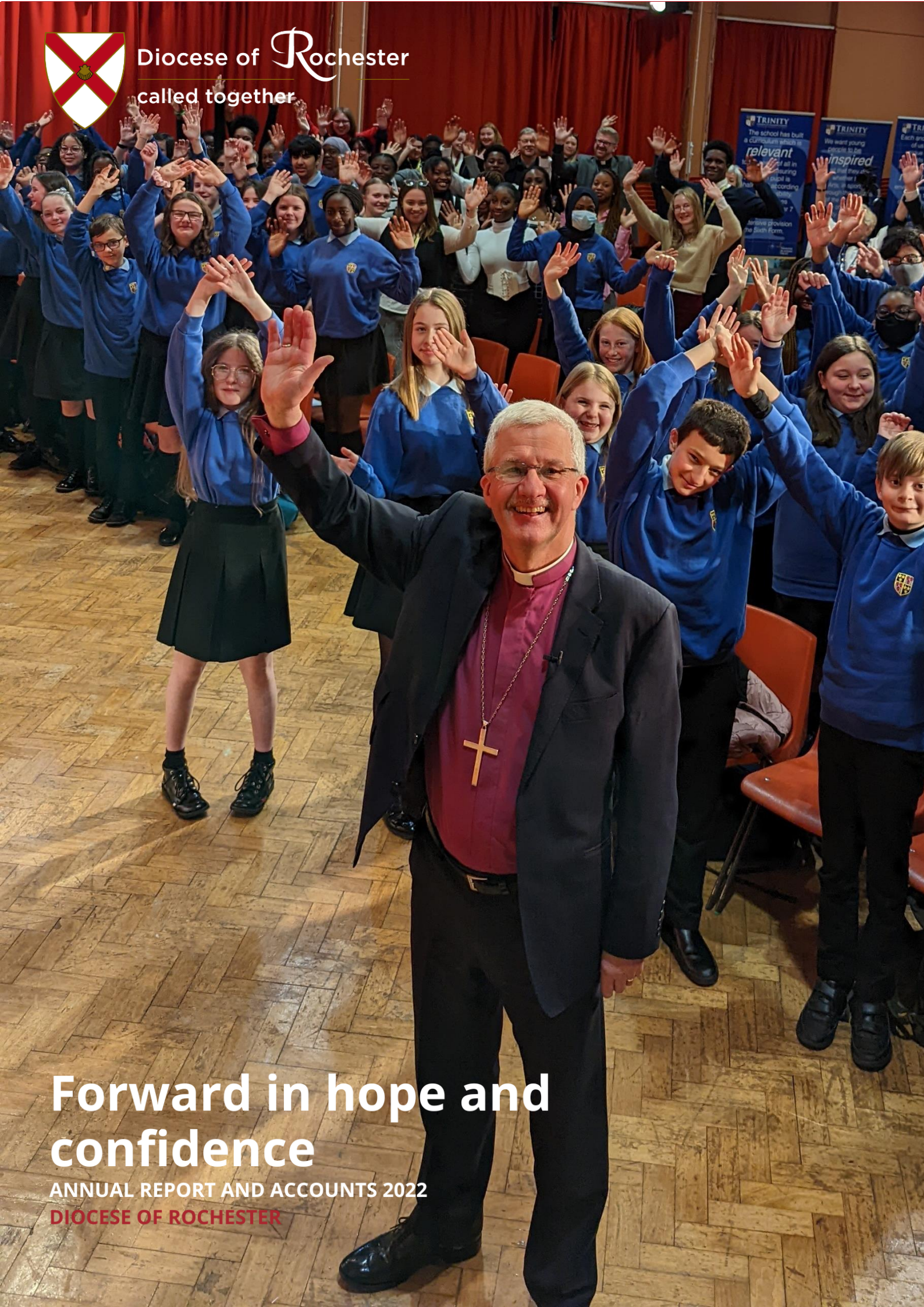




Diocese of *Rochester*  
called together



# Forward in hope and confidence

ANNUAL REPORT AND ACCOUNTS 2022

**DIOCESE OF ROCHESTER**



We are the Church of England operating in the Diocese of Rochester in the area of Medway, north and west Kent, and the London Boroughs of Bromley and Bexley. A diverse and vibrant community of faith, we serve a population of some 1.3 million people, including 211 parishes and 3 Bishops Mission Orders, 90 schools, and numerous chaplains. We enjoy companion links with the Anglican Dioceses of Harare in Zimbabwe, and Kondo and Mpwapwa in Tanzania as well as an ecumenical link with the Evangelical Lutheran Church of Estonia.

The Trustees, who are also directors for the purposes of company law, present their trustees' report together with the financial statements and auditor's report for the charitable company – the Rochester Diocesan Society and Board of Finance Limited (RDSBF) for the year ended 31 December 2022. The financial statements comply with current statutory requirements of the Charities Act 2011, the Statement of Recommended Practice for Charities 2015 (SORP 2015) (Second Edition, effective 1 January 2019) and the Companies Act 2006.

**Registered & Principal Office:** Diocesan Office St Nicholas Church Boley Hill Rochester Kent ME1 1SL

**Directors and Members of the Bishop's Council**

(Directors and Trustees):

*The Bishop of Rochester (Chair)*

The Rt Rev Dr Jonathan Gibbs

(confirmation of election 24/5/2022)

*The Bishop of Tonbridge* - The Rt Rev Simon Burton-Jones

*The Chair of the Board of Finance* - Mr Nigel Pope

**Ex-officio:**

*The Archdeacon of Bromley & Bexley*

The Ven Dr Paul Wright (retired 31/03/2022)

The Ven Katrina Barnes (appointed 01/03/2022)

*Archdeacon of Rochester*

The Ven Andrew Wooding Jones

*The Archdeacon of Tonbridge*

The Ven Sharon Copestake (appointed 16/01/2022)

*The Dean of Rochester*

The Very Rev Dr Philip Hesketh

*The Chair of the House of Laity*

Mrs Sarah Poole

*The Chair of the House of Clergy*

The Rev Canon Jeremy Blunden

*The Chair of the Board of Education*

The Rt Rev Simon Burton-Jones

**Elected – House of Clergy:**

The Rev Canon Mark Barker

The Rev Dr Julie Bowen

The Rev Martyn Saunders

**Elected – House of Laity:**

Mr David Fitzpatrick

Mr Philip French

Mrs Cath Johnston

Mr Jeremy King

Mr Gerald O'Brien

Mr Alan Strachan

**Senior Staff:**

Diocesan Secretary (and Company Secretary)

Mr Matthew Girt

Director of Finance - The Rev Richard Williams

(retired December 2022)

Director of Property - Mr Stephen Hoad

Director of Formation and Ministry - The Rev Canon

Chris Dench

Director of Diocesan Board of Education - Mr John

Constanti

Bishop's Chaplain - The Rev Lindsay Llewellyn-MacDuff

(resigned 18/12/2022)

**Advisors:**

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London EC4R 1AG

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

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

Property Adviser and Glebe Agent:

Savills plc 74 High Street, Sevenoaks, TN13 1JR

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

Insurers: Ecclesiastical Insurance Office plc Beaufort  
House, Brunswick Road, Gloucester GL1

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**Cover photo:** *Bishop Jonathan joins students at Trinity Church of England School, Belvedere for his announcement as the new Bishop of Rochester.*

## Forward in hope and confidence

As our nation continues to emerge from a pandemic that has hurt so many through bereavement, illness, and lost employment, as we endure the realities of war in Europe, and as we face a cost of living crisis, it does seem that as a Church and Diocese, we too are at a key moment in our shared life.

There is pastoral work to be done with those who have endured loss, community engagement where care for other people needs to be organised, and evangelism to do as we both listen to others and share with them the hope we have in Christ.

What we have seen throughout this year is a resilience among our parishes and support teams.

This report offers a snapshot of the story of how we as a diocesan family are moving forward around our Called Together vision and priorities - despite the challenges - and walking alongside our communities, with the hope and confidence we find in the resurrected Jesus.



*Ordination of priests in September.*



# OUR YEAR IN BRIEF

Some of the key moments we shared in together this year.

**Jan**

We welcomed Archdeacon Sharon Copestake as the new Archdeacon of Tonbridge.



**Feb**

The war in Ukraine begins and churches quickly mobilise to stand in solidarity with Ukraine.



**Mar**

Bishop Jonathan Gibbs is announced as our new Bishop and is taken on a tour around the archdeaconries.



**Apr**

Ordained and lay members of the diocesan family gather for the Chrism Eucharist - the first to be held in the Cathedral since 2019, due to the pandemic.



**May**

Fourteen new Lay Ministers are licensed at a service in Rochester Cathedral.



**Jun**

Poverty and Hope, our annual Fundraising Appeal supporting projects around the world, is launched.



Churches celebrate the Platinum Jubilee with their communities.



# OUR YEAR IN BRIEF

Sept

The ordination of priests and deacons takes place in the Cathedral.



The death of Her Late Majesty The Queen is marked across the Diocese with books of condolence, services, and spaces for quiet reflection.



Bishop Jonathan and his wife Toni are officially welcomed to the Diocese in a special service at Rochester Cathedral.



Oct

A package of grants is launched to help churches and clergy with the rising cost of energy and living.



Nov

We marked Safeguarding Sunday with the creation of a set of materials to help encourage healthier, safer cultures across our Diocesan family.



Dec

To raise awareness of domestic violence, Bishop Simon shares a pre-match World Cup message encouraging men not to bring violence home.



Planning permission is approved for the first new church building to be built in the Diocese for 20 years at a site in Kings Hill.



**Thank you to everyone who helped make these moments possible.**



## A message from Bishop Jonathan

It has been a huge privilege for me to begin ministry as the Bishop of Rochester over the last year. I have enjoyed enormously getting to know people and places around our wonderful and diverse Diocese, and I am so grateful for all that is being done by clergy and lay people in our parishes, chaplaincies, deaneries, and at Diocesan level.

I am profoundly conscious of the stresses and strains that we have all faced over the last few years, with the COVID pandemic and now the cost-of-living crisis, but at the same time I have been greatly encouraged by the enthusiasm and resilience of so many people across the Diocese who are committed to finding new and imaginative ways of expressing God's love to their communities and of sharing the Good News of Jesus Christ.

Our shared vision is that we are Called Together to serve the cause of God's kingdom in the communities of Kent, Medway, Bromley, and Bexley. I have sought to focus that vision around the three themes of Change, Serve, and Grow, which I see as key priorities for taking forward God's work in this Diocese, and it has been great to see people engaging with these themes in their local contexts.

I am confident that God has great things in store for us and for his Church!

As you will see from the Annual Report, a huge amount of work has gone into ensuring that our resources are used wisely and well. Over the next few years, we will continue to channel these resources as effectively as possible into supporting the ministry of our churches and chaplaincies to promote numerical, financial, and spiritual growth across the Diocese, in order to release all God's people for mission and ministry.

Thank you for all your support and for all that you are doing to share in this work. May God's blessing rest upon you in the year to come.

The Rt Rev Dr Jonathan Gibbs  
**Bishop of Rochester**

## A message from the Diocesan Secretary

2022 was in many ways a transitional year. A year in which we moved from Vacancy in See by welcoming our new diocesan bishop, Jonathan, and also moved from vacancy with the Archdeacon of Tonbridge, to welcoming Sharon Copestake to the role.

At the same time, we have moved on from the last of the lockdowns to the ability to plan ahead, even if there seems less to plan with in some places. With this in mind we have looked at ways we can unlock funding to invest in ministry locally and that works alongside the important and generous contributions through Parish Offers.

The result has been the adoption by Bishops Council of a policy of Total Return - a way of accessing the profit from the investments in our inherited endowment while maintaining the original capital. This way we protect for future generations, while ensuring there will be future generations by investing in mission now.

This ability to draw on the successful stewardship of resources will allow us to back and invest in that which will emerge through the drawing together in the coming year of locally led plans that enable us to Change, Serve and Grow.

Being in transition can often feel messy as the ground shifts again and again. I am therefore astounded and grateful for the huge commitment on the ground. The hours and hours of volunteer time given by so many, and at the same time, by so few people.

Whether that be in maintenance of buildings, ministry to the young, or care through safeguarding, or any of the other many aspects of ministry. The staff team at Diocesan Office often comment on the excellent work and determination locally in parishes, and for that I want to pass on our combined thanks.

I am also hugely grateful to my colleagues in the Diocesan Office who have continued to work so hard this year to support and facilitate parishes in their mission and ministry – their dedication and expertise is so appreciated.

Our role as a diocesan support team in serving those in the parishes means we look to the day to day, but we are also looking to the future, and doing so in hope and confidence.

Thank you for your partnership in the Gospel.

Matthew Girt

**Diocesan Secretary**



## **A message from the Chair of the Board of Finance**

This has proven to be another challenging year financially. The squeeze being felt nationally and globally has been most noticeable for us in the two areas we rely most heavily upon for income and funding: Parish Offers and Investments.

Eighty-two per cent of our income is based on the generous giving of parishes to the Common Fund, for which we continue to be incredibly grateful, and which in 2022 has totalled £7.67m. However, despite this incredible effort and contribution, this is a fall of £0.2m from 2021 and is £0.6m less than we had budgeted for in 2022.

Our investment portfolio too - containing both market investments and Glebe property investments - has been impacted due to the difficult market conditions, managing an overall return of -5.8%. And, although we contained our operating deficit to £1.4m, (having budgeted for a deficit in 2022 of £1.5m), we ended the year with the Common Fund at £2.6m, below our policy of £5m.

This is a sobering picture indeed, but there are signs of hope.

Our cash position, for instance, remains strong, with cash and short term deposits at the end of the year totalling £6.6m. We also have several property sales planned for 2023 which overall will both strengthen our cash position and also our Common Fund reserves.

Not being complacent about the future, we have moved to a Total Return basis for managing the main Diocesan endowment fund, the Stipends Capital Account, which will afford us greater flexibility in its use going forward.

I am pleased that despite our deficit, we have continued to prioritise the welfare of our clergy, awarding a 5% increase in stipends from 1 April 2022, and making available some hardship grants during the year. Clergy housing has also been kept in good repair, with a total spend of £1.43M on improvements and repairs to parsonages this year.

Despite our prudent planning and clear fiscal strategy, it remains clear that how much finance there is to support ministers and parishes into the future remains heavily dependent on how we in our parishes, respectively and collectively, respond to God's own generosity in sending his son to die for us, through our collective giving into the Common Fund.

In closing we must note that Richard Williams, who served as Finance Director from 2017, retired in December 2022 - we thank him for his service. His successor will join the Diocese later in 2023. In the meantime, Matthew Girt, Diocesan Secretary, Amanda Reardon, the Diocesan Head of Finance, and her team, have done an outstanding job in managing a significant additional workload, which is much appreciated.

Nigel Pope

**Chair of the Diocesan Board of Finance**

# Enabling each church to be mission minded

Helping resource parishes to understand their community and to build assurance in people that they can tell their own story of God's love in Christ; that there is a time and a place to share this with others.

## Growing missional communities

Despite the pandemic, our strategic plan for growth across the Diocese is broadly on track. *Called to Grow* is the umbrella under which sits three key elements ensure our actions around growth are intentional

These are: Planning, Growth Projects, and development of a Learning Community

### Planning

This has initially been led by the work of three Growth Enablers, through whom good progress has been made towards engaging parishes in growth planning.

- **One hundred and twenty eight** out of 185 incumbents have welcomed some level of growth planning.
- **Sixteen plans** have been reviewed at Archdeaconry Steering Group level.

The three-year funded Growth Enabler posts reached completion during this year. We are incredibly grateful for the work of each Growth Enabler in placing growth planning on such a good footing.

### Growth projects

Our strategic plan for growth includes support for 5 priority projects in the deprived parishes of Anerley, Gillingham, Erith, Strood, and Slade Green.

These projects are funded by the Church Commissioners' Strategic Development Fund (£1.38m received in 2019).

### PARISH PROJECT OVERVIEW

**Anerley** The Boxing Club recently became affiliated and renamed Christ Church Anerley Boxing Club. Boxing sessions have begun at two local schools and additional volunteer coaches are being safely recruited.

**Gillingham** Regular monthly Gospel Nights at St Mark's Church as well as external community performances that bring together the Kids Choir, Community Choir and Gospel Choir.

**Erith** Toddler and Messy Church - Noticing the same people gathering at Toddler and Messy Church. Messy Church is growing.

**Strood** Messy Church and Ignite outreach. Significant relationship building with community partners, serving the Welcome Café and Ukrainian Sunflower Café.

**Slade Green** Running consistent weekly Toddler Church and Messy Church with over 40 children at the Mothering Sunday service.



Each of these five priority parishes now has project workers in place and activity is ongoing.

Despite challenges, eleven of the twelve planned New Worshipping Communities (NWC) within these parishes continue to be developed, with interim support for those without leaders.

### **Learning community**

The aim has been to set up a collaborative learning environment where parishes can share challenges and potential solutions for growth.

Membership is made up of incumbents from five priority parishes and a further three incumbents from growing churches.

The next phase for the *Called to Grow* project is to understand the impact these new communities are having on



their members, moving on from gathering attendance figures to understanding and measuring changes in beliefs, behaviours, and experiences for all.

### **DARRELL'S STORY**

Around our local church area in Anerley, South London, the knife and gun crime is terrible. As someone who has been involved in this violence and who knows the pain and destruction it causes, I wanted to set up the boxing club to allow the local teens to come and learn boxing. To have a place where they can let out steam and aggression in a controlled disciplined manner.

Here, they also learn to see fighting as a skill and something that is to be controlled and not just to have outbursts of rage. They learn to lose yet still respect their opponents. At the end of every session, we offer a talk about Jesus and invite people to respond to him. We are currently setting up a mini church plant off the back of the boxing. Many of the people who attend have been involved in drug dealing, prison, and gang violence and the boxing has really helped.

***Darrell Mcleish*** is the Freedom Forum Pastor at Anerley

## Creating missional buildings

Our church buildings are one of our greatest assets in helping facilitate opportunities for welcome and encounters with God. They can also be very challenging.

The Missional Property Fund has continued to support projects that allow parishes to open up their church buildings for mission.

The Fund has been made possible by generous support from Marshalls Charity, match funded by the Diocese of Rochester from restricted funds.

This year, grants totalling £118,500 were awarded to churches the length and breadth of the Diocese, supporting projects such as heating improvements, providing kitchen facilities to enable generous hospitality, and work to toilets and other facilities to make them fully accessible to all who visit.

### Kings Hill

In December the community at St Gabriel's in Kings Hill learned that planning permission had been approved for their new church building.

Once completed, it will be the first new Church of England church built within the Diocese of Rochester for almost 20 years, providing an exciting opportunity to contribute a lasting legacy to growing community of Kings Hill.

Its central location means it will be easily accessible on foot, cycle/scooter, public transport, and with plenty of nearby parking for those who need it. It also means that the congregation can continue walking to worship as they do now.



At the heart of the project is care for the environment, with the building designed to have as low an environmental impact as possible.

Designed to be a modern, flexible space, the Rev Mark Montgomery, Mission Leader at St Gabriel's, says that the new building won't just be a place of worship, but a community space as well.

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**"The vision for the building is to create a place of community for all people."**

The Rev Mark Montgomery, Mission Lead St Gabriel's

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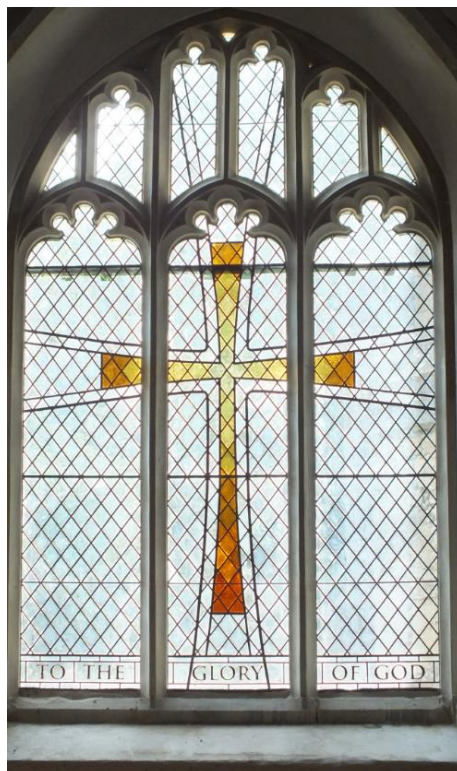


### Caring for church buildings

The care and maintenance of our church buildings, their contents, and churchyards, is vitally important now, and for future growth, outreach and mission.

Advice and support for parishes in this area is provided by the Diocesan Advisory Committee for the Care of Churches (DAC).

This small but dedicated diocesan support team has continued to assist parishes throughout the year, advising on permissions - known as faculties - for work within church buildings as well as around maintenance issues.



46

Petitions submitted

44

Faculties granted

9

DAC Committee meetings

11

Site visits



### An accessible entrance

was the outcome of work undertaken at St Peter and St Paul, Edenbridge, which included the creation of a new external porch and a level entrance. A new wooden framed door with an automatic opening was inserted in the porch to improve views into the church and reduce heat loss.

## Financing future growth

The pandemic, and now the rising cost of living, has hit parishes and individuals hard, particularly financially.

During 2022, the Diocesan Leadership Team has sought to offer targeted support and make strategic financial decisions that will support mission and growth into the future, despite the current challenges.

### Adopting a Total Return policy

We are incredibly grateful for, and reliant upon, the income raised by the generous giving of parishes into the Common Fund, which supports the current ministry across the Diocese.

As our shared diocesan Called Together vision evolves, it is clear that we need to invest more in mission and growth in the Diocese, in order to ensure we are not passing on an ever-growing endowment to a smaller and smaller number of future beneficiaries.

To ensure this, the Bishop's Council agreed to adopt a Total Return approach to its investments this year.

Total Return is a way for a charity to benefit from the increased value over time of a permanent endowment – such as a gift of money or a legacy – by releasing that increase in value so it can be spent (used as income) in the present day. The original gift is not compromised but is retained for future generations and beneficiaries.

Total Return gives us the extra investment we feel God is calling us to, in order to fund future investments in growth.

## Generating a culture of generous giving

Church teams have continued to be generous with their time and energy. As we begin our recovery from the pandemic, encouraging a culture of generous giving is more vital than ever.

This kind of culture takes time, support and above all prayer, to grow. To help, the Diocese launched a new package of wraparound support this year to equip church teams to encourage generous giving in their local context.

The support includes:

- Free access to the Parish Giving Scheme, an initiative to make receiving direct debits easier.
- A new weekly bite-sized preaching resource on generosity.
- Training sessions to build confidence in encouraging others to be generous in their giving.

Implementation of the Parish Giving Scheme, supported by giving campaigns, and encouraging the use of digital giving in as many parishes as effectively as possible, will continue to be priorities over the coming year.

### Parish Giving Scheme

Rochester Diocese joined this national Direct Debit scheme in March 2022 after a pilot with a small number of parishes.

There are now 30 parishes signed up, with an average gift per head per week of £24.50, excluding Gift Aid (the average across the Church of England is £19.13).

