



The Archbishops' Council

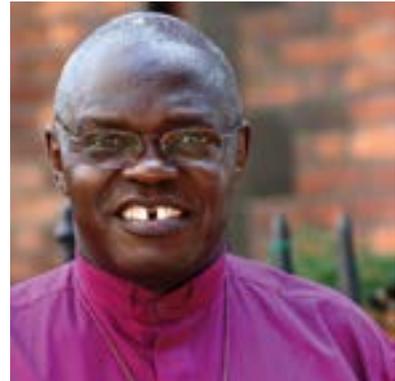
Annual Report and Financial Statements
for the year ended 31 December 2015



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Presidents' foreword



We are pleased to present the Archbishops' Council's sixteenth report. This gives a flavour of the range of work carried out by the Council under the themes of contributing to the common good, promoting growth and reimagining ministry.

In 2015 much of the Council's time was devoted to Renewal and Reform which aims to work towards the following vision:

"In obedience to the commission that Jesus gave to his disciples the Church's vocation is to proclaim the good news afresh in each generation. As disciples of our Risen Lord we are called to be loyal to the inheritance of faith which we have received and open to God's Spirit so that we can be constantly renewed and reformed for the task entrusted to us."

We are grateful to all those who undertook detailed work in the Task Groups and those who participated in diocesan consultations on emerging proposals.

Highlights of the work to date include obtaining wide agreement on the aspiration to increase the number of candidates for ordination by 50% over the next five years and to increase the youthfulness and ethnic diversity of candidates. It is also expected that from the start of 2017, national Church funding to dioceses will be explicitly directed for mission and growth: half for mission in the poorest communities and half for new growth opportunities across the country.

We continue to seek your prayers and support for the members and staff of the Archbishops' Council in the work they do to support and encourage the Church's mission.

"For we are God's servants, working together."

1 Corinthians 3.9

✠ Justin Cantuar:

✠ Sentamu Ebor:

From the Secretary General

THE SECRETARY GENERAL



2015 was a significant year for the work of the Archbishops' Council. Together with the General Synod and the House of Bishops, and with the support of the Church Commissioners, it committed itself to Renewal and Reform – intended to provide a hopeful future for the Church of England in which we can once again become a growing church in every region and for every generation.

This report outlines the work of the Archbishops' Council in working towards delivering the first stages of Renewal and Reform alongside work supporting the main objectives of the Council in contributing to the common good; promoting the spiritual and numerical growth of the Church and seeking to reimagine, reshape and re-energise both lay and ordained ministry.

Renewal and Reform has progressed steadily in 2015 from technical challenges of institutional change to work on 'bigger' picture thinking about how Christians can better connect their faith and life outside the walls of church. Some aspects got under way in 2015, such as implementing simplification reforms requested by dioceses to remove red tape; the new

Learning Community, and programmes of development for senior leaders. Other pieces of work were formulated and approved, such as the plans for the Council to be more deliberate in its distribution of money to dioceses. This is an exciting body of work, which we expect to continue to be the main emphasis of the Council for some years to come.

Alongside Renewal and Reform there has been a great deal of progress in working towards more strategic challenges and objectives. There have been important developments in our national safeguarding work both through the appointment of a national safeguarding team to implement safeguarding frameworks for the Church as a whole and to support the work of dioceses. The team will also lead the Church's response to the Goddard Inquiry into sexual abuse.

The Ministry Division was restructured to focus on the Council's strategic work on numerical and spiritual growth alongside reimagining ministry. A substantial amount of the Renewal and Reform work has been led by Ministry Division focusing on the Council's strategic work around

discipleship, vocation, lay and ordained ministry. The breadth and depth of this work has reflected the Council's ambitions. The Resourcing Ministerial Education task group devised new funding arrangements in 2015 to allow dioceses to plan how best to use grants for initial ministerial costs in discussion with candidates for ordination while the lay ministry and lay leadership working groups were set up to encourage and support evangelism, witness and the leadership of Christians in society as well as examining how lay leadership is exercised in churches and in church-related organisations or projects.

The Council's Cathedral and Church Buildings Division worked to support the maintenance and development of the Church's buildings and made significant achievements during the year with £75 million of new Government money for church roofs and cathedral fabric repairs. The Council supported dioceses and parishes applying for a share of the initial church roofs fund worth £15 million. The high level of applications provided evidence which helped to secure an additional £40 million.

The work of the Education Division and National Society contributed widely both publicly and behind the scenes to a fast changing Education agenda. In addition to supporting the work of Diocesan Directors of Education the Division also developed long-term proposals and work around educational leadership, character in education and developing religious education.

In the Council's more externally focused work, the Mission and Public Affairs team and Communications Office have taken forward the Council's objectives of contributing to the common good and engaging in the public square. This has been highlighted through a range of work including the House of Bishops Pastoral Letter, the JustPray campaign, work on the Assisted Dying Bill and the work of the To Your Credit group on responsible finance.

2015 also saw the election of a new General Synod, and the consequential election of new members of the Council. Her Majesty The Queen inaugurated the new Synod in November, following a service at Westminster Abbey addressed by the Preacher to the Papal Household, who reminded us of our common

faith. The first diocesan woman bishop was announced in March 2015, taking up her place in the House of Lords later in the year. Following the General Election, Caroline Spelman MP was appointed as Second Church Estates Commissioner, succeeding Sir Tony Baldry, who stood down from Parliament but was elected to General Synod.

Finally, I pay tribute to my predecessor William Fittall, who served the Archbishops' Council for 13 years before retiring after the inaugural General Synod in November (his third). He was devoted, hard-working and assiduous in supporting the Church's mission in every way. His years of service were recognised with a well-deserved knighthood in the New Year's Honours.



William Nye LVO
Secretary General

The Archbishops' Council at a glance

The Council's statutory object is to 'coordinate, promote, aid and further the work and mission of the Church of England'

Set up in 1999 following 1994 report 'Working as One Body'

One of eight National Church Institutions (NCIs)

Has 19 members, all of whom are members of General Synod (see pp 34 and 35 for details)

The Council continues to set its strategic aims and objectives against the three priorities noted in the Archbishops' introduction, namely:

Contributing to the common good

Promoting the spiritual and numerical growth of the Church

Seeking to reimagine, reshape and re-energise lay and ordained ministry

The work is principally resourced by contributions from Church of England dioceses and funds made available to it by the Church Commissioners. Its principal responsibilities on behalf of the wider Church are to:

Promote and encourage Church growth.

Support the maintenance and development of the Church's buildings.

Support and promote the Church's liturgy and forms of worship.

Support the Church's main debating & decision-making bodies.

Distribute funds received from the Church Commissioners to support ministry and mission in Church of England dioceses.

Resource engagement with issues of social justice and public debate, and promote social cohesion.

Support the Church's ecumenical engagement, nationally and internationally.

Resource the selection and training of people to carry out public ministry, both lay and ordained.

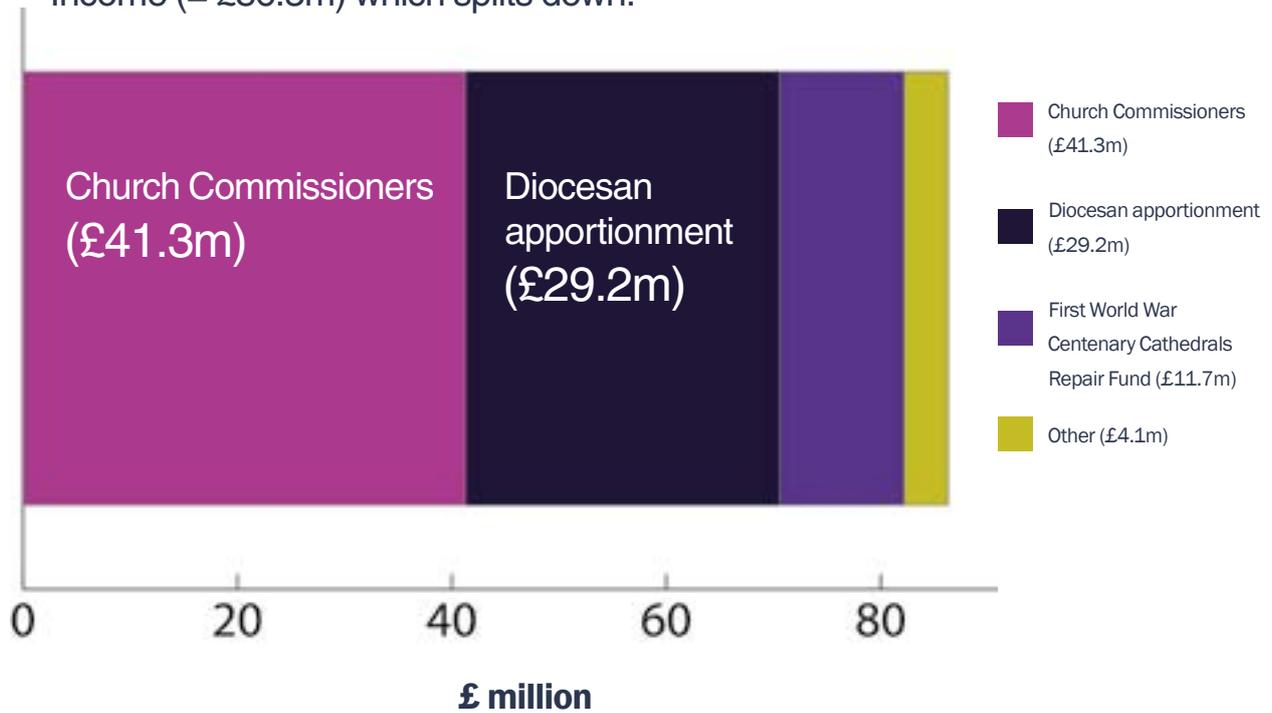
Strengthen the institutional effectiveness of the Church by promoting good governance.

Promote the Church's understanding of itself through research and statistical analysis.

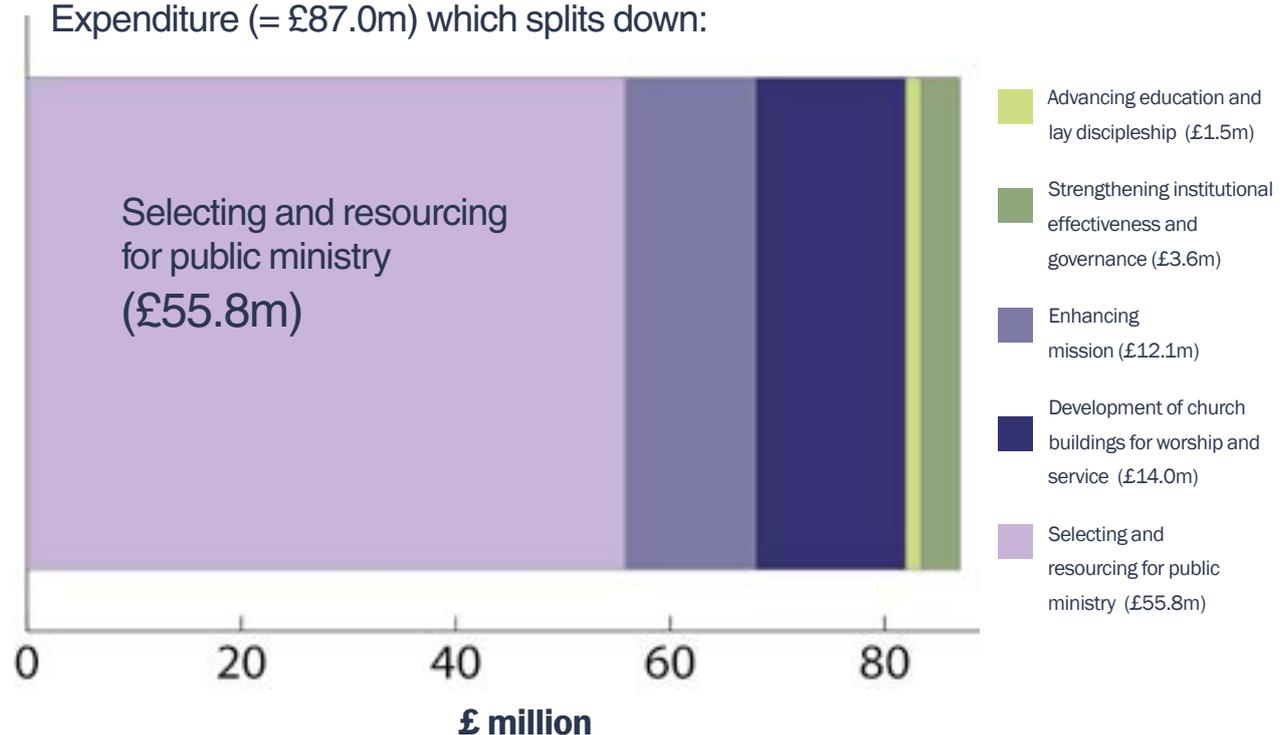
Sustain and develop work in education, lifelong learning and discipleship.

Income and Expenditure Summary

Income (= £86.3m) which splits down:



Expenditure (= £87.0m) which splits down:



Towards a Safer Church

The Church has strengthened its National Safeguarding Team (NST) in order to build a culture and pattern of practice that promotes the safety and wellbeing of all in its church communities. The appointment of a full-time National Safeguarding Adviser in February 2015 has been supported by the recruitment of a specialist team to work closely with dioceses. General Synod voted in 2013 to acknowledge and apologise for past safeguarding wrongs and to work to tighten procedures as the result of recommendations following the Archbishop's Visitation in Chichester diocese.

