



The Archbishops' Council

Annual Report and Financial Statements
for the year ended 31 December 2023



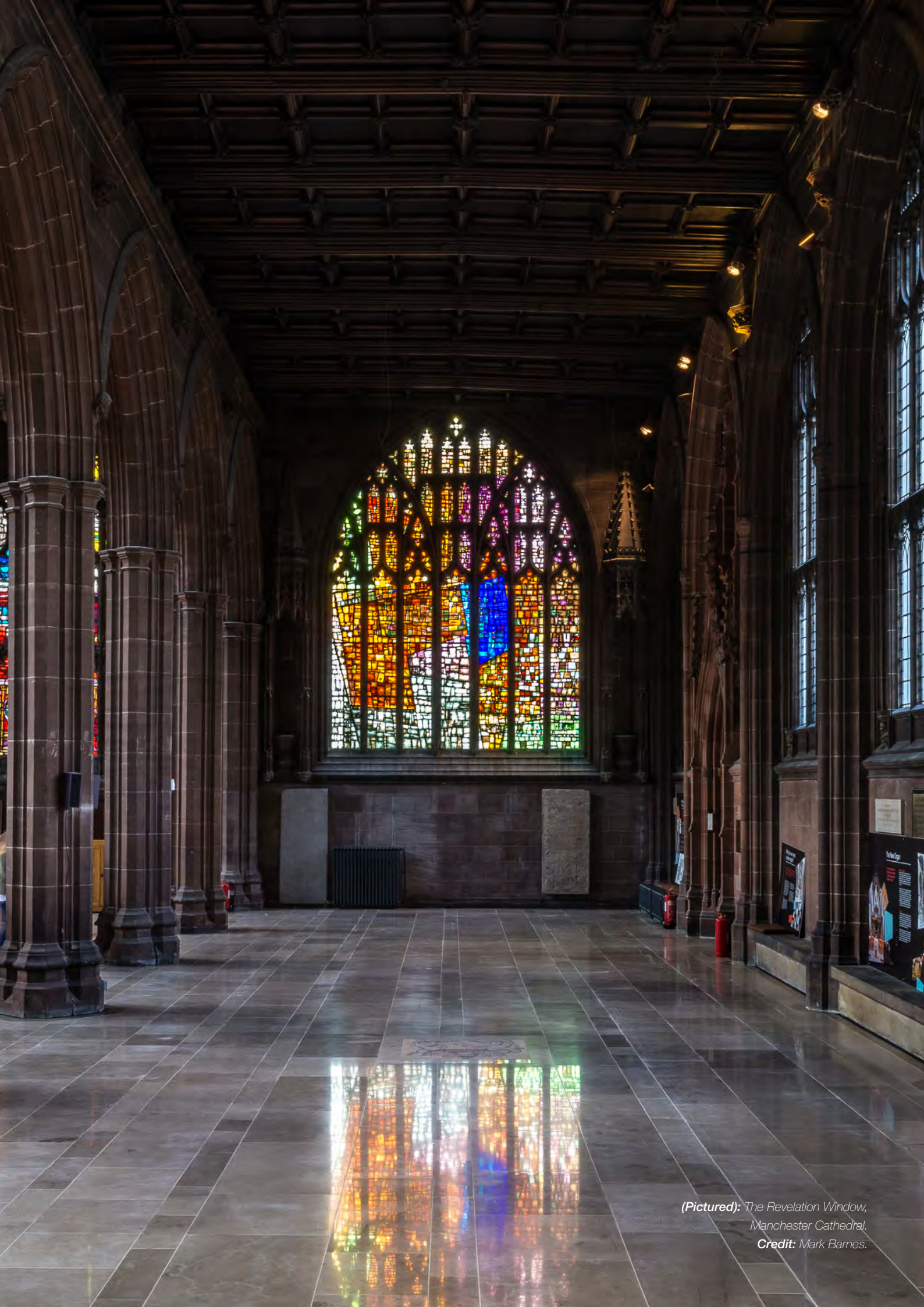


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for the year ended 2023

Registered Charity Number 1074857



(Pictured): The Revelation Window,
Manchester Cathedral.
Credit: Mark Barnes.

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Presidents' Foreword



Our annual report focuses on the facilitating role played by the Archbishops' Council in supporting the mission and ministry of the Church of England in 2023. We give our heartfelt thanks for the prayers and the hard work of all those who work in the parishes, cathedrals, dioceses, National Church Institutions, and other partners in helping to achieve so much over the past year.

In 2023, the Council operated against a backdrop of many significant events – both national and global:

2023 was year that marked the momentous event of the Coronation of King Charles III – and a time to celebrate community, faith, and service. As the nation came together to celebrate on 6th May, it was a privilege for the Church to be at the heart of this historic moment in the life of our nation. We are grateful for our churches and cathedrals across the country for leading so many local celebrations to mark the Coronation, services,

and events, and for giving communities the opportunity to come together, to celebrate and pray and participate in the Big Help Out that followed.

Amid the political turmoil of global events in 2023, our churches opened their doors and gave communities opportunity to acknowledge the pain and loss of the last year, to remember those who have died, and to pray for those in danger and to look forward in hope to a better, more peaceful future. In February 2023, cathedrals and churches across the country marked the first anniversary of Russia's full-scale invasion of Ukraine. Many were floodlit in the colours of the Ukrainian flag, and others held 24-hour prayer vigils – opening their doors for prayer and reflection, and church services, with contributions from Ukrainian refugees, choirs, and community.

After the terrible events of October 7th in Israel, as widespread fighting broke out, we united in prayer across the country for the bereaved

on all sides, for hostages and for a just and lasting peace.

In 2023, the Council continued to address the area of independent safeguarding. Following the termination of contracts of members of the Independent Safeguarding Board, the Council demonstrated its commitment to learning lessons through the independent Wilkinson Report and to develop plans for the future of Church safeguarding by commissioning the Jay Review. We are immensely grateful to Sarah Wilkinson, Professor Alexis Jay, and their teams for their thorough and insightful contributions to the future of Church safeguarding. We are grateful for our Diocesan and Cathedral Safeguarding Advisors and Parish Safeguarding Officers who ensure the delivery of high-level safeguarding training leading to a demonstrably safer church year by year. Nothing can matter more.

Throughout 2023 the urgency of climate change continued to be a major theme, and the Council continued its work on protecting

the environment and promoting sustainability. We have maintained an ambitious, but necessary, net zero carbon by 2030 objective (see pages 32 to 35).

We have a divine calling to be a welcoming and serving church in each community and for each community. That is the genius of the parish and the diocese, the chaplaincy and all those who minister, lay, and ordained in every part of England. That calling looks different in each community and in every place and part of this country. In 2023, the Council continued its work of supporting bringing more people to Jesus Christ; seeking to double the number of children and young active disciples; of enabling every church to be revitalised for mission to reach and serve everyone in their community; and of encouraging vocations to lay and ordained ministry.

The Council has been active in ensuring that every worshipping community has the ministry and leadership it needs to continue

to be a growing Church, which fully represents the communities we serve. In 2023 the Council supported dioceses with grants of £115m, to support their plans for mission and growth, to help resource mission and ministry in their least resourced parishes, and to further our collective hope and prayer – to become a younger and more diverse Church. In 2023, we also welcomed another overall rise in the number of regular worshippers and average weekly attendance*, as the Church of England continued in its mission to serve communities across our nation.

The Church of England, at the heart of local communities, continues to strive for the common good, educating one million children, providing, or supporting more than 30,000 social action projects amid the cost-of-living crisis, supporting the vulnerable, running 16,000 church buildings across the country

* preliminary estimates indicate that this bounce-back in in-person attendance continued in 2023. See page 9 for Attendance Data breakdown.

and sharing Christ's love. We pray that God will continue to build a growing Church, empowered by the Holy Spirit, throughout England to see the Gospel lived and proclaimed in word and deed. We look ahead with conviction, hope and prayer – encouraged and inspired by the life, death, and resurrection of Jesus Christ.

As a church of missionary disciples, we are committed unapologetically to sharing the good news of the love of God revealed in Jesus Christ which summons every human being to joyful discipleship. Jesus crucified, died, risen, ascended and the sending of the Holy Spirit is the ultimate good news for every person, for every community, for the whole of our society, and for our very, very troubled and hurting world. So we pray Thy Kingdom Come.



Justin Cantuar:



Stephen Ebor:

The Archbishops' Council and the Church's Vision and Strategy

The Council was established under the National Institutions Measure 1998 to provide focus for leadership and executive responsibility and a forum for strategic thinking and planning. The Council's statutory object is to: Coordinate, promote, aid and further the work and mission of the Church of England.

One Vision:

The Church of England's calling is to proclaim the Good News of Jesus Christ afresh in each generation to the people of England. The Vision for the Church in the 2020s is that we become a Church that is centred on Jesus Christ and shaped by Jesus Christ through the Five Marks of Mission:

1. To proclaim the Good News of the Kingdom.
2. To teach, baptise and nurture new believers.
3. To respond to human need by loving service.
4. To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation.
5. To strive to safeguard the integrity of creation and sustain and renew the life of the earth.

There are three strategic priorities of this Vision for the 2020s:

1. To become a church of missionary disciples.
2. To be a church where mixed ecology is the norm.
3. To be a church that is younger and more diverse.

Six Bold Outcomes:

From the three strategic priorities six bold outcomes were identified.

A church for everyone through:

- Doubling the number of children and young active disciples in the Church of England by 2030.
- A Church of England which fully represents the communities we serve in age and diversity.

A pathway for everyone into an accessible and contextual expression of church through:

- A parish system revitalised for mission so churches can reach and serve everyone in their community.
- Creating ten thousand new Christian communities across the four areas of home, work/ education, social and digital.

Empowered by:

- All Christians in the Church of England envisioned, resourced, and released to live as disciples of Jesus Christ in the whole of life, bringing transformation to the church and world.
- All local churches, supported by their diocese, becoming communities and hubs for initial and ongoing formation.

Based on the Church's overall Vision and Strategy, the Council set seven objectives based on the six bold outcomes of the Vision, explored in detail in the pages that follow.

The Council's Objectives

1



A Younger Church

Doubling the number of children and young active disciples in the Church of England by 2030.

2



A More Diverse Church

A Church of England which fully represents the communities we serve in age and diversity, including race, disability, and deprivation.

3



Parishes

A parish system revitalised for mission so churches can reach and serve everyone in their community.

4



New Christian Communities

Creating 10,000 new Christian communities across the four areas of home, work / education, social and digital.

5



Missionary Disciples

All Anglicans envisioned, resourced, and released to live out the five marks of mission in the whole of life, bringing transformation to the Church and world. All local churches, supported by their dioceses, becoming communities and hubs for initial and ongoing formation.

6



Safety and Dignity

A Church that affirms the dignity of all people by being a safe place for all, especially children and vulnerable adults.

7



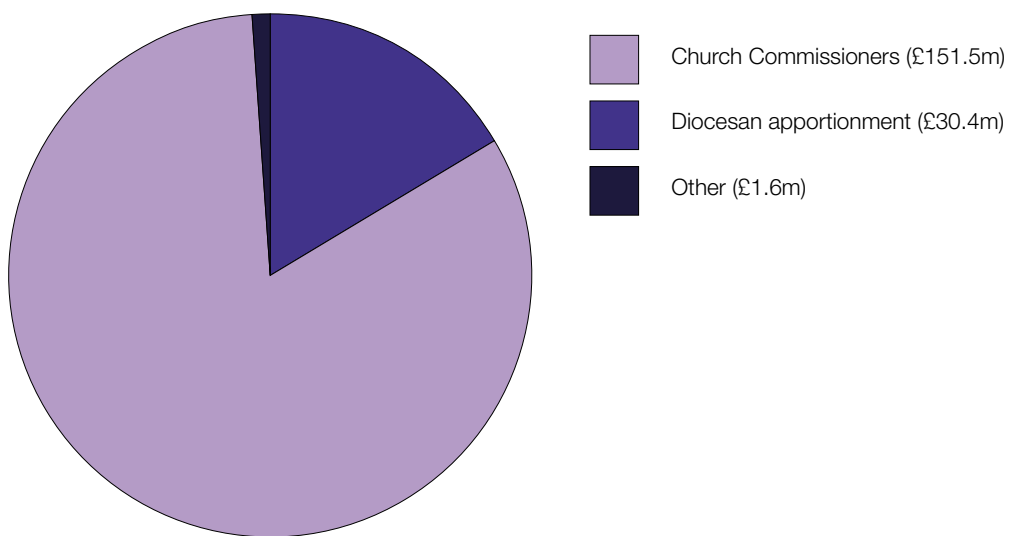
Sustainability

A Church that cherishes God's creation and leads by example in promoting sustainability.

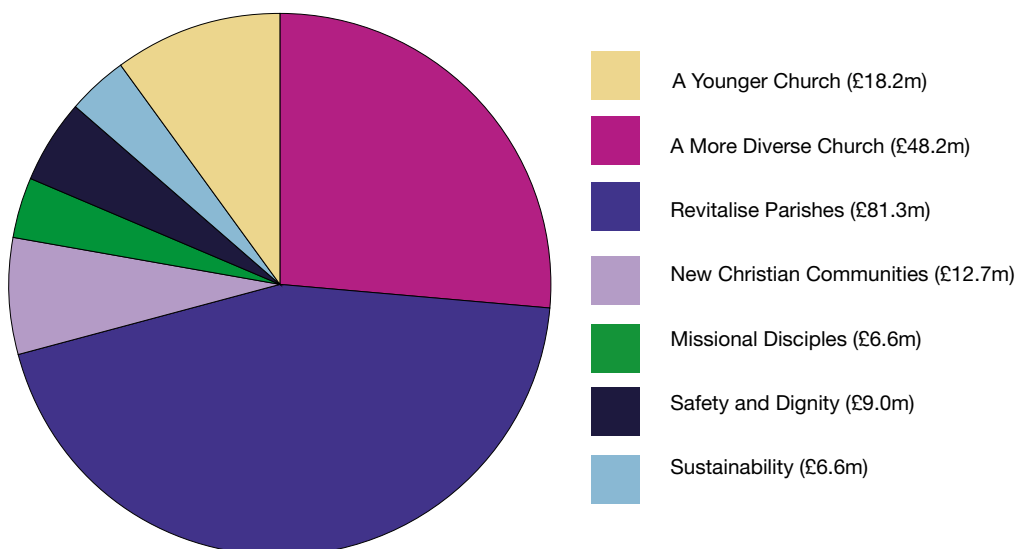
Financial Summary

The charts below provide an analysis of the Council's sources of income and expenditure by charitable objective in 2023:

Analysis of incoming resources of £183.5m



2023 Expenditure by charitable objective activity



Church of England | Attendance Data

Changes in October church attendance, 2022–2023

	Estimated change, 2022 to 2023
Adult average weekly attendance (October)	+ 5%
Child average weekly attendance (October)	+ 6%
All age average weekly attendance (October)	+ 5%
Adult average Sunday attendance (October)	+ 3%
Child average Sunday attendance (October)	+ 4%
All age average Sunday attendance (October)	+ 3%

At the time of writing, 2023 Statistics for Mission returns are still being received from churches, so final 2023 attendance/participation figures are not yet available. However, analysis has been carried out, based on approximately 2,000 churches that had submitted their October attendance information by 31 December 2023. These figures are preliminary, and estimates may change as more information becomes available and further data checks are carried out. Preliminary analysis suggests that in-person attendance in October 2023, although still some way below 2019 levels, continued the upward trend post-pandemic, with 2023 figures higher than 2022.*

The figures, as illustrated show the huge impact of the pandemic on in-person church attendance, as well as the subsequent recovery which, preliminary figures indicate, has continued into 2023. They also illustrate that attendance levels remain below their projected pre-pandemic trend.

Figure 1: Adult attendance and projected pre-pandemic trends (AWA=average weekly attendance; ASA=average Sunday attendance)

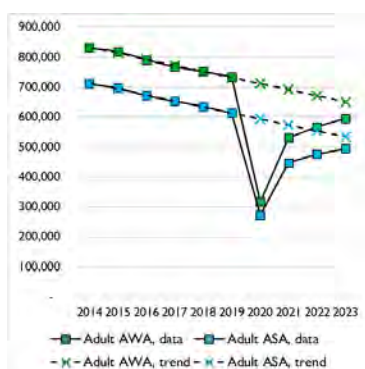
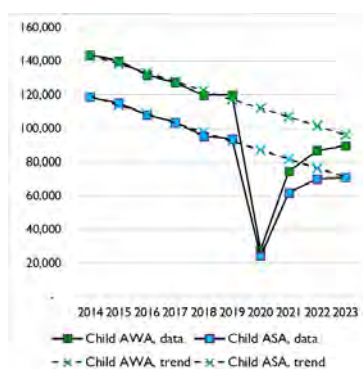


Figure 2: Child attendance and projected pre-pandemic trends (AWA=average weekly attendance; ASA=average Sunday attendance)



* Based on 9,629 returns from churches that submitted data in 2022 and have reported October attendance figures for 2023 by the date this report was signed.

From the Secretary General



The objects of the Archbishops' Council, set out in law in the National Institutions Measure 1998, are “to co-ordinate, promote, aid and further the work and mission of the Church of England.” The Council sets out to do this through its financial and human resources, and its partnerships with the dioceses of the Church, and other parts of the Church of England family.

In 2023 the Council was able to significantly strengthen its efforts to “aid and further the work of the Church.” I reported in the 2022 annual report that the Council had worked with the Church Commissioners and the House of Bishops to agree policy and financial priorities, and a new higher level of funding for national work, for the three-year period 2023 to 2025. Thanks to the excellent long-run investment performance of the Church Commissioners, and their consequent ability to increase their distributions, they were able to make 30% more available for 2023-25, compared to the three previous years.

As a result, in 2023 the total expenditure of the Council, all of which is intended to “promote, aid and further” the Church’s work, has risen to £182 million, from £152 million in 2022. Grants made to dioceses and other parts of the Church rose from £126 million to £151 million. The largest increases in grants were in support of our objectives – aligned with the Church’s overall vision and strategy – to be a younger Church; to be a more diverse Church; and to

cherish God’s creation and lead by example in promoting sustainability. The Council’s new Strategic Mission and Ministry Investment Board made numerous grants to dioceses, as part of the new diocesan investment programme, including grants of over £6 million each to Bristol and Southwark. We expect to see more, and larger grants made during 2024 as more dioceses bring forward mature proposals for diocesan strategies.

Many of these grants have focused on the “priority of priorities”, to double the number of children and young people in our churches. The Council itself has very much focused on this during 2023: at each of its meetings it has ensured that there is always an item addressing this priority, to show a sustained interest in advancing it.

We also introduced new grant funding in several focused areas:

- £6 million of grants for work on the Church’s commitment to achieve Net Zero Carbon by 2030;
- £9 million of grants allocated in support of “Buildings for Mission” work in dioceses;

- £5.3 million of grants awarded from the allocation made specifically to support work on Racial Justice;
- £2.4 million for a new programme of work led by the Council’s Committee for Ministry of and among Deaf and Disabled People.

The Archbishops’ Council has become a major grant-giving charity. We are developing and professionalising our systems for working in partnership with dioceses, for appraising grants, monitoring expenditure, evaluating impact, and learning and spreading lessons from work we have funded.

Of course, money is not a sole measure of the Council’s work. But I have highlighted these points from the accounts to bring out the main elements of our work to support the Church across the country.

This support comes at a time when the Church continues to face many pressures. Most notably, the continuing impact of Covid, which has added sharply to the long-term trend, over many decades, of reduced church attendance.

Provisional figures for attendance in 2023 do show an encouraging further increase on 2022 and 2021 – but they are still well below 2019, and of course much below earlier decades. Dioceses continue to feel acute financial pressure, as do many parishes. The morale of clergy has been hit hard by the pandemic and other challenges. Vocations to the ordained ministry, which rose very substantially between 2015 and 2019, reaching not far off 600 in a year, have fallen back again. The Council is working with others to seek to address these issues: through its continuing funding of dioceses' strategic plans; through a review of diocesan finances and the national financial flows; and through work on ministry and clergy wellbeing.

Safeguarding was a significant element of the Council's work in 2023. We have made good progress in implementing the recommendations addressed to the Church by the Independent Inquiry into Child Sexual Abuse, in rolling out a national casework management system, and in developing a national redress scheme for survivors and victims of abuse (the legislation for which was introduced to the General Synod in November 2023). But the Council's work in this area was also marked by its decision in June, which it took with regret, to terminate the contracts of members of the Independent Safeguarding Board (ISB), and by subsequent developments. The Council commissioned and published in December a review by the independent barrister Sarah

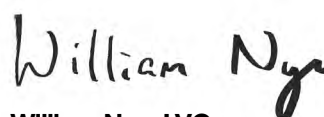
Wilkinson into these events. A number of survivors who had benefited from pastoral support from members of the ISB were hurt by the decision to terminate the ISB members' contracts, and the way in which this was done. The Archbishops' Council and the lead bishop for safeguarding have acknowledged and apologised for the pain felt by victims and survivors who were waiting for reviews to be progressed through the ISB. I join in this acknowledgment and apology.

The staff of the Council also support other Church governance bodies. Unusually, there were three meetings of the General Synod during 2023, two in London and one in York. The "Living in Love and Faith" process, led by the House of Bishops and involving General Synod, was a significant element of the work of the staff, even though it was not formally a matter for the Council itself.

Three members of the Council stepped down and were replaced during the year: Canon John Spence after ten years' service as chair of the Council's Finance Committee and Strategic Investment Board; Canon Tim Goode on his move from the diocese of Southwark to York Minster; and Bishop Paul Butler on his retirement as Bishop of Durham. I would like to thank them all for their service, and welcome their successors: respectively Carl Hughes, appointed to chair the Finance Committee and SMMIB, Archdeacon Miranda Threlfall-Holmes elected by the House of

Clergy of the General Synod, and Bishop Jonathan Frost elected by the House of Bishops.

In the Council's staff we said goodbye to Mark Arena, director of Communications, and to Bishop Chris Goldsmith, director of Ministry Development. Mark's role was taken for the rest of 2023 by John Bingham as interim director, with Hannah Howard arriving in January 2024 as the permanent director. Chris was succeeded by Canon Nick McKee from September. Thank you to Mark, John, and Chris, and welcome to Hannah and Nick. I would like to take the opportunity to thank all the staff of the Council, and of the Church of England Common Services Company, for their work in support of the Council during this year.