## Digital Giving

Income gathered in 2022 from digital giving was £233,567 – a sizeable increase from the £26,775 in 2019. Compared to other dioceses in the Church of England, we are ranked at 16th in terms of numbers of parishes actively engaged with digital.

## Giving Campaigns

Our giving adviser has worked with ten parishes on giving campaigns in 2022. Of those reporting results, the average increase in planned giving was 15%, with those who followed up non-responders achieving the highest increase.

## Preaching Generosity

This weekly bite-sized preaching resource, using a diverse group of contributors from the Diocese of Rochester and further afield, aims to draw out themes of generosity in the Common Worship Lectionary and inspire preachers to do likewise in their sermons.

It is reaching about 7,000 people every week, mostly through The Digest and the newsletter of St Augustine's College of Theology, with whom we have partnered.

In addition, we are finding that other dioceses publicise it when contributors from their area are featured, and we have 200 direct subscribers to an email list.

## Grants to help with the tough times

The cost of energy is among the many financial pressures churches and clergy have faced in these current times of high inflation and economic uncertainty.



CHURCHES WITH  
DIGITAL ACCOUNTS

100

AVERAGE GIFT FROM  
CARD READERS

£8.53

AVERAGE GIFT FROM  
ONLINE DONATIONS

£36.47

It is hard to think about mission and growth when you are unable to heat your building. In response, the Diocese reacted quickly by offering grants from a new Energy Costs Support Fund.

The money for the fund was drawn together from a number of places:

- The National Church (£249,000)
- The repurposing of our previous Covid Support Grants fund
- Some designated and restricted funds
- Releasing some of the historic gains we have made on investing through our Total Return approach



Aware of the pressure the cost of living was having on clergy households too, a Hardship Grant of £300 was made available in February 2022 for all stipendiary clergy and those for whom the Diocese provides housing.

The Diocese was a pioneer in this regard, being the first diocese to offer such grants to clergy. Having observed more was needed, a second round was offered in the autumn.

This additional support was made possible thanks to a grant drawn down from the Church Commissioners, bringing the total amount of hardship funding offered to £640.

In total, 91 grants were made of £300, and 108 of £340.



## Energy Costs Support Fund

The cost of energy is among the many financial pressures churches and individual clergy have faced in these current times of high inflation and economic uncertainty.

257

grants of between

**£500 and £5,163**

That is a total of

**£446,000**

## Clergy Hardship Grants



199

grants totalling

**£64,020**

## Nurturing overseas friendships

As a Diocese, we enjoy flourishing links with Anglican communities in Harare in Zimbabwe, and Kondoa and Mpwapwa in Tanzania, as well as a friendship link with the Evangelical Estonian Lutheran Church.

These links allow us to support and encourage each other in God's mission, to share our spiritual and material resources, to build strong and lasting friendships, and to advance the Kingdom of God within our dioceses.

This year we welcomed the Rev Christine Allen, Priest in Charge of Grain with Stoke, as the new Diocesan Companion Link Coordinator.

She joined a small but dedicated team of volunteers who each lead on nurturing parish and school links with a particular companion link.

Existing links have been strengthened through visits and regular zoom catch-ups, as well as new links forged.

The team has made progress in setting up many things for the first time this year, including:

- A QR code, text code, and updated information for insertion into Confirmation service sheets to promote the work of the companion links and encourage donations.
- New information for the diocesan website and adding a link for online donations.
- Invitations sent to all deaneries asking if they would like one of the team to speak at a deanery or chapter meeting about what the companion diocese links are and how they could get involved.



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**The first Overseas Companion Link Celebration Service** to be held in three years took place in August, at St Michael's and All Angels, Wilmington. Bishop Given, the Bishop of Kondoa and his wife, the Rev Lilian Gaula, were able to be in attendance.

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## SYLVIE AND STEPHEN'S STORY

Our overseas connections are a great blessing to each as they support and encourage each other in God's mission. They are also about being there in the good and bad times, as we discovered on a recent trip to Tanzania.

The trip was an opportunity to see how work on projects supported by parishes in our Companion Diocese had progressed since our last pre-covid visit in 2019. Projects such as those at Mkwala village, where Crockham Hill Parish has generously funded restoration work to an existing water harvesting system at the link school, and a new borehole.

One thousand children now have water during the day, and over 700 local families have water for personal use and agriculture. The school plans to start a vegetable garden, income from which will be used to better equip the school. Then tragedy struck, as six days after his consecration as bishop, Bishop George (pictured centre) suddenly died of a heart attack. Our bond as a companion link showed its strength, as Bishops Jonathan and Simon shared a message of condolence and support with the people of Mpwapwa Diocese.

This, along with many prayers of support, was appreciated by our brothers and sisters in Mpwapwa, who drew strength from knowing they were not, and are not, walking alone now or in the future.

*Sylvie and Stephen Barbor, are the Chairs of the Rochester Mpwapwa Group*



# Helping children, young people and adults live out everyday faith in Jesus

Whether a person is drawn to lay or ordained ministry in the Church or is called to living out their faith right where they are.

## Ordained and Lay ministry

In September, 18 men and women were ordained as deacons or priests into the Diocese, each bringing with them a variety of talents and perspectives, adding to the diversity of the Diocese.

Among them this year were a motor sports enthusiast and computer business entrepreneur, an animal scientist, and a psychiatrist.

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**"It is always a complete joy to see those whom you have supported on their journey to ministry, take their next step at ordination. We all have unique gifts and talents that God gives us to use in whatever setting we find ourselves. They are all valuable in God's sight, whether you are called to ordained ministry, lay ministry, or to use your calling in your everyday work and life."**

The Rev Canon Pamela Ive, Director of Ordinands and Vocations

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Fourteen new Lay Ministers were also licensed to serve in 11 parishes across the Diocese this year. Licensed Lay Ministers (LLMs) are not ordained but hold a leadership role in their parish.

Many of those licensed as LLMs this year are in paid employment and very much see their working week as



### ESTHER'S STORY

*"It took seven years of discernment, waiting, and studying and now I wear an amazing piece of plastic around my neck. It is amazing to me because people have stopped me on the street to ask me questions. That never happened before!"* The Rev Esther Bevan was among those ordained a priest, having served her curacy year in the parishes of St Edmund King and Martyr, and St Alban, Dartford. As a British Sign Language (BSL) interpreter, she offered the first BSL service for Deaf people at St Alban's Church, which was held on Easter Sunday, and is now holding regular BSL services.

part of their ministry, just as much as their Sunday church service involvement.

Within this year's cohort are teachers, a farmer, people newly retired, parents-to-be, and grandparents.

### **Continuing Ministerial Development**

Continuing Ministerial Development for clergy has very much focussed on some of the themes raised in Ministerial Development Reviews, which has included managing conflict and wellbeing.

Reflective Practice Groups, now referred to as Pastoral Supervision Groups for clergy, continue to offer an opportunity to reflect on any challenging experiences or relationships in a safe, supportive, and confidential space.

This allows a chance to enrich pastoral practice, deepen awareness of self and other, build resilience, and increase awareness of group dynamics in ways which can help in managing conflict and engaging creatively with diversity. These groups meet nine times a year.

As a result of a review of Curate Formation in 2021, it was agreed that Pastoral Supervision Groups are now mandatory for curates as part of their curacy formation, which fully aligns with a recommendation in the Covenant on Clergy Wellbeing.

### **Lay formation and training**

The formation programme for lay ministry continues to provide a grounded foundational programme of learning for those discerning a vocation to lay ministry.



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**The Licensing service** for Lay Minsters takes place in Rochester Cathedral.

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Each year the programme is reviewed by the Assistant Director of Formation and Ministry, and tutors, to ensure that we provide appropriate content and maintain high standards of learning.

In this past year, the assessment processes have been revised to ensure that no one is disadvantaged in accessing learning and to reduce the requirements for students. This required some additional work for tutors but has been well received by students.

A shorter version of the ten-day Rochester Leadership Programme was introduced for Lay Ministers comprising an introductory morning and two residential weekends.

The aim of the programme is to enable participants to grow in knowledge of themselves, God, and the wider-social context, to nurture a style of leadership that empowers and equips others.

Many have commented on how both their personal formation and their ministry have developed in their original settings because of the course, and this has given them confidence to explore wider areas of ministry.

### **Bishop's Certificate**

The Bishop's Certificate programme is the start of our Licensed Lay Ministry training with students drawn from across the Diocese.





The course is open to anyone who has an active involvement in their local church, and who wishes to gain knowledge and skills to give a firm foundation to their Christian life and service.

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'I am using so much of what I have learned in my parish.'

*(Bishop's Certificate student)*

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In 2022, the programme had 10 students in the first year, 15 in the second year and 11 on the Licensed Lay Ministry track in the third year.

All of our 36 tutors and learning advisers are volunteers and students speak with deep appreciation of the care they receive through the programme as well as for the level of teaching.

They are deeply grateful for the learning environment at St. Benedict's Centre and the prayerful support of the Sisters.

## Growing faith in children and young people

A key milestone in the work of the Children, Young People and Families Mission and Ministry Team this year, has been the completion of the Children and Young People Fund.

It was established five years ago to offer small to medium seed corn grants to support children and youth focused ideas across the Diocese.

From band equipment and mental health projects to bike repair initiatives and art therapy, 121 projects have been supported over that time.

Information gathered this year through a survey of project recipients shows that 72 per cent of the projects are now self-sustaining.

Exciting plans are now underway to use any underspend within the Children and Young People Fund to offer Mental Health First Aid Training to develop a network of mental health advocates and to support young people with their wellbeing.



Alongside the oversight of the Fund, the Team has continued to support youth and family workers within parishes through numerous training events, visits, away days, retreats, regular bulletins, lending of equipment, and offering best practice and guidance consultations.



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**A supporting grant** from the Children and Young People Fund, alongside generous fundraising among the congregation, saw the choral tradition revived at St Mary's, West Malling, with the establishment of their award-winning Choral and Organ Scholars programme.

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**School celebration days** made a welcome return this year, with Year 6 and Year 5 pupils welcomed back to Church Schools Celebration Days in Rochester Cathedral (Yr 6) and at Bromley Parish Church (Yr 5) in June - the first since before the pandemic.

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### **Affirming everyone's calling**

The Bishop of Tonbridge has continued to lead on the Everyday Faith agenda, taking every opportunity to talk about how we have an individual vocation and witness that is valued and precious in the sight of God - whether you are a parent, bus driver, officer worker, accountant, or however you identify.

This has included offering numerous anointing services at which people are invited to come and be affirmed and blessed for the work they do.

A dedicated Everyday Faith section promoted directly on the diocesan website homepage underlines the central commitment of the Diocese to affirm everyone's gifts and talents, and the calling they can live out in their everyday life and work.

Additionally, the diocesan magazine, *Together*, features a regular Everyday Faith section, in which personal stories of faith and calling are celebrated as an encouragement to others to recognise the same in their own lives.



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**CHICHI'S STORY** *'In my role, I can express my faith by showing the love of Christ sincerely through hospitality, to all our guests, many of whom have no faith.'* Chichi Nwandu is the Bursar at St Benedict's Centre in West Malling.

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## Sports Ministry

Sport is a big part of many people's everyday lives, and work has continued in the Diocese this year to encourage churches to explore how they can use sport and wellness to help people of all ages to live out their everyday faith in Jesus.

From healthy walks and mobility exercise sessions to cycling groups and sports club chaplains, churches across the Diocese are being creative in showing how they can be a positive and encouraging presence in people's sporting lives.

In the lead up to Sports Sunday in May, a new video was created highlighting some of the ways local churches are becoming a Godly presence in people's sporting lives, so as to encourage others to consider doing the same.

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**"Too often we haven't connected our love for sport and well-being with our love for God or to see it as a wonderful divine gift for human expression."**

Bishop Simon Burton-Jones

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*Left to right: Genesis Football - St John Chatham, Healthy Walks – St Mary Platt, Pilates for Ukrainian women – Christ Church Chislehurst, Mobility Classes, St Mary Shortlands*

## Deepening people's relationship with God

The Diocese offers a number of avenues to help people explore and deepen their faith and prayer life.

This work is supported by the Diocese's Spirituality Network. Within the Network are people who give retreats, offer spiritual accompaniment, quiet days, and talks on various subjects to do with spirituality.

Additionally, there are also longer more in-depth opportunities available, such as *Closer*. This is a one-year experiential course in Christian Spirituality allowing participants to:

- Explore and develop their own relationship with God.
- Try new ways of praying.
- Learn about different Christian Spiritualities.

During the pandemic the course was trialled on Zoom. This proved very successful and so, despite the lifting of restrictions, it has continued to be delivered in this way. Doing so appears to be helpful in allowing participants to establish a place and a routine for prayer, and the deepening of their spiritual lives in their own home.

The Network has also continued this year to offer *Training in Spiritual Accompaniment* with the Diocese of Canterbury. This is a two-year in person programme consisting of six Saturdays per year and a residential weekend in year two. The course is a mixture of theory and practice and there is a requirement for ongoing study and regular meetings with tutors between the study days.

Fifteen people completed the course in 2022 and 17 have been offered places for 2023. Those who have completed the course and who want to offer the ministry of spiritual accompaniment are required to attend regular supervision groups with other practitioners where they reflect on this ministry.

## Attending to the spiritual needs of older people

Anna chaplaincy is a pioneering ministry in the Diocese working with older people and those with dementia.

It aims to equip churches to better support older people in their congregations and communities, and to ensure their spiritual and pastoral needs are met.



*Dementia Friendly service, St Justus, Strood*



## JUDI'S STORY

As part of a series of films about safeguarding, the Rev Judi Hammil, Vicar at St James', Tunbridge Wells, spoke about her work with older people through Anna Chaplaincy. She says, *"I've really enjoyed working with the Anna Chaplains in putting together the Hope Services that are designed especially for people who live with dementia and other long-term conditions. I've also enjoyed going into our local care homes and getting to know many of the residents there. Elderly people whose minds and bodies don't work as well as they once did are really dear to me because my dad suffers from Alzheimer's."*

During this year, six new Anna Chaplains have been recruited, trained and commissioned in the Diocese, bringing the total number to 37.

There are now also 29 Anna Friends – these are trained volunteers who give a few hours of their time to offer support and friendship to older people and their carers to help meet their spiritual needs

The first annual get together for Anna Chaplains and Anna Friends across Rochester and Canterbury Dioceses was held in September. It was attended by 33 participants who benefitted from keynote speakers on 'Personal Resilience and Wellbeing', and 'Singing with Older People'.

A new short course for Anna Chaplains to train their teams on ageing and dementia was also piloted this year and is set to be rolled out later in 2023.

## St Benedict's Centre

St Benedict's Centre, based in the grounds of Malling Abbey, provides space for day retreats, quiet days and learning opportunities for individuals and groups.

The single most important aspect of St Benedict's Centre is the relationship with the sisters at Malling Abbey who have gifted the use of buildings for the work of the Centre and who support the activity through daily prayer and participation in some of the events.

The Diocese uses the Centre for the Lay Ministry Formation programme and much of the Continuing Ministerial Development programme.

Other diocesan groups, including the DAC, Board of Education and the Safeguarding Team, use the facilities for meetings. Clergy and lay leaders are encouraged to use the individual study rooms for day retreats or space to work. Parish groups enjoy using the space for vision days, quiet days and for team planning.

St Augustine's College of Theology is a resident guest of the Centre which provides office and library space as well as teaching facilities.

During the past year the Centre has established a bespoke programme of events grounded in the Benedictine principles of stability, hospitality and silence. These events are designed to attract a wide range of people.

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**“We look forward to growing this relationship and continuing to embed spirituality in the life of the Diocese.”**

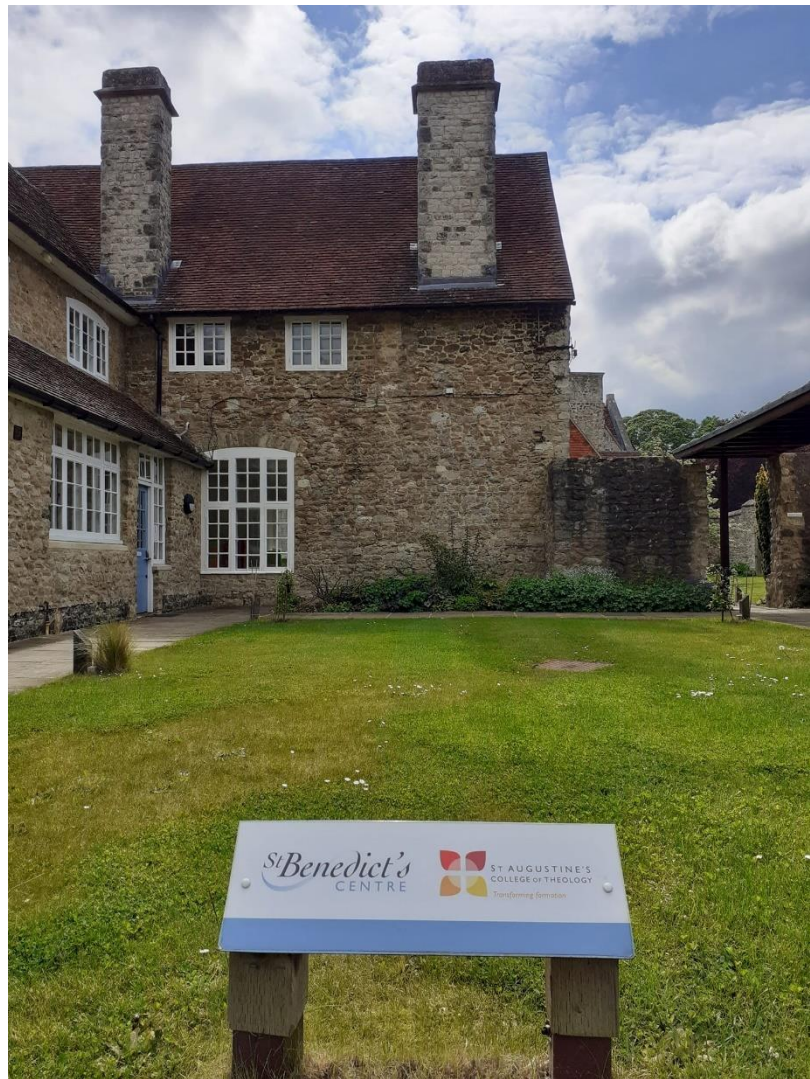
The Rev Canon Jane Winter, Centre Manager

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The programme includes traditional quiet days, wisdom days where participants contribute to shared learning, walking days based on using the Lectio Divina method of hearing the bible and arts days. The series of days exploring Benedictine wisdom have proved very popular.

During the course of this year, the trustee body has been reconfigured with a new chair person, new bishop and a new bishop’s visitor for the Abbey. This body is now in a position to develop the vision for the centre, now that the Benedictine principles are well established and shape the culture of the centre.

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# Supporting loving service in local communities

Understanding that our mission is to the whole person and every initiative to meet human need is a sign of the coming kingdom of God.

## Seeking to be God's eyes, hands and feet

As Christians, we are called to love our neighbour as ourselves. One expression of that is how churches and individuals serve their communities.

The legacy of the pandemic has continued to challenge churches around their capacity to engage in community outreach because of volunteer burnout, changed local needs, and a lack of financial resources.

Into this context, Licensed Lay Minister, Magali van der Merwe, joined the Diocese as the new Lead Community Engagement and Social Action Adviser this year. She has hit the ground running to help churches identify the needs in their communities, as well as navigate the things that might hinder them in engaging in community outreach.

## Responding to Ukraine

As news of the invasion of Ukraine broke, churches in the Diocese quickly mobilised to offer support. From prayer vigils to donation drops, the response of churches was one of compassion and generosity.

Many churches found ways to stand in solidarity with the Ukrainians already in their midst – and the bonds from their initial response has continued.



*Photos from Top to bottom of page: Donation drop and English classes, St John's Sidcup - Prayer day, Holy Trinity, Coxheath - Donation drop and family drop-in, King Charles the Martyr, Tunbridge Wells*



Aware that each and every church, and person's, situation and capacity, was different, the Community Engagement and Social Action Team created online guidance offering a range of suggestions that individuals and churches could consider.

A process and guidance were also developed for clergy who wished to offer lodging for refugees in their own home as part of the Government's Homes for Ukraine scheme.



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**Space for English**  
classes and creativity  
was made available to  
Ukrainian women at St  
Benedict's Centre, West  
Malling

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## Responding to the rising cost of living

According to Church of England research published at the end of 2022, nearly three million adults in the UK are estimated to have sought help from churches or other religious organisations as a result of the cost of living crisis.

In the Diocese, the Community Engagement and Social Action (CESA) team held a webinar on Warm Spaces/Warm Banks in early September to share ideas, highlight areas of concern, and to begin to build a network of churches looking to respond in practical ways, which over 60 people attended.

The overall message was to 'do more of what was already on offer, rather than creating something new.' Churches were encouraged to open buildings for longer periods of time but also meet other community needs through extension of current provisions.

There was also a strong encouragement to work with other partners in the community, such as other churches, community groups, and local authorities, to help with access to more volunteers and funding.

Through the CESA Lead Adviser, Local Authority contacts were kept updated on church plans, particularly as any additional government funding was likely to be distributed through Borough and District councils.

## Warm spaces grant

Over 70 churches applied to the Diocese's Warm Space Grant Scheme, developed to enable churches to

support their communities throughout the winter

From simply offering a warm, safe space to go, to providing warm drinks and food, to supplying warm coats and other clothing, a variety of responses were developed. Central to every offer was dignity and welcome, with many churches now seeking to provide this outreach on an ongoing basis.



## A WARM WELCOME

At St Peter and St Paul, Aylesford, longer hours were added to their Place of Welcome café as part of a package of warm and welcoming support which includes an established food bank and now, a new Dementia Café. The Rev Ruth Peet says there is a delicate balance to be struck between letting people know that they are welcome to something like the café, without it appearing like they are receiving charity. *"It's about offering company and welcome first."*



### **Responding to food and financial poverty**

From community larders and community cupboards to food banks and community fridges, a variety of initiatives aimed at helping feed communities have been developed by parishes.

An approach to support those facing debt was also drawn up by the CESA team which included:

- Raising financial awareness and upskilling local churches'
- congregations through talks, online resources and a Jesus Money resource.
- Specific financial and budgeting training aimed at community hub leaders and church leaders with an interest in helping others suffering from debt.

### **Responding to poor mental health**

Local churches are keen to support those suffering from mental ill health, either by themselves or with partner agencies.

From offering courses such as Kingsugi Hope, and The Recovery Course, or putting on activities that promote mental wellbeing such as:

- gardening
- craft
- healthy walks

The training of Mental Health First Aiders has continued, with now just over 100 across the Diocese.



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**The Gardening Club** runs as part of Thrive Thursdays at St Augustine, Gillingham

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**Mourning our monarch** Churches were focal points in their communities for prayer, reflection and remembrance on the death of Her Majesty The Queen. *(Photo credit: Roger Vaughan)*

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# Speaking and responding to the prophetic voice of justice and peace

To speak up for justice, to speak up for peace, and to be open to hear the prophetic voice ourselves, for the Church has much it needs to put right.

