



Liverpool Diocesan Board of Finance
Annual Report & Accounts Summary 2008



The Powerful Presence of Church

Here in the Diocese of Liverpool we have been working together to follow a developing vision of “a sustainable, led and transforming presence in every community in the diocese to enable all to act justly, love mercy and walk humbly with God”. This vision represents how we see the mission of God working in the Diocese.

In this year’s report we look at how this relates to the notion of Christian presence. Jesus shows us a God without frontiers. A God who is present in every community. A God, who through His great commission, calls us to learn from Him and to follow His lead.

We are therefore compelled to show that Christian presence wherever we are. At, home, in work, in our leisure, with our families, our friends or among strangers; we are called to make God’s presence felt. It is therefore our duty and joy to witness to God’s love into the networks and communities to which we belong.

We see that as evident through the health and vitality of our churches in every tradition. We see it in the numbers of young people encountering Jesus in our schools and youth groups. We see it in those who are called to be leaders and those who grow as disciples and witnesses.

The powerful presence of a church and ministers (ordained and lay) within every parish offers a tremendous witness of Christian love to that community. But it does challenge us to continue to develop new forms of church and Christian presence for the communities we find ourselves in.

This report speaks of how the variety of forms of Christian presence are being supported, led and developed in the Diocese of Liverpool. It shows our achievements as well as the challenges we face.

We are blessed in our Diocese of Liverpool. Blessed with a strong body of clergy and lay ministers supported by a dedicated army of volunteers. I give thanks to God for all they do to witness in the diocese and pray that our presence may continue to grow and prosper.



The Rt Rev James Jones
Bishop of Liverpool



Achieving a Strong Christian Presence

2008 is the second year that we have been working under the banner of our strategy document *Responding to the Call*. It continues to shape the agenda for the Diocesan Board of Finance and the development of our ongoing work.

Our commitment to the aims and aspirations of the General Synod report, *Mission Shaped Church* and the Archbishop of Canterbury's vision of a mixed economy church, remains strong and focused on continuing a strategy that promotes the best of the inherited church integrated into newer forms of church.

Our image of lake and river continues to describe this approach. Our parish churches are the lakes, a continued presence that gives life to all around. The new forms of church that reach into the networks and varied communities are the rivers that flow out from and into the settled presence. We continue to look at ways to support both.

We have established resource churches to enable this vision to be illustrated and developed. St Mark's in Haydock resources the ongoing development of our Pioneer Ministry. Enhanced by the Licensing of Phil Potter as Director of Pioneer Ministry, St Mark's equips and empowers ministers who are developing new styles of worship from café church to the growing Dream network. St Mark's follows St Faith's as our second resource church, with more planned.

We remain committed to planting churches. St James in the City continues to grow as a congregation while we

have had our offer to regain the church accepted by the Churches Conservation Trust. St James is only one example. In Skelmersdale the Oaks Project has developed as a cell based, community focused church, which is growing its mission in a challenging area. Its unique approach provides a useful model for developing a Christian presence in other communities.

Back to Church Sunday was a terrific success and a great encouragement. 100 churches across the Diocese took part in this national initiative with an estimated 2,000 people choosing to come back to church on that day. *Back to Church Sunday* creates another moment in the



church year where we can look at the way we invite and welcome people to church. We plan to build on the success of this year's initiative.

It is important that we plan how we deliver this local Christian presence and steward our resources to best effect. This year we have supported our Deaneries as they discern and implement mission plans that are relevant to their area and their context. These plans inform how deaneries structure and organise themselves and how the Bishop's Core Group and others support them in this. It enables a response to local challenges and opportunities to be planned and resourced.

Back to Church Sunday

Rev Roland Harvey from St Francis, Kitt Green, Wigan described the day at his church:-

"The whole Back to Church Sunday event was a wonderful experience. To see the smiling faces of church members as they greeted new visitors; to see our guests join in with worship, fellowship and cake, saying how much they enjoyed the experience and would come back.