The NST is promoting a 'whole church' approach to safeguarding in providing support and challenge, on behalf of the Archbishops' Council, to dioceses, parishes and other institutions within the Church through 'knitting together' key elements of a national safeguarding

framework – such as policy and practice guidance, training, independent audit, support for survivors, and risk assessment of those who may pose a risk to others. Key pieces of safeguarding work in 2015 included the commissioning of an independent review into the Church's handling of the Peter Ball case and important preparatory work for the Independent Inquiry into Child Sexual Abuse where the Anglican church in England and Wales is one of 13 investigations announced by the Goddard Inquiry.

General Synod endorsed new policies and practice guidance on responding to serious situations and risk assessments and the learning and development framework. The pilot stage of the Safeguarding Quality Assurance process was completed, ready for the full roll-out of the Quality Assurance process from January 2016.

Profiles

The Archbishops' Council at work:



Staff

“Before I took up my post as National Adviser for the Committee for Minority Ethnic Anglican Concerns at the Archbishops' Council, I worked in international development for ten years and was chief executive of Race on the Agenda, the social policy and action research charity. I work to promote the representation, inclusion and participation of minority ethnic Anglicans in the whole life of the Church. I lead on the Church's opposition to racism in wider public and social affairs and I have led the development of 'Unconscious Bias' training for the Church.”

Dr Elizabeth Henry, Mission and Public Affairs Division



Council Member

“Being a member of the Archbishops' Council is a privilege and a sizeable undertaking as our decision-making must reflect good stewardship and accountability. My aim is to highlight those serving at the forefront, or active at the 'grass roots' level, especially as we formalise future strategies, national programmes and long-term growth initiatives. I long to impart a unique sensitivity to the gifts and contributions of those who are 'other' – the marginalised, unheard, and invisible – for they are often the jewels God endows with distinctive talents that have been honed through testing and adversity.”

Revd Dr Rosalyn Murphy, Archbishops' Council Member



Synod Member

“I'm treasurer of a large parish in Buckinghamshire. We're a relatively well-off parish but raising funds is an annual challenge. I am blessed also to be our deanery treasurer and a member of Oxford Bishop's Council, the Ministry Division Finance Panel and General Synod, which together give me insight into the financial workings of the Church at all levels. This helps me explain why the Council needs to ask for money from the dioceses, what it is used for and what impact it has. What has struck me most is the care that goes into the spending of our precious funds at national, diocesan and local level, be they from carefully managed investments or the Christ-centred sacrificial giving of our parishioners. The myth that money is wasted? No, it's well spent, serving our Lord. I'm always keen to explain that!”

Julie Dziegiel, Oxford Diocese

Renewal and Reform

Renewal and Reform is a body of work which seeks to provide a narrative of hope to the Church of England in the 21st century. It is based on the three goals articulated by the General Synod in 2010: to contribute to the national good, help the growth of the Church in numbers and depth of discipleship and reimagine the Church's ministry.

The initiative aims to build on excellent work already under way in parishes, dioceses and in the national church institutions. It is not based on a prescription of what every church should be nor is there a Church of England 'strategy' – rather it is rooted in an understanding of Luke 10.2: "The Harvest is plentiful, but the workers are few. Ask the Lord of the Harvest, therefore, to send out workers into his harvest field."

The urgency of the challenges facing the Church is in no doubt. These include ageing congregations and a significant and continuing decline in church attendance. This has been accompanied by a significant fall in the numbers of available clergy – with the increase in retirements due to accelerate over the next decade. Other challenges

include the unsustainability of certain patterns of ministry and legal and cultural constraints that hold back necessary change.

Renewal and Reform seeks to use these challenges as an opportunity to build on the rich inheritance of the Church's work to grow disciples in every place, call more clergy and lay leaders into a wider variety of ministries and redirect money to where it is most needed and makes most difference. Other aims include fostering a range of creative and imaginative mission projects, simplifying rules and procedures to support mission work and giving renewed hope to the people of God and the communities they serve.

One of the key aims of this work is to reverse the decline of the Church of England so that it becomes a growing church in every region and for every generation – a church open for everyone in England, working for the common good and equipping new generations of leaders, ordained and lay, for ministry and mission.



Renewal and Reform: nurturing and discerning future leaders

“My own experience of both the discernment process and being part of the learning community has been hugely encouraging, deeply challenging and wonderfully disruptive.

The discernment process felt like a desire to genuinely follow the Spirit’s leading, and gave great hope in what was to come. Those expectations have been exceeded in two key ways: the faith/holiness of learning community participants and the quality/thoughtfulness of input.”

To read in full reflections by Barry Hill, Diocesan Mission Enabler in the Diocese of Leicester on the Strategic Leadership Learning Development Community, see his blog:

<http://cofecomms.tumblr.com/post/135632375067/my-experience-is-one-of-great-spiritual-depth>

Contributing to the Common Good

Engagement with issues of Social Justice and Public Debate

The Council, through the work of the Mission and Public Affairs Division, continued to support the bishops in the House of Lords in contributing to debate on issues including criminal justice, welfare reform, housing, Sunday trading and international affairs. Highlights in 2015 included helping the House of Bishops produce a Pastoral Letter ahead of the General Election and making sure the Christian voice was heard in the run-up to the Assisted Dying Bill in September. In advance of the 2016 EU Referendum, a blog promoting responsible Christian discussion about Europe, Reimagining Europe, was launched in September in partnership with the Church of Scotland.

The Council worked with the Archbishop of Canterbury's Task Group on Responsible Credit and Savings on projects including a savings club programme for schools and the Churches' Credit Champions Network. The Churches' Mutual Credit Union, with the support of five national churches including the Church of England, was launched in February 2015.

The publication of a joint report with the Church Urban Fund, Church in Action, in February 2015, showed social action at the heart of the mission of the Church, with two thirds of Church of England churches involved in running food banks.

The Council supported work on social action across the dioceses in areas such as practical support for vulnerable Syrian refugees resettled in the UK and through conferences at Lambeth Palace promoting a network of church champions to combat human trafficking and encouraging the implementation of the Armed Forces covenant. A three-year project on fostering a better understanding between science and faith, Equipping Religious Leaders in an Age of Science, based at Durham University, with the backing of the Archbishops' Council, was launched in 2015.

Pilgrimage to Paris

Around 45 pilgrims walked the 200-mile route from London to Paris over two weeks, coordinated by a project manager jointly funded with other Christian organisations, in advance of the United Nations climate change talks in Paris in November 2015.

The pilgrimage was a key moment for the Environment Working Group, chaired by the Bishop of Salisbury, Nicholas Holtam and supported by the Council. Sixteen bishops, 13 Anglican and three Roman Catholic, joined the pilgrims at various stages. The Council's team for ecumenical relations supported a visit to London by the Ecumenical Patriarch Bartholomew I of Constantinople ahead of the summit, with a strong focus on environment and climate change.

The churches' contribution at the summit was high profile, with the Bishop of Salisbury representing faith organisations in public conversation with President Hollande of France about the need for the climate agreement.

Communications Office blog posts received more than 50,000 page views

More than 3.5 million prayers have been logged since the launch of justpray.uk

Communicating the Gospel to global audiences

The Council's Communications Office

The Council's Communications Office seeks to promote faith in the public square through communicating the Gospel and promoting the work of Church. During 2015 their work was evident in the placing of and responding to over 30 front-page news stories on topics including the consecration of the first woman bishop, the House of Bishops' Pastoral Letter, Education, Climate Change, Ethical Investment, Church Buildings and safeguarding issues.

In November 2015 the justpray.uk website was launched in association with the All Churches Trust. The promotional advert for the

site of The Lord's Prayer received over 2 million views on the Church of England's own channels and an estimated further 3 million on national and international news networks following global reporting of the decision of cinema chains to ban the advert. Over 3.5 million prayers have been logged since the launch of the site.

The Communications Office continued to develop its digital offering including partnering with Twitter UK in 2015 to launch "@ChurchLive" where parish churches broadcast a live weekly service to global audiences. The office also sought to reach

new audiences via digital with 50 weekly podcasts receiving over 60,000 listens during the year. The Communications Office blog published over 110 blog posts during the year receiving over 50,000 page views and media coverage for stories shared on the blog. In addition the Church of England YouTube Channel published over 50 new videos during the year receiving over 65,000 views.

In terms of internal communications, the Office produced monthly In Review and In Focus publications for church noticeboards and parish magazines and over 350 daily media digests for over 2,000 subscribers.



Developing work in Education

The Church of England educates one million children each year in 4,700 schools, with the wider network including 11 universities with an Anglican foundation.

The Education Office supports the Archbishops' Council and the National Society, the original Church of England charity with responsibility for education, to promote the whole breadth of work in education, leading research-based projects to develop our mission and ministry among children and young people in schools, colleges, universities and parishes. The Church continues to respond to fast-changing education policy while maintaining a clear focus on areas of fundamental importance for the development of children and young people in statutory and voluntary settings.

CONTRIBUTING TO THE COMMON GOOD



Some of the projects in 2015 included:

- Developing proposals for a Church of England Foundation for Educational Leadership
- Contributing to the emerging consensus about the importance of character in education
- Developing Religious Education, including ensuring that there is a greater understanding of its important role in the curriculum to promote greater religious literacy in society. In 2015 we completed the bulk of the work on a large scale resource for teaching Christianity in schools
- Bringing together different faith groups to promote an understanding of the role of faith in education beyond a limited British Values agenda.

Maintaining and Developing Church Buildings

The Archbishops' Council supports the Church of England's 42 cathedrals and 16,000 church buildings to help ensure that they remain places where the ministry and mission of the Church of England can flourish.

In 2014/15 the Council was involved in securing and distributing £75 million of new Government money for church roofs and cathedral fabric repairs. The Council supported dioceses and parishes applying for a share of the initial church roofs fund worth £15 million. The high level of applications provided evidence

which helped to secure an additional £40 million. A total of 372 Church of England churches were offered a share of the expanded first fund of £30 million and applications for the second fund of £25 million opened in December 2015. The Council managed the Government's £20 million First World War Centenary Cathedrals Repair Fund which is supporting 76 projects in 54 Anglican and Catholic cathedrals. The Council is grateful that on the basis of the success of the first cathedral repairs fund the Chancellor pledged a further £20 million in the 2016 Budget.

In 2015 the Church Buildings Review working party published a report commissioned jointly by the Council and the Church Commissioners which proposed measures to allow communities to adopt flexible approaches to the use of the Church of England's church buildings. The report, part of Renewal and Reform, was overwhelmingly welcomed by the General Synod in November 2015.



100 Church Treasures conserves Burne-Jones window and monument in St Margaret's Church, Ward End, Birmingham home to Unity Hubb community centre after £1m renewal of the Church



The re-opening of the State Gate at Bradford Cathedral marked the end of a £350,000 project, funded by the First World War Centenary Cathedral Repairs Fund, to restore this vital link historic between the Cathedral and its City

Parish Buying Scheme

The Council continued to expand its Parish Buying service which aims to save parishes and other Church organisations time and money on key areas of spend such as energy and office supplies in order to free up resources to be spent on mission and ministry. In 2015 estimated total savings through the procurement initiative exceeded £4 million. The Council continued to support the Parish Giving scheme which is an efficient way for regular donors to give tax efficiently to their parishes. In 2015, £10 million was remitted to parishes in 12 dioceses.

Promoting Spiritual and Numerical Growth

The Council supported work to promote church growth, evangelism and discipleship in 2015.

A 'roadshow' around 24 dioceses gave the Resourcing the Future Task Group the chance to brief and consult on proposals to replace existing grant distribution systems with a system more suited to the aims of advancing the Church's mission and growth.

The Council has supported dioceses in developing strategies for mission through engagement, providing consultancy and data analysis. In 2015, Strategic Development Fund grants of £2.7 million for mission and growth projects were awarded by the joint Council and Church Commissioners' Spending Plans Task Group. The grants are for major change projects which fit with dioceses' strategic plans and which will lead to a significant difference to their mission and financial strength.

The work of Church House Publishing, CHP, the publishing imprint of the Council, made a major contribution to the Council's objective of supporting and

promoting the Church's liturgy and forms of worship. The Pilgrim Course, a resource for early faith development published by CHP and supported by online video and audio, sold more than 100,000 copies. Work began on a 'Pilgrim catechism' by the authors of the Pilgrim Course.

The New Daily Prayer digital app was launched for android and Apple devices, building upon a range of existing prayer and lectionary apps. The work of CHP in this area has been groundbreaking with more than 50,000 downloads of the apps.