## Safeguarding

As a Diocese we take our safeguarding responsibilities very seriously and we are committed to ensuring that our churches and buildings are safe places for all.

Alongside delivering a full and demanding programme of required safeguarding training, the Safeguarding Team has continued to handle an increasing workload of enquiries and case management, as well as carrying out clergy inductions, Parish Safeguarding Officer meetings, and DBS checks.

The safeguarding pages of the diocesan website are regularly checked and reviewed to ensure they contain up to date as well as accessible and appropriate material for a range of users, including children and young people, adults, and victims and survivors of abuse.

A joint safeguarding conference was held with the Diocese of Canterbury bringing Parish Safeguarding Officers and others together for a time of shared learning and encouragement.

Additionally, a number of major safeguarding reviews and reports involving or connected to the Diocese were published this year, including the Past Cases Review 2.





## Past Cases Review 2

This year our Bishops welcomed the publication of a major, national Church of England report reviewing safeguarding information across the Church nationally.

Called the Past Cases Review 2, its purpose was to identify both good practice and institutional failings in relation to how allegations of abuse have been handled, to assess any identified risks and respond to these where appropriate, and to provide recommendations to the Church that will lead to improvements in its safeguarding work.

More than 70,000 written and electronic records were independently scrutinised across the Church of England for any reference to a safeguarding matter or concern.

The national report was informed by independent reviews undertaken in each of the 42 dioceses of the Church of England, including our own Diocese.

As part of the process undertaken within our Diocese:

- **Over 3,700 files**, records and pieces of information were examined.
- **An appeal for information** on all previously known safeguarding incidents was made to parishes and other organisations, to ensure that a record of the incident was held by the Diocesan Safeguarding Team, and to check appropriate action had been taken.
- **Personal files of clergy, lay ministers and employed staff**, including the files of those no longer holding office and those of deceased clergy were reviewed.

On completion of the Review in our Diocese it was confirmed that:

- **100% of parishes** returned declarations.
- **One new case \*\* was identified from the parish returns** – this led to a referral to the police and an investigation by the Diocesan Safeguarding Team.
- **Thirty-six files were identified as requiring further work** by the Diocesan Safeguarding Team to bring the file up to the required modern standard of safeguarding practice, and to enable the file to be closed. In each of these files, the reviewers subsequently agreed that all actions had been taken and that the case could be closed.

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**‘The Church has a long and shameful history of failure when it comes to how we have responded to allegations of abuse, and to victims and survivors of abuse. This is true in our own Diocese, for which I am deeply sorry. However, apology must be accompanied by change and action.’**

Rt Rev Simon Burton-Jones, the Bishop of Tonbridge responds to PCR2

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A full overview of the findings and recommendations of the Diocese’s independent Past Cases Review 2 is available on the [diocesan website](#).

*\*\*A new case is defined as any information identified through the PCR2 process pertaining to an individual or a concern that was previously unknown by the Diocesan Safeguarding Team.*

## Creating Healthy, Safe Cultures

Across the Diocese, there are people working very hard in churches and within the support teams to help keep everyone safe.

They are undertaking things like being careful about who carries out a role in a church or at a church activity, learning how to work in the safest way possible, or stepping up to be a Parish Safeguarding Officer.

For these things to work, there needs to be a good culture - a safe and healthy culture - and that's where each and every person can make a difference. To help, we used Safeguarding Sunday in November as an opportunity to start talking about the culture within churches and other settings, and to think about the part everyone plays in creating that culture and keeping it going.

As part of this, new materials were launched on the diocesan website to help churches and all church role-holders to have conversations about culture. The material included sections on:

- Talking about what a healthy culture is and might look like in a church or other setting.
- Hearing and valuing the voice of victims and survivors of church-context abuse.
- Raising awareness of important contemporary safeguarding issues.
- Thanking and praying for those who coordinate safeguarding in a church or other setting.

The pages can be explored at any time and will continue to be added to.

## Safeguarding Dashboard

The Parish Safeguarding Dashboard is an online tool to assist parishes in making safeguarding administration simpler.

Introduced in December 2021, the Safeguarding Team has continued to promote the tool to parishes and encourage uptake.

As of December 2022, there are now 144 out of 211 parishes and 3 Bishop Mission Orders, registered with the tool. One hundred and nine of those are actively using their dashboard.

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**'I think the Dashboard is a brilliant tool. I find using it helps enormously, especially when I am reporting to PCC and asking for discussion and approval of various procedural matters, as it helps me to focus on the things which need doing, and not leave anything out.'**

Naomi Welling, Parish Safeguarding Officer,  
St John's Church Centre, Tunbridge Wells

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## Domestic abuse and violence against women

The Diocese continued its awareness-raising work around domestic abuse and gender-based violence this year.

In support of the UN's 16 Days of Activism Against Gender-Based violence, we actively shared and promoted a National Church campaign highlighting the issue. Two of our own Safeguarding Team also led national webinars on grooming and trauma informed practice, as well as domestic violence.



In addition, we actively supported The White Ribbon Campaign's White Ribbon Day. Although aware that domestic abuse can happen within all kinds of relationships, the campaign particularly focuses on men by encouraging them to promise not to use, excuse, or remain silent about men's violence against women.

This year, White Ribbon Day (25 November) fell in the same week as the start of the FIFA men's World Cup. To tie in with this, the Bishop of Tonbridge, released a pre-match video message asking men not to bring violence home that World Cup season.

### **From Lament to Action**

From Lament to Action (FLTA) is a national report published by the Archbishops' Anti-Racism Taskforce. Calling out institutional racism within the Church, it proposes a suite of changes to begin bringing about a change of culture in the life of the Church of England.

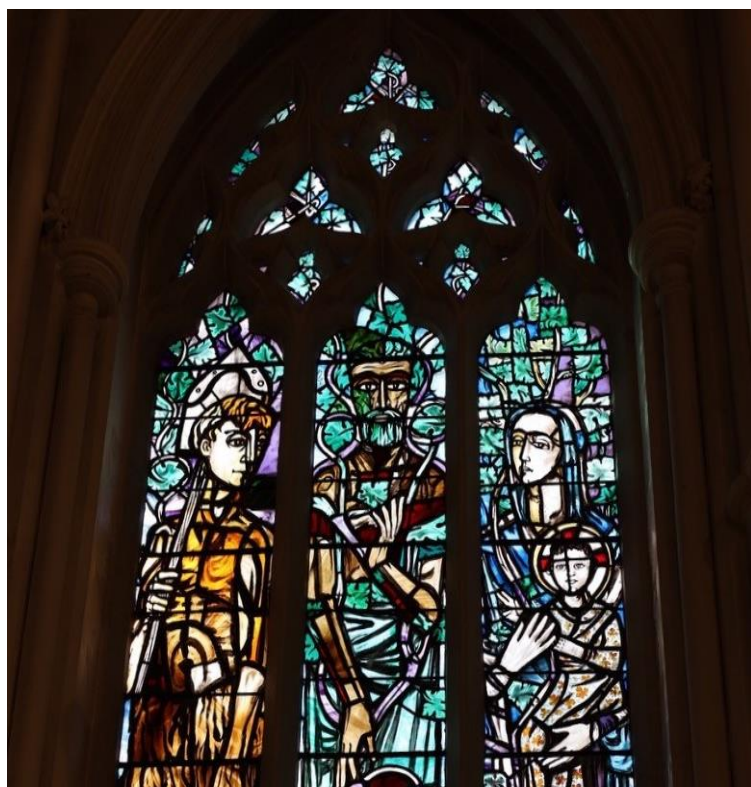
In 2022, a working group was established in the Diocese to:

- Identify the different recommendations that should be taken forward in the Diocese.
- Identify the key person or people responsible for implementing these recommendations.
- Contribute to the implementation of recommendations by active support and enabling of those responsible for implementation.

The proposed working group and its remit was discussed with clergy and lay colleagues who self-identify as BAME, at

West Malling at the beginning of February.

The working group will report back to the Bishop's Council with progress, and with the timeframes for their review work. Following this, the Working Group will come back to the Council with recommendations for implementation, including any resources required.



### **CONFRONTING CONTESTED HERITAGE**

St George Church, Beckenham has taken steps to understand and confront the contested heritage - memorials and objects that are symbols of injustice or sources of pain - quite literally upon their walls. The family names of all those on the memorials were researched. Then, with the extent of the Contested Heritage established, the committee decided that, rather than try to remove the memorials, they would be open and transparent about their presence and use them as an opportunity for learning and to challenge injustice. A statement explaining the church's position is prominently displayed around the church.

## Poverty and Hope

The Diocese of Rochester's Poverty and Hope Appeal is our annual fundraising opportunity to express our Christian belief in justice for the poor.

This year it launched seeking to raise money for projects supporting:

- People living in the slums of Brazil
- Children's education in rural Myanmar
- Left behind minorities in Bangladesh

To these were added exciting initiatives in three of our companion dioceses; providing clean water in Kondoa and girls' education in Mpwapwa, both in Tanzania, and beekeeping and fish farming in Harare, Zimbabwe.

Over £23,000 was raised in the 2022 Appeal, and £25,000 was distributed to our six partners by drawing down funds carried forward from the previous year. Over 50 parishes made donations and in many cases these were part of a regular yearly pattern of generous giving.

## Living in Love and Faith

Living in Love and Faith is a learning and listening process that has taken place across the Church of England over the last five years. It has encouraged individuals, parishes, deaneries, and dioceses to explore questions about how identity, sexuality, relationships, and marriage fit within the bigger picture of the good news of Jesus Christ.

Parishes, groups and individual across the Diocese have engaged with the materials, including the Diocesan Synod in March. The whole process closed to responses in April and the findings, 'Listening to the Whole Church' were published in September.

There followed a process of discernment by the College of Bishops leading to the creation of a set of proposals by the House of Bishops, which were considered at the February 2023 General Synod.



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**In Mpwapwa Diocese, Tanzania,** £2,000 was released to St Philip's Theological College to fund a solar panel array to power their borehole, helping irrigate crops, as well as increasing the acreage of agricultural projects at the college.

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### **GIOVANNI'S STORY**

For me the most important issue of justice is hunger. It is an issue that has been with us for a very long time and which is very difficult to resolve.

Food insecurity is something that we have seen more as we come out from the pandemic. Individuals and families are suffering with this issue. It's not surprising to see our local councils, schools, community groups, charities and churches to try to tackle it.

As we see more individuals and families unemployed, we see that more and more they come through our doors asking for food.

My prayer is that in looking at this issue we voice up this basic need to our local governments, to our local councils, that we work together: community groups, churches, alongside with the council, and the government and try to supply this basic need.

My prayer is also that we will allow God to act divinely through us.

***Giovanni Parrales*** is the Estates Evangelist at St Francis' Church, Strood. He shared his most pressing issue of social justice as part of our contribution to the national #EmbracingJustice Lent campaign.

# Protecting creation's life for future generations

As part of our prophetic calling, we commit to speak about our role in caring for God's creation, to work for the protection of the natural world and to equip Christians and churches to care for it.

## Working towards net zero

The diocesan support team is trying to maximise its impact on this vital piece of work within existing limited resources.

The current approach is to focus on encouraging churches to measure their carbon emissions using the Energy Footprint Tool, and to look at ways to measure and improve the energy efficiency of our clergy housing.

The pandemic has slowed our progress, however, 61 churches in the Diocese have now registered for Eco Church status (including LEPs which count for both denominations), of which 13 have reached the bronze award level and 2 the silver award level.

Additionally, opportunities are regularly communicated to parishes to engage on creation care issues, including around COP26, the Churches Count on Nature week, and National Church environmental webinars.

We have engaged key internal stakeholders and responded to the National Church's consultation on a draft Route Map To Net Zero.

## Monitoring our carbon emissions

We have continued to encourage churches to use the Energy Footprint Tool, which enables them to work out what their carbon emissions are and then work out how to reduce them.



## BRONZE ECO-CHURCH ACHIEVED

St Mary the Virgin Church in Stone was awarded a Bronze level Eco-Church award, as well Fairtrade Church status, as part of their efforts to care for the environment. Steps taken include an Eco-Church display board in the church, information and tips on ways to care for the environment included weekly pew sheets and social media platforms. Bird and bat boxes, a bug hotel, and bird feeders were installed in the churchyard.

Provisional headline data from 2021 that has come to us in 2022 shows that:

- Thirty three percent of churches completed or partially completed the Energy Footprint Tool (up from 23% in 2020)



- The net CO2 emissions for churches was 2,187 tonnes in 2021 compared to 3,100 tonnes in 2020 (a reduction of 913 tonnes)
- With the inclusion of schools, housing, offices and other buildings our total emissions were 6,676 tonnes in 2021, compared to 7650 tonnes in 2020 (a reduction of 974)

We know that for much of the preceding winter, church buildings were closed, so energy emissions would be less than 'usual'.

We also know we still have more work to do on our environmental impact, however, working out our current carbon emissions will enable us to measure the impact of the changes we make.

### **Clergy housing**

Earlier this year, as part of our journey towards Net Zero, the Diocese began a review of all properties.

This included Energy Performance Certificates (EPC) surveys being undertaken for all parsonages within the Diocese; this information, coupled with the Property Team's knowledge of the portfolio, will be reviewed to enable recommendations to be brought to the requisite boards at the appropriate time.

While some access issues have delayed progress, to date, 37 properties have been completed. Inspections are ongoing with EPCs.

Once the surveys have been completed the data will be reviewed and analysed to enable the Diocese to plan for what investment is needed and where over a set period to reduce the impact of our housing.

### **Insulation pilot**

Alongside the energy surveys, an insulation pilot scheme has been undertaken with 16 identified properties which will benefit from improved insulation during the winter months, aiming to mitigate against energy costs.

The first eight properties that have been surveyed will be proceeding with roof and cavity wall insulation once access has been agreed.

Feedback from one of the first recipients of the insulation confirms the benefits.

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**'We had new insulation installed the other week and we are already noticing the difference it has made.'**

The Rev Roger Bristow, Holy Trinity, Bromley Common.

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### KAYLEIGH'S STORY

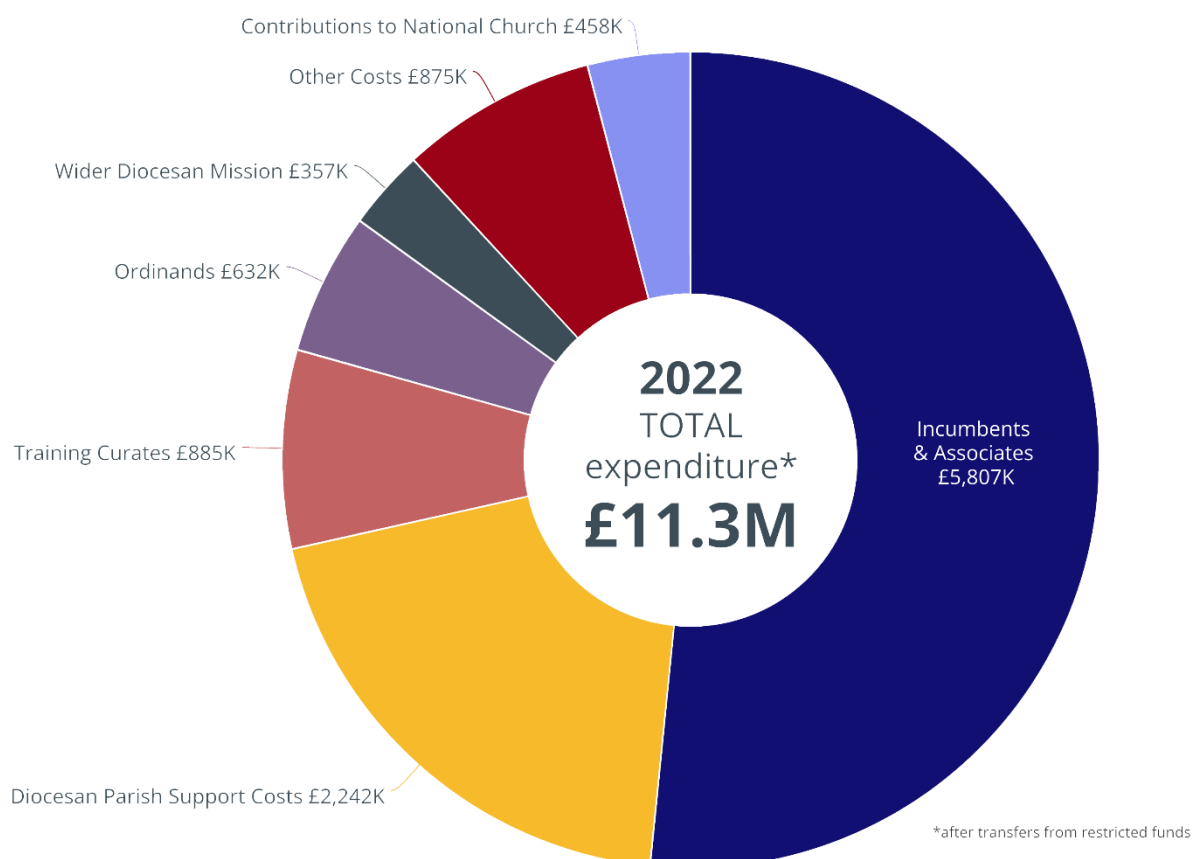
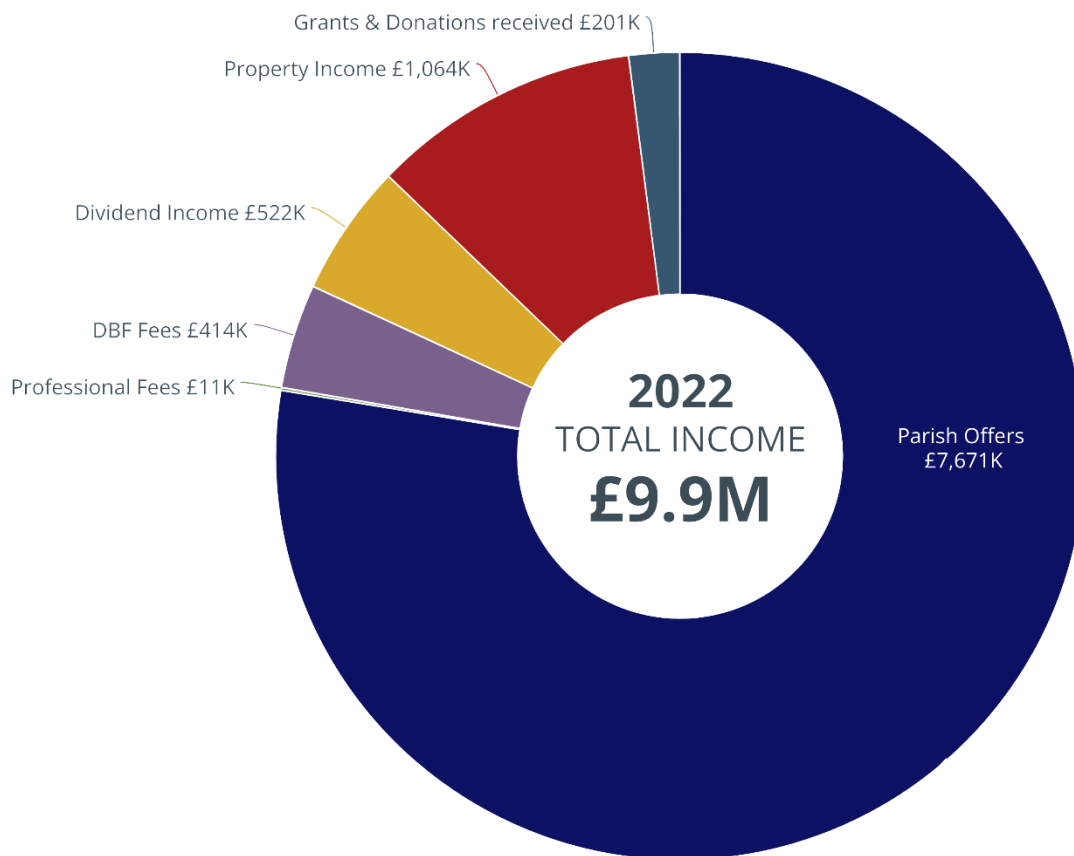
When things get tough, or when God feels a million miles away, what brings me back is connecting with nature. Speaking out about the climate crisis can be tough. Through the Eco Hub I've got my dream - a family, a little tribe of people who feel the same - and it feels really nice because it's really changed my mindset and my sense of how I live out my faith. As a group, we've planted 2,700 trees, we talk in schools, and monitor the air quality around the town. In fact, the non-church people often think it is quite cool that the Church is doing things around the environment but I am not sure the Church more widely always realises this. But for me, acting on climate change, well if that is not proclaiming the name of Jesus, I don't know what is.

**Kayleigh Ward** is the co-founder of the Eco-Hub that runs out of St Margaret's Church, Rainham



## TOTAL COMMON FUND INCOME AND EXPENDITURE

We spent £11.3m in 2022. This was funded by donations from the church community into the Common Fund and income from other sources. This page illustrates where funds came from to finance the level of expenditure during the year.



## SUPPORT COSTS FOR PARISHES

With over 550 clergy and licensed lay ministers, we are reliant on the generous giving of parishes, through their Parish Offers, into the Common Fund, which together with DBF fees represents 82% (2021:81%) of our income.

			2023	2023
<u>Annualised Cost of a Full-time Incumbent (£)</u>	Apr-22	Apr-23		Cost per benefice
Current Stipend (from April 2023)	27,805	29,195	28,848	
National Insurance 13.8% over £9,100			2,725	
Pension 26%			7,500	
Parsonage Upkeep budgeted for 2023 (2022B: £5,494)	£980,034	160	6,125	
Cost of a Full-time Incumbent			<u>45,198</u>	£45.2K

	2020	2021	2022A	2023B	
<u>Diocesan Support Costs (ex Parsonage Upkeep) (£K)</u>	1,851	1,892	2,138	1,985	
Number of benefices	181	179	176	172	£11.5K
Cost per benefice					

	2020	2021	2022A	2023B	
<u>Costs of Mission, Future Ministry and National Church (£K)</u>					
Curates	862	809	885	1,006	
Ordinands	650	694	632	750	
Wider Diocesan Mission	395	344	357	350	
Contributions to National Church	508	490	458	434	
	<u>2,415</u>	<u>2,337</u>	<u>2,331</u>	<u>2,540</u>	£14.8K

Contribution required for 114 (2021: 115) benefices unable to cover the allocated cost of a wte Incumbent and Diocesan Support Costs (£K)		1,982	1,844	£10.7K
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Average Contribution required from Benefices

**£82.2K**



## FINANCIAL STRATEGY

*The financial strategy is the achievement of a financially sustainable position and to successfully underpin the diocesan strategy of called together.*

### FINANCIAL SUSTAINABILITY

The Financial Strategy is the achievement of a financially sustainable position to underpin the Diocesan Strategy of Called Together and enable it to come to fruition.

This entails sustaining the parish structure of ministry and, where required, investing in the reinvigoration of established parish churches. Alongside this, we are increasingly focussed on investing in fresh mission opportunities and the emerging church. This approach demands a delicate balance between current investment and the preservation of capital for the future, all the while seeking to maintain our existing funding of the parish system.

