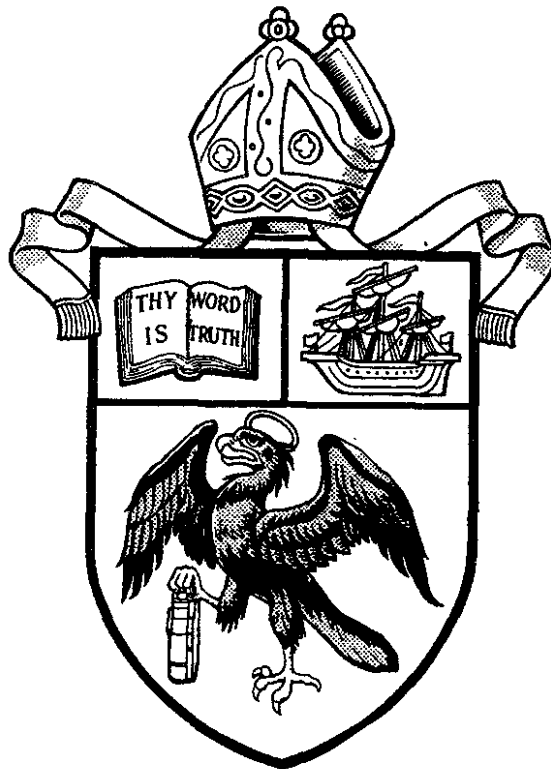


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DIOCESE  
OF  
LIVERPOOL

REPORT AND ACCOUNTS



FOR THE YEAR ENDED 31 DECEMBER  
1998



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## **CHAIRMAN'S REPORT**

These accounts cover the twelve months ending on 31 December 1998. They contain a lot of detail, but I would like to highlight the following :

- We asked Parishes to increase the value of their Assessment payments by 6.5% (just over £180,000) and they again responded magnificently.
- The market value of our investments increased by £1m, reflecting stock market performance.
- We spent £900,000 on housing, reflecting good progress in catching up on the backlog of Quinquennial repairs to parsonages.
- Expenditure on stipends and related costs was lower than expected because clergy numbers were again less than budgeted.
- There were additional costs of nearly £800,000 for clergy pension contributions, offset by a transitional grant of just over £650,000 from the Church Commissioners.
- There was a further reduction in the basic grant from the Church Commissioners of £74,000 compared with 1997.

Overall, the accounts show that total incoming resources fell short of resources expended by just under £300,000 and the good performance of our investments was, therefore, very welcome although there can be no guarantee that the current value will be maintained. The need to increase Assessments above the rate of inflation will continue for the foreseeable future, as we move towards taking on the full cost of clergy pension contributions by 2003 and it is most encouraging to see how well Parishes are responding to that challenge. I am very conscious of the considerable pressure this puts on Parishes and I sincerely thank all those who have worked so hard to ensure that the Assessments requested are paid. In that context, I would again draw attention to the support and advice available from the Christian Responsibility Committee and the Resources Officers.

I am pleased that we are able to report good progress on carrying out repairs required to parsonages. Now that we are within sight of eliminating the backlog on quinquennial reviews there should be some easing of the financial pressures on this part of our budget from 2000 onwards. As regards stipends, we expect costs to be broadly in line with budget in 1999, following the decisions about clergy numbers taken by Diocesan Synod last year.

I referred last year to the impending establishment of an Audit Committee. that is now in place, with Norman Mason as Chairman. the first task they undertook was a review of the arrangements for external audit. As a result of that exercise, Mazars Neville Russell were appointed as our Auditors. They have given us a lot of help with the preparation of the accounts at a time when some of our own staff were away sick and we are very grateful to them for their assistance.

I would also like to put on record my thanks to my colleagues on the DBF, its Executive and sub-Committees for their continuing hard work on behalf of the Diocese. they, in turn, have been very well supported by Keith Cawdron and his staff in Church House.

In summary, our financial position remains sound, but we face several more years during which our internally generated income, notably Assessments, will need to rise faster than inflation as we move to take on the full cost of funding clergy pension contributions. We have made a good start and, with God's help, I am sure we shall succeed.

**Barry Moulton, DBF Chairman.**

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**Constitution and Objects**

Liverpool Diocesan Board of Finance is a Board of Finance established under the Diocesan Boards of Finance Measure 1925. It is a company limited by guarantee and governed by its own Memorandum and Articles of Association. It is a registered charity.

The Board is the Financial Executive of the Diocesan Synod and is required to comply with directions given to it by that Synod. It functions as the Parsonages Board of the Diocese for purposes of parsonages' legislation. Its principle object is to further the interests of the Church of England, mainly, but not exclusively, in the area covered by the Diocese of Liverpool. The Board administers the financial affairs of all Boards and Committees of the Synod and detailed reports on their activities are included in this publication, following the accounts. Its main activities in meeting its objectives are the payment and housing of clergy, the provision of central and advisory services to parishes and church bodies (mainly through employing staff) and contributing to the national work of the Church of England.

The affairs of the Board are conducted by its Executive Committee, who are the Directors of the Company and Trustees of the Charity. All members of the Executive must be members of the Board. At 31 December 1998 the membership of the Executive Committee was as follows:

Chairman:	Mr Barry Moulton	elected by the Board
	Mr Gordon Cooke	- ditto -
	Mr John Fell	- ditto -
	Mr David Mills	- ditto -
	Canon Malcolm Forrest	- ditto -
	Canon Peter Goodrich	- ditto -
	Canon John Roberts	- ditto -
	The Bishop of Liverpool	Ex-officio
	The Bishop of Warrington	- ditto -
	The Archdeacon of Liverpool	- ditto -
	The Archdeacon of Warrington	- ditto -
	Mr Ernie Anderson	Co-opted by the Executive

The Board has sub-committees dealing with parsonage matters, clergy stipends and remuneration, and the management of the Board's investments.

**Review of the Year**

The Statement of Financial Activities shows that resources expended exceeded incoming resources by just under £300,000. This was wholly accounted for by planned use of £300,000 from the Pastoral Account and previous surpluses on parsonage activity to permit an expanded programme of parsonage repairs. This enabled the Board to continue catching up on the backlog of quinquennial repairs and it hopes to have completed this by the end of 1999.

The Trustees' analysis of other activities shows a surplus of some £60,000 on stipends and associated costs compared with a budgeted deficit of £70,000. The change was once again mainly because clergy numbers were lower than budgeted. But numbers in post are now much closer to our budgeted figure so we believe the pattern for several years of large underspends arising for this reason will not be repeated. The accounts show for the first time the effect of Dioceses taking on responsibility for paying pension contributions in respect of serving clergy. This was substantially offset by a temporarily increased grant from the Church Commissioners, but that grant will be phased out over the period up to 2003. The annual increase this will produce in our net expenditure will place great pressure on our finances over the coming years.

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998 (continued)**

Variances from budget on other activities have been carefully monitored by the Trustees over the year. The main factors necessitating a drawing on reserves have been:

- Continued refurbishment of Church House using some £30,000 provided for this purpose.
- Use by the Board for Social Responsibility of £20,000 of restricted funds held for its work to assist a programme of restructuring.
- Use of some £25,000 above budgeted provision to provide support for ordinands in training, made necessary by the increased number of ordinands.

The Board's main source of income continues to be the assessments requested from parishes, and once again the response to our request for sizeable increases (to meet the pensions liability) has been outstanding. We believe the final payment will continue to be well over 99%. This represents a magnificent achievement by parishes in one of the poorest Dioceses in the country, and we pay tribute to *the leadership of clergy and parish officers and the committed giving of church members.*

**Investments**

The deficit on our main activities has been more than offset by gains of £1.0m in the value of our investments. These have been carefully managed by our Assets and Trusts Committee and have benefited from the sizeable growth in the stock market over the year, despite the sharp falls of the autumn. We cannot assume that such gains will necessarily continue and must be prepared for investment values to fall as well as rise.

The Memorandum of Association gives the Trustees power to invest in any investments authorised by law for the investment of trust funds. The Trustees confirm that all investments have been acquired in accordance with their powers and that they follow the ethical investment policy used by the central Church of England bodies.

During 1998 the Trustees approved a new investment policy and, as part of this, applied to the Charity Commission for an order to permit the delegation of investment responsibility to outside investment managers. We intend to place half our non-cash investments with such managers and to invest the other half in the funds managed by the Central Board of Finance.

**Future Plans and Commitments**

The only significant commitment for the future which the Trustees identify as affecting the Board's finances is the rapid increase in the net cost of clergy pension contributions as the temporary extra assistance from the Church Commissioners is phased out. This involves a net cost to the Board of an extra £150,000 each year up to 2003.

The Board also anticipates continuing to use funds from the Pastoral Account to augment its budget for parsonage repairs and (especially) improvements, but expects to fund this from the proceeds of sales of houses which are surplus to requirements. Six such houses were on the market at the end of 1998 following the approval of schemes by the Church Commissioners.

**Significant Changes in Fixed Assets**

As described in note 32, six former parsonage properties have been included in fixed assets at a valuation of £518,000 as the restrictions previously exerted over their equity have been removed and the sale proceeds will ultimately accrue to the Board.

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998 (continued)**

**Changes in Accounting Policies**

Following recommendations from our previous auditors, we have revised our level at which we capitalise fixtures and fittings from £50,000 to £10,000 for the year ended 31 December 1998.

**Prior Period Adjustment**

The comparatives have been restated due to certain investments being omitted from the 1997 accounts. Unrealised gains and investments were understated by £89,196. See Note 23.

Following discussions with the auditors, we have reclassified as cash some of the money held with the Church Deposit fund which was previously classified as investments. The comparatives have been restated to give a consistent view. See note 23.

**Market Value of Land and Buildings**

The land and buildings in the ownership of the Board have not been revalued. The Trustees do not consider the market value to be significantly different from cost.

**Charitable and Political Contributions**

No political contributions were paid during the year. Charitable contributions have been made as part of the Board's objectives.

**Post-Balance Sheet Events**

The Trustees have identified no events which have occurred between 31 December 1998 and the date of signing the annual report which have significantly affected the Charity.

**Trustees' Interest in Shares**

The Board is a company, limited by guarantee (Company Number 18301) and the Trustees, as members, may derive no benefit, income or capital interest, in the Board's financial affairs, other than reimbursement of out-of-pocket expenses. Expenses paid to Trustees for their work as Trustees totalled less than £1,000.

**Taxation Status**

The Board is a registered Charity (Charity Number 249740) and, as such, is not liable to income tax or corporation tax.

**Trustees' Responsibilities for preparing the Financial Statements**

The Trustees are required by UK Company Law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year, and of the income and expenditure of the Company for that period.

The Trustees confirm that they accept as disclosed suitable accounting policies have been used and applied consistently and reasonably, and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1998. The Trustees also confirm that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis.

The Trustees are responsible for keeping proper accounting records, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998 (continued)**

The Trustees confirm that the accounts meet the requirements of the Board's Memorandum and Articles of Association.

**Year 2000**

The Trustees have overseen a full scrutiny of the Year 2000 compliance of all relevant systems. Where this revealed difficulties with such compliance, remedial action has been identified and set in hand.

Assurances have been received about the Year 2000 compliance of the systems of other parties on whose work we depend.

**Funds held on behalf of others**

The Board is Custodian Trustee for Trust Assets with a market value of £7.7m at 31 December 1998. Detailed Certificates of Holdings were sent to Parishes and other Managing Trustees as at December 1998. Most of these Trusts are held on behalf of Parishes whose charitable purposes in the advancement of religion are parallel to those of the Diocese.