**William Nye, LVO
Secretary General**

1 | A Younger Church

Objective: Doubling the number of children and young active disciples in the Church of England by 2030

2023 Expenditure: £18.2m (2022: £3.7m)

Mission to children and young people is a vital part of the Church's ministry, and this is reflected in our priority to double the number of children and young active disciples in the Church by 2030.

The Council has had a key focus on work supporting the aim to double the number of children and young active disciples in the Church of England by 2030, throughout 2023. The Council has had an item on this subject at each of its meetings in 2023 and this was also reflected in the focus of the Diocesan Investment Programme projects funded in 2023 and People and Partnerships Funding – with just under half of funding going towards interventions which aim to reach young people, as detailed in the case studies below.

In 2023, the Council also established the **'30K Project'** – with the aim of recruiting 30,000 new workers (3,000 paid and 27,000 volunteer) with children and young people by 2030.

In 2023, the Council's SMMIB distributed £38.4m of Diocesan Investment Programme Funding for the programmes listed below, enabling dioceses to help churches reach more children, young people, and families, starting new congregations and revitalising parishes. See below (and section on Revitalising Parishes, Objective Three) for some case studies:

£0.6m to Canterbury diocese

to support the diocese's plan to double the number of children and young disciples, including two cohorts of the Ministry Experience Scheme (see Objective Three) – focusing on working with young people. The Board also invited the dioceses to submit a further application to support the work of seven youth ministers working with churches in the diocese over a five-year period (St Luke's, Maidstone; Holy Trinity, Sittingbourne; St John the Baptist, Folkestone; St Mary's, Goudhurst; St George's, Deal; All Saints, Loose; and St Alphege, Seasalter). These churches would then be developed into hubs to provide support on children's and youth work to other churches in their deaneries.

£2.7m to Durham diocese

for the first phase of its transformation programme, to support the diocese's strategy to engage with 16–25-year-olds, through funding mission chaplaincy in three further education colleges and establishing three new worshipping communities.

£3.3m to Guildford diocese

for the first phase of its nine-year Youth Catalyst programme, which seeks to more than double the number of active young disciples. The Diocese aims for churches across the diocese to be more missionally connected to young people of secondary school age through intentional

partnerships with schools. The first phase of the programme will place youth ministers in three Church of England secondary schools and one state secondary school, recruit, and train ten church-based apprentice youth ministers and train four existing youth ministers. The programme will also recruit a team to lead high quality youth worship gatherings across the diocese. It will also provide training for volunteer youth leaders and offer one-year internships, to allow young people to test their vocation to serve the Church. This first phase will test and validate this model of evangelism and discipleship, to be expanded in a second phase.

£1.5m to London diocese

over three years, to expand the youth worker apprentice strand of its Capital Youth project, which was awarded Strategic Development Funding in 2017. The funding will support the diocese's Growing Younger strategy, with the aim of recruiting 24 apprentice youth workers who will be deployed in parishes in deprived areas across the diocese. The project seeks to engage with more than 3,000 children and young people.

£2.8m to Manchester diocese

to build on the impact of its five-year Children Changing Places project which is based in Bolton deanery and supported by Strategic Development Funding (SDF) (the learning from which is also being disseminated across



other dioceses as they develop their strategies). The expanded plans aim to reach more schools, children, young people, and their families across the diocese. The project so far has engaged with more than 8,000 children and young people in worship and Christian activities, through school and church and more than 400 adults who worship with their children. Most church primary schools and church toddler groups in Bolton deanery have adopted 'Wiggle Worship' – accessible worship including songs, stories, and art activities, for young children and families. It has also created 12 new Christian toddler groups and seven new parish youth groups along with 'Shades', an anti-racism and faith project, which promotes racial justice in schools – to be expanded to meet growing demand from schools and churches across the diocese.

£1m awarded to Worcester diocese.

The Diocese aims to double the number of children and young people worshipping in its churches and start 100 new worshipping communities by 2030. The money will help build its capacity to deliver its programme of growth, including investment in the training of clergy and lay leaders – to develop and implement its strategy to transform mission and ministry by 2030. A programme of parish renewals will aim to ensure that every major area of population has a flourishing

1 | A Younger Church | continued

church of at least 150 worshippers. At Top Church in Dudley, which is now open six days a week and used by a range of community groups, the congregation has increased more than ten-fold from 15 people in 2018 to 180 regular worshippers – and continues to grow.

In 2023, the Council's Strategic Mission and Ministry Investment Board (SMMIB) also awarded £0.66m of People and Partnerships Funding (PPF) to three programmes:

1. £0.45m to the Centre for Theology and Community (CTC), based in east London, for a project working with inner-city parishes, to extend its work to more than 50 parishes across the country and harness the potential of community organising for ministry to children, families, and young people. The project seeks growth totalling 700 new worshippers, with 130 new lay leaders working with children, young people, and families. The award follows a successful three-year pilot project which was supported by Strategic Development Funding. This helped six parishes in the Barking and Stepney areas in community organising, rooted in prayer and life of the church, to renew their congregations and develop leaders. More than 100 more worshippers now attend these churches every week, 40 of whom are

under 18. Parishes taking part in the pilot included Holy Trinity Church in Leytonstone, east London, where the 17-strong congregation committed to having 100 conversations across the community and the church as part of a listening exercise for Lent. As a result, more than 500 people became involved in a campaign on youth safety, and average Sunday attendance has more than trebled, with most of the growth among children and families. The new project will revitalise a total of 54 parishes, working intensively with 18 parishes across six dioceses, replicating the approach taken in the pilot project, and piloting a less intensive process for a further 36 parishes. CTC will develop relationships with three new dioceses beyond its heartland of East London to deliver 15 direct on the ground projects and as part of these dioceses' overall strategy. It will also disseminate resources nationally and internationally, to help lay and ordained leaders to apply organising practices in their mission planning.

2. £0.19m to the Church Army for the Missional Youth Church Network (MYCN) to develop plans to scale up MYCN's work with young people in deprived areas. Over the past four years the Network has pioneered 25 New Worshipping Communities for young people

who had not previously been to church, in areas from Bradford and East London to Thamesmead in south London with congregations of around 30 young people on average.

3. £0.02m to the National Society for the research phase of a proposal to develop effective approaches to missional chaplaincy in Education.

People and Partnerships Funding has also invested in providing national support for children and young people, including an award to Youthscape to help parishes connect with young people and recruit and train church volunteers for youth work. The Launchpad scheme, run by Youthscape, has already been successfully piloted in the Dioceses of Blackburn, London, and St Albans. So far, the scheme has helped 140 Church of England priests formulate plans to work with young people in their parishes across eight dioceses. Supported by PPF, the scheme will be expanded to 450 churches across 18 dioceses over the next three years with the potential to engage with up to 4,000 young people. The grant will also fund training produced by Youthscape for up to 2,500 church volunteers to do youth work and resources to support youth work in up to 2,000 churches or groups.

These awards bring the total amount of PPF awarded to the end of 31 December 2023 to £2.5m

– including awards made in 2022 of £1.3m to Youthscape, £0.2m to the Estates Evangelism Task Group (EETG) and £0.1m to the National Estate Church Network (NECN).

Prayer

Thy Kingdom Come is a global prayer movement that invites Christians around the world to pray for more people to come to know Jesus. Launched in 2016 by the Archbishops of Canterbury and York, it has since grown into an international ecumenical call to prayer. In 2023, a variety of discipleship resources were created to encourage all ages to take part in the Thy Kingdom Come prayer movement – aimed at enhancing the prayer experience for individuals, families, and congregations worldwide.

Key resources developed for children and young people included Cheeky Pandas and collaborations with organisations like The Way UK. The Cheeky Pandas series provided a fun and educational resource aimed at children, with animated episodes and activity packs helping to introduce children to the concepts of prayer, the Bible, and Christian values in an accessible way. The Cheeky Pandas content also offered parents and churches a tool for discussing faith and prayer in a child-friendly context. TKC also partnered with The Way UK – a Christian organisation known for its contemporary approach to spreading the Gospel through music and media. This involved

the creation of music and social media content that resonated with teenagers and young adults, to help inspire this demographic to explore their faith, prayer, and share their Christian journey with peers in a relatable and modern format.

In 2023 Thy Kingdom Come continued to unite more than a million Christians, annually, from Ascension to Pentecost, in nearly 90% of countries worldwide, from Scotland to Sri Lanka, Burundi to Brazil, Nicaragua to the Netherlands – across denominations and traditions.

The Growing Faith Foundation

The Growing Faith Foundation – which was established in 2019, with a vision endorsed by the House of Bishops and General Synod – continued its work into 2023. A key initiative of the Growing Faith Foundation has been the development and resourcing of 18 Learning Hubs across the country, with 14 of these hubs launched in 2023. The hubs are designed to foster innovation and creativity at the intersections of church, home, and school – in ways to help promote a holistic Christian life and integrate children, young people, and families.

The Growing Faith Foundation's also seeks to inspire a broader cultural shift within the Church towards inclusivity and an active engagement with Christian faith in everyday life.

Case Study: Bubble Church

In 2023, the innovative “Bubble Church” initiative has seen significant expansion and impact in engaging young families and children in worship. In 2022, Southwark Diocese received funding from the Council's Innovation Fund to expand Sunday worship for families with no previous contact with the church. “Bubble Church” at Ascension in Balham – originally established during the pandemic to adapt to social distancing measures – piloted in October 2020 to see if they could connect with young families. Families would sit in a socially distanced “bubble”, and join in with song, Bible story, prayer, puppetry, craft activities and simple and fun liturgy – with the option to stay on for the Family Service afterwards. The approach proved successful, and Bubble Church at Ascension witnessed a remarkable increase in participation: a congregation grew from zero to around 100 attending, weekly.

Building on this success, 30 Bubble Churches have since been launched nationwide, aiming to replicate Ascension's blueprint – of accessibility, engaging content tailored for young children, and the supportive community it fosters among families and church members.



Photo Credit (Top, left):
Birmingham Diocese.



2 | A More Diverse Church

Objective: A Church of England which fully represents the communities we serve in age and diversity, including race, disability, and deprivation.

“

The wider Church's work on racial justice is not an attempt to reflect demographic trends in society, to be politically correct, or to engage in a culture war but is fundamental to what we believe as Christians. Our mandate comes not from identity politics but from our identity in Christ: that all people are created equal, and in the image of God, and it is our call to love one another.”

– Nigel Genders,
The Church of England's
Chief Education Officer.

2023 Expenditure: £48.2m (2022: £37.9m)

The Archbishops' Council is committed to diversity in the Church of England as one of its major goals – and the Church's historic vocation to use its place at the heart of every community to serve and work for reconciliation, justice and flourishing of all people.

On Racial Justice

In February 2023, the Archbishops' Commission for Racial Justice (ACRJ) released the second of its Racial Justice reports – continuing its work to drive cultural and structural change on issues of racial justice within the Church of England.

The ACRJ, headed by the Rt Hon Lord Boateng, is responsible for monitoring, holding to account, and supporting the implementation of the forty-seven recommendations identified in the Racial Justice Taskforce's comprehensive 2020 report, *From Lament to Action*. The Commission reports biannually – with recommendations to help identify, respond to, and root out systemic racism in the Church. The Commission released its third [report](#) in February 2024 and will conclude its work in October 2024, with a final report.

Furthermore, the Church of England's Racial Justice Unit, established in 2022, hosted the networking event *Being Built Together* for clergy and

lay ministers of UKME/Global Majority Heritage backgrounds on the weekend of 12 and 13 October 2023. The first gathering of this kind in more than five years, the event was attended by more than 130 clergy and lay ministers from Global Majority Heritage backgrounds.

Meanwhile, throughout October, churches, cathedrals, and dioceses across the country marked Black History Month in various creative ways – with events ranging from services to study days, poetry, workshops, and films. Additionally, a documentary examining the Church's historic links with chattel slavery and its present-day impact was made available to all dioceses and parishes for showing during the Month. *After the Flood: The Church, Slavery and Reconciliation* also explores the biblical principles for racial reconciliation.

“

Black History Month is a moment to recognise and celebrate the invaluable contributions of black people to British economy, culture, and history.”

– Revd Guy Hewitt, The Church of England's first Racial Justice Director.

£20m of funding has been allocated within this triennium to Racial Justice. Funding has been allocated

by an expert and representative Awards Panel, in response to applications from 18 Dioceses and several TEIs (Theological Education Institutions) and Ethnocultural Networks. Allocations under their supervision now total £5.5m, in addition to the £5.6m previously awarded under the supervision of the Archbishops' Council. One noteworthy and innovative project which has received funds is the West Midlands Racial Justice Project. This involves the West Midlands region of Dioceses (Birmingham, Coventry, Gloucester, Hereford, Lichfield, and Worcester) pooling resources to jointly implement the recommendations of the report *From Lament to Action*.

Representative leadership

Alongside ongoing work with schools and dioceses to develop more resources that speak to issues of equality, diversity, belonging and inclusion – in January 2023, the Council launched the 'Leaders Like Us' programme. The programme aims to help build a diverse, culturally competent teacher workforce by seeking to double the existing number of headteachers from UKME backgrounds to 800 over the next five years. It equips UKME teachers with the skills for headship, by utilising research around what is known to work in the recruitment, progression, and retention of UKME school leaders. Funded through a Racial Justice Grant from the Archbishops' Council's Committee for Minority Ethnic Anglican Concerns (CMEAC), it has funding to train more than 450 teachers by 2027.

On Disability

The Archbishops' Council's Committee for Ministry of and among Deaf and Disabled People (CMDDP) and its sub-groups, the Disability Task Group (DTG) and the Deaf Ministry Task Group (DMTG), stepped up activity of the past three years to begin a more pro-active approach to tackling the accessibility issues facing disabled people in our Church – not just physically but also in terms of welcome, recognition, and progression in ministry.

In 2023, the CMDDP set out a strategy for developing and enhancing disability engagement in the Church, recognising that many people who experience barriers to inclusion may not readily define themselves as disabled but may nevertheless find themselves disabled by a church environment and culture which does not understand or cater for their needs – such as the Deaf Community, neurodivergent people and those experiencing mental health issues.

In December 2023, the Archbishops' Council agreed to allocate £2.4m to fund a series of measures aimed at improving the participation of Deaf, disabled, and neurodivergent people in parish life – from encouraging vocations to the priesthood to grants for improved access to buildings. Under plans over the next three years, the funds will support various projects, including: lay and ordained vocations events and leadership programmes among Deaf, disabled, and neurodivergent people; guidance to churches on more accessible signage;

resourcing mental health chaplains; strengthening Deaf ministry across the Church, as well as increased support for ministers and chaplains working in this area.

Meanwhile, on Sunday 1 November 2023, the first national online service led in British Sign Language (BSL) was broadcast – with National Deaf Ministry Adviser Rev Canon Gill Behenna presiding over the pre-recorded service, to mark Bible Sunday.

Areas of Economic Deprivation

Through Lowest Income Communities (LInC) funding, the Council has continued to support ministry and social action in the lowest income communities. This is distributed to dioceses based on the size and average income of their populations, modified to reflect the proportion of the population with very low incomes. LInC was introduced in 2017, to better support dioceses' plans for developing mission and growth and has helped to sustain the Church's ministry in many low-income communities that would otherwise lose it.

In 2023, £29.3m of LInC funding was awarded to 29 dioceses, and £4.2m of transition funding was paid to 17 dioceses. The funding seeks to give dioceses extra capacity for the strategic reallocation of funds to support mission in the poorest communities, to ensure that those in the poorest communities can have adequate provision of ministry. The purpose of the LInC Funding is to address imbalances in ministry investment between deprived and wealthier communities.

3 | Revitalise Parishes

Objective: A parish system revitalised for mission so churches can reach and serve everyone in their community.

2023 Expenditure: £81.3m (2022: £82.2m)

The Archbishops' Council is committed to providing funding and practical support to assist the mission and ministry of parishes and other worshipping communities in their context. This includes overseeing the vocations and ordination training processes and providing some grant support for curacies and Posts of First Responsibility.

In 2023, the Council continued to support the processes for discerning vocations and training for ordained ministry. It runs the Ministry Experience Scheme (MES), which offers 18–30-year-olds vocational year-long placements in churches, spanning the wide diversity of traditions and geographic contexts that make up the Church of England. Since it was founded ten years ago in 2013, more than 800 young adults have taken part in the Ministry Experience Scheme, with those taking part gaining a range of experience from preaching to chaplaincy work to running social action projects and hospice and hospital visiting.

The Ministry Experience Scheme has grown from 14 in its first intake and now averages to just under 100 starting each year, with nearly half its participants women, and almost a quarter from UK minority Ethnic backgrounds. There were 91 participants in 2022 – 2023 and 103 enrolled for the 2023 – 2024 year, across 24 diocesan schemes. The current cohort is 57 per cent female and 17 per cent of participants are from UKME/GMH backgrounds.

Around one in three participants further progressed to seek training for ordained ministry. The Scheme also started the new Future Youth strand of MES, specialising in children, youth, and family ministry; six pilot dioceses enrolled in September with 11 participants.

In 2023 the Council made grants of £13.3m for ordination training which supported 1,100 ordinands in 2022/3 and 935 ordinands in 2023/4. The Strategic Mission and Ministry Investment Board (SMMIB), which distributes funding on behalf of the Archbishops' Council, approved grants totalling £34.6m to 35 dioceses under this objective. This included £9.4m to support dioceses with the costs of 68.5 additional stipendiary curacy posts – to ensure that there is no shortfall in the number of available stipendiary curacy posts across the Church of England in 2023.

In addition, the Council awarded £5.6 million of funding for additional clergy posts to ensure that no suitably qualified curate



is left without a post – funding the equivalent of 36.5 full time equivalent clergy posts working in parishes across the country, from rural areas to inner cities: housing estates, school chaplaincy, church plants, youth congregations and worshipping communities in deprived areas. Roles including Team Vicar, Associate Priest and pioneer posts will be paid for from these grants as part of a five-year arrangement.

In July, General Synod formally supported the Church's priority of revitalising our parishes for mission. The General Synod members voted to welcome the Church's commitment to increasing the numbers of ordinands, as well as an increasing emphasis on lay ministry and the expansion of Licenced Lay Ministers. Synod members further voted to encourage dioceses to work in new and creative ways to increase lay and ordained vocations. In 2023, the Council also launched the *Leading in Evangelism* course – a free online resource which aims to help enable local church leaders to create and sustain a faith-sharing culture for their church.

The Council supported the clergy

retirement housing scheme administered by the Church of England Pensions Board on behalf of the Church with grant support of £14.8m. This was a significant increase on previous years to help with meeting higher demand for help with housing from retirees in the context of increased interest rates, high inflation, and on-going regulatory requirements. The Council is grateful for the contribution of retired clergy – who continue to support the mission and ministry of the Church in a variety of ways.

Meanwhile, 'Living Ministry' – the 10-year research programme which explores what helps ordained ministers to flourish – continued its work into 2023 and published further research reports: *Covenant, Calling and Crisis: Autonomy, Accountability and Wellbeing among Church of England Clergy*, presents qualitative findings exploring clergy wellbeing during

* Living Ministry is following four cohorts of clergy through ten years of their ministry. Clergy ordained in 2006, 2011 and 2015, and those who entered training in 2016 are invited to take part in an online survey and qualitative interviews every two years. The 2023 report revisited 63 people who have been interviewed every two years since 2017. It presents qualitative findings from individual and group interviews conducted in autumn 2021.

the Covid-19 pandemic, whilst the research paper – '*Let Justice Roll Down Like Waters' Exploring the Wellbeing of Working-Class Clergy in the Church of England: A Rally Cry for Change*' – explores the wellbeing of clergy from working class backgrounds, using material gathered from interviews and focus groups with 50 ordained ministers. (It follows the 2022 Report on the wellbeing of Global Majority Heritage Clergy in the Church of England). Research into the wellbeing of disabled clergy is planned for 2024.

In 2023, the Council also allocated £2.8m for 30 Church Buildings Support Officers across the country to give specialist advice on the management, conservation, repair, and development of church buildings, including community use alongside worship. A further £6.2m was allocated across 41 dioceses for making grants of up to £12,000 for repairs to churches. The grants focus on small-scale but urgent works and 'stitch in time' projects that could save larger sums in the long term. The fund will also be able to help cover the cost of essential improvements for the mission and ministry of a church.

3 | Revitalise Parishes | Case Studies

In 2023, the Council's SMMIB also distributed Diocesan Investment Programme Funding, enabling dioceses to revitalise parishes, as detailed in the case studies below:



£6.8m to Bristol diocese for the first phase of its Transforming Church Together programme work, including church and school partnerships with children, youth and families' workers, with a special focus on lower income areas. The programme will strengthen missional engagement by providing additional support to help parishes reconnect with wider society, including under-represented groups and especially younger people.



£3.9m to Leeds diocese for the first phase of its Barnabas: Encouraging Confidence programme of church revitalisation, leadership development for clergy and laity and practical support for churches. The programme includes plans for new worshipping communities, along with an increased focus on children and young people (aiming over the longer-term, for 70% of parishes to be missionally strong and sustainable and to double the number of children and young disciples). As part of this, nearly £1 million will go to a new project in Wakefield: Every Good Work, supporting three churches to serve and work with young people, develop youth leadership and social action, and establish a training centre for church interns.



£1.2m to Portsmouth Diocese to revitalise the church in Ryde as part of the diocese's strategy for revitalisation and growth of the church across the whole of the Isle of Wight. The church at All Saints, Ryde (pictured) aims to grow from a congregation of 30, to a younger and more diverse congregation of more than 300 people – including families, young adults, and children. The programme will also create new Christian communities in seven schools.

£4.8m to Sheffield diocese to support its strategy for growth and revitalisation, including funding church plants; a Ministry Experience Scheme for 18-to-25-year-olds to develop young leaders; and a new communal 'house of prayer' for young adults. The funding will also support five church revitalisations in areas of high deprivation in Sheffield, Rotherham, and Doncaster.



