

What are the Archdiocesan Finances, and why do we need them?

What is an Archdiocese?

The Diocese or Archdiocese, with the bishop as its head, exists to organise and coordinate the mission of the Church in a given geographic area. That mission is to bring people to salvation.

The mission of the Church is conducted on two levels. Firstly, there is the parish level. This is where the Sacraments, such as Eucharist, Confession, Baptism, Marriage and Holy Unction are celebrated. The parish is the principal level where continuous pastoral care for the faithful and catechism for those who wish to be received into the Church is offered. Secondly, there is the diocesan, or intra-parish level. It is centred around the person of the bishop, who oversees every aspect of the Church's mission within a given geographic area. The position of the bishop combines in itself sacramental, evangelical, pastoral and administrative authority over the parishes under his jurisdiction. The bishop relies on additional offices (e.g. Vicar General, Treasurer, Safeguarding Officer) and organisations (the Archbishop's Council/Synthronon) to assist him in his ministry. The office of the bishop, together with these other offices and organisations, form the administrative structure of the diocese. The mission of the Church on the parish level, necessarily requires a functioning diocesan level. In other words, the office of the bishop and the diocese are essential components of the missionary work of the Canonical Church.

What does the canonical necessity of the bishop and diocese mean in practice?

To put it briefly: Metropolitan Silouan is our father in Christ. As a father takes care of every aspect of his child's life, so does the bishop. He is responsible before God for the spiritual well-being of all faithful in the Archdiocese, be it lay or clergy, and for ensuring that as many as possible new faithful are added to the Church. It is to fulfil these duties that Metropolitan Silouan exercises his sacramental, evangelical, pastoral and administrative authority.

- (a) *Meaning of the Sacramental authority.* According to the Holy Tradition, bishops, as living images of Christ, are the overseers of all Sacraments administered in the Church.
- (b) *Meaning of the Evangelical authority.* According to the Holy Tradition, canonical bishops, through an unbroken line of apostolic succession, are guarantors of the correct teaching of faith and protectors of doctrinal unity in the parishes of their diocese.
- (c) *Meaning of the Pastoral authority.* As priests care for the physical and spiritual health of their parishioners, so also is the bishop a pastor to every one of the faithful in the diocese. He also participates in pastoral ministry to the people of the diocese by supporting the clergy under his authority.

- (d) *Meaning of the Administrative authority.* Because the bishop has sacramental, evangelical and pastoral authority, he necessarily also possesses administrative authority in the diocese, including oversight over parish and diocesan finances.

What is the money for in the Archdiocese?

The Mission of the Church requires substantial financial resources. The Archdiocesan finances have two levels. On the parish level, the Church must have financial resources to ensure regular administration of the Eucharist, other Sacraments, pastoral care and catechetical work. This includes paying for a permanent place of worship and financial support of the clergy, purchasing and maintaining in good order essential church supplies, liturgical items, service and religious books, funding non-liturgical church activities and charitable action in and outside the Church. On the Archdiocesan level, the Church requires money to pay the salary of the bishop, finance the working expenses of the bishop and the administrative apparatus that exists to support him, and pay necessary expenses for any intra-parish liturgical and social activities. It should be noted that, currently, none of the Archdiocesan officers, other than the Bishop, receive payment for their work.

Where does the money come from in our Archdiocese?

Charitable giving by the faithful is the only source of funds in our Archdiocese. Currently, all fundraising in our Archdiocese happens at the parish level. Most of the money stays at the parish level to fund all the aspects of the mission, while a small part of the income - currently set at 15% of eligible income - goes to the Archdiocesan budget. The parish contributions to the Archdiocese are used to pay the salary to the bishop, support his ministry, and pay for Archdiocesan administrative expenses, including fulfilling its legal safeguarding duties. To be completely clear, the existence and functioning of the Diocese and its bishop depend entirely financially on the contributions of the parishes to the Archdiocesan budget. Such contributions are essential from the ecclesiastical and civil law point of view.

Who governs and oversees the money in our Archdiocese?