**By order of the Executive Committee**



**Keith Cawdron**  
**Diocesan Secretary**

20 May 1999

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**Registered Office**

Church House  
1 Hanover Street  
Liverpool  
L1 3DW

**Advisers**

**Registered auditors**

Mazars Neville Russell  
Regent House  
Heaton Lane  
Stockport  
SK4 1BS

**Solicitors**

Gamon Arden & Co  
Church House  
1 Hanover Street  
Liverpool  
L1 3DW

**Principal Officers**

**Diocesan Secretary**  
**Deputy Secretary for**  
**Finance & Property**  
**Surveyor for Parsonage**  
**Houses**

Mr Keith Cawdron

Mrs Jackie Duck

Messrs Hardcastle & Hogarth

**Bankers**

Lloyds Bank Plc  
Commercial Banking Service Centre  
53 King Street  
Manchester  
M60 2LE

**Brokers**

Rathbone Neilson Cobbold Limited  
Port of Liverpool Building  
Pier Head  
Liverpool  
L3 1NW

Registered Company No: 18301  
Registered Charity No: 249740



**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**Report of the auditors to the members of the  
Liverpool Diocesan Board of Finance**

We have audited the financial statements on pages 8 to 25, which have been prepared following the accounting policies set out on pages 12 to 13.

**Respective responsibilities of directors and auditors**

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

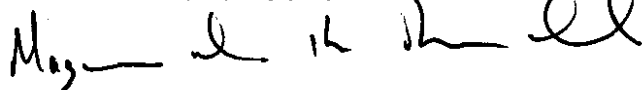
**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1998 and of its net outgoing resources and net movement in funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**MAZARS NEVILLE RUSSELL**  
**Chartered Accountants**  
and Registered Auditors

Regent House  
Heaton Lane  
Stockport  
Cheshire  
SK4 1BS

17 June 1999

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

	Notes	Unrestricted Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	As Restated Total Funds 1997 £
<b>Income &amp; Expenditure</b>						
<b>Incoming Resources</b>						
Parish Assessments	2	3795035	11746	-	3806781	3623569
Church Commissioners	3	1991456	-	-	1991456	1413966
Interest on investments	4	483605	108935	-	592540	539781
Grants	5	-	111560	-	111560	83583
Assigned fees & Chaplaincy income		238426	19200	-	257626	248666
Other income for Boards, Councils, Specific Projects	6	146354	72793	-	219147	223213
<b>Incoming resources from normal activities</b>		<b>6654876</b>	<b>324234</b>	<b>-</b>	<b>6979110</b>	<b>6132778</b>
<b>Gain on sale of fixed assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>339214</b>
<b>Additions to funds</b>	7	<b>1190</b>	<b>36024</b>	<b>-</b>	<b>37214</b>	<b>141070</b>
<b>Total incoming resources</b>		<b>6656066</b>	<b>360258</b>	<b>-</b>	<b>7016324</b>	<b>6613062</b>
<b>Direct Charitable Expenditure</b>						
Stipends, NI, etc	8	4818094	34033	-	4852127	3925332
Housing	9	876509	30774	-	907283	790923
Central church	10	327830	-	-	327830	309670
Boards & councils	11	376886	150176	-	527062	467398
Church House	12	54897	39028	-	93925	91649
Grants & support costs	13	162646	28930	-	191576	187255
Central services	14	109517	-	-	109517	107964
Other		10086	40597	-	50683	45252
<b>Total Direct Charitable expenditure</b>		<b>6736465</b>	<b>323538</b>	<b>-</b>	<b>7060003</b>	<b>5925443</b>
Management and Administration	15	251972	-	-	251972	237598
<b>Total Resources Expended</b>		<b>6988437</b>	<b>323538</b>	<b>-</b>	<b>7311975</b>	<b>6163041</b>
Net (outgoing)/incoming resources before transfers		(332371)	36720	-	(295651)	450021
Transfers between funds	16	42168	(42168)	-	-	-
<b>Net (outgoing)/incoming resources for the year</b>		<b>(290203)</b>	<b>(5448)</b>	<b>-</b>	<b>(295651)</b>	<b>450021</b>
<b>Gains/(Losses) on investments</b>						
Revaluation of Property	32	518000	-	-	518000	-
Realised gain on investments		29588	5819	3704	39111	71239
Unrealised gain on investments		293028	533905	180987	1007920	1070549
<b>Net movement in funds</b>		<b>550413</b>	<b>534276</b>	<b>184691</b>	<b>1269380</b>	<b>1591809</b>
Total funds brought forward at 1 January 1998		3959220	6591293	1913583	12464096	10872287
<b>Total funds carried forward at 31 December 1998</b>		<b>4509633</b>	<b>7125569</b>	<b>2098274</b>	<b>13733476</b>	<b>12464096</b>

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

**BALANCE SHEET**  
**AT 31 DECEMBER 1998**

	Notes	£	1998 £	As restated 1997 £	£
<b>Fixed assets</b>					
Tangible fixed assets	17		1908123	1480884	
Investments	18		11306965	10163896	
			<u>13215088</u>	<u>11644780</u>	
<b>Current assets</b>					
Debtors	19	429714		420756	
Bank and cash		971430		1463798	
		<u>1401144</u>		<u>1384554</u>	
<b>Creditors: amounts falling due within one year</b>	20	101106		195846	
<b>Net current assets</b>			1300038	1688708	
<b>Total assets less current liabilities</b>			<u>14515126</u>	<u>13333488</u>	
<b>Creditors: amounts falling due after more than one year</b>	21		781650	869392	
<b>Net assets</b>			<u>13733476</u>	<u>12464096</u>	
<b>Accumulated funds</b>	22		<u>13733476</u>	<u>12464096</u>	

The financial statements on pages 8 to 25 were approved by the Executive Committee on 20 May 1999 and signed on its behalf by:



**Mr B V Moulton**  
**Chairman**



**Ven C D S Woodhouse**  
**Archdeacon of Warrington and Vice Chairman**

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

	Note	£	1998 £	£	1997 £
<b>Net Cash Flow from Operating Activities</b>	i		(993256)		(335269)
<b>Returns on Investments and Servicing of Finance</b>					
Interest paid		(2563)		(33193)	
Investment income		592540		539781	
			589977		506588
<b>Capital Expenditure and Financial Investment</b>					
Sale of tangible fixed assets		66000		354312	
Sale of fixed asset investments		635416		1729545	
Purchase of fixed asset investments		(697613)		(2365965)	
			3803		(282108)
<b>Management of Liquid Resources</b>					
Staff car loans issued		(23140)		(24465)	
Staff car loans repaid		15156		15799	
Parish and other loans issued		(156320)		(127057)	
Parish and other loans repaid		134393		189167	
			(29911)		53444
<b>Financing</b>					
Loans repaid to Church Commissioners		(65216)		(269315)	
Loans repaid to CBF		(1765)		(1765)	
Loans issued from CBF		4000		-	
			(62981)		(271080)
<b>(Decrease) in cash</b>	ii		<u>(492368)</u>		<u>(328425)</u>

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**i. Reconciliation of income and expenditure to net cash outflow from operating activities**

	1998 £	1997 £
Net movement in funds	1269380	1591809
Interest payable	2563	33193
Investment income	(592540)	(539781)
Profit on disposal of fixed assets	(72952)	(535554)
Gains on investments and property	(1525920)	(1070549)
(Increase)/Decrease in debtors	20953	130375
(Decrease)/Increase in creditors	(94740)	55238
	<u>(993256)</u>	<u>(335269)</u>

**ii. Reconciliation of cash flow to movement in net funds**

	1998 £	1997 £
(Decrease) in cash per cash flow statement	(492368)	(328425)
Cash to repay loans	62981	271080
Cash from repayment of current asset loan	29911	(53444)
	<u>(399476)</u>	<u>(110789)</u>
Loan balance written off by Church Commissioners	24761	-
Change in net funds	<u>(374715)</u>	<u>(110789)</u>
Net funds at 1 January 1998	855038	965827
Net funds at 31 December 1998	<u>480323</u>	<u>855038</u>

**iii. Analysis of changes in net funds**

	At 1/1/98 £	Cash flow £	Non cash flow £	At 31/12/98 £
Cash in hand and at bank	1463798	(492368)	-	971430
Creditors loans	(869392)	62981	24761	(781650)
Current asset investment	260632	29911	-	290543
	<u>855038</u>	<u>(399476)</u>	<u>24761</u>	<u>480323</u>

**LIVERPOOL DIOCESAN BOARD OF FINANCE**  
**(A company limited by guarantee and not having a share capital)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**1. (a) Accounting policies**

The company has taken advantage of adapting its own arrangements of the headings and sub-headings of the financial statements due to the special nature of its business in accordance with Section 3(3) of Schedule 4 of the Companies Act 1985.

The financial statements have been prepared in accordance with the four fundamental accounting concepts, applicable accounting standards in the United Kingdom and the charities statement of recommend practice. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**(b) Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

**(c) Donations and legacies**

All legacies are included in the Statement of Financial Activities unless incapable of financial measurement. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised as incoming resources when receivable. All such income is brought into account at either the amount actually realised, or a reasonable estimate of their value.

**(d) Grants payable and receivable**

Grants received for restricted purposes are accounted for as restricted funds. They are not recognised until the conditions for receipt have been complied with. Grants restricted to future accounting periods are deferred and recognised in future accounting periods. Grants payable are recognised as a liability when the obligation arises to make a transfer of value to a third party.

All grants payable are made to parishes in the Diocese unless specifically stated in note 13.

**(e) Expenditure**

All expenditure is included in the Statement of Financial Activities as soon as it is incurred or the expenditure becomes unavoidable.

**(f) Investment assets and income arising**

The Board of Finance holds investments for itself and on behalf of parishes and other charities. Investments, and their associated income are only recognised where the Board is investment custodian, investment managers and the beneficiary.

Investments are shown at market value, or at the trustees best estimate of such. For quoted investments, the market value is based on an external valuation provided by Rathbone Neilson Cobbold. All unquoted investments are held with, and valued on the basis of information provided from the Central Board of Finance. Glebe Property is included in this year at insured value as a reasonable estimate of value. Glebe Land has not been included because of the cost of carrying out such a valuation. However it is the intention of the Directors to address this matter for future years with the Diocesan Glebe Agent.

Dividends and interest are included in the financial statements when received and gross of recoverable taxation.

Realised gains on investments are reinvested where appropriate. Both realised and unrealised gains are disclosed in the Statement of Financial Activities.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**(g) Fixed assets**

All property acquired post January 1972 has been capitalised. All fixtures and fittings costing less than £10,000 are expensed and not capitalised. In accordance with FRS 5 property is only recognised when substantially all of the risks and benefits associated with the property rest with the Diocesan Board of Finance (see note 32).

Property is held in the balance sheet at cost. Six former parsonage houses have been included in the balance sheet at open market value (see note 32).

Profits or losses arising on the sale of property are appropriated to the accumulated capital account, or passed to the Church Commissioners in the case of Value Linked Loan property.

Depreciation is not provided on buildings or value linked loan property as it is the company's policy to maintain the buildings in a state of good repair, and the directors consider that the life of the properties and their residual values are such that depreciation is not significant.

Depreciation on fixtures and fittings costing more than £10,000 is provided on a straight-line basis over 5 years for general fixtures and fittings, and over 3 years for computer equipment.

All fixed assets are held for continuing use in the charity's activities and are therefore classified as fixed assets for charitable use.

**(h) Netting off of expenses and income**

All incoming resources are reported gross, as far as is possible. Income received in circumstances where a claim for repayment of tax has been or will be made, is grossed up for the tax recoverable and the gross figure included as income.