£6.5m to Southwark diocese for work over six years, including training for 25 estates lay pioneers. The funding will also support the development of three Hub Churches to provide advice and support to other parishes hoping to reach more people in their communities with the message of the Christian faith. These include St John the Divine in Kennington, southeast London, which has successful choral work and youth outreach, and St Matthew's Church in Elephant and Castle, a bilingual Spanish and English church where the congregation has grown from 50 to 250 worshippers. (Pictured: Children's Choir, St John the Divine, Kennington)



£3m to Winchester diocese for two Partnership Parish revitalisation plans in Bournemouth and Southampton, including three curates and three associate ministers to support this work. The programme will build on successful revitalisation projects in the diocese such as Saint Mary's in Southampton (pictured, right) where around 600 people a week now regularly attend services, with more than half aged under 35 (from a congregation of 25 people in 2018).



4 | New Christian Communities

Objective: Creating 10,000 new Christian communities across the four areas of home, work / education, social and digital.

2023 Expenditure: £12.7m (2022: £12.7m)

The Council's objective to create 10,000 new Christian communities aims to revitalise the Church's presence across four critical spheres of daily life: home, at work or in education, social environments, and the digital space. At the core of this objective is the recognition for the Church to be more present where people spend their lives, in an ever-evolving society.

In 2014-2022, the Church of England's Strategic Development Funding (SDF) supported 92 projects with awards totalling £198m. Of this, £126m has been drawn down, and funds continue to be disbursed for the 77 ongoing projects. In the summer of 2023, an 'outcomes review' of these projects was undertaken. Based on the information in this review, we estimate that the SDF funded projects collectively supported the following outcomes:

- 26,000 to 27,000 people newly participating in different church services and gatherings (these range from parents bringing their children to 'Messy Church' to those attending new morning and evening church services).

- 4,000 to 5,000 new leaders (those taking lay leadership roles or exploring ordained vocations).
- 900 to 1,000 new worshipping communities – from church plants to chaplaincies and café churches – were formed through mission projects backed by SDF.

Home

Through the establishment of new communities in homes, the Council supported gatherings where the Christian faith could be shared and explored in a comfortable and intimate setting.

The Council's Investment in programmes in St Edmundsbury and Ipswich diocese continues to support 'Lightwave' – a Christian community which meets in small group settings for worship and to develop discipleship. For example, the Lightwave Red Lodge rural hub offers various expressions of Sunday worship, including Messy Church and café church and a range of social engagement activities, such as a club for children and a café which supports those coping with mental health problems, domestic abuse, addiction, or loneliness.

Work / Education

Following the early impact of the Growing Faith Foundation through its programmes, networks, research, and development hubs, the Council funded 'Flourish' – an exciting new programme – with a vision to pilot a network of 40 new worshipping communities in schools and Further Education colleges from 2024 to 2026.

A group of 10 to 15 dioceses will oversee between two to five such locations each, as they place education, children, and young people firmly at the centre of their mission and strategy.

The Flourish pilots will be developed and led locally, supported by a national network. As we learn from this dynamic pilot, our vision is to see such worshipping communities running in many more of our Church of England schools by 2030, and in a range of community school and Further Education (FE) college settings.



Social

Case Study: in London diocese's Tower Hamlets project, there has been a revitalisation of All Saints Church. Since February 2023, attendance has almost doubled, with approximately 75 regular attendees. Previously, All Saints was closed most days, but it is now open Sunday to Friday, facilitated by volunteers. The church now has a diverse and vibrant weekly schedule that reflects its commitment to inclusivity and outreach. This includes activities such as coffee mornings, a Baby Hub offering essential support to parents and caregivers, outreach to the homeless and asylum seekers, and a new all age Mass that emphasises the importance of intergenerational

worship. There has been an extensive amount of community engagement, with the church hosting a night shelter one night a week for the homeless and operating as a day centre from Monday to Friday. The diocese also hosted a big garden party with food, stalls, inflatables, and games, which attracted around 2,000 members of the local community. Additionally, a new choral morning prayer service has been introduced, drawing a new congregation of up to 45 participants.

Digital – Online Worship

Online, the weekly national services continued to leverage the Church's digital platforms to offer virtual services, prayer, and faith exploration – reaching a growing global audience.

Since the first national online service was broadcast from the crypt chapel at Lambeth Palace on Mothering Sunday 2020 as the nation went into lockdown, a service has been broadcast every Sunday, with additional services broadcast over Easter, Advent, and Christmas.

In 2023, 56 national online services were produced, garnering a total of 310,603 views in 2023 across YouTube and Facebook. On social media, Sunday service content in 2023 had a total of 433,250 engagements.

The popularity of the online broadcasts, which have British Sign Language (BSL) interpretation and subtitling, has also highlighted the number of people who were previously excluded from in-person worship.

5 | Missionary Disciples

Objective: All Anglicans envisioned, resourced, and released to live out the five marks of mission in the whole of life, bringing transformation to the Church and world. All local churches, supported by their dioceses, becoming communities and hubs for initial and ongoing formation.

**2023 Expenditure: £6.6m
(2022: £7.4m)**

“

The Church of England is involved in more than 35,000 separate initiatives in communities and works to tackle deprivation and promote social cohesion through church schools, chaplaincies in places such as prisons and higher education and in thousands of practical programmes in its parishes.”

– Revd Canon Dr Malcolm Brown, Church of England's Director Faith and Public Life.

The Archbishops' Council's role in bringing transformation for the common good is evident in both campaigns at a national level and in the thousands of projects run by churches locally.

Supported by Council staff, Church of England bishops addressed a range of issues from refugees to child poverty and the cost-of-living crisis. Our churches also ran or supported thousands of social action projects across the country, from food banks to lunch clubs.

Recent Church of England statistics have shown that churches run

or support 35,000 social action projects. This includes 8,000 food banks; more than 4,000 parent/ carer groups, and more than 5,000 lunch clubs, coffee mornings or similar hospitality for older people.

In 2023, thousands of churches additionally supported the *Warm Welcome* campaign, in response to the cost-of-living crisis – by opening their doors to provide a warm space and emergency support for communities struggling to heat their homes, amid rising energy bills.

A foundational role of the Archbishops' Council is to support dioceses in enabling a Christian presence in every community. Increasing resource has been invested into extending the understanding of mission as not only the activities and actions organised by Christian communities – but also to equip, encourage and enable Christians, in their everyday life.

The Daily Prayer app is one of a series of prayer and discipleship apps and podcasts available from the Church of England. The short, atmospheric services feature prayers and readings following the pattern set out in the Church of England's Common Worship services.

While the Daily Prayer app has

been around for a decade, the introduction of Daily Prayer audio in March 2021 has had a transformational effect on many people's prayer lives.

By the end of 2023, the number of people using the Church of England's Daily Prayer audio service had passed 1.9 million unique listeners – as podcasting continues to become part of many people's daily pattern of worship at home, with around 8,000 listening every day. The podcast (also available as audio on the Daily Prayer app) follows the Church of England's traditional cycle of Morning and Evening Prayer, with a range of voices and music.

In total there have now been 9.3 million downloads since its launch in March 2021, with 3.5 million of the downloads in 2023. During 2023, the number of individuals using the Daily Prayer audio services of Morning and Evening Prayer grew by 9% on the previous year to more than 930,000 people. While the number of episodes downloaded for listening declined slightly (by 5%) during the year, the numbers of people using the service continued to increase as the year went on, with the number of unique listeners reached since launch now at 2 million. Plans are now in place to expand the range of audio services

to include daily Night Prayer in both contemporary and traditional forms in 2024.

The impact of faith on the whole of life has also been a central theme in resources made available by the Council to dioceses and churches. The *Everyday Faith* portal continues to offer bitesize digital resources on a variety of topics, helping people to find and follow God in their everyday life. In 2023, the portal also supported *God on Monday* – an inspiring weekly email of discipleship reflections, written by Christian leaders in the workplace.

The Archbishops' Council's Faith and Public Life team continued to support the Church on matters of public policy and ethics – providing advice and policy analysis to the bishops and others on behalf of the Church and seeking opportunities to contribute to the Church's ability to make a difference to the lives of the people of our parishes and communities. In 2023, the Council appointed a new National Public Policy Advisor, Dilys Alam, to this team – with a particular focus on issues concerning justice and social policy.

Bishops continued to call for the government to abolish the two-child limit on benefits. In 2023, the Universal Credit (Removal of Two Child Limit) Bill* – initially brought by the Bishop of Durham, Paul Butler in 2022, completed its passage through the House of Lords, after its third reading on 24

March and will now be considered in the House of Commons.

The Archbishops' Council's Social Impact Investment Programme, has made investment commitments of £5.7m since its inception. The Programme was first established in 2020, to support projects which share the Church of England's Christian values and benefit society. The programme's aim is to support vulnerable people and communities, by directing capital towards new solutions to deep-rooted social challenges. In 2023 the Council made a new commitment to Big Issue Invest's Social Impact Debt Fund IV. This fund offers secured loans for asset-backed growth, for borrowers creating an impact in three sectors: health and social care, affordable housing and homelessness, and community and social infrastructure. Furthermore, the Council made grants of £1.0m from its Grants and Provisions Fund to support the work of the Anglican Communion Office, ecumenical organisations, and the Church Urban Fund. It also supported clergy working with mission agencies in the Partnership in World Mission – by funding pension contributions of £0.5m.

In 2023, as our churches, bishops and Diocesan Safeguarding Panels continued to work with the Probation Service to help support people leaving prison, the General Synod voted to back a call for churches to join partnership, to help rehabilitate people leaving prison.

The *Coming Home* report, which was published in 2021, from the Archbishops' Commission on

Housing, Church and Community set out the role that the Church can play in addressing a lack of truly affordable and high-quality housing – a major factor behind homelessness. In 2023, the Council authorised the creation of a specialist unit within the Faith and Public Life team to provide advocacy and support for dioceses and parishes seeking to develop resources to assist with housing issues in their communities.

Furthermore, in 2023, the reports of two other Archbishops' Commissions were published: *Reimagining Care* (in January) and *Families and Households* (in April). These Commissions – established to explore two of the most intractable domestic policy areas – were tasked with developing a radical and inspiring vision for the future, by drawing on Christian theology and values. *Reimagining Care* explored the purpose of social care, in the context of human flourishing. The primary recommendation was the development of a National Care Covenant, which would reimagine the way social care is thought about, organised, and delivered. The *Families and Households* Commission focused on ensuring that the hopes, needs and aspirations of families and households are acted upon by the Church of England and the Government at a time of significant change. Follow up work has included a House of Lords debate on the report, led by the Archbishop of Canterbury, a debate at General Synod, and resources created for parishes and young people to engage with the report.

* The Bill would amend previous legislation which limits the number of children counted when calculating benefit payments to a household. The limit restricts means-tested benefits to the first two children in a family if they were born after April 2017.

6 | Safety and Dignity

Objective: A Church that affirms the dignity of all people by being a safe place for all, especially children and vulnerable adults.

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Creating a healthy church culture, where abuse is seen and prevented, where victims and survivors are cared for and supported, and where power is held with humility and accountability is the responsibility of every member of the Church of England.

Joanne Grenfell,
Bishop of Stepney.

2023 Expenditure: £9.0m
(2022: £8.1m).

Safeguarding Programme – delivery of IICSA recommendations

The Safeguarding Programme was set up to oversee certain existing workstreams and new that emerged from the final IICSA report published in October 2020 in achievement of the key organisational objective of making the Church a Safer Place. The workstreams of the programme:

- National Safeguarding Casework Management System – in the delivery phase.
- PCR2 – completed.
- National Redress Scheme – completing Plan & Design phase.
- IICSA 1&8 Pathfinder – completing the Pilot to move into national roll out later this year.
- Information Sharing Project – completed.

Please see full updates for each of the projects below.

National Safeguarding Case Management System (NSCMS)

Around half of dioceses and cathedrals are now managing their safeguarding casework on the new system (MyConcern).

Archbishops' Council has initially agreed to fund participant costs up to the end of 2023. Charging

for MyConcern will now start for all Participants from January 2024. Participants coming online thereafter will be charged on a pro-rata basis.

We anticipate completing all onboarding and close the project by end of 2024. The NSSG have reviewed their decision about the scope of the migrated data and agreed that all live cases need to be migrated (electronic and paper) along with a reference list for all closed cases. This decision has been received well. Stakeholders are relieved at the reduction in workload for data preparation, as well as being grateful to the project team and board for listening and working with them.

IICSA Recommendations 1&8 Pathfinder

The pilot project for implementing IICSA 1 has continued, in partnership with 25 dioceses and cathedrals. Research and evaluation has been undertaken to inform the recommendations for the final model. In parallel, legislative work culminated in General Synod voting to amend the Church's canons to provide for the role of Diocesan Safeguarding Officer. Following work with victims and survivors of abuse, the Church's first [National Safeguarding Standards](#) were published. [INEQE](#) Safeguarding Group was also commissioned to provide a programme of independent

safeguarding audits of DBFs and cathedrals from 2023 to 2028

National Redress Scheme development

During 2023, we announced that the Church Commissioners allocated £150m to underpin a National Redress Scheme to offer redress in a range of forms including apology, acknowledgement, therapeutic support, and financial awards to survivors of abuse perpetrated by a person acting under the authority of the Church of England.

The purpose of the Redress Scheme is to demonstrate in tangible and practical ways that the Church is truly sorry for its past failings relating to safeguarding.

Under the direction of the Project Board, which is chaired by the Bishop of Winchester, the Church developed national proposals for redress which include financial payments, therapeutic, spiritual, and emotional support, acknowledgment of wrongdoing on the part of the Church, and apology and support for rebuilding lives. A Survivor Working Group operates at the heart of this process of developing the scheme.

We have begun the legislative process, to make sure the Scheme is delivered consistently so that any survivor, wherever they live now and wherever and whenever the abuse took place, can receive the same quality of service.

The Scheme will be delivered by a third-party supplier acting as Scheme Administrator, to bring necessary expertise and infrastructure which the Church cannot deliver. A procurement process took place during 2023 and we will announce the Scheme Administrator early in 2024.

Safeguarding Learning and Development

All elements of the [Safeguarding Learning and Development Framework](#) have continued to be delivered during 2023. The revised Leadership Pathway was launched in 2023, and the team have been open to feedback from dioceses to ensure the pathway meets diocesan needs.

During 2023 there was considerable focus on the Continuing Professional Development of safeguarding staff across the Church with training being delivered in risk assessment, moral injury, forgiveness, working with children and young people, delivering the Social GGRRAAACCEEESSS (see infographic overleaf) and a survivor's brief symposium. Training in healthy cultures and spiritual abuse was offered to the whole church. Collaborative work continued with the National Ministry Team and the Theology and Safeguarding Group developing resources for Parish Safeguarding Officers, and the Pastoral Principles.

Domestic abuse

A bishop led working group established in January 2023, conducted a baseline survey to examine culture, behaviours, knowledge and skill in recognising and responding to domestic abuse in parishes. The results of the survey informed the development of educational resources for parishes and dioceses. We worked in partnership with Mothers' Union for the 16 Days of Activism in November and Restored in the development of practical tools and resources.

House of Bishops' Safeguarding Guidance

In July 2023, the General Synod approved the first piece of Safeguarding Code of Practice, in relation to [Safeguarding Practice Reviews](#). The National Safeguarding Team continued to offer support to Church bodies with implementation of the guidance on [Responding Well to Victims and Survivors of Abuse](#). The RWVSA Implementation Group took forward several initiatives, including a baseline survey to determine diocesan response to the guidance, and producing written and visual materials for victims and survivors. Work continued developing a Code of Practice on Managing Safeguarding Concerns and Allegations, including a wide-ranging consultation with church bodies, and victims and survivors.

6 | Safety and Dignity | continued

This will replace the current guidance. The NST worked with three dominations, to produce a practical guide to safeguarding in [Local Ecumenical Partnerships](#). In 2023 the NST continued engaging with Dioceses exploring the pressures placed upon them due to the amount of work coming from the NST. The NST has utilised this engagement work to help inform our prioritisation and strategic planning. This has also included reviews of systems and process to support best practice.

Independent Safeguarding Board and Future of Independent Safeguarding

In June 2023 the Archbishops' Council terminated the contracts of members of the Independent Safeguarding Board. In the aftermath of this the Council commissioned a report (see [isb-review-report-30-november-2023.pdf](#) (churchofengland.org)) from an independent barrister Sarah Wilkinson into the events leading up to this in order to learn lessons which was discussed by the Council in December 2023. It also appointed an Interim Commissioner to facilitate case reviews promised to survivors by members of the former Independent Safeguarding Board. Further Professor Alexis Jay, former chair of the Independent Inquiry into Child Sexual Abuse, led an independent report on the Future of Church Safeguarding. The Jay report was published in February 2024 (see Report

into the future of safeguarding in the Church of England ([futureofchurchsafeguarding.org.uk](#))) and the General Synod agreed to form a Response Group to oversee wider engagement and further reflection regarding both Reports in order to brief the National Safeguarding Steering Group (NSSG) and then advise the House of Bishops and the Archbishops' Council. Following this, the response to these reports will be presented to General Synod for debate.

Safe Spaces

[Safe Spaces](#) is a free and independent support service for anyone who has experienced abuse in relation to the Church of England, the Church in Wales, or the Catholic Church of England and Wales. It is run by Safe Spaces England and Wales (Safe Spaces): a charitable, jointly controlled entity between the Archbishops Council and the

Catholic Trust for England and Wales. Safe Spaces will be working with provider [First Light](#) to deliver this service until 2026.

Interim Support Scheme

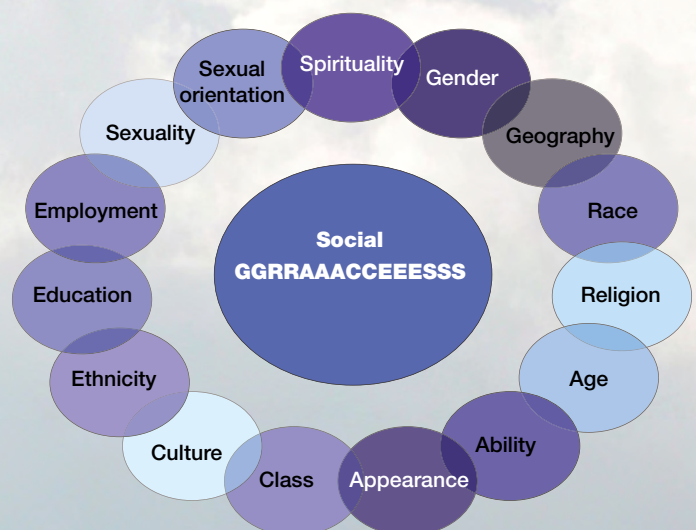
The Interim Support Scheme has been in place for three years and has helped over one hundred victims and survivors. The new terms of reference for the Scheme were launched in October 2023 alongside new guidance documents.

Past Cases Review 2 (PCR2):

The NST continue to respond to the twenty-six recommendations which are monitored by the National Safeguarding Steering Group.

Learning Lesson Reviews:

The National Safeguarding Team published one review in 2023 which provided learning points to improve our safeguarding practice. The review into the late John Smyth is ongoing.



“

Creating a healthy church culture, where abuse is seen and prevented, where victims and survivors are cared for and supported, and where power is held with humility and accountability is the responsibility of every member of the Church of England. We have not always done this well, and we are committed to changing what needs to change. I see and appreciate the work of parish safeguarding officers, diocesan teams, and colleagues in the national safeguarding team who, together, are continually improving policy and practice and supporting the whole Church to become safer. We must continue this work together as we set up structures for independent scrutiny and for better oversight so that all who engage with the Church can trust that they will find both care and accountability.”

Joanne Grenfell, Bishop of Stepney
(Church of England's lead Bishop for Safeguarding)

7 | Sustainability

Objective: A Church that cherishes God's creation and leads by example in promoting sustainability.

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The ambition to be net zero by 2030 is at the core of the Church of England's response to the climate crisis – to help safeguard God's creation and achieve a just world.”

**Graham Usher,
Bishop of Norwich
(Lead Church of England
bishop for the environment)**

2023 Expenditure: £6.6m (2022: £0.4m)

With a significant number of historic buildings, the Church faces unique challenges in making its properties more energy efficient. In 2023, significant strides continued in implementing energy conservation measures, investing in renewable energy sources, and encouraging parishes to conduct energy audits and take practical action to reduce their carbon footprint.

In 2023, the Archbishops' Council awarded grants of £5.8m to further support the work of the Church of England's Net Zero Carbon Programme – seeking to reduce carbon emissions from the energy used in churches, schools, cathedrals, and other buildings, improving their energy efficiency, and transitioning to renewable or greener renewable energy sources. 600 churches with the highest energy were identified and plans are now in place to provide fully funded energy audits and action plans for these churches, with a further 1,000 churches now eligible to apply for subsidised audits. In addition, several 'Quick Wins' grants were launched in December 2023 for action plans, green projects, and small-scale work in churches – such as installing LED lighting or alternative heating. Moreover, a 'Pilot and Evaluation Fund' was put in place to support trialling of new net-zero carbon technologies.

Furthermore, education and engagement continued to play a significant part of our approach to sustainability – with various resources and training programmes developed to educate on environmental issues and sustainable practices.

As well as engaging with young people to take up the mantle of environmental stewardship and inspire long-term change, a 'National Framework' was established in 2023, to help Church of England schools reach Net Zero. Church schools currently produce almost half of the Church's carbon emissions so are therefore a fundamental part of the Church's ambition to reach net zero carbon across the whole estate. Achieving the goal of Net Zero will involve enhancing energy efficiency across the entirety of the Church's estates and engaging in carbon offsetting initiatives. Funding will initially focus on analysing the option of replacing inefficient, polluting fossil-fuel heating systems (which will also deliver cost savings over the long run) and working with Boards of Education and Multi Academy Trusts to identify cost-effective fabric improvements and energy-saving and energy-generating technologies.

Pictured: (Top): Solar panels, from St John's Church, Waterloo. **(Bottom, right):** Rt Revd Graham Usher, Bishop of Norwich, **Credit:** Norwich Diocese.



7 | Sustainability | continued

“

We are already seeing the devastating effects of climate change, which is hitting the poorest people of the world hardest. We must act now to ensure a just transition, it is our moral duty to care for God's creation.”

**Olivia Graham,
Bishop of Reading.**

In addition to internal sustainability efforts, in 2023, our work on sustainability continued to play a pivotal role in advocating for environmental justice and climate action at the national and international levels – in terms of lobbying for stronger environmental policies, supporting campaigns against climate change, and participating in global discussions on sustainability. The Church's leadership, including bishops and other clergy, continued to speak out on environmental issues, calling for urgent action to combat climate change.

