.6)	9.3	(2.6)		
<b>Operating and trading income</b>															
Fundraising	44.9	45.0	47.5	54.7	52.7	51.4	53.8	(2.9)	3.7	13.5	(6.6)	(5.4)	1.9		
Trading/Operating Income	89.9	88.7	93.3	98.4	103.6	111.2	114.4	(4.4)	3.4	3.7	2.5	4.3	0.0		
<b>Fees</b>															
	39.2	40.0	43.4	47.2	49.4	51.9	54.6	(0.9)	6.7	7.1	1.8	2.1	2.3		
<b>Investment income</b>															
	234.7	226.7	223.0	227.2	238.5	255.1	276.3	(6.4)	(3.5)	0.2	2.1	4.0	5.5		
<b>Other incoming resources</b>															
Disposal of charitable assets by parishes	12.6	18.9	16.1	16.2	17.2	15.0	25.9	46.8	(16.5)	(0.8)	3.4	(16.0)	69.9		
Pension contributions received	3.5	3.3	4.5	4.3	4.4	4.9	4.2	(9.4)	35.1	(5.4)	(1.1)	8.8	(17.1)		
Other income	12.1	13.1	12.8	11.7	12.2	8.0	7.9	5.5	(4.1)	(10.6)	1.9	(37.2)	(4.8)		
<b>TOTAL INCOMING RESOURCES</b>	<b>936.1</b>	<b>950.9</b>	<b>984.0</b>	<b>1,037.2</b>	<b>1,082.9</b>	<b>1,136.2</b>	<b>1,198.5</b>	(1.4)	1.7	3.7	1.5	1.9	2.7		
<b>RESOURCES EXPENDED</b>															
<b>Cost of generating funds</b>															
	82.9	80.5	91.6	100.7	105.6	102.7	106.4	(6.0)	12.0	8.3	1.9	(5.7)	0.8		
<b>Charitable expenditure</b>															
<b>Mission and ministry</b>															
Clergy															
Stipends	170.8	174.4	180.1	179.8	182.0	180.8	185.0	(0.9)	1.5	(1.9)	(1.7)	(3.7)	(0.5)		
Housing	48.6	50.8	53.0	54.3	61.0	64.8	66.6	1.4	2.5	0.9	9.3	3.3	(0.1)		
Working costs	53.4	53.7	55.6	57.1	58.5	60.5	64.1	(2.4)	1.8	0.9	(0.4)	0.5	3.1		
Pensions paid	93.1	96.8	100.5	103.4	105.8	108.4	112.5	0.9	2.0	1.2	(0.5)	(0.5)	1.0		
Support costs	52.6	55.3	59.9	64.3	69.4	74.3	84.2	2.1	6.6	5.6	5.0	4.1	10.5		
Parish and cathedral operating costs	132.4	139.7	146.4	152.6	160.4	178.0	189.4	2.6	2.9	2.6	2.2	7.9	3.6		
<b>Ancillary costs</b>															
Retired clergy housing	6.7	6.5	6.6	7.9	8.1	9.1	10.1	(6.0)	(0.3)	18.0	(0.4)	9.9	7.4		
National training for ministry	8.3	8.7	8.8	8.8	8.9	9.7	9.7	1.8	(0.7)	(1.7)	(1.8)	5.9	(3.1)		
Parish & cathedral administration	33.6	34.5	35.0	36.3	39.5	38.6	39.5	(0.1)	(0.3)	2.0	5.9	(5.5)	(0.2)		
<b>Church and other buildings</b>															
Major church and cathedral repairs	107.3	100.5	110.3	120.2	125.5	130.7	134.5	(9.4)	8.0	7.3	1.5	1.2	0.1		
Other major repairs	12.5	11.6	13.6	11.5	14.8	15.5	13.4	(10.2)	15.5	(17.2)	25.7	2.0	(16.3)		
New building costs of parishes	44.3	46.3	40.9	48.9	37.2	54.9	51.6	1.6	(13.5)	17.8	(26.7)	44.5	(8.8)		
<b>Grants and donations to third parties</b>															
	49.0	54.1	55.7	54.6	57.2	68.4	59.0	7.3	1.2	(3.6)	1.8	16.6	(16.6)		
<b>Management and admin (dioceses &amp; NCIs)</b>															
	24.1	24.7	23.4	25.4	25.4	22.7	17.9	(0.4)	(6.9)	6.5	(2.8)	(13.7)	(23.8)		
<b>TOTAL RESOURCES EXPENDED</b>	<b>919.5</b>	<b>938.0</b>	<b>981.3</b>	<b>1,025.7</b>	<b>1,059.2</b>	<b>1,119.1</b>	<b>1,143.8</b>	(1.0)	2.8	2.8	0.4	2.7	(0.6)		
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	<b>16.5</b>	<b>12.9</b>	<b>2.7</b>	<b>11.5</b>	<b>23.6</b>	<b>17.1</b>	<b>54.7</b>	(24.8)	(80.9)	324.3	102.4	(30.5)	216.9		
Net contributions added to Funded Scheme	(33.8)	(34.5)	(43.8)	(47.5)	(48.9)	(55.6)	(58.4)	(0.9)	25.2	6.7	0.1	10.7	2.3		
Church Commissioners' capital spent on pensions	34.7	41.0	52.4	58.0	59.6	48.5	41.1	15.2	26.0	9.0	(0.1)	(21.6)	(18.1)		
<b>NET SURPLUS</b>	<b>17.5</b>	<b>19.4</b>	<b>11.3</b>	<b>22.0</b>	<b>34.3</b>	<b>10.0</b>	<b>37.4</b>	8.4	(43.7)	93.3	52.9	(73.8)	269.6		

