



July 2010

Martin Bishop
Financial Secretary

Tel: 01727 818133

Fax: 01727 844469

e-mail: mbishop@stalbans.anglican.org

Dear Treasurer

Results for 2009

I have enclosed for your information a summary of the Common Fund Income and Expenditure Account for 2009, (<http://www.stalbans.anglican.org/Resources/Finance/Diocesan-Common-Fund>) in a similar format to the Budget Summaries recently circulated to you. This shows a surplus of £36,000 for the year (as compared to a deficit of £16,000 in 2008) on budgeted expenditure of £12.6m.

Church Commissioners accounts 2009

The Church Commissioners' annual report can be downloaded from:

<http://www.cofe.anglican.org/about/churchcommissioners/annualreport/>

Parish Share 2010

I enclose the latest statement of account that includes an entry showing your Parish Share for the third quarter of the year. Payments received up to **16th July** have also been included.

Budget 2011

For those of you who were unable to attend the recent Archdeaconry Presentations of the 2011 budget, you will find links to the relevant PowerPoint slides, handouts and the other budget papers here:

<http://www.stalbans.anglican.org/Resources/Finance/Diocesan-Common-Fund>, under the heading Common Fund Budget 2011 (Archdeaconry presentations).

Parish Share 2011 provisional figures

(<http://www.stalbans.anglican.org/Resources/Finance/Parish-Share>)

These provisional figures **do not yet include any figures for Pastoral Aid Support grants**, as these will not be finally confirmed until the November meeting of the Diocesan Parish Shares Committee.

The intention behind sending these to you now, is to give an indication of the *potential* level of contributions required for next year. By the time 1st January 2011 comes, your parish share might be a little *lower* than the figure now indicated, *if* it becomes the case that our initial assumptions concerning vacancies and first-post curates are revised in the light of actual developments notified to us. I will therefore be sending out revised figures in early December, once the situation becomes clearer, and also once Pastoral Aid Support grants (see below) have been allocated.

I would be grateful if you could, in particular, review the Usual Sunday Attendance and Electoral Roll figures shown for your parish. These are taken from data provided to us, usually by your parish priest. To date just over 80% of the Mission Statistics forms for 2009 have been returned. In cases where we have yet to receive this form for 2009, we have had to use the same figures as for 2008. If you feel that these figures, which are used in the Church Membership calculation, do not

properly reflect the size and composition of your congregation, then please let either myself or Tony Boon know as soon as possible, as there is a small window of opportunity to correct that data before next year's parish share figures are finalised.

Vacancies

For parishes currently in vacancy, it has been assumed for the purposes of these provisional figures, that an appointment will have been made in time for the start of next year.

First-post curates

For parishes that started to make such a contribution *before* 1 January 2007, the percentage as agreed previously by the Archdeacon will be used in our calculations for 2011. **For those parishes with first-post curates that were priested after 1 January 2007** the contribution rate will now be based on the following table by reference to the number of shares according to the following table:

<u>Shares</u>	Proportion of full annual cost	<u>Additional Stipend Contribution</u>
0-99	15%	£ 4,220
100-199	20%	£ 5,627
200-299	25%	£ 7,033
300-399	30%	£ 8,440
400 or higher	50%	£ 14,067
(Total Annual Cost (@100%)		£ 28,133)

Pastoral Aid Support grants

Parishes seeking financial assistance with their parish share, by applying for a PAS grant, should do so by contacting their Deanery Standing Committee **as soon as possible**. The Deanery Committee, if they decide to recommend such a grant, will then need to forward your application to the Diocesan Office no later than **Friday 29th October**, for consideration by the Diocesan Parish Shares Committee at their meeting in November.

Application forms and guidance notes will be available from your Deanery and can also be downloaded from the Diocesan website at:

<http://www.stalbans.anglican.org/Resources/Finance/Finance-Forms>

Applications will only be considered if this form is duly completed and also if the latest set of annual accounts, annual finance return, and mission statistics form accompany the application, or already have been submitted.

As part of this process, Deaneries may also receive requests from parishes for parish share amounts outstanding for more than three years to be written off. For example, this Autumn the parish shares committee will consider applications to write-off parish share shortfalls relating to 2007 and/or earlier.

Investments

As part of its due diligence procedures, the Diocesan Board of Finance (DBF) investments subcommittee recently undertook a review of its choice of investment manager, to ensure that the objectives of its investment policy are being achieved as comprehensively as possible. The DBF's invested funds are currently valued at just over £17 million.

After receiving tenders from six investment managers, a shortlist of four was invited to make their presentation to the investments subcommittee. After due consideration, the subcommittee proposed to the main Board of Finance that Blackrock should be invited to manage the DBF's invested funds. With respect to sums held on short term deposits, the investment sub-committee proposed that these should continue to be held in the CCLA/CBF Deposit Fund. These recommendations were accepted by the full board of the DBF at its meeting on 8th July.

Distinct from the investments referred to above, the DBF also holds CCLA/CBF investments as *custodian* trustee on behalf of parishes with respect to certain parochial trusts. Investment decisions about these funds are a matter for the PCCs concerned to decide upon, in their capacity as *managing* trustees for these funds. The DBF is not authorised to give any specific investment advice to parishes about such matters, and therefore does not make any specific recommendation to parishes concerning CCLA, Blackrock or any other investment managers or investments.

I would like to emphasise that the Board's recent decision to move its investments to Blackrock, does not cover the investments held in the parochial trust funds. These funds will continue to be held in the present investments subject to any decision that might be taken by individual PCCs at a later date.

ACAT newsletter

I have enclosed a copy of the latest newsletter from ACAT:
(<http://www.acat.uk.com/acat/July%20%202010.pdf>)

Yours sincerely,

Martin Bishop

Encl: 1 - Common Fund Income and Expenditure Summary for 2009; 2 - Parish Share account statement to 16th July 2010; 3 - 2010 Parish Share estimates for your PCC and Deanery; 4 – Latest newsletter from ACAT