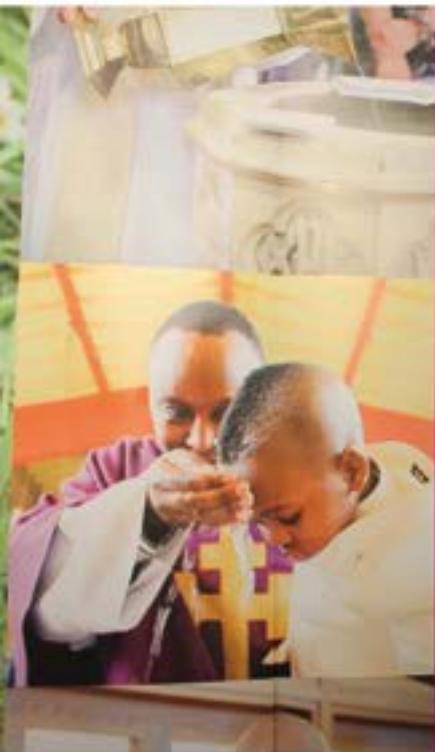
The Council continued to promote a more missional approach to occasional offices, with 2,000 families in 2015 making contact at the National Baby Show as part of work on baptisms. A national conference on funeral ministry in June attracted 200 delegates and by the end of 2015 more than 1,200 clergy and readers across ten dioceses had attended presentations on funerals. GraveTalk, aimed at encouraging people through café-style gatherings to talk about death, was launched in May 2015.

The Archbishops' Evangelism Task Group began work on preparations for a coordinated week of prayer for evangelism leading up to Pentecost 2016. The Group examined issues including evangelism on large urban estates, training of the Church's ministers in evangelism and black and minority ethnic experience in evangelism, as well as the priority of evangelism and witness with younger people.

In February 2015, the Council sponsored group work and a debate on encouraging the discipleship of the whole people of God as the foundation for evangelisation, vocations and lay and ordained ministry. Research is being explored by the Developing Discipleship work stream of Renewal and Reform to examine social and environmental commitment and discipleship and a study is planned on how people grow in faith. The Council also supported conversations on discipleship, leadership and ministry at the College of Bishops meeting in September 2015.



Pilgrim launch, 2015



Funeral Conference 2015

Reimagining and re-energising ministry for the lay and ordained

The Resourcing the Future Task Group called for an increase in a range of vocations, both lay and ordained, when it reported to the General Synod in February 2015. The General Synod also endorsed a vision put forward by the Resourcing Ministerial Education Task Group of a 50% increase in ordinations on 2013 figures sustained every year from 2020.

The Vocations Working Group was set up to help dioceses deliver the proposed increase through a national campaign and by spreading best practice and improvements to the discernment and selection process. Linked to this, the Resourcing Ministerial Education Task Group devised new funding arrangements in 2015 to allow dioceses to plan how best to use grants for initial ministerial costs in discussion with candidates for ordination. A ten-year longitudinal research project has also been started to measure the value created by educational pathways and institutions and to guide policy development. The lay ministry and lay leadership groups

were set up in 2015 with the lay leadership group tasked with work on encouraging and supporting evangelism, witness and the leadership of Christians in society as well as examining how lay leadership is exercised in churches and in church-related organisations or projects. The working group on lay ministry will review developments in traditional and emerging forms of licenced lay ministry.

Several programmes were run in 2015 by the Nurturing and Discerning Future Leadership Task Group including cathedral leadership, the start of a modular leadership programme for suffragan bishops and a follow-up programme for deans on enabling the sharing of learning with their teams. An extended induction programme for bishops, and the Strategic Leadership Development programme for those who might be called to wider leadership roles were also launched.

Ministry is the work of the whole people of God. The Council began work on extending the Church of

England Ministry Experience Scheme (CEMES), designed to give a greater number and more diverse group of young people aged 18 to 29 years old the opportunity to gain a taste of life as a priest in the Church of England.

Research on vocational response was completed to support good practice in dioceses, particularly to encourage an increased number of younger women candidates. Other work included new quality assurance processes to review theological education institutions delivering the Durham Common Awards and the completion of the five-yearly review of continuing ministerial development in dioceses for use in helping dioceses assess effectiveness.

The challenges of rural ministry were addressed in the report Released for Mission, Growing the Rural Church, published at the start of 2015 and aimed at releasing the energies of clergy and lay people for mission in the countryside.

The work of the Simplification Task Group, set up to identify aspects of Church law and rules which hinder mission and growth, gained pace in 2015. In July, the General Synod agreed legislation to simplify the rules on fixed-term appointments and sickness reporting for self-supporting ministers and following Parliamentary scrutiny, these came into effect in November 2015. Revised supplementary guidance for the capability procedure for clergy was approved by the end of 2015. The next phase of the Task Group's work is planned with a questionnaire circulated to parishes in the summer of 2015 asking them to identify legislative barriers to mission at grass roots level. Simplified faculty rules were approved by General Synod and Parliament and became law on 1 January 2016, reducing the burden on parishes by introducing a list of minor works not requiring a faculty and a further list, mostly of pre-identified repair works, that will only need archdeacons' approval after consultation with the Diocesan Advisory Committee.

The Council's plans for 2016

Particular priorities for 2016 include:

1. Review the coherence of Renewal and Reform, and add to and adjust the work streams as necessary
2. Communicate to the wider Church the vision and journey of Renewal and Reform, and ensure the NCIs' relationship with dioceses is one of supporting dioceses' strategies
3. Develop a joined-up plan and narrative for national-level support for mission and growth, including the work of Renewal and Reform, and appropriate support for other initiatives, including the Archbishops' Evangelism Task Group
4. Prepare with dioceses for full implementation of Resourcing the Future from January 2017
5. Strengthen the Renewal and Reform streams on discipleship, and on lay leadership, as part of the overall work
6. Prepare to implement the Resourcing Ministerial Education proposals, and strengthen parallel work on vocations, selection and other aspects of training and development to create a plan for strengthening ministry across the whole life cycle of ministers' careers
7. Review the selection process to make a priority of positive and collaborative ministry
8. Develop plans for a step change in capacity to use digital media to promote the Christian message to the nation and beyond
9. Provide consultancy services to dioceses to help them develop sustainable and achievable strategies to improve their mission and financial strength
10. Simplification: introduce the first simplification measures to the General Synod, bring forward an Enabling Measure and develop plans for a phase two of simplification
11. Develop a Church Foundation for educational leadership, to strengthen the capacity and Christian character of Church of England schools
12. Strengthen teaching of Religious Studies in schools by the launch and dissemination of the Christianity project
13. Implementation of the Church Buildings Review
14. Deliver the programme of national work on safeguarding, including responding to past cases, engaging with survivors, embedding safeguarding into the Church's culture (including promoting consistent safeguarding practices) and preparing the Church of England's response to the Independent Inquiry into Child Sexual Abuse
15. Developing sustainable spending plans for 2017 – 19
16. Continuing monitoring of the financial health of dioceses, and also of cathedrals, sharing information and best practice



Resources

Overview

One of the Council's objectives is to bring together policy and resources at national level, to ensure good stewardship, transparency and effective and efficient use. It reviews its work and costs regularly with the aim of improving its service to the wider Church wherever possible.

The Council distributes grants received from the Church Commissioners to dioceses. The two main funding streams of mission and ministry grants for low income dioceses and mission funding totalled £41.5 million in 2015 (2014: £40.4 million).

The Council requests voluntary contributions from dioceses (known as 'the apportionment') using a formula which takes diocesan resources into account. In 2015 these contributions totalled £29.9 million, 2.5% above the 2014 level of £28.8 million. The Council is grateful that dioceses again paid the full sum requested in 2015.

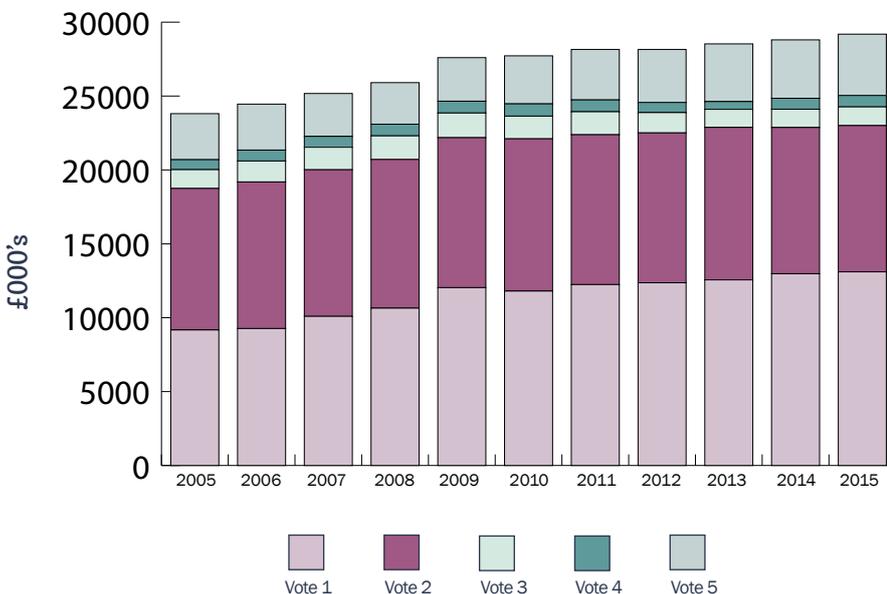
The General Synod is required to approve the Council's budget and the diocesan apportionment, voting separately on the following five areas:

1. Training for Ministry (Vote 1)
2. National Church Responsibilities – the Council's operational budget (Vote 2)
3. Grants (Vote 3)
4. Mission Agencies pension contributions (Vote 4)
5. Clergy Retirement Housing subsidy (Vote 5).

The sums requested from dioceses since the introduction of Vote 5 in 2005 are shown in the chart below. Over the period there has been a marked change in the balance of the sums requested from dioceses. In 2005, Vote 2 was the largest at 40.2%. But since 2007 the largest area of request from dioceses has been for Training for Ministry, which in 2015 represented 44.8% of the total request. The overall sum requested from dioceses in 2015 was 6.5% more than in 2010 compared with an increase in RPI inflation of 14.6% over the same period: the greatest increases were 12.4% for Training for Ministry and 27.6% for Clergy Retirement Housing. The latter increase, funded by apportionment Vote 5, reflects an agreement by the Council to increase by 5% a year the support for housing retirement for clergy.

RESOURCES

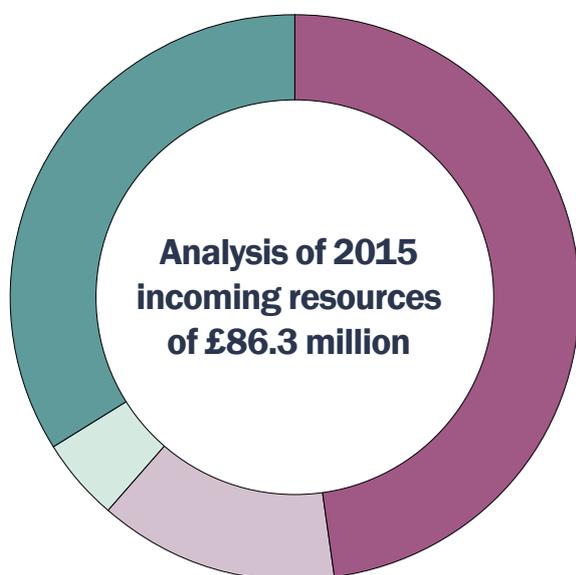
Diocesan Contributions by Vote (2005 – 2015)



Incoming resources

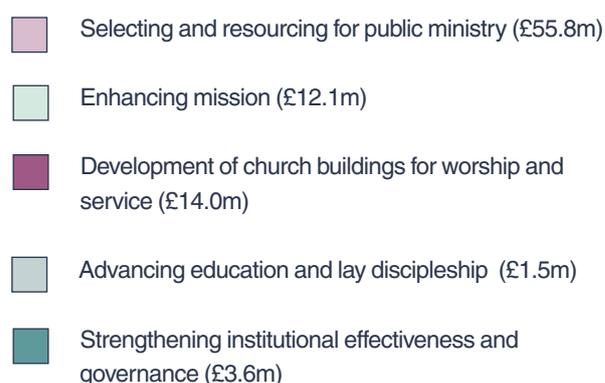
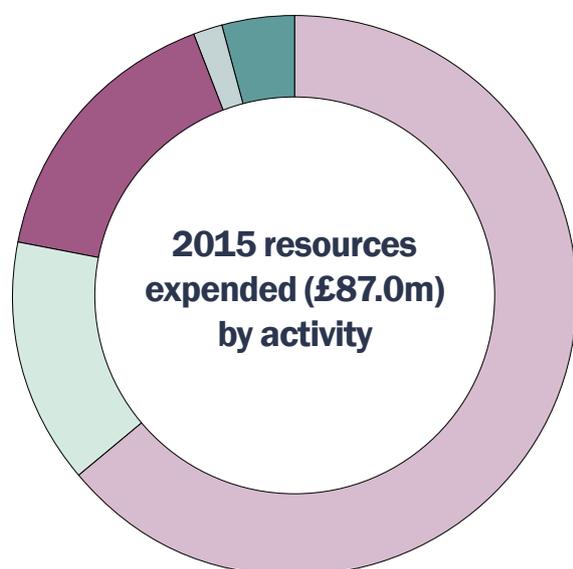
The Council's incoming resources in 2015 were £86.3 million, 18.8% above the 2014 level of £72.6 million, with the increase largely due to income for the First World War Centenary Cathedrals Repair Fund of £11.7 million (2014: £0.1 million).

The Council's two main income streams – voluntary contributions from dioceses and grants from the Church Commissioners – accounted for 96.2% (2014: 95.6%) of incoming resources.