We need to be able to invest in areas of new developments where the population is growing, and increasingly are focused on reaching out to the unchurched and de-churched and in areas of demographic and cultural change and diversity, where different styles of church may be required. We also need to support this in our recruitment and training of clergy and lay ministry, and in the oversight of establishing fresh expressions of church and church planting.

### COMMON FUND AND INDICATIVE OFFERS

The Common Fund is the principal unrestricted fund that deals with the general income and expenditure of our Diocese. The management of the finances and resources are framed in such a way which reflects who we are – an interconnected family or fellowship of Christians dependent upon and supportive of one another. This connection brings with it a shared concern and responsibility for one another.

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

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

The system of Indicative Offers for parishes was established in 2019 to help inform parishes as they consider their contribution to the Common Fund and to

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

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

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



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

## PARISH OFFER REVIEW PANEL

In rolling out the new Indicative Offer system, we sought to establish a more formal system for receiving and responding to Parish Offers.

This support needs to be in looking with the parish at the resources it has, and in some cases hasn't, so that where there is a challenging situation it is known and shared.

In achieving a fair level of offer which adequately reflects the cost of ministry and support that a parish receives, the emphasis is on collaboration and support. Where there are concerns of hardship these need to be seen and dealt with, not become another weight for the parish to carry.

Equally, if a parish is able to meet its share, but doesn't, it needs to be clear that others including its neighbours will be picking up the cost. With this in mind, we introduced a Parish Offer Review Panel, a sub-committee of the Finance Committee comprising clergy and laity, which will deal with issues from parishes concerning the level of Parish Offers.



## **FINANCIAL IMPLICATIONS POST COVID-19 AND COST OF LIVING CRISIS**

The Covid pandemic had a significant impact on the funding of the Diocese. We incurred significant operating deficits over the last three years. It has been a difficult time for all concerned and we are hugely grateful for the ongoing generosity of our parishes; their sacrificial support in maintaining contributions has been vital to the ongoing maintenance of our mission and ministry.

We understand that parishes have been severely challenged with their income post Covid-19 as congregations gradually come back to church and with current energy cost increases. We are asking parishes to do all they can to maintain Parish Offers, which are largely used to support the clergy stipends.

## **2023 BUDGET AND OUTLOOK FOR 2023**

The budget for 2023 was built on an assumption that Parish Offers will recover to £8.0M (2022: £7.67M) with the anticipation and hope that underlying parish income levels will recover as the face-to-face worship resumed and that Parish Offers would recover in kind. However, the recovery was slower than envisaged at the time the budget was set and is likely to be compounded by the impact of inflation on the economy and more particularly the disposable income of parishioners.

The level of parish contributions anticipated is clearly uncertain and dependent on the speed of recovery

from the Covid-19 pandemic and cost of living increases. Whilst parish contributions, in the circumstances, held up remarkably well over the last two years, largely because many parishes were able to utilise reserves, it remains to be seen how close offers will be able to return to the level of and exceed pre-pandemic levels.

## **DIOCESAN OFFICE SUPPORT**

Much of the expenditure for the Diocesan Office is related to staff that we employ. The budgeted Diocesan Office Support Staff is stable at 35.6 full-time equivalents (FTE), although there have been changes in the roles to support parishes in what they need through this period.

Overall headcount of Diocesan payroll is for FTE of 47.8 (2021A: 49.7). The Diocesan payroll headcount includes 5.8 staff on the RDSBF payroll who are not funded by the Common Fund (10 in 2021). This includes 5.6 staff funded by the Strategic Development Fund of the Church Commissioners (6.2 in 2021).

## **LIQUIDITY POLICY**

The RDSBF's liquidity policy has been to maintain minimum liquid reserves of £2.75m (defined as monies either on current account or on bank deposits of up to 35 days' notice, of which £1M should be in cash or on bank deposits of up to seven days); being £2.0M for the purposes of working capital and a sum of £0.75m (representing just under 10% of total deposits by parishes for the Church Repair Fund (CRF) and Diocesan

Loan Fund (DLF)) to cover potential withdrawals from the CRF and DLF.

In addition, for prudent “risk” reasons (as opposed to liquidity considerations), at least 10% to 15% of available funds for investment, subject to a maximum of £2.5m, should also be held in cash under the terms of the Cash Deposits Policy - in this case through a range of maturities up to one year may be utilised.

The Trustees are confident that the RDSBF has a sufficient asset base to cover liquidity needs in the foreseeable future. The overall cash balances at the 2022 year-end stood at £6.5M (2021: £7.6M) (being more than the current policy level of minimum liquidity and cash reserves of £5.0M).

## **RESERVES POLICY**

The Trustees require reserves to:

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

It is the RDSBF's policy in order to cover such eventualities, reviewed in March 2019, to maintain free reserves in excess of £5M. Common Fund reserves at the year-end stood at £2.6M (2021: £5.1M).

The Trustees consider it important to carry additional reserves to cover unforeseen eventualities and the possibility of future operating deficits. However, the Covid 19 pandemic and cost of living crisis have meant reserves have had to be called upon. In addition, investments attributable to the Common Fund saw a write down of £1.4M during the year. It is anticipated and expected that the Common Fund reserve balance will recover in 2023 due partly to some planned property disposals.

In May 2022, Bishop's Council approved a Total Return approach to the accounting for permanent endowments applied to the Diocesan Stipends Fund, which took effect from 1 January 2022. It is anticipated that the normal annual income provided from the Stipends Capital Fund to support the existing Common Fund budgetary requirements will at least be maintained.

Total Return is proposed on the assumption that Parish Offers are made in accordance with the current Indicative Offers system, so that additional funds may be released for fresh investment to support mission across parishes in the Diocese. See note 23 for further details on Total Return accounting in the year.

## **DESIGNATED RESERVES**

The Trustees may designate unrestricted reserves to be retained for an agreed purpose where this is considered to be prudent. Such designated reserves are reviewed on an annual basis and returned to the Common Fund in the event that there is

no further need to retain them for the purpose of their designation.

A description of each reserve together with its intended use is set out in Note 16. Total designated reserves at 31 December 2022 were £9.1M (2021: £9.1M). These reserves are predominantly held in property assets .

### **RESTRICTED AND ENDOWMENT FUNDS**

As set out in Notes 17 and 18, the RDSBF holds and administers a number of restricted and endowment funds. None of these funds are available for the general purposes of the RDSBF, although the income of endowed funds may be used for certain restricted or unrestricted purposes. Total restricted funds at 31 December 2022 were £40.9M (2021: £44.1M), and total endowment funds were £25.1M (2021: £26.8M).

### **INVESTMENT POLICY**

The Board's investment policy is based on the two key principles of Preserving Inter-generational Equity and Ethical Investment:

#### **Preserving Inter-generational Equity**

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

Investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for the preservation of capital

value and the possible need to realise investments to meet operational needs.

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

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

### **Ethical Investment**

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

### **Fund Managers**

In January 2020, the Diocese transferred its investment portfolio (excluding property investments) to Mercer Global Investment Management Ltd. ("Mercer"). Mercer's investment platform provides the Investment Committee of Bishop's Council with a greater level of flexibility to align the portfolio with the overall objectives of the Diocese and the flexibility for Mercer to respond to market changes and changes in the performance of specific funds and fund



managers. The current portfolio includes allocations to a broad range of asset classes, with a strong focus on sustainability issues.

### **GRANT MAKING POLICY**

The Memorandum of Association of the RDSBF explicitly permits the RDSBF to make grants in pursuance of its objects, and the nature of grants made in 2022 is indicated in Notes 6 and 8. Grants are made to the National Church to cover a proportion of its central costs and also to cover training for ministry (see Note 6).

For five years through to the end of 2022 the Diocese operated a Children & Young People Fund, to fund youth ministry initiatives, and it continues to operate a Missional Property Fund, to support projects which allow parishes to open up church buildings for mission. To be successful an application must clearly state how the changes are missional and link with the activities and plans for their community.

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

The RDSBF also set up a Energy Costs Support Fund to support parishes with increasing energy prices and two rounds of hardship grants were made to

members of clergy experiencing hardship because of the cost of living crisis. As far as we are aware Rochester was the first diocese in the country to offer support to clergy in this way.

### **PROPERTY**

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

- To replace unsuitable parsonages;
- To accommodate the changing geographical deployment of clergy within the Diocese;
- To realise the development potential in some properties, thereby releasing funds to invest in our mission; and
- To rebalance our overall glebe investment portfolio and to reduce our exposure to specific direct property investments.

### **CLERGY HOUSES STRATEGY**

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

The strategic approach to our property requirements is worked in close association with the Archdeacons. Clergy houses often hold a significant place in the hearts and minds of the local church and community, as well as

our ministers that live and serve within them. The ambition is for an approach to housing which, while mindful of this, is also:

- Flexible
- realistic, and
- responsible.

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

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

The Trustees commit significant capital reserves to the purchase and improvement of housing for clergy. The RDSBF is also responsible for housing its training curates (currently 17) at any one time. The Clergy Houses Committee oversees the repair and maintenance of clergy houses.

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

During the year, in total £1.43M (2021: £1.26M) was spent on properties under the Clergy Property Measure 2018 and the Repair of Benefice Buildings

Measure 1972; incorporating quinquennial building surveys and arranging for repair or improvement by contract or by order, and supervising and administering such works of repair or improvement. This includes £250k (2021 £250K) catch-up work funded from the Diocesan Pastoral Account. The majority of the operational property assets are held for the long-term use of the RDSBF, rather than for re-sale, and are carried in the accounts at their deemed cost in accordance with the provisions of Financial Reporting Standard 102.

The Diocesan Surveyor manages and maintains an ordering system, a 10-year rolling repair programme, and monitors and controls the annual budget. The scope of the work includes all day-to-day and responsive and programmed repairs, including quinquennial works, and day-to-day repairs to (for example) roofs, windows, kitchens, bathrooms, electrics and plumbing.

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

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

## **FINANCIAL RESILIENCE AND STEWARDSHIP**

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

The Finance Team in Diocesan Office supports parishes in relation to compliance with the Charity Commission and accounting. PCCs are becoming increasingly aware of due diligence in their financial affairs and the need to demonstrate to their congregations that they are obtaining value for money.

Stewardship training and support is provided to help parishes to raise income levels. Church finances would be transformed if the level of giving by church members were raised from its present level of 3.4% of personal income to the national aspiration of 5%. Parishes are encouraged to take advantage of the various central purchasing schemes run by the National Church.

## **FUNDRAISING**

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

The RDSBF does not engage with any direct marketing activities, nor does it share or purchase any donor data with

or from third parties. The RDSBF rarely engages with independent professional fundraisers and, if so, will always ensure there is an appropriate contract in place.

## **VOLUNTEERS**

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

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

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

## **RELATED PARTIES**

There are a number of related parties with whom the RDSBF has financial links and/or has financial transactions with, including the General Synod, Church Commissioners and Archbishops' Council.



The RDSBF has to comply with Measures passed by the General Synod of the Church of England and also makes certain annual payments to the Archbishops' Council towards the running costs of the National Church. As disclosed in Note 7, certain costs of the bishops, including stipends and pension contributions, are borne by the Church Commissioners.

### **PAROCHIAL CHURCH COUNCILS (PCCs)**

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

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

### **OTHER RELATED PARTIES**

- The Church of England Pensions Board: To which the RDSBF pays retirement benefit contributions for stipendiary clergy and certain ordained employees. It also offers schemes to provide housing for clergy in retirement.
- The Dean and Chapter of Rochester Cathedral: Some diocesan events held in the Cathedral are paid for by the RDSBF. The RDSBF rents car parking space and housing for diocesan clergy from the Dean and Chapter and provides safeguarding services to the Chapter under a service level agreement.
- The Rochester Diocesan Board of Education: The Principal Office is located at the Diocesan Office. The Board of Education supports and encourages churches and parishes across the Diocese of Rochester through the education of children and young people. The Bishop of Rochester is President of the Board of Education and the Bishop of Tonbridge serves as Chair. The RDSBF undertakes the accounting function for the Board of Education under a service level agreement.
- St Augustine's College of Theology: The College is located on the Malling Abbey estate owned by the RDSBF and is a lessee. Ordinands, Curates and Lay Workers from the Diocese are trained by the College.
- St Benedict's Centre: The Centre is located on the Malling Abbey estate owned by the RDSBF and is a lessee. By virtue of office, the Bishop of Rochester and the Diocesan Secretary are each a Trustee and Director. The Centre offers non-residential facilities for individuals or groups to go on retreat, study or meet.

- Emmaus Developments Limited (the trading subsidiary of St Mary & St John, Chatham PCC): The company has its registered office at the Diocesan Office.
- A number of discretionary trust funds administered by employees of the RDSBF.

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

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

## Mitigation of risks and uncertainties

### BISHOP'S COUNCIL RESPONSIBILITY

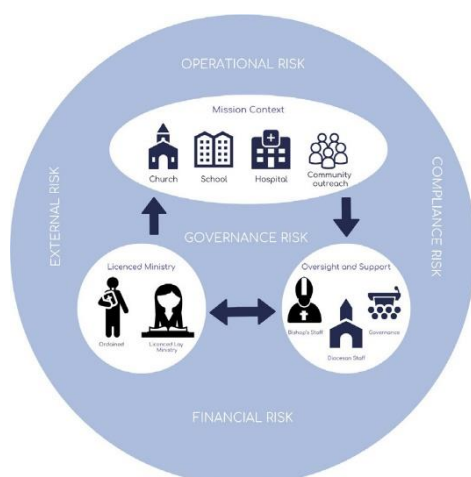
Bishop's Council is responsible for ensuring that effective and adequate risk management and internal control systems are in place to manage the major risks to which the Diocese is exposed.

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

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

### RISK ASSESSMENT MODEL

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



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

### RISK MANAGEMENT FRAMEWORK

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

The framework provides a consistent approach to identifying, assessing and dealing with the risks facing us to ensure that they do not exceed the level of risk we are willing to assume. The framework is designed to manage, rather than to eliminate, the risks to our objectives.

### PRINCIPAL RISKS

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



<b><u>RISK AREA</u></b>	<b><u>MITIGATION STRATEGY</u></b>
<ul style="list-style-type: none"> <li>• Safeguarding. The reporting of non-recent and current cases of abuse of children or vulnerable adults in the Diocese, resulting in a breach of trust and negative impact on the victims/survivors, impacting the church's reputation and potentially leading to litigation and compensation claims which are not covered by insurance. New cases may be reported because of the publication of reviews of safeguarding cases in faith organisations, including the Government commissioned Independent Inquiry into Child Sexual Abuse.</li> <li>• Remedial work created by the Past Cases Review impacts on the effectiveness of the Diocesan Safeguarding Team.</li> <li>• Capacity of Diocese to respond to current safeguarding concerns, and/or to continue to develop safeguarding practice.</li> </ul>	<ul style="list-style-type: none"> <li>• An appropriate response that is victim/survivor focussed, especially respects the dignity of victims responding with transparency, humility and contrition. Investigations to be thorough and in compliance with current guidance, ensuring sound coordination and communication between individuals and teams in the Diocese as well as external agencies and NCIs.</li> <li>• Provision of an electronic case management system. An independently audited and resourced safeguarding team, which is professionally supported and supervised with constant review of resources (increase of staffing in 2020 and 2021).</li> <li>• An independently audited and resourced safeguarding team, which is professionally supported and supervised with constant review of resources, including increase of staff time and the appointment of a Safeguarding Trainer in 2022.</li> <li>• Team supervision in place and reduction of Cathedral commitments for the Lead DSA has released time and increased investment required by the DBF.</li> <li>• Provision of satisfactory training and safe recruitment and management of all those engaged in contact with children, young people and adults at risk of harm.</li> </ul>

<b><u>RISK AREA</u></b>	<b><u>MITIGATION STRATEGY</u></b>
<ul style="list-style-type: none"> <li>• Impact from a prolonged epidemic resulting in the closure of churches, the cessation of worship and the reduction of income of parishes, and thereby impacting Parish Offers and the income of the RDSBF, the loss of dividend and property rental income and substantial reductions in underlying investments valuations.</li> <li>• Parishes experiencing stagnant or declining membership, impacting the ability to conduct viable mission or growth initiatives at a local level and increasingly being unable to pay for ministry being provided and/or donate as generously as they would wish.</li> </ul>	<ul style="list-style-type: none"> <li>• Communications strategies well-rehearsed and co-ordinated with Church House, Westminster &amp; Lambeth Palace.</li> <li>• Adoption of Parish Safeguarding Dashboards ensuring parishes have adequate level of safeguards in place.</li> <li>• Diocesan Safeguarding Advisory Panel (DSAP), which is independently chaired, maintaining strategic oversight including monitoring of safeguarding action plan.</li> <li>• New website increasing accessibility and visibility both internally and externally.</li> <li>• Maintaining a conservative liquidity policy with sufficient cash reserves to weather the impact on income and cash withdrawals of parishes' funds, seeking access to debt finance and National Church assistance with liquidity, and an adequate reserves policy to deal with reductions in income. Crisis management through the duration of the crisis that engages with parishes and provides advice and where necessary liquidity through loans and grants.</li> <li>• Strategic Framework, Called Together, applied. New strategy and operational plan of resource allocation begun with the new Bishop in 2023. Effective monitoring of mission goals through deanery reviews, with assessment of the financial impact</li> </ul>

<b><u>RISK AREA</u></b>	<b><u>MITIGATION STRATEGY</u></b>
<ul style="list-style-type: none"> <li>• LLF and other nationally divisive issues leading to loss of clergy and/or congregations and finances and impacting the church's reputation.</li> <li>• Deployment of clergy that involves altering the ministerial oversight in local churches.</li> <li>• Financial operating deficit leading to breakdown in trust with parishes and the inability to maintain support to legally committed ministry.</li> </ul>	<p>of the consequences. Supporting parishes by implementing local plans and providing support to reverse decline and building resilient and growing churches.</p> <ul style="list-style-type: none"> <li>• Strong episcopal leadership and professional support in handling difficult issues and sensitive negotiation with churches concerning the pastoral, operational and financial implications.</li> <li>• Archdeaconry Steering Groups. Implementation of the Ministerial Deployment Tool. Legal process for pastoral reorganisation, involving extensive consultation.</li> <li>• Developing plans for investment in parish system through Total Return and larger investment from Church Commissioners.</li> <li>• Financial Strategy that sets out the approach to achieve a financially sustainable position, regular financial planning and budgetary control. The operation of the Common Fund and the system of Indicative Offers.</li> <li>• Providing guidelines for Indicative Offers. Strategic Review in 2021/22 leading to strategic planning under the new Bishop in 2023.</li> <li>• Implementation of Total Return to enable investment.</li> </ul>



<b><u>RISK AREA</u></b>	<b><u>MITIGATION STRATEGY</u></b>
<ul style="list-style-type: none"> <li>Information security, IT systems availability and performance, staff proficiency in using IT systems.</li> </ul>	<ul style="list-style-type: none"> <li>Development of new Budget and 5-Year Projections by new Finance Director.</li> <li>Aiming to continue to increase Parish Offer payments and improvement of communications on the Common Fund purpose.</li> <li>In response to the increasing risk in this area, work to further improve our security measures to protect unauthorised access to IT systems and safeguards against potential vulnerabilities in the IT network.</li> <li>Implementation of upgraded Network infrastructure with enhanced endpoint, AV and VPN elements of the network architecture.</li> <li>Update of security and network policies.</li> <li>Appointment of new IT Manager in 2023 and security review undertaken.</li> <li>Higher level of wifi security in place.</li> <li>Software upgrades for MS Business Premium, including implementation of increased factor authentication.</li> <li>Implementation of closer management of Node 4, who maintain the Cloud network.</li> </ul>

## Financial review

There was a Net Income deficit for the year of £4.6M (2021: £4.1M SURPLUS). Net movement in funds was £4.5M (2021: £4.2M). The Common Fund shows an operating deficit for the year of £2.11M (2021: £1.83M), which is £1.37m (2021: £1.6M) after deducting transfers from Restricted Funds in respect of Restricted Expenditure. The reserve balance on the Common Fund was £2.6M as at 31 December 2022 (2021: £5.1M), which is below the requirement under the reserves policy.

### FINANCIAL PERFORMANCE – INCOME AND EXPENDITURE

The Statement of Financial Activities (on page 75) shows an overall deficit of Net Income (before revaluation of fixed assets and pension scheme liabilities and transfers between funds) for the year of £4.6M (2021: £4.1M surplus) after profits on the sale of property of £0.5M (2021: £1.8M) and losses on investments of £2.8M (2021: £3.8M gain).

The Common Fund shows an operating deficit for the year of £2.11M (2021: £1.83M), which is £1.37M (2021: £1.6M) after deducting transfers from restricted funds in respect of restricted expenditure. This compares to a budgeted operating deficit (after deducted restricted fund transfers) of £1.54M (2021: £1.81M deficit).

After taking account of loss on investments of £1.4M (2021: £1.3M gain) and a gain of £0.5M on the sale of

properties (2021: £0.4M), the Common Fund showed a deficit of Net Income (before revaluation of fixed assets and pension scheme liabilities and transfers between funds) for the year of £3.0M (2021: £0.22M deficit).

Designated Funds showed a Net expenditure of £27K (2021: £88K) representing hardship grants to clergy of £27K (2021: £nil), profit on sale of properties of £nil (2021: £94K) and loss on investments of £nil (2021: £63K).

Restricted Funds show an operating deficit of £0.14M (2021: £0.32M) and a Net Income deficit of £0.14M (2021: £0.87M surplus) after profits on sale of properties of £nil (2021: £55K) and gains on investments of £nil (2021: £nil). Endowment Funds had an operating surplus of £12K (2021: £13K) and a Net Income deficit of £1.4M (2021: £2.6M surplus) after loss on investments of £1.4M (2021: £2.6M gain).

The main income of the Diocese is Parish Offers, the money given by parishes to the Diocese to fund mission and ministry and in particular the costs of clergy stipends, pensions, housing and training, which are charged to the Common Fund.

Income from Parish Offers was £7.67M (2021: £7.88M), and £8.09M (2021: £8.33M) including DBF Fees of £414K (2021: £458K). This compares to the pre-pandemic level in 2019 for Parish Offers at £9.06M (excluding DBF Fees, which

before 2020 were retained by parishes) representing a decline of 10.7%. This compares to the decline compared to pre-pandemic levels of 8.5% in parish share experienced across the Church of England. Parish Offers together with DBF Fees represented 82% (2021: 81%) of the RDSBF's unrestricted operating income.

The other main sources of income in the year were donations and property and investment income. Donations (including grants) were £201K (2021: £478K), and property rentals and investment income of £1.59M (2021: £1.42M). Total expenditure on the Common Fund was £12.0M (2021: £12.1M) and in all funds was £13.7M (2021: £13.4M).

During the year, the RDSBF paid stipends and associated costs totalling £6.59M (2021: £6.73M) for incumbents, curates and other clergy. The total number of full-time equivalent clergy in post fell from 180 to 174. A detailed breakdown of income and expenditure on the Common Fund and a breakdown of the support costs for a parish are set out on pages 44 of the Trustees' Report. Contributions are made to the Archbishops' Council to cover a proportion of its central costs relating to

the activities of the various national boards and councils, as well as the General Synod, and to cover a proportion of the cost of national training for ministry (see note 6 to the financial statements).