To hear members of the congregation rejoicing that so many people responded – these all made the whole day so worthwhile.

"This was only possible because we had a small dedicated team spending time to prepare for the day. The congregation had the faith to invite family, friends and neighbours. Everyone played full part in the worship, fellowship and refreshments. We had 38 adults and about a dozen child visitors. But the best thing was, around 10 came back the following week."



An Influencing Presence

The diocese is committed to achieving an influencing presence in all areas of society and is pleased and proud to be recognised and respected by a cross section of groups and organisations.

Our Christian presence through sector ministry has become increasingly significant. Our 20 full time and 20 part time and volunteer chaplains help us maintain a strong presence in the hospital, prison, university and latterly retail environments (through the ecumenical agency Mission in the Economy). They enable us to encounter a wide range of different people with a wide range of needs and vulnerabilities. In 2008 we reviewed our chaplaincies to the University of Liverpool and Liverpool John Moores University resulting in creating a post that focuses on ministries to the students at both institutions and another concentrating on the staff and the universities as institutions. We continue to work on forming chaplaincies in new areas.



The Diocese continues to have a strong Ecumenical and inter faith presence. We are a key part of the faith networks across the region including the Merseyside Council of Faiths. We link well with the Councils for Voluntary Service and have produced reports on a range of areas including rural and women's issues. Our civic links remain an important feature of our visible presence in society with clergy playing an active role in Borough Strategic Partnerships and similar local initiatives.

All this supports and is supported by a Bishop whose active role in the House of Lords enables him to speak of God's presence and purpose in a range of areas.

Working in Society

In December, following the conviction of Rhys Jones' murderer Bishop James spoke about the unique place and responsibility the Church of England has within society.

"When Rhys was taken to Alder Hey Children's Hospital one of the team that ministered to the family was the Chaplain. When the community of Croxteth Park was absorbing the shock it was the vicar with the Catholic priest who worked with the City Council to lead the vigil.

It was the clergy with the Police Family Liaison Officers who supported the parents in their grief as they prepared for the funeral. When the children of Rhys' school needed comforting it was the neighbouring parish priest who, with the Chair of Governors and the Headteacher, came alongside them. When Everton Football Club, Rhys' team, rallied to support the family it was the Anglican Chaplain who came to the fore.

The tragic episode I have just described involved nine different Anglican priests in various parts of the community. They are there because the Church of England is the church for England. We're in every community because we see ourselves, established in law, as the church for the whole nation of England.