## Combined Parishes 2000-06

	2000 £m	2001 £m	2002 £m	2003 £m	2004 £m	2005 £m	2006 £m
<b>Incoming resources</b>							
<b>Voluntary income</b>							
Regular giving	157.9	179.7	189.9	201.3	213.9	224.6	236.6
Other donations to parishes and cathedrals	198.3	194.9	200.0	203.8	215.0	226.1	230.6
Tax recovered	46.7	51.8	56.7	60.3	63.8	67.9	71.7
Parish share							
NCI allocations/contributions							
Grants (incl. donations to dioceses & NCIs)	55.8	50.4	51.7	64.8	64.4	72.7	70.5
<b>Operating and trading income</b>							
Fundraising	42.9	42.5	44.5	47.5	49.6	49.0	50.6
Trading/Operating Income	48.9	50.3	53.8	56.6	59.5	64.5	64.4
<b>Fees</b>	22.2	22.0	23.9	25.8	27.4	29.0	30.4
<b>Investment income</b>	36.5	36.9	33.7	34.4	39.9	43.6	45.8
<b>Other incoming resources</b>							
Disposal of charitable assets by parishes	12.6	18.9	16.1	16.2	17.2	15.0	25.9
Pension contributions received							
Other income							
<b>Total incoming resources</b>	<b>621.7</b>	<b>647.4</b>	<b>670.3</b>	<b>710.7</b>	<b>750.8</b>	<b>792.4</b>	<b>826.5</b>
<b>Resources expended</b>							
<b>Cost of generating funds</b>	40.0	41.5	44.6	46.3	49.1	50.4	51.9
<b>Charitable expenditure</b>							
<b>Mission and ministry</b>							
Parish share	208.6	219.9	234.1	250.3	264.1	270.9	278.2
Clergy							
Stipends							
Pension contributions							
Housing							
Working costs	33.2	32.6	34.0	34.1	36.2	36.7	38.5
Pensions paid							
Support costs							
Parish and cathedral operating costs	111.0	118.0	126.2	130.8	137.7	155.7	165.1
NCI allocations/contributions							
CC transitional pension contributions relief							
<b>Ancillary costs</b>							
Retired clergy housing							
National training for ministry							
Parish & cathedral administration	24.1	24.8	26.1	27.1	29.4	31.0	32.0
<b>Church and other buildings</b>							
Major church and cathedral repairs	87.9	86.4	93.4	100.7	105.6	106.7	109.1
Other major repairs	12.5	11.6	13.6	11.5	14.8	15.5	13.4
New building costs of parishes	44.3	46.3	40.9	48.9	37.2	54.9	51.6
<b>Grants and donations to third parties</b>	37.5	41.4	44.4	41.9	44.8	50.8	41.5
<b>Management and administration (dioceses and NCIs)</b>							
<b>Total resources expended</b>	<b>599.0</b>	<b>622.5</b>	<b>657.3</b>	<b>691.5</b>	<b>718.9</b>	<b>772.6</b>	<b>781.3</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	<b>22.7</b>	<b>24.9</b>	<b>13.0</b>	<b>19.2</b>	<b>31.9</b>	<b>19.8</b>	<b>45.2</b>