**(i) Designated funds**

Designated funds are used for their intended purpose. Any transfers to or from designated funds are subject to authorisation controls.

**(j) The Boards**

In accordance with the Diocesan Boards of Finance Measure 1925 and the standing orders of the Diocesan Synod passed under the Synodical Government Measure 1968, the Board of Finance operates current accounts for other boards and related activities to which, in most cases, the Synod has allocated specified sums of money.

In order to comply more closely with Statement of Recommended Practice number 2 these accounts represent the consolidated results of all seven Boards, thus all interboard transfers have been fully eliminated.

**(k) Reserves**

Accumulated capital is the amount transferred from general reserve, profits less losses on sale of fixed assets and investments, legacies and gifts received for capital purposes. The general reserve is the total accumulated surplus less deficits for the Board of Finance.

Restricted funds are subject to specific conditions either imposed by the donor and binding on the Board or linked to the basis on which money was obtained. They represent unspent restricted income and/or assets to which restrictions as to their use apply.

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**2. Parish assessments**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Stipends	2544000	-	-	2544000	2384000
General	1251035	-	-	1251035	1228938
Church inspection	-	11746	-	11746	10631
	<u>3795035</u>	<u>11746</u>	<u>-</u>	<u>3806781</u>	<u>3623569</u>

**3. Grants from Church Commissioners**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Commissioners allocation	1307597	-	-	1307597	1381466
Transitional relief – pension contributions	650577	-	-	650577	-
Grant for curates' stipends	19383	-	-	19383	19383
Legal services	13899	-	-	13899	13117
	<u>1991456</u>	<u>-</u>	<u>-</u>	<u>1991456</u>	<u>1413966</u>

**4. Investment income**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds As restated 1997 £
Stipends	310447	24311	-	334758	285780
DBF General Fund	167624	19647	-	187271	196663
Board of Education	-	42519	-	42519	29959
Board for Social Responsibility	-	14156	-	14156	13649
Church House	-	6761	-	6761	7126
Parsonages	5534	-	-	5534	5712
Board of Ministry	-	1541	-	1541	892
	<u>483605</u>	<u>108935</u>	<u>-</u>	<u>592540</u>	<u>539781</u>

Investment income represents income receivable from:

	£	£
Quoted investments	155101	169660
Unquoted investments	256065	301480
Loans and deposits	181374	68641
	<u>592540</u>	<u>539781</u>



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**5. Grants**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
National Lottery for UPA Adviser	-	18391	-	18391	-
Advisory Board for Ministry	-	11964	-	11964	13813
Local authorities for BSR	-	18342	-	18342	14596
Other BSR	-	19500	-	19500	8000
Local authorities for Youth Dept	-	10080	-	10080	9001
Other grants for Education	-	258	-	258	5314
Marshalls Charity for Parsonages	-	24025	-	24025	24359
C of E Stipends Trust	-	9000	-	9000	8500
	-	111560	-	111560	83583

**6. Other income for board and councils**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Board of Ministry	6638	4773	-	11411	1932
Board for Mission and Unity	-	2607	-	2607	4607
Stipends	30664	5833	-	36497	23958
Parsonages	-	6749	-	6749	29071
DBF General Fund	92689	-	-	92689	64470
Board of Social Responsibility	-	3506	-	3506	5254
Board of Education	-	4500	-	4500	6498
Church House	12605	-	-	12605	15340
Other income for specific projects	3758	44825	-	48583	72083
	146354	72793	-	219147	223213

**7. Additions to funds**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
DBF General Fund	1190	1683	-	2873	8670
Board of Social Responsibility	-	500	-	500	4299
Board of Education	-	33841	-	33841	84075
Pastoral Account	-	-	-	-	3000
DSF Capital	-	-	-	-	41026
	1190	36024	-	37214	141070

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**8. Stipends**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Clergy stipends	3694243	-	-	3694243	3543524
Clergy pension contributions	780693	-	-	780693	-
National Insurance	234767	-	-	234767	216722
Resettlement/removal grants etc	96573	-	-	96573	120581
Administration and other costs	11818	34033	-	45851	44505
	<u>4818094</u>	<u>34033</u>	<u>-</u>	<u>4852127</u>	<u>3925332</u>

**9. Housing**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Parsonage repairs	611257	-	-	611257	379604
Parsonage improvements	31385	30774	-	62159	130923
DBF houses	71101	-	-	71101	102604
Insurance	54048	-	-	54048	51286
Loan/interest payments	27563	-	-	27563	33193
Surveying and administration costs	81155	-	-	81155	93313
	<u>876509</u>	<u>30774</u>	<u>-</u>	<u>907283</u>	<u>790923</u>

**10. Central church**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
National Church responsibilities	170850	-	-	170850	144000
Clergy Training	156980	-	-	156980	165670
	<u>327830</u>	<u>-</u>	<u>-</u>	<u>327830</u>	<u>309670</u>

**11. Boards and councils**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Board of Ministry	80697	17757	-	98454	93276
Board for Social Responsibility	116769	55504	-	172273	137035
Board for Mission and Unity	40233	1168	-	41401	44759
Resources Department/UPA Adviser	78852	18391	-	97243	66652
UPA Officer	320	-	-	320	5314
Board of Education	60015	57356	-	117371	120362
	<u>376886</u>	<u>150176</u>	<u>-</u>	<u>527062</u>	<u>467398</u>

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**12. Church House**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Refurbishment costs	-	32267	-	32267	34231
Operating costs	54897	6761	-	61658	57418
	<u>54897</u>	<u>39028</u>	<u>-</u>	<u>93925</u>	<u>91649</u>

**13. Grants and support costs**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Grants to ordinands	53718	19647	-	73365	52053
MARCEA	12025	-	-	12025	12025
UPA Parish Housing	11675	-	-	11675	12050
MITE	9900	-	-	9900	9900
CARE	8600	-	-	8600	8300
Foxhill Conference Centre	1000	-	-	1000	1000
World Development Movement	440	-	-	440	600
Area Dean's expenses	17000	-	-	17000	17000
General Synod Members expenses	7546	-	-	7546	6384
Other DBF grants	40742	-	-	40742	57273
Inspection of churches	-	9283	-	9283	10670
	<u>162646</u>	<u>28930</u>	<u>-</u>	<u>191576</u>	<u>187255</u>

**14. Central services**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
DBF	24238	-	-	24238	25947
Legal and professional fees	46619	-	-	46619	44102
Pastoral Committee	18538	-	-	18538	18312
Buildings Adviser	12900	-	-	12900	12900
Diocesan Synod	5526	-	-	5526	5000
Diocesan Advisory Committee	1696	-	-	1696	1702
	<u>109517</u>	<u>-</u>	<u>-</u>	<u>109517</u>	<u>107964</u>

**15. Management and Administration**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
DBF salaries & other overheads	241397	-	-	241397	225598
Audit fees	10575	-	-	10575	12000
	<u>251972</u>	<u>-</u>	<u>-</u>	<u>251972</u>	<u>237598</u>

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**16. Transfers**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Board for Social Responsibility	24369	(24369)	-	-	-
Communications Committee	3486	(3486)	-	-	-
Church Urban Fund	9680	(9680)	-	-	-
Board of Mission and Unity	4633	(4633)	-	-	-
	<u>42168</u>	<u>(42168)</u>	<u>-</u>	<u>-</u>	<u>-</u>

The transfers relate to those restricted funds where current year expenditure exceeded income and therefore the excess is funded from balances brought forward.

**17. Tangible fixed assets**

	Freehold Land & Buildings £	VLL Property £	Fixtures & Fittings £	Total Funds 1998 £
<b>Cost</b>				
At 1 January 1998	342817	1167188	2222	1512227
Revaluation (see note 32b)	518000	-	-	518000
Disposals	-	(90761)	-	(90761)
<b>At 31 December 1998</b>	<u>860817</u>	<u>1076427</u>	<u>2222</u>	<u>1939466</u>
<b>Depreciation</b>				
At 1 January 1998	29121	-	2222	31343
Charge for year	-	-	-	-
Disposals	-	-	-	-
<b>At 31 December 1998</b>	<u>29121</u>	<u>-</u>	<u>2222</u>	<u>31343</u>
<b>Net book value</b>				
At 31 December 1998	<u>831696</u>	<u>1076427</u>	<u>-</u>	<u>1908123</u>
<b>Net book value</b>				
At 31 December 1997	<u>313696</u>	<u>1167188</u>	<u>-</u>	<u>1480884</u>

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**18. Fixed asset investments**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	As restated Total Funds 1997 £
<b>Quoted</b>					
Market value at 1 January 1998	1362840	911404	1583254	3857498	2668626
Additions	208034	-	22817	230851	1216132
Disposals	(79928)	(257160)	(225376)	(562464)	(478095)
Net unrealised investment gains	233019	43575	125042	401636	450835
<b>Market value at 31 December 1998</b>	<b>1723965</b>	<b>697819</b>	<b>1505737</b>	<b>3927521</b>	<b>3857498</b>
<b>Unquoted</b>					
Market value at 1 January 1998	504178	5471890	330330	6306398	5591963
Additions	2655	257845	206262	466762	1149833
Disposals	-	-	-	-	(1055112)
Net unrealised investment gains	60009	490330	55945	606284	619714
<b>Market value at 31 December 1998</b>	<b>566842</b>	<b>6220065</b>	<b>592537</b>	<b>7379444</b>	<b>6306398</b>
<b>Total market value at 31 December 1998</b>	<b>2290807</b>	<b>6917884</b>	<b>2098274</b>	<b>11306965</b>	<b>10163896</b>
Historical cost of investments		1998 £		1997 £	
Quoted		2397265		2726159	
Unquoted		3128112		3469836	
		<b>5525377</b>		<b>6195995</b>	

Fixed asset investments include Glebe Property at a valuation based on insurance values of £355053 (1997: £334,375). No valuation has been included for Glebe Land because of the cost of carrying out such a valuation. However, it is the intention of the Directors to address this matter for future years, in consultation with the Diocesan Glebe Agent.

**19. Debtors**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Parish quota	38752	-	-	38752	47909
Sundry debtors	124464	-	-	124464	117547
Parish and other loans	223922	27905	-	251827	229900
Prepayments	14671	-	-	14671	25400
	<b>401809</b>	<b>27905</b>	<b>-</b>	<b>429714</b>	<b>420756</b>

All loans to parishes are interest free. Other loans comprise car loans of £38,716 (1997: £30,732) on which a 5% (1997 3%) interest rate is charged.

Debtors include the following balances due after more than one year.

	Total Funds 1998 £	Total Funds 1997 £
Sundry debtors	24913	19092
Parish and other loans	163721	128571
	<b>188634</b>	<b>147663</b>

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**20. Creditors: amounts falling due within one year**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Sundry creditors	85744	1200	-	86944	180339
Taxation and social security	14162	-	-	14162	15507
	<u>99906</u>	<u>1200</u>	<u>-</u>	<u>101106</u>	<u>195846</u>

**21. Creditors: amounts falling due after more than one year**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	Total Funds 1997 £
Loans from Church Commissioners	623063	-	-	623063	725461
Parish/other shares in equity property	142582	-	-	142582	130160
Loans from CBF	-	16005	-	16005	13771
	<u>765645</u>	<u>16005</u>	<u>-</u>	<u>781650</u>	<u>869392</u>

Loans from Church Commissioners are secured on value-linked loan properties, included in fixed assets and are repayable on the sale of the property. No other security has been given for any creditors.

Included in the above are the following amounts due after more than 5 years.