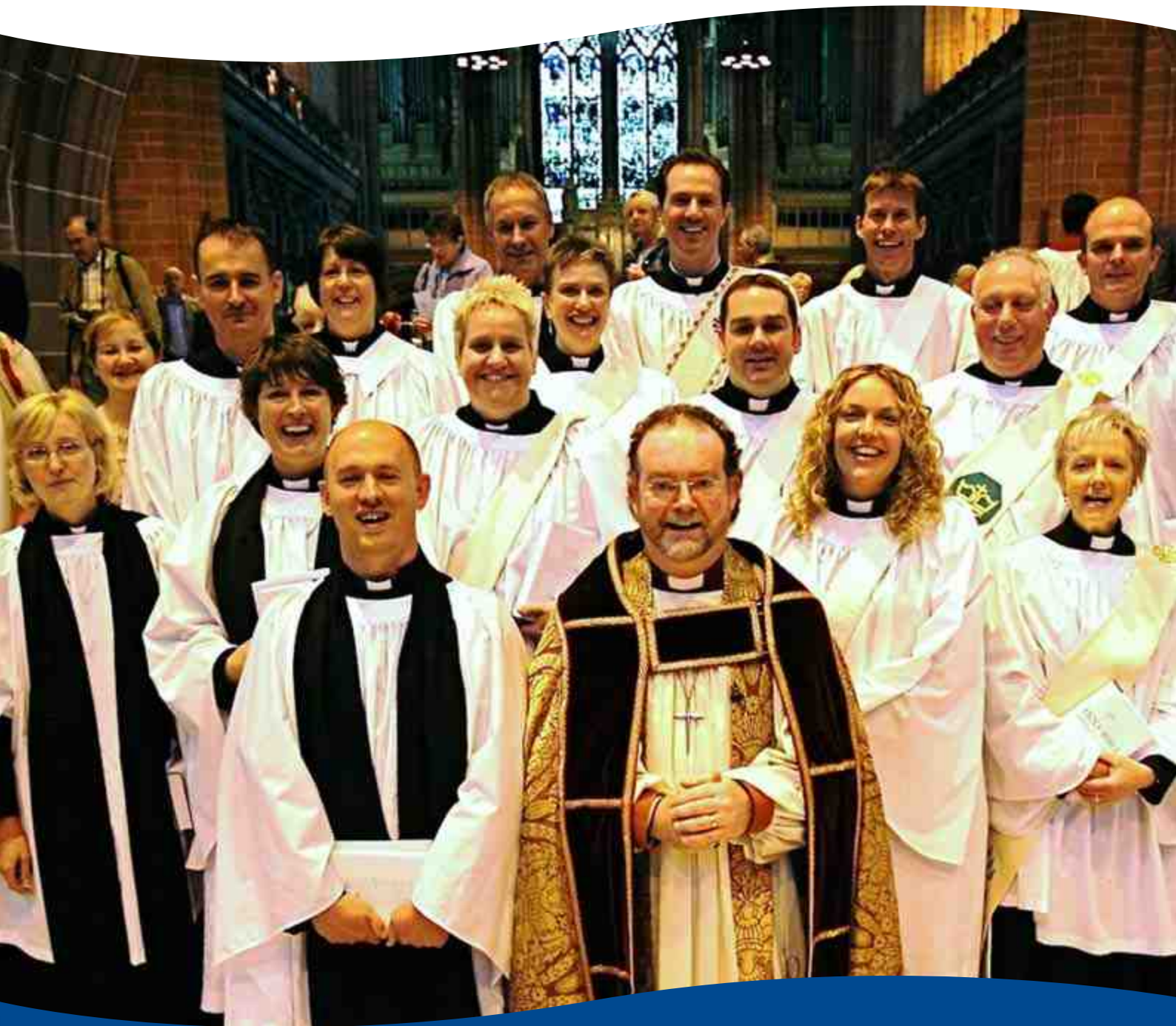
Leading our Presence



Our Christian presence can only be sustained and developed if it is sustained by good leadership. The Diocese aims to attract and support excellent leaders, and the Bishop's Core Group continues to work creatively with Deaneries to make creative appointments to support their mission plans. This includes responding in a positive way to the current national decline in clergy numbers through the use of Stipendiary Readers and the appointment of lay and community workers.

The Diocese continues to support the Learning for Mission and Ministry Course which prepares Clergy and Readers across the Diocese of Chester, Liverpool and Manchester as well as those from other denominations. The course entered its second year with more students and tutors coming from the Diocese. Liverpool Cathedral has become an important centre of learning for the course as it offers weeknight teaching for all years.

We offer a full range of programmes that enable individuals to learn and develop their skills and grow in their Christian faith. All newly Ordained Ministers and Licensed Readers are supported by a programme of learning that starts when they formally take up their ministry. We continue to run the *Fresh Start* course for those Clergy who move to new posts – supporting them and their congregations through the period of change in this new ministry and priesthood. We have continued to evolve the *Ministerial Development Review* with pilot schemes being run in four deaneries. The review



aims to ensure that clergy are supported and encouraged to grow in their ministry. It is the Diocese's response to the changing terms and conditions being implemented by General Synod.

The *School of Leadership* remains a popular and well subscribed course that gives Clergy access to leading practitioners in the area of mission and growth. This is supported by the ongoing *Mission Shaped Ministry* and *Mission Shaped Introduction Course* where participants look at how to lead and grow different ways of being church.