During the year the Energy Costs Support fund made 257 grants to parishes struggling with rising energy prices totalling £446K (2021: £nil) and 199 grants totalling £64k (2021: £nil) were made to members of clergy experiencing hardship as a result of the cost of living crisis.

## INVESTMENT INCOME

Market investments held at 31 December 2022 were £17.4M (2021: £20.2M) and investment properties were valued at £11.9M (2021: £12.5M) (see Note 10). Dividends receivable for the Common Fund were £522K (2021: £463K) and rents receivable for the Common Fund were £1,064K (2021: £954K).

The investments held and their return during the year is set out in the table below which shows an overall yield on investments of 3.0% (2021: 2.8%) and total return of -5.7% (2021: 16.0 %).

	At 31/12/ 22 £K	At 31/12/21 £K	2022 %	2021 %	2022 Inco me Yield	2021 Income Yield	2022 Total Retur n	2021 Total Retur n
Glebe Investment Properties	11,873	12,528	40.6%	38.2%	3.5%	2.8%	4.8%	12.5%
Market Investments	17,363	20,233	59.4%	61.8%	2.7%	2.8%	- 12.0%	18.1%
	29,236	32,761	100.0 %	100.0 %	3.0%	2.8%	-5.7%	16.0%



## GRANTS RECEIVED

The RDSBF gratefully acknowledges all grants received including those from Trust for London for £359K (2021: £642K); All Churches Trust for £146K (2021: £144K); and direct parish contributions £27k (2021: £nil) for the Energy Costs Support fund .

The RDSBF gratefully received the following grants from the Church Commissioners:

- £164K (2021: £231K) Strategic Development Funding towards Called to Grow.
- £60K (2021: £7K) Strategic Development Funding towards Chatham Town Centre.
- £292K (2021: £365K) block grant for ordinands' training fees and expenses under the Resourcing Ministerial Education process.
- £249K (2021: £nil) Energy Costs Support Grant.
- £38K (2021: £13k) Strategic Ministry Fund toward two additional curates.
- £77K (2021: £nil) Ministry Hardship Fund.
- £25K (2021: £nil) National Heritage towards Chatham St John.

## SIGNIFICANT PROPERTY TRANSACTIONS

During the year nil (2021: 1) parsonages were sold generating total proceeds of £nil (2021: £0.8M), realising a surplus over book value of £nil (2021: £0.55M).

During the year 3 (2021: 6) unrestricted Common Fund and designated fund property sales were made in the year generating total proceeds of £1.34M (2021: £1.68M), realising a surplus over book value of £0.45M (2021: £1.29M). And also during the year 4 (2021: nil) investment properties were sold for a total of £0.99M (2021: £nil), realising a total loss of £41K (2021: £nil).

There was 1 property bought in 2022 (2021: 1) at a total cost of £870K (2021: £573k) (purchase costs plus ingoing works), as follows:  
33 Hawthorndene, Hayes – temporary parsonage.

## BALANCE SHEET POSITION

Net assets at the balance sheet date totalled £77.7M (2021: £82.2M). This includes properties which are mostly in use for ministry; the book value of which amounted to £52.7M as at 31 December 2022 (2021: £51.9M).

The Trustees consider the market value of these properties to be considerably more than the book value, and this market value is realised as and when a property disposal takes place. Much of the remainder of the assets shown in the balance sheet are held in restricted funds and cannot necessarily be used for the general purposes of the RDSBF.

The cash and short-term deposits position at 31 December 2022 stands at £6.55M (2021: £7.63M) and including market investments provides realisable liquid assets at 31 December 2022 of £23.1M (2021: £27.5M).

### **COMMON FUND**

The reserve balance on the Common Fund was £2.6M as at 31 December 2022 (2021: £5.1M), which is below the requirement under the reserves policy of £5M (see Reserves Policy under Financial Strategy on page 31).

### **DESIGNATED FUNDS**

The balance of designated funds as at 31 December 2022 was £9.1M (2021: £9.1M).

### **RESTRICTED AND ENDOWMENT FUNDS**

The RDSBF holds and administers a large number of restricted and endowment funds. As at 31 December 2022, restricted funds totalled £40.9M (2021: £41.1M) and endowment funds totalled £25.1M (2021: £26.8M).

### **FUNDS HELD AS CUSTODIAN TRUSTEE**

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

Further details of financial trust assets, whose market value amounted to £2.2M at 31 December 2022 (2021: £2.2M), are available from the RDSBF on request, and are summarised in Note 21. Where properties are held in trust, the deeds are identified as such and held in safe custody by the RDSBF.

## Governance, Structure and Management

### LEGAL FRAMEWORK

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

The RDSBF has the following statutory responsibilities:

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

The strategic priorities of the company are established by the Diocesan Synod in communication with deanery synods, PCCs, and the Bishop of Rochester (in respect of his responsibility for the provision of the cure of souls).

To this end, significant time and effort is committed to communication between and with these bodies, as well as with

the Church nationally, including consultations on specific matters relating to the priorities for the forthcoming year.

### PUBLIC BENEFIT

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

The RDSBF believes that this report provides evidence of the public benefit of the charity's work in 2022.

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

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

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



## THE STRUCTURE OF THE CHURCH OF ENGLAND

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

From ancient times through to today, the parish priest and their bishop are jointly responsible for the 'cure of souls' in their parish. His Majesty the King, who is the Supreme Governor of the Church of England, appoints archbishops, bishops and deans of cathedrals on the advice of the Prime Minister. The two archbishops and 24 senior bishops sit in the House of Lords.

The Church of England is episcopally-led (there are over 100 bishops, including diocesan bishops and assistant or suffragan bishops). It is governed by General Synod as its legislative and deliberative body at national level, making decisions on matters of doctrine, the holding of church services and relations with other churches. General Synod passes Measures which, if accepted by Parliament, have the effect of acts of Parliament. It is made up of three groups or houses of members: the Houses of Bishops, of Clergy and of Laity.

## NATIONAL CHURCH INSTITUTIONS

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

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

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

The Church of England Pensions Board was established in 1926 as the Church of England's pension authority and to administer the pension scheme for the clergy. Subsequently, it has been given wider powers, in respect of discretionary benefits and accommodation, both for those retired from stipendiary ministry and for widow(er)s of those who have served in

that ministry, and to administer pension schemes for lay employees of Church of England organisations.

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

### **THE CATHEDRAL**

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

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

### **THE DIOCESE'S DIOCESAN SYNOD**

The statutory governing body of the Diocese is the Diocesan Synod which is elected with representation across the Diocese with broadly equal numbers of clergy and lay people meeting together with the two bishops. Elections occurred in 2021 for the 2022 to 2024 triennium.

Its role is to:

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

### **DEANERY SYNOD**

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

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

## **BISHOP'S COUNCIL**

The Bishop's Council acts as:

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

Elections occurred during 2021 for the 2022 to 2024 triennium.

## **PAROCHIAL CHURCH COUNCIL (PCC)**

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

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

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

## **PASTORAL UNITS**

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

A deanery is a group of parishes over which an area dean has oversight, and an archdeaconry is a group of deaneries for which an archdeacon is responsible. There are seventeen deaneries and three archdeaconries in the Diocese. The Diocese is then the principal pastoral, financial and administrative resource of the Church of England, encompassing the various archdeaconries under the spiritual leadership of the Bishop of Rochester.

## **THE DIOCESE OF ROCHESTER**

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

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

The Diocese serves a population of some 1.3 million, which is expected to increase by 300,000 over the next 20+ years. We have 174 (2021: 180) full-time equivalent substantive stipendiary parochial posts, and 25 (2021: 23) substantive self-supporting posts and there are 17 (2021: 19) stipendiary and 13 (2021: 14) self-supporting curates in training.

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



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

The Ebbsfleet Garden City development will have a new population of some 45,000 people – it is the largest single housing development in England. Ethnic and religious diversity is a growing feature of our communities, and this is reflected in many of our congregations.

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

## **ORGANISATIONAL AND DECISION-MAKING STRUCTURE**

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

The RDSBF was formed to manage the financial affairs and hold the assets of

the Diocese. Its principal activity is to promote, assist and advance the work of the Church of England within the Diocese of Rochester.

Governance and policy of the RDSBF is the responsibility of the Trustees, who are directors of the company and trustees for the purposes of charity law. The members of Bishop's Council are the Board of Directors (the Board) of the RDSBF, and the members of the Diocesan Synod are the members of the RDSBF. Additionally, there is the Finance Committee of the Bishop's Council, acting for and assisting the Board in its more detailed work.

The Board has delegated responsibility for the day-to-day management of the company to the Diocesan Secretary who is supported by the Finance Director, the Property Director, the Communications Manager, and the HR and Governance Manager, and their respective staff. These together form the Operations Management Team. The Diocesan Secretary is also a member of the Bishop's Leadership Team, which meets regularly throughout the year. The statutory governing body of the Diocese is the Diocesan Synod, which is an elected body with representation from all parts of the Diocese. Its legal basis is the Synodical Government Measure 1969.

Membership consists of ex-officio members, including the Bishops and Archdeacons, clergy members elected by the houses of clergy in deanery synods; lay persons elected by the

houses of laity in deanery synods, being up to 163 persons including 5 that may be co-opted by each of the House of Clergy and the House of Laity and 10 members who may be nominated by the Bishop of Rochester. The Diocesan Synod typically meets three times a year during February, June and October.

## **TRUSTEE RECRUITMENT, SELECTION AND INDUCTION**

The Board includes:

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

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

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

## **Remuneration of Key Management Personnel**

The Diocesan grading and salary structure is benchmarked against similar roles in the local charity sector as well as the wider Church of England context. All roles within the Diocese are

graded according to the skills, experience and professional qualifications required for the role. Details of the aggregate remuneration of the key management personnel is shown in Note 7 of the accounts.

## Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations. Company law requires the Trustees (as Directors) to prepare financial statements for each financial year.

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

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

In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and

explained in the financial statements; and

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the RDSBF's website. Legislation in England/ Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.



## **STATEMENT OF DISCLOSURE TO THE AUDITORS**

The Trustees have taken all the necessary steps to ensure that they are aware, as trustees, of any relevant audit information and to establish that the auditors are aware of that information. As far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware.

## **APPOINTMENT OF AUDITORS**

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

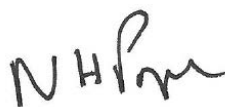
In approving this Trustees' report, the Trustees are also approving the Annual Strategic Review included on pages 1 to 44 in their capacity as company directors.

## **BY ORDER OF THE TRUSTEES**

Mr Matthew Girt  
Diocesan Secretary



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



31 May 2023

## Independent auditor's report to the members of Rochester Diocesan Society and Board of Finance

### OPINION

We have audited the financial statements of the Rochester Diocesan Society & Board of Finance for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies.

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the

requirements of the Companies Act 2006.

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

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

### CONCLUSIONS RELATING 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 charitable company'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. The other information comprises the information included in the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

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

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

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

- the information given in the Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Annual Report have been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:



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

### **RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS**

As explained more fully in the trustees' responsibilities statement set out on page 77, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease

operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding vulnerable beneficiaries, health and safety, and employment (including taxation), and

we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and Church of England Measures.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fund accounting, including transfers between funds, and revenue recognition.

Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal postings by unusual users or with unusual descriptions;
- Challenging assumptions and judgements made by management in their critical accounting estimates;
- Testing transfers between funds; and

- Cut-off testing in respect of revenue.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

This description forms part of our auditor's report.

## USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an

Auditor's report and for no other purpose.

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

Adam Halsey (Charities Partner)

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May 2023

For and on behalf of Haymacintyre LLP,  
Statutory Auditors  
10 Queen Street Place London EC4R  
1AG



**STATEMENT OF FINANCIAL ACTIVITIES**  
**For the year ended 31 December 2022**

	Note	Unrestricted Common £'000	Designated £'000	Restricted £'000	Endowment £'000	Total 2022 £'000	Total 2021 £'000
<b>Income</b>							
Donations:							
- Parish Offers		7,671	-	-	-	7,671	7,875
- Other	2	201	-	1,503	-	1,704	2,040
Investment income	3	1,586	-	59	12	1,657	1,480
Charitable activities	4	425	-	-	-	425	478
<b>Total income</b>		<b>9,883</b>	<b>-</b>	<b>1,562</b>	<b>12</b>	<b>11,457</b>	<b>11,873</b>
<b>Expenditure</b>							
Generating income	5	(637)	-	(5)	-	(642)	(549)
Charitable activities	6	(11,356)	(27)	(1,699)	-	(13,082)	(12,825)
<b>Total Expenditure</b>		<b>(11,993)</b>	<b>(27)</b>	<b>(1,704)</b>	<b>-</b>	<b>(13,724)</b>	<b>(13,374)</b>
<b>Operating (Deficit)/Surplus:</b>		<b>(2,110)</b>	<b>(27)</b>	<b>(142)</b>	<b>12</b>	<b>(2,267)</b>	<b>(1,501)</b>
Profit/(losses) on sale of property		451	-	-	-	451	1,846
Gains/(losses) on investments	10	(1,370)	-	-	(1,452)	(2,822)	3,794
<b>Net Income before revaluation of fixed assets and pension scheme liabilities and transfers between funds</b>		<b>(3,029)</b>	<b>(27)</b>	<b>(142)</b>	<b>(1,440)</b>	<b>(4,638)</b>	<b>4,139</b>
<b>Reserve Movements:</b>							
Net Income		(3,029)	(27)	(142)	(1,440)	(4,638)	4,139
Gains on revaluation of fixed assets		-	-	-	-	-	-
Revaluation of pension scheme liabilities	22	96	-	-	-	96	22
Transfers between funds	19	167	5	(569)	397	-	-
Transfers between funds - Total Unapplied Return	19/23	231	-	462	(693)	-	-
<b>Net movement in funds</b>		<b>(2,535)</b>	<b>(22)</b>	<b>(249)</b>	<b>(1,736)</b>	<b>(4,542)</b>	<b>4,161</b>
Reserve balances at 1st January 2022		5,143	9,114	41,117	26,821	82,195	78,034
Reserve balances at 31st December 2022		<b>2,608</b>	<b>9,092</b>	<b>40,868</b>	<b>25,085</b>	<b>77,653</b>	<b>82,195</b>
			note 16	note 17	note 18		

All income and expenditure relates to continuing activities.

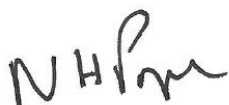
The Companies Act 2006 requires a separate income and expenditure account to be prepared to exclude transactions relating to Endowment Funds. No such income and expenditure account has been included in these statements as the relevant exclusions from this Statement of Financial Activities are all clearly shown above. These are: Endowment Fund income - £12k (2021 : £13k); Endowment Fund expenditure - £0k (2021 : £0k); Profit on Sale of Property - £0k (2021 : £0k); and Endowment Fund losses on investments - £1,452k (2021 : £2,597k gains).

**BALANCE SHEET**  
**For the year ended 31 December 2022**

<b>Rochester Diocesan Society and Board of Finance(The)</b> <b>Company registration number 140656</b>			
	Note	<b>Total</b> <b>2022</b> <b>£'000</b>	<b>Total</b> <b>2021</b> <b>£'000</b>
<b>FIXED ASSETS</b>			
Tangible assets	9	52,655	51,940
Investments	10	29,236	32,761
		<u>81,891</u>	<u>84,701</u>
<b>CURRENT ASSETS</b>			
Debtors	11	733	832
Short term deposits		4,314	4,302
Cash at bank		2,255	3,383
		<u>7,302</u>	<u>8,517</u>
<b>CREDITORS: Amounts falling due within one year</b>			
Bank overdraft		21	53
Creditors	12	10,739	9,880
		<u>10,760</u>	<u>9,933</u>
<b>NET CURRENT LIABILITIES</b>		(3,458)	(1,416)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>78,433</u>	<u>83,285</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	12		
Pensions liability		-	295
Other creditors		780	795
<b>NET ASSETS</b>		<u>77,653</u>	<u>82,195</u>
<b>Unrestricted</b>		11,700	14,257
<b>Restricted</b>		40,868	41,117
<b>Endowment</b>		25,085	26,821
<b>FUNDS</b>	20	<u>77,653</u>	<u>82,195</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 31 May 2023 and signed on behalf of the Board by:



Nigel Pope  
Chair of Rochester Diocesan Society and Board of Finance

**STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2022**

	<b>2022</b>		<b>2021</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Net cash outflow from operating activities</b>		(3,180)		(4,209)
<b>Cash flows from investing activities</b>				
Investment income	1,657		1,480	
Proceeds from the sale of:				
Tangible fixed assets	1,311		2,383	
Fixed asset investments	893		107	
Purchase of:				
Tangible fixed assets	(1,575)		(1,018)	
Fixed asset investments	(190)		(160)	
<b>Net cash provided by investing activities</b>		2,096		2,792
<b>Cash flows from financing activities</b>				
Proceeds from long term debt	-		-	
<b>Net cash provided by financing activities</b>		-		-
<b>Change in cash and cash equivalents in the reporting period</b>		(1,084)		(1,417)
<b>Cash and cash equivalents at 1 January</b>		7,632		9,049
<b>Cash and cash equivalents at 31 December</b>		6,548		7,632
<b>Reconciliation of net movement in funds to net cash outflow from operating activities</b>		<b>2022 £'000</b>		<b>2021 £'000</b>
<b>Net movement in funds for the year ended 31 December</b>		<b>(4,542)</b>		<b>4,161</b>
<b>Adjustments for:</b>				
Investment income		(1,657)		(1,480)
Depreciation		-		2
Gain on disposal of fixed assets		(451)		(1,846)
Gain on sale of investments		40		-
Unrealised loss on investments		2,982		(2,691)
Revaluation of investment property		(200)		(1,103)
Increase/(decrease) in creditors: falling due within one year		859		(1,123)
Decrease in debtors		99		188
Decrease in creditors: falling due after one year		(310)		(317)
<b>Net cash used in operating activities</b>		(3,180)		(4,209)
<b>Analysis of movements in net cash</b>				
	<b>2021 £'000</b>	<b>Cash Flows £'000</b>	<b>New Borrowing £'000</b>	<b>2022 £'000</b>
Cash on deposit	4,302	12	-	4,314
Cash at bank	3,383	(1,128)	-	2,255
Less overdraft	(53)	32	-	(21)
<b>Total cash and cash equivalents</b>	7,632	(1,084)	-	6,548
CCLA Loan falling due after one year	(500)	-	-	(500)
<b>Total</b>	7,132	(1,084)	-	6,048

## **1. ACCOUNTING POLICIES**

### **a) Accounting convention and basis of preparation**

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

### **b) Going concern**

The Trustees consider that there are no material uncertainties regarding the RDSBF's ability to continue as a going concern. The RDSBF aims to achieve a financially sustainable position. The RDSBF has net assets of £77.7m (2021 : £82.2m) and the Trustees believe that there is sufficient liquidity in these assets to ensure that the charitable company can meet its obligations for the next 12 months and beyond.

### **c) Income**

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

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

### **d) Expenditure**

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

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

#### ***Freehold properties***

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



Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case and because the expected residual value is not materially less than the carrying value. The RDSBF has a policy of regular structural inspection, repair and maintenance, which in the case of parsonage properties is in accordance with the Repair of Benefice Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties occur well before the end of their economic lives and disposal proceeds are usually not less than the carrying value. Where the Trustees believe that the value of an asset might have been impaired, an annual impairment review is carried out in accordance with the requirements of FRS102, to ensure that the carrying value is not more than the recoverable amount.

***Properties subject to value linked loans***

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

***Investment properties***

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

***Parsonage Houses***

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

**ix) Other tangible fixed assets**

Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives. All capital expenditure on computer and office equipment over £1k is capitalised and depreciated over 3 years.

**x) Project Costs**

Expenditure in relation to projects is capitalised where there is likelihood that the project will become an income-bearing asset.

