
Annual Report to Parishes 2015

It has been great to meet many of you in person over the last year and to hear about the opportunities and challenges you face. I see the key focus of my role as the General Secretary, and that of the diocesan teams, as “**doing everything we can to support the mission and growth of the Church in London**”. To ensure that we are doing this well, and that we are developing the services and support you would like, we value your feedback and perspective. So if I have not met you already I look forward to doing so shortly, and hearing your reflections – or please feel free to email me at richard.gough@london.anglican.org.

There are four ways that we seek to outwork our role:

- by providing great services to support clergy, parishes and chaplaincies
- by helping to deliver Capital Vision 2020
- by supporting our bishops and archdeacons
- by running an effective organisation.

I thought it might be useful to consider some of the activity that has been going on in 2015 under these headings.

PROVIDING SERVICES TO SUPPORT YOU

The diocesan teams continued to provide a wide range of services covering property, financial and stewardship matters, loans to parishes, HR, safeguarding, training, communications and PR, governance advice, legal matters, children and youth support, and environmental matters.

We are continually looking at how we can develop our services, and during the year one new area of support we introduced related to providing advice on fundraising. One to one advice was provided in 2015 and in 2016 we started to roll out some fundraising training evenings across the Areas, which have been very well received. We look forward to developing this further in the current year.

We also began a pilot with ten parishes using the Parish Giving Scheme. This service enables parishes to improve their cash flow, by reclaiming the Gift Aid on regular giving by the tenth day of the month, while reducing the workload on treasurers. The pilot has gone well and we will be rolling out the service to any parish who would like to use it in 2016.

If you would like to find out who to contact in any of these areas of support please look at the back pages of the latest Common Fund booklet or go to the Diocese of London website at www.london.anglican.org/support.

HELPING TO DELIVER CAPITAL VISION 2020

We have much to celebrate as together we continue to take forward the priorities of Capital Vision 2020. If you would like to look at a short résumé of some of the activities and highlights of the last year do have a look at the video at www.london.anglican.org/capitalvision. As we are now three years into Capital Vision, and are broadly at the halfway stage, we have produced a brochure - which is enclosed - that summarises the exciting progress to date and some of the plans and challenges for the coming years. I thought I would comment on three areas.

In partnership with the London Institute for Contemporary Christianity, churches across the Diocese from all traditions, both small and large, are equipping and commissioning people as Ambassadors for Christ. In 2015 we reached over 10,000 people commissioned. We have supported two pilot groups of churches as they explore and share what it looks like to increasingly emphasise the calling of all to be ambassadors in everyday life.

As we all know London's population continues to grow. To meet this need extensive building of homes is taking place across the city. And to seek to ensure that there is a worshipping community with somewhere to meet in these major development areas the Diocesan Bishop's Council agreed in May 2015 that we should invest extra resource in this activity. This was funded from some of our capital developments and not from the Common Fund. I am delighted to say that Edward Moody joined us as our Director of Development in September, and the development team has been expanded to give us the capacity to work with developers, local authorities and the local parishes in a number of different areas. This work is overseen by the new Strategic Development Committee.

Capital Mass – a joint venture with CUF, led by Andy Burns – was launched to help support and link-up the many community action initiatives taking place across the Diocese. It was very encouraging to see so many people at the official launch at St Paul's Cathedral crypt, and to feel the energy at the event. With funding from the Diocese, Capital Mass has also taken on a refugee co-ordinator to help the London churches respond effectively to the refugee crisis.

SUPPORTING THE BISHOPS AND ARCHDEACONS

During 2015 we welcomed three new bishops, and over 2015/16 three new archdeacons. As a result, there has been substantial change in the senior staff team and a lot of time has been invested in supporting the induction of the new team members in addition to providing ongoing assistance.