The importance of leadership was reflected through celebrations to mark Bishop James' tenth anniversary as Bishop of Liverpool. The Bishop chose *Vocations* as a theme for these celebrations, encouraging and challenging us to consider the call that God is putting on our lives. As well as developing the theme at a special service to mark his anniversary, the Bishop spoke at events across the Diocese where others could consider their calling and what form this would take.

Are you being Called?

This was the challenge set by the Bishop as he encouraged others to think about a calling to ordained ministry. At special sessions across the Diocese, time was given to explore the difference between these and some of the characteristics of those suited to the different roles.

Bishop James gave a challenging closing session. He articulated the inner struggle that many go through when considering ordination, expressing the discomfort and soul searching of the crossroads and the necessary scrutinising of priorities. For those that respond to the call, Bishop James portrayed a journey involving constantly opening yourself to the Lord. The Bishop shared his own observation that this openness in the character of a Priest is crucial to the openness and health of their congregations.

Sustaining our Presence



Sustaining our mission and ministry remains a key objective and the DBF has a continuing role to help support work in this area.

Giving in Grace, our online stewardship programme that combines discipleship with stewardship, continues to bear fruit. This highly successful initiative has attracted national and international attention as churches seek to find ways to improve giving. In Liverpool, this has resulted in relatively buoyant parish giving through an increasingly difficult economic situation. The success of *Giving in Grace* was shared at the National Stewardship Conference which was held in November. The conference brought stewardship experts

from across the Church of England to Liverpool to discuss how this vital work can be supported.

Following the success of *Giving in Grace* the Diocese is also developing two new online resources. *ACTS* is a resource for churches who want to begin or expand a piece of work for the benefit of the local community. Developed with Tearfund, it guides churches through the process of developing an initial idea, however big or small, into a strong and sustainable project. As a direct continuation of *Giving in Grace* we are preparing *Living in Grace*, a preaching resource to help congregations reflect on our own personal needs and spirituality; our calling as members of families, of churches, of local communities and, for many but not all, our work - paid or voluntary.

A distinctive mark of the Christian presence is that it goes beyond boundaries into places where others have abandoned. This can clearly be seen

when looking at the challenges we face in some of the most deprived parishes in the country. Our Designated Priority Area strategy, work with the Church Urban Fund and grant making status enables us to target these areas effectively.

A clear challenge for our clergy and congregations comes through the maintenance of our church buildings. We are mindful of the balance that needs to be found between the strong considerations as preservers of the nation's heritage and the cost of preserving failing and inadequate buildings. This can sometimes lead to difficult decisions, particularly when buildings do not merit the awarding of funds but ***we want to see our buildings as places for mission and ministry*** not to drain resources from other activities.



A Presence Among Young People

The Diocese has placed great emphasis on having a strong presence amongst young people.

We look at supporting the best in education, children's and youth ministry.

We continue to provide support to nearly all 118 church schools in the Diocese. Schools are supported with the curriculum, management and training, while governing bodies are supported particularly when making senior staff appointments. Voluntary aided schools receive support for building-related capital projects. This support is enhanced through our partnership with DBE Services Ltd.

We are clear that through

promoting Christian schools and Christian values we can show how these can make successful schools for pupils and parents. St Michael's Church of England High School, Crosby is a prime example of how becoming a church school can transform the ethos, values and ultimately educational standards. A recent Ofsted report stated that the school is strong on care and concern for every student and "pupils are proud of their school". Government statistics reveal St Michael's to be one of the eight most improved in the country.

The Diocese continues to work with the Archdiocese to sponsor academies such as St Francis of Assisi and new academies being developed in Huyton and Newton-le-Willows. We are also planning sustainable futures for Archbishop Blanch, St Hilda's and St Margaret's schools.

The Diocese awarded its first *Church School*



Partnership Awards to six schools. Modeled on the success of the *Child Friendly Church Award* it encourages greater links between the church and its school.