Use of resources

In 2015 resources expended by the Council totalled £87.0 million (2014: £75.2 million). The most significant factor behind the change was grants made from the First World War Centenary Cathedrals Repair Fund of £11.7 million (2014: £0.1 million). Net outgoing resources were £0.7 million in 2015 (2014: £2.5 million) as reserves and restricted and designated funds were used, as planned, in line with the purposes to enable activity to be achieved without the need for additional calls on dioceses for funding. The greatest proportion of the Council's expenditure in 2015 was in relation to selecting and resourcing for public ministry, development of church buildings for worship and service and enhancing mission. These represented 64.1% (2014: 75.3%), 16.1% (2014: 3.4%) and 13.9% (2014: 16.3%) respectively of the total resources expended by the Council.



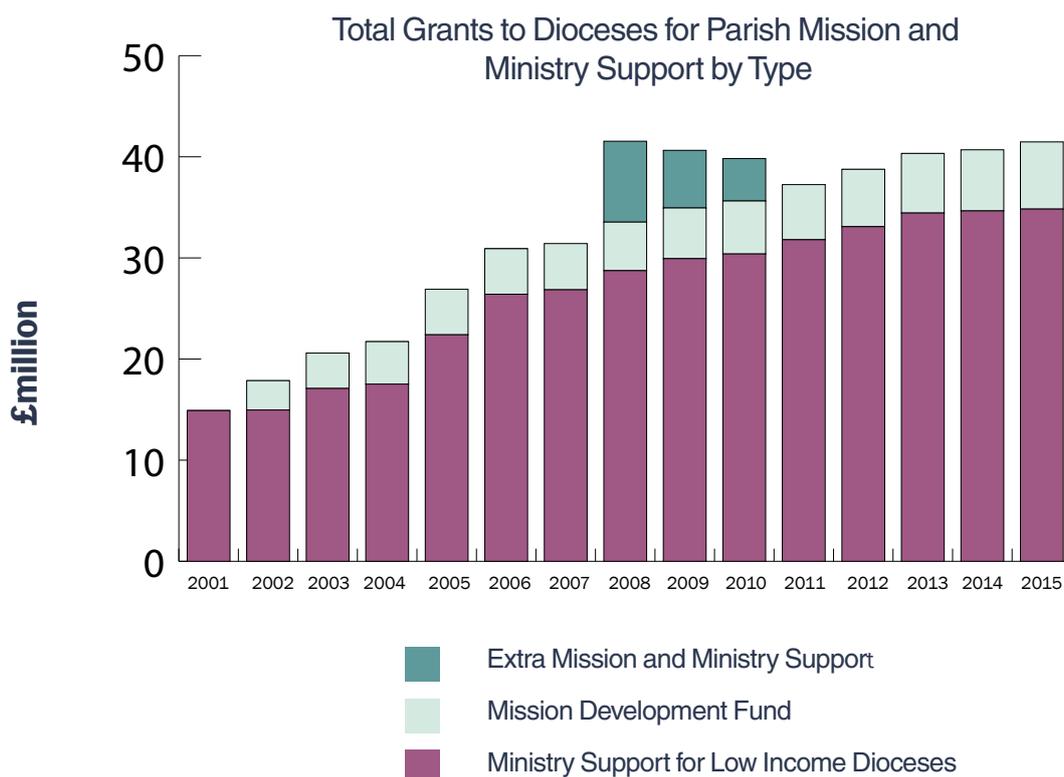
Ministry and Mission Funding

There are two main grant streams for selecting for and resourcing public ministry:

- Training for Ministry grants of £13.0 million (2014: £13.3 million), including payments to the training institutions that provide approved residential, nonresidential and context-based training based on the number of ordinands training at each institution, grants to support those individuals undertaking training and university validation fees.
 - Ministry support grants to low income dioceses to help fund parish mission and ministry in the parishes where financial support is most needed (from funds made available to the Council by the Church Commissioners for distribution). In 2015 grants totalling £34.8 million (2014: £34.7 million) were made to the 25 (2014: 25) dioceses
- calculated as having below average resources per stipendiary minister, taking into account church attendance, local personal incomes and diocesan and parish investment income. Sixteen (2014: 15) of these dioceses received grants of more than £1 million.

RESOURCES

In 2015, the Council distributed £6.6 million (2014: £6.0 million) between all dioceses under the mission funding stream. Dioceses provide details of how this money has been used to demonstrate accountability and transparency and to facilitate sharing of information. The graph below shows the level of ministry support grants and mission funding distributed by the Council from sums made available by the Church Commissioners.



Use of legacies

The priority under the Council's legacies policy is to use unrestricted legacies to support new, time-limited mission initiatives.

The Council decides this expenditure on a case-by-case basis. Recent unrestricted legacies are being used to help fund the Baptisms and Funerals projects.

In 2015 the Council received the first legacy made through its Church Legacy Service www.churchlegacy.org.uk. This enables individuals to leave a gift to the Council, with a Letter of Wishes stating how they wish their gift to be distributed to different parts of the Church of England and to other charities.

Comment by the trustees about going concern

The Council has identified no material uncertainties that cast significant doubt on its ability to continue as a going concern. In reaching this conclusion, it considered its role in funding the Church's mission and ministry, the record of dioceses in meeting the apportionment requested from them, its reserves policy for each area of expenditure and the level of each of those reserves, the existence of certain restricted funds and, since the year end, confirmation from the Church Commissioners that, in

2016, the expected monies will be made available for distribution. The Council has concluded that it has a reasonable expectation that it will have adequate resources and cash flows to meet its spending commitments for the foreseeable future.

Reserves policy

The Council holds reserve funds for each of the five areas of expenditure voted on separately by General Synod to enable it to meet its obligations and commitments which span more than one accounting period, to assist in cash flow management and to help reduce the risk of needing to ask dioceses for a substantial increase in apportionment funding in any one year. In 2015 the Council reaffirmed its policy to hold between one and a half and three months' net monthly expenditure as reserves for each of these five areas of expenditure, including its unrestricted funds (excluding designated funds).

During 2015, it confirmed the midpoint of the policy range should remain the medium-term target level for each expenditure area, apart from clergy retirement housing where a higher level was deemed necessary in view of the higher likelihood of unexpected calls for additional financial support for the clergy retirement housing scheme. At the end of 2015 unrestricted general fund reserves (i.e. excluding designated funds and the

pension reserve) were £0.1 million above the target level. In aggregate the reserves for the other expenditure categories were £0.2 million below the target levels. The clergy retirement housing scheme reserve was £161,000 below its target level and, while the Council continues to plan to increase this grant by 5% p.a., it is not feasible to increase this reserve to its target level. The other reserves were below their target levels by modest amounts.

As a result of implementing the new accounting standards introduced in 2015 the Council, in common with all organisations making deficit contributions to a defined benefit pension scheme, is required to account in full for the net present value of those contributions, even though they will be paid over many years. This results in pension reserve liability of £6.9 million (end 2014: £9.5 million) which will be met from future years' income as the agreed deficit contributions are paid. As a result total unrestricted funds were £1.0 million at the end of 2015 (end 2014: -£0.5 million). Recognising that it is intended that the pension reserve will be reduced towards zero by planned deficit recovery contributions to be met from the general fund over the next ten years, the Council plans to continue to state its reserves policy for unrestricted funds in terms of its general fund balance.

Investment policy and use of restricted funds

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

1. For funds that are planned to be spent out within five years, the focus is on capital preservation with a target return of at least bank deposit rates. The ability to withdraw funds at relatively short notice is also imperative.
2. For settlements planned to be retained beyond five years, the Council's investment managers have been set an annualised long-term target to achieve a total return of at least 3% above RPI after all costs. The investments for such funds are held in two Common Investment Funds diversified between and within asset classes.

The Council's Investment Committee reviews and oversees the management of the Council's investments and reports twice a year to the Council and its Finance Committee. In 2015 the Committee had two formal meetings with its two main investment managers. The aggregate total return from its long-term investments

(with a time horizon of at least five years) was 2.4% in 2015 (2014: 6.5%) compared with the long-term target of 4.2% (4.6%). Over the past three years the return averaged 7.5% p.a. compared with the long-term target of 4.8% p.a.

The Council's cash resources are held in its current account or in the Central Board of Finance Church of England Deposit Fund (although its Treasury Management Policy, which is reviewed annually, does permit investment with certain other specified institutions). The Council's average return on its cash holdings in 2015 was 0.3% (2014: 0.2%).

Towards the end of 2015, having reviewed financial pressures for the coming year and beyond, the Council decided to suspend the Church and Community Fund grants scheme for the foreseeable future and allocate monies available from the fund to its General Fund. A final round of grants under the existing scheme was awarded in December 2015 and the Council will honour all grants that have already been awarded: these are fully provided for in the financial statements. The Council is grateful for the care and commitment of its Church and Community Fund Committee in overseeing and evaluating the grant-making programme.

The Council also acts as custodian trustee for several

funds. At the end of 2015 the assets of these funds, which are held in investments and cash separately from those of the Council, were valued at £3.0 million (end 2014: £3.0 million).

Ethical Investment

The Council participates in the work of the Church's Ethical Investment Advisory Group (EIAG), which develops and coordinates ethical investment policy on behalf of the three main national Church investing bodies. Its membership includes members of the Council and its Mission and Public Affairs Council. The EIAG makes policy recommendations based on thorough research, but responsibility for whether and how these are implemented rests with each investing body. The EIAG publishes an annual report of its work which is available, together with other related publications including its sector-based policies, on the Church of England website. The Council also belongs to the ecumenical Church Investors Group.

The Common Investment Funds in which the Council invests have ethical investment policies. The Council complies with the EIAG's guidance on pooled funds, which was updated in 2014, and the Council and its Investment Committee regularly monitor compliance with this policy.

Public Benefit

The Archbishops' Council has an enabling role in support of the ministry of the Church of England which, through its 13,000 parishes and the dioceses and through other means, seeks to provide spiritual care for all people in England. In particular:

- The Church of England is a focus for community activity in 13,000 parishes and 16,000 church buildings and, through the resources at its disposal, provides activities that support community development and social cohesion. Typically this includes projects that support children, families and the elderly through clubs, social gatherings and outreach activities.
- The Church of England provides education in the Christian faith and encourages personal and spiritual growth and wellbeing.
- Through its engagement in local communities, its chaplains in many sectors of life, and its participation in public debate the Church of England promotes values that it believes are beneficial to society as a whole.
- Through its network of schools and academies, the Church of England provides an education for around 20% of children of primary school age and 6% of young people of secondary school age that is rooted in Christian values and available to families of all faiths and none.

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

Structure and accountability

Compliance

The work of the Council and its supporting bodies is underpinned by openness to God, worship, service, and a desire to promote growth, partnership, unity, integrity and transparency. The Council carries out its work in compliance with relevant legislation and best practice. In carrying out its work, the Council aims to maintain and support a skilled and motivated staff and to ensure effective systems of organisation and governance.

Governance

In 2015, the Council met five times, including one 24-hour residential meeting.

The Council reviews the constitutions of its committees once every five years. Following the 2009 – 2010 review a radical reduction was made in the size of these bodies and reporting arrangements were tightened. The 2015 review was of a more limited nature and consisted primarily of some small adjustments made after consultation with committee Chairs in light of experience. The revised constitutions agreed by the Council will take effect from 1 June 2016.

In 2015 the Archbishops' Council and National Society introduced a new, simplified arrangement with an operating framework which sets out how the two bodies work together to discharge their overlapping responsibilities in England effectively, so as to advance the mission of the Church of England, enhance the effectiveness of its work in education and among children and young people more generally and particularly ensure that the work of the integrated staff team of the Education Office is resourced and communicated.

Boards, Councils and Committees of the Archbishops' Council

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

- *Audit Committee of the Archbishops' Council (chair: Mary Chapman)
- Committee for the Ministry of and among Deaf and Disabled People (chair: the Bishop of Salisbury)
- Committee for Minority Ethnic Anglican Concerns (chair: the Venerable Daniel Kajumba, retired April 2016)
- Council for Christian Unity (chair: the Bishop of Peterborough)
- Remuneration and Conditions of Service Committee (chair: the Bishop of Manchester)
- *Finance Committee (chair: Canon John Spence)
- *Ministry Council (chair: the Bishop of Sheffield)
- *Mission and Public Affairs Council (chair: Philip Fletcher)

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

Key working relationships

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

General Synod

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

House of Bishops

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

Church Commissioners

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

Dioceses

Some of the Council's work is funded by the dioceses of the Church of England. This gives the Council a responsibility to demonstrate that the money it receives is spent effectively and to work on behalf of the dioceses to provide a central source of advice, a resource for the development of policy and legislation and a focus of engagement with government and other agencies on behalf of the Church. The Council also distributes grants from the Church Commissioners to dioceses under the terms of the National Institutions Measure 1998 to support their mission and ministry.

Church of England Central Services (ChECS)

Facilitates the provision of cost-effective shared financial, legal and other services to the NCIs and provides payroll and other services to dioceses and other charities with a Church ethos. It is jointly owned by the Council, Church Commissioners and Church of England Pensions Board and its directors are the Chair of the Council's Finance Committee, the First Church Estates Commissioner and the Chair of the Pensions Board.

Appointments made by the Council to other charities

The Council has the right to make appointments to certain other Church charities. It appoints two of the 12 trustees of the Church Urban Fund and the Council's Finance Committee also appoints one trustee. The Council appoints six of the 13 trustees of Near Neighbours which in 2015 included one Council member, Tim Hind.

