

### Update on forecast Archbishops' Council expenditure 2008

1. Standing Order 102 states that "In presenting the Accounts for any year the Archbishops' Council shall report to the Synod any expenditure in excess of that voted by the Synod in the budget for that year in respect of that vote or by any supplementary vote and the explanation for the excess and the recommendations of the Council."
2. In July 2008 when the General Synod approved the Council's 2009 budget (see GS 1700), it also received an updated forecast of expenditure for 2008 which is summarised in the table below. These were within the 2008 budgeted levels with the exception of Training for Ministry (budgeted net expenditure £10.497 million) and clergy retirement housing (budgeted net expenditure £2.960 million). The additional expenditure was approved during the debate on the 2009 budget (items 24-25 of the July 2008 agenda).

	Vote	Net expenditure £000s	Funded from	
			Diocesan contributions £000s	Transfer from/(to) reserves £000s
Training for Ministry	1	11,645	10,647	998
National Church Responsibilities	2	10,060	10,060	0
Grants	3	1,596	1,596	0
Mission Agencies Clergy Pension Contributions	4	780	791	(11)
Clergy retirement housing	5	2,999	2,813	186

3. It is too early to give a firm estimate of the Council's actual expenditure in 2008 but the forecast considered by its Finance Committee in November 2008 is summarised below.

	Vote	Net expenditure £000s	Funded from	
			Diocesan contributions £000s	Transfer from/(to) reserves £000s
Training for Ministry	1	11,567	10,647	920
National Church Responsibilities	2	10,128	10,060	68
Grants	3	1,596	1,596	0
Mission Agencies Clergy Pension Contributions	4	755	791	(36)
Clergy retirement housing	5	2,997	2,813	184

4. It can be seen that the most recent forecast of expenditure on Training for Ministry and Mission Agencies Clergy Pension contributions (Votes 1 and 4 respectively) was below the level forecast in July. This will result in a lower use of reserves than planned for Vote 1 and a higher than expected transfer to reserves for Vote 4.
5. Expenditure on Grants and Clergy Retirement Housing (Votes 3 and 5 respectively) was expected to be broadly as reported to Synod in July.
6. Net expenditure on National Church Responsibilities (Vote 2) was forecast to be some £70,000 above the level reported to Synod last July. The main reasons for this were a greater investment in training for members of ordinand selection panels and staff, the new Finance system, higher than anticipated costs for external lawyers, and additional investment in IT for business continuity purposes (although total expenditure in the IT area was forecast to be within the original 2008 budget).
7. The Synod will be informed of Council's actual expenditure in 2008, as usual, by way of the annual report and financial statements which will be circulated with the papers for the July 2009 Synod.

Andrew Britton  
Chair of the Finance Committee of the Archbishops' Council  
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