Our children's ministry in churches continues with nearly 40 churches now having received the prestigious *Child Friendly Church Award*. The *Child Friendly Church Award* is becoming nationally and internationally recognized as more churches adopt its model. We held our second successful *Narnia* event in partnership with the Cathedral and continue to develop new models of working with young people including the introduction of *Messy Church*.

The Diocese also appointed a Pioneer Minister with a brief to develop a network church for young people. This development will give a welcome strategic input into our churches work in this area.

The Church & School Partnership Award

One recipient of the award, which recognises and promotes the strengths of working together, is St Paul's in Wigan. The school invites the parish community to its Wednesday assemblies; both regularly pray for each other and the church's youth activities are publicised in the school.

The school uses the church for key worship events and the church hall is used for some of the school's *wrap around* care.

Ann Jackson, Headteacher said "when we looked at the criteria for the award we felt this was something we wanted to achieve. We had taken for granted the great relationship we have and wanted to gain this award to really celebrate our partnership."

Our Presence in St James' House

St James' House is clearly established as the administrative centre for the Diocese. Staff have continued to work hard to provide the expert support for those in parishes.

We were encouraged by the results of the clergy questionnaire

which indicated a high level of approval for our work in supporting parish ministry. The survey, which we will repeat annually, gives a really clear indication of the needs of clergy and the strengths and weaknesses of the support services. We regard it seriously and will continue to use it to build and develop our services.

During the year we launched a new website and made



several improvements to the way we communicate with parishes and deaneries. We have a clear strategy for communication which we will continue to develop in the future.

Our Lifelong Learning department completed a strategic review which resulted in the appointment of two new learning managers and a fundamental reorganisation of the way we deliver training programmes. We will continue to build and work on these changes to ensure that we are fully contributing to the creation of a sustainable, led and transforming presence in every community in the Diocese of Liverpool.

Clergy Questionnaire

The Diocese conducted our first comprehensive survey of all serving clergy to gain a snapshot of how they felt about their life and work in the Diocese of Liverpool. The results were very encouraging. Generally clergy felt strongly supported by the Bishops, Archdeacons, Area Deans and the support teams at St James' House. They very strongly valued the local support given to them by churchwardens and PCC members.

The survey did reveal a number of challenges. It is clear we need to do more work to help clergy maintain a reasonable work/life balance, ensuring they take a full holiday allocation and helping them withstand the stresses they face. Also, while the clergy were endorsing the aspirations of Responding to the Call they were saying they wanted to gain a better understanding of their role in delivering this strategy.

But the fact that 96% of the clergy stated they enjoy ministry in the Diocese of Liverpool shows that they are able to deliver a strong leadership within the Diocese, developing their mission to ensure a sustainable and transforming Christian presence in their community.

Financial Presence



We need to ensure that our finances are robust enough to support our work...

Encouragements

Parish Share – 2008 saw the highest ever amount of cash collected (£6.16 million, although some of this applied to 2007 and previously). It also saw the Diocese of Liverpool once again bucking the regional trend and maintaining our already high collection rate. This is an enormous tribute to our parishes, especially given the changes in the Parish Share system introduced in 2004 which left some facing significant increases. It is also a reflection of the significant time and resources devoted to helping parishes in financial difficulties implemented in 2002 – this work is bearing significant fruit, as is *Giving in Grace*.

National church income – this increased by nearly £200,000, after a number of years of decline. This is highly significant to us,

although it does leave us exposed to developments at national church level which are well beyond our control.

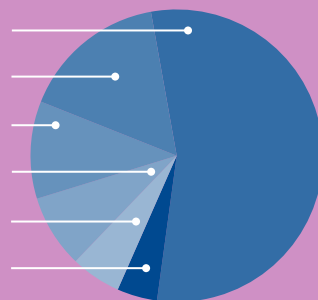
Clergy numbers – between 2002 and 2007 we successfully managed clergy numbers down in line with the requirements of the Diocesan Review. These were absolutely on target at the end of 2007 and again at the end of 2008. The fact that they have been so successfully managed down is a great tribute to the work of the Bishop's Core Group and deanery and diocesan mission & pastoral committees and the seriousness and openmindedness with which people are engaging with this issue.