	1998 £	1997 £
Loans from CBF	<u>8250</u>	<u>5525</u>

**22. Accumulated funds**

	General Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £	As Restated Total Funds 1997 £
DBF	1818921	39961	-	1858882	1823330
Board of Ministry	46348	13415	-	59763	54116
Board for Social Responsibility	-	234102	-	234102	243397
Parsonages Committee	(116709)	157116	-	40407	101646
Stipends Committee	1417054	829934	-	2246988	1912506
Board of Education	-	853626	-	853626	784827
Church House	-	115789	-	115789	130425
Church Repair fund	456766	-	-	456766	446801
Glebe Property	-	355053	-	355053	334375
Pastoral Account	849595	-	-	849595	581051
DSF Capital	-	3734950	-	3734950	3415329
Trusts	37658	791623	2098274	2927555	2636293
	<u>4509633</u>	<u>7125569</u>	<u>2098274</u>	<u>13733476</u>	<u>12464096</u>

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**23. Prior Period Adjustment**

	Unrestricted Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 1998 £
Inclusion of investments previously understated:				
Camm Bequest	-	-	53064	53064
Ordination Candidates	-	-	36132	36132
	<u>-</u>	<u>-</u>	<u>89196</u>	<u>89196</u>

In addition to the above, comparatives have been amended to reflect the correct analysis of the General Deposit Fund and the Pastoral Deposit Fund as cash rather than investments. The amount now included in bank and cash is £923,583 (1997 £1,081,051)

**24. The surplus for the year is after charging:**

	1998 £	1997 £
Auditors' remuneration	<u>10575</u>	<u>12000</u>

**25. Directors' emoluments**

No emoluments have been paid from Board funds to any members of the Board of Finance.

**26. Employees information**

The average number of persons employed by the company during the year was:

	1998 Number	1997 Number
Full time	24	24
Part time	16	15
	<u>40</u>	<u>39</u>
	£	£
<b>Staff costs (for the above persons)</b>		
Wages and salaries	502661	457440
Social Security costs	34716	31146
Other pension costs (Note 27)	73846	69063
	<u>611223</u>	<u>557649</u>

The above staff costs are allocated to the respective Boards and Committees of the Diocesan Board of Finance.

**27. Capital commitments**

At 31 December 1998, the Board had committed to expenditure of £190,033 for Parsonage quinquennial repairs in the forthcoming year.

**28. Guarantees**

The Board has given guarantees to Lloyds Bank plc of £270,688 (1997: £185,688) in respect of overdrafts granted to parishes.

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**29. Pensions**

**(a) Staff Pensions**

The Employer participates in the Church of England Defined Benefits Scheme section of the Church Workers Pension Fund (the Fund), a pension scheme administered by the Church of England Pensions Board to provide benefits based on final pensionable salaries. The assets of the Fund are held separately from those of the Employer.

The contributions have been assessed by a qualified actuary using the Projected Unit Credit method of valuation. The principal assumptions were that the return on assets would be 2% per annum higher than the increase in pensionable salaries, and 4½% per annum higher than the increases to pensions in payment.

A full valuation of the Fund was undertaken as at 31 December 1995 and the actuarial position was reassessed. The pension cost for the year as shown in this statement is equal to the contributions being paid by the Employer. As at 31 December 1995 the market value of the assets attributable to the Employer's section amounted to £708,883. Their contribution rate was reassessed at that date by the Fund's actuary, and the Employer's section was shown to be in surplus. The contributions will be adjusted to allow for this surplus to be amortised over the future working lives of members, commencing 1 January 1997.

Pensions in payment under this arrangement are entitled to annual increases of the lesser of 5% per annum of the rise in the RPI and so increases of 2.1%, 3.6% and 3.2% were granted on 1 January 1997, 1 January 1998 and 1 January 1999 respectively.

A full valuation of the Fund is being undertaken as at 31 December 1998.

**(b) Clergy Pensions**

With effect from 1 January 1998, diocesan clergy became members of the new Church of England Funded Pensions Scheme, which provides benefits on a defined benefit basis. This Scheme provides that part of their pension that relates to pensionable service after 1 January 1998 and the Scheme's assets are held independently of the diocese or other Responsible Bodies. Pensions in respect of pensionable service before 1 January 1998 will be paid by the Church Commissioners under the previous arrangements.

The first valuation of the Scheme will be carried out as at 31 December 2000. Pension costs are assessed in accordance with the advice of independent qualified actuaries.

The diocese is required to contribute to the new Scheme at the rate of 21.9% of the National Minimum Stipend for the preceding year. For 1998, the total contributions were £780,693. For the period 1998 to 2003 a reducing proportion of this contribution will be met by the Church Commissioners under a transitional relief procedure. For 1998 this percentage was 83½%.

The above contribution rate was determined using the projected unit method and the following financial assumptions:

Investment return	8½% per annum
Increase in pensionable stipends	5% per annum
Increase in pensions	5% per annum



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**30. Analysis of net assets between funds as at 31 December 1998**

	Tangible fixed assets £	Investments £	Net Current assets £	Liabilities £	Total £
Board of Ministry		13015	400	-	13415
Board for Social Responsibility		243842	(9740)	-	234102
Parsonages Committee		157116	-	-	157116
Stipends Committee		718720	111215	-	829934
Board of Education		768576	101054	(16005)	853725
Church House		165582	(49793)	-	115789
Albert Dock Project		-	857	-	857
Partners in Mission		-	6188	-	6188
Inspection of Churches		-	23030	-	23030
Church Watch		-	2944	-	2944
Lay Swanwick Conference		-	(742)	-	(742)
Fellfield		-	5941	-	5941
Halewood Listening Ear		-	1537	-	1537
Iona Pilgrimage		-	206	-	206
Church Commissioners		3734950	-	-	3734950
Glebe property		355053	-	-	355053
Christian Evidence		6993	-	-	6993
Board of Divinity Lectureship		702	409	-	1111
Video Fund		25513	(5258)	-	20255
St Agnes Approved School		6559	9806	-	16365
Ann Heaton		10454	225	-	10679
St Mary's Home		3853	-	-	3853
BSR Wethered Fund		268	-	-	268
Lancs & Cheshire Child Adoption		6933	-	-	6933
Foxcroft & Gibbons Bequest		11511	(203)	-	11307
Church Schools Common Fund		15260	-	-	15260
Children's Council		6492	-	-	6492
Camm Bequest		551223	(15199)	-	536024
Canon Myers Bequest		167448	-	-	167448
Cheetham Bequest		2547	-	-	2547
Diocesan Deaconess		2405	-	-	2405
Crane Legacy		1213851	17272	-	1231123
Farrington Bequest		596	-	-	596
Stipends Endowment Fund		430444	18803	-	449248
Church Urban Fund		29363	(11698)	-	17665
J C Eckersley		1602	(1)	-	1601
St Deiniol		3970	-	-	3970
Ordination Candidates		338047	6532	-	344579
Benefice Augmentation Fund		23270	9906	-	33176
	-	9016158	223690	(16005)	9223843
Designated/unrestricted funds	1908123	2290807	1076348	(765645)	4509633
	1908123	11306965	1300038	(781650)	13733476

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**31. Endowments**

	As Restated Balance 1 January 98 £	Movement in Funds		Balance 31 December 98 £
		Incoming resources £	Gains/(losses) and transfers £	
Christian Evidence	6590	-	403	6993
Camm Bequest	474396	-	24451	498847
Diocesan Deaconess House	2105	-	300	2405
Crane Legacy	1084387	-	126710	1211097
J C Eckersley	1494	-	108	1602
St Deiniol	3774	-	196	3970
Ordination Candidates Fund	318807	-	21377	340184
Benefice Augmentation Fund	22030	-	11146	33176
	<u>1913583</u>	<u>-</u>	<u>184691</u>	<u>2098274</u>

The Camm bequest was established in 1955 in the will of Reverend Arthur Camm for the erection, fitting and furnishing of a Church or Chapel of Ease. Part of the funds were used to help finance the cost of a new church Kew, St Francis. The balance represents the amount held pending for future work. Interest arising on the fund is used towards the cost of stipends.

The origins of the Crane bequest are uncertain and the Trustees consider it prudent to treat it as a permanent endowment. No funds have been expended from the bequest but interest earned on the funds have been applied to stipends.

Ordination Candidates Funds represent an accumulation of a number of donations given over a period of years. No capital has been expended but interest earned is applied and used towards the cost of ordinands in training.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**32. Parsonage Properties**

- (a) The following parsonage properties have been excluded from the balance sheet as the Trustees feel that the restrictions placed by the Church Commissioners on the sale of the properties removes substantially the benefits associated with ownership.

231 houses, at an insured value of £39,965,498 (as at 31 December 1998).

- (b) The following former parsonage houses have been included in the balance sheet as the restrictions over their sale have been removed.

Six houses at an open market value provided by the directors at £518,000 (as at 31 December 1998).

Since the year end, three of the above houses have been sold at their open market values of £130,000, £30,000 and £66,000.

## **DIOCESAN BOARD OF FINANCE**

**CHAIRMAN**  
**VICE CHAIRMAN**  
**SECRETARY**

Mr. B. Moulton  
 Archdeacon of Warrington  
 Mr. K.W. Cawdron

### **EX OFFICIO**

Bishop of Liverpool  
 Bishop of Warrington  
 Dean of Liverpool  
 Archdeacon of Liverpool  
 Archdeacon of Warrington  
 The Chancellor  
 Diocesan Registrar

### **BISHOP'S NOMINEES**

Mr. B. Moulton

### **DIOCESAN SYNOD REPRESENTATIVES**

Mr. C. Pye  
 Mr. N.W. Hope

### **DEANERY REPRESENTATIVES**

#### **SEFTON**

Vacancy  
 Mr. D. Miller

#### **ST. HELENS**

Rev. K. Still  
 Mr. E. Anderson

#### **BOOTLE**

Rev. C.H. Jones  
 Vacancy

#### **NORTH MEOLS**

Rev. M. J. Duerden  
 Mr. J. Fell

#### **WEST DERBY**

Rev. T. Latham  
 Mr. D. Stalker

#### **ORMSKIRK**

Canon P. Goodrich  
 Mr. D. Burgess

#### **WALTON**

Vacancy  
 Mr. K. Mottram

#### **WINWICK**

Rev. B. Clark  
 Mr. W.A. Wynne

#### **LIVERPOOL NORTH**

Vacancy  
 Mr. J. Garner

#### **WARRINGTON**

Rev. S. Parish  
 Mr. J. Bentley

#### **LIVERPOOL SOUTH**

Canon J.V. Roberts  
 Mr. J. Johnson

#### **WIDNES**

Rev. T. Jones  
 Mrs. M. Hill

**TOXTETH AND WAVERTREE**

Vacancy  
Mr. G. Quarless

**WIGAN EAST**

Canon K.M. Forrest  
Mr. D. Mills

**HUYTON**

Vacancy

**WIGAN WEST**

Rev. W. H. Harrington  
Mr. G. A. Cooke

**METHODIST OBSERVERS**

Rev. N. Stubbens

**DBF EXECUTIVE COMMITTEE**

CHAIRMAN : Mr. B. Moulton  
VICE CHAIRMAN : Archdeacon of Warrington

**EX OFFICIO**

The Bishop of Liverpool  
The Bishop of Warrington  
The Archdeacon of Liverpool

**ELECTED**

Canon K. M. Forrest  
Canon J. V. Roberts  
Canon P. Goodrich  
Mr. G. A. Cooke  
Mr. J. Fell  
Mr. D. Mills

**CO-OPTED**

Mr. E. Anderson

**IN ATTENDANCE**

SECRETARY : Mr. K. W. Cawdron  
REGISTRAR : Mr. R. H. Arden  
DEPUTY SECRETARY : Mrs. J. Duck

## STAFFING

At the end of 1998, the DBF was employing **22** full-time and **17** part-time staff. This compared with **23** full-time and **16** part-time staff at the end of 1997.