RUNNING AN EFFECTIVE ORGANISATION

It is essential that we run an effective organisation as the foundation for all we do. Among other things this involves having good governance, accountable and professionally-run finances, and first-class HR policies and practice. In 2015 we had elections to both the General Synod of the Church of England and to our own synod, councils and committees in London. These involved multiple elections and a lot of extra work, and I would like to express great thanks to Monica Bolley for overseeing them so professionally and with great attention to detail. With regard to the financial performance I am delighted to report that:

- the General Fund was balanced for the tenth year in succession, and the surplus we made will be used to help to fund our ongoing Capital Vision 2020 activities and work with young people in future years
- the bedrock of the General Fund is your continuing generosity in pledging and then contributing to the Common Fund – and over 99% of the pledges for 2015 have been received. Thank you for the generous contribution from your parish
- our auditors gave the finance team a glowing report on their work. And my thanks are due to the whole team for all they do.

A summary of the key financial information is provided on the next few pages and if you would like to see the full audited accounts of the London Diocesan Fund these can be found on the website at www.london.anglican.org/finance.

IN CONCLUSION

I am struck that few things in life are achieved on our own – most are achieved in partnership with others. I hope this report gives you a feel for how we have been seeking to support the mission and growth of the Church in London by working with you and everyone else across the Diocese.

My thanks go out to everyone who works for the London Diocesan Fund, and to all the volunteers and committee/council members, for all they have done to make this possible. I look forward to meeting many of you throughout 2016.

With best wishes.



Richard Gough
General Secretary

A summary of the total income and expenditure of the London Diocesan Fund for the year 2015

| | Unrestricted funds General £m | Designated £m | Restricted Funds £m | Endowment Funds £m | Total 2015 £m | Total 2014 £m |
|---|-------------------------------------|------------------|---------------------------|--------------------------|---------------------|---------------------|
| Income and endowments from | | | | | | |
| <i>Donations, legacies & grants</i> | | | | | | |
| Common Fund | 22.8 | - | - | - | 22.8 | 21.8 |
| Parish Reimbursements for Clergy Costs | 3.1 | - | - | - | 3.1 | 3.3 |
| Donations | 0.9 | - | 0.3 | - | 1.2 | 1.9 |
| Church Commissioners | - | 0.3 | 0.2 | - | 0.5 | 0.5 |
| Trust for London | 1.4 | - | - | - | 1.4 | 1.3 |
| <i>Charitable activities</i> | | | | | | |
| Operational Property Rentals | 3.1 | 0.3 | 0.2 | - | 3.6 | 2.8 |
| Parochial Fees | 0.5 | - | - | - | 0.5 | 0.5 |
| <i>Investment Income</i> | | | | | | |
| Dividends and Interest Receivable | 1.4 | - | 0.2 | - | 1.6 | 1.7 |
| Investment Property Rentals | 5.3 | - | 0.6 | - | 5.9 | 2.5 |
| <i>Other income</i> | - | 0.1 | 0.1 | 0.1 | 0.3 | 0.5 |
| Total income | 38.5 | 0.7 | 1.6 | 0.1 | 40.9 | 36.8 |
| Expenditure on | | | | | | |
| <i>Raising funds</i> | | | | | | |
| <i>Investment management costs</i> | | | | | | |
| Rental portfolio costs - agent fees | 0.3 | - | - | - | 0.3 | 0.4 |
| Investment Property repairs & maintenance | 0.8 | - | - | - | 0.8 | 0.9 |
| <i>Charitable activities</i> | | | | | | |
| Ministry | 20.1 | 0.5 | 0.2 | - | 20.8 | 20.1 |
| Education & Outreach | 0.6 | - | - | - | 0.6 | 0.6 |
| Parish and Area Support Services | 1.5 | - | 0.2 | - | 1.7 | 1.7 |
| Clergy Housing & Property Costs | 7.1 | 0.1 | 0.1 | 0.1 | 7.4 | 10.9 |
| National Church | 2.3 | - | - | - | 2.3 | 2.2 |
| Grants to Parishes & Overseas | 0.2 | 1.1 | 0.3 | - | 1.6 | 1.4 |
| <i>Other expenditure</i> | - | 0.5 | 0.1 | - | 0.6 | 0.9 |
| Total expenditure | 32.9 | 2.2 | 0.9 | 0.1 | 36.1 | 39.1 |
| Net income/(expenditure) before investment gains | *5.6 | (1.5) | 0.7 | - | 4.8 | (2.3) |
| Realised gains on tangible fixed assets | - | 9.1 | 0.6 | 0.7 | 10.4 | 1.0 |
| Net (losses)/gains on investments | (0.1) | - | - | - | (0.1) | 0.4 |
| Net incoming resources for the year | 5.5 | 7.6 | 1.3 | 0.7 | 15.1 | (0.9) |
| Transfers between funds | (5.4) | 6.4 | - | (1.0) | - | - |
| Other recognised gains/(losses) | | | | | | |
| Pension deficit movement | 0.4 | (0.3) | - | - | 0.1 | (0.6) |
| Unrealised gains on tangible fixed assets | - | 6.0 | 2.7 | 9.0 | 17.7 | 15.7 |
| Net movement in funds for the year | 0.5 | 19.7 | 4.0 | 8.7 | 32.9 | 14.2 |