Trustee recruitment, appointment and induction

Members of the Archbishops' Council have responsibilities as trustees. They hold office in a variety of ways: ex officio (the two Archbishops; the First Church Estates Commissioner; the Chair and Vice-Chair of the House of Laity; and the two Prolocutors); elected (two members each of the Houses of Bishops, Clergy and Laity of the General Synod); or appointed (by the Archbishops with the approval of the General Synod after an extensive public recruitment process).

Tailored induction, covering such areas as key relationships, financial information and forward strategy, is offered to all new trustees. New and existing trustees also have the opportunity to meet Directors and other staff for briefing on particular areas of work. Members also have the opportunity to learn about the Council and contribute to its development as members of committees and working parties for specific areas of its work and operation.

Trustee responsibilities in relation to the financial statements

As trustees, Council members are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Council to prepare financial statements each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for the period. In preparing the financial statements, the trustees are required to:

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

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

Risk management

The Archbishops' Council's risk management policy defines its approach to risk management and outlines the roles and responsibilities of members, management and staff. The Council reviews the risk registers and risk management arrangements of the Archbishops' Council at least annually. The Council is supported by the Audit Committee, which regularly reviews the content of the risk registers and seeks assurance over the adequacy of arrangements in place to manage the risks.

Departments and risk owners are responsible for the identification, assessment and review of risks to the achievement of their objectives. Risks are prioritised using an agreed scoring methodology and are assessed at an inherent and residual level. The risk management process is facilitated and monitored by the Audit and Risk function. The management of key risks are subject to independent review and assurance through the internal audit process, which reports to the Audit Committee.

Principal Risks

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

Risk area	Summary of actions and plans to mitigate the risks
<p>Ministry Education and recruitment – Failure to secure sufficient number and quality of ministers, clergy and lay, to enable Dioceses to deliver their mission aims.</p>	<p>Development of programmes in consultation with dioceses and theological training institutions in light of Resourcing Ministerial Education report.</p> <p>Development of detailed proposals for increasing the number and quality of ministers.</p> <p>Training, guidance and advice for dioceses to encourage innovation and good practice in the identification and selection of potential candidates.</p> <p>Development of proposals and plans on discipleship and lay leadership.</p> <p>Common awards arrangements to ensure consistency and quality of ministerial training and education.</p>
<p>Achieving growth – New proposals and initiatives to facilitate growth are not effective in the longer term</p>	<p>Development of plans for national level support for mission growth.</p> <p>Implementation of new funding arrangements for Dioceses.</p> <p>Increased consultancy support for mission growth in Dioceses.</p> <p>Improved processes to award, monitor and review the impact of local projects and initiatives.</p> <p>Advice and consulting services for Dioceses to enable effective use of new funding.</p>
<p>Safeguarding issues – Failure to secure the effective implementation of robust and appropriate safeguarding processes.</p>	<p>Increased resourcing and development of the national safeguarding capability.</p> <p>Roll out of good practice and training to Dioceses and other church institutions.</p> <p>Legislative change to improve accountability and facilitate action.</p> <p>Implementation of processes to review the adequacy of arrangements in place across dioceses.</p> <p>Review of past cases and detailed lessons learned.</p> <p>Development of a National Safeguarding framework.</p>
<p>Response to national inquiries – Impact on operations and delivery of objectives due to the need to respond effectively to national inquiries around child sexual abuse.</p>	<p>Increased resource and capacity in the National Safeguarding Team</p> <p>Steering Group set up to ensure the efficient and effective response to the inquiry including the use of specialist support and advice.</p>

<p>Failure to get adequate support from key stakeholders for the proposals under the Renewal and Reform agenda.</p>	<p>Regular communication, discussion and engagement with stakeholders to build consensus. Development of clear proposals and business plans, outlining objectives, approach and funding proposals.</p>
<p>Funding – Inability to sustain key Council objectives as a result of resourcing difficulties.</p>	<p>Trustee and senior management oversight of budget setting and monitoring, to control expenditure and target resources. Development and management of detailed proposals for the roll-out of the Renewal and Reform agenda. Development of proposals and plans for alternative financial models or supplementary sources of funding from 2017.</p>
<p>IT capacity and capability – Ensuring adequate IT capability to deliver new initiatives and ensure adequate IT security and data management.</p>	<p>Policies, training and monitoring processes to assist compliance with legal and regulatory requirements. Improvements to IT infrastructure and IT security have been undertaken and further developments are planned. Implementation of an IT Governance Group to review the robustness of processes.</p>

As a body whose object is to “coordinate, promote, aid and further the work and mission of the Church of England”, the Council also devotes time at least twice a year to consider and assess wider challenges and risks facing the Church of England generally.

Staff

Almost all staff are employed jointly by the NCIs, but managed by one NCI. The Council was the managing employer for an average of 109 staff during 2015 (2014: 104). 11.2% of the staff were from a UK minority ethnic background (2014: 11.8%) and 1.7% have declared a disability (2014: 1.9%).

The Joint Employment and Common Services Board (JECSB) was established specifically to have responsibility for the joint employment relationship between the NCIs and to oversee shared services. It exercises powers delegated to it by each of the NCIs. The First Church Estates Commissioner, the Chair of the Church of England Pensions Board and the Chair of the Archbishops' Council's Finance Committee (who chairs the JECSB) represent the three largest NCIs at member level and are also the Directors of Church of England Central Services – the charity which is the managing employer for the NCIs' shared service departments. The Chief Officers of the three largest NCIs (the Church Commissioners, the Church of England Pensions Board and the Archbishops' Council) also attend its meetings. The JECSB has one sub-committee – the Remuneration Committee – which sets senior pay levels.

The Joint Staff Council, which comprises management and elected Trade Union representatives, is the formally recognised body for employee engagement, negotiations and consultations with the staff and trade unions. It was reconstituted in 2015 in agreement with staff representatives to have broader responsibilities for diversity and greater involvement in Health and Safety matters. A sub-committee of the Joint Staff Council made up of trade union and management representatives form the Pay Working Group which negotiates pay for final agreement by the JECSB.

All the staff of the Archbishops' Council are covered by a unified pay policy that operates across all the NCIs. The policy is designed to ensure the same level of pay for all staff in posts with work of equal value which is based on a job evaluation scheme, with staff being placed in one of eight 'bands'. For certain staff with specialist skills, typically those whose role requires them to hold a professional qualification, a market adjustment may be applied, the value of which is determined by reference to the lower quartile and median of market-related salaries and is subject to annual review. The NCIs retain the services of AON Hewitt to advise on market rates. Staff pay is reviewed annually and any increases as a result of the annual pay negotiations are awarded with effect from 1 January each year. All staff employed by the Archbishops' Council earn at least the London Living Wage other than apprentices, who are paid at least the 18 – 20 minimum wage for apprentices and supported in their education programmes.

Certain senior roles, including that of the Chief Executives, sit outside the banding system, as the skill set required to fulfil the role is not readily measured within the NCI's standard job evaluation system. Salaries for these roles are set individually with reference to the wider market place, typically comparing to the charity and public sector market, and is overseen by the Remuneration Committee comprising senior trustees from each of the main NCIs. In general these staff can expect the same percentage annual uplift for cost of living as the rest of the staff enjoy (see further analysis below).

The amount paid to the highest member of staff is 7.5 (2014: 8.0) times the salary earned by the lowest paid member of staff and 4.5 (2014: 4.0) times the median salary.

Pensions

All staff members are eligible to join the Church Administrators Pension Fund – those whose employment commenced before July 2006 accrue pension on a defined benefit basis, and those employed subsequently are part of the defined contribution section with age-related employer contribution rates ranging from 8% to 18%.

Diversity and Inclusion

The NCIs are committed to equal opportunities in employment and increasing diversity. They are a 'Two Ticks' employer and signed up to the Military Covenant commitments on recruitment.

In agreement with our Equality representatives we are transferring the work of the Equality for All Group to our cross-organisation employee representative body, the Joint Staff Council. This aims to ensure matters of diversity and inclusion are thought about consistently, across the NCIs, in line with other employment matters. There is an informal transitional Equality for All group remaining in place for the first year while the new governance establishes. Equality Advisers are in post to support staff who may feel harassed or bullied and there is an established complaints procedure for dealing with claims of discrimination. All staff are required to undergo training in diversity awareness and all appointing managers must undertake 'fair selection' training before being permitted to interview for new staff.

Administrative information

The Archbishops' Council is a charity registered under no. 1074857.

Membership of the Archbishops' Council from 1 January 2015 and up to the date of this report was as follows:

Joint Presidents

The Most Revd and Rt Hon Justin Welby, Archbishop of Canterbury	(5/5)
The Most Revd and Rt Hon Dr John Sentamu, Archbishop of York	(4/5)

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

The Ven Christine Hardman (Canterbury to August 2015)	(3/3)
The Ven Cherry Vann (York)	(4/5)
The Revd Canon Simon Butler (Canterbury from December 2015)	(-)

Officers of the House of Laity (ex officio)

Dr Philip Giddings (Chair, House of Laity to October 2015)	(3/4)
Tim Hind (Vice-Chair, House of Laity to December 2015)	(5/5)
Canon Dr James Harrison (Chair, House of Laity from December 2015)	(-)
Canon Elizabeth Paver (Vice-Chair, House of Laity from December 2015)	(-)

Elected by the House of Bishops

The Rt Revd Dr Steven Croft	(4/5)
The Rt Revd Trevor Willmott (to November 2015)	(3/4)
The Rt Revd Stephen Conway (from November 2015)	(1/1)

Elected by the House of Clergy

The Revd Canon Robert Cotton (to February 2016)	(5/5)
The Revd Mark Ireland (to February 2016)	(4/5)
The Revd Dr Ian Paul (from February 2016)	(-)
The Revd Sarah Schofield (from February 2016)	(-)

Elected by the House of Laity

Paul Boyd-Lee (to January 2016)	(5/5)
Christina Rees (to January 2016)	(4/5)
Lorna Ashworth (from January 2016)	(-)
Canon Mark Russell (from January 2016)	(-)

Appointed by the Archbishops with the approval of the General Synod

Mary Chapman	(5/5)
Philip Fletcher	(5/5)
Matthew Frost (from July 2015)	(1/2)
The Revd Dr Rosalyn Murphy	(3/5)
Canon John Spence	(5/5)
Rebecca Salter (nee Swinson)	(4/5)

A Church Estates Commissioner

Sir Andreas Whittam Smith, First Church Estates Commissioner

(4/5)

(The figures in brackets indicate (i) the number of meetings each member attended in 2015 (ii) the number of meetings each member was eligible to attend; Archbishops' Council met on five occasions during the year).

Staff Directors of the Archbishops' Council

William Fittall, Secretary General to the Council and the General Synod (until November 2015)

William Nye, Secretary General to the Council and the General Synod (from December 2015)

The Revd Arun Arora, Director of Communications

The Revd Canon Dr Malcolm Brown, Director of Mission and Public Affairs

Hannah Foster, Director of Human Resources

The Revd Nigel Genders, Chief Education Officer

Janet Gough, Director of Cathedral and Church Buildings

The Ven Julian Hubbard, Director of Ministry

Dr Jacqui Philips, Clerk to the Synod and Director, Central Secretariat

Stephen Slack, Head of the Legal Office and Chief Legal Adviser to the Archbishops' Council

Senior staff of Shared Services managed by other NCIs

Michael Cole, Director of Risk Management and Internal Audit

Declan Kelly, Director of Libraries, Archives and Information Services

Ian Theodoreson, Chief Finance Officer

Website

The website for the Church of England is at www.churchofengland.org

Offices and advisers

The Archbishops' Council advisers are listed below. All professional adviser appointments are regularly reviewed.