Within these figures, the following changes took place :

- Julian Hollywell was appointed as UPA Development Officer in the Resources Department. This is a 3-year appointment, funded mainly by a grant from the National Lottery Charities Board.
- Steve Little was appointed to a 1-year post within the BSR to work on the Diocesan contribution to the Government's New Deal for 18-14 year-olds. After the end of 1998, this appointment was extended for a further 3 years, not least because a grant was obtained from the Church Urban Fund.
- In the light of major re-organisation within the BSR Ute Jaekel was made redundant from her post as Director of Social & Community Work.
- Rachel Lindsay left her full-time post as Secretary to Archdeacon of Warrington and Assistant Secretary to Bishop of Liverpool. During 1998 Claire Hughes replaced her as part-time Secretary to the Archdeacon of Warrington, but also left. This post was vacant at the end of 1998.
- At her own request, Kath Rogers's hours of work as Senior Resources Officer were reduced slightly, thus moving her from a full-time to part-time employment.
- Joyce Whittington left the very part-time post as Secretary with the Advisory Group on Local Ministry Teams in order to have a baby. She was replaced by Marie Ball.

The table showing the division of staff between different areas is below:

	Full-Time	Part-Time
DBF/Synod/DAC/Pastoral/ Parsonages/Stipends	6	3*
Resources Department / Covenants	3	2
Church House	2	1
Print Unit	1	1
Support for Archdeacons and Bishops	1	1
BSR/Industrial Mission/LNSM	6	5*
Education/Youth	3	1
Ministry	-	1
Development for Mission	-	1
	22	17

- One part-time member of staff divides her responsibilities between two areas. She is shown against both sections. That is why the total employed is different from the figures in the column.

It should be noted that these figures exclude clergy and accredited lay ministers (e.g. the Directors of Laity Development and Education). They also exclude those who are self-employed (e.g. CUF Projects Adviser), professional firms paid a fee (e.g. our Parsonage Surveying firm), and those employed by bodies other than the DBF. We are particularly grateful to the Church Army who employ and largely fund 2 posts within the BSR: Officers for Disabilities (Ruth Reed) and Housing & Homelessness (Ralph Upton).

The following table indicates the salary paid to different members of staff as at 31 December 1998:

	Full-Time	Part-Time
£30,000-£40,000	1	-
£25,000-£30,000	-	-
£20,000-£25,000	5	-
£15,000-£20,000	4	1
£10,000-£15,000	11	2
£5,000-£10,000	1	11
£0-£5,000	-	3
<b>TOTAL STAFF</b>	<b>22</b>	<b>1</b>

Keith Cawdron, *Diocesan Secretary*



## MOTHERS' UNION

We began a new triennial in 1998 and welcomed 3 new members to the Trustee Board: Barbara Packer, Dorothy Jenkinson and Sheila Turton. We had just under 4,000 members in 111 Branches. We were very pleased that the Branch at St. Philip & St. Paul's Church in Southport was re-opened in September.

The highlight of the year was the visit of our World Wide President, Lady Earnes. She was the keynote speaker at a Conference for Branch Leaders and younger members. She saw displays about the projects with which members are involved and met many older and "indoor" members at St. Bartholomew's Church, Roby, where she also addressed a meeting of over 100 clergy and spouses.

In July we welcomed 4 Diocesan Presidents of our link Dioceses in Nigeria and Burma. They were able to share in the World Church Weekend Service and to meet members from all over the Diocese. Their visit has greatly strengthened the link that we share through the "Wave of Prayer" which falls on our 6 Dioceses from 11-15 May each year. Grants were given to our Nigerian links for their projects with less educated and unemployed women and to Burma for their tailoring and dressmaking projects.

Training sessions for the new Deanery Presidents were held early in the year. Branch programmes were studied by the Admin. Unit to see if they were fulfilling the aims and objects of the Mothers' Union. It was found that on the whole they were. The Diocesan Treasurer managed to consolidate all the Branch Accounts into the Diocesan Accounts.

Branches took part in National Marriage Week by holding special services or putting on displays in their Parishes. We continued to affirm the St. Paul's Family Support Project in Fazakerley, and in Rainford 10 members became "adopted grannies" to a family who had triplets and no family support nearby. Many members knit premature baby clothes, woolly hats for street children and "Teddies for Tragedies" and others provide sponge bags and toiletries for emergency hospital patients and for the homeless and unemployed. The latter are distributed via Capt. Ralph Upton (BSR). 9 families were given holidays through the "Away-form-it-all" holiday scheme. Some members are involved in the family centres at Rislely and Walton prisons. The Child Contact Centre changed premises to Hunts Cross, in the autumn.

A Diocesan Quiet Day was held at Upholland and members were involved in training to use the resource "In Touch with God". The Diocesan Festival Service was held in the Cathedral, at which the Diocesan Officers were commissioned by Bishop John.

Interest was shown in the Mothers' Union after the BBC2 programme in the "Modern Times" series entitled "The Godmothers". Ways of promoting Diocesan Membership among working women was considered. Sales of MU literature topped £17,000, making Liverpool one of the most successful Units in the country.

**Jennifer Robinson - Diocesan President**



#### BOARD OF EDUCATION

The Board held its statutory number of meetings and discussed the response to the Bishop's Council Evaluation document of its work. One successful meeting consisted of a panel of various professional educationalists who answered questions from the floor.

The 'Youth Apart' report was debated as was the provision of a Diocesan Children's Officer and future work amongst children. The provision for Early Years was introduced by Christine Jackson of Sefton Local Education Authority which did much to improve our understanding of the need to establish early years forums in each local education area. And lastly but by no means least the Board was introduced to the mysteries of the new School Standards and Framework Act which received Royal Assent in July 1998.

**Schools Committee Report 1998** The Committee met on ten occasions and much of its time was given to consideration of the 1998 School Standards and Framework Act and its implications for Church Schools. The Act is devoted to improving standards and sets out a new schools framework, the creation of Education Development Plans, School Organization Committees, Early Years Development Partnerships and Reduction of Infant Class Sizes. All our Schools will require new Instruments of Government (having consulted the Diocese) and all have had to opt for one of the new school categories. All this legislation was

interpreted for the members by the Diocesan Director and the Schools Officer so that the Committee was able to make judgements, offer advice and respond to LEA and DFEE initiatives with confidence when required to do so.

The Committee continues to be represented on all the Local Education Authorities, including the new unitary authorities in Warrington and Halton. Thus members were familiar with the proposals for post 16 Education in Liverpool and with the on-going primary review in Knowsley.

Reports are received on Local Education Authorities at each of the Committee's meetings.

Members have been pleased to note the proposed building enlargement of Childwall Primary School and the approval of the new nurseries at Cronton and St Lawrence Kirkdale, as well as a new infant department at Highfield St Matthew. They have also approved a number of minor works schemes at Archbishop Blanch School, The Deanery High School, Wigan and Ainsdale C.E. Primary School. Consideration has also been given to the proposed Asset Management Plan for school buildings as well as the proposal for changes to the admissions policies of Church Schools, particularly in the light of recent legal judgement in Rotherham. Two other important features of the year have been our presentation and seminars on church school issues - over six weeks - to new Incumbents, as well as the day conference of C.A.R.E. on developing school race policies, at which the Committee was represented by its Chairman Trevor Williams.

While these topics have been the most significant in the year's work, the Committee continues to give routine support to schools in special measures and approves the advice that is available at all times from the Director and Schools Officer to any School Governor or Headteacher who may need guidance on legal, financial, educational or buildings problems. As always, the members' work is facilitated by the preparation and administration of Canon David Woodhouse and Graham Massey to whom the Committee is indebted for their attention and commitment at all times.

**Teachers' Committee** This Committee has met on a regular basis throughout the year and dealt with a wide variety of issues relating to Church Schools. The Committee has responded to invitations received from head teachers, governing bodies and clergy to advise them of the correct procedures for implementing appropriate religious education and collective worship.

The Director of Education runs a series of workshops once a year for clergy who are newly appointed to parishes with a Church School. Members of the Committee lead workshops on such diverse subjects as Denominational Education/Collective Worship and Admissions/Appeals for Church Schools. These workshops help to create links between Church, School and Diocese and are well supported.

The INSET co-ordinator Joan Stein continues to visit schools, mainly in the primary sector to discuss their training requirements and to advise generally on matters relating to Church Schools.

Advice has been given on preparation of mission statements, planning of policy documents, the presentation of denominational education and preparing action plans after Inspection. This positive input has been reflected in the many good inspection reports received by the Committee. Where reports have been less than favourable, the Committee has given advice on how to strengthen weak areas. This input has enabled schools to address their difficulties and move ahead. This is an area of work that the Committee wishes to support and develop.

Following upon OFSTED and Section 23 Inspections, a small number of schools have needed extra support in coming to terms with the appropriate construction of their action plans. The Committee has been able to offer help in this sector, particularly to those schools which have been deemed to require 'special measures' or have serious weaknesses. There are very few schools in this category and all are now making progress. The Inspection process is now in its second round.

Schools continue to opt for on-site provision of INSET for whole school issues. However 'Distance Learning' could have a useful contribution to make and the Committee is currently pursuing this.

There have been many changes in the educational process in recent years not least 'The School Standards and Framework Act' which received Royal Assent in July 1998. This Act will affect all schools and the Committee is keeping up-to-date on its implications. The National Society is very supportive in this area.

The Committee has indicated to the recognized educational training agencies that they need to be aware and act upon that distinctive part of training required to equip heads and deputies, teachers and governors, for successful work in Church Schools.

The Annual Leavers' Services held in the Cathedral continue to be well supported and have retained their high quality under the direction of the Precentor.

**Higher and Further Education** The Committee has met three times in the year, once with Bishop John, Chair of the Board. Meetings of the full-time Higher Education Chaplains and the Chair also occasionally happen throughout the year. There has been some discussion as to whether this is the best way to conduct business and the Committee is particularly considering how it can better focus on Diocesan engagement with Further Education along with the MARCEA Committee which has been the primary responsibility.

At its meeting with the Board Chair new Terms of Reference for the Committee were considered and are to be presented to the Board of Education at its spring 1999 meeting.

Through 1998 the Committee has continued to reflect on the work of Anglican Chaplains in both Further and Higher Education, receiving their reports and those of staff and student representatives; it has been involved in the appointment of the new Chaplain to Liverpool

University welcoming Revd Jonathan Clatworthy in September, and continues to be involved in the appointment of the Associate Chaplain there. It has also given significant time to reflecting on the role of HE Chaplains in an ever changing HE scene and sent a representative through the MARCEA FE Co-ordinating Committee to the National Ecumenical Agency in Further Education Conference in York.

**John Moores University** This year has been a stable year in that there have been no staff changes to the Ecumenical Team of Chaplains; the team has experimented with difference ways of working to serve the 20,000+ students and 2,000+ staff of the University. This has been served by the increasing working together with the Chaplaincy Management Group, on which Canon Woodhouse represents the diocese. The chaplaincy premises were moved at the beginning of 1998 to a room more accessible and visible very near the Student Union and administrative centre of JMU, although this has not resulted in an increase in callers. Most of the work is still done around the University, meeting people where they are.

The Chaplain, the Revd Bob Dickinson has arranged a consultancy with a department about their work; to explore the setting up of a module on science and religion; to visit two sites weekly which have been a little overlooked by the chaplaincy team; and to begin using electronic mail as a way of highlighting the profile of chaplaincy within the institution. In all, it has been a challenging and stimulating year.