* As part of new accounting standards in 2015, there were two one-off adjustments relating to the release of a lease premium (£3.6m) and a clergy pension deficit movement (£1.4m). In the absence of these, the surplus generated was c.£0.6m. After the replenishment of reserves, this has been set aside to help fund youth and children activities within our Capital Vision 2020 strategy.

Summary balance sheet of the London Diocesan Fund for the year 2015

| | Unrestricted General Fund £m | Unrestricted Designated Funds £m | Restricted Funds £m | Endowment Funds £m | Total 2015 £m | Total 2014 £m |
|--|---------------------------------------|---|---------------------------|--------------------------|---------------------|---------------------|
| Fixed Assets | | | | | | |
| Operational Property | - | 67.2 | 3.0 | 236.7 | 306.9 | 292.7 |
| Investment Property | - | 42.7 | 9.4 | 35.3 | 87.4 | 68.0 |
| Investments | 2.5 | 13.3 | 5.7 | 11.8 | 33.3 | 35.0 |
| | 2.5 | 123.2 | 18.1 | 283.8 | 427.6 | 395.7 |
| Current Assets | | | | | | |
| Debtors | 1.8 | 2.5 | 0.5 | - | 4.8 | 5.3 |
| Cash on deposit | 0.7 | - | 3.6 | 3.2 | 7.5 | 10.4 |
| | 2.5 | 2.5 | 4.1 | 3.2 | 12.3 | 15.7 |
| Creditors: | | | | | | |
| Amounts falling due within one year | (2.1) | (1.9) | (0.4) | - | (4.4) | (4.4) |
| | 0.4 | 0.6 | 3.7 | 3.2 | 7.9 | 11.3 |
| Net Current Assets | | | | | | |
| | 2.9 | 123.8 | 21.8 | 287.0 | 435.5 | 407.0 |
| Total assets less current liabilities | | | | | | |
| | 2.9 | 123.8 | 21.8 | 287.0 | 435.5 | 407.0 |
| Creditors - Amounts falling due after one year: | | | | | | |
| Pension scheme liabilities | - | (15.7) | - | - | (15.7) | (17.2) |
| Other creditors | - | (3.0) | - | - | (3.0) | (5.9) |
| | 2.9 | 105.1 | 21.8 | 287.0 | 416.8 | 383.9 |
| Net assets | | | | | | |

The above data is only an extract summary of information relating to both the Statement of Financial Activities (SOFA) and the Balance sheet.

For more information on the finances of the Diocese we recommend that you read the Trustees' report and full financial statements.