Ensuring sound parish finances is the duty of the parish priest and the people whom he appoints to assist him: members of the parish council, treasurer, any other auxiliary offices. Sound Diocesan finances are the direct responsibility of the bishop. Oversight of the finances in every parish of the Archdiocese also necessarily falls within the authority of the bishop for three reasons. Firstly, it is the bishop who is ultimately responsible before God for the mission of the Church in the Archdiocese. He must be aware of the financial well-being of his parishes, and provide practical, and if necessary, financial assistance to support them. Secondly, the bishop must ensure that money at the parish level is raised, distributed and spent in accordance with the Church Canons as well as the civil laws of the country. Finally, in his life and ministry the bishop is entirely financially dependent on the parish contributions to the Archdiocesan budget, which is used to fund him.

In our Archdiocese, additional organisational structures for governance and oversight of finances exist in compliance with the requirements of the civil law of the UK (including the Devolved Nations) and Ireland. Legally, the financial assets of the Archdiocese are held and

managed by the Charitable Incorporated Organization (CIO) Antiochian Orthodox Christian Archdiocese of the British Isles and Ireland (Charity Number: 1175538). The Archdiocesan CIO is set up under the English law and overseen by the Charity Commission for England and Wales. The CIO is governed by the Board of Trustees according to a constitution (last revised in 2023). The current Board consists of fourteen trustees, including Metropolitan Silouan as an ex officio trustee and its Chair. Metropolitan Silouan is currently an ex officio trustee, because he is the ruling Archbishop of the Archdiocese. The other ex officio trustee is the Safeguarding Officer for the Archdiocese. Under civil law, only the CIO and its Trustees may manage the finances of the Archdiocese and bear the liabilities associated with it. In practice, Metropolitan Silouan retains his canonical authority over Diocesan finances. This is ensured in two ways. Firstly, legally, this is achieved by his being an ex officio trustee and Chair of the Board of Trustees. Secondly, spiritually, this is based on the expectation that members of the Board - and all Orthodox Christians - will respect the canonical authority of the bishop in the spirit of obedience and faith.

To assist Metropolitan Silouan and the Board of Trustees in oversight of the Archdiocesan finances, two additional offices exist:

- (1) **Archdiocesan Treasurer**, the post currently occupied by Mr Tawfik Dallal. The primary responsibilities of the Treasurer are to advise the Metropolitan and the Board on how to carry out its financial responsibilities, prepare the annual accounts, administer all day-to-day financial duties, such as book-keeping, budgeting, making regular and extraordinary payments from the Archdiocesan accounts (approved by the Board).
- (2) **Archdiocesan Finance Officer**, the post currently held by Fr. Dcn. Dmitry Ismagilov. The primary responsibilities of the Finance Officer are to assist the Metropolitan and the Board in ensuring the long-term financial stability of the Archdiocese and that it has the financial capacity to fulfil its mission. As a major part of this responsibility, the Finance Officer will assist parishes in financial matters, and have administrative oversight of parish contributions made to the Archdiocese, ensuring that all parishes pay their fair share and according to their ability.

What are the long-term financial goals of our Archdiocese?

To ensure that our Archdiocese can fulfil its mission effectively, Metropolitan Silouan identified the following three long-term strategic financial goals faced by our Archdiocese. Listed in order of priority these are to:

- (1) **Achieve budget stability and fairness in contributions.** We must ensure that year-on-year, the Archdiocese can meet all its current financial obligations without resorting to its operational or capital reserves and, ideally, increase its liquid assets to fulfil the other two goals described later. The size of the regular financial obligations, based on the figures of the last financial year (2022-2023), roughly equals £65,000-£66,000. The estimate includes the Metropolitan's official salary - £36,000, of which he receives net only £18,600, since out of his salary, he contributes to the Archdiocese part of the house rent, utilities, insurance, and other expenses. Furthermore, he pays out of his