**University of Liverpool** The Chaplain has now been in office for two terms and his settling in process has been greatly helped by the support given by the Assistant Hattie Whitmee, the student group, Prof David Mills and other staff supporters. Hattie, sadly, is about to leave us and return to Exeter, to prepare for her forthcoming wedding. Fortunately we have found a replacement Assistant, Mr Ian Pye. Interviews for the Associate Chaplain will be held shortly.

There was a successful meeting in December, when Prof Ian Markham addressed us on 'Theology in Higher Education'.

The Committee is looking into the possibility of producing a Chaplaincy journal, and running courses on aspects of Christianity through the Continuing Education Department. It is hoped that these will help raise the Chaplain's profile within the University.

**Children's Committee** This past year the Committee has been both revitalized and renewed. There is a shared sense of dedication and determination that the purpose of the Committee must be to encourage Parishes throughout the Diocese to take seriously the work which they do with those children who regularly attend church.

In July Jane Leadbetter was appointed Children's Advisor for the Diocese. Her task is to work alongside Parishes and particularly to be a support to Sunday School teachers and all those who work with children within the Church. Jane is a Beaver



leader within the Scout Movement. She worships at St Mary's Grassendale where she is fully involved with the children's work.

Although she has only been in post for a short time Jane has already been contacted by many parishes within the diocese. Some have requested her help and advice on the structure of their children's work whilst others have only needed information on what resource material is available.

The Committee has now begun to set up a network of Deanery contacts thereby providing a means for information to be passed on throughout the Diocese.

**Youth Committee** At its first meeting of 1998 the Youth Committee was pleased to welcome Bishop John as the new Chairman of the Board of Education. The following items have been the major concerns of the Youth Committee in 1998

**Youth A Part** The Youth Committee seeks to promote Youth A Part in the Diocese, and to plan and evaluate its own work in the light of it. In November 1997, Diocesan Synod asked the Board of Education to set up a task group to promote and monitor the implementation of the report in the Diocese. The Youth Committee prepared an item for a Board of Education meeting, and the task group has now been created.

A number of PCCs and Deanery Synods and Chapters have had presentations and discussions on the report. The Youth Committee arranged for youth work matters to be included in the Archdeacon's Visitation papers.

**Deanery Youth Chaplains** The Youth Committee initiated a pilot scheme in 3 Deaneries. The Youth Chaplains are to act as advocates for young people and as focal points for information about youth work.

**Board of Education** The Youth Committee was involved in the evaluation of the Board, and the Youth Officer and Chair were interviewed on two occasions. The Youth Committee is concerned with the low priority given to youth work (outside of formal education) by the Board and the relationship between itself and the Board.

**All Night Vigil: "Love Bites"** The Vigil (which took place on Saturday 13/Sunday 14 February 1999) was a major undertaking which involved a lot of work for the youth officers, and was particularly demanding for Dawn in Richard's absence. The Committee decided to use a professional management company (E&MS) to handle bands and stage equipment, etc.

**"Time of our Lives"** Arrangements have been made for around 50 young people from the Diocese to attend the Archbishop's Millennium event (which will take place 30 April- 3 May 1999). Accommodation is to be provided by Ealing Deanery.

**Youth Workers and Projects** The Youth Officer has a programme of visiting full-time workers and

projects to give support and share information. This has proved valuable, and a better use of his time than simply attending innumerable management meetings. The Youth Officer's support for workers and centres in Liverpool is tied in to funding from Liverpool City Council.

The Youth Committee has been concerned with the situation in Speke. Dawn has been carrying out a research project here.

An 'affirmation day' for full-time workers was very much appreciated.

In a speech to the House of Lords (30 November 1998) Lord Sheppard of Liverpool referred to his visit (as Bishop of Liverpool) to 'Action and Adventure'. He spoke of being "enormously impressed" by the dedication of its team of workers.

The Trinity Project, a detached youth work project in Page Moss, which was supported by the Church Urban Fund, was forced to close. The Youth Committee had been unaware of its existence!

**Child Protection** Colin Critchley, Diocesan Child Protection adviser, attended a Youth Committee meeting on 6 August to report on his work and its progress in the Diocese.

**Youth Officer's Sabbatical (August - December)** During Richard's absence, the Youth Committee struggled somewhat: a number of meetings were inquorate, and some of the committee's work had to be put on hold. On some occasions this meant that Dawn was put in a difficult situation. Richard returned to work at the start of January 1999.

I have enjoyed my first year as Chair of the Board, and look forward to tackling more of the issues specified here. In particular we hope to develop the continuing response to Youth Apart, and to pursue the appointment and work of an Adviser for Religious Education in Schools.

**The Rt Rev. J Packer - Chairman**



## DAC REPORT

The Committee has met twelve times during the year, and the schemes considered have been many and varied.

Naturally, with the approach of the Millennium, many parishes are proposing special projects to celebrate this, some major schemes for which they have entered into a Contract with the National Heritage Memorial Fund for lottery funding to aid this, and some more modest schemes. External floodlighting of the church building, and the restoration of bells have also been undertaken by parishes with Millennium Celebrations especially in mind.

It is good to see so many parishes becoming more aware of the need to make our church buildings more accessible to less able bodied people, with the provision of access ramps, toilets for the less able and the installation of Induction Loop Systems for the hard of hearing.

Major projects are underway in the Liverpool Archdeaconry to replace church buildings which are beyond repair with new worship centres, and in the Warrington Archdeaconry, the proposed new church of St Ann Warrington is almost in the final planning stages.

During the year we said goodbye to Edwin Coope, the Diocesan Buildings Adviser, whose helpful and friendly advice has proved invaluable to parishes, and in his place we welcome Alan Iddon, who, like Edwin, will be only too happy to provide sound building advice to parishes in the very early stages of their projects.

The Committee are as always, indebted to the team of advisers who serve on the Committee, and also to those folk in the parishes, who take on the responsibility of caring for the fabric of our Church Buildings. The Committee is aware of the cost of repairs to church buildings, in particular to some of our older buildings, but the neglect of repairs to these buildings, or a cheap job done by a local well meaning contractor, can lead to only more serious repairs being necessary, and the advice would be, as ever, **SEEK ADVICE EARLY - WE ARE HERE TO HELP.**

Noel Michell - Secretary



#### BOARD OF MINISTRY

At the first meeting in February, 13 new members were welcomed. The evening was devoted to introducing them to the work of the Board and consulting all present about priority issues for future agendas. During the year issues discussed at Board meetings included : Ministry among Deaf People, Vocations and Sustaining Parochial Ministry as Stipendiary Numbers Fall.

The 1998 Ministry Lecture (on the theme of the Lambeth Conference and people of other faiths) was given by the Rt. Rev. Michael Nazir Ali, Bishop of Rochester and is now available in booklet form from the Cathedral (£1.50 plus s.a.e.) Most of the work on different aspects of ministry is done by the Board's constituent groups.

**Accredited Ministry Training Forum :** Work has continued on defining basic criteria for collaborative/shared ministry in Parishes and the production of a booklet for use in Parishes is imminent.

**Clergy Review and Development Group :** The annual conference for Joint Work Consultants took place at the beginning of the year. One of the

issues arising was parsonage security, and consideration has been given to ways in which consultants might give help in addressing concerns. Training needs were also on the agenda, and a half-day course on "Listening Skills" was offered jointly to appraisers and consultants. Individual training logs for consultants are being actively encouraged. During the year researchers from Liverpool University have been gathering information from appraisers and appraisees, consultants and consultees about the perceived effectiveness of appraisal and JWC. Over 50 people holding the Bishop's licence have been interviewed. The researchers' findings, which will have a direct bearing on future agendas, are eagerly awaited.

**The Committee for Ordained and Accredited Ministry :** COACM met twice to review the work of the Diocesan Director of Ordinands and of the Diocesan Director of Diaconal Ministry. Attention was focused on the budget necessary for this work to be carried out effectively. At both meetings time was given to an exchange of information on all accredited ministry in the Diocese concentrating mainly on issues relating to NSM, OLM and CME.

**Chaplaincy Among Deaf People :** A Diocesan Interpreter Service for occasional offices has been set up. 3 professional interpreters and 3 communicators skilled in Church signing are available to clergy for baptisms, weddings and funerals. The Chaplaincy continues to provide a bi-monthly course on Chaplaincy skills at Loyola Hall, Rainhill. Clergy and lay people from 4 Dioceses are currently involved. A series of half-day courses for deaf and hearing impaired Readers and a short course for Church interpreters on the meaning of language used in occasional offices are available. Reader candidates are now being advised by tutors to spend some time with the Chaplaincy in order to raise awareness.

**GUML :** There are now 10 commissioned teams. 3 are in the process of integrating new members. There are 2 in training. 3 Parishes have been exploring what collaborative ministry will mean. In the last year 2 teams have been commissioned, and 7 OLMs from GUML teams have been ordained. 2 OLMs are in training. GUML is learning about the new dynamics that OLMs create within ministry teams, and the ways that this can creatively develop Parish ministry and mission. The learnings package is constantly under review and tutors adapt training to meet the needs of each Parish. For 13 months GUML was without a Director and Joan Matthews, Assistant Director, and Pat Bradley, Administrator, kept the work running efficiently. With new Director, Kip Crooks, the team is experiencing the power of synergy!

**Council for Ordained Local Ministry :** 1998 has been a significant year for the OLM Scheme as the first 10 participants were ordained Deacon in their own Churches in June. We look forward to their Priesting in 1999. There is no third year following because there were insufficient candidates for whom our experiential mode of training was appropriate. There are 8 in each of years 1 and 2.

**Diocesan Theological Consultant** organised a wide range of conferences and courses centred on

Liverpool University, Hope University College, Edge Hill University College and Southport College of Further Education. Visiting speakers included academics and clergy, and some of the Southport College courses were drawn up in conjunction with the Diocesan Laity Development Department.

**Readers' Association :** Reader Ministry continues to grow with 345 Licenced Readers in the Diocese and a further 39 in training. With the reduction in the number of clergy, Readers are being called upon to exercise their preaching and teaching ministry in an ever increasing variety of roles. In order to equip them for these extra demands the Diocesan Readers' Association are looking at ways to enhance the level of CME available, and to re-organise the administrative support for officers and members of the Association.

**Diocesan Renewal Group :** The Group seeks to encourage the renewing work of the Holy Spirit in personal, Parish and Diocesan life by : Occasional Celebration/Conferences with a visiting speaker who can bring a national or international perspective; Monthly lunches for clergy and lay leaders for sharing and theological discussion; More in-depth sharing and support for clergy and Parishes to help them grow into the renewing work of the Holy Spirit.

**Ven. D. Woodhouse (Chairman)**



#### **ACORA (RURAL AFFAIRS)**

The ACORA Group in the Diocese has continued its work against the background of economic uncertainty in agriculture. In order to help the Diocese to understand the issues involved, the Group produced two briefing papers under the auspices of Mission in the Economy which were sent to every Parish. These publications helped many people to understand just some of the problems being faced in our rural Parishes.

The ACORA Group continue to arrange the Environmental Foras. Recent topics for lunch-time meetings have been "genetically modified crops" (this had been held before the subject became a favourite one for the media); "Eco-Church and creation"; "Soil Erosion". Much of the work on planning these events has been carried out by the Rev. Ursula Shone. We thank her for the contribution made to the work of the ACORA Group over the years, and wish her a happy retirement in 1999.

