

## **ST MARY'S FINANCIAL APPEAL OCTOBER 2009 FREQUENTLY ASKED QUESTIONS**

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### **1. Why are our funds low?**

Our expenditure has been rising every year. But our income has not grown fast enough to pay for both a) what we want to do at St Mary's and b) the Fairer Share to the diocese. PCC decisions to spend money in successive annual budgets were all linked to decisions to raise the money through new campaigns, but these have not been successful enough.

### **2. Why has our congregation grown?**

St Mary's is attractive to more people. When we appointed Ross the PCC emphasised the priority we wanted to be given to families. We have more families, who have been welcomed by Ross, Emma, Christine (and her predecessor). We have many baptisms, the 11.30 service is popular, we have the First Communion training; and there are activities for children during the 10am service. Other groups in the congregation have also been attracted by what St Mary's offers.

### **3. Why has our income not grown as fast?**

Not all our congregation have made a financial commitment to the church; it is not clear why. We have had continuing efforts to encourage people to give regularly to the church. We have tried different ways of appealing. We tried a series of annual brochures explaining our finances, and personal letters to everyone. In 2008 we began the three year 2010 appeal. At the start of 2009 we began the targeted Barnsey appeal which has continued all year. None has produced the increase in money we need.

That said we must thank the many of you in the congregation who give regularly and give still more when we ask for help.

### **4. What are we aiming at now?**

We are bluntly asking everyone to set up a regular commitment, and explaining why. We must have regular commitments. It is wonderful when people give us a big one off cheque, but we then have to ask them again next year; and one off donations do not give us financial stability.

**5. Why is a lack of income growth a problem?**

Because we have increased our expenditure to develop things we have felt were important. We paid a children's worker, to develop our ministry to the young. We paid for administrative help, because a big church has a lot of administration. (It is not currently planned to fund these two posts in 2010 unless our situation changes dramatically.) We pay an organist because music is important for our services.

And we pay to the diocese an amount which depends on the size of our regular congregation and their income. A larger congregation means we need to pay a higher amount to the diocese, whether or not the higher congregation pays us more money.

**6. What is this diocesan payment for?**

The churches in the diocese must jointly fund the pay of clergy, their houses and their pensions. The money comes from payments by the churches. The amount of the payment depends on ability to pay: the richer congregations contribute more than poorer ones.

**7. How is the payment for each church calculated?**

The system takes our own estimate of the numbers of our regular congregation. We also provide an estimate of the income of our congregation. This is done by asking the regular congregation to tell us their income (done confidentially and by income band).

The size and average income of the congregation provides the basis for the assessment. The diocese expects each congregation to pay its church 4% of the income the congregation earns. The diocese then takes just over 2%, in theory leaving almost the same again for each church's own costs.

Overall St Mary's congregation gives less than 2% of the income it says it has, so there is not the amount left towards our own work that the diocese anticipates.

**8. Why do we not stop paying the Fairer Share?**

Our payment covers the salary, housing and pension of our Rector. It also subsidises the poorest churches in the diocese which cannot afford to pay their own priest. This is a fair system, and we do not want to renege on it.

It is effectively our mission to the wider church in our own inner city.

If churches start dropping out because they think they can't afford it the others have to pay more. If a number drop out, then clergy pay and pensions in our diocese will not be payable.

**9. Can we reduce the payment?**

The diocese has agreed to reduce our further increase expected by the diocese for this year (2010). The diocese is also seeking economies in its own expenditure.

The level of our payment is being reviewed by the diocese later this year (for payments starting in 2011). We will ensure that we provide fair figures of our numbers and income.

**10. Can we cut our own costs?**

We have considered what we could cut, and the choices are stark. We need to keep the church watertight and insured. Our paid staff have supported Ross in providing the work we want for children and music as well as the administration that goes with being one of the biggest churches in the diocese. However we cannot commit money we don't have. The PCC has decided that until our finances improve we will have to manage without a paid office administrator and a paid children's pastor.

**11. Can we raise more money through events**

For some years we have been working to increase the amount of income by running events and we have a number of them through the year. But they require huge voluntary effort which is increasingly difficult to obtain as we increase the number; and if we got lots more help to do four times as many events would the congregation pay four times as much money? Events may help to raise some funds but do not seem to be a solution by themselves. Nevertheless we are planning to add further events this year.

**12. What other sources of income do we have?**

We get £28,000 a year from the Kitson Hall profits.

We get £5k annually from the Friends towards running costs and repairs, and another £5k for hire of the church for the Ball. (NB from their income the Friends are also planning to make a big contribution to funding the heating appeal).

There are legacies. We have encouraged people to remember us in their will. (But we hope not to benefit too quickly.) And there are fees for eg weddings, and interest on our savings.

**13. How are other churches coping?**

Others are also finding problems. Some are luckier than us in that they have large reserves.

**14. And if the money doesn't come in?**

The PCC cannot make spending commitments (eg turning on the heating) if it does not expect to be able to pay the bill. The PCC would need to decide what can be funded and what cannot.

**15. Does the appeal include the cost of replacing the heating?**

No. That needs a separate fundraising effort. That is why the PCC has put the heating work back a year, to give time to raise those funds, after the success of the current appeal.

St Mary's PCC Standing Committee

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