Registered office: Church House, Great Smith Street, London SW1P 3AZ
Tel: 020 7898 1000

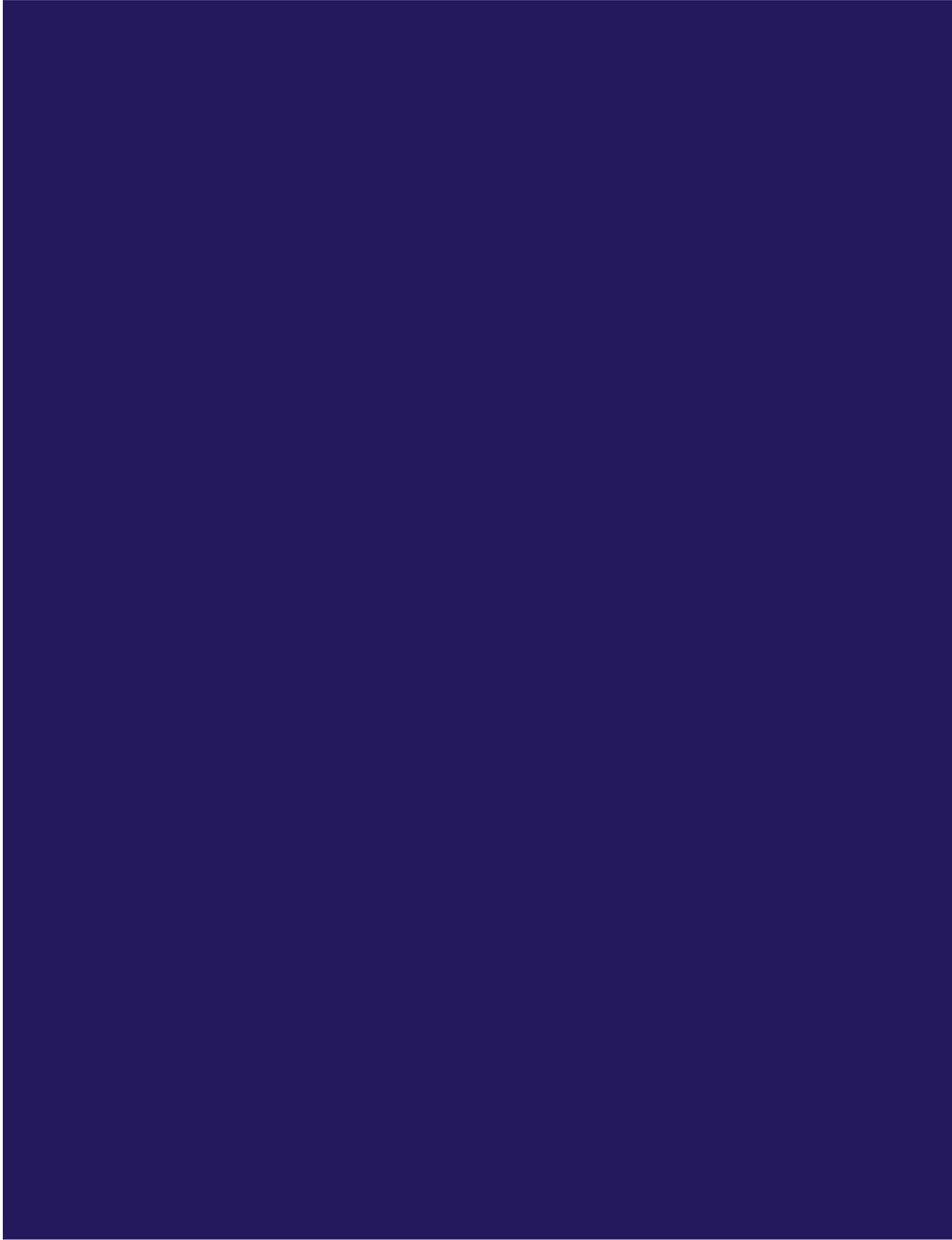
Investment managers: CCLA Investment Management Limited, Senator House,
85 Queen Victoria Street, London EC2V 4ET
Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard,
London EC4M 8BU
Ruffer LLP, 80 Victoria Street, London SW1E 5JL

Bankers: National Westminster Bank plc, Princes Street, London EC2R 8BP

Solicitors: The Legal Office of the National Church Institutions of the Church of England,
Church House, Great Smith Street, London SW1P 3AZ

Auditors: BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA

FINANCIAL STATEMENTS



Financial Statements

for the year ended 31 December 2015

Independent auditor's report

to the Trustees of The Archbishops' Council

FINANCIAL STATEMENTS

We have audited the financial statements of The Archbishops' Council for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

BDO LLP

Statutory Auditor
Gatwick
United Kingdom
Date: July 2016

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2015

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 £000	Total 2014 £000
Income from:						
Grants, donations and legacies	2	11,030	72,644	59	83,733	70,128
Charitable activities	3	2,402	-	-	2,402	2,341
Investment income	4	24	33	86	143	135
Total income		13,456	72,677	145	86,278	72,604
Expenditure on:						
Charitable activities	5	(12,152)	(73,427)	(1,402)	(86,981)	(75,152)
Total expenditure		(12,152)	(73,427)	(1,402)	(86,981)	(75,152)
Total income less expenditure before gain on investments		1,304	(750)	(1,257)	(703)	(2,548)
Gains on investments	10	-	1	763	764	2,013
Other gains/(losses)		-	-	103	103	-
Net (expenditure)/income		1,304	(749)	(391)	164	(535)
Transfers between funds	14	199	143	(342)	-	-
Net movement in funds		1,503	(606)	(733)	164	(535)
Total funds at 1 January	14	(501)	6,294	33,990	39,783	40,318
Total funds at 31 December	14	1,002	5,688	33,257	39,947	39,783

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

The financial statements were approved by The Archbishops' Council on 10 March 2016 and signed on its behalf by:

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

Chairman of the Finance Committee, Canon John Spence

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2014

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2014 £000
Income from:					
Grants, donations and legacies	2	10,014	60,054	60	70,128
Charitable activities	3	2,283	51	7	2,341
Investment income	4	25	30	80	135
Total income		12,322	60,135	147	72,604
Expenditure on:					
Charitable activities	5	(13,570)	(60,498)	(1,084)	(75,152)
Total expenditure		(13,570)	(60,498)	(1,084)	(75,152)
Total income less expenditure before gain on investments		(1,248)	(363)	(937)	(2,548)
Gains on investments	10	-	8	2,005	2,013
Net (expenditure)/income		(1,248)	(355)	1,068	(535)
Transfers between funds	14	479	143	(622)	-
Net movement in funds		(769)	(212)	446	(535)
Total funds at 1 January (restated)	14	268	6,506	33,544	40,318
Total funds at 31 December	14	(501)	6,294	33,990	39,783

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

Changes to the opening funds resulting from the introduction of FRS 102 and the new Charity SORP are shown in the table below.

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds	Total £000
Funds brought forward as previously reported	9,925	6,506	33,544	49,975
Changes arising from FRS 102:				
Recognition of pension deficit recovery plan	(9,657)	-	-	(9,657)
Total funds brought forward (restated)	268	6,506	33,544	40,318

BALANCE SHEET

As at 31 December 2015

	Notes	2015 £000	2014 (restated) £000
Fixed assets			
Investments	10	35,645	37,193
Tangible assets	11	208	333
Total fixed assets		35,853	37,526
Current assets			
Debtors	12	2,262	2,107
Cash equivalents		9,190	10,138
Cash at bank and in hand		1,483	2,018
Total current assets		12,935	14,263
Liabilities			
Creditors: amounts falling due within one year	13	(1,962)	(2,507)
Net current assets		10,973	11,756
Net assets excluding pension liability		46,826	49,282
Provision for pension deficit recovery liability	15	(6,879)	(9,499)
Total net assets		39,947	39,783
Funds of the charity			
Unrestricted funds:			
General fund	14	2,000	2,447
Designated funds	14	5,880	6,551
Pension reserve	14	(6,878)	(9,499)
Total unrestricted funds		1,002	(501)
Restricted funds	14	5,688	6,294
Endowment funds	14	33,257	33,990
Total funds of the charity		39,947	39,783

The changes to the consolidated and Commissioners net assets resulting from the introduction of FRS 102 and the SORP are shown in the table below.

	2014 £000
Net assets as previously reported	49,282
Changes arising from FRS 102:	
Recognition of pension deficit recovery plan	(9,499)
Net assets (restated)	39,783

CASH FLOW STATEMENT

For the year ended 31 December 2015

Notes	Total	
	2015	2014
	£000	£000
Reconciliation of net income to net cash flow from operating activities		
Net income for the year (as per the statement of financial activities)	164	(535)
Depreciation	125	119
Gains on investments	(764)	(2,013)
Investment income	(143)	(135)
(Increase)/decrease in stocks	-	9
(Increase)/decrease in debtors	305	(35)
Increase/(decrease) in creditors	(545)	(116)
Increase/(decrease) in pension liability	(2,620)	(158)
Net cash flow provided by / (used in) operating activities	(3,478)	(2,864)
Cash flows from investing activities		
Investment income	143	135
Purchase of tangible fixed assets	-	(32)
Sale of fixed asset investments	1,852	520
Net cash flow provided by / (used in) investing activities	1,995	623
Change in cash and cash equivalents in the year	(1,483)	(2,241)
Cash and cash equivalents at the start of the year	12,156	14,397
Cash and cash equivalents at the end of the year	10,673	12,156
Analysis of cash and cash equivalents		
Short term deposits	9,190	10,138
Cash at bank and in hand	1,483	2,018
	10,673	12,156

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. Accounting policies

(a) Legal status

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

(b) Basis of preparation

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

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

The Council meets the definition of a Public Benefit Entity ("PBE") as set out in FRS 100, and therefore applies the PBE prefixed paragraphs in FRS 102. The date of transition to FRS 102 was 1 January 2014.

The financial information has been prepared on the historical cost basis (except for the revaluation of investments) and on the accruals basis.

These financial statements comprise all the Council's designated, restricted and endowment funds and trusts for which the Council is custodian trustee and has control drawn up to 31 December each year.

A summary of the accounting policies, which have been applied consistently across the group, is set out below.

(c) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements the Trustees have considered whether in applying FRS 102 and the FRS 102 SORP, a restatement of comparative items was needed.

Section 28 of FRS 102 requires an entity to recognise liabilities arising from an agreed deficit recovery plan for a multi-employer defined benefit pension scheme. At the date of transition, the Council had agreements in place to contribute towards the deficit recovery plan of both the Church of England Funded Pension Scheme and the Church Administrators Pension Fund. The initial liability recognised at the date of transition was £352,000 in respect of the Church of England Funded Pension Scheme and £9,305,000 in respect of the Church Administrators Pension Fund.

In accordance with FRS 102 a reconciliation of opening balances and net income for the year is provided. Net income under previous GAAP has been adjusted for the presentation of investment gains as a component of reported income.

(d) Going concern

The trustees have reasonable expectation that the Council has adequate resources and cash flows to meet spending commitments for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and accounts. The most significant assumptions that affect items in the accounts are to do with estimating the pension deficit liability (see Notes 1(i) and 15 for more details).

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

(e) Funds structure

Unrestricted funds

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

Designated Funds are funds which the Council has earmarked for a particular purpose. There are no legally binding restrictions on them and the Council is free to redesignate these funds should this be appropriate. The purpose of each designated fund is disclosed in the statement funds (note 14).

Restricted funds

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

Endowment funds

Expendable endowment restricted funds are sums of money which may be spent in their entirety on the specified purposes, but do not have to be spent on those purposes within a reasonable period. One such expendable endowment fund is the Church and Community Fund (note 14), for which there is absolute discretionary power to expend in accordance with its trust deed.

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

Further details of each fund are shown in note 14.

(f) Income recognition

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

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Gifts in kind are valued at an amount equivalent to the value of the gift to the charity at the time of the receipt and recognised on the SOFA.

(g) Expenditure recognition

Expenditure and liabilities are recognised when a legal or constructive obligation exists as outlined in Section 7 of FRS 102.

All expenditure is accounted for on an accruals basis.

The Council's expenditure on charitable activities is described in note 5. Direct costs and grants are allocated directly to activities. Support costs are apportioned directly to the activity to which they relate (as shown in note 8). Overheads are apportioned according to an activity based time split. Direct funding is described in note 7.

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

(h) Fixed assets

Tangible assets

Costs incurred on acquiring, improving or adding to assets are capitalised. Repair and maintenance costs are charged to the SOFA in the period they are incurred.

Gains (or losses) resulting from the sale of fixed assets are recognised in income (or expenditure for losses).

Depreciation is charged on a straight line basis over the estimated useful life of the asset, calculated on the opening balance sheet value, on the following fixed assets:

Fixed asset	Estimated useful life
Leasehold office improvements	10 years
Office equipment	5 years

Investments: Investment funds

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

All investments held with Ruffer and Sarasin (except for investments held within permanent endowment funds), are invested on an accumulation basis, where dividends received are reinvested as new units within the fund.

Investments: Social investments

The adoption of FRS 102 allows for the Charity to opt out of revaluation of properties on the basis of undue cost or effort. Performing a valuation of the properties was deemed to be an ineffective use of time and resources due to lack of comparative properties plus the escalated valuation cost.

(i) Pensions

Staff pensions are described in note 15. Defined benefit schemes are considered to be multi-employer schemes as described in FRS 102 paragraph 28.11 and consequently are accounted for as if they were defined contribution schemes, where employer contributions payable in the year are charged to expenditure. The NCI's pension scheme liability is calculated by actuaries Lane, Clark and Peacock LLP. The Church of England Pensions Board took advice from LCP and have determined the method and assumptions to use for this valuation in consultation with the employers. The valuation adopts the "projected unit method", under which the technical provisions are calculated as the amount of assets required as at the valuation date to meet the projected benefit cash flows, based on benefits accrued to the valuation date and the various assumptions made.

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

(j) Leases

Rent paid in relation to operating leases is charged to the SOFA in equal amounts over the period of the lease.

(k) Taxation

The Council, as a registered charity, is exempt from taxation on its income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to their charitable purposes.

In common with many other charities, the Council are unable to recover the entirety of Value Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

(I) Related parties

The Church of England is governed by a large number of legally independent bodies in its parishes, cathedrals and dioceses as well as at national level. These bodies, with the exceptions of those set out below, are not related parties as defined in the Charities SORP or Section 9 of FRS 102. Transactions and balances with these bodies are accounted for in the same way as other transactions and, where material, are separately identified in the notes to the financial statements.