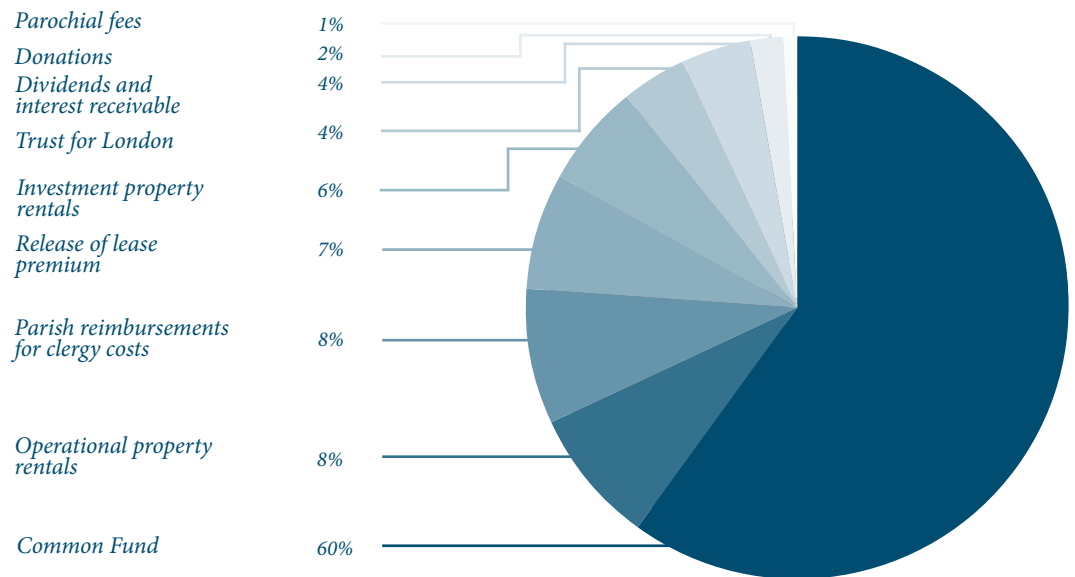
The full financial statements are available at www.london.anglican.org/about/ldf-accounts.

The full financial statements were approved, and authorised for issue, by the Diocesan Bishop's Council on 12 May 2016, and signed on their behalf by two trustees. They have been delivered to the Charity Commission and the Registrar of Companies. The financial statements have been audited by a registered auditor, haysmacintyre, who have issued an unqualified report on the full financial statements and on the consistency of the Trustees' Annual Report with those financial statements. Their report on the full annual financial statements contained no statement under sections 498(2)(a), 498(2)(b) or 498(3) of the Companies Act 2006.

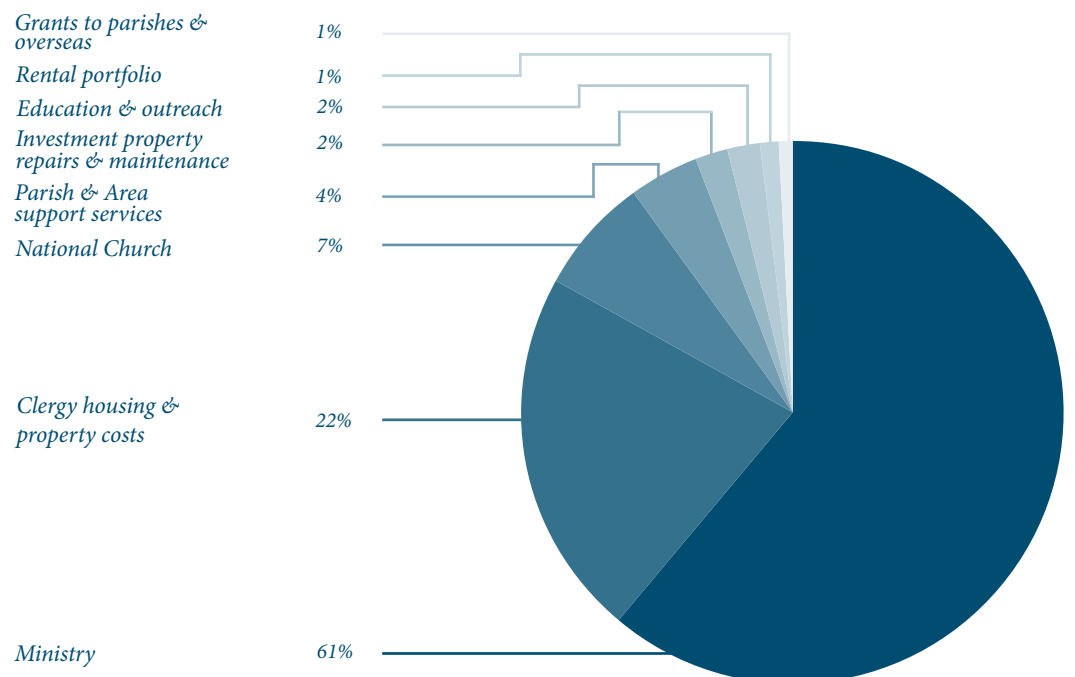
General fund income and expenditure 2015