**e) Other accounting policies**

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

**f) Fund balances**

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

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

There are two types of unrestricted funds:

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

**g) Judgments and Estimates**

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**2. INCOME FROM DONATIONS**

(Donations, Legacies and similar income)	Unrestricted		Restricted	Endowment	Total
	Common	Designated			2022
	£'000	£'000	£'000	£'000	£'000
Trust for London (formerly City Parochial Foundation)	-	-	359	-	359
Archbishops' Council - SMF Curate Grant	38	-	-	-	38
Archbishops' Council - RME Ordinands Grants	-	-	292	-	292
Archbishops' Council - Strategic Development Funding - Called to Grow	-	-	164	-	164
Called to Grow re Anerley Parish	-	-	9	-	9
Archbishops' Council - Energy Costs Support Grant	-	-	249	-	249
Energy Costs Support Fund	-	-	27	-	27
Archbishops' Council - Ministry Hardship Fund	-	-	77	-	77
Archbishops' Council - Past Cases Review	-	-	30	-	30
Archbishops' Council - Chatham Town Centre	-	-	60	-	60
Listed Places of Worship - Chatham St John	-	-	8	-	8
National Heritage - Chatham St John	-	-	25	-	25
All Churches Trust - annual distribution	146	-	-	-	146
Partnership Fund appeals, confirmations, licensing & induction collections	-	-	142	-	142
Poverty & Hope Appeal	-	-	22	-	22
Guaranteed annuities	14	-	-	-	14
Readers' Fees	2	-	-	-	2
Giving Advisor Grant from Church Commissioners	-	-	34	-	34
Dartford Borough Council - Warm Spaces Grant	-	-	4	-	4
Other sundry items	1	-	1	-	2
	201	-	1,503	-	1,704

(Donations, Legacies and similar income)	Unrestricted		Restricted	Endowment	Total
	Common	Designated			2021
	£'000	£'000	£'000	£'000	£'000
Trust for London (formerly City Parochial Foundation)	-	-	642	-	642
Archbishops' Council - Sustainability Grant	296	-	-	-	296
Archbishops' Council - SMF Curate Grant	13	-	-	-	13
Archbishops' Council - RME Ordinands Grants	-	-	365	-	365
Archbishops' Council - Strategic Development Funding - Called to Grow	-	-	231	-	231
Archbishops' Council - Chatham Town Centre	-	-	7	-	7
HMRC Furlough Grant	3	-	9	-	12
Covid 19 Emergency Relief Fund	-	-	9	-	9
All Churches Trust - annual distribution	144	-	-	-	144
Partnership Fund appeals, confirmations, licensing & induction collections	-	-	106	-	106
Poverty & Hope Appeal	-	-	20	-	20
Guaranteed annuities	14	-	-	-	14
Colyer Fergusson re Children and Young People Fund	-	-	50	-	50
Historic England re Chatham Town Centre	-	-	19	-	19
John Marshall Grant re Chatham Town Centre	-	-	37	-	37
Readers' Fees	3	-	-	-	3
Giving Advisor Grant from Church Commissioners	-	-	44	-	44
Covid Winter Grant - CESA	-	-	9	-	9
David Godwin Legacy	-	-	-	13	13
Parish Donations re Pioneer Minister	3	-	-	-	3
Other sundry items	2	-	1	-	3
	478	-	1,549	13	2,040

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**3. INVESTMENT INCOME**

	<b>Unrestricted Common £'000</b>	<b>Designated £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total 2022 £'000</b>
Rents receivable	1,064	-	26	-	1,090
Dividends receivable	522	-	33	-	555
Interest on deposits receivable	-	-	-	12	12
	<b>1,586</b>	<b>-</b>	<b>59</b>	<b>12</b>	<b>1,657</b>

	<b>Unrestricted Common £'000</b>	<b>Designated £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total 2021 £'000</b>
Rents receivable	954	-	34	-	988
Dividends receivable	463	-	29	-	492
	<b>1,417</b>	<b>-</b>	<b>63</b>	<b>-</b>	<b>1,480</b>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Common £'000</b>	<b>Designated £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total 2022 £'000</b>
Diocesan Board of Finance element of Parochial Fees	414	-	-	-	414
Professional fees	11	-	-	-	11
	<b>425</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>425</b>

	<b>Unrestricted Common £'000</b>	<b>Designated £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total 2021 £'000</b>
Diocesan Board of Finance element of Parochial Fees	458	-	-	-	458
Professional fees	20	-	-	-	20
	<b>478</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>478</b>



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**5. EXPENDITURE ON GENERATING INCOME**

	<b>Unrestricted Common £'000</b>	<b>Designated £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total 2022 £'000</b>
Glebe management costs	100	-	-	-	100
Non glebe commissions	36	-	-	-	36
Rental property maintenance	349	-	-	-	349
Cost of income generation	152	-	5	-	157
	<b>637</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>642</b>

	<b>Unrestricted Common £'000</b>	<b>Designated £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total 2021 £'000</b>
Glebe management costs	103	-	-	-	103
Non glebe commissions	32	-	-	-	32
Rental property maintenance	262	-	-	-	262
Cost of income generation	147	-	5	-	152
	<b>544</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>549</b>

**6.ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS**

	Unrestricted General £'000	Designated £'000	Restricted £'000	Endowment £'000	Total 2022 £'000
<b>Bringing people to faith in Christ</b>					
Mission & Community Engagement (50%)	89	-	-	-	89
Formation & Ministry (50%)	194	-	-	-	194
Youth & Children	100	-	-	-	100
Allocated support costs	240	-	8	-	248
	623	-	8	-	631
<b>A priestly presence in every community</b>					
Stipend costs	6,580	-	-	-	6,580
Apprenticeship levy	22	-	-	-	22
Actuarial gains/losses on clergy pension scheme	11	-	-	-	11
Grants	322	27	291	-	640
Parsonage maintenance & improvements	713	-	-	-	713
Ministry houses - housing costs	15	-	23	-	38
Curate and Associate Clergy Costs	129	-	-	-	129
National Church - training for ministry	453	-	-	-	453
Formation & Ministry (50%)	194	-	-	-	194
Stewardship, Legal, Accounts Advisors & other	83	-	-	-	83
Diocesan appointments	265	-	-	-	265
Allocated support costs	913	-	32	-	945
	9,700	27	346	-	10,073
<b>Engagement with the community</b>					
Grants	4	-	836	-	840
Mission & Community Engagement (50%)	89	-	-	-	89
Communications	16	-	-	-	16
Faculty & inspection fees	81	-	-	-	81
Diocesan committees	6	-	-	-	6
National Church grant/allocation	304	-	-	-	304
Partnership Dioceses & Church Urban Fund	-	-	4	-	4
Youth Work	-	-	2	-	2
Diocesan Magazine	-	-	2	-	2
Chatham Town Centre	-	-	103	-	103
Growth Enablers	-	-	108	-	108
Called to Grow - SDF Funding	-	-	217	-	217
Called to Grow - Other Funding	-	-	3	-	3
Giving Advisor	-	-	51	-	51
Allocated support costs	533	-	19	-	552
	1,033	-	1,345	-	2,378
	11,356	27	1,699	-	13,082

Support costs comprise administration and governance costs which includes the audit fee of £27k (2021 : £24k).

Support costs include interest payable of £16k (2021 : £7k) on deferred stipend payments to the Church Commissioners, a £500k loan with CCLA and net interest payable on parish Church Repair Fund and Diocesan Loan Fund balances less interest income on cash and short term deposits.

**6. ANALYSIS OF EXPENDITURE INCLUDING ALLOCATION OF SUPPORT COSTS (continued)**

	<b>Unrestricted</b>		<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>General</b>	<b>Designated</b>			<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Bringing people to faith in Christ</b>					
Mission & Community Engagement (50%)	80	-	3	-	83
Formation & Ministry (50%)	174	-	-	-	174
Youth & Children	90	-	-	-	90
Allocated support costs	246	-	8	-	254
	<b>590</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>601</b>
<b>A priestly presence in every community</b>					
Stipend costs	6,717	-	-	-	6,717
Apprenticeship levy	22	-	-	-	22
Actuarial gains/losses on clergy pension scheme	11	-	-	-	11
Grants	336	-	309	-	645
Parsonage maintenance & improvements	747	-	-	-	747
Ministry houses - housing costs	22	-	29	-	51
Curate and Associate Clergy Costs	140	-	-	-	140
National Church - training for ministry	508	-	-	-	508
Formation & Ministry (50%)	174	-	-	-	174
Stewardship, Legal, Accounts Advisors & other	102	-	-	-	102
Diocesan appointments	226	-	-	-	226
Allocated support costs	889	-	28	-	917
	<b>9,894</b>	<b>-</b>	<b>366</b>	<b>-</b>	<b>10,260</b>
<b>Engagement with the community</b>					
Grants	4	-	438	-	442
Mission & Community Engagement (50%)	80	-	3	-	83
Communications	10	-	-	-	10
Faculty & inspection fees	69	-	-	-	69
Diocesan committees	6	-	-	-	6
National Church grant/allocation	340	-	-	-	340
Partnership Dioceses & Church Urban Fund	-	-	3	-	3
Ebbsfleet Youth Worker	-	-	22	-	22
Chatham Town Centre	-	-	57	-	57
Past Cases Review	-	-	8	-	8
Growth Enablers	-	-	133	-	133
Called to Grow - SDF Funding	-	-	203	-	203
Giving Advisor	-	-	27	-	27
Allocated support costs	543	-	18	-	561
	<b>1,052</b>	<b>-</b>	<b>912</b>	<b>-</b>	<b>1,964</b>
	<b>11,536</b>	<b>-</b>	<b>1,289</b>	<b>-</b>	<b>12,825</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**7. STAFF COSTS**

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Ordained Diocesan Officials stipends	264	259
Other Lay Diocesan Personnel salaries	1,571	1,468
National Insurance	190	172
Life Insurance Policy	24	20
Pension Costs	123	116
- Lay Diocesan Personnel		
- Diocesan Clergy	85	102
	<b>2,257</b>	<b>2,137</b>

During the year the RDSBF made employment termination payments totalling £32,698 (2021 : £nil)

The average number of persons employed by the RDSBF during the year:

	<b>2022</b> <b>Number</b>	<b>2021</b> <b>Number</b>
<b>Common Fund</b>		
Administration and financial management	28	27
Training	10	10
Mission and Community Engagement	6	7
Diocesan Appointments	5	4
	<b>49</b>	<b>48</b>
Called to Grow (funded by Strategic Development Fund)	8	8
Growth Enablers (funded by Diocesan Pastoral Account)	2	3
	<b>59</b>	<b>59</b>

The average number of persons employed by the RDSBF during the year based on full-time equivalents:

	<b>2022</b> <b>Number</b>	<b>2021</b> <b>Number</b>
<b>Common Fund</b>		
Administration and financial management	25	23
Training	6	7
Mission and Community Engagement	5	5
Diocesan Appointments	4	4
	<b>40</b>	<b>39</b>
Called to Grow (funded by Strategic Development Fund)	6	6
Growth Enablers (funded by Diocesan Pastoral Account)	2	3
	<b>48</b>	<b>48</b>

The numbers of staff whose emoluments (including benefits in kind but excluding pension contributions) amounted to more than £60,000 were as follows:-

	<b>2022</b> <b>Number</b>	<b>2021</b> <b>Number</b>
£60,000 - £70,000	1	1
£70,000 - £80,000	1	2
£80,000 - £90,000	2	-
£90,000 - £100,000	1	1



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**7. STAFF COSTS (continued)**

**Remuneration of Key Management Staff**

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees for planning, directing and controlling the activities of the Diocese. During 2022, they were:

Diocesan Secretary	Mr Matthew Girt
Finance Director	The Rev Richard Williams
Property Director	Mr Stephen Hoad
Director of Formation and Ministry	The Rev Canon Chris Dench
Diocesan Surveyor	Mr Mark Trevett

Remuneration, pensions, national insurance contributions and expenses for these 5 employees amounted to £436,604 (2021 : £412,555).

**Trustees' Emoluments**

No trustee received any remuneration for services as a Trustee. Five Trustees received travelling and out of pocket expenses (2021 : 4), totalling £16,771 (2021 : £12,358) in respect of General Synod duties, duties as archdeacon or area/rural dean and other duties as Trustees.

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

	<b>Stipend</b>	<b>Housing</b>
The Bishop of Rochester – The Right Revered Dr Jonathon Gibbs	Yes*	Yes*
The Bishop of Tonbridge – The Right Reverend Simon Burton-Jones	Yes*	Yes
The Dean of Rochester Cathedral	Yes*	Yes*
The Archdeacon of Bromley and Bexley – The Venerable Katerina Barnes	Yes	Yes
The Archdeacon of Tonbridge – The Venerable Sharon Copestake	Yes	Yes
The Archdeacon of Rochester – The Venerable Andrew Wooding-Jones	Yes	Yes
The Chair of the House of Clergy – The Reverend Canon Jeremy Blunden	Yes	Yes
The Reverend Canon Mark Barker	Yes	Yes
The Reverend Dr Julie Bowen	Yes	Yes
The Reverend Martyn Saunders	Yes	Yes

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

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Parish Stipends, National Insurance &amp; Pension Costs</b>		
Parish Stipends	4,767	4,880
National Insurance	391	387
Pension Costs	1,434	1,463
	<b>6,592</b>	<b>6,730</b>
Number of parish clergy in post as at 31 December (Full-time equivalent)	174	180

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**8. ANALYSIS OF GRANTS MADE**

	No.	Individuals £'000	Institutions £'000	Source	2022 £'000
<b>From unrestricted funds:</b>					
Ordinands in training	17	177	-	Common Fund	177
Clergy training	27	13	-	Common Fund	13
Clergy removal grants	18	35	-	Common Fund	35
Clergy resettlement grants	16	32	-	Common Fund	32
Clergy first appointment grants	22	43	-	Common Fund	43
Kent Workplace Mission	1	-	4	Common Fund	4
Lay Ministry Support	1	-	13	Common Fund	13
Archdeacons' discretionary grants	1	5	3	Common Fund	8
Clergy energy grants	-	27	-	Ministry and Mission Support	27
<b>From restricted funds:</b>					
Ministry Division Ordinand Block Grants	42	43	248	Ministry Division Fund	291
Parochial Church Councils	257	-	446	Energy Costs Support Fund	446
Overseas Partnership: Harare	8	-	19	Companion Diocese Fund	19
Overseas Partnership: Tanzania	25	5	110	Companion Diocese Fund	115
Beckenham St Michael	1	-	28	Pastoral Account	28
Parochial Church Councils	3	-	20	Pastoral Account	20
Christian Aid	1	-	5	Poverty & Hope Appeal	5
Church Mission Society	1	-	5	Poverty & Hope Appeal	5
Commonwork Land Trust	1	-	5	Poverty & Hope Appeal	5
United Society (formerly USPG)	1	-	5	Poverty & Hope Appeal	5
Harare Diocese	1	-	2	Poverty & Hope Appeal	2
St Philips Theological College Mpwapwa	1	-	2	Poverty & Hope Appeal	2
Kondoa Diocese	1	-	2	Poverty & Hope Appeal	2
Parochial Church Councils	4	-	25	Trust for London	25
Bishop of Rochester Discretionary Fund	1	-	2	Trust for London	2
Clergy grants	12	31	-	Trust for London	31
Parochial Church Councils	2	-	4	Church Extension Fund	4
Parochial Church Councils	2	-	2	Cobham and Gravesend Churches	2
Parochial Church Councils	34	-	78	£500k CYP Fund	78
Clergy hardship grants	108	37	-	Ministry Hardship Fund	37
Parochial Church Councils	4	-	4	CESA Warm Spaces Fund	4
					<b>1,480</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**8. ANALYSIS OF GRANTS MADE (continued)**

	<b>No.</b>	<b>Individuals £'000</b>	<b>Institutions £'000</b>	<b>Source</b>	<b>2021 £'000</b>
<b>From unrestricted funds:</b>					
Ordinands in training	17	183	-	Common Fund	183
Clergy training	22	11	-	Common Fund	11
Clergy removal grants	23	35	-	Common Fund	35
Clergy resettlement grants	17	36	-	Common Fund	36
Clergy first appointment grants	29	64	-	Common Fund	64
Kent Workplace Mission	1	-	4	Common Fund	4
				Common Fund	
Archdeacons' discretionary grants	34	8	-	Common Fund	8
<b>From restricted funds:</b>					
Ministry Division Ordinand Block Grants	48	43	265	Ministry Division Fund	308
Parochial Church Councils	19	-	95	Covid 19 Emergency Relief Fund	95
Overseas Partnership: Harare	4	-	7	Companion Diocese Fund	7
Overseas Partnership: Tanzania	27	4	85	Companion Diocese Fund	89
Beckenham St Michael	1	-	8	Pastoral Account	8
Bishop of Rochester Discretionary Fund	1	-	20	Pastoral Account	20
Strood St Francis PCC	1	-	6	Pastoral Account	6
Christian Aid	1	-	11	Poverty & Hope Appeal	11
Church Mission Society	1	-	5	Poverty & Hope Appeal	5
Commonwork Land Trust	1	-	5	Poverty & Hope Appeal	5
United Society (formerly USPG)	1	-	5	Poverty & Hope Appeal	5
Parochial Church Councils	11	-	47	Trust for London	47
Other Organisations	1	-	3	Trust for London	3
Clergy grants	9	22	-	Trust for London	22
Parochial Church Councils	4	-	71	Church Extension Fund	71
Parochial Church Councils	24	-	44	£500k CYP Fund	44
					<b>1,087</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**9. TANGIBLE FIXED ASSETS**

	<b>Board Property</b>		<b>Equity Sharing Property</b>		<b>Benefice Property</b>		<b>Assets Held For Sale</b>		<b>Assets in course of construction</b>	<b>Computer &amp; Phone Equipment</b>	<b>Total</b>
	<b>Land</b>	<b>Buildings</b>	<b>Land</b>	<b>Buildings</b>	<b>Land</b>	<b>Buildings</b>	<b>Land</b>	<b>Buildings</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>											
Balance 1 January 2022	5,955	8,697	123	174	19,321	20,420	309	314	2,156	171	57,640
Additions	-	61	-	-	-	447	-	-	1,066	1	1,575
Disposals	(438)	(452)	-	-	-	-	-	-	-	(36)	(926)
Revaluation	-	-	-	-	-	-	-	-	-	-	-
Transfer	152	139	-	-	-	15	282	295	(883)	-	-
Balance 31 December 2022	5,669	8,445	123	174	19,321	20,882	591	609	2,339	136	58,289
<b>Depreciation</b>											
Balance 1 January 2022	-	1,142	-	52	-	4,242	-	93	-	171	5,700
Charge for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	(30)	-	-	-	-	-	-	-	(36)	(66)
Transfer	-	(26)	-	-	-	-	-	26	-	-	-
Balance 31 December 2022	-	1,086	-	52	-	4,242	-	119	-	135	5,634
<b>Net book values</b>											
At 31 December 2022	5,669	7,359	123	122	19,321	16,640	591	490	2,339	1	52,655
<i>At 31 December 2021</i>	<i>5,955</i>	<i>7,555</i>	<i>123</i>	<i>122</i>	<i>19,321</i>	<i>16,178</i>	<i>309</i>	<i>221</i>	<i>2,156</i>	<i>-</i>	<i>51,940</i>

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

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

**(a) Freehold Land and Buildings**

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

**(b) Equity Sharing Properties**

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

**(c) Benefice Property**

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



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**10. FIXED ASSET INVESTMENTS**

	<b>2022</b>		<b>2021</b>	
	<b>Cost</b>	<b>Market Value</b>	<b>Cost</b>	<b>Market Value</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Investments</b>				
Mercer Global Investment Management	16,774	17,363	16,662	20,233
<b>Investment Properties</b>		11,873		12,528
		<u>29,236</u>		<u>32,761</u>
		<b>£'000</b>		<b>£'000</b>
At 1 January 2022		32,761		28,914
Additions		190		160
Disposals	(933)		(107)	
Realised losses	<u>40</u>		<u>-</u>	
Sale proceeds		(893)		(107)
Net (losses)/gains on investments		<u>(2,822)</u>		<u>3,794</u>
At 31 December 2022		<u>29,236</u>		<u>32,761</u>

Net losses on investments shown in the Statement of Financial Activities of £2,822k (2021: £3,794k gains) comprise unrealised losses of £2,782k (2021 : £3,794k gains) and realised losses £40k (2021 : £0k) as a result of disposals realising proceeds of £893k (2021 : £107k).

The investments are held by Mercer Global Investment Management and, with the exception of £836k (2021 : £617k) held in Private Markets, can be converted into cash within one month of application.

Investment properties include Glebe and other properties, the income from which is included in the Board accounts. Investment Properties are carried at open market value based on valuation advice from Savills. The historical cost of these properties is not available.

**11. DEBTORS**

	<b>2022</b>		<b>2021</b>	
	<b>Amounts falling due within one year</b>	<b>Amounts due after more than one year</b>	<b>Amounts falling due within one year</b>	<b>Amounts due after more than one year</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Diocesan Parishes - Loans to parishes	75	16	97	34
Diocesan Parishes - Other amounts due	161	-	129	-
Sundry Debtors	476	5	565	7
	<u>712</u>	<u>21</u>	<u>791</u>	<u>41</u>

The loans to 6 parishes (2021 : 7) are generally unsecured, repayable over a period of five years with interest charged at 0% for loans from the Church Repair Fund and at various rates for loans from the Diocesan Loans Fund.

## 12. CREDITORS

	<b>2022</b>		<b>2021</b>	
	<b>Amounts falling due within one year £'000</b>	<b>Amounts due after more than one year £'000</b>	<b>Amounts falling due within one year £'000</b>	<b>Amounts due after more than one year £'000</b>
<b>Related Party Balances:</b>				
Amount due to Diocesan Board of Education	37	-	2	-
<b>Other Balances:</b>				
Amount due to Other Trust Funds	6	-	3	-
Equity Sharing Loans	-	280	-	295
Deposits - Diocesan Loans Fund (Parishes)	4,397	-	4,181	-
Deposits - Diocesan Loans Fund (Other)	33	-	32	-
Deposits - Church Repair Fund	4,733	-	4,673	-
Pension Scheme Liabilities	-	-	42	295
CCLA Loan	-	500	-	500
Sundry Creditors	1,533	-	947	-
	<b>10,739</b>	<b>780</b>	<b>9,880</b>	<b>1,090</b>

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

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

The CCLA loan was obtained in 2020 and is an unsecured interest only loan repayable after 10 years. The interest rate is variable and tracks 0.55% above the CBF Church of England deposit rate which is currently 4.05%.

## 13. MEMBERS' LIABILITY

The Board is a company limited by Guarantee. At 31 December 2022 there were 120 (2021 : 122) members who are liable to contribute £1 each in the event of the company being wound up.

## 14. OPERATING LEASES

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

	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Lease payments - other operating lease:</b>		
Not later than one year after the balance sheet date	7	11
In the second to fifth years after the balance sheet date	17	3
	<b>24</b>	<b>14</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**15. RELATED PARTY TRANSACTIONS**

During the year the following related party transactions took place:

<b><u>Related Party</u></b>	<b><u>Relationship</u></b>		<b>2022 £'000</b>	<b>2021 £'000</b>
Mrs Julia Burton-Jones	Wife of Bishop of Tonbridge	Professional fees in respect of work on Dementia Friendly Church Project.	17	14
Trustees		Total restricted donations made to the RDSBF.	21	13

The outstanding balances with related parties at 31 December 2022 are included in note 12.

There were no other related party transactions during the year or prior year.

Details of related parties can be found in the Trustees Report.

**16. DESIGNATED FUNDS**

	<b>Balance at 1 January 2022 £'000</b>	<b>Income £'000</b>	<b>Expenditure £'000</b>	<b>Investment Movements £'000</b>	<b>Transfers £'000</b>	<b>Balance at 31 December 2022 £'000</b>
Central Church Funding	99	-	(27)	-	5	77
Property Fund	9,015	-	-	-	-	9,015
	<b>9,114</b>	<b>-</b>	<b>(27)</b>	<b>-</b>	<b>5</b>	<b>9,092</b>

**Central Church Funding**

These funds have been received from the Church Commissioners for designated purposes and so have been retained within a specific designated fund. Expenditure of £27k represents grants of £300 made to 91 clergy people experiencing hardship due to rising energy costs. A transfer of £5k was made to settle a debit balance within the fund.

**Property Fund**

This fund has been set aside by the Trustees for the purpose of funding Board property acquisitions and development.

**16. DESIGNATED FUNDS (continued)**

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Investment Movements £'000	Transfers £'000	Balance at 31 December 2021 £'000
Central Church Funding	99	-	-	-	-	99
Property Fund	8,135	943	-	(63)	-	9,015
	<b>8,234</b>	<b>943</b>	<b>-</b>	<b>(63)</b>	<b>-</b>	<b>9,114</b>



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**17. RESTRICTED FUNDS**

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Investment Movements £'000	Transfers £'000	Balance at 31 December 2022 £'000
Poverty & Hope Appeal	17	22	(26)	-	-	13
Committee Amongst Deaf	23	-	-	-	-	23
Local Church Urban Fund	21	16	-	-	-	37
Diocesan Pastoral Account	1,121	24	(224)	-	(252)	669
Diocesan Pastoral Account re Sale of Beckenham St Michael Hall	27	-	(27)	-	-	-
Trust for London (formerly City Parochial Foundation)	285	359	(63)	-	(442)	139
Benefice Property	35,499	-	-	-	462	35,961
Thames Gateway	7	-	-	-	-	7
Thames Gateway Capital Fund	457	-	-	-	-	457
Parsonage Building Fund	1,901	-	-	-	-	1,901
Church Extension Fund	757	-	(4)	-	-	753
Companion Diocese Funds	24	142	(138)	-	-	28
Ministry Division RME Ordinand's Grant	92	292	(291)	-	-	93
Children & Young People £500K Fund	122	18	(78)	-	25	87
Chatham Town Centre	522	92	(89)	-	-	525
Children & Young People misc. funds	3	-	(2)	-	-	1
Cobham and Gravesend Churches Fund	59	-	(2)	-	-	57
Together Magazine	1	-	(1)	-	-	-
Called to Grow - Strategic Development Funding	110	164	(218)	-	-	56
Past Cases Review	18	30	-	-	(48)	-
Covid 19 Emergency Relief/Energy Costs Support	22	276	(446)	-	148	-
Covid Winter Grant - CESA	4	1	-	-	-	5
Luton Memorial Meadow	8	2	-	-	-	10
Giving Advisor	17	34	(51)	-	-	-
Ministry Hardship Fund	-	77	(37)	-	-	40
SDF Anerley	-	9	(3)	-	-	6
Warm Spaces Grant - CESA	-	4	(4)	-	-	-
	<b>41,117</b>	<b>1,562</b>	<b>(1,704)</b>	<b>-</b>	<b>(107)</b>	<b>40,868</b>

**Poverty and Hope Appeal**

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

**Committee Amongst the Deaf**

Specific donations received for use by this committee.