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

The Council is also related to the following pension funds, operated by the Church of England Pensions Board: Clergy Funded Pension Scheme; Church Administrators Pension Fund, Church Workers Pension Fund. Details about the pension funds, including contributions paid, are given in note 15.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2. Income from grants, donations and legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 £000	Total 2014
Grants received for <i>promoting spiritual and numerical growth</i> from:					
Church Commissioners	-	41,333	-	41,333	40,605
Pilgrim Trust	-	150	-	150	200
First World War Centenary Cathedrals Repair Fund	-	11,672	-	11,672	87
Others	-	50	-	50	110
Total grants received	-	53,205	-	53,205	41,002
Gift of rent-free accommodation	1,025	-	-	1,025	-
Contributions from dioceses	9,897	19,291	-	29,188	28,801
Legacies	20	-	55	75	89
Other donations	88	148	4	240	236
Total income from donations and legacies 2015	11,030	72,644	59	83,733	70,128

Grant income from the Church Commissioners

Grant income from the Church Commissioners used by the Council to support mission and ministry in areas of need and opportunity.

First World War Centenary Cathedrals Repair Fund

A grant of up to £20 million has been awarded by the Department for Culture, Media and Sport, for the purpose of a Church of England First World War Centenary Cathedrals Repair Fund. This fund is expected to be fully spent by March 2016.

For related grant expenditure, see Notes 5 and 6(d) for further information.

Gift of rent-free accommodation

The Corporation of Church House, which exists to provide accommodation to the National Church Institutions, has granted a rent-free period to the Council for its lease of office space at Church House in 2015.

Income of £1.025m consists of the total gift of rent-free accommodation from the Corporation of Church House (£1.283m) less the proportion of rent that would have been recovered from the other NCI tenants, plus additional grants from the Church Commissioners as a result of there being no rental recharge from the Council. These grants used primarily towards the cost of work on Safeguarding and Shared Conversations.

Contributions from dioceses

Dioceses are asked to make contributions to support the work of the Council. Further details are provided in GS 1959.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

3. Income from charitable activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 £000	Total 2014 £000
Accommodation – income from sub tenants	1,362	-	-	1,362	1,366
Church House Publishing	401	-	-	401	347
Conferences and courses	556	-	-	556	424
Other income	83	-	-	83	204
Total income from investments	2,402	-	-	2,402	2,341

4. Income from investments

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 £000	Total 2014 £000
Dividends	-	6	80	86	79
Interest on cash and deposit funds	24	27	6	57	56
Total income from donations and legacies	24	33	86	143	135

5. Expenditure on charitable activities

Charitable objective	Grants payable £000 Note 6	Direct costs £000 Note 7	Support costs £000 Note 8	Total 2015 £000	Total 2014
Enhancing Mission	9,283	2,157	713	12,153	11,494
Advancing education and lay discipleship	277	786	413	1,476	1,604
Selecting and resourcing for public ministry	52,667	2,291	826	55,784	56,065
Development of church buildings for worship & service	12,300	1,130	563	13,993	2,565
Strengthening institutional effectiveness and governance	-	2,382	1,193	3,575	3,424
Total charitable expenditure	74,527	8,746	3,708	86,981	75,152

Charitable expenditure includes £816,000 (2014: £648,000) spent on conferences and courses, which generated income of £556,000 (2014: £424,000) and £306,000 (2014: £273,000) spent on Church House Publishing, which generated income of £401,000 (2014: £347,000). The Council has an agreement with Hymns Ancient & Modern to publish liturgy, key reference titles and other resources for the Church. Under the agreement the Council will ensure that a range of titles is published to support the ministry and mission of the Church, under its Church House Publishing imprint, with Hymns Ancient and Modern.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

6. Grant making

A full list of grants paid to institutions can be obtained by sending a written request to the Chief Finance Officer at our head office.

a) Enhancing mission grants

	2015	2014
	£000	£000
Total mission funding to 42 dioceses	6,637	5,892
Grants paid from the Grants and Provisions Fund:		
Anglican Communion Office	518	508
Churches Together in England	291	184
Church Urban Fund	203	203
Other institutions	261	302
Total grants paid from the Grants and Provisions Fund	1,273	1,196
Other grants payable		
Grants paid from the Mission Agencies Pension Contributions Fund	787	719
Church and Community Fund grant scheme	474	392
Other institutions	112	66
Total grants paid for enhancing mission	9,283	8,267

Grants were distributed to dioceses under the mission funding stream. Dioceses are accountable to the Council and provide details of how they have spent the grants.

The Church Commissioners are statutorily required under the Pensions Measure 1997 to meet the pension costs of clergy who are employed by those mission agencies which were Church of England members of the Partnership for World Mission at the time the Measure was passed. By agreement, the Council met the full cost of this liability, which was £787,000 (2014: £719,000). The contribution was made in respect of an average number of clergy of 85 in 2015 (2014: 85).

b) Advancing education and lay discipleship

	2015	2014
	£000	£000
Church Colleges of Education fund	247	120
Other institutions	30	23
Total grants paid for advancing education and lay discipleship	277	143

The Church Colleges of Education Fund provides funds to advance education by promoting the effectiveness of Church of England Colleges of Higher Education and Universities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

6. Grant making (continued)

c) Selecting and resourcing for public ministry

	2015	2014
	£000	£000
Grants to 25 dioceses	34,829	34,651
Total grants to dioceses for ministry support	34,829	34,651
Grants for ministry training		
Grants to 743 individuals and 30 institutions	12,993	13,299
Total grants for ministry training	12,993	13,299
Grants provided for clergy retirement housing		
Church of England Pensions Board Charitable Funds and Trusts	4,152	3,954
Total grants for clergy retirement housing	4,152	3,954
Training for the Ministry	632	359
Other grants	61	46
Total grants paid for selecting and resourcing public ministry	52,667	52,309

Ministry support for low income dioceses are allocated in accordance with the current Selective Allocations formula. The Council applied £34,829,000 of the income received from the Church Commissioners for this.

The Archbishops' Council provides funding to the Church of England Pensions Board Charitable Funds and Trusts to enable it to offer subsidised housing to retired clergy. The grants helps fund the repair, maintenance and other costs associated with properties available for retired clergy to rent.

d) Development of church buildings for worship & service

	2015	2014
	£000	£000
Funded by the Pilgrim Trust grant		
grants to 42 institutions	201	200
	201	200
Funded by the First World War Centenary Cathedrals Repair Fund		
grants to 43 cathedrals/institutions	11,672	77
	11,672	77
Funded by the Council for the Care of Churches		
grants to 49 churches/institutions	41	87
	41	87
Other grants	386	6
Total grants paid for Development of church buildings for worship & service 2015	12,300	370

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

7. Direct costs

	Enhancing mission £000	Advancing education and lay discipleship £000	Selecting and resourcing for public ministry £000	Development of church buildings for worship & service £000	Strengthening institutional effectiveness and governance £000	2015 Total £000
Direct costs						
Administration and central office costs	372	104	493	204	714	1,887
Department running costs	1,510	596	1,614	880	1,314	5,914
Legal and professional fees	275	86	184	46	354	945
Total direct costs 2015	2,157	786	2,291	1,130	2,382	8,746
Total direct costs 2014	2,064	812	2,442	1,250	1,853	8,421

Direct costs are costs incurred by the Council to directly fund its charitable activities. Central costs are apportioned according to an activity based time split.

Administration and Central Office costs include costs associated with holding conferences and courses, costs associated with Church House Publishing, and other costs such as non-staff expenses.

Department running costs include staff remuneration costs (per note 9) plus other departmental expenses.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

8. Support costs

	Enhancing mission	Advancing education and lay discipleship	Selecting and resourcing for public ministry	Development of church buildings for worship & service	Strengthening institutional effectiveness and governance	2015 Total	2014 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Support costs							
Legal costs	-	-	-	-	668	668	686
Accommodation	583	338	675	461	430	2,487	2,470
Shared service costs	715	414	828	564	527	3,048	2,342
Other	7	4	9	6	5	31	160
Total support costs	1,305	756	1,512	1,031	1,630	6,234	5,658
Governance costs							
Audit fees	8	5	10	7	6	36	35
Internal audit & risk management	12	7	14	9	9	51	70
Membership & committees	2	1	2	1	1	7	5
Total governance costs	22	13	26	17	16	94	110
Pension deficit costs							
Unwinding of pension deficit	(614)	(356)	(712)	(485)	(453)	(2,620)	(158)
Total support and governance costs 2015	713	413	826	563	1,193	3,708	5,610

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

Shared services include the Council's share of the costs incurred by Church of England Central Services (ChECS), a charitable joint venture between the Council, Church Commissioners and the Church of England Pensions Board established to facilitate the provision of cost-effective shared financial, legal and other services.

Governance costs relate to the general running of the Council including supporting the work of its committees and audit costs.

Expenses incurred by members in attending Council and committee meetings and on other business of the Council (including in 2015 participation in Renewal and Reform roadshows across the country) were reimbursed to 13 members (2014: 12) totalling £7,000 (2014: £5,000). The members of the Council have no entitlement to salary or pension arising from their services to the Council.

9. Staff numbers and remuneration

The Council is joint employer, together with the other National Church Institutions (the NCIs), of most of the staff of the NCIs. The Chief Executive is employed directly by the Council.

In addition to staff employed directly, the work of the Council is supported by staff in shared service departments provided by Church of England Central Services (ChECS) (see note 19) which provides finance, HR, communications, legal, IT and internal audit services to the NCIs. The SORP requirements are that the costs of staff employed by third parties who operate on your behalf should be disclosed in the accounts. In order to comply with the spirit of the SORP, the costs of all ChECS staff are shown in aggregate in the tables – the Council's share of which was £2,763,000 (2014: £2,570,000).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

9. Staff numbers and remuneration (continued)

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

	Archbishops' Council		ChECS	
	2015	2014	2015	2014 (9 months)
	Number	Number	Number	Number
Average number employed	103	98	133	121
	£'000	£'000	£'000	£'000
Salaries	4,175	3,972	5,809	3,702
National Insurance costs	439	420	577	404
Pension contributions	1,218	1,219	1,444	999
Total cost of staff	5,832	5,611	7,830	5,105

Included in Council's own staff costs is £122,000 (2014: £107,000) paid by way of redundancy costs to 1 (2014: 7) individual, the costs of which are accounted for in full in the year in which the restructure is announced.

For ChECS, included in staff costs is £569,000 (2014: £8,000) paid by way of redundancy costs to 8 (2014: 1) individuals following a restructuring, the costs of which are accounted for by ChECS in full in the year in which the restructure is announced. Of this £184,000 was recharged to the Archbishops' Council.

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

	Archbishops' Council		ChECS	
	2015	2014	2015	2014 (9 mths)
	Number	Number	Number	Number
£60,001 to £70,000	5	3	8	9
£70,001 to £80,000	3	5	2	3
£80,001 to £90,000	1	-	7*	6
£90,001 to £100,000	-	-	1	-
£100,001 to £110,000	-	-	1*	-
£110,001 to £120,000	-	1*	1*	-
£120,001 to £130,000	-	-	1	1
£130,001 to £140,000	-	-	3*	-
£140,001 to £150,000	1	-	2*	1
£150,001 to £160,000	1*	1	-	-

* includes redundancy costs

The highest paid member of staff was the Chief Executive who earned £147k[^] (2014: £157,000). Further details of the Council's remuneration policy are included in the Staff section of the annual report.

([^] Chief Executive left the Archbishops' Council on 30 November 2015. £147k reflects 11 months' pay.)

The Council's senior executive leadership team comprises ten individuals, six of whom are employed directly by the Council and four by ChECS. Their aggregate remuneration, including pension contributions, is £1,062,000.

All of the staff above are members of either the Church Administrators Pension Fund (CAPF) or the Church of England Funded Pension scheme (CEFPS) (note 15). Of those managed directly by the Council, 5 (2014: 4) accrue benefits under the CAPF defined contribution scheme for which contributions for the year were £50,000 (2014: £43,000). The remaining staff accrue benefits under defined benefit schemes, with 4 (2014: 4) in the CAPF and 2 (2014: 2) in the CEFPS. Defined benefit contributions for the year were £43,000 (2014: £64,000). Of those managed by ChECS, 10 (2014: 10) staff members accrue benefits under the CAPF defined contribution scheme for which contributions for the year were £118,000 (2014: £92,000). The remaining 16 staff members (2014: 10) accrue benefits under a defined benefit scheme. Defined benefit contributions for the year for these staff were £159,000 (2014: £119,000).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

9. Staff numbers and remuneration (continued)

Staff loans

Interest free loans are made for travel season tickets and green travel loans for the purchase of bicycles and electric scooters.