## Combined Dioceses 2000-07

	2000	2001	2002	2003	2004	2005	2006	2007
	£m	£m	£m	£m	£m	£m	£m	£m
<b>Incoming resources</b>								
<b>Voluntary income</b>								
Regular giving								
Other donations to parishes and cathedrals								
Tax recovered								
Parish share	209.2	220.6	235.0	249.4	263.8	273.7	285.0	295.3
NCI allocations/contributions	31.2	27.1	29.2	27.9	26.9	29.3	30.4	31.0
Grants (incl. donations to dioceses & NCIs)	12.4	14.6	16.0	15.7	15.3	17.6	17.3	18.8
<b>Operating and trading income</b>								
Fundraising								
Trading/Operating Income								
<b>Fees</b>	17.0	18.0	19.4	21.4	22.0	22.9	24.2	25.9
<b>Investment income</b>	41.6	41.8	42.0	42.8	46.4	48.0	50.5	56.9
<b>Other incoming resources</b>								
Disposal of charitable assets by parishes	-	-	-	-	-	-	-	0.0
Pension contributions received								
Other income	9.8	11.3	9.3	9.8	10.1	6.5	5.8	7.1
<b>Total incoming resources</b>	<b>321.3</b>	<b>333.4</b>	<b>351.0</b>	<b>367.1</b>	<b>384.5</b>	<b>398.0</b>	<b>413.2</b>	<b>435.0</b>
<b>Resources expended</b>								
<b>Cost of generating funds</b>	3.6	3.9	3.8	4.0	4.6	4.9	5.3	7.2
<b>Charitable expenditure</b>								
<b>Mission and ministry</b>								
Parish share								
Clergy								
Stipends	159.3	162.8	165.6	168.4	170.5	174.5	178.7	184.1
Pension contributions	30.0	30.7	38.8	43.0	43.4	48.6	51.9	53.7
Housing	46.3	48.2	49.9	51.3	56.8	60.6	59.2	65.7
Working costs	12.0	12.6	13.5	13.8	13.7	13.0	14.2	15.9
Pensions paid								-
Support costs	42.3	44.7	45.6	47.1	50.7	53.5	62.0	67.1
Parish and cathedral operating costs								-
NCI allocations/contributions	13.5	14.4	15.1	16.0	16.1	19.1	23.4	23.1
CC transitional pension contributions relief								
<b>Ancillary costs</b>								
Retired clergy housing								
National training for ministry								
Parish & cathedral administration								
<b>Church and other buildings</b>								
Major church and cathedral repairs								
Other major repairs								
New building costs of parishes								
<b>Grants and donations to third parties</b>	12.2	13.3	12.1	11.8	12.1	15.2	13.3	15.9
<b>Management and administration (dioceses and NCIs)</b>	14.5	14.7	15.1	16.2	17.3	16.5	13.1	10.3
<b>Total resources expended</b>	<b>333.5</b>	<b>345.4</b>	<b>359.6</b>	<b>371.8</b>	<b>385.2</b>	<b>405.9</b>	<b>421.1</b>	<b>443.0</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	<b>(12.2)</b>	<b>(11.9)</b>	<b>(8.7)</b>	<b>(4.7)</b>	<b>(0.7)</b>	<b>(7.9)</b>	<b>(8.0)</b>	<b>(8.0)</b>
Net contributions added to Funded Scheme								
Church Commissioners' capital spent on pensions								
<b>Net surplus</b>	<b>(12.2)</b>	<b>(11.9)</b>	<b>(8.7)</b>	<b>(4.7)</b>	<b>(0.7)</b>	<b>(7.9)</b>	<b>(8.0)</b>	<b>(8.0)</b>