Furthermore, in 2023, the Council, through the Church of England's advocacy work, supported the Anglican Communion delegation to COP28 in Dubai, calling for fair finance to enable a just transition away from fossil fuels for all countries, and implementation of the Loss and Damage fund for those countries already severely affected by climate change.

“There is no greater issue facing society today than runaway climate change. Our Church, with the level of resources, reach and influence we have, must be on the frontline of the battle to save God's creation.”
–Bishop of Reading, Olivia Graham.

In July 2023, the General Synod called for renewed action to tackle the impact and causes of climate change. The motion, passed by

a substantial majority of Synod members, called to review policies and procedures to give due priority to creation care, and called on the Government to review planning regulations to aid the installation of renewable technology on church buildings that are listed or in conservation areas.

The motion also called on all parts of the Church of England to seek to support – through prayer, advocacy, and practical action – the poorest in the world who are suffering the most from the impacts of climate change, in the awareness that our nation has been among those who have benefited the most from emissions that have caused the crisis.

In February 2020, General Synod had voted to adopt the ambitious target of achieving net zero carbon by 2030, and following a widespread consultation with parishes, dioceses, cathedrals, and the wider Church, the *Routemap to Net Zero Carbon by 2030* was published in June 2022. Drawn up by members of the Church of England's Environment Working, it encouraged cathedrals, churches, schools, clergy housing and theological education institutions to make changes to their day-to-day activities to reduce carbon emissions.

Key Statistics

- As of end January 2024, 4,671 churches registered with the Eco Church scheme, with 1,505 having achieved the bronze award, 597 the silver award, and 23 the gold award.
- 20 cathedrals have reached the bronze award, 15 silver and two gold. Three more cathedrals have registered for the award and are working towards bronze.
- Every diocese is registered to become an Eco Diocese (26 have reached bronze award).
- Diocesan offices can also gain an award: 23 have reached bronze and eight have silver.
- 364 churches registered to participate in Churches Count on Nature in 2023, compared to 268 in 2022.
- 460 people registered to join one or more of the webinars on nature and biodiversity hosted by the Environment Programme and Caring for God's Acre during the week.
- More than 27,000 wildlife records have been submitted during this dedicated week (over the past two years).
- Routemap Milestone 4.1.4 required all dioceses to present an outline of their decarbonisation plans to Diocesan Synod as a Net Zero Carbon Action Plan by 2023. Approximately half of all dioceses have a Net Zero Carbon Action Plan in place.

- All 42 dioceses received an initial starter grant of £15,000.
- 41 dioceses have had their applications for the larger capacity-building grants approved and the final application is expected to be received in Spring 2024.

Pictured: (Bottom, right): Solar panels at Church of St Peter Mancroft.
(Left): Holy Trinity Church, Stroud.



The Council's Plans for 2024

Overview

Some of the key elements of the Council's business plan for 2024 are as follows:

- To support diocesan strategy development and effective distribution of £100m annual funding through the Strategic Mission and Ministry Investment Board
- To deliver a review of diocesan finances and prepare for the Triennial Review
- To embed monitoring and evaluation framework and share learning through the Church Support Hub.

1 | A Younger Church

Objective: Doubling the number of children and young active disciples in the Church of England by 2030.

- Intentionally support diocesan mission plans
- Launch FLOURISH and support the work of the Growing Faith Foundation
- Develop and support 30,000 leaders of mission with young people through a training and formation strategy for diverse leaders
- Use partnerships with Youthscape and Centre for Theology and Community to reach smaller churches.

2 | A More Diverse Church

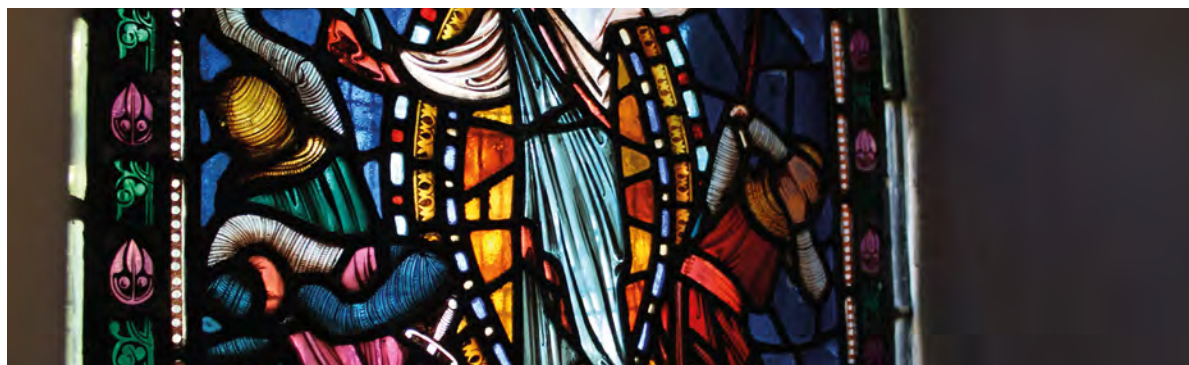
Objective: A Church of England which fully represents the communities we serve in age and diversity, including race, disability, and deprivation.

- Continue to operate the Racial Justice Unit, the Archbishops' Commission for Racial Justice and the Committee for Minority Ethnic Anglican Concerns and support their work
- Support the work of the Estates Evangelism Task Force
- Support work with disability including Wellbeing Spaces.

3 | Revitalise Parishes

Objective: A parish system revitalised for mission so churches can reach and serve everyone in their community.

- Develop and resource the Church Support Hub
- Complete the Resourcing Ministerial Formation programme for summer 2024 and launch a lay ministry innovation fund;
- Increase awareness of simpler support services, including parish buying website and parish giving scheme.



4 | New Christian Communities

Objective: Creating 10,000 new Christian communities across the four areas of home, work / education, social and digital.

- Support diocesan mission plans, including through the Greenhouse model
- Launch FLOURISH worshipping communities with 40 in place by Autumn 2024
- Continue to nurture the community around the online Sunday service.

5 | Missionary Disciples

Objective: All Anglicans envisioned, resourced, and released to live out the five marks of mission in the whole of life, bringing transformation to the Church and world. All local churches, supported by their dioceses, becoming communities and hubs for initial and ongoing formation.

- Deliver Everyday Faith Portal and Thy Kingdom Come for 2024
- Develop social media content;
- Review and build on Daily Prayer and add new regular content.

6 | Safety and Dignity

Objective: A Church that affirms the dignity of all people by being a safe place for all, especially children and vulnerable adults.

- Continue to use Lessons Learned Reviews to learn and improve practice
- Continue to engage victims, survivors and their advocates
- Develop and implement quality assurance mechanisms
- Take receipt of Professor Jay's report on Future of Church Safeguarding and present proposals for way forward to Synod in July 2024.

7 | Sustainability

Objective: A Church that cherishes God's creation and leads by example in promoting sustainability.

- Deliver General Synod debate on the ecological crisis
- Continue to implement the Triennium One Net Zero carbon projects and allocate funding
- Encourage more parishes to register for Eco Church.

Financial Review

Overview: use of resources

In 2023, Archbishops' Council expenditure totalled £182.4m, £29.9m higher than the previous year (2022: £152.5m). Net income was £6.2m in 2023 (2022: net expenditure £3.2m) after investment gains of £2.6m (2022: investment losses of £4.0m).

The main reason for the significant increase in expenditure compared with the previous year was the increase in grants awarded, largely as a result of the new Diocesan Investment Programme (DIP) grant funding which is new in 2023 and replaces several previous grant streams, most notably the Strategic Development Funding. These grants are made with the aim of building the Church at a local level in line with the Vision and Strategy for the 2020's. Other significant new funding streams included Buildings for Mission grants, Racial Justice grants and Net Zero Carbon grants.

The greatest proportion of the Council's expenditure in 2023 was in relation to its objectives 'Revitalise Parishes,' 'A More Diverse Church' and in 2023 'A Younger Church'. These represented 45% (2022: 54%), 26% (2022: 25%) and 10% (2022: 2%) respectively, of total expenditure.

Grants and grant making policy

The Council makes grants to dioceses under the following main schemes. Training for Ministry grants were funded mostly from the diocesan apportionment, the remainder being funded by grants from the Church Commissioners.

Diocesan Investment Programme (DIP) grants are allocated across each of the first five objectives, the focus or focuses of each project having been considered and allocated accordingly. The Council has delegated decisions on grant awards to its Strategic Mission and Ministry Investment Board, the membership of which includes Council members and Church Commissioners.

A total of £58.5m was awarded in DIP grants in 2023 (2022: £nil).

- A Younger Church grants include:
 - (i) DIP grants totalling £17.4m awarded to 10 dioceses;

- (ii) People and partnerships grants totalling £1m to 3 organisations

- Revitalise Parishes grants include:
 - (i) DIP grants totalling £30.9m awarded to 35 dioceses;

- (ii) Grants to the Church of England Pensions Board for clergy retirement housing totalled £14.8m in 2023 (2022: £5.6m). This increase was in response to the challenges around housing in the current economic climate and recognises the difficulties faced in this area;

- (iii) Training for ministry grants totalled £13.3m in 2023 (2022: £15.7m), funding training, maintenance and university fees for those undertaking pre ordination training;

- (iv) Buildings for Mission grants were new in 2023, amounting to £9.2m awards to churches and cathedrals in need of urgent repair work.

- A More Diverse Church grants include:
 - (v) Lowest Income Communities (LInC) funding (£29.3m in 2023, £28.3m in 2022) which are supplemented by time-limited transitional grants to smooth the transition to the grant funding arrangements introduced in 2017. In 2023, 28 dioceses received LInC grants, 17 of which were £1m or above (2022: 28 dioceses, 12 of which were £1m or above);

- (vi) Racial Justice grants totalling £5.3m awarded to fund dioceses and other institutions to make targeted interventions in the area of racial justice.

- (vii) DIP grants totalling £5.1m awarded to 3 dioceses.

Other grant expenditure funded by the apportionment paid by dioceses included:

- grants towards the work of the Anglican Communion Office, national and international ecumenical agencies (including Churches Together in England, the Conference of European Churches and the World Council of Churches), the Church Urban Fund and Fresh Expressions;
- grants for pension contributions for clergy employed by qualifying mission agencies;
- grants towards the Clergy Retirement Housing scheme administered by the Church of England Pensions Board (this year further bolstered by the Council as described above).

Use of legacies

The Council is fortunate to receive unrestricted legacies from time to time. Its policy is to add such legacies to its unrestricted legacies designated fund to be spent on priorities decided by the Council from time to time. In 2023, unrestricted legacies income was £0.3m (2022: £0.9m).

Fundraising

Section 162A of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. The Council does not undertake fundraising from the general public but from time to time does apply for grant funding from grant-awarding charities. Any such amounts receivable are presented in the financial statements within income from grants, donations and legacies.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are

accountable to the trustees. The Council is not bound by any undertaking to be bound by any regulatory scheme.

The Council has received no complaints in relation to fundraising activities. Its terms of employment require staff to behave reasonably at all times as the Council does not approach individuals for funds. Contracts of employment do not particularise this requirement for fundraising activities nor does the Council consider it necessary to design specific procedures to monitor such activities.

Comment by the Trustees about going concern

The Council has not identified any material uncertainties that cast significant doubt on its ability to continue as a going concern. In reaching this conclusion it has particularly considered the impact of the post-pandemic environment and ongoing geopolitical and economic uncertainty on its key income streams and activities. The Council has evaluated the nature and resilience of its key sources of income, particularly including distributions made by the Church Commissioners, apportionment contributions made by dioceses and grants from other bodies. It has taken note of the Statement of Funding Principles, which was revised during the year, in which the Church Commissioners agree that once a grant has been awarded by the Council (either directly or through one of its committees with delegated authority), provided that all conditions and milestones are met, they will provide the funding to meet future drawdowns of the grant.

The Council has considered the charity's ability to withstand a material fall in income and the mitigating actions which could be taken in such a scenario including the types of expenditure which could be reduced or delayed. It has also analysed the strength of the available reserves and liquid assets, including modelling the effect of a significant reduction in investment values. The Council considers that it has

sufficient reserves to withstand such an eventuality, taking account of restricted funds (most significantly the Church and Community Fund) with sufficiently broad purposes to be used to help fund the majority of the Council's operating expenditure.

Comment: In light of this analysis, the trustees have a reasonable expectation that the Council has adequate resources and cashflow to meet spending commitments as they fall due into the short and medium term.

Reserves policy

The Council holds specific reserve funds for each of the five areas of expenditure voted on separately by the General Synod. These reserves, which totalled £8.7m at the end of 2023 (end 2022: £6.6m), enable the Council to meet its obligations and commitments that span more than one accounting period, to assist in cashflow management and to help reduce the risk of needing to ask dioceses for a substantial increase in apportionment funding in any one year. The Council's policy is to hold between one- and three-months' expenditure as reserves for each of these areas including the 'Vote 2' reserve which is its unrestricted reserve, excluding designated funds.

At the end of 2023, the Council's unrestricted general fund reserves (i.e. excluding designated funds and the pension reserve in 2022 which was £Nil at the end of 2023) were £2.8m (end 2022: £2.4m) which represented less than one month's budgeted unrestricted expenditure in 2024. After taking account of the increase in budgeted expenditure for 2024, this is below the minimum of the reserves policy range. The Council's 2024 budget included an addition to unrestricted reserves aiming to increase them to above the minimum of the policy range by the end of the year, but until then there is increased risk.

The level of each of these five reserves at the end of 2023, together with the 2024 policy range, is set out in the following table (right).

Reserve	Balance at end 2023 (£000s)	Reserves policy range based on 2024 budget (£000s)
Training for ministry (Vote 1)	4,320	1,250 – 3,750
Unrestricted / operating budget (Vote 2)	2,776	2,848 – 8,545
Grants (Vote 3)	300	127 – 380
Mission agency pension contributions (Vote 4)	379	36 – 107
Clergy Retirement Housing grant (Vote 5) including designated fund	922	511 – 1,534
Total	8,697	4,772 – 14,315

As a result of there being fewer ordinands in training during 2023 than anticipated when the 2023 budget was set, the Training for Ministry reserve at the end of 2023 was above the maximum of its policy range. This will be taken into account when future budgets are set with the aim of bringing the reserve to within its policy range over a period.

When the Council set its 2024 budget it was forecast that the Mission agency pension contribution reserve would be above the maximum of its policy range at the end of 2023. Therefore, the 2024 budget was set with the aim of bringing this reserve to within its policy range by the end of 2024.

Investment policy and use of restricted funds

The Council's investment policy for its restricted funds – based on the planned distribution strategies for each – is summarised as follows:

- For settlements planned to be retained beyond five years, the Council's investment managers have been set an annualised long-term target to achieve a total return* of at least CPI+4% after all costs.

* combined capital and income return.

The investments for these funds[†] are held in two diversified pooled funds managed by Sarasin and CCLA.

- For funds that are planned to be spent out within five years, the focus is on capital preservation with a target return of at least bank deposit rates. The ability to withdraw funds at relatively short notice is also imperative.

The aggregate total return from its long-term investments (with a time horizon of at least five years) was 10.3% in 2023 (2022: -9.5%) compared with the long-term target of 7.2% (2022: 13.2%). Over the past five years the return averaged 7.5% p.a. compared with the long-term target of 8.3% (CPI+4% per annum).

The Council has set impact and financial goals for its social impact investment programme aiming to achieve measurable positive social and environmental impact and preservation of the capital over the long term after all costs.

The Council's cash resources are held in its current account, in the Central Board of Finance Church of England Deposit Fund or term deposits in line with its Treasury Management Policy, which is reviewed annually. The Council's average return on its cash holdings in 2023 was 3.7% (2022: 1.4%).

The Council also acts as custodian trustee for several funds. At the end of 2023 the assets of these funds, which are held in investments and cash separately from those of the Council, were valued at £3.6m (end 2022: £3.4m).

Ethical investment

The Council participates in the work of the Church of England's Ethical Investment Advisory Group (EIAG), which develops ethical investment advice to inform the ethical investment policies of the three main national Church investing bodies. Its membership includes members of the Council and its Mission and Public Affairs Council. The EIAG publishes an annual report of its work which is available, together with other related publications including its sector-based policies, on the Church of England website. The Council also belongs to the ecumenical Church Investors Group.

The pooled funds managed by Sarasin and CCLA in which the Council invests have ethical investment policies. The Council complies with the EIAG's guidance on pooled funds and the Council and its Investment Committee regularly monitor compliance with this policy.

Public benefit

The Archbishops' Council has an enabling role in support of the ministry of the Church of England which, through its 12,000+ parishes and the 42 dioceses and through other means, seeks to provide spiritual care for all people in England. In particular:

- The Church of England is a focus for community activity in 12,000+ parishes and 16,000 church buildings and, through the resources at its disposal, provides activities that support community development and social cohesion. Typically, this includes projects that support children, families and the elderly people through clubs, social gatherings, and outreach activities.
- The Church of England provides education in the Christian faith and encourages personal and spiritual growth and well-being.
- Through its engagement in local communities, its chaplains in many sectors of life and its participation in public debate, the Church of England promotes values that it believes are beneficial to society as a whole.
- Through its network of schools and academies, the Church of England provides an education for around 20% of children of primary school age and 6% of young people of secondary school age that is rooted in Christian values and available to families of all faiths and none.

The Council has had regard to the requirements of the Charities Act 2011 and published advice issued by the Charity Commission in relation to public benefit.

[†] combined investments from many investors with investments across a broad range of asset classes, regions, and industry sectors.

Governance

Introduction The work of the Council and its supporting bodies is underpinned by openness to God, worship, service, and a desire to promote growth, partnership, unity, integrity and transparency. The Council carries out its work in compliance with relevant legislation and best practice. The Council continues to monitor its processes and effectiveness, using good practice in governance as a benchmark to ensure that it operates in an effective manner. In carrying out its work, the Council aims to maintain and support a skilled and motivated staff and to ensure effective systems of organisation and governance. The Archbishops' Council is a charity registered under no. 1074857.

Trustee recruitment, appointment and induction Members of the Archbishops' Council have responsibilities as trustees. They hold office in a variety of ways: ex officio (the two Archbishops; the First Church Estates Commissioner; the Chair and Vice-Chair of the House of Laity; and the two Prolocutors); elected (two members each of the Houses of Bishops, Clergy and Laity of the General Synod); or appointed (by the Archbishops with the approval of the General Synod after an extensive open public recruitment process). Tailored induction, covering such areas as key relationships, financial information and forward strategy, is offered to all new trustees. New and existing trustees also have the opportunity to meet Directors and other staff for briefing on particular areas of work. Members also have the opportunity to learn about the Council and contribute to its development as members of committees and working parties for specific areas of its work and operation. In 2023 the Council met six times. Five in person meetings with the option for members to participate virtually, were held. The remaining meeting was held using remote technology. Membership of the Archbishops' Council from 1 January 2023 and up to the date of this report is detailed overleaf.

Committees of the Archbishops' Council

The following bodies undertake work as committees of the Archbishops' Council:

- *Audit Committee of the Archbishops' Council (chair: Maureen Cole)
- *Finance Committee (chair: Canon Dr John Spence) (to September 2023); Carl Hughes (from October 2023))
- *Ministry Council (chair: Rt Revd Mark Tanner (from May 2022)
- *Mission and Public Affairs Council (chair: Canon Mark Sheard)
- Committee for Ministry of and among Deaf and Disabled People (chair: Rt Richard Atkinson)
- Committee for Minority Ethnic Anglican Concerns (chair: Very Revd Rogers Govender)
- Council for Christian Unity (chair: Rt Revd Jonathan Baker)
- Legislative Reform Committee (chair: Revd Canon Simon Butler to November 2023, Ven Luke Miller from January 2024)
- Remuneration and Conditions of Service Committee (chair: Rt Revd Richard Jackson)
- Strategic Investment Board (chair: Canon Dr John Spence (to February 2023))
- Strategic Ministry Board (chair: Rt Revd Mark Tanner (to February 2023))
- Strategic Mission and Ministry Investment Board (chair: Canon Dr John Spence (to September 2023; Carl Hughes (from October 2023))
- National Safeguarding Steering Group (chair: Rt Revd Jonathan Gibbs (to March 2023), Rt Revd Joanne Grenfell (from April 2023))
- Net Zero Carbon Board (chair: Revd Canon Flora Winfield)

*The chair of the bodies marked with an asterisk must be a member of the Archbishops' Council.

Key Working Relationships The Archbishops' Council works in close partnership with the other National Church Institutions (NCIs): the Church Commissioners, the Church of England Pensions Board, Church of England Central Services, the Offices of the Archbishops of Canterbury and York, and the National Society. Key working relationships with Church bodies include:

General Synod The Council is not a body of the General Synod, but a statutory body established under the National Church Institutions Measure 1998. All of its members are either drawn from the General Synod or become members of the General Synod through their appointment to the Archbishops' Council. This helps to ensure that there is a close relationship between the Council and the Synod, not least because the Council and its committees undertake work on behalf of the Synod and report to the Synod on that and other work as it progresses and on completion. Members of the General Synod may ask questions of the Council and its committees when the General Synod meets and the General Synod approves the Council's annual budget and receives the Council's annual report.

House of Bishops The Council and the House of Bishops work together to provide leadership and to develop and resource policy, particularly on issues around lay and ordained ministry, education, safeguarding, social engagement, engagement with Government and framing Church legislation.

Church Commissioners Under the terms of the National Institutions Measure 1998, the Council and the Commissioners work closely to develop spending plans reflecting the Council's priorities for the coming period. The Council receives reports annually on the uses to which that funding has been put to enable it to confirm to the Church Commissioners that the money has been used for the purposes for which it was given.

Dioceses Some of the Council's work is funded by the dioceses of the Church of England. This gives the Council a responsibility to demonstrate that the money it receives is spent effectively and to work on behalf of the dioceses to provide a central source of advice, a resource for the development of policy and legislation, and a focus of engagement with the Government and other agencies on behalf of the Church. The Council also distributes grants from the Church Commissioners to dioceses under the terms of the National Institutions Measure 1998 to support their mission and ministry. A full list of grants awarded to institutions is available on the Church of England website: [Archbishops' Council | The Church of England](#)

Church of England Central Services (ChECS) facilitates the provision of cost-effective shared financial, legal and other services to the NCIs and provides payroll and other services to dioceses and other charities with a Church ethos. It is jointly owned by the Council, Church Commissioners and Church of England Pensions Board and each body appoints two of the six directors. The Council's appointees are Carl Hughes (from October 2023), Ven. Samantha Rushton and Canon John Spence (to September 2023). The Archbishops' Council and the General Synod have a number of other committees, commissions and similar bodies that report to them. Details are available on request.