10. Investments

	Investment funds	Programme Related Social investments	2015 Total
	£000	£000	£000
At 1 January	33,968	3,225	37,193
Additions	-	-	-
Disposals	(2,312)	-	(2,312)
Revaluations	764	-	764
At 31 December 2015	32,420	3,225	35,645
At 31 December 2014	33,968	3,225	37,193

Investment funds

Funds were principally managed by Sarasin & Partners LLP, Ruffer LLP, CCLA Management Limited. Investments were held as follows:

	2015	2014
	£000	£000
Sarasin	16,626	17,943
Ruffer	15,605	15,760
CCLA	168	166
Other	21	99
Total	32,420	33,968

The investment funds consisted of the following underlying assets:

	2015	2014
	£000	£000
Equities	17,058	20,301
Property	1,341	1,488
Index linked / Fixed interest securities	8,534	8,898
Infrastructure	1,770	1,605
Cash and cash equivalents	3,717	1,676
At 31 December	32,420	33,968

Programme Related Social investments

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

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

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

Properties were last valued as at 31 December 2013 by DTZ.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

11. Tangible fixed assets

	Office equipment £000	Leasehold improvements £000	Total £000
Cost			
At 1 January	1,641	2,439	4,080
Additions	-	-	-
Disposals	-	-	-
Revaluations	-	-	-
At 31 December 2015	1,641	2,439	4,080
Depreciation			
At 1 January	(1,380)	(2,367)	(3,747)
Charge for the year	(92)	(33)	(125)
Disposals	(-)	(-)	(-)
	(1,472)	(2,400)	(3,872)
Net book value at 31 December 2015	169	39	208
Net book value at 31 December 2014	261	72	333

12. Debtors

	2015 £000	2014 £000
Amounts due within one year		
Trade debtors	198	243
Prepayments	371	243
Amounts due from NCIs	494	878
Amounts due from Colleges and Schools	41	33
VAT and social security	212	226
Other debtors	734	310
Total debtors due within one year	2,050	1,933
Amounts due after more than one year		
Amounts due from Colleges and Schools	212	174
Total debtors due after one year	212	174
Total debtors	2,262	2,107

13. Creditors

	2015 £000	2014 £000
Amounts due within one year		
Trade creditors	337	933
Grants payable	1,416	1,134
Accruals and deferred income	159	331
Other creditors	50	109
Total creditors due within one year	1,962	2,507

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

14. Statement of funds

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

Fund	Fund balance brought forward £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Fund balances carried forward £000
Unrestricted funds						
General Fund	2,447	13,410	(14,565)	708	-	2,000
<i>Designated funds</i>						
Church Schools Fund	543	-	-	-	-	543
Church House planned maintenance	1,338	-	(66)	(325)	-	947
Social investments: properties	3,225	-	-	-	-	3,225
CHARM (*)	411	-	-	-	-	411
Other designated funds	1,034	45	(141)	(184)	-	754
Total designated funds	6,551	45	(207)	(509)	-	5,880
Total unrestricted funds before pension reserve	8,998	13,455	(14,772)	199	-	7,880
Pension deficit reserve	(9,499)		2,621			(6,878)
Total unrestricted funds	(501)	13,455	(12,151)	199	-	1,002
Restricted funds						
Training for Ministry Fund (*)	2,346	13,112	(13,288)	315	-	2,485
Grants & Provisions Fund (*)	291	1,266	(1,307)	(20)	-	230
Mission Agencies Pension Contributions (*)	152	773	(787)	-	-	138
CHARM (*)	380	4,154	(4,152)	-	-	382
Dioceses Fund	1,017	41,338	(41,466)	-	-	889
Legal costs	1,478	7	(42)	20	-	1,463
Other restricted funds	630	11,998	(12,355)	(172)	-	101
Total restricted funds	6,294	72,648	(73,397)	143	-	5,688
Endowment funds						
<i>Expendable endowment funds</i>						
The Archbishops' Council Ministerial Training Trust Fund	2,099	96	(505)	(40)	72	1,722
Church Colleges of Education Fund	3,255	-	(247)	(6)	81	3,083
Church and Community Fund	19,650	5	(528)	(226)	601	19,502
Church of England Special Purposes Fund	2,623	-	(40)	-	64	2,647
Women's Continuing Ministerial Education Trust	1,568	-	(47)	(1)	36	1,556
MPA Sundry Funds	601	-	-	(30)	14	585
Other expendable endowment funds	1,362	5	(12)	(39)	10	1,326
Total expendable endowment funds	31,158	106	(1,379)	(342)	878	30,421
<i>Permanent endowment funds</i>						
The Archbishops' Council Ministerial Training Trust Fund	1,458	-	-	-	(7)	1,451
Church Colleges of Education Fund	680	19	(1)	-	(4)	694
Other permanent endowment funds	694	20	(21)	-	(2)	691
Total permanent endowment funds	2,832	39	(22)	-	(13)	2,836
Total endowment funds	33,990	145	(1,401)	(342)	865	33,257
Total funds of the charity	39,783	86,248	(86,949)	-	865	39,947

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

14. Statement of funds (continued)

Fund	Fixed Assets	Cash & Short	Debtors	Creditors	Provision	NET ASSETS
	£000	Term Deposits			for Pension	
	£000	£000	£000	£000	£000	£000
Unrestricted funds	3,439	3,826	1,135	(519)	(6,879)	1,002
Restricted Funds	149	5,847	590	(898)		5,689
Endowment Funds	32,264	1,001	537	(545)		33,256
Total	35,852	10,674	2,262	(1,962)	(6,879)	39,947

Unrestricted funds: general fund

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

Unrestricted funds: designated funds

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

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

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

Social investments: properties fund represents the carrying value of the Council's properties (see note 10 for further details).

Restricted funds

Training for Ministry Fund (Vote 1) provides funds towards training for ordained ministry. This fund covers the tuition costs, university fees, college fees, personal maintenance and books and travel costs of sponsored ordinands prior to ordination.

The Grants and Provisions Fund (Vote 3) provides funds towards the work of the Anglican Communion Office, the national and international ecumenical agencies, Church Urban Fund, and the Legal Costs Fund.

Mission Agencies Pensions Contributions Fund (Vote 4) provides for pension contributions in respect of clergy who are employed by the mission agencies.

The Church's Housing Assistance for the Retired Ministry (CHARM Vote 5) fund provides grants to subsidise the scheme, which is administered by the Church of England Pensions Board to provide housing for those retiring from stipendary ordained & lay ministry.

The Dioceses Fund is the vehicle by which money is received from the Church Commissioners and distributed to the dioceses in accordance with the Allocations formula.

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

Endowment funds

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

14. Statement of funds (continued)

Church and Community Fund promotes the charitable work of the Church of England, by making grants towards the work of the Council generally plus to church and community projects.

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

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

Transfers

The Council makes transfers of surpluses arising within General Unrestricted Funds to specific Designated Funds. The Council makes transfers from Restricted Funds to Unrestricted Funds only where such restricted funds are being applied in accordance with the object, purpose and restrictions of the underlying fund or charity. Transfers are made from expendable endowment funds to income funds to fund deficits arising in the income funds applied in accordance with the purpose of the underlying endowment.

The most significant transfers during the year were:

- £226,000 was transferred from the Church and Community Fund (Transfer between Endowment Funds and General Funds)
- £148,000 was transferred from Unrestricted Legacies (Transfer between Designated and General Funds)
- £315,000 was transferred from the General Funds to the Training for Ministry Fund (£195,000 towards context-based ordination training, £120,000 towards validation of Common Awards). These transfers formed part of the planned use of funds that would otherwise have been spent on Church House rent.

15. Pensions

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

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

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

	CAPF: defined benefit scheme	CAPF: defined contribution scheme	CEFPS	Total
2015	27	69	7	103
2014	27	62	7	96

Church Administrators Pension Fund (CAPF)

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

15. Pensions (continued)

Church Administrators Pension Fund (CAPF) (continued)

The contributions to the scheme are assessed by an independent qualified actuary using the projected unit method of valuation. A valuation of the scheme is carried out once every three years, the most recent having been carried out as at 31 December 2014. This revealed a deficit of £25.1 million, based on assets of £96.3m and a funding target of £121.4m. The level of additional contributions to be made by the employers was £2,373,000 per annum from 1 July 2013 to 30 June 2025, increasing on 1 January each year by 5.0%. This was revised in October 2015 as a result of the 2014 valuation and it was agreed that with effect from 1 January 2016 the employers would pay £2,500,000 per annum increasing each year by 3.3%.

FRS 102 requires this agreed deficit recovery plan to be provided at the transition date of 1 January 2014. The provision is measured at its net present value. As a result, brought forward reserves have been restated. The table below shows the movement on the provision:

	Provision brought forward	Contributions paid	Interest charged on provision	Adjustment to net present value of provision	Provision carried forward
	£000	£000	£000	£000	£000
Council staff	6,244	(716)	135	(1,434)	4,229
Share of ChECS staff	2,955	(250)	65	(358)	2,412
Total provision	9,199	(966)	200	(1,792)	6,641

In addition, the employers are responsible for making contributions towards the administration costs of the scheme of £222,000 (2014: £216,000) and the Pension Protection Fund levies of £60,000 (2014: £46,000). In 2015, the Council's share of these costs was £54,000 (2014: £49,000).

Defined contribution scheme: Staff who commenced service after 30 June 2006 are entitled to pensions earned from the contributions paid into a personal pension schemes by the Council and themselves. The contribution rate payable by the Council is between 8% and 18%.

Church of England Funded Pension Scheme (CEFPS)

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

Each responsible body in the CEFPS, including dioceses, pays a common contribution rate. The contributions to the scheme are assessed by an independent qualified actuary using the projected unit method of valuation.

The last full valuation of the scheme, as at 31 December 2012, showed an overall deficit of £293m. In light of this the contribution rate was increased from 38.2% (14.7% deficit funding) to 39.9% (14.1% deficit funding) of pensionable stipends with effect from 1 January 2015.

FRS 102 requires this agreed deficit recovery plan to be provided at the transition date of 1 January 2014. The provision is measured at its net present value. As a result, brought forward reserves have been restated. The table below shows the movement on the provision:

	Provision brought forward	Contributions paid	Interest charged on provision	Adjustment to net present value of provision	Provision carried forward
	£000	£000	£000	£000	£000
Council staff	300	(41)	7	(28)	238
Total provision	300	(41)	7	(28)	238

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

15. Pensions (continued)

Central Board of Finance Lump Sum Scheme

The Central Board of Finance Lump Sum Scheme provides retirement benefits to former staff of the Central Board of Finance (CBF). Due to the preserved nature of the CBF lump sum pension liability, provision for the fixed cash payments has been made in a designated fund. At 31 December 2015 there were 22 (2014: 31) former CBF employees entitled to receive lump sums upon reaching retirement age. The Scheme has HMRC approval under section 20 of the Finance Act 1970. The table below shows the sum set aside in a designated fund to provide for these future.

	Fund brought forward	Contributions paid	Fund carried forward
	£000	£000	£000
Former CBF staff	77	(8)	69
Total fund	77	(8)	69

16. Operating leases

The amount due for land and buildings within the next 12 months, on a lease with the Corporation of Church House, is £nil (12 months from 31 December 2014: £nil). The cost is shared with the other National Church Institutions.

The amount of rent that would have been charged in 2015 is £1,283,000 (had the Corporation of Church House not waived the rental charge for the period). The current rental lease ends in 2020 and any rental charge between now and 2020 is expected to be in line with that 2015 figure (adjusted for RPI).

17. Commitments and contingent liabilities

The Council are joint employer, together with the other NCIs, of most of the staff of the NCIs and, as such, have a contingent liability for salaries and other employment costs in the event of a default by any of the other joint employers.

The Council, dioceses and other Church bodies are the bodies responsible for the contributions to the Church of England Funded Pensions Scheme for clergy. In the event of defaults by any of the responsible bodies, the remaining responsible bodies, including the Commissioners, would continue to be responsible for the entire liabilities of the Scheme.

It is not practicable to reliably estimate the quantum of the above contingent liabilities.

18. Funds held on behalf of others

The Council is custodian trustee and for a number of funds which have trustees separate and independent from the Council but where the Council holds the trusts' investments on their behalf. The funds had a combined income of £726,000 (2014: £281,000) and expenditure of £1,031,000 (2014: £517,000) and net assets of £2,952,000 (2014: £2,999,000).

19. Related parties

The following amounts were paid to related parties in respect of grant funding from the Archbishops' Council (under the Vote 3 heading):-

- £203,000 (2014: £203,000) paid to Church Urban Fund.
- £67,500 (2014: £80,000) paid to Fresh Expressions.

The following amounts were received from related parties in respect of accommodation charges from the Archbishops' Council:-

- £107,000 (2014: £106,000) paid by Church Urban Fund.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

19. Related parties (continued)

Council Members

The following amounts were paid in respect of services provided by, or royalties owed to, members:

- £4,838 (2014: £3,860) was paid to Rt Revd Dr Steven Croft in respect of Publishing Royalties from Church House Publishing.
- £20 (2014: £29) was paid to Revd Mark Ireland in respect of Publishing Royalties from Church House Publishing.

Jointly Controlled Entity

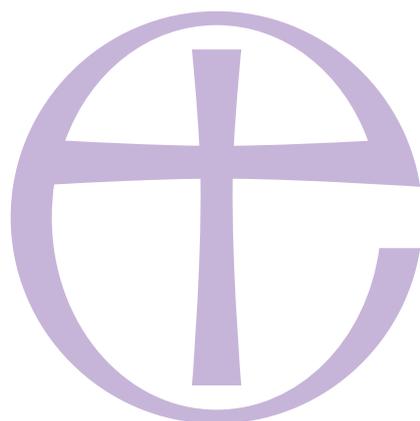
ChECS is a charitable jointly controlled entity between the Archbishops' Council, the Church Commissioners, and the Church of England Pensions Board for which the three partners hold equal shares. The purpose of ChECS is to enhance the efficiency and effectiveness of the charitable national and diocesan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

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

At the balance sheet date, the Council's share of net assets of ChECS was £nil (2014: £nil) and £187,000 (2014: £71,000) was owed to the Council by ChECS.

Pension Schemes

Details of amounts paid to the pension schemes are disclosed in note 15.



THE CHURCH
OF ENGLAND