## Combined Cathedrals 2000-07

	2000 £m	2001 £m	2002 £m	2003 £m	2004 £m	2005 £m	2006 £m	2007 £m
<b>Incoming resources</b>								
<b>Voluntary income</b>								
Regular giving	1.7	1.7	1.7	1.7	2.1	4.8	4.9	5.3
Other donations to parishes and cathedrals	10.2	11.2	17.4	16.0	15.9	9.6	11.7	11.8
Tax recovered	0.5	0.5	0.5	0.5	0.6	0.8	0.9	1.0
Parish share								
NCI allocations/contributions	5.6	5.7	5.8	5.9	6.0	6.2	6.3	6.6
Grants (incl. donations to dioceses & NCIs)	14.4	9.4	8.1	10.2	11.3	11.8	15.3	17.5
<b>Operating and trading income</b>								
Fundraising	2.0	2.5	3.0	7.2	3.1	2.4	3.2	5.1
Trading/Operating Income	26.7	25.0	26.2	28.4	30.8	33.0	36.4	38.1
<b>Fees</b>								
<b>Investment income</b>	12.3	12.7	14.1	14.8	15.3	15.5	16.5	17.4
<b>Other incoming resources</b>								
Disposal of charitable assets by parishes								
Pension contributions received								
Other income	2.2	1.8	2.5	1.4	1.5	0.9	1.7	1.4
<b>Total incoming resources</b>	<b>75.6</b>	<b>70.5</b>	<b>79.2</b>	<b>86.2</b>	<b>86.8</b>	<b>85.0</b>	<b>97.1</b>	<b>104.3</b>
<b>Resources expended</b>								
<b>Cost of generating funds</b>	13.4	12.8	18.4	18.2	19.0	20.2	22.3	23.7
<b>Charitable expenditure</b>								
<b>Mission and ministry</b>								
Parish share								
Clergy								
Stipends	3.7	4.0	4.2	3.9	4.0	4.1	4.3	4.4
Pension contributions	0.4	0.4	0.6	0.6	0.6	1.0	1.0	1.2
Working costs								
Pensions paid								
Support costs	4.8	5.3	9.4	10.9	11.4	7.6	8.9	10.3
Parish and cathedral operating costs	21.4	21.8	20.1	21.8	22.8	22.3	24.3	24.7
NCI allocations/contributions								
CC transitional pension contributions relief								
<b>Ancillary costs</b>								
Retired clergy housing								
National training for ministry								
Parish & cathedral administration	9.5	9.8	9.0	9.2	10.1	7.6	7.5	4.6
<b>Church and other buildings</b>								
Major church and cathedral repairs	18.2	12.6	15.3	18.4	18.8	23.0	24.1	28.0
Other major repairs								
New building costs of parishes								
<b>Total resources expended</b>	<b>72.0</b>	<b>67.4</b>	<b>77.9</b>	<b>83.9</b>	<b>87.5</b>	<b>85.8</b>	<b>92.3</b>	<b>96.9</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	<b>3.5</b>	<b>3.1</b>	<b>1.2</b>	<b>2.3</b>	<b>(0.7)</b>	<b>(0.8)</b>	<b>4.8</b>	<b>7.5</b>
Net contributions added to Funded Scheme								
Church Commissioners' capital spent on pensions								
<b>Net surplus</b>	<b>3.5</b>	<b>3.1</b>	<b>1.2</b>	<b>2.3</b>	<b>(0.7)</b>	<b>(0.8)</b>	<b>4.8</b>	<b>7.5</b>

## Combined NCIs 2000-07

	2000 £m	2001 £m	2002 £m	2003 £m	2004 £m	2005 £m	2006 £m	2007 £m
<b>Incoming resources</b>								
<b>Voluntary income</b>								
Regular giving	-	-	-	-	-	-	-	-
Other donations to parishes and cathedrals	-	-	-	-	-	-	-	-
Tax recovered	-	-	-	-	-	-	-	-
Parish share	-	-	-	-	-	-	-	-
NCI allocations/contributions	18.6	19.4	20.5	20.1	20.1	23.8	24.5	25.2
Grants (incl. donations to dioceses & NCIs)	1.3	1.1	1.6	3.3	2.3	2.7	2.0	2.2
<b>Operating and trading income</b>								
Fundraising	-	-	-	-	-	-	-	-
Trading/Operating Income	14.3	13.4	13.4	13.4	13.4	13.7	13.6	14.5
<b>Fees</b>								
	-	-	-	-	-	-	-	-
<b>Investment income</b>	145.8	136.9	134.6	136.6	138.2	149.4	164.6	182.1
<b>Other incoming resources</b>								
Disposal of charitable assets by parishes	-	-	-	-	-	-	-	-
Pension contributions received	34.4	35.0	44.6	48.7	49.2	55.3	58.0	68.8
Other income	0.1	-	1.0	0.4	0.6	0.7	0.3	0.2
<b>Total incoming resources</b>	<b>214.5</b>	<b>205.8</b>	<b>215.7</b>	<b>222.5</b>	<b>223.7</b>	<b>245.4</b>	<b>262.9</b>	<b>292.9</b>
<b>Resources expended</b>								
<b>Cost of generating funds</b>	26.0	22.3	24.8	32.3	32.9	27.2	27.0	25.5
<b>Charitable expenditure</b>								
<b>Mission and ministry</b>								
Parish share								
Clergy								
Stipends	3.0	3.3	3.3	3.4	3.6	3.6	3.7	3.9
Pension contributions	0.5	0.5	0.7	0.7	0.7	0.8	0.9	1.1
Housing	3.0	3.3	3.4	3.5	4.1	5.5	8.6	7.9
Working costs	10.4	10.8	10.5	11.5	11.1	10.8	11.4	12.0
Pensions paid	93.1	96.8	100.5	103.4	105.8	108.4	112.5	116.6
Support costs	10.6	10.3	10.3	10.4	11.3	16.0	16.6	12.7
Parish and cathedral operating costs	-	-	-	-	-	-	-	-
NCI allocations/contributions	28.4	28.0	31.7	31.9	33.3	38.7	39.6	40.3
CC transitional pension contributions relief	11.3	7.1	8.1	3.7	1.5	-	-	-
<b>Ancillary costs</b>								
Retired clergy housing	6.7	6.5	6.6	7.9	8.1	9.1	10.1	13.3
National training for ministry	8.3	8.7	8.8	8.8	8.9	9.7	9.7	10.3
Parish & cathedral administration	-	-	-	-	-	-	-	-
<b>Church and other buildings</b>								
Major church and cathedral repairs	1.2	1.4	1.6	1.1	1.1	1.0	1.3	0.9
Other major repairs								
New building costs of parishes								
<b>Grants and donations to third parties</b>						2.4	4.2	3.6
<b>Management and administration (dioceses and NCIs)</b>	9.5	9.9	8.3	9.1	8.1	6.2	4.8	4.7
<b>Total resources expended</b>	<b>212.1</b>	<b>208.9</b>	<b>218.6</b>	<b>227.7</b>	<b>230.5</b>	<b>239.4</b>	<b>250.2</b>	<b>252.8</b>
	-	-	-	-	-	-	-	-
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	<b>2.5</b>	<b>(3.1)</b>	<b>(2.9)</b>	<b>(5.2)</b>	<b>(6.8)</b>	<b>6.0</b>	<b>12.7</b>	<b>40.1</b>
Net contributions added to Funded Scheme	(33.8)	(34.5)	(43.8)	(47.5)	(48.9)	(55.6)	(58.4)	(70.7)
Church Commissioners' capital spent on pensions	34.7	41.0	52.4	58.0	59.6	48.5	41.1	33.2
<b>Net surplus</b>	<b>3.4</b>	<b>3.4</b>	<b>5.7</b>	<b>5.3</b>	<b>3.9</b>	<b>(1.1)</b>	<b>(4.6)</b>	<b>2.6</b>