Safe Spaces England and Wales Safe Spaces England and Wales (Safe Spaces) is a charitable jointly controlled entity between the Archbishops' Council and the Catholic Trust for England and Wales (CaTEW). The Council has the right to appoint two directors. The purpose of Safe Spaces is to provide support for those affected by church related abuse (of any kind), in the form of a helpline, a website providing information and advice to survivors and their families, and up to 10 community-based survivor led therapeutic support groups, both faith-based and secular.

Governance Review The National Church Governance Project Board (Project Board) was established in January 2022 to further the work of the Governance Review Group. The Project Board is tasked with developing proposals to simplify the governance and structure of the National Church Institutions and oversee the preparation and passage of legislation to provide a legal basis for those elements of reform requiring statutory change. The most significant proposal is to transfer the work of the Archbishops' Council, Church of England Central Services, and most of the functions, other than managing investments, of the Church Commissioners into a single integrated trustee body. It is proposed that the Church Commissioners should retain their current investment functions. An update on the Project Board's work, GS2290, was presented to General Synod in February 2023, but due to lack of Synodical time, the debate in relation to the work was adjourned until July 2023 when the Synod confirmed the recommendations of the updated Project Board's report, GS 2307 and requested the introduction of draft legislation to give effect to the necessary statutory changes for the implementation of these proposals. It is currently planned to introduce draft legislation for First Consideration at General Synod's July 2024 Group of Sessions.

Appointments made by the Council to other charities

The Council has the right to make appointments to certain other Church charities. It appoints two of the 12 trustees of the Church Urban Fund and the Council's Finance Committee also appoints one trustee. The Council appoints six of the 13 trustees of Near Neighbours. The Council's Finance Committee operates two of the 11 trustees of the Whitelands College Foundation.

Governance | trustees, senior staff and advisors

Membership of the Archbishops' Council from 1 January 2023 and up to the date of this report was as follows:

Joint Presidents

The Most Revd and Rt Hon Justin Welby, Archbishop of Canterbury	(6/6)
The Most Revd and Rt Hon Stephen Cottrell, Archbishop of York	(6/6)

Prolocutors of the Lower Houses of the Convocations of Canterbury and York (ex officio)

Ven Luke Miller (Canterbury)	(6/6)
Revd Canon Kate Wharton (York)	(5/6)

Officers of the House of Laity (ex officio)

Alison Coulter (Vice-Chair, House of Laity)	(6/6)
Canon Dr James Harrison (Chair, House of Laity)	(6/6)

Elected by the House of Bishops

Rt Revd Paul Butler (to December 2023)	(4/6)
Rt Revd Jonathan Frost (from January 2024)	(0/0)
Rt Revd Mark Tanner	(6/6)

Elected by the House of Clergy

Revd Canon Tim Goode (to August 2023)	(3/4)
Revd Dr Ian Paul	(5/6)
Ven Miranda Threfall-Holmes (from November 2023)	(1/1)

Elected by the House of Laity

James Cary	(6/6)
Dr Rachel Jepson	(6/6)

Appointed by the Archbishops with the approval of the General Synod

Maureen Cole	(6/6)
Revd Charlotte Cook	(6/6)
Joseph Diwakar	(5/6)
Matthew Frost	(6/6)
Carl Hughes (from October 2023)	(1/1)
Canon Dr John Spence (to September 2023)	(4/5)
Canon Mark Sheard	(5/6)

A Church Estates Commissioner

Alan Smith, First Church Estates Commissioner	(6/6)
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(The figures in brackets indicate (i) the number of meetings each member attended in 2023 (ii) the number of meetings each member was eligible to attend.)

Senior Management Group of the Archbishops' Council

William Nye, Secretary General to the Council and the General Synod
Mark Arena, Director of Communications (to April 2023)
John Bingham, Acting Director of Communications (May 2023 to January 2024)
Revd Canon Dr Malcolm Brown, Director of Faith and Public Life
Debbie Clinton, Co-Director of Vision and Strategy
Simon Gallagher, Director of Central Secretariat
Revd Nigel Genders, Chief Education Officer
Rt Revd Chris Goldsmith, Director of Ministry Development (to August 2023)
Revd Guy Hewitt, Director of Racial Justice
Christine Hewitt-Dyer, Director of People
Hannah Howard, Director of Communications (from January 2024)
Alexander Kubeyinje, Director of Safeguarding
Revd Canon Nick McKee, Director of Ministry Development (from September 2023)
Revd Alexander McGregor, Head of the Legal Office and Chief Legal Advisor
Revd Canon David Male, Co-Director of Vision and Strategy
Rosie Slater-Carr, Chief Operating Officer, Church of England Central Services
David White, Deputy Director of Finance

Senior staff of Shared Services managed by other NCIs

Mark Barker, Finance Director (from January 2024)
Stephanie Harrison, Governance Project Director
Muir Laurie, Director of Risk and Assurance
Joanna Woolcock, Director of Finance (to January 2024), Director of Finance Transformation (from January 2024)

Offices and advisors

The Archbishops' Council advisors are listed below. All professional advisor appointments are regularly reviewed.

Registered office:	Church House, Great Smith Street, London SW1P 3AZ. Tel: 020 7898 1000
Investment managers:	CCLA Investment Management Limited, Senator House, 85 Queen Victoria Street, London EC2V 4ET Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU
Bankers:	Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN
Solicitors:	The Legal Office of the National Church Institutions of the Church of England, Church House, Great Smith Street, London SW1P 3AZ
Auditor:	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

People and Organisation

There are seven national administrative bodies that work together to support the mission and ministries of the Church. The Archbishops' Council is a joint employer with the other NCIs. It receives services from Church of England Central Services, which is also a joint employer.

Employee engagement

At the tail end of the year, we held a short pulse survey to measure how employees felt about working at the NCIs. More than 600 people completed the survey, making it the largest survey of staff opinion carried out by the NCIs, adding richness to the day-to-day feedback we elicit and receive from our people. Over a six-year period, the percentage of positive responses to the statement 'I would recommend the NCIs as a good place to work' has risen from 65% in 2017 to 83% in 2023.

By the end of 2023 we had delivered on each of the ten commitments made in our Employee Engagement Action Plan. These targeted initiatives support our aim to be a workplace where everyone feels they belong, are valued for who they are and what they contribute, as well as helping to equip managers to develop their people and to deliver high quality services to support the Church. Some 94% of respondents to our latest survey understand how their work contributes to this goal.

Our values, behaviours, belonging and inclusion

During 2023 we refreshed, relaunched, and embedded our NCI values, focussing on generous behaviours and accountability. We engaged with over 250 of our people, including leaders and trustees, to find out where our shared values truly lie – what motivates us and what we have in common. Our refreshed set of values – confidently rooted in Christian tradition and context – are strive for excellence; act with integrity; respect others; show compassion; and collaborate.

We are in the middle of delivering our second Belonging and Inclusion action plan. Our Diversity and Inclusion Advisor provides additional capacity to manage triennium-funded projects to meet racial justice recommendations made in From Lament to Action. These include the establishment of career development opportunities to UKME/GMH and disabled colleagues, and an external end-to-end review of our recruitment processes.

Our first Confident Career programme hosted both 'open to all' and 'UKME/GMH only' cohorts and included 32 colleagues in more junior roles. Within two months of completion four participants successfully obtained promotion with many more reports of significant action taken regarding career development. Outputs from the recruitment review will include improvements to job descriptions, careers pages on our website and to our shortlisting, interviewing, and onboarding processes.

As part of our Mentoring and Learning action theme mandatory inclusion training for all staff is now in place, and 47 people are taking part in our fourth round of reciprocal mentoring, which started in November 2023. Our staff-led support networks continued to grow and evolve. As part of our Celebration and Stories theme, a regular programme of webinars and events, personal stories and reflections, blogs, and interviews provide colleagues with a platform to share their perspectives and experiences.

In November, we won an award for 'Support during the Pandemic' at the 2023 Mental Health Tick's Awards. Our team of Mental Health First Aiders continue to provide professional and compassionate support to colleagues. Financial wellbeing is a new area of focus, with briefing sessions covering personal finances and workplace pensions held.

We hosted confidential open space forums for staff during the year to coincide with debates around Living in Love and Faith at General Synod. And at the same time, encouraged leaders and managers to acknowledge the emotional toll, particularly on LGBTQI+ colleagues, and issued clarity that homophobia will not be tolerated at the NCIs.

Learning and development

In 2023 we overhauled the induction we give to people joining the NCIs to ensure new starters feel welcome and equipped from day one. The new process continues through the first three months in the job, and covers our organisational purpose and structure, our values, belonging and inclusion, staff networks, wellbeing, hybrid working, learning, and systems. The new People System (see below) enables new joiners to self-manage attendance at, and completion of, mandatory induction days and training courses on safeguarding, health and safety, and cyber security.

In May, we celebrated Learning at Work Week with professional development workshops including sessions specifically for women and

under-represented groups working in non-managerial roles at the NCIs. We are also investing in our line managers and senior leaders. Our Confident Manager and Confident Leadership training was attended by 78 line managers and senior leaders in 2023.

Transforming our effectiveness

At the end of March, the new People System for the Church of England went live for clergy and NCI staff. This second phase of the project replaced the legacy HR and payroll system that had reached the end of its supported lifecycle. The People System has been operating since May 2021 and is the secure system that holds the information presented in the National Register of Clergy.

Connected to this, work is under way to improve the financial processes and systems across the NCIs. This will include implementing new systems for finance and grant management and streamlining ways of working to improve efficiency and to enable teams to collaborate more effectively.

Working environment

At Church House, Westminster, where most people employed by the Archbishops' Council are based, we ended the year by moving into refurbished office space following a two-year project. The new office is designed to support hybrid working and encourage behaviours that enable greater collaboration and a more efficient and inclusive working

environment. As well as refurbishing the office we are reducing our carbon footprint and reducing our overheads by occupying a smaller footprint in the building. This is enabling our landlord, the Corporation of the Church House, to generate additional revenue for the Church from commercial rents.

Addressing our Gender Pay Gap

Our report for 2023 contains a mixture of encouragement and a reminder that we have further to go before we achieve gender pay parity. A near five percentage point drop brings our median gender pay gap down to 18%. This is the lowest our median pay gap has been since we began reporting in 2017. Our mean gender pay gap remained static, also at 18%.

NCI trustees, chief officers, senior managers, and trade unions remain committed to the ongoing work on Belonging and Inclusion described above, including gender equality. We continue to focus on changes that will pave the way for sustainable long-term changes, such as our move to a single national pay scale.

Summary of our people

At the end of 2023, a total of 197 staff (full-time equivalent) had the Archbishops' Council as their managing employer or were directly funded by it. This represented 26% of staff at the NCIs. In June, the Archbishops' Council announced the appointment of Revd Canon Nicholas McKee as the new

People and Organisation | continued

Director for Ministry.

The NCIs ended 2023 with 763 employed staff, compared to 679 at the end of 2022. This is due to a combination of a net increase in the overall workforce and a reduction in overall turnover which fell from 19% in 2022 to 13% in 2023.

Across the NCIs, the ratio of female to male employees increased from 58% and 42% respectively in 2022, to 59% and 41% in 2023. The percentage of women in senior positions within the Archbishops' Council was 48% compared to 44% for the NCIs overall.

The percentage of people who classed themselves as black or minority ethnic within the Archbishops' Council was 14.3% (2022: 14.9%) compared with overall representation of 17.4% (2022: 18.3%) across the NCIs. The percentage of people who classed themselves as having a disability within the Archbishops' Council was 13.5% compared to 9.4% for the NCIs overall.

Staff remuneration and executive pay

All the staff of the Archbishops' Council are covered by a unified pay and grading policy that operates across all the NCIs. The policy is designed to ensure the same level of pay for all staff in posts with work of equal value based on eight bands. For certain staff with specialist skills, typically those whose role requires them to hold a professional qualification, a market adjustment may be applied,

the value of which is determined by reference to the lower quartile and median of market related salaries and is subject to annual review.

The NCIs are an accredited Living Wage employer and ensure all staff - including apprentices, interns, and those on training schemes - receive the appropriate living wage for their location.

A number of senior roles, including those of the Chief Executives, sit outside the banding system, as the skill sets required to fulfil the roles are not readily measured within the NCIs' standard job evaluation system. Salaries for these roles are set individually with reference to the wider marketplace. This process is overseen by the Remuneration Committee, comprising trustees from each of the NCIs as part of the Joint Employment and Common Services Board (JECSB). In general, these staff can expect the same percentage annual uplift as those on the NCI bands. The amount paid to the highest member of staff in the Council is 6.25:1 (2022: 7:1) times the salary earned by the lowest paid member of staff and 3.63:1 (2022: 3.6:1) times the median salary.

Staff pensions

The staff of the Archbishops' Council are either members of the Church Administrators Pension Fund defined benefit section (if employed before July 2006), or a separate defined contribution arrangement if employed subsequently. Employer contribution rates range from 8% to 18% depending on age and

additional voluntary contributions made. Trustees recently agreed to encourage new staff to take advantage of our matched additional voluntary contributions scheme and to offer further ethical pension scheme choices in 2024.



Risk Management

The Council reviews the principal and operational risk registers and risk management arrangements of the Archbishops' Council at least annually.

Principal Risks and Uncertainties

The risk management process of the Archbishops' Council is designed to support effective management in identifying and assessing significant risks that may impede the achievement of objectives. This support aids the Council in optimising resource utilisation, detecting threats early, and fostering communication between staff and management. The risk management policy of the National Church Institutions (NCIs) and the accompanying process delineate the roles and responsibilities of directors, trustees, management, and staff.

Every identified risk is assigned a dedicated risk owner tasked with ensuring that the scoring accurately reflects the prevailing risk environment. The scoring undergoes scrutiny using the methodology established by the Charity Commission, with the Risk and Assurance Team facilitating and overseeing the risk management process.

The Archbishops' Council's Board conducts review of the strategic risk register and risk management arrangements bi-annually. Collaborating with the Risk and Assurance Team, the Board reviews the strategic risk register with the

respective risk owners, ensuring a precise depiction of existing risks and ongoing assurance regarding the adequacy of current risk management measures. These processes undergo independent review through internal audit procedures and are reported to the Audit & Risk Committees of the NCIs as part of the Archbishops' Council's commitment to advancing the vision and strategy of the Church of England.

Cyber security has been a key focus in 2023. As well as the annual recertification in Cyber Essential Plus, we have set up a new pan-NCI Cyber Steering Group and conducted appropriate testing of core systems. New mandatory Cyber Security training has been introduced for all staff. This remains an area of focus and we remain vigilant of the constantly evolving cyber threat landscape. Ongoing geo-political disputes continue to impact and challenge the socio-economic circumstances of UK households.

Acknowledging these complexities, the Board has identified the principal risks below as the primary impediments to achieving the key objectives of the Archbishops' Council. Continuous mitigation and management actions are in place to diminish residual risk to an acceptable level.

The principal areas of risk for the Archbishops' Council, as agreed by the trustees, are:

Principal Risk Area	Key Management Actions and Plans
<p>Safeguarding</p> <p>Failure to deliver core safeguarding projects and to properly embed safeguarding policies and practice across the Church.</p>	<ul style="list-style-type: none"> • NST Programme Board established in June 2021 to monitor progress against projects to deliver a range of safeguarding initiatives including, the IICSA recommendations, Past Case Reviews, and the delivery of a national casework management system. • Interim Support scheme put in place to help Survivors in urgent and immediate need. • Survivor Engagement Survey completed. • Development of policies, training, quality assurance and culture change to improve national, diocesan, and local safeguarding capability. • Piloting of a new Case Management System.
<p>Ministry</p> <p>Inability to balance the supply and demand for both clergy and lay ministers, whilst working with Dioceses to provide both the quality and diversity of ministers to support the delivery of mission aim.</p>	<ul style="list-style-type: none"> • Covenant for Clergy Care and Wellbeing adopted by General Synod. • Continuing close working with dioceses in relation to resource and financial planning, to ensure sufficient posts for stipendiary curates. • Development of proposals and plans on lay leadership. • Implementation of family friendly policies. • Maintain effective and accessible BAME mentor network capacity. • Finalise & implement Resourcing Ministerial Formation proposals. • National push on vocations planned for 2024. • Implementation of Shared Discernment Process.
<p>Younger and More Diverse</p> <p>Failure to grow worshipping communities that are younger and more diverse.</p>	<ul style="list-style-type: none"> • Establishment of Growing Faith Foundation in 2022 which aim to deliver a 15% increase in children and young people who are active disciples in the Church of England. • Disability Advisory group funding • Funding streams have been amalgamated under one new board (SMMI Board) • Plans to support dioceses in their work to foster established and new churches reaching a significant number of active young disciples. • Establishing a pilot group for the development of Worshipping Communities in schools.

Risk Management | continued

Principal Risk Area	Key Management Actions and Plans
Governance Complexity of the existing governance structure inhibits the achievement of Archbishops' Council priorities and impacts upon its ability to deliver change at pace.	<ul style="list-style-type: none"> • Board Effectiveness Review of Archbishops' Council completed • Work begun on the next phase of the Governance programme • Settled AC Audit & Risk Committee
Reputation Reputational impact around contentious and divisive issues.	<ul style="list-style-type: none"> • Consolidation of a number of functions to create a more connected approach to interacting with and responding to key stakeholders across policy and government relations, faith relations and externally funded social projects. • Dedicated Communications Team and Communications Strategy.
Financial Pressures Increased financial pressure on the Archbishops' Council as a result of increased demand for support.	<ul style="list-style-type: none"> • Continued engagement with dioceses and other Church bodies to understand their financial health and ongoing financial challenges post pandemic. • Budget setting and monitoring, to control expenditure and target resources. • National Giving Strategy 2020-25, with further resources being developed to support clergy and laity with digital giving. • Triennium Funding Working Group finalised the funding levels for the next triennium (2023-2025). • Grant Management process updated to ensure appropriate governance.
Volume of major projects Competing demands for staff time coupled with the volume of change initiatives, result in the failure to deliver major change programmes, as well as impeding the delivery of significant business as usual strands of work.	<ul style="list-style-type: none"> • Emerging Church Steering Group established to monitor programme and progress made towards key milestones. • Dedicated project resource sourced where necessary. • Emerging Church of England work ongoing with a key focus being on delivering simpler governance structures and transforming our national operating model. • Regular review of AC project portfolio with feedback to SMG and Project Review Board. • V&S Teams working collaboratively with the Ministry Development and Education & Growing Faith.

Principal Risk Area	Key Management Actions and Plans
<p>Vision and Strategy</p> <p>Inability to deliver upon the goals of the Vision and Strategy, as strategic initiatives do not achieve the desired growth trajectory.</p>	<ul style="list-style-type: none"> Established Vision & Strategy Team Funding allocation criteria have been aligned to the principles of the Vision and Strategy for the 2023-25 triennium. Close working with Bishops Diocesan Secretaries. Recruitment of a Network of Champion Bishops to support the delivery of the Vision and Strategy.
<p>Spiritual Renewal</p> <p>Failure to be a Church that is centred upon Jesus Christ.</p>	<ul style="list-style-type: none"> Ongoing recruitment of Missionary Disciples to Diocese Network of Champion Bishops established Objectives and Business Plans developed to deliver the vision & strategy of being a Church for all people. Weekly Children and Young people online prayer meeting started Jan 2023 Thy Kingdom Come – annual prayer and spiritual renewal programme Everyday faith portal has been developed and expanded.

Trustee responsibilities in relation to the Financial Statements

As trustees, Council members are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

The law applicable to charities in England and Wales requires the Council to prepare financial statements each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for the period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

They are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the National Institutions Measure 1998. They are also responsible for safeguarding the assets of the Archbishops' Council and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 19 March 2024 and signed on its behalf by:

**The Most Reverend and Rt Hon
Justin Welby,
Archbishop of Canterbury.**



Independent Auditor's Report

to the Trustees of the Archbishops' Council

Opinion on the financial statements

We have audited the financial statements of the Archbishops' Council ('the charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 Charity's affairs as at 31 December 2023 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for 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 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.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect

thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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. This description forms part of our auditor's report.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on

the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, the Charity (accounts and Reports) Regulations 2008 and the National Institutions Measure 1998 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and the override of controls by management. Our audit procedures to respond to these risks included a review of the income recognition policy and cut-off (including procedures and discounting adjustments for long term agreements), enquiries of management, internal audit, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited

procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Statutory Auditor
London
United Kingdom
Date: 18 April 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2023

		Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2023 £'000	Total 2022** £'000
	Notes					
Income from:						
Grants, donations and legacies	2	20,079	163,681	160	183,920	150,788
Charitable activities	3	1,749	33	-	1,782	2,295
Investment income	4	1	215	116	332	149
Total income		21,829	163,929	276	186,034	153,232
Expenditure on:						
Charitable activities	5	(21,219)	(159,516)	(1,712)	(182,447)	(152,486)
Total expenditure		(21,219)	(159,516)	(1,712)	(182,447)	(152,486)
Total income less expenditure before gains on investments		610	4,413	(1,436)	3,587	746
Gains / (losses) on investments	10	163	36	2,391	2,590	(3,956)
Net income / (expenditure)		773	4,449	955	6,177	(3,210)
Transfers between funds	15	(602)	1,102	(500)	-	-
Net movement in funds		171	5,551	455	6,177	(3,210)
Total funds at 1 January	15	8,843	9,754	31,739	50,336	53,546
Total funds at 31 December	15	9,014	15,305	32,194	56,513	50,336

The income, expenditure and other recognised gains and losses all relate to continuing operations, none of which were acquired during the year.

The notes on pages 64 to 88 form part of these financial statements.