In common with other Groups in the Diocese, we have been giving some thought to the Millennium. A national scheme to plant Yew trees for the millennium was launched in 1997 by the Archbishop of York. The Group introduced the scheme in the Diocese, and over 60 Parishes have announced their intention to plant such a tree.

The ACORA Group meets regularly under the chairmanship of the Archdeacon of Warrington. Thanks go to him and the other members of the

Diocesan ACORA Group for their faithful work during the year, when the Group welcomed Ultan Russell (the Executive Director of the Board for Social Responsibility), who has made an invaluable contribution to the Group.

**Ven. D. Woodhouse/Canon B. Robinson.**



#### **PASTORAL COMMITTEE**

In our previous Report, it was intimated that more savings would have to be made of Stipendiary clergy following the present exercise up to 2000. In March 1998, the Synod approved a suggested strategy for saving more full-time stipendiary Priests by the year 2003. Since that time the Deaneries have been working hard on this difficult, and some-times painful, task. Responses have been requested for September 1999.

**Liverpool Archdeaconry:** During the year the Schemes providing for the union between Sefton and Thornton and also Hightown and Altcar came into operation. The Revd. Irene Cowell, having been named in that scheme, is now the Rector of Sefton and Thornton. Altcar and Hightown will become a united benefice upon the retirement of Canon Frances Briscoe. In the Bootle Deanery, St. Faith's Great Crosby and St. Mary the Virgin Waterloo Park are now a United Benefice. Christ Church and St. John's Waterloo will also become a united benefice upon the retirement of Prebendary Patrick Dearnley in 1999. St. Leonard's Bootle remains vacant as does St. Andrew, Litherland.

The Scheme for the redundancy of St. Peter's Aintree proceeds, sadly the empty church was damaged by fire in November. November also saw the dissolution of the West Derby Team with Croxteth Park St. Cuthbert becoming a benefice in its own right. In Toxteth, Christ Church Toxteth Park and St. Michael in the Hamlet with St. Andrew are working towards becoming a united benefice. St. Clement's and St. Bede Toxteth are also working towards this goal. Christ Church and St. Bede's were united some years ago this union would be dissolved to accommodate the other two. In the Huyton Deanery funding was secured for Ministry to continue at Trinity Church Page Moss for the next phase in its ministry.

**Warrington Archdeaconry:** Skelmersdale Ecumenical Centre had become vacant this year and a review was underway by Church Leaders in order to find the most effective way of supporting its ministry. Discussions continue regarding the formation of a Group Ministry in the Thatto Heath, Ravenhead area, but it is likely that this discussion will be put on hold until the Deanery has responded to the clergy numbers issue next year. The Newton Churches proceed with discussions regarding one the required savings in the Winwick Deanery.

All Deaneries are working towards their targets although the task does become increasingly difficult for some which contain evenly balanced large parishes. Help and support is at hand in the

shape of the Bishop's Planning Officer when required.

### **Chairman, The Bishop of Warrington**

**Redundant Churches Uses Committee:** The Committee met once in October this year. As mentioned in the Pastoral St. Peter's Aintree is likely to become redundant early in the new year. It has been difficult keeping the Church secure since it was vacated. A fire by vandals caused damage to the Chancel and roof, making the bell-tower unsafe. It is hoped that a scheme providing for demolition will immediately follow the redundancy scheme early in 1999.

The proposals to make part of St. Matthew's, Bootle redundant have been sent to the Church Commissioners. This scheme involves redevelopment of part of the Church for community use.

The renovation work to the Redundant Church of Christ Church Waterloo continues.

### **Chairman, The Archdeacon of Liverpool**

#### **BOARD FOR MISSION & UNITY**

The Board met 3 times with some new members bringing their gifts to the work. Highlights of the year were the Lambeth Service held at the Cathedral, the Canal Mission and the launch of "A Faith to Live By".

The work of the Board is mainly done through Departments, (Home & Overseas Committee is currently reviewing its brief), and here are their Chairs' reflections:

**Evangelism Team (Phil Pawley):** The major focus of the Evangelism Team for 1998 was the Canal Mission in May/June. Over 50 volunteers joined the team for anything from 2 days to 3 weeks of outreach into the Parishes along the Leeds/Liverpool Canal. The team visited many schools and pubs along the route and over 3,000 people came on board the British Waterways Exhibition Barge to view the display entitled "The Canal, Creation and Christ". Throughout the year Phil Pawley, Janet Arnold and Peter Jordan visited Parishes, conducting training events, missions and evangelistic outreach and helping Parishes to consider their mission strategy. By using a process of consultation and research, Parishes have been helped to be more effective with their evangelism. In Autumn, Phil and Peter attended the Springboard Long Course in Evangelism in Durham, and plans are now underway to hold a similar course in September 2000 in the Liverpool Diocese. In October 1998 the team held its first Evangelism Forum attended by over 50 people from all over the Diocese. 1998 was a year for building relationships within the Team, developing new vision and laying foundations for future ministry within the Diocese.

**Church Planting (Alan Overend):** In February 1998 a morning conference for all those involved in

the Liverpool Diocesan Church Planting network was held at Church House. Geoff Pearson was the main speaker on "Ten Principles of Church Planting" and several other Churches shared their experiences. A second Conference was held in October 1998 at St. Mark Haydock. George Lings spoke on "Good Practice in Church Planting" and gave an over-view of the UK Church planting scene. A small group, consisting of Geoff Pearson, Phil Pawley and myself has been formed to plan future network meetings. A number of incumbents were visited this year who expressed an interest in Church planting. I also met with two Churches who are in the process of initiating a new congregation - St. Mary & St. Paul Bootle and St. Mark Newtown, Wigan. A presentation was also given to the PCC of St. Luke Eccleston, who were considering initiating a Church plant in a residential home in their Parish.

### **Ecumenism Issues Group (Andrew Edwards):**

The Methodist Conference followed General Synod and gave the green light to formal talks about a growing unity. We are meeting with our Methodist counterparts to look at ways we can act together in our area to follow up some of the suggestions in the initial report. "One Bread One Body" (a teaching document from the English Roman Catholic Bishops) is addressed in part to other Christians for their reflection. We are encouraging local ecumenical groups to look at this latest explanation of the Catholic position on inter-communion. We have been encouraging Church schools in thinking about how they can bring an ecumenical dimension into school life, with the opportunity of the Week of Prayer for Christian Unity particularly in mind, and we have changed our name to reflect the fact that we don't aim to be a talking shop about ecumenism, but an action group on selected issues, as and when they arise.

**Laity Development Team (Chris Peck):** 1998 saw the launch of our new Diocesan course "A Faith to Live By". Over 150 people in 13 groups representing a wide diversity of Parishes started on the course. It was gratifying to see the high investment in tutor training and materials bearing fruit. While only a few started on the "Discovering the Bible" course, just under a 100 started on the 8<sup>th</sup> year of the Foundation Course. 1998 also saw our busiest ever period running courses in Parishes. We were particularly pleased to receive a number of invitations to run Working with Faith courses, alongside Spirituality, Bereavement, "Please sit" and Ways of Praying courses, in addition to Parish and PCC days away. Team members worked in some depth with over 30 Parishes, ably assisted by our 3 associates. A significant feature was the increase in ecumenical requests, including requests from 2 Councils of Churches to run the Spirituality course during Lent and a number of Roman Catholics sharing the pilgrimage to Iona which Chris Peck led. Towards the end of the year, Sandra Wellington took the opportunity of a well deserved sabbatical to explore aspects of the Church and laity development in China, Thailand and America.

**Diocesan Healing Panel (Paul Nener):** After the production last year of the publication "Wholeness and Healing", the Panel decided that the time had come to enter into some pro-active

work in the Healing Ministry. to this end we have been facilitating workshops around the Diocese, both to introduce the Ministry of Healing and also to help us to assess the state of the ministry in the Diocese. There have been five such events at different locations in the Diocese, and between 300-400 have attended. The Panel still needs some representation from the Free Churches, but perhaps the Bishop should consider the actual mandate for, and ecumenical basis, of the Panel so that we can attend to the Inter-Church aspects of our work.

**Lay Swanwick Planning Group (Nicholas Daunt):** Lay Swanwick 1998 was generally acknowledged to have been one of the most successful weekends of recent years, despite the fact that numbers were slightly down. The World Cup might have had something to do with that! The theme of the weekend was "Moved with Compassion", and the Planning Group had taken the calculated risk of inviting 2 rather than the more usual 1 keynote speaker. As it turned out, the 2 speakers (Romy Tiongco of Christian Aid and Sister Frances Dominica, the founder of Helen House Children's Hospice in Oxford) complimented each other admirably. Romy, basing his talks on his experiences working with the powerless victims of an oppressive economic system in his native Philippines, considered the wider issues of world trade and debt, but never lost sight of the importance and uniqueness of each individual human being. Sister Frances shared her experiences of helping children with life-limiting illness, and their families, to come to terms with their suffering. Central to her contribution was the absolute conviction that all of us do have the natural God-given resources to stand alongside and show compassion to those who suffer. Many people were moved to tears by listeners to think theologically. The Planning Group has been giving much thought to raising awareness of Lay Swanwick within the Diocese. There are still a number of Parishes which are rarely, if ever, represented. We have recently produced a short promotional video which can be borrowed for showing within Parishes.

**Partners in Mission (Ven. David Woodhouse):** The Partners in Mission Team have been active in various areas - **CMS** invited the Team to take part in the exhibition at the Albert Dock to mark the 200<sup>th</sup> Anniversary of CMS. **Books for Akure** - John Challand and Trevor Williams have been the main agents through which the Team gather and ship theological and text books out to Akure for use in schools and Vining Theological College. This work continues. We are now exploring ways in which we can provide computers for schools in Akure. **Millennium Project** - We launched the Project in the March edition of the LiveWire. In June 2000 we hope to send 30 people (lay and ordained) under Bishop James' leadership to Akure. In October, Liverpool will receive a similar group with Bishop Emmanuel. In order to develop the Project, we have drawn on expertise from outside the Group. The Team was delighted to welcome Rev. David Fadugba to Liverpool from Oba Ile in Akure. David was on a short visit to the Diocese to explore the possibilities of returning for a longer period in the future.

**World Development (Guy Elsmore) :** The past year has been spent in supporting clergy, Parishes and groups in their exploration of the millennium theme: "A New Start for the World's Poor". This has involved frequent preaching, speaking and group work around the Diocese as well as the production and distribution of a variety of educational and campaign materials. For most Parishes, the emphasis has been on following up the Diocesan Synod's commitment to the Jubilee 2000 campaign, calling for a case by case reduction of the unpayable debts of the world's poorest countries. It has been a privilege to stand alongside people of all ages, from all backgrounds and to see their commitment to see justice done in Christ's name.

**Linda Jones (Chair)**



## BOARD FOR SOCIAL RESPONSIBILITY

**Restructuring:** The Board has been restructured and now comprises the Executive Committee, the Equal Opportunities Monitoring Committee and three major Sector Committees (Regional, Community and Personal/Pastoral Issues) to which the staff relate. The membership of the Board has been expanded to include the Children's Society, Church Army and Mothers' Union.

A policy decision to disengage from *deanery projects* in practical terms by mid 2,000 was taken after careful thought. It was based on the need to make core BSR diocesan-wide activities viable as obtaining external funding was increasingly difficult. As a consequence the post of Team Leader (Social & Community Work) was declared redundant.

**Partnerships:** The structure of the Diocese and the ecumenical context make networking vital. Interdepartmental External Relations and New Deal Groups have been established, drawing relevant diocesan staff together. The BSR's ecumenical dimension is strong: our Marriage and Family Life Officer chairs MARCEA's Marriage and Family Life Group and our Director will become Chairman of MARCEA's Social Responsibility Department in January 1999.