**Local Church Urban Fund**

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

**Diocesan Pastoral Account**

Capital monies originally received under the Pastoral Measure 1983 and is restricted thereby. Income arises from rental income of £24k (2021 : £24k). Expenditure includes Growth Enabler costs of £108k (2021 : £133k), £61k (2021

## **17. RESTRICTED FUNDS (continued)**

: £0k) for parish development projects, a £6k (2021 - £0k) grant to Strood St Nicholas PCC to assist with their Called to Grow administration costs, a £3k grant to Gillingham Holy Trinity to help with insurance costs and £41k (2021 : £53k) Diocesan project costs. The net transfer of £252k includes £250k (2021 : £250k) parsonage catch up works, provision of the Archdeacon's Discretionary Funds of £20k (2021 : £20k), a credit of £48k (2021 : £0k) being the balance on the Past Cases Review which was partly funded by the DPA and support for Strategic Development Fund and Community Engagement & Social Action posts of £30k (2021 : £29k).

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

Capital monies originally received under the Pastoral Measure 1983 and is restricted thereby. This has been shown separately from the Diocesan Pastoral Account because the aim is to use the funds for that specific parish. A final grant of £27k (2021 : £8k) was made during the year thereby fully using this fund.

### **Trust for London**

An annual allocation from the Foundation to use within the Archdeaconry of Bromley and Bexley. The transfer of £442k (2021 : £267k) represents contributions to the Children and Young Peoples 500k Fund, community and children's projects, training, stipends and administration.

### **Benefice Property**

The fund value represents the capital value of parsonage houses less depreciation. The net transfer of £462k (2021 : £212k) relates to the capitalisation of parsonage improvement projects.

### **Thames Gateway**

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

### **Thames Gateway Capital**

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

### **Parsonage Building Fund**

Money held by the RSDBF, under s5(3) of the Parsonages Measure 1938 (amended), from the sale of a parsonage or other parsonage land held in trust for the benefice concerned.

### **Church Extension Fund**

Monies given under an appeal in 1956 for the purchase or improvement of churches, halls, parsonages, curate houses and other property. The fund includes 4 houses in various parishes with a net book value of £250k. The expenditure of £4k (2021 : £71k) was a Missional Property Fund grant made to Tunbridge Wells, St Mark.

### **Companion Diocese Funds**

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

### **Ministry Division RME Ordinand's Grant**

Block grant received from the Archbishop's Council Ministry Division to fund ordinand training.

### **Children and Young People 500K Fund**

Fund established as part of the Called Together initiative. The expenditure of £78k (2021 : £44k) represents grants made to 34 parishes for Children and Youth projects. The transfer of £25k (2021 : £25k) was allocated from the Trust for London Fund to support Children and Young People projects specifically in the Bromley & Bexley Archdeaconry.

### **Chatham Town Centre**

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

### **Children and Young People Funds**

This represents 2 small grants specifically for the Children and Young People Projects, Angel Space and Listen to Learn. £2k (2021 : £0k) was used towards Unite youth services at Rainham St Margaret.

### **Cobham and Gravesend Churches Fund**

Fund to be used for purposes connected with the social responsibility mission of churches in the Cobham and Gravesend area. Expenditure of £2k (2021 : £0k) represented grants made to Instead Rise St Barnabas for the start-up costs of their Friends Café and Gravesend St Mary for their Easter Story Box.

## **17. RESTRICTED FUNDS (continued)**

### **Together Magazine**

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

### **Called to Grow**

In late June 2019, the Strategic Investment Board of the Church Commissioners agreed to award funding, on behalf of the Archbishops' Council, of £1,388K. This was the full amount of the RDSBF's Stage Two application and facilitates growth enablement projects in five focus parishes. In particular, this support is to evangelistic activities in Anerley, Erith, Gillingham and Strood. The funding is over 5 years, 2019-2024.

### **Past Cases Review**

The Past Cases Review, was a comprehensive safeguarding review across churches and key institutions within the Diocese of Rochester. The purpose of the Review was to help find out whether all known cases of concern about the behaviour of clergy and church officers towards children and vulnerable adults had been considered, risk assessed and dealt with appropriately. Independent reviewers carried out the Review which completed in 2021. The anticipated cost was expected to be divided between the Bishop, the Diocesan Pastoral Account and the Church Commissioners. The total cost was £63k and £48k was transferred back to the DPA in 2022.

### **Covid 19 Emergency Relief/Energy Costs Support Fund**

The fund was originally set up to make grants to parishes that were struggling financially during the Covid 19 pandemic. It was agreed by Bishop's Council that the remainder of the Covid 19 Emergency relief fund would be repurposed to become the Energy Costs Support Fund. This together with £27k donated by one parish, £249k received from the Church Commissioners' Energy Support Grant and £148k from the Common Fund was used to provide grants to 187 parishes struggling with rapidly increasing energy costs and 70 parishes with grants to help provide Warm Spaces in their community.

### **Covid Winter Grant – CESA**

Grants received to help the homeless in the Medway area.

### **Luton Memorial Meadow**

Rental income received to be used in relation to expenditure to this property.

### **Giving Advisor**

Grant from the Church Commissioners to cover 50% of the costs of providing a Giving Advisor over a period of 5 years.

### **Ministry Hardship Grant**

Grant received from the Church Commissioners to help clergy with rising energy costs. Grants of £340 were made to 108 clergy people experiencing hardship due to rising energy costs.

### **SDF Anerley**

Contribution from Anerley PCC, being one of the parishes being supported by Called to Grow, towards their Freedom Forum Pastor.

### **Warm Spaces Grant – CESA**

Grant received from Dartford Borough Council to assist four parishes in the Dartford area with their Warm Spaces projects.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**17. RESTRICTED FUNDS (continued)**

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Investment Movements £'000	Transfers £'000	Balance at 31 December 2021 £'000
Poverty & Hope Appeal	23	20	(26)	-	-	17
Committee Amongst Deaf	23	-	-	-	-	23
Local Church Urban Fund	9	14	(2)	-	-	21
Diocesan Pastoral Account	1,690	26	(236)	-	(359)	1,121
Diocesan Pastoral Account re Sale of Beckenham St Michael Hall	35	-	(8)	-	-	27
Trust for London (formerly City Parochial Foundation)	-	642	(90)	-	(267)	285
Benefice Property	35,287	-	-	-	212	35,499
Thames Gateway	7	-	-	-	-	7
Thames Gateway Capital Fund	457	-	-	-	-	457
Parsonage Building Fund	1,349	552	-	-	-	1,901
Church Extension Fund	829	-	(72)	-	-	757
Companion Diocese Funds	17	106	(99)	-	-	24
Ministry Division RME Ordinand's Grant	36	365	(309)	-	-	92
Ebbsfleet Youth Worker	18	4	(22)	-	-	-
Children & Young People Fund	76	66	(45)	-	25	122
Chatham Town Centre	503	63	(44)	-	-	522
Children & Young People misc. funds	3	-	-	-	-	3
Cobham and Gravesend Churches Fund	59	-	-	-	-	59
Together Magazine	1	-	-	-	-	1
Called to Grow - Strategic Development Funding	80	234	(204)	-	-	110
Past Cases Review	26	-	(8)	-	-	18
Covid 19 Emergency Relief	8	9	(95)	-	100	22
Covid Winter Grant - CESA	-	9	(5)	-	-	4
Luton Memorial Meadow	-	10	(2)	-	-	8
Giving Advisor	-	44	(27)	-	-	17
	<b>40,536</b>	<b>2,164</b>	<b>(1,294)</b>	<b>-</b>	<b>(289)</b>	<b>41,117</b>



**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2022

**18. ENDOWMENT FUNDS**

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Investment Movements £'000	Transfers £'000	Balance at 31 December 2022 £'000
Stipends Capital Account	5,665	-	-	-	129	5,794
Unapplied Total Return	14,505	-	-	(696)	(454)	13,355
Training	1,647	-	-	(243)	9	1,413
Pensions & Retired Clergy	1,581	-	-	(109)	4	1,476
Buildings	92	-	-	(14)	-	78
Parsonages	760	-	-	(112)	4	652
Local Church Urban Fund	563	-	-	(83)	3	483
Social Mission	1,322	-	-	(195)	9	1,136
David Goodwin Legacy	686	12	-	-	-	698
	<b>26,821</b>	<b>12</b>	<b>-</b>	<b>(1,452)</b>	<b>(296)</b>	<b>25,085</b>

**Stipends Capital Account/Unapplied Total Return**

Investments held under the Endowments and Glebe Measure 1976. Income is credited to the Common Fund and used for stipend purposes. The main movements in the year relate to capitalisation of works to parsonages of £461k funded through Unapplied Total Return and net investment losses. The original liability for clergy pensions liabilities was funded by the Stipends Capital account, and the transfer also represents the reduction in clergy pension deficit contribution liabilities in the year. This liability is now zero (2021 : £337k). Transfers also included Unapplied Total Return of £231k to the Common Fund for bringing investment yield to 4% and stipend costs. Note 23 shows full details of movements in the year.

**Training**

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

**Pensions and Retired Clergy**

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

**Buildings**

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

**Parsonages**

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

**Local Church Urban Fund**

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

**Social Mission**

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

**David Goodwin Legacy**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**18. ENDOWMENT FUNDS (continued)**

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Investment Movements £'000	Transfers £'000	Balance at 31 December 2021 £'000
Stipends Capital Account	18,102	-	-	1,916	152	20,170
Training	1,425	-	-	219	3	1,647
Pensions & Retired Clergy	1,516	-	-	98	(33)	1,581
Buildings	80	-	-	12	-	92
Parsonages	658	-	-	101	1	760
Local Church Urban Fund	487	-	-	75	1	563
Social Mission	1,143	-	-	176	3	1,322
David Goodwin Legacy	673	13	-	-	-	686
	<b>24,084</b>	<b>13</b>	<b>-</b>	<b>2,597</b>	<b>127</b>	<b>26,821</b>

**19. TRANSFERS BETWEEN FUNDS**

	Note	Common Fund £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000
Transfer of funds to reduce the clergy pension deficit		(337)	-	-	337
Parsonage and ministry house movements		250	-	(250)	-
Transfer to Archdeacons' Discretionary Funds		20	-	(20)	-
Transfers from Trust for London		417	-	(417)	-
SDF Support Function/CESA Staff Costs		30	-	(30)	-
Transfer of Designated Fund Balance		(5)	5	-	-
Mercer Management Fees Capitalised		(60)	-	-	60
Energy Support Grants to parishes		(148)	-	148	-
Transfers before Total Unapplied Return		167	5	(569)	397
Total Unapplied Return	23	231	-	462	(693)
Total transfers as at 31 December 2022		398	5	(107)	(296)

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**19. TRANSFERS BETWEEN FUNDS (continued)**

	<b>Common Fund £'000</b>	<b>Designated Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Endowment Funds £'000</b>
Transfer of funds to reduce the clergy pension deficit	(352)	-	-	352
Parsonage and ministry house movements	250	-	(39)	(211)
DBF Property movements	35	-	-	(35)
Transfer to Archdeacons' Discretionary Funds	20	-	(20)	-
Transfers from Trust for London	192	-	(192)	-
SDF Support Function/CESA Staff Costs	38	-	(38)	-
Mercer Management Fees Capitalised	(21)	-	-	21
Transfers as at 31 December 2021	<u>162</u>	<u>-</u>	<u>(289)</u>	<u>127</u>

**20. NET ASSETS BETWEEN FUNDS**

	<b>Note</b>	<b>Common Fund £'000</b>	<b>Designated Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Endowment Funds £'000</b>	<b>Total £'000</b>
Fixed assets	9	2,339	9,349	36,761	4,206	52,655
Investments	10	8,127	425	-	20,684	29,236
Current assets		3,381	(402)	4,107	195	7,281
Creditors		(10,739)	-	-	-	(10,739)
Creditors > 1 year		(500)	(280)	-	-	(780)
As at 31 December 2022		<u>2,608</u>	<u>9,092</u>	<u>40,868</u>	<u>25,085</u>	<u>77,653</u>

## 20. NET ASSETS BETWEEN FUNDS (continued)

	Note	Common Fund £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fixed assets	9	2,156	10,149	36,299	3,336	51,940
Investments	10	9,470	805	-	22,486	32,761
Current assets		3,855	(1,545)	4,818	1,336	8,464
Creditors		(9,838)	-	-	(42)	(9,880)
Creditors > 1 year		(500)	(295)	-	(295)	(1,090)
As at 31 December 2021		5,143	9,114	41,117	26,821	82,195

## 21. ASSETS HELD AS CUSTODIAN TRUSTEE

	2022 £'000	2021 £'000
Investments (at cost)	707	702
Property	648	648
Cash at bank	872	929
	2,227	2,279

## 22. PENSION SCHEMES

### a. Revaluation of Pension Scheme Liabilities

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

	2022 £'000	2021 £'000
Clergy Scheme (see note 22b below)	140	8
Lay Scheme (see note 22d below)	(44)	14
	96	22

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

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

Each participating Responsible Body in the Church of England Funded Pensions scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body and this means contributions



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**22. PENSION SCHEMES (continued)**

are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH; and
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a. and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Balance sheet liability at 1 January	337	689
Deficit contribution paid	(197)	(345)
Interest cost (recognised in SoFA)	-	1
	(197)	(344)
Remaining change to the balance sheet liability* (recognised in SoFA)	(140)	(8)
	(337)	(352)
Balance sheet liability at 31 December	-	337

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

## **22. PENSION SCHEMES (continued)**

This liability is a liability of the Stipends Capital Account (within Endowment Funds). Deficit contributions have been paid during the year by the Common Fund. Interest costs have been incurred in the Common Fund. The net of these two items together with the revaluation of liabilities shown above, is included in Transfers (note 19) to ensure that the deficit reduction is reflected in the Stipends Capital Account (note 18). The current year costs of providing pensions to diocesan clergy are included within expenditure within the Common Fund.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0% pa	0.2% pa
Price inflation	n/a	n/a	3.1% pa
Increase to total pensionable payroll	n/a	-1.5% pa	1.6% pa

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

### **c. Defined Contribution Scheme (for lay personnel)**

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

Amounts payable in the year to this scheme by the RDSBF amount to £57,795 (2021 : £51,862) and the amount owed to the scheme at 31 December 2022 was £nil (2021 : £nil).

### **d. Staff Defined Benefit Scheme (for lay personnel)**

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

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

The most recent comprehensive actuarial valuation of the Scheme was carried out as at 31 March 2021 and the next valuation of the Scheme is due as at 31 March 2024. In the event that the valuation reveals a larger deficit than expected the RDSBF may be required to increase contributions above those set out in the existing Schedule of Contributions. Conversely, if the position is better than expected, it is possible that contributions may be reduced.

The RDSBF expects to pay accrual contributions of £76k in the year to 31 December 2023 (based on salaries between 31 December 2021 and 31 December 2022 – if members have left or retired then this number would be expected to reduce).

The Scheme is managed by a board of Trustees appointed in part by the RDSBF and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

There were no plan amendments, curtailments or settlements through the period.

## **22.PENSION SCHEMES (continued)**

At 31 December 2022 the FRS102 valuation, which is based on different underlying assumptions to the actuarial valuation, calculated a surplus in the Scheme of £2,697k (2021 : £2,857k). Under FRS102 the Employer is only allowed to recognise such assets in its balance sheet to the extent that it can recover the surplus either through reduced contributions in the future or through refunds from the plan. As RDSBF is unable to recover the surplus, the asset value of the Scheme at 31 December 2022 reflected in these accounts is £nil. This compares to an asset value of £nil at the previous review date.

## 22. PENSION SCHEMES (continued)

Principal Actuarial Assumptions	31 December 2022	31 December 2021
Discount rate	4.65%	1.90%
Inflation (RPI)	3.35%	3.40%
Inflation (CPI)	2.55%	2.60%
Salary increases		
- From 31/3/2021 – 31/3/2022	1.00%	1.00%
- From 1/4/2022 – 31/3/2024	2.00%	2.00%
- From 1/2/2024 onwards	3.35%	3.40%
Increases in payment to Post 1992 benefits in excess of GMP (RPI max 5%)	3.25%	3.20%
Increases in payment to Post 2016 benefits in excess of GMP (CPI max 2.5%)	1.90%	2.00%
Revaluation in deferment (benefits in excess of GMP)	2.60%	2.60%
Post-retirement mortality	95% of the S3PA tables with CMI 2020 projections using a long-term improvement rate of 1.25% p.a.	95% of the S2PA tables with CMI 2020 projections using a long-term improvement rate of 1.25% p.a.
Commutation	70% of members are assumed to take the maximum tax free cash possible	70% of members are assumed to take the maximum tax free cash possible

The current asset split is as follows:

	Bid values as at 31 December 2022 £'000	Bid values as at 31 December 2021 £'000
Global Equities	2,102	6,144
Fixed Interest Gilts	1,368	-
Index Linked gilts	3,443	3,378
Cash	144	116
<b>Total assets</b>	<b>7,057</b>	<b>9,638</b>

The following amounts at 31 December 2022 and 31 December 2021 were measured in accordance with the requirements of FRS102:

Balance sheet	At 31 December 2022 £'000	At 31 December 2021 £'000
Fair value of assets	7,057	9,638
Present value of funded obligations	(4,360)	(6,781)
<b>Surplus/(deficit) in scheme</b>	<b>2,697</b>	<b>2,857</b>
Impact on limit of recognisable surplus	(2,697)	(2,857)
<b>Net defined benefit asset/(liability)</b>	<b>-</b>	<b>-</b>



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**22. PENSION SCHEMES (continued)**

<b>Amount recognised in Statement of Financial Activities (SOFA)</b>	<b>Period to 31 December 2022</b>	<b><i>Period to 31 December 2021</i></b>
	<b>£'000</b>	<b><i>£'000</i></b>
Current service cost	90	107
Administration costs	-	-
Interest on liabilities	128	97
Interest on assets	(183)	(108)
Past service costs	-	-
Settlement and curtailment cost	-	-
<b>Total charge to SOFA</b>	<b>35</b>	<b>96</b>

<b>Remeasurements over the year</b>	<b>Period to 31 December 2022</b>	<b><i>Period to 31 December 2021</i></b>
	<b>£'000</b>	<b><i>£'000</i></b>
(Gain)/loss on assets in excess of interest	2,798	(1,219)
Experience losses/(gains) on liabilities	442	(27)
Losses/(gains) from changes to demographic assumptions	-	(202)
Losses/(gains) from changes to financial assumptions	(3,037)	(605)
<b>Total remeasurements</b>	<b>203</b>	<b>(2,053)</b>

<b>Change in value of the assets</b>	<b>Period to 31 December 2022</b>	<b><i>Period to 31 December 2021</i></b>
	<b>£'000</b>	<b><i>£'000</i></b>
<b>Fair value of assets at start</b>	<b>9,638</b>	<b>8,338</b>
Interest on assets	183	108
Company contributions	78	82
Contributions by Scheme participants	20	16
Benefits paid	(64)	(125)
Administration costs	-	-
Change due to settlements and curtailments	-	-
Return on assets less interest	(2,798)	1,219
<b>Fair value of assets at end</b>	<b>7,057</b>	<b>9,638</b>
<b>Actual return on assets</b>	<b>(2,615)</b>	<b>1,327</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**22. PENSION SCHEMES (continued)**

<b>Change in value of DB liabilities</b>	<b>Period to 31 December 2022</b> <b>£'000</b>	<b><i>Period to 31 December 2021</i></b> <b><i>£'000</i></b>
<b>Value of liabilities at start</b>	<b>6,781</b>	<b><i>7,520</i></b>
Current service cost	90	<i>107</i>
Contributions by scheme participants	20	<i>16</i>
Past service costs	-	<i>-</i>
Interest on liabilities	128	<i>97</i>
Benefits paid	(64)	<i>(125)</i>
Change due to settlements or curtailments	-	<i>-</i>
Experience (gain)/loss on liabilities	442	<i>(27)</i>
Changes to demographic assumptions	-	<i>(202)</i>
Changes to financial assumptions	(3,037)	<i>(605)</i>
<b>Value of liabilities at end</b>	<b>4,360</b>	<b><i>6,781</i></b>

<b>Projected Profit &amp; Loss account for next year</b>	<b>Period to 31 Dec 2023</b> <b>£'000</b>
Current service cost	35
Administration costs	-
Interest on liabilities	202
Interest on assets	(329)
Settlement and curtailment costs	-
Past service cost	-
<b>Total</b>	<b>(92)</b>

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

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

## **22. PENSION SCHEMES (continued)**

### **e. Church Workers Pension Fund (CWPF)**

RDSBF participates in the Pension Builder Scheme section of CWPF for one member of lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

#### **Pension Builder Scheme**

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

**Pension Builder Classic** provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

**Pension Builder 2014** is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the SoFA in the year are the contributions payable being £10,809 (2021 : £0k).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation was due as at 31 December 2022 and is currently underway.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 December 2022

#### 23. TOTAL RETURN ACCOUNTING

From the 1 January 2022 the RDSBF adopted a total return approach to investments and property with regard to the Stipends Capital Fund (SCF). Under the Diocesan Stipends Capital Fund (Amendment) Measure S104b of the Charities Act 2011 the Stipends Capital Account may be split into capital funds and unapplied total return (UTR).

Total return accounting policy was approved by Bishop's Council on 25 May 2022 with final calculations being completed and approved by Haysmacintyre in their letter of 31 May 2022. The initial base value of Intergenerational Equity for implementing total return was determined at 1 January 2022 being £6.0M for the SCF. The UTR was set at £14.5M with £2.9M being attributable to operational ministry properties which are not immediately realisable within the SCF.

Following unrealised investment losses of £696K, UTR was drawn down in the year as follows:

- £83K – transfer to common fund to maintain investment yield at 4%.
- £148K – transfer to common fund towards stipends costs to release funds for the energy costs support fund.
- £462K – utilised for parsonage capital improvements.

Intergenerational equity saw an uplift of £631K for indexation and £31K for capitalisation of investment management fees. £870K was temporarily used from Intergenerational equity for the purchase of a temporary parsonage for the parish of Hayes. Consequently, the amount of UTR attributable to operational ministry properties within the SCF rose to £3.7M.