A summary of the General Fund income and expenditure is set out below. The previous pages show an extract from the statutory financial statements covering all funds of the London Diocesan Fund for 2015.

Summary of General Fund income



Summary of General Fund expenditure



These figures relate only to the General Fund column shown in the Statement of Financial Activities (SOFA). The other columns in the SOFA refer to monies that in one way or another are set aside or restricted to particular funds.

The Common Fund: for all, from all

The Common Fund is the main way in which the financial resources are generated to sustain our ministry. Highlighted below, the Common Fund received for 2015 totalled in excess of £22.6 million, which in broad terms paid for our stipendiary clergy and their housing.

This chart shows the amount given to the 2015 Common Fund as at 30 April 2016. It is very encouraging to note that over 99.4% of the monies pledged have been received.

| Ref | Deanery | Pledged | Received | Over/ (under) | Percentage received |
|-------|----------------------------|-------------------|-------------------|------------------|------------------------|
| 01 | City | 1,272,547 | 1,260,747 | (11,800) | 99.1% |
| 02 | Paddington | 570,715 | 570,715 | 0 | 100.0% |
| 03 | St Margaret | 1,208,900 | 1,208,900 | 0 | 100.0% |
| 04 | St Marylebone | 694,850 | 694,850 | 0 | 100.0% |
| 05 | Hackney | 767,001 | 753,863 | (13,138) | 98.3% |
| 06 | Islington | 1,211,930 | 1,211,930 | 0 | 100.0% |
| 07 | Tower Hamlets | 803,333 | 803,206 | (127) | 100.0% |
| 08 | Hammersmith & Fulham | 1,191,536 | 1,179,454 | (12,082) | 99.0% |
| 09 | Hampton | 1,067,300 | 1,067,422 | 122 | 100.0% |
| 10 | Hounslow | 1,101,670 | 1,108,662 | 6,992 | 100.6% |
| 11 | Kensington | 917,127 | 920,227 | 3,100 | 100.3% |
| 12 | Chelsea | 948,624 | 948,624 | 0 | 100.0% |
| 13 | Spelthorne | 581,125 | 582,625 | 1,500 | 100.3% |
| 14 | Central Barnet | 743,824 | 745,684 | 1,860 | 100.3% |
| 15 | West Barnet | 634,160 | 679,783 | 45,623 | 107.2% |
| 16 | North Camden | 731,990 | 739,610 | 7,620 | 101.0% |
| 17 | South Camden | 707,380 | 704,880 | (2,500) | 99.6% |
| 18 | Enfield | 1,228,047 | 1,205,047 | (23,000) | 98.1% |
| 19 | East Haringey | 399,972 | 401,522 | 1,550 | 100.4% |
| 20 | West Haringey | 514,465 | 503,681 | (10,784) | 97.9% |
| 21 | Brent | 1,020,598 | 1,019,794 | (804) | 99.9% |
| 22/23 | Ealing | 1,814,825 | 1,768,786 | (46,039) | 97.5% |
| 24 | Harrow | 1,605,407 | 1,549,658 | (55,749) | 96.5% |
| 25 | Hillingdon | 957,347 | 934,089 | (23,258) | 97.6% |
| 30 | Ordained Pioneer Ministers | 60,000 | 60,000 | 0 | 100.0% |
| | T O T A L | 22,754,673 | 22,623,759 | (130,914) | 99.4% |



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The London Diocesan Fund includes the Bishop of London's Fund & Associated Organisations.

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Charity Registration Number 241083.
Registered office: as above. VAT Registration Number 444 0847 52.