**** See following page for full breakdown of the prior year's Statement of Financial Activities.**

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2022

		Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022
	Notes	£'000	£'000	£'000	£'000
Income from:					
Grants, donations and legacies	2	17,550	133,238	-	150,788
Charitable activities	3	2,172	40	83	2,295
Investment income	4	12	43	94	149
Total income		19,734	133,321	177	153,232
Expenditure on:					
Charitable activities	5	(20,577)	(131,062)	(847)	(152,486)
Total expenditure		(20,577)	(131,062)	(847)	(152,486)
Total income less expenditure before gains on investments		(843)	2,259	(670)	746
Losses on investments	10	(167)	(37)	(3,752)	(3,956)
Net (expenditure) / income		(1,010)	2,222	(4,422)	(3,210)
Transfers between funds	15	1,781	474	(2,255)	-
Net movement in funds		771	2,696	(6,677)	(3,210)
Total funds at 1 January	15	8,072	7,058	38,416	53,546
Total funds at 31 December	15	8,843	9,754	31,739	50,336

The income, expenditure and other recognised gains and losses all relate to continuing operations, none of which were acquired during the year.

The notes on pages 64 to 88 form part of these financial statements.

BALANCE SHEET

As at 31 December 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Investments	10	33,283	32,490
Programme related investments	11	8,789	5,480
Intangible fixed assets	12	1,304	787
Total fixed assets		43,376	38,757
Current assets			
Debtors: amounts due within one year	13	85,791	66,173
Cash equivalents		4,194	4,192
Cash at bank and in hand		4,280	5,478
Total current assets		94,265	75,843
Non-current assets			
Debtors: amounts due after one year	13	102,300	85,833
Current liabilities			
Creditors: amounts falling due within one year	14	(81,128)	(63,644)
Net current assets		13,137	12,199
Total assets less current liabilities		158,813	136,789
Non-current liabilities			
Creditors: amounts falling due after one year	14	(102,300)	(85,833)
Net assets excluding pension deficit recovery liability		56,513	50,956
Defined benefit pension scheme liability	16	-	(620)
Total net assets		56,513	50,336
Funds of the charity			
Unrestricted funds:			
General fund	15	2,776	2,365
Designated funds	15	6,238	7,098
Pension deficit reserve	15	-	(620)
Total unrestricted funds		9,014	8,843
Restricted funds	15	15,305	9,754
Endowment funds	15	32,194	31,739
Total funds of the charity		56,513	50,336

The financial statements were approved by The Archbishops' Council on 19 March 2024 and signed on its behalf by:

The Most Reverend and Rt Hon Justin Welby, Archbishop of Canterbury

Carl Hughes, Chair of the Finance Committee

The notes on pages 64 to 88 form part of these financial statements.

CASH FLOW STATEMENT

For the year ended 31 December 2023

	2023 £'000	2022 £'000
Cash flow from operating activities:		
Net income for the year (as per the statement of financial activities)	6,177	(3,210)
Gains / (losses) on investments	(2,590)	3,956
Investment income	(332)	(149)
(Increase) in debtors	(36,085)	(11,655)
Increase in creditors	33,952	9,330
Depreciation of intangible fixed asset	77	-
Impairment of fixed asset investment	242	
Decrease in pension liability	(620)	(522)
Net cash flow provided by / (used in) operating activities	821	(2,250)
Cash flows from investing activities:		
Investment income	332	149
Purchase of fixed asset investments	(3,551)	(1,781)
Sale of fixed asset investments	1,797	4,050
Purchase of intangible fixed asset	(595)	(574)
Net cash flow provided by / (used in) investing activities	(2,017)	1,844
Change in cash and cash equivalents in the year	(1,196)	(406)
Cash and cash equivalents at the start of the year	9,670	10,076
Cash and cash equivalents at the end of the year	8,474	9,670
<i>Analysis of cash and cash equivalents and net debt</i>		
Cash equivalents	4,194	4,192
Cash at bank and in hand	4,280	5,478
Total cash and cash equivalents and net debt	8,474	9,670

The notes on pages 64 to 88 form part of these financial statements.

1. Accounting policies

(a) Legal status

The Archbishops' Council is a statutory body established by the National Institutions Measure 1998 and was registered as a charity on 25 March 1999.

(b) Basis of preparation

The charity's financial information has been prepared in accordance with:

- Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102");
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the SORP"); and
- the Charities Act 2011.

The Council meets the definition of a Public Benefit Entity ("PBE") as set out in FRS 102, and therefore applies the PBE prefixed paragraphs in FRS 102. The financial information has been prepared on the historical cost basis (except for the revaluation of investments) and on the accruals basis.

(c) Significant judgements and estimates

The Council's key judgements and estimates, which have a significant effect on the amounts recognised in the financial statements, are described in the accounting policies and are summarised below:

- Pension deficit liabilities - estimations surrounding the recognition of the Charity's defined benefit pension deficit liabilities. Further details are disclosed in notes 1(j) and 14.
- Carrying value of programme related investments – Judgment will be applied in ascertaining whether or not indicators of impairment exist at year end and if so, what the impairment figure should be.
- Value of debtors and creditors due after more than one year – A judgement is applied in determining the appropriate discount rate to apply. Further details are disclosed in note 1(g). If the discount rate were to increase by 0.25%, the value of debtors and creditors would decrease by £695k (2022: £586k)
- The analysis between short and long term liabilities – Judgment is applied in ascertaining the likely cash flow in relation to grant payments to dioceses and other grant recipients, on an annual basis. This is based on historic annual spend levels and adjusted for delays in anticipated expenditure as a result of COVID-19.

(d) Going concern

The trustees have reasonable expectation that the Council has adequate resources and cash flows to meet spending commitments for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and accounts. The Council has evaluated the nature of its key sources of income, particularly including distributions made by the Church Commissioners, apportionment contributions made by dioceses and grants from other bodies. It has considered the charity's ability to withstand a material fall in income and the mitigating actions which could be taken in such a scenario including the types of expenditure which could be reduced or delayed. It has also analysed the strength of the available reserves and liquid assets, including modelling the effect of a significant reduction in investment values. The Council considers that it has sufficient reserves to withstand such an eventuality, taking account of restricted funds with sufficiently broad purposes to fund the majority of the Council's operating expenditure if required.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets (see the "Investment Policy and use of Restricted Funds" and "Risk Management" sections of the trustees' annual report for more information).

(e) Funds structure

Unrestricted funds

General Funds are funds of the Council which can be used for its general charitable objects to coordinate, promote, aid and further the work and mission of the Church of England.

Designated Funds are funds which the Council has earmarked for a particular purpose. There are no legally binding restrictions on them and the Council is free to re-designate these funds should this be appropriate. The purpose of each designated fund is disclosed in the statement of funds (note 15).

1. Accounting policies (continued)

Restricted funds

Restricted Funds are subject to specific conditions imposed by the donor, these conditions being legally binding upon the Council.

Endowment funds

Permanent endowment funds are created when a sum of money is received from a donor who specifies that it must not be spent as if it were income. Usually the donor will instruct that the sum of money must be invested, and the income generated must be spent on certain specified purposes.

Expendable endowment funds are sums of money donated where there is a power to convert the capital of the fund to income at the trustees' discretion.

Further details of each fund are shown in note 15.

(f) Income recognition

All income is recognised when the Council is legally entitled to the income, it is probable the income will be received, and the amount can be measured reliably.

Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, it is confirmed that there are sufficient assets to pay the legacy, and there are no conditions attached to the legacy that are outside the control of the Council. Values are reviewed and adjusted up to the point of accounts approval.

(g) Grant recognition

An agreement is in place whereby the Church Commissioners provide funding to match the grant payments made to dioceses and certain other grant recipients. As a result, income is accrued at the year-end (note 13) to match these grant commitments made by the Council (note 14).

Grants awarded are recognised when a firm commitment to provide funding is made and there is evidence of a constructive obligation to the beneficiary. Details of the Council's grant making activities are outlined in note 6. Any ministry training maintenance grants for the Lent term of the following year, paid in the current year, are accounted for as prepayments.

The long-term debtor and creditor balances are discounted to present value. The discount rate applied uses Bank of England spot curve data to calculate the expected future yield on the assets earmarked for making these grant payments.

(h) Expenditure recognition

Expenditure and liabilities are recognised when a legal or constructive obligation exists to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

The Council's expenditure on charitable activities is described in note 5. Grants awarded (note 6) are allocated directly to activities. Direct costs (note 7) and support costs (note 8) are apportioned according to an activity-based time split.

Investment managers' fees are not disclosed within expenditure. The Council's investments are principally held in collective investment schemes. Fees levied on the schemes are allocated by the schemes to income and capital prior to distribution to fund holders, therefore investment income and realised gains are shown net of applicable fees.

(i) Fixed assets

Investments: Investment funds (note 10)

Investment funds are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Net gains and losses arising on revaluation and disposals throughout the year are recognised in the SOFA. The Council does not acquire put options, derivatives or other complex financial instruments.

All investments are invested on an accumulation basis (except for investments held within permanent endowment funds).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

1. Accounting policies (continued)

Investments: Programme related investments (note 11)

The Council recognises its programme related investments at their initial cost, less any impairments. The council recognises concessionary loans at the sum advanced less any provision considered necessary for sums that may prove to be irrecoverable.

Intangible Fixed Assets (note 12)

Amortisation

Costs incurred on acquiring or enhancing intangible assets are capitalised. Staff costs that relate to the development of intangible assets are capitalised, including related tax and social security payments. Amortisation is charged on a straight line basis over the estimated useful life of the asset, as set out below:

- Software 20%

(j) Pensions

Staff pensions are described in note 16. Defined benefit schemes are considered to be multi-employer schemes as described in FRS 102 paragraph 28.11 as assets cannot be accurately allocated between the member organisations. Consequently the schemes are accounted for as if they were defined contribution schemes, where employer contributions payable in the year are charged to expenditure. The National Church Institutions' (NCIs) pension scheme liability is calculated by actuaries Lane Clark and Peacock (LCP) LLP. The Church of England Pensions Board took advice from LCP and have determined the method and assumptions to use for this valuation in consultation with the employers. The valuation adopts the 'projected unit method', under which the technical provisions are calculated as the amount of assets required as at the valuation date to meet the projected benefit cash flows, based on benefits accrued to the valuation date and the various assumptions made.

The pension fund faces a number of risks. In particular, the actual returns on the fund's assets may prove to be higher or lower than those anticipated in the calculation of the technical provisions. The greater the returns anticipated, the greater is the chance that actual returns will be lower, leading to the need for additional employer contributions in the future. Similarly, there is the risk that the other assumptions adopted are not borne out by future experience. A liability is recorded within provisions for any contractual commitment to fund past service deficits.

(k) Leases

Rent paid in relation to operating leases is charged to the SOFA in equal amounts over the period of the lease. All leases are operating leases as the risks and rewards of ownership have not transferred to the Council.

(l) Taxation

The Council, as a registered charity, is exempt from taxation on its income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to their charitable purposes. In common with many other charities, the Council is unable to recover the entirety of Value Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

(m) Related parties

The Church of England is governed by a large number of legally independent bodies in its parishes, cathedrals and dioceses as well as at national level. These bodies, with the exception of those set out below, are not related parties as defined in the Charities SORP or Section 33 of FRS 102. Transactions and balances with these bodies are accounted for in the same way as other transactions and, where material, are separately identified in the notes to the financial statements.

The Council, together with the Church Commissioners and the Church of England Pensions Board are equal partners in Church of England Central Services (ChECS), a joint venture (jointly controlled entity). The Council's interest in ChECS is not consolidated as the Council is not a group. Any balances owing to or from ChECS are recorded in debtors/creditors. Further detail is provided in note 19.

The Council is also a related party to the following pension funds, operated by the Church of England Pensions Board: Church of England Funded Pension Scheme; Church Administrators Pension Fund, Church Workers Pension Fund. Details about the pension funds, including contributions paid, are given in note 16.

The Council, together with the Catholic Trust for England and Wales, jointly controls Safe Spaces England and Wales which meets the definition of a programme related investment. Further information is given in notes 10 and 19.

(n) Cash at bank and in hand and cash equivalents

Cash at bank and in hand includes deposits which can be withdrawn within 24 hours without penalty. Cash equivalents include deposits which have a maturity period of 3 months or less and are not subject to significant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

2. Income from grants, donations and legacies

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2023	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Grants received from:								
Church Commissioners	11,156	140,852	-	152,008	7,630	116,748	-	124,378
The Pilgrim Trust	-	-	-	-	-	325	-	325
Cathedral and Major Churches Grant Scheme	-	(278)	-	(278)	-	(43)	-	(43)
Corporation of the Church House	-	510	-	510	-	1,752	-	1,752
Others	(19)	285	-	266	(60)	395	-	335
Discounting adjustment	-	(83)	-	(83)	-	(7,737)	-	(7,737)
Total grants received	11,137	141,286	-	152,423	7,570	111,440	-	119,010
Contributions from dioceses	8,627	21,787	-	30,414	9,035	21,150	-	30,185
Legacies	312	3	145	460	910	16	-	926
Other donations	3	605	15	623	35	632	-	667
Total income from donations and legacies	20,079	163,681	160	183,920	17,550	133,238	-	150,788

Grant income from the Church Commissioners

Restricted grant income from the Church Commissioners is used by the Council to support investment in the spiritual and numerical growth of the Church, with funds earmarked for the support and development of mission in the lowest income communities, and for new growth opportunities in the Church. From the start of 2023, new grant streams have provided for (amongst other things) work on racial justice, disability funding and carbon net zero grants (see note 6 for details). The Strategic Development Funding (SDF) stream and various funding streams to support ordained ministry have been replaced by the Diocesan Investment Programme (DIP) and People and Partnerships Funding (P&P), which will continue to provide funding for the Church particularly in the poorest parts of the country, in line with the Church's Vision and Strategy for the 2020s.

Grant income from Cathedral and Major Churches Grant Scheme

In 2020 and 2021 the Council was awarded grant funding from the Government's Cultural Recovery Fund to be spent on cathedral and major church projects before June 2022. A minority of the grants awarded did not spend the full grant awarded in time and therefore grants were required to be repaid. The Council has met this cost in cases where it was impractical or uneconomic to reclaim the funds from grantees.

For related grant expenditure, see notes 5 and 6(c) for further information.

Grant from Corporation of the Church House

The Corporation awarded the Council grants of £510k in 2023 (2022: £1.75m) which the Council used to support its Racial Justice work and a Church Near You (2022: Safeguarding work).

Discounting adjustment

The adjustment shown is the difference between the discounting required on grants receivable at the beginning and end of the financial year. The principal reason for changes in the discounting adjustment shown above is changes in the discount rates used.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2023	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Accommodation – income from sub-tenants	806	-	-	806	1,142	-	-	1,142
Church House Publishing	239	-	-	239	249	-	-	249
Conferences and courses	244	-	-	244	264	-	-	264
Other income	460	33	-	493	517	40	83	640
Total income from charitable activities	1,749	33	-	1,782	2,172	40	83	2,295

4. Income from investments

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2023	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dividends	-	-	105	105	-	-	97	97
Interest on cash and deposit funds	1	215	11	227	12	43	(3)	52
Total income from investments	1	215	116	332	12	43	94	149

5. Expenditure on charitable activities

	Grants awarded	Direct costs	Support costs	Total 2023	Grants awarded	Direct costs	Support costs	Total 2022
	Note 6	Note 7	Note 8		Note 6	Note 7	Note 8	
Charitable objective	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
A Younger Church	17,413	545	195	18,153	3,089	440	151	3,680
A More Diverse Church	43,878	3,214	1,149	48,241	35,542	1,753	603	37,898
Revitalise parishes	70,777	7,731	2,761	81,269	72,640	7,124	2,446	82,210
New Christian Communities	7,671	3,669	1,311	12,651	8,924	2,812	966	12,702
Missionary disciples	4,444	1,585	566	6,595	4,295	2,332	801	7,428
Safety and dignity	745	6,065	2,164	8,974	1,276	5,109	1,757	8,142
Sustainability	5,816	551	197	6,564	-	317	109	426
Total charitable expenditure	150,744	23,360	8,343	182,447	125,766	19,887	6,833	152,486

See note 15 for an analysis of expenditure on charitable activities by fund.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

5. Expenditure on charitable activities (continued)

Charitable expenditure is allocated according to the Archbishops' Council's 7 objectives:

An evangelising Church for everyone through:

1. Doubling the number of children and young active disciples in the Church of England by 2030 ("A Younger Church")
2. A Church of England which fully represents the communities we serve in age and diversity (including disability, race and deprivation) ("A More Diverse Church")
3. A parish system revitalised for mission so there is a pathway for everyone into an accessible and contextual expression of church ("Revitalise Parishes")
4. Creating 10,000 new Christian communities across the four areas of home, work/ education, social and digital ("New Christian Communities")

Empowered by a Church of missionary disciples:

5. All Anglicans envisioned, resourced and released to live out the five marks of mission in the whole of life, bringing transformation to the Church and the world. All local churches, supported by their dioceses, becoming communities and hubs for initial and ongoing formation ("Missional Disciples")
6. A Church that affirms the dignity of all people by being a safe place for all children and vulnerable adults ("Safety and dignity")
7. A Church that cherishes God's creation and leads by example in promoting sustainability ("Sustainability")

6. Grant making

A full list of grants awarded to institutions is available on the website: [Archbishops' Council | The Church of England](#)

Long-term grant funding is discounted to reflect the net present value of future payments. The discount rate used varies based on the time until the creditor is due to be settled.

Diocesan Investment Programme funding (DIP) is a new funding stream for 2023, replacing several previous grant streams, with the aim of funding local plans via dioceses to build and grow the Church in accordance with the Vision and Strategy for the 2020s. Dioceses are required to provide the Council with details of how they have spent the monies. DIP projects have been reported under each relevant charitable expenditure category in (a) to (g) below. A full analysis of DIP funding is provided at the end of note 6 for completeness.

a) A Younger Church

	2023	2022
	£'000	£'000
Diocesan Investment Programme Funding awarded (to 10 dioceses (2022: 0 dioceses))	17,427	-
Strategic Development Funding grants (to 0 dioceses(2022: 2 dioceses))	-	533
People and Partnerships grants awarded (to 3 organisations (2022: 3 organisations))	993	1,532
Education grants to (1 organisation (2022: 1 organisation))	15	30
Growing Faith Foundation grants	-	1,269
Other grants	3	29
Total grants awarded for A Younger Church before discounting	18,438	3,393
Discounting adjustment	(1,025)	(304)
Total grants awarded for A Younger Church	17,413	3,089

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

6. Grant making continued

b) A More Diverse Church

	2023	2022
	£'000	£'000
Lowest Income Communities (LinC) funding (to 29 dioceses (2022: 28 dioceses))	29,300	28,298
Transition funding (2017-2026) (to 17 dioceses (2022: 17 dioceses))	4,160	5,302
DIP grants awarded to 3 dioceses (2022: 0 dioceses)	5,069	-
SDF grants awarded (2022: 1 diocese)	-	2,182
Grants awarded to Church Urban Fund	203	203
Racial Justice grants awarded to 10 dioceses, 6 institutions and 15 individuals (2022: nil)	5,300	-
Disability Funding grants awarded to the diocese coordinating the programme	142	-
Other grants	106	133
Total grants awarded for A More Diverse Church before discounting	44,280	36,118
Discounting adjustment	(402)	(576)
Total grants awarded for A More Diverse Church	43,878	35,542

LinC funding provides funding for mission in communities with the lowest incomes. The distribution of funds is formula-based – the allocation method begins by assessing the average income of the residents of each diocese. The funding goes to dioceses whose residents have an income below the national average. The Council has provided dioceses with an illustration of the sums it hopes to be able to grant in Lowest Income Communities Funding and Transition Funding in 2024 (£30.1m and £2.7m respectively). It was communicated to dioceses that these grants will only be made if the Church Commissioners provide the Council with the necessary funding in the year, and so these amounts are not included as liabilities within the financial statements.

Transition funding is distributed (at a declining rate over ten years from 2017) to dioceses whose funding for the support of the lowest income communities is less than under the previous 'Darlow' grant funding method which ended in 2016.

The Racial Justice fund offers grants to dioceses and other institutions to make targeted interventions in the area of racial justice.

Disability funding is available for dioceses and other institutions to undertake work to widen access to the Church community, and positions of leadership, for those with disabilities.

c) Revitalise Parishes

	2023	2022
	£'000s	£'000s
Grants awarded for development of Church buildings for worship and service:		
Grants funded by the Pilgrim Trust (to 109 institutions (2022: 88 institutions))	180	196
Grants funded by the Cathedral and Major Churches Grant Scheme (to 8 institutions (2022: grants written back))	104	(262)
Buildings for Mission (grants awarded to 41 dioceses and 3 institutions)	9,237	-
Other cathedral grants	37	27
Total grants awarded for development of Church buildings for worship and service	9,558	(39)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

6. Grant making continued

	2023	2022
	£'000s	£'000s
Other grants awarded:		
Grants for clergy retirement housing (to the Church of England Pensions Board)	14,846	5,567
Grants for ministry training (to 3 individuals and 73 institutions (2022: 7 individuals and 73 institutions))	13,264	15,673
DIP grants awarded (to 35 dioceses (2022: 0 dioceses))	30,866	-
SDF grants awarded (to 1 dioceses (2022: 4 dioceses))	83	5,315
Strategic Transformation Funding (2022: 17 dioceses)	(76)	11,062
National Giving Strategy (2022: 5 dioceses)	(134)	614
Sustainability Funding (2022: 12 dioceses)	(25)	4,329
Strategic Ministry Funding (2022: 25 dioceses)	(141)	10,399
Energy Cost Grants (to 1 institution (2022: 42 dioceses and 11 institutions))	10	15,092
Ministry Hardship Grants (2022: 42 dioceses and 2 institutions)	-	3,000
Posts of first responsibility (to 20 dioceses (2022: 19 dioceses))	1,443	4,315
Theological Education Institution fees support (2022: 14 institutions))	-	1,102
Parish Giving Scheme grants	500	-
Other grants	703	538
Total grants awarded for Revitalise Parishes before discounting	70,897	76,967
Discounting adjustment	(120)	(4,327)
Total grants awarded for Revitalise Parishes	70,777	72,640

The Cathedral and Major Churches Grant Scheme was awarded to the Archbishops' Council from the Government's Cultural Recovery Fund, to be administered by an Expert Panel. In 2022, a number of write backs occurred due to underspends on projects.