Earned income - in 2008 there was c. £360,000 of earned income within the DBF budget from sources other than Parish Share, investment income, Academy income and charitable grants received.

Clergy costs - these have risen hugely in recent years because of significant increases in pensions costs (mainly) and stipend costs (additionally). As by far the biggest expenditure line in our budget clergy costs have been the biggest single factor in our inability to get to revenue breakeven by now. However in 2008 clergy costs stabilised.

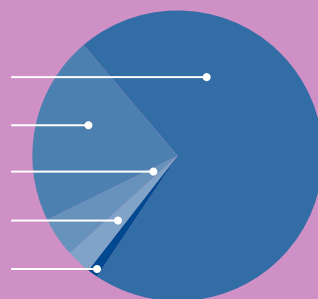
Income

	£m
Parish Share Collections	6.1
National Church Allocations	1.8
Assigned Fees & Grants	1.2
Earned Income	0.6
Gains on Property Sales	0.9
Income from Investments	0.5
Total	11.1



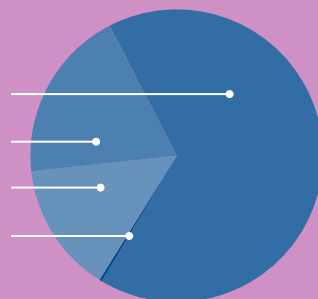
Expenditure

Clergy	7.7
Supporting Mission & Ministry	2.3
Education & Schools	0.5
National Church	0.3
Governance & Administration	0.1
Total	10.9



Funds & Assets

Clergy Houses	35.5
Other Properties	10.3
Investments with CCLA	7.7
Other Assets	0.5
Total	53.6



Discouragements

Investment income – Investment income fell from £302,089 to £267,794. We cannot see it increasing significantly again until (i) we receive significant cash inflows from property deals (which we are confident of achieving in the medium term) which can then be invested for income and capital growth, and (ii) interest rates return to a higher level.

Property sales – although we did achieve significant property sales in 2008 some of our higher level development ambitions were effectively credit crunched and will not reappear for a number of years.

Financial strengths

We believe that our overall financial management is good. We are continuing to develop income streams, have kept central costs under control and maintain a very impressive level of Parish Share collection.

We are under no illusions about the financial challenges ahead and are maintaining an absolute focus on expenditure control and cash management. As yet, however, we have not changed our medium-term financial forecasting to get to breakeven by 2010.

Our Presence into the Future

Through this report we have evidence that in all areas of our work, in all communities we serve and in all activities we pursue, we can show a strong Christian presence. But as we continue to walk humbly with God, discerning His will for our lives, we need to be mindful that The Diocese of Liverpool continues to work to fulfill the aims set out in the Strategy Document *Responding to the Call*. This encourages us all to seek answers, appropriate to our context, to the questions:-