There has been close and fruitful collaboration with the Resources Department: for example, on the establishment of a network for community workers employed by parishes, small parish audit, the use of volunteers, and the complex area of employing lay staff. Contact with the Youth Department is developing over New Deal, homelessness and drugs education.

**Equal Opportunities:** *The Equal Opportunities Monitoring Committee* has been transferred by the Bishop's Council to the BSR. The Committee continues to monitor the position of women clergy, is reviewing the Diocesan Equal Opportunities Policy, has undertaken a statistical analysis of the composition of the Diocesan Synod and asked a range of questions on access to churches through the Archdiaconal Articles of Enquiry. Initiatives taken by the Committee on issues of racism in

schools have been taken over by CARE, including a major conference for primary schools. The Director of CARE (Mr. Frank Anti) has joined the Committee. We have revised the leaflet *Fairness for All* on equal opportunities in praying and preaching, and intend to circulate this widely. Our Director serves as Equal Opportunities Officer and has reviewed the way the Diocese employs staff and involves volunteers - this has produced a range of topics which the Committee intends to consider at future meetings.

**Human Sexuality:** The Board Chairman was asked by Bishop David in 1997 to help to encourage deaneries to debate human sexuality. A small group has facilitated sessions at Deanery Synods. The findings are being collated and will feed into the Autumn 1999 Diocesan Synod.

**The Committee for Minority Ethnic Anglican Concerns (CMEAC)** comes within the BSR's remit. CMEAC's role and composition are currently under review: our Director is involved in this.

**Housing and Homelessness Officer:** Captain Ralph Upton joined the Board in September, seconded by the Church Army. The Board continues to have excellent links with the Church Army and values this further sign of partnership. So far, Captain Upton has visited over thirty different agencies across the whole diocesan area as a prelude to producing a strategy.

**New Deal Officer:** Rev. Steve Little started in April. He has forged links with the Employment Service, training agencies and providers of the Environmental Task Force and Voluntary Sector New Deal options in four Boroughs. He has negotiated a contract for the Diocese to provide New Deal placements in Liverpool City (to be signed early in 1999). He has monitored the progress of the scheme and not been afraid to ask difficult questions. The Diocesan Secretary and our Director have been involved in developing the work in Liverpool and Sefton respectively. Part-funding for the post for 3 more years has been awarded by the Church Urban Fund.

**Marriage & Family Life Officer:** Mrs. Marian Pope's post is now totally supported from BSR's core budget. We are grateful to the Jerusalem Trust who part-funded the post for six years. Ecumenical marriage preparation, work on human sexuality, parenting courses and drafting a submission on the Government's paper on *Teenage Parenthood* (for Bishop James) have been among the major tasks. Work has begun on a detailed response to the Government's discussion paper *Supporting Families*. Mrs. Pope convenes a group on Baptismal Practice comprising representatives from different diocesan Boards which aims to produce resource material.

**Learning Disabilities Officer:** Sister Ruth Reed continues to combine pastoral support for parishes and families with the production of specialist support material for those working alongside people with learning disabilities. Scarcity of resources demands that the focus shifts to training/enabling clergy and laity to support individuals and families rather than serving them directly. Sr. Ruth has worked closely with Rev.

Colin Critchley on child protection and how it relates to protecting vulnerable adults.

**Science Officer:** The Rev. Ursula Shone, now joined by our Director, actively participates in the Diocesan ACORA/Faith in the Countryside Group. Environmental Fora (a joint initiative of BSR and ACORA) continue to bring together those in statutory, voluntary and church agencies who are concerned about ecology and the environment. She continues to be involved in ordination training, parish groups, Christian Ecology Link and radio work.

**Deanery Projects:** The 3 remaining projects have responded well to the challenge posed by formal BSR disengagement. Since May relating to the Projects has been an additional role for our Director. *Halewood (Merseyside) Listening Ear* is now an independent charity acting as an area focus for Acom Healing Trust as well as providing an expanding and much needed listening service. *Wigan Churches Family Welfare* have celebrated their fortieth anniversary. They have undertaken major fund-raising activities including a Lottery bid. *Bootle and Sefton Deaneries Committee* are negotiating with the local authority and have submitted several grant applications.

**Other Initiatives:** The Board's Sector Committees have undertaken substantial work on the Social Exclusion Unit's report on *Worst Estates*, disability access, the Regional Development Agency and the Churches Housing Estate Network. Several leaflets and information packs have been produced. Our Director regularly contributes to *Livewire* on BSR's work and social issues.

The finances of the BSR now seem to be in good order. Regular staff meetings, updating and revising of staff job descriptions and the development of clear lines of accountability have helped the process. At a time of great change we would particularly like to thank Mrs. Irene Summers, Office Secretary, for her loyalty and efficiency. Particularly close links have been forged with Sefton Council for Voluntary Service and Liverpool Voluntary Service Council.

**Frank Kendall (Chairman)**



## RESOURCES OFFICERS REPORT

This has been another busy, but rewarding year for the department. The team have worked with **80** parishes in depth; with their parish mission, ministry, problems, or indeed all three! A further **12** non-parish projects have been worked on. **362** people attended training events held.

The department also grew by one - Julian Hollywell, UPA Development Officer joined in February and has proved invaluable.

**Christian Responsibility & Ministry of Money Programmes** - **14** Programmes were undertaken in 1998, **8** on Ministry of Money and **7** on full Christian Responsibility.

**Capital Fundraising/ Community Development & Church Urban Fund** - Development work took place with **44** parishes and **12** projects. This includes **11** successful Church Urban Fund grants to the value of £195,000.

Only **5** parishes were helped purely with building repairs, although many of the **44** mentioned above had used the opportunity of repairs to look at opportunities for development and service to their community.

Good links have been developed with secular agencies including MTEC with regard to After-School provision, The Partnership Boards, City Council -Early Years Section, North West Lottery Charities Board and ENTRUST. Another new initiative has been the setting up of a community forum to provide support, including training and development for parish based lay workers in community development in conjunction with BSR. In 1999 some joint work is scheduled with the Archdiocese on ecumenical outreach and community development.

**Finance** - In the first year of the introduction of the Charities Act & Church Accounting Regulations, this was a substantial workload. **204** sets of Accounts were received, and all were assessed against Charities Act requirements. All generated either a letter of congratulations **84%**, or an enquiry to clarify/ improve accounts, or a suggestion for review and offer of help.

A new budgeting pack was produced to help parishes. The computer work discs for accounts production have proved very popular and have been bought by **43** parishes. **17** parishes received one-to-one help, plus many others by telephone or written advice and help.

Covenant Audits were held in **33** parishes. The Diocese was audited by the Inland Revenue who confirmed that requirements were met.

**Training** - **8** training events were held, attended by **362** people.

Marion Boon was one of the Planning Group for the extremely successful Faith In The City national conference held at Upholland in December.

**Parish Days / Small Parish Audits** - The Small Parish Audit developed in 1996 with Revd Chris Gray, Sandra Wellington and Kath Rogers continues to be useful to parishes. Phil Pawley, Sandra and Kath have initiated a gentle revision of the pack in the light of two years working experience. **2** parishes completed their audits with in 1998 and a further **2** have commenced. **4** parishes held Days of Prayer, Vision & Planning involving the department. Kath also participated in the Bishop's Council residential weekend facilitating the 'parish' session

**Other** - One major piece of work through the year has been the Evaluation of Ten Years of Church Urban Fund in Liverpool Diocese. The work was helped greatly by a graduate trainee secondment to the department facilitated by the Diocesan Secretary & Board of Finance, for which we are indebted!

Two documents are emerging from this process of structured interview, quantitative study and theological reflection. The first will be an Evaluation Document, the second a Manual of Good Practice to enable others to learn from both the pain and the achievements of those demonstrating and living Faith in the City.

**Kath Rogers**



#### **PARSONAGES COMMITTEE**

1998 was the first full year of our new arrangement for the provision of surveying services, under which these were provided by an outside firm (Hardcastle & Hogarth) but mainly through the means of a surveyor based in Church House and answerable to the Deputy Secretary for Finance & Property. As the year progressed we began to see real gains coming from this arrangement, but unfortunately, at the end of the year the surveyor based at Church House (Karen Ellison) left on securing a post with a Housing Association. We thank her for all that she did in a short but extremely productive time with us.

At the time of writing a replacement surveyor to be located in Church House has not been appointed, but Hardcastle & Hogarth continue to provide surveying services from their own office. This has been a salutary reminder that one of the strengths of the arrangement is that even when the surveyor left, we still had a firm contracted and able to provide a service, which would not have been the case if the surveyor had been our own in-house employee.

The main objective of the Parsonages Committee which dominated 1998 continued to be that of catching up with a substantial backlog of Quinquennial Inspections and Repairs. Sizeable sums have been spent on this, which has only been possible because the DBF Executive has continued to make additional funds available over and beyond what has been budgeted. Those funds have, in effect, come from the sale of redundant parsonage houses, and it is important to realise that when such funds become available they are substantially ploughed back into investment in our housing stock.

We continue to make good progress towards catching up with our backlog, and hope it will be completely or substantially achieved by the end of 1999, despite the hiatus caused by the departure of the surveyor.

This extensive programme of repair work has brought to light a number of issues which have clearly been uncertain in the past, and which have major financial implications. One of these relates to boundary walls and fences which have clearly not been as well maintained in the past as they should, but which can cost extremely large sums of money. The other relates to trees in Vicarage gardens where, again, we find ourselves looking at some major bills which put great strain on our inevitably limited resources.



Anybody working in the area of Parsonages will know that there is very rarely a time simply to proceed methodically in dealing with a programme of inspections and repairs. Our professionals are constantly responding to urgent needs which are both important and time-consuming. Sadly, many of these continue to relate to the security of houses, and the pressure on clergy and their families seems to grow inexorably despite all that we can do to support and help them.

It was a relief that in 1998 Marshall's Charity reinstated their grants to assist with Parsonage improvements, since our own funds for this purpose are minimum. But even with their crucial assistance, we still find ourselves having to take very difficult decisions over the use of limited funds in the face of massive need. The general pressures on Church finance seem to bite in this area perhaps more than any other. The need to argue about who will fund what are clearly important and necessary security works is a very depressing one, but we cannot avoid it if we are to focus our restricted funds on those in the greatest need and with the least ability to contribute.

The other major time-pressure arises during interregna when there can be problems both over the care of Vicarages and over the undertaking of work requested by new Incumbents. We are trying to develop a more systematic approach to vacancies under which a lot of preliminary work is undertaken before an Incumbent is appointed, and the new Incumbent can then join discussions which are well-advanced but to which he/she is still able to make a definite contribution. Again, the problems of finding money for improvements loom very large in such discussions.

At the close of 1998 six Vicarages made redundant following Pastoral re-organisation were on the market, and we obviously hope that income from these will support our activity in the coming years. It is more depressing to note that the Vicarage of St. Leonard's Bootle had to be demolished following repeated vandalism, the Vicarage at St. Jude Stockbridge Village has ceased to be used as a parsonage because of intolerable pressure on successive clergy living there, the Vicarage at St. Michael in the City was both redundant and unusable and has, therefore, been demolished, and we find ourselves having to look at a variety of more flexible options for vicarages which need to be retained but where appointments cannot be made - often for a lengthy period.

Few new schemes for replacement or new parsonages now come forward, but at the end of 1998 we were well-advanced with the sale of the Vicarage of St. John Pemberton and the purchase of a more suitable replacement.

**Ven. Bob Metcalf (Chairman)**