Movements and balances as at the 31 December 2022 were as follows:

	Intergenerational Equity £'000	Unapplied total return £'000	Pension Liability £'000	Total 2022 £'000
<b>At 1 January 2022</b>				
Opening Intergenerational Equity	6,002	-	-	6,002
Opening Unapplied total return	-	14,505	-	14,505
Opening Pension Liability	-	-	(337)	(337)
<b>Total</b>	6,002	14,505	(337)	20,170
<b>Movements during the year</b>				
Intergenerational Equity uplift re indexation	631	(631)	-	-
Transfers to/(from) Intergenerational Equity	(870)	870	-	-
Investment movements: realised and unrealised gains/(losses)	-	(696)	-	(696)
Investment movements: capitalisation of management fees	31	-	-	31
Write back of Pension Liability	-	-	337	337
	(208)	(457)	337	(328)
<b>Utilisation of Unapplied Total Return</b>				
Transferred to Common Fund re Investment Yield	-	(83)	-	(83)
Transferred to Common Fund re stipends	-	(148)	-	(148)
Utilised on Parsonage capital expenditure	-	(462)	-	(462)
	-	(693)	-	(693)
<b>Net movement during the year:</b>	(208)	(1,150)	337	(1,021)
Closing Intergenerational Equity	5,794	-	-	5,794
Closing Unapplied total return	-	13,355	-	13,355
Closing Pension Liability	-	-	-	-
<b>Total at 31 December 2022</b>	5,794	13,355	-	19,149



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**24. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted Common £'000	Designated £'000	Restricted £'000	Endowment £'000	Total 2021 £'000	Total 2020 £'000
<b>Income</b>							
Donations:							
- Parish Offers		7,875	-	-	-	7,875	8,395
- Other	2	478	-	1,549	13	2,040	1,651
Investment income	3	1,417	-	63	-	1,480	1,353
Charitable activities	4	478	-	-	-	478	396
<b>Total income</b>		<b>10,248</b>	<b>-</b>	<b>1,612</b>	<b>13</b>	<b>11,873</b>	<b>11,795</b>
<b>Expenditure</b>							
Generating income	5	(544)	-	(5)	-	(549)	(432)
Charitable activities	6	(11,536)	-	(1,289)	-	(12,825)	(12,507)
<b>Total Expenditure</b>		<b>(12,080)</b>	<b>-</b>	<b>(1,294)</b>	<b>-</b>	<b>(13,374)</b>	<b>(12,939)</b>
<b>Operating (Deficit)/Surplus:</b>		<b>(1,832)</b>	<b>-</b>	<b>318</b>	<b>13</b>	<b>(1,501)</b>	<b>(1,144)</b>
Profit/(losses) on sale of property		351	943	552	-	1,846	1,757
Gains/(losses) on investments	10	1,260	(63)	-	2,597	3,794	2,146
<b>Net Income before revaluation of fixed assets and pension scheme liabilities and transfers between funds</b>		<b>(221)</b>	<b>880</b>	<b>870</b>	<b>2,610</b>	<b>4,139</b>	<b>2,759</b>
<b>Reserve Movements:</b>							
Net Income		(221)	880	870	2,610	4,139	2,759
Gains on revaluation of fixed assets		-	-	-	-	-	-
Revaluation of pension scheme liabilities	22	22	-	-	-	22	34
Transfers between funds	19	162	-	(289)	127	-	-
<b>Net movement in funds</b>		<b>(37)</b>	<b>880</b>	<b>581</b>	<b>2,737</b>	<b>4,161</b>	<b>2,793</b>
Reserve balances at 1st January 2021		5,180	8,234	40,536	24,084	78,034	75,241
Reserve balances at 31st December 2021		<b>5,143</b>	<b>9,114</b>	<b>41,117</b>	<b>26,821</b>	<b>82,195</b>	<b>78,034</b>
			note 16	note 17	note 18		

**CUSTODIAN TRUSTEESHIP FUNDS – BALANCE SHEET**  
**For the year ended 31 December 2022**

**This page does not form part of the audited financial statements**

	<b>2022</b>		<b>2021</b>	
	<b>Capital £'000</b>	<b>Revenue £'000</b>	<b>Capital £'000</b>	<b>Revenue £'000</b>
Investments at cost (see below)	704	3	698	3
Freehold property	645	-	645	-
Freehold interest in leased properties	3	-	3	-
Cash				
National Savings Bank	11	1	11	1
CCLA Investment Management Ltd - Deposit Fund				
Miscellaneous	759	95	819	95
Church Commissioners Deposit Account				
Barclays Bank - Current Account	-	6	-	3
	770	102	830	100
<b>Total Assets</b>	<b>2,122</b>	<b>105</b>	<b>2,176</b>	<b>103</b>
Representing				
Parochial Funds	2,104	98	2,158	99
Non-Parochial Funds	18	7	18	4
<b>Total Funds</b>	<b>2,122</b>	<b>105</b>	<b>2,176</b>	<b>103</b>
<b>INVESTMENTS NOTE</b>				
	<b>2022</b>		<b>2021</b>	
	<b>Cost £'000</b>	<b>Market value £'000</b>	<b>Cost £'000</b>	<b>Market value £'000</b>
<b>CAPITAL</b>				
Quoted Investments	5	147	5	165
Unlisted Investments				
<b>CCLA Investment Management Ltd</b>				
Investment Fund Income Shares				
201,735 (2021 201,525 shares)	553	4,168	547	4,719
Fixed Interest Fund Income Shares				
44,806 (2021 44,806 shares)	72	61	72	71
Global Equity				
25,919 (2021 25,919 shares)	30	68	30	79
Property Fund				
34,935 (2021 34,935 shares)	44	46	44	52
	699	4,343	693	4,921
	704	4,490	698	5,086
<b>REVENUE</b>				
Unlisted Investments				
<b>CCLA Investment Management Ltd</b>				
Investment Fund Income Shares	3	44	3	50
2,127 (2021 2,127 shares)				

**PARISH FUND BALANCES**  
For the year ended 31 December 2022

This page does not form part of the audited financial statements

<b>CHURCH REPAIR FUND BALANCES</b>				
As at 31 December 2022				
	<b>2022</b>	<b>2021</b>		
	<b>£'000</b>	<b>£'000</b>		
Deposits by Parishes with Diocese:			Use of Funds Deposited by Parishes with Diocese:	
Parochial Funds	4,733	4,673	Parish Loans	3
			Funds on Deposit and other assets	4,730
	<u>4,733</u>	<u>4,673</u>		<u>4,733</u>
				<u>4,673</u>
<b>LOANS FUND BALANCES</b>				
As at 31 December 2022				
	<b>2022</b>	<b>2021</b>		
	<b>£'000</b>	<b>£'000</b>		
Deposits by Parishes with Diocese:			Use of Funds Deposited by Parishes with Diocese:	
Parochial Funds	4,396	4,181	Parish & Clergy - Loans	87
Other Sources	33	32	Other Loans	8
			Funds on Deposit and other assets	4,334
	<u>4,429</u>	<u>4,213</u>		<u>4,429</u>
				<u>4,213</u>

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

**PARISH OFFER RECEIVED BY BENEFICE**  
**For the year ended 31 December 2022**

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	<b>Offer Received</b>
<b>Beckenham Deanery</b>	
ANERLEY TEAM MINISTRY	<b>75,350</b>
BECKENHAM CHRIST CHURCH PCC	<b>101,635</b>
BECKENHAM ST GEORGE PCC	<b>75,600</b>
BECKENHAM ST JAMES PCC	<b>35,738</b>
BECKENHAM ST JOHN THE BAPTIST PCC	<b>95,000</b>
BECKENHAM ST MICHAEL W ST AUGUSTINE PCC	<b>33,375</b>
BECKENHAM ST PAUL PCC	<b>69,650</b>
PENGE ST JOHN THE EVANGELIST PCC	<b>72,256</b>
SHORTLANDS PCC	<b>76,560</b>
<b>Total Beckenham Deanery</b>	<b>635,164</b>
<b>Bromley Deanery</b>	
BICKLEY PCC	<b>60,000</b>
BROMLEY CHRIST CHURCH PCC	<b>55,289</b>
BROMLEY COMMON HOLY TRINITY PCC	<b>30,751</b>
BROMLEY COMMON ST AUGUSTINE w ST LUKES PCC	<b>75,040</b>
BROMLEY ST ANDREW PCC	<b>31,000</b>
BROMLEY ST JOHN THE EVANGELIST PCC	<b>65,177</b>
BROMLEY ST MARK PCC	<b>56,299</b>
BROMLEY ST MARY PCC	<b>60,000</b>
BROMLEY ST PETER & ST PAUL PCC	<b>79,081</b>
CHISLEHURST THE ANNUNCIATION PCC	<b>63,000</b>
CHISLEHURST CHRIST CHURCH PCC	<b>70,391</b>
CHISLEHURST ST NICHOLAS PCC	<b>75,000</b>
HAYES PCC	<b>64,300</b>
<b>Total Bromley Deanery</b>	<b>785,328</b>
<b>Erith Deanery</b>	
BARNEHURST PCC	<b>30,801</b>
BELVEDERE ALL SAINTS PCC	<b>36,000</b>
BELVEDERE ST AUGUSTINE PCC	<b>15,000</b>
BEXLEYHEATH CHRIST CHURCH PCC	<b>68,153</b>
BEXLEYHEATH ST PETER PCC	<b>25,788</b>
BOSTALL HEATH PCC	<b>29,808</b>
CRAYFORD PCC	<b>20,521</b>
ERITH CHRIST CHURCH PCC	<b>6,000</b>
ERITH ST JOHN THE BAPTIST PCC	<b>40,000</b>
FALCONWOOD PCC	<b>38,400</b>
NORTHUMBERLAND HEATH PCC	<b>48,000</b>
SLADE GREEN PCC	<b>15,226</b>
WELLING PCC	<b>71,567</b>
<b>Total Erith Deanery</b>	<b>445,264</b>



**PARISH OFFER RECEIVED BY BENEFICE**  
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	<b>Offer Received</b>
<b>Orpington Deanery</b>	
BIGGIN HILL PCC	<b>66,701</b>
CHELSEFIELD PCC	<b>40,444</b>
CRAY ST BARNABAS PCC	<b>32,903</b>
CROFTON PCC	<b>84,300</b>
CUDHAM PCC	<b>24,445</b>
DOWNE PCC	<b>17,820</b>
FARNBOROUGH ST NICS	<b>43,965</b>
FARNBOROUGH PCC	<b>66,028</b>
GREEN STREET GREEN PCC	<b>79,460</b>
KESTON PCC	<b>29,000</b>
ORPINGTON ALL SAINTS PCC	<b>71,640</b>
ORPINGTON CHRIST CHURCH PCC	<b>78,033</b>
PETTS WOOD PCC	<b>41,600</b>
<b>Total Orpington Deanery</b>	<b>676,339</b>
<b>Sidcup Deanery</b>	
BEXLEY ST JOHN THE EVANGELIST PCC	<b>26,614</b>
NORTHCRAV	<b>8,000</b>
BEXLEY ST MARY PCC	<b>8,958</b>
BLENDON PCC	<b>38,402</b>
FOOTSCRAY PCC	<b>9,000</b>
JOYDENS WOOD PCC	<b>25,000</b>
LAMORBAY HOLY REDEEMER PCC	<b>28,400</b>
LAMORBAY HOLY TRINITY PCC	<b>40,000</b>
SIDCUP CHRIST CHURCH PCC	<b>70,800</b>
SIDCUP ST ANDREW PCC	<b>6,000</b>
SIDCUP ST JOHN THE EVANGELIST PCC	<b>25,000</b>
<b>Total Sidcup Deanery</b>	<b>286,174</b>
<b>Total Bromley &amp; Bexley</b>	<b>2,828,269</b>

**PARISH OFFER RECEIVED BY BENEFICE**  
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	<b>Offer Received</b>
<b>Cobham Deanery</b>	
ASH PCC	<b>27,658</b>
RIDLEY PCC	<b>4,200</b>
LUDDESDOWNE & DODE PCC	<b>4,862</b>
FAWKHAM & HARTLEY PCC	<b>12,000</b>
ISTEAD RISE PCC	<b>34,743</b>
LONGFIELD PCC	<b>24,000</b>
MEOPHAM PCC	<b>29,000</b>
SOUTHFLEET PCC	<b>23,000</b>
<b>Total Cobham Deanery</b>	<b>159,463</b>
<b>Dartford Deanery</b>	
CROCKENHILL PCC	<b>17,325</b>
DARENTH PCC	<b>14,400</b>
HORTON KIRBY PCC	<b>15,000</b>
SUTTON-AT-HONE PCC	<b>10,000</b>
DARTFORD CHRIST CHURCH PCC	<b>55,289</b>
DARTFORD HOLY TRINITY PCC	<b>28,000</b>
DARTFORD ST ALBAN PCC	<b>12,000</b>
DARTFORD ST EDMUND KING & MARTYR PCC	<b>1,167</b>
STONE PCC	<b>28,683</b>
SWANLEY ST MARY THE VIRGIN PCC	<b>7,751</b>
SWANLEY ST PAUL & HEXTABLE ST PETER PCC	<b>50,000</b>
WILMINGTON PCC	<b>52,025</b>
<b>Total Dartford Deanery</b>	<b>291,640</b>
<b>Gillingham Deanery</b>	
GILLINGHAM HOLY TRINITY PCC	<b>16,800</b>
GILLINGHAM ST AUGUSTINE PCC	<b>25,000</b>
GILLINGHAM ST BARNABAS PCC	<b>7,020</b>
GILLINGHAM ST LUKE PCC	<b>9,494</b>
GILLINGHAM ST MARK PCC	<b>60,334</b>
GILLINGHAM ST MARY ISLAND DCC	<b>14,000</b>
GILLINGHAM ST MARY MAGDALENE PCC	<b>19,010</b>
RAINHAM PCC	<b>66,380</b>
SOUTH GILLINGHAM PCC	<b>108,000</b>
<b>Total Gillingham Deanery</b>	<b>326,038</b>

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	<b>Offer Received</b>
<b>Gravesend Deanery</b>	
CHALK PCC	<b>46,000</b>
GRAVESEND HOLY FAMILY PCC	<b>6,417</b>
IFIELD PCC	<b>10,680</b>
GRAVESEND ST AIDAN PCC	<b>22,394</b>
GRAVESEND ST GEORGE PCC	<b>48,000</b>
GRAVESEND ST MARY PCC	<b>13,920</b>
MILTON CHRIST CHURCH PCC	<b>33,000</b>
MILTON ST PETER & ST PAUL PCC	<b>12,043</b>
NORTHFLEET & ROSHERVILLE PCC	<b>6,000</b>
PERRY STREET PCC	<b>6,500</b>
SHORNE PCC	<b>12,600</b>
SWANSCOMBE PCC	<b>12,000</b>
<b>Total Gravesend Deanery</b>	<b>229,554</b>
<b>Rochester Deanery</b>	
BORSTAL PCC	<b>15,648</b>
CHATHAM ST MARY W ST JOHN PCC	<b>1,000</b>
CHATHAM ST PAUL W ALL SAINTS PCC	<b>6,000</b>
CHATHAM ST PHILIP & ST JAMES PCC	<b>72,697</b>
CHATHAM ST STEPHEN PCC	<b>40,000</b>
LUTON PCC	<b>16,038</b>
PRINCES PARK PCC	<b>30,000</b>
ROCHESTER ST JUSTUS PCC	<b>44,000</b>
ROCHESTER ST PETER W ST MARGARET PCC	<b>33,890</b>
SOUTH CHATHAM HOLY TRINITY PCC	<b>48,766</b>
<b>Total Rochester Deanery</b>	<b>308,039</b>
<b>Strood Deanery</b>	
CLIFFE-AT-HOO W COOLING PCC	<b>32,032</b>
CUXTON & HALLING PCC	<b>20,015</b>
FRINDSBURY W UPNOR & CHATTENDEN PCC	<b>52,391</b>
GRAIN PCC	<b>2,083</b>
HIGH HALSTOW W ALLHALLOWS & HOO ST MARY PCC	<b>23,100</b>
HIGHAM W MERSTON PCC	<b>48,552</b>
HOO ST WERBURGH PCC	<b>20,876</b>
STROOD ST FRANCIS PCC	<b>13,650</b>
STROOD ST NICHOLAS W ST MARY PCC	<b>32,000</b>
<b>Total Strood Deanery</b>	<b>244,699</b>
<b>Total Rochester</b>	<b>1,559,433</b>

**PARISH OFFER RECEIVED BY BENEFICE**  
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	<b>Offer Received</b>
<b>Malling Deanery</b>	
ADDINGTON PCC - BART GROUP	<b>17,708</b>
BIRLING PCC	<b>4,717</b>
RYARSH PCC	<b>16,065</b>
TROTTISCLIFFE PCC	<b>4,892</b>
AYLESFORD PCC	<b>40,413</b>
BARMING PCC	<b>42,173</b>
BURHAM & WOULDHAM PCC	<b>19,824</b>
COXHEATH PCC	<b>13,266</b>
EAST FARLEIGH PCC	<b>11,057</b>
HUNTON PCC	<b>11,058</b>
LINTON PCC	<b>11,058</b>
WEST FARLEIGH PCC	<b>10,998</b>
DITTON PCC	<b>55,000</b>
EAST MALLING PCC	<b>13,364</b>
WATERINGBURY PCC	<b>20,382</b>
LARKFIELD PCC	<b>9,500</b>
LEYBOURNE PCC	<b>23,842</b>
MEREWORTH PCC	<b>16,939</b>
WEST PECKHAM PCC	<b>11,664</b>
SNODLAND W LOWER BIRLING PCC	<b>30,739</b>
WEST MALLING PCC	<b>30,886</b>
KINGS HILL	<b>6,000</b>
OFFHAM PCC	<b>15,834</b>
<b>Total Malling Deanery</b>	<b>437,379</b>
<b>Paddock Wood</b>	
BRENCHLEY PCC	<b>52,408</b>
EAST PECKHAM PCC	<b>22,000</b>
HADLOW PCC	<b>46,800</b>
HORSMONDEN PCC	<b>39,445</b>
LAMBERHURST PCC	<b>27,000</b>
MATFIELD PCC	<b>21,500</b>
PADDOCK WOOD PCC	<b>58,923</b>
PEMBURY PCC	<b>55,289</b>
TUDELEY PCC	<b>17,004</b>
YALDING PCC	<b>35,486</b>
COLLIER STREET PCC	<b>4,882</b>
<b>Total Paddock Wood Deanery</b>	<b>380,737</b>



**PARISH OFFER RECEIVED BY BENEFICE**  
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	<b>Offer Received</b>
<b>Sevenoaks Deanery</b>	
CHEVENING PCC	<b>60,000</b>
KIPPINGTON PCC	<b>62,078</b>
KNOCKHOLT PCC	<b>23,500</b>
HALSTEAD PCC	<b>29,000</b>
RIVERHEAD W DUNTON GREEN PCC	<b>12,000</b>
SEAL ST LAWRENCE PCC	<b>21,714</b>
UNDERRIVER PCC	<b>18,300</b>
SEAL ST PETER & ST PAUL PCC	<b>34,702</b>
SEVENOAKS ST JOHN THE BAPTIST PCC	<b>52,000</b>
SEVENOAKS ST LUKE PCC	<b>48,000</b>
SEVENOAKS ST NICHOLAS PCC	<b>184,094</b>
SUNDRIDGE W IDE HILL & TOYS HILL PCC	<b>20,000</b>
WEALD PCC	<b>27,500</b>
WESTERHAM PCC	<b>55,289</b>
<b>Total Sevenoaks Deanery</b>	<b>648,177</b>
<b>Shoreham Deanery</b>	
BOROUGH GREEN PCC	<b>50,790</b>
EYNSFORD PCC	<b>29,704</b>
FARNINGHAM PCC	<b>19,802</b>
LULLINGSTONE PCC	<b>16,502</b>
IGHTHAM PCC	<b>59,367</b>
KEMSING PCC	<b>28,276</b>
KINGSDOWN W MAPPISCOMBE PCC	<b>20,000</b>
OTFORD PCC	<b>68,568</b>
PLATT PCC	<b>48,004</b>
PLAXTOL PCC	<b>31,378</b>
SHIPBOURNE PCC	<b>34,116</b>
SHOREHAM PCC	<b>30,000</b>
STANSTED W FAIRSEAT & VIGO PCC	<b>21,600</b>
WROTHAM PCC	<b>33,599</b>
<b>Total Shoreham Deanery</b>	<b>491,706</b>

**PARISH OFFER RECEIVED BY BENEFICE**  
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	<b>Offer Received</b>
<b>Tonbridge Deanery</b>	
CHIDDINGSTONE CAUSEWAY PCC	<b>24,000</b>
CHIDDINGSTONE PCC	<b>21,000</b>
CROCKHAM HILL PCC	<b>35,100</b>
EDENBRIDGE PCC	<b>58,500</b>
HEVER PCC	<b>8,758</b>
FOUR ELMS PCC	<b>7,440</b>
MARKBEECH PCC	<b>7,402</b>
HILDENBOROUGH PCC	<b>20,000</b>
LEIGH PCC	<b>35,818</b>
PENSHURST PCC	<b>26,140</b>
FORDCOMBE PCC	<b>10,500</b>
TONBRIDGE ST PETER & ST PAUL PCC	<b>100,000</b>
TONBRIDGE ST STEPHEN PCC	<b>92,356</b>
<b>Total Tonbridge Deanery</b>	<b>447,014</b>
LANGTON GREEN PCC	<b>20,000</b>
RUSTHALL PCC	<b>48,000</b>
SOUTHBOROUGH CHRIST CHURCH	<b>67,452</b>
BIDBROUGH/SOUTHBOROUGH ST PETER	<b>40,814</b>
BIDBROUGH/SOUTHBOROUGH ST PETER	<b>25,409</b>
HIGH BROOMS	<b>62,000</b>
SOUTHBOROUGH ST THOMAS PCC	<b>36,300</b>
SPELDHURST PCC	<b>76,185</b>
TUNBRIDGE WELLS HOLY TRINITY W CHRIST CHURCH PCC	<b>137,662</b>
TUNBRIDGE WELLS KING CHARLES THE MARTYR PCC	<b>70,598</b>
TUNBRIDGE WELLS ST BARNABAS PCC	<b>2,275</b>
TUNBRIDGE WELLS ST JAMES PCC	<b>77,802</b>
TUNBRIDGE WELLS ST JOHN PCC	<b>52,923</b>
TUNBRIDGE WELLS ST LUKE PCC	<b>48,000</b>
TUNBRIDGE WELLS ST MARK PCC	<b>28,272</b>
TUNBRIDGE WELLS ST PETER PCC	<b>50,000</b>
TUNBRIDGE WELLS ST PHILIP PCC	<b>30,000</b>
<b>Total Tunbridge Wells Deanery</b>	<b>873,692</b>
<b>Total Tonbridge</b>	<b>3,278,705</b>
<b>Total All</b>	<b>7,666,407</b>
<b>Offers in lieu of housing</b>	<b>4,200</b>
<b>Total as per Statement of Financial Activities</b>	<b>7,670,607</b>