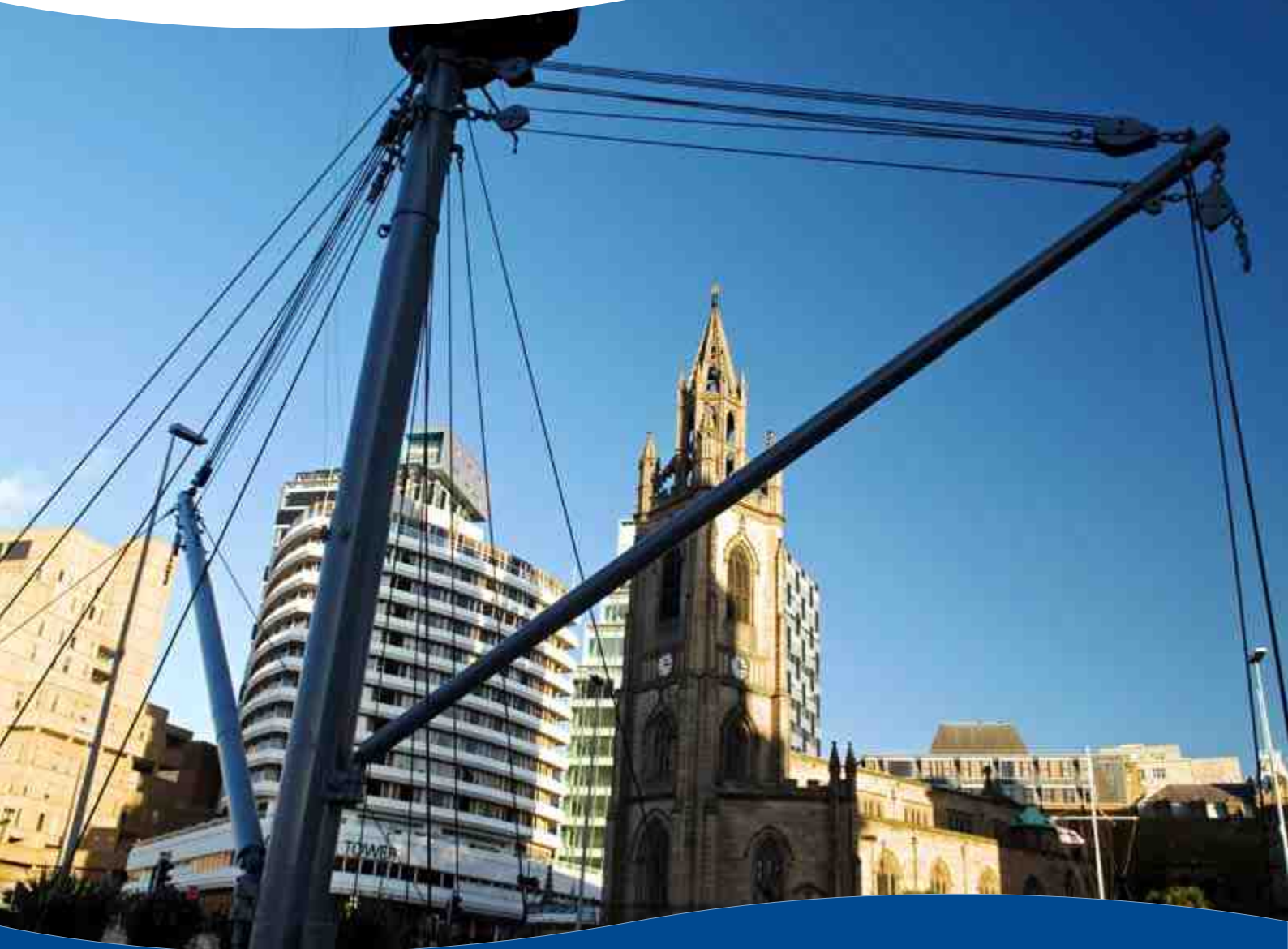
- *What is the mission of God?*
- *What ministries are needed to fulfill this mission?*
- *What resources are needed for those ministries?*

Our individual and collective answers shape how our presence is expressed and developed. But having a presence is only part of the overall picture. If we are to continue in our response then

we need strong, committed, well-trained leadership in all areas we are present. Through this we can then ensure that this presence is transforming and sustainable.

Our aim is to demonstrate our continuing commitment to *Responding to the Call* as the life of that strategy document remains. Next year we will focus on the area of leadership and our work to discern, train and support those leaders who will help us develop the vision.

This report contains extracts from the 2008 Annual Report published by the Liverpool Diocesan Board of Finance on behalf of the Diocese of Liverpool. The full report includes financial, legal & technical details required by charity law. It is available from St James House. You'll find our contact details below.



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