pocket some of his business expenses, such as petrol, car insurance and maintenance/repair costs. Other major financial obligations of the Archdiocese are the payment of part of the Metropolitan's house rent (£17,650), utilities (£6,200), financial and administrative expenses (£5,500). Glory be to God, and with thanks to the generosity of the faithful, the income the Archdiocese received from parish contributions amounted to £67,000 in the last financial year. But a balanced budget should not be taken for granted, as the margin for extraordinary spending is small, while parish contributions tend to fluctuate significantly year-on-year. For example, in 2022-2023, the Archdiocese had to replace the car used by Metropolitan Silouan. Safety considerations dictated the move, as the previous car was irreparable and unsafe to drive. Purchase of the car led to the budget deficit, which had to be funded from the Archdiocesan reserves. Furthermore, a small or absent budget surplus reduces the ability of the Archdiocese to replenish its reserves and to build the capital reserves fund from which parishes could borrow for major spending on the needs of their missions. Finally, current contributions from a small group of parishes form a disproportionately large share of the Archdiocese budget. It could be the case that other parishes cannot increase their income, so the absolute value of their 15% contribution to the Archdiocese is static. But it also may be that there are reasonable improvements to be made in the financial model of these parishes, which would benefit economically both them and the Archdiocese.

Ensuring that each parish contributes according to its best ability is essential for the long-term stability of the Archdiocesan budget. The role of the Metropolitan, the Archdiocesan Finance Officer and the Treasurer is to assist parishes in putting their finances on a sustainable footing and monitoring whether appropriate contributions are being sent to the Archdiocese.

- (2) **Ensure that each parish can pay a stipend to its clergy.** It is impossible to expect full-time commitment of the clergy in parish matters, if they do not have money to sustain themselves and, where relevant, their families. Most of those of working age, and many of the pensionable age clergy in our Archdiocese have to work part or full-time in secular jobs simply to survive. Their capacity for mission to the people, as well as their physical and mental health, are undermined by extreme pressure and tiredness. If the faithful expect to have any clergy in their parishes in the near future, they need to pay them a stipend, with the ultimate goal of paying a full-time salary at least equal to the national average.

Fulfilment of this goal does not require sending any money to the Archdiocese. Raising such money is in the direct interest of the parishes, and the money raised will stay under their control. The role of the Metropolitan, Archdiocese, and of the Finance Officer in fulfilling this goal, however, is to be aware of the current financial health of the parishes, estimate their ability to fund their clergy, and advise them on how the current gap in means and ends (if such a gap exists) can be eliminated. If the

Archdiocese can also build up reserves by running a budget surplus in good years, it could also help parishes financially to support their clergy in years of economic disruption and turmoil.

- (3) **Ensure that each parish purchases a permanent place of worship.** The uncertainty in many parishes caused by the absence of their own place of worship, is one of the Metropolitan's greatest concerns. His Eminence wants each parish (eventually) to purchase a building that they can make into a permanent church, with, also, all the necessary facilities for non-liturgical activities. It is true that some of our parishes enjoy good long-term relationships with landlords from whom they rent their church buildings. Nonetheless, as the recent example of the Cathedral parish in London, shows, in surrendering a long-term lease for a church building (decorated and consecrated according to Church Canons), this relationship is not a firm guarantee of continuous use of the building as a place of worship. Having its own church building boosts the ability of the parish to fulfil its mission to the existing faithful and to all people who are keen to be joined to Christ.

Fulfilment of this goal requires joint effort on behalf of the parish and the Archdiocese. The parishes should strive to ensure a stable cash flow from donations (through planned giving with Gift Aid) so that they might be able to apply for a mortgage from the bank. The Archdiocese can also co-fund the purchase of buildings by issuing interest-free loans from capital reserves (due to the generous McCall legacy, this fund currently stands at £340,000). Such loans could be used for mortgage down payments by the parishes. Alternatively, if parishes have substantial savings to avoid a bank mortgage altogether, an Archdiocesan loan could be used to co-fund the purchase of a place of worship. As with the previous goal, the Archdiocese and its Finance Officer are available to assist parishes with improving their finances.