Grants awarded for ministry training were paid to Dioceses between September 2017 and August 2023. Ordinands entering training had their tuition fees and some allowances paid for by a block grant, given to dioceses according to the number and ages of their ordinands, irrespective of their pathway choice. Grant funding for Ministry training was recognised and paid over a period of up to three years, subject to successful completion of each term of training. From September 2023 the majority of these grants have been paid direct to Theological Education Institutions. The value of grant funding recognised in the year represents funding awarded for the period to the end of December 2023. If all ordinands in training at 31 December 2023 were to complete their training, the Council would award a further £15.5m in grants over the next 2.5 years. This is expected to be funded from future years' Training for Ministry diocesan apportionment income and Additional Ordinands grant funding from the Church Commissioners.

The Archbishops' Council provides funding to the Church of England Pensions Board to enable it to offer subsidised housing to retired clergy. The grant helps funds the repair, maintenance and other costs associated with properties available for retired clergy to rent or occupy under license.

Strategic Ministry Funding is intended to provide financial support to dioceses for growth in the number of clergy, including support for pensions and housing, in a tailored manner so that it is proportionately higher for those dioceses that need it most. No new grants have been made under this funding stream since the end of 2022 and the sum accounted for represents adjustments to and write backs from grants made in previous financial years.

Strategic Transformation Funding is for those dioceses facing financial difficulties wishing to undertake major restructuring programmes in order to better align with their strategic plans and make a significant difference to their mission and financial strength, in turn supporting the Church's sustainable growth. No new grants have been made under this funding stream since the end of 2022 and the sum accounted for represents adjustments to and write backs from grants made in previous financial years.

The National Giving Strategy funding is to support a new strategy over the next five years to encourage giving and generosity in churches. Grants are awarded to dioceses to help them implement this strategy. No new grants have been made under this funding stream since the end of 2022 and the sum accounted for represents adjustments to and write backs from grants made in previous financial years.

Sustainability Funding grants were awarded to dioceses to help mitigate the loss of income caused by the COVID-19 pandemic. No new grants have been made under this funding stream since the end of 2022 and the sum accounted for represents adjustments to and write backs from grants made in previous financial years.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

6. Grant making continued

Energy Cost Grants were awarded to dioceses to enable them to help Parochial Church Councils (PCCs) cover the increased cost of heating and lighting church buildings; and to provide targeted hardship support to clergy and other employed ministers to contribute towards household bills, in particular energy costs.

Ministry Hardship Support Grants were given to dioceses to enable them to provide targeted hardship support to clergy and other ministers in greatest need, in light of significantly increased costs of living.

Posts of First Responsibility Grants are an interim funding stream agreed in order to help dioceses fund curates who have completed their ordination training but been unable to secure a post of first responsibility. They are first incumbency roles where the preference is for them to become permanent.

Theological Education Institution (TEI) Fee Support is provided to support Theological Education Institutions through a period of low ordination candidate numbers. It is envisaged as a one-off arrangement required pending the implementation of new Resourcing Ministerial Formation funding arrangements.

Buildings for Mission funding is available to dioceses for urgent repair or improvement work to their churches, up to the value of £10,000 (or £12,000 for unlisted buildings).

A grant was made to the Parish Giving Scheme to support technology development in relation to direct debit processing and cyber security arrangements.

d) New Christian Communities

	2023	2022
	£'000	£'000
Innovation Funding to 1 diocese (2022: 10 dioceses and 8 institutions)	200	4,466
DIP grants awarded to 5 dioceses (2022: 0 dioceses)	3,335	-
SDF grants awarded to 1 dioceses (2022: 7 dioceses)	2,872	6,058
Total grants awarded for New Christian Communities before discounting	6,407	10,524
Discounting adjustment	1,264	(1,600)
Total grants awarded for New Christian Communities	7,671	8,924

Innovation funding is available for creative mission projects which seek to help the Church fully represent the communities we serve in age and diversity.

e) Missionary Disciples

	2023	2022
	£'000	£'000
Grants awarded from the Grants and Provisions Fund:		
Anglican Communion Office	626	626
Churches Together in England	150	150
Grants to 3 other institutions (2022: 3 other institutions)	216	291
Total grants awarded from the Grants and Provisions Fund	992	1,067
<i>Other grants awarded:</i>		
DIP grants awarded to 3 dioceses (2022: 0 dioceses)	1,751	-
SDF grants awarded to 2 dioceses (2022: 14 dioceses)	739	3,522
Mission Agencies Pension Contributions Fund	538	615
Other grants	17	21
Total grants awarded for Missional Disciples before discounting	4,037	4,158
Discounting adjustment	407	(930)
Total grants awarded for Missional Disciples	4,444	4,295

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

6. Grant making continued

The Church Commissioners are statutorily required under the Church of England Pensions Measure 2018 to meet the pension costs of clergy who are employed by those mission agencies which were Church of England members of the Partnership for World Mission at the time the Measure was passed. By agreement, the Council met the full cost of this liability, which was £538,000 (2022: £615,000). The contribution was made in respect of an average number of clergy of 72 in 2023 (2022: 66).

f) Safety and Dignity

	2023	2022
	£'000	£'000
Past Cases Review 2 (1 grant to 1 diocese (2022: 27 grants to 27 dioceses))	60	818
Interim support scheme (135 grants to 68 people (2022: 103 grants to 42 people))	685	458
Total grants awarded for Safety and Dignity	745	1,276

All 42 dioceses in the Church of England have been asked to conduct a review of past safeguarding cases, to build on the work of the previous past cases review which took place between 2007 and 2009 and was deemed not to be comprehensive enough. The Council has agreed to grant 50% of the total costs of such a review up to a maximum of £30,000 per diocese.

The Interim Support Scheme was established in 2020 to provide emergency support to survivors of Church-related abuse.

g) Sustainability

	2023	2022
	£'000	£'000
Net Zero Carbon grants (to 42 dioceses and 2 institutions)	6,027	-
Other grants	(4)	-
Total grants awarded for Sustainability before discounting	6,023	-
Discounting adjustment	(207)	-
Total grants awarded for Sustainability	5,816	-

Net Zero Carbon grants are available to dioceses to help them develop and initiate a net zero carbon action plan, along with other funding available for projects in schools, housing and cathedrals to support and enable the Church to reach its goal of net zero carbon by 2030.

Diocesan Investment Programme summary:

	2023	2022
	£'000	£'000
A Younger Church (to 10 dioceses (2022: 0 dioceses))	17,427	-
A More Diverse Church (to 3 dioceses (2022: 0 dioceses))	5,069	-
Revitalise Parishes (to 35 dioceses (2022: 0 dioceses))	30,868	-
New Christian Communities (to 5 dioceses (2022: 0 dioceses))	3,335	-
Missionary Disciples (to 3 dioceses (2022: 0 dioceses))	1,751	-
Total grants awarded under DIP before discounting:	58,540	-
Discounting adjustment	(3,877)	-
Total grants awarded under DIP:	54,663	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

6. Grant making continued

Strategic Development Fund summary:

	2023	2022
	£'000	£'000
A Younger Church (to 0 dioceses (2022: 3 dioceses))	-	532
A More Diverse Church (to 0 dioceses (2022: 1 diocese))	-	2,182
Revitalise Parishes (to 1 dioceses (2022: 4 dioceses))	83	5,315
New Christian Communities (to 1 dioceses (2022: 7 dioceses))	2,872	6,058
Missional Disciples (to 2 dioceses (2022: 15 dioceses))	739	3,522
Total grants awarded under SDF before discounting:	3,694	17,609
Discounting adjustment	2,618	(4,652)
Total grants awarded under SDF:	6,312	12,957

7. Direct costs

Charitable objective	Administration and central office costs	Department running costs	2023 Total	Administration and central office costs	Department running costs	2022 Total
	£'000	£'000	£'000	£'000	£'000	£'000
A Younger Church	121	424	545	77	363	440
A More Diverse Church	1,277	1,937	3,214	451	1,302	1,753
Revitalise Parishes	2,190	5,541	7,731	2,074	5,050	7,124
New Christian Communities	931	2,738	3,669	446	2,366	2,812
Missional Disciples	(114)	1,699	1,585	279	2,053	2,332
Safety and Dignity	647	5,418	6,065	497	4,612	5,109
Sustainability	164	387	551	54	263	317
Total direct costs	5,216	18,144	23,360	3,878	16,009	19,887

Direct costs are costs incurred by the Council to directly fund its charitable activities. Central costs are apportioned according to an activity-based time split. Administration and Central Office costs include costs associated with holding conferences and courses, costs associated with Church House Publishing, and other costs such as non-staff expenses. Department running costs include staff remuneration costs (per note 9), departmental legal and professional fees, plus other departmental expenses. Total legal and professional fees incurred by Archbishops' Council departments during 2023 were £4.7m (2022: £4.1m).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

8. Support costs

	Note	2023 Total £'000	2022 Total £'000
Support costs			
Accommodation		1,524	2,400
Finance Transformation Programme costs		1,463	150
Shared service costs		4,938	3,970
Total support costs		7,925	6,520
Governance costs			
Audit fees		76	43
Internal audit and risk management		260	149
Membership and committees		8	8
Total governance costs		344	200
Sub-Total		8,269	6,720
Movement on pension deficit provision			
Interest on provision	16	-	9
Re-measurement of provision	16	74	104
Total support and governance costs		8,343	6,833

Support costs are costs incurred by the Council for administering its charitable activities. These costs include salaries, other running costs and a share of overheads. Overheads are apportioned according to an activity-based time split.

Shared services are the Council's share of the costs incurred by Church of England Central Services (ChECS), a charitable joint venture between the Council, Church Commissioners and the Church of England Pensions Board established to facilitate the provision of cost-effective shared financial, legal and other services. During 2023 costs of £1.5m (2022: £150k) were incurred on the discovery and feasibility phase of a Finance Transformation Programme, the scope of which includes requirements gathering and selecting new grants management and finance systems.

The NCIs' Finance Transformation Programme aims to improve the financial processes and systems across the NCIs. This includes replacing the current finance system, introducing a new grants management system and the Pensions Finance Automation work which will enable the Church of England Pensions Board to offer a Collective Defined Contribution pension scheme. The programme will introduce streamlined processes that will result in improved efficiencies, greater collaboration and less reliance on manual processes.

Governance costs relate to the general running of the Council including supporting the work of its committees and audit costs. The external audit fees are quoted gross of VAT.

Expenses incurred by members in attending Council and committee meetings and on other business of the Council were reimbursed to 18 members (2022: 20) totaling to £8,300 (2022: £7,200). The members of the Council have no entitlement to salary or pension arising from their services to the Council.

9. Staff numbers and remuneration

The Council is joint employer, together with the other NCIs, of most of the staff of the NCIs, one of which is specified as their managing employer. The Chief Executive is employed directly by the Council.

The work of the Council is supported by staff in shared service departments managed by Church of England Central Services (ChECS) (see note 19) which provides finance, HR, communications, legal, IT and internal audit services to the NCIs. The SORP requirements are that the costs of staff employed by third parties who operate on behalf of the Charity should be disclosed in the accounts. In order to comply with the spirit of the SORP, the total costs of all ChECS staff are shown in the tables. The Council's share of their costs was £3.9m (2022: £3.6m).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

9. Staff numbers and remuneration (continued)

The cost of staff for which the Council is the managing employer and for ChECS (in total) was:

	Archbishops' Council		ChECS	
	2023	2022	2023	2022
	Number	Number	Number	Number
Average Number Employed	178	170	178	157
	£'000	£'000	£'000	£'000
Salaries	8,965	8,019	9,121	7,565
National Insurance Costs	1,027	963	1,046	947
Pension Contributions	1,203	1,046	1,263	1,542
Total cost of staff	11,195	10,028	11,430	10,054

Included in the Council's own staff costs is £nil (2022: £200,400) paid by way of redundancy costs to 0 (2022: 7) individuals. (Note – the ChECS pension contributions figures do not include the ChECS pension deficit contributions, the Council's share of which is accounted for on the Council's balance sheet).

The number of staff whose emoluments for the year fell in the following salary bands were:

	Archbishops' Council		ChECS	
	2023	2022	2023	2022
	Number	Number	Number	Number
£60,001 to £70,000	33	22	15	13
£70,001 to £80,000	7	9	9	6
£80,001 to £90,000	6	3	8	3
£90,001 to £100,000	2	2	1	2
£100,001 to £110,000	3	2	4	5
£110,001 to £120,000	-	1	2	1
£120,001 to £130,000	-	-	-	2
£130,001 to £140,000	-	-	1	-
£140,001 to £150,000	1	-	1	-
£190,001 to £200,000	1	1	-	-

Of the staff above managed by the Council, 41 (2022: 31) accrued benefits under the CAPF defined contribution scheme for which contributions for the year were £453,000 (2022: £312,000). A further 11 staff (2022: 6) accrued benefits under defined benefit schemes, with 6 (2022: 6) in the CAPF and 5 (2022: 0) in the CEFPS. Defined benefit contributions for the year for these staff were £159,000 (2022: £100,000).

Of the staff above managed by ChECS, 37 (2022: 29) staff members accrued benefits under the CAPF defined contribution scheme for which contributions for the year were £428,000 (2022: £328,000). The remaining 4 staff members (2022: 3) accrued benefits under a defined benefit scheme. Defined benefit contributions for the year for these staff were £97,000 (2022: £77,000).

The Council's senior executive leadership team comprises 15 individuals, for whom the Archbishops' Council was the managing employer of 9 individuals (2022: 11) and ChECS was the managing employer of 6 (2022: 8). Their aggregate remuneration, including pension contributions, was £1,741,000 (2022: £2,111,000).

Staff loans

Interest-free loans are made available to all staff for travel season tickets and for the purchase of bicycles and electric scooters.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

10. Investments

	2023	2022
	£'000	£'000
At 1 January	32,490	40,496
Disposals	(1,797)	(4,050)
Unrealised gains / (losses) on revaluation	2,590	(3,956)
At 31 December	33,283	32,490

Investment funds

Funds were principally held in collective investment schemes managed by Sarasin & Partners LLP and CCLA Investment Management Limited. Investments were held as follows:

	2023	2022
	£'000	£'000
Sarasin	22,552	21,895
CCLA	10,724	10,588
Other	7	7
At 31 December	33,283	32,490

The investment funds consisted of the following underlying assets:

	2023	2022
	£'000	£'000
Equities	23,674	22,568
Property	1,346	1,391
Index linked / Fixed interest securities	4,266	3,406
Infrastructure / Alternative	3,096	3,692
Cash and cash equivalents	901	1,433
At 31 December	33,283	32,490

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

11. Programme related investments

Two properties are held by the Council and meet the definition of 'programme related investments' as set out in the SORP. The properties meet the educational objects of the charity as they are both leased to charities which are obliged to maintain an Anglican ethos.

The freehold at Parkstead, Roehampton is leased to the Whitelands College Foundation on two long leases.

The freehold interest in St Katherine's College, Childwall, Wavertree, Liverpool is leased to Liverpool Hope University on a long lease.

Safe Spaces England and Wales (Safe Spaces) is a charitable jointly controlled entity between the Archbishops' Council and the Catholic Trust for England and Wales (CaTEW) and therefore also meets the definition of a programme related investment. Safe Spaces continues to operate but the Council's investment was fully written down by the year end.

The Social Impact Investment fund established in 2021 qualifies as a programme related investment, being funding made available by the Church Commissioners specifically to advance the missional objectives of the Church and particularly focussed on alleviating the effects of poverty through addressing housing needs, widening access to responsible finance and caring for the environment.

In addition in 2023, taking account of the unusual circumstances of a particular grant funding request, the Council made an interest free loan to a Diocesan Board of Finance. This transaction is accounted for as a programme related investment as it was advanced in order to enable the beneficiary to achieve key strategic aims which are in line with the Council's charitable purposes.

	2023	2022
	£'000	£'000
At 1 January	5,480	3,699
Additions – Social Impact Fund	959	1,781
Additions – Safe Spaces	242	356
Additions – Concessionary Loans (due after one year)	2,350	-
Impairment	(242)	(356)
At 31 December	8,789	5,480

As of 31 December 2023, £8.2m had been committed from the Council's Social Impact Investment Programme, of which £3.2m had been drawn down, leaving a further £5m committed with the aims of providing affordable finance to charities and social enterprises as they seek to tackle poverty and address homelessness for vulnerable people across the UK. This will be paid over in subsequent years.

Repayment of the concessionary loan to the diocese is due over the course of 24 years, to begin in 2028 at a minimum rate of £100,000 per year.

12. Intangible fixed assets

A National Safeguarding Casework Management System is currently being developed, costs for which have been capitalised since the project moved into delivery phase in October 2021. A contract is in place with The Safeguarding Company to develop a system that will be adopted by the National Safeguarding Team and ultimately all dioceses and cathedrals of the Church of England. Implementation is planned in two phases. A phase 1 version of the system is in use within 14 volunteer dioceses, and the National Safeguarding Team, the learnings from which have been taken into account in developing phase 2. Phase 1 completed in September 2023 and therefore the asset is now being amortised.

	2023	2022
	£'000	£'000
At 1 January	787	213
Additions	594	574
Amortisation	(77)	-
At 31 December	1,304	787

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

13. Debtors

	2023	2022
	£'000	£'000
Amounts due within one year		
Trade debtors	689	256
Prepayments	43	337
Amounts due from NCIs	6,739	6,506
Amounts due from colleges and schools	156	169
Other debtors	476	554
Grants receivable – Diocesan Investment Programme	18,762	-
Grants receivable – Strategic Development Funding	30,201	36,651
Grants receivable – Strategic Ministry Funding grants	6,336	7,646
Grants receivable – Strategic Transformation Funding grants	7,561	8,953
Grants receivable – Buildings for Mission Funding	5,430	-
Grants receivable – Racial Justice Funding	1,109	-
Grants receivable – Net Zero Carbon Funding	2,579	-
Grants receivable – Other grants	5,710	5,101
Total debtors due within one year	85,791	66,173
Amounts due after more than one year		
Grants receivable – Diocesan Investment Programme	37,384	-
Grants receivable – Strategic Development Funding grants	41,843	61,581
Grants receivable – Strategic Ministry Funding grants	3,035	8,937
Grants receivable – Strategic Transformation Funding grants	12,457	18,326
Grants receivable – Buildings for Mission Funding	3,792	-
Grants receivable – Racial Justice Funding	4,152	-
Grants receivable – Net Zero Carbon Funding	2,613	-
Grants receivable – Other grants	8,039	7,922
Total before discounting adjustment	113,315	96,766
Discounting adjustment	(11,015)	(10,933)
Total debtors due after one year	102,300	85,833
Total debtors	188,091	152,006

14. Creditors

	2023	2022
	£'000	£'000
Amounts due within one year		
Trade creditors	588	1,066
Grants payable – Diocesan Investment Programme	18,762	-
Grants payable – Strategic Development Funding grants	29,921	36,466
Grants payable – Strategic Ministry Funding	6,336	7,646
Grants payable – Strategic Transformation Funding	7,561	8,953
Grants payable – Buildings for Mission Funding	5,430	-
Grants payable – Racial Justice Funding	1,109	-
Grants payable – Net Zero Carbon Funding	2,411	-
Grants payable – Other grants	6,067	4,780
Accruals and deferred income	1,613	2,972
Amounts due to NCIs	1,111	453
VAT and social security	97	94
Other creditors	122	1,214
Total creditors due within one year	81,128	63,644

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

14. Creditors continued

	2023	2022
	£'000	£'000
Amounts due after more than one year		
Grants payable – Diocesan Investment Programme	37,384	-
Grants payable - Strategic Development Funding	41,843	61,581
Grants payable – Strategic Ministry Funding	3,035	8,937
Grants payable – Strategic Transformation Funding	12,457	18,326
Grants payable – Buildings for Mission Funding	3,792	-
Grants payable – Racial Justice Funding	4,152	-
Grants payable – Net Zero Carbon Funding	2,613	-
Grants payable – Other grants	8,039	7,922
Total before discounting adjustment	113,315	96,766
Discounting adjustment	(11,015)	(10,933)
Total creditors due after more than one year	102,300	85,833
Total creditors	183,428	149,477

For grants payable due in more than one year, the grant funding is due to be settled in the following periods:

Grant stream	2025	2026	2027	2028	2029	2030 and beyond	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Diocesan Investment Programme	14,993	10,813	6,162	3,608	1,186	622	37,384
Strategic Development Funding	20,169	11,874	5,832	2,083	1,177	708	41,843
Strategic Ministry Funding	2,956	79	-	-	-	-	3,035
Strategic Transformation Funding	6,243	3,656	1,654	497	407	-	12,457
Buildings for Mission Funding	3,669	123	-	-	-	-	3,792
Racial Justice Funding	1,726	1,789	637	-	-	-	4,152
Net Zero Carbon	2,177	436	-	-	-	-	2,613
Other grant streams	4,705	2,378	902	54	-	-	8,039
Total before discounting adjustment	56,638	31,148	15,187	6,242	2,770	1,330	113,315
Discounting adjustment	(4,234)	(3,154)	(1,918)	(940)	(493)	(276)	(11,015)
Total	52,404	27,994	13,269	5,302	2,277	1,054	102,300

Reconciliation of deferred income

	2023
	£
Deferred at 1 January 2023	-
Released during the year	-
Deferred during the year	5
Deferred at 31 December 2023	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

15. Statement of funds

The table below shows details of 2023 movements on funds material to the Council in terms of fund value or in-year movement or those funded by diocesan apportionment (*).