**Annex 3.1**

<b>DIOCESES: BALANCE SHEET FIGURES</b>			
Total Dioceses 2005 - 07			
£,000			
	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fixed Assets: Investments	748,027	895,689	905,317
Fixed Assets: Non Investment Assets	2,421,442	2,460,478	2,628,363
<b>Total Fixed Assets</b>	<b>3,169,469</b>	<b>3,356,167</b>	<b>3,533,680</b>
Current Assets: Stocks	4,500	2,075	3,541
Current Assets: Debtors	64,596	71,430	73,257
Current Assets: Short-term deposits, cash at bank and in hand	161,221	187,419	232,731
Current liabilities: creditors within 1 year	61,033	69,538	79,569
<b>Net Current Assets</b>	<b>169,284</b>	<b>191,386</b>	<b>229,960</b>
Creditors: due after 1 year	42,006	39,431	38,982
<b>Net Assets</b>	<b>3,297,043</b>	<b>3,508,122</b>	<b>3,724,658</b>
Unrestricted Funds	502,828	696,643	671,671
Restricted and Endowment Funds	2,794,215	2,811,479	3,052,987
	<b>3,297,043</b>	<b>3,508,122</b>	<b>3,724,658</b>

**Annex 3.2**

<b>CATHEDRALS: BALANCE SHEET FIGURES</b>			
Total Cathedrals 2005 - 07			
(Consolidated figures rather than Chapter only)			
£,000			
	<b>2005</b>	<b>2006</b>	<b>2007</b>
Fixed Assets: Investments	137,801	148,296	140,736
Fixed Assets: Property Investments	205,455	216,773	229,829
Fixed Assets: Non Investment Assets	140,734	145,833	167,582
<b>Total Fixed Assets</b>	<b>483,989</b>	<b>510,902</b>	<b>538,147</b>
Current Assets: Stocks	2,259	2,045	2,175
Current Assets: Debtors	9,588	10,300	13,020
Current Assets: Short-term deposits, cash at bank and in hand	22,287	26,957	31,228
Current liabilities: creditors within 1 year	15,106	14,445	15,975
<b>Net Current Assets</b>	<b>19,028</b>	<b>24,856</b>	<b>30,449</b>
Creditors: due after 1 year	9,408	9,669	11,318
<b>Net Assets</b>	<b>493,609</b>	<b>526,089</b>	<b>557,278</b>
Comprising:			
Unrestricted Funds	171,497	105,043	190,976
Restricted & Endowment Funds	322,112	421,046	366,302
	<b>493,609</b>	<b>526,089</b>	<b>557,278</b>