Fund	Fund balance brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Fund balances carried forward £'000
Unrestricted funds						
General Fund	2,365	21,430	(21,830)	648	163	2,776
Designated funds						
Church Schools Fund	415	-	-	-	-	415
Church House planned maintenance	1,248	75	(18)	-	-	1,305
Programme related investments	3,225	-	-	-	-	3,225
CHARM (*)	411	-	-	-	-	411
Other designated funds	1,799	324	9	(1,250)	-	882
Total designated funds	7,098	399	(9)	(1,250)	-	6,238
Total unrestricted funds before pension reserve	9,463	21,829	(21,839)	(602)	163	9,014
Pension deficit reserve	(620)	-	620	-	-	-
Total unrestricted funds	8,843	21,829	(21,219)	(602)	163	9,014
Restricted funds						
Training for ministry fund (*)	2,717	15,286	(13,683)	-	-	4,320
Grants & provisions fund (*)	238	1,530	(1,218)	(250)	-	300
Mission agencies pension contributions (*)	434	483	(538)	-	-	379
CHARM (*)	410	13,946	(14,845)	1,000	-	511
Dioceses Fund	1,025	273	(250)	-	-	1,048
Legal costs	425	10	(153)	250	-	532
Diocesan Investment Programme (DIP)	-	60,799	(58,449)	-	-	2,350
Strategic Development and Innovation Funding	143	4,136	(4,015)	-	-	264
Lowest Income Communities Funding (LiNC)	-	29,300	(29,300)	-	-	-
Transition Funding	-	4,160	(4,160)	-	-	-
Cathedral and Major Churches Grant Scheme	278	(268)	(112)	102	-	-
Strategic Ministry Funding	1	(140)	141	-	-	2
Sustainability Funding	-	(25)	25	-	-	-
National Giving Strategy	-	1,161	(1,161)	-	-	-
Strategic Transformation Funding	-	(76)	76	-	-	-
Clewer Funding	-	600	(524)	-	-	76
Posts of First Responsibility	-	1,443	(1,443)	-	-	-
Energy Costs	-	10	(10)	-	-	-
Social Impact Fund	2,100	1,137	-	-	-	3,237
People & Partnership Funding	-	1,110	(1,110)	-	-	-
Net Zero Carbon Grant Funding	-	6,383	(6,383)	-	-	-
Racial Justice Fund	-	5,300	(5,300)	-	-	-
Parish Giving Scheme	-	598	(598)	-	-	-
Buildings for Mission	-	9,249	(9,249)	-	-	-
National Safeguarding Casework Management System	786	579	(77)	-	-	1,288
Grant discounting	-	(83)	83	-	-	-
Other restricted funds	1,197	7,028	(7,263)	-	36	998
Total restricted funds	9,754	163,929	(159,516)	1,102	36	15,305
Endowment funds						
Expendable endowment funds						
The Archbishops' Council Ministerial Training Trust Fund	706	200	(511)	-	(20)	375
Church Colleges of Education Fund	4,357	26	-	-	440	4,823
Church and Community Fund	17,677	(12)	(1,095)	(500)	1,283	17,353
Church of England Special Purposes Fund	2,187	3	-	-	208	2,398
Women's Continuing Ministerial Education Trust	1,798	13	(75)	-	167	1,903
Faith & Public Life Sundry Funds	355	-	-	-	29	384
Other expendable endowment funds	1,290	21	(12)	-	43	1,342
Total expendable endowment funds	28,370	251	(1,693)	(500)	2,150	28,578
Permanent endowment funds						
The Archbishops' Council Ministerial Training Trust Fund	1,759	-	-	-	124	1,883
Church Colleges of Education Fund	729	-	(1)	-	55	783
Other permanent endowment funds	881	25	(18)	-	62	950
Total permanent endowment funds	3,369	25	(19)	-	241	3,616
Total endowment funds	31,739	276	(1,712)	(500)	2,391	32,194
Total funds of the charity	50,336	186,034	(182,447)	-	2,590	56,513

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

15. Statement of funds (continued)

Fund	Fixed Assets £'000	Cash & Short Term Deposits £'000	Debtors £'000	Creditors £'000	Provision for Pension Liability £'000	Net assets 2023 £'000
Unrestricted funds	6,292	9,248	(3,882)	(2,644)	-	9,014
Restricted Funds	5,954	(1,780)	191,829	(180,698)	-	15,305
Endowment Funds	31,130	1,006	144	(86)	-	32,194
Total	43,376	8,474	188,091	(183,428)	-	56,513

Unrestricted funds: General Fund

This fund is for general use in meeting national Church responsibilities and is not designated for particular purposes.

Unrestricted funds: Designated funds

These funds comprise unrestricted funds which the Council has designated to be set aside for stated purposes:

Church Schools Fund is used to meet the cost of short-term loans to schools and grants to the Church Schools of the Future project.

Church House Planned Maintenance Fund comprises accumulated amounts set aside to meet maintenance costs related to the occupation of Church House.

Programme related investments fund represents the carrying value of the Council's properties, Safe Spaces and an interest free loan to a diocese (see note 11 for details)

Pension deficit reserve represents the valuation of the deficit contributions to be met by the Council – see note 16 for further details.

Restricted funds

Training for Ministry Fund provides funds towards training for ordained ministry. This fund covers the tuition costs, university fees, college fees, personal maintenance and books and travel costs of sponsored ordinands prior to ordination.

The Grants and Provisions Fund provides funds towards the work of the Anglican Communion Office, the national and international ecumenical agencies, Church Urban Fund, Fresh Expressions and the Legal Costs Fund.

Mission Agencies Pensions Contributions Fund provides for pension contributions in respect of clergy who are employed by the mission agencies.

The Church's Housing Assistance for the Retired Ministry (CHARM) Fund provides grants to subsidise the scheme, which is administered by the Church of England Pensions Board to provide housing for those retiring from stipendiary ordained & lay ministry.

The Dioceses Fund holds other grants received from the Church Commissioners for distribution to the dioceses.

The Legal Costs Fund includes the Legal Aid Fund. General Synod is required by Measure to maintain a Legal Aid Fund, which is held by the Council on its behalf, to meet the costs of ecclesiastical legal aid awarded by the Legal Aid Commission.

Strategic Development Funding is the vehicle by which grant funding from the Church Commissioners is distributed to dioceses (and non dioceses) to aid new growth opportunities.

Lowest Income Communities Funding provides funding for mission in communities with the lowest incomes.

Transition Funding represents grants to dioceses whose funding for the support of the lowest income communities is less than under the previous grant funding method used until the end of 2016.

Strategic Ministry Funding represents funding support for which dioceses can apply to help meet the incremental costs caused by an increased number of ordinands being trained.

Sustainability Funding is to support dioceses in the face of COVID19 related loss of income.

Strategic Transformation Funding is to provide funding for those dioceses facing significant financial challenge and to support restructuring with the aim of sustainable growth.

National Giving Strategy is to support a new strategy over the next five years to encourage giving and generosity in churches.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

15. Statement of funds (continued)

Safeguarding funding is grant money from the Corporation of the Church House to be spent on the Safeguarding objective

Posts of First Responsibility is an interim funding stream agreed in order to help dioceses fund curates who have completed their ordination training but been unable to secure a post of first responsibility. They are first incumbency roles where the preference is for them to become permanent.

Energy Costs Grants is funding distributed to dioceses to enable them to help PCCs (Parochial Church Councils) cover the increased cost of heating and lighting church buildings. Dioceses are able to use their funding to make additional, targeted hardship payments to clergy and other employed ministers to cover household bills, in particular energy costs.

Ministry Hardship Fund is a fund set up in response to the cost of living crisis. Funds were made available for dioceses to provide targeted grant support for those ministers (both ordained and lay) each diocese considers most affected by the high level of inflation.

TEI Transitional Support is a fund set up to support Theological Education Institutions through a period of low ordination candidate numbers. It is envisaged as a one-off arrangement required pending the implementation of new Resourcing Ministerial Formation funding arrangements.

Growing Faith Foundation is a grant to the National Society to fund its' Growing Faith Foundation over the next five years, the aim of which is put children and young people at the heart of the mission and ministry of the Church.

Social Impact Fund funding is made available by the Church Commissioners specifically to advance the missional objectives of the Church and is focussed on alleviating the effects of poverty through addressing housing needs, widening access to responsible finance and caring for the environment.

People & Partnership Funding is funding to supplement the direct investment provided to dioceses by funding the pipelines of people, the capacity and research which will be needed to deliver the Vision and Strategy across the whole country.

Diocesan Investment Programme is to fund local plans via dioceses to build and grow the Church in accordance with the Vision and Strategy for the 2020's.

Net Zero Carbon grant funding is available for dioceses to help them develop and initiate a net zero carbon action plan, along with other funding available for projects in schools, housing and cathedrals to support and enable the Church to reach its goal of net zero carbon by 2030.

Racial Justice funding is grant money offered to dioceses and other institutions to make targeted interventions in the area of racial justice.

Parish Giving Scheme funding is to support technology development in relation to direct debit processing and cyber security arrangements.

Buildings for Mission funding is available to dioceses for urgent repair or improvement work to their churches.

Endowment funds

Archbishops' Council Ministerial Training Trust Fund supports the training and maintenance of persons undergoing training for ordained ministry in the Church of England. This fund has an element that is expendable and an element that is permanent.

The Church Colleges of Education Fund provides funds to advance education by promoting the effectiveness of Church of England Colleges of Higher Education and Universities. This fund has an element that is expendable and an element that is permanent.

Church and Community Fund promotes the charitable work of the Church of England, by making grants towards the work of the Council generally.

Church of England Special Purposes Fund exists to provide for the advancement of religion in accordance with the doctrine of the Church of England.

Women's Continuing Ministerial Education Trust Fund exists to further the continuing ministerial education of those women in the Church of England and the Scottish Episcopal Church who are in need of financial assistance.

Transfers

The Council makes transfers of surpluses arising within general unrestricted funds to specific designated funds. Transfers are made from expendable endowment funds to income funds to spend in accordance with the purpose of the underlying endowment.

The most significant transfers during the year were:

- £500k transferred from the Church & Community (Endowment) Fund to general funds to meet general operating activities.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

15. Statement of funds (continued)

For **comparative purposes**, the table below shows details of **2022** movements on funds material to the Council in terms of value (more than £500,000) or those funded by diocesan apportionment (*).

Fund	Fund balance brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Fund balances carried forward £'000
Unrestricted funds						
General Fund	2,532	18,650	(21,010)	2,360	(167)	2,365
Designated funds						
Church Schools Fund	415	-	-	-	-	415
Church House planned maintenance	730	100	334	84	-	1,248
Programme related investments	3,699	-	-	(474)	-	3,225
CHARM (*)	411	-	-	-	-	411
Other designated funds	1,427	984	(423)	(189)	-	1,799
Total designated funds	6,682	1,084	(89)	(579)	-	7,098
Total unrestricted funds before pension reserve	9,214	19,734	(21,099)	1,781	(167)	9,463
Pension deficit reserve	(1,142)	-	522	-	-	(620)
Total unrestricted funds	8,072	19,734	(20,577)	1,781	(167)	8,843
Restricted funds						
Training for ministry fund (*)	2,717	15,637	(15,637)	-	-	2,717
Grants & provisions fund (*)	265	1,247	(1,274)	-	-	238
Mission agencies pension contributions (*)	429	620	(615)	-	-	434
CHARM (*)	401	5,576	(5,567)	-	-	410
Dioceses Fund	1,018	257	(250)	-	-	1,025
Legal costs	772	3	(350)	-	-	425
Strategic Development and Innovation Funding	134	22,160	(22,151)	-	-	143
Lowest Income Communities Funding (LiNC)	-	28,298	(28,298)	-	-	-
Transition Funding	-	5,302	(5,302)	-	-	-
Cathedral and Major Churches Grant Scheme	82	(38)	234	-	-	278
Strategic Ministry Funding	1	10,399	(10,399)	-	-	1
Sustainability Funding	-	4,329	(4,329)	-	-	-
National Giving Strategy	-	1,464	(1,464)	-	-	-
Strategic Transformation Funding	-	11,062	(11,062)	-	-	-
Safeguarding Funding	-	1,752	(1,752)	-	-	-
Posts of First Responsibility	-	4,315	(4,315)	-	-	-
Energy Costs	-	15,092	(15,092)	-	-	-
Ministry Hardship grants	-	3,000	(3,000)	-	-	-
TEI Support	-	1,102	(1,102)	-	-	-
Growing Faith Foundation	-	1,269	(1,269)	-	-	-
Social Impact fund	-	1,626	-	474	-	2,100
People & Partnership Funding	-	1,532	(1,532)	-	-	-
Grant discounting	-	(7,737)	7,737	-	-	-
Other restricted funds	1,239	5,054	(4,273)	-	(37)	1,983
Total restricted funds	7,058	133,321	(131,062)	474	(37)	9,754
Endowment funds						
Expendable endowment funds						
The Archbishops' Council Ministerial Training Trust Fund	1,453	53	(702)	-	(98)	706
Church Colleges of Education Fund	4,783	23	-	-	(449)	4,357
Church and Community Fund	22,210	(12)	-	(2,255)	(2,266)	17,677
Church of England Special Purposes Fund	2,400	1	-	-	(214)	2,187
Women's Continuing Ministerial Education Trust	2,038	-	(52)	-	(188)	1,798
Faith & Public Life Sundry Funds	392	-	-	-	(37)	355
Other expendable endowment funds	1,321	89	(73)	-	(47)	1,290
Total expendable endowment funds	34,597	154	(827)	(2,255)	(3,299)	28,370
Permanent endowment funds						
The Archbishops' Council Ministerial Training Trust Fund	1,999	-	-	-	(240)	1,759
Church Colleges of Education Fund	836	-	(2)	-	(105)	729
Other permanent endowment funds	984	23	(18)	-	(108)	881
Total permanent endowment funds	3,819	23	(20)	-	(453)	3,369
Total endowment funds	38,416	177	(847)	(2,255)	(3,752)	31,739
Total funds of the charity	53,546	153,232	(152,486)	-	(3,956)	50,336

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

15. Statement of funds (continued)

Fund	Fixed Assets £'000	Cash & Short Term Deposits £'000	Debtors £'000	Creditors £'000	Provision for Pension Liability £'000	Net assets 2022 £'000
Unrestricted funds	5,612	14,075	(7,133)	(3,091)	(620)	8,843
Restricted Funds	2,608	(5,553)	159,030	(146,331)	-	9,754
Endowment Funds	30,537	1,148	109	(55)	-	31,739
Total	38,757	9,670	152,006	(149,477)	(620)	50,336

16. Pensions

Most staff of the Council are members of the Church Administrators Pension Schemes (CAPF) and a small number of ordained staff are members of the Church of England Funded Pension Scheme (CEFPS). Both schemes are administered by the Church of England Pensions Board which publishes the schemes' financial statements.

The table below shows the value of the Council's pension provision for each scheme:

	2023 £'000	2022 £'000
CAPF	-	620
CEFPS	-	-
Total	-	620

In addition, the closed Central Board of Finance Lump Sum Scheme provides benefits for former staff of the CBF.

The average number of the Council's staff within each scheme was:

	CAPF: defined benefit scheme	CAPF: defined contribution scheme	CEFPS	Total
2023	13	147	15	175
2022	13	143	11	167

Church Administrators Pension Fund (CAPF)

Defined benefit scheme: Staff who commenced service before 1 July 2006 are entitled to pension benefits based on final pensionable pay for service up to 30 June 2010 and career average for service from 1 July 2010. Increases of pension in payment and preserved pensions are linked to the consumer and retail price indices. There are no other post-retirement benefits.

The contributions to the scheme are assessed by an independent qualified actuary using the projected unit method of valuation. A valuation of this section is carried out every three years, and as at 31 December 2023, the most recent finalized valuation was at 31 December 2022. This revealed a deficit of £1.9m. Following the valuation, the employers collectively entered into an agreement with CAPF to pay contributions of 27.6% of Pensionable Salaries to 31 December 2023 and 16.5% from 1 January 2024 thereafter towards future service benefits. The employers also agreed to make deficit payments of £2,400,000 per annum payable monthly, from 1 January 2023 to 31 December 2023 with no future increases, in respect of the shortfall in the Defined Benefit Section. These deficit contributions were made by each employer in proportion to Pensionable Salaries of those in the Defined Benefit Section. Deficit contributions ceased to be payable after 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

16. Pensions (continued)

The table below shows the movement on the provision in respect of the Council:

	Provision brought forward	Contributions paid	Interest charged on provision	Adjustment to net present value of provision	Provision carried forward
	£'000	£'000	£'000	£'000	£'000
Council staff	491	(560)	-	69	-
Share of ChECS staff	129	(134)	-	5	-
Total provision	620	(694)	-	74	-

This liability represents the present value of the deficit contributions agreed as at the accounting date. The discount rate applied to calculate the present value is 0.0% (2022: 0.0%).

In addition, the employers are responsible for making contributions towards the administration costs of the scheme of £616,000 (2022: £500,000). In 2023, the Council's share of these costs was £160,000 (2022: £133,000).

Defined contribution scheme: Staff who commenced service after 30 June 2006 are entitled to pensions earned from the contributions paid into a personal pension scheme by the Council and themselves. The Archbishops' Council paid contributions of £939,000 in 2023 (2022: £737,000).

Church of England Funded Pension Scheme (CEFPS)

A small number of ordinands are members of the Church of England Funded Pension Scheme (CEFPS), also administered by the Church of England Pensions Board.

Each responsible body in the CEFPS, including dioceses, pays a common contribution rate. The contributions to the scheme are assessed by an independent qualified actuary using the projected unit method of valuation. Following the full valuation of the scheme as at 31 December 2018, which showed an overall deficit of £50m, a recovery plan was put in place with deficit recovery contributions set at 7.1% of pensionable stipends resulting in an aggregate contribution rate of 39.9% of pensionable stipends. In February 2022, as early indications were that the full valuation as at 31 December 2021 was likely to show a surplus, an interim step was taken to reduce the overall contribution rate to 36% of pensionable stipends from 1 April 2022.

The last full valuation of the scheme as at 31 December 2021 showed an overall surplus of £560m. As a result of this, the recovery plan put in place following the previous full valuation as at 31 December 2018 was ceased with effect from 1 January 2023 and the aggregate contribution was reduced to 28% of pensionable stipends.

In December 2023 the Church of England Pensions Board reported that in view of the strong funding level of CEFPS, after taking professional advice, it had agreed to reduce the contribution rate to 25% of pensionable stipends from 1 April 2024.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

The table below shows the movement on the provision:

	Provision brought forward	Contributions Paid	Interest charged on provision	Adjustment to net present value of provision	Provision carried forward
	£'000	£'000	£'000	£'000	£'000
Council staff	-	-	-	-	-
Total provision	-	-	-	-	-

Central Board of Finance Lump Sum Scheme

The Central Board of Finance Lump Sum Scheme provides retirement benefits to former staff of the Central Board of Finance (CBF). Due to the preserved nature of the CBF lump sum pension liability, provision for the fixed cash payments has been made in a designated fund. At 31 December 2023 there were 10 (2022: 10) former CBF employees entitled to receive lump sums upon reaching retirement age. The Scheme has HMRC approval under section 20 of the Finance Act 1970. The table below shows the sum set aside in a designated fund to provide for these in future.

	Fund brought forward	Lump sums paid	Fund carried forward
	£'000	£'000	£'000
Former CBF staff	28	-	28
Total fund	28	-	28

17. Operating leases

The Council's total operating lease commitment relates solely to the amount due for land and buildings on a lease with the Corporation of the Church House. The disclosed figures below represent the minimum commitment under the lease agreement and rent due between 1 January 2024 and 14 March 2024 on the same terms. However, from 1 October each year, the rent will be inflated by the April CPI for that year. As at the date of signature of these accounts, the figures have not yet been published and hence only the known commitment has been disclosed.

	2023	2022
	£'000	£'000
Amounts due within one year	676	-
Amounts due after one year but not more than 5 years	2,703	-
Amounts due after five years	6,892	-
Total rents payable under non-cancellable operating leases	10,271	-

18. Funds held on behalf of others

The Council is custodian trustee for a number of funds which have trustees separate and independent from the Council but where the Council holds the trusts' investments on their behalf. The funds had a combined income of £44,000 (2022: £17,000), expenditure of £49,000 (2022: £37,000) and net assets of £3,640,000 (2022: £3,400,000).

19. Related parties

The following amounts were paid to related parties in respect of grant funding (Church Urban Fund) and conference attending costs (Fresh Expressions) from the Archbishops' Council:

- £203,000 (2022: £203,000) paid to Church Urban Fund in respect of grant funding

Church Urban Fund and Fresh Expressions are classified as related parties to the Archbishops' Council as the Archbishops' Council appoints some of the trustees of Church Urban Fund and Fresh Expressions.

19. Related parties (continued)

Pension Schemes

Details of amounts paid to the pension schemes are disclosed in note 16.

Jointly Controlled Entities

Church of England Central Services

ChECS is a charitable jointly controlled entity between the Archbishops' Council, the Church Commissioners, and the Church of England Pensions Board for which the three partners hold equal shares. The purpose of ChECS is to enhance the efficiency and effectiveness of the charitable national and diocesan institutions of the Church of England and of other charities with a church ethos, by facilitating the provision of cost-effective shared financial, legal and other services.

The charity was registered with the Charity Commission on 31 December 2013 and started operating from 1 April 2014. Prior to this, shared services were provided by each of the NCIs. Management of these services, provided by The Archbishops' Council, Church Commissioners and the Church of England Pensions Board, remained unchanged.

At the balance sheet date, the Council's share of net assets of ChECS was £nil (2022: £nil) and £1.9m was owed to the Council by ChECS (2022: £1.9m was owed to the Council by ChECS). During the year, the Council contributed to the costs of ChECS, as set out in note 9 of these accounts.

Safe Spaces England and Wales

Safe Spaces England and Wales (Safe Spaces) is a charitable jointly controlled entity between the Archbishops' Council and the Catholic Trust for England and Wales (CaTEW). The purpose of Safe Spaces is to provide support for those affected by church related abuse (of any kind), in the form of a helpline, a website providing information and advice to survivors and their families, and up to 10 community based survivor led therapeutic support groups, both faith based and secular. At the balance sheet date, the Council included Safe Spaces as a programme related investment of £nil (2022: £nil) as set out in note 11. £149,000 (2022: £48,000) was owed to the Council by Safe Spaces at the end of the year.

20. Post balance sheet event

On 19 January 2024, the Council entered into an Agreement for Lease with the Corporation of the Church House relating to office accommodation in part of Church House Westminster. The agreed form of lease has a term of fifteen years with a rolling break date of 30 June 2028 or any date thereafter, provided that such further date expires on the next quarter end following a twelve month notice period provided by the Council. The lease was completed on 14 March 2024.

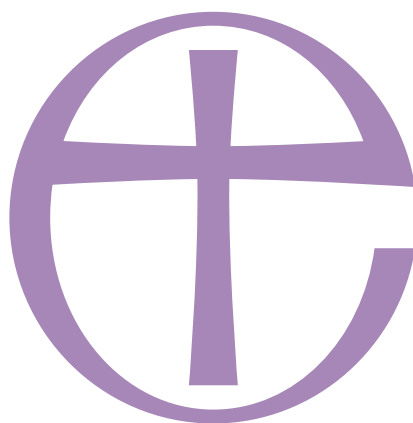


Notes

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