

Christian Stewardship

is about our individual and corporate response to God for all we have been given.

EAGERTO GIVE? -

'Keeping Stewardship in the Picture'
is an initiative to help parish members to consider their stewardship giving.

TRIO

explains parish finances and the Fairer Shares Scheme and promotes planned and tax-efficient giving.

GEM

helps a parish to write a Mission Statement, to identify some tangible areas for future development and to cost (both in terms of finance and the gifts of members of the congregation) how to achieve the goals set.

Pass-It-On

also sets goals based upon a Mission Statement but the method of response is via a set of shared folders rather than individually as with GEM.

*For further information, contact:
Communications and Resources:
020 7939 9400.*

E-mail: comm.res@southwark.anglican.org



**DIOCESE OF
SOUTHWARK**

Money Matters 2009

**The 2009 Budget
Explained**

Letter from John Kempzell **Chair of the Diocesan Board of Finance**

Dear Friends,

I little thought that 2008 would prove to be such a very difficult time when I agreed to accept the Bishop's nomination to the Chair of the Diocesan Board of Finance in February this year. However my thanks must firstly go to Andrew Britton who has left the finances of the Diocese in a strong position, which will help us to withstand some of the immediate turmoil in the financial markets. Thanks are also due to all the Parishes who have supported the Fairer Shares scheme and ensured that we have been able to meet our financial commitments to the Clergy in 2008.

In the light of this turmoil it has not been easy to prepare a budget for 2009 because of the uncertainties about inflation, the oil price, the volatility of the financial markets and the considerable reduction in the values of our investment and property assets. During 2008 we have not felt the full impact of this situation, although our investment income is expected to have reduced by £250k.

As usual this budget has been developed over a number of months, with considerable advice from various Diocesan Committee members and staff. We have assumed an increase in Clergy stipends of 3% and, mainly because of substantial increases in the various pension schemes, we have budgeted for an increase of 4.1% in the collection of the Parish Fairer Shares. We seek to maintain a balanced budget but we are also able to call on some of our reserves to support our expenditure.

The budget provides a good basis for the Diocese for 2009, but because of the continuing uncertainties in the financial markets, we have decided to set up a small committee to monitor our progress very closely during 2009. This will enable us to take immediate action on our income and expenditure should this be necessary. Our Investment Committee is also meeting on a regular basis to monitor our investment portfolio and keep our investment strategy under close scrutiny.

Finally my thanks go to all Clergy and Diocesan staff for their support and also of course to all Parish members for their continuing generosity.

- ▶ training and support in RE and collective worship
- ▶ inspecting RE & Worship in primary schools as part of the Government's inspection framework for schools
- ▶ training and support for governing bodies

£ 1,431,000 funds the **Ministry & Training** **Committee**

which is included as part of Ministry and Parish Support. It includes vocations work, training for ordained and lay ministry and discipleship. Contributions to national training and support of ordinands in training account for a large part of this cost.

£ 647,000 funds the **Groups & Committees**

It is through the range of Groups & Committees that the Diocesan Synod gives practical expression to many of its convictions about being the Church in the world.

They work with and for children and young people; provide evangelism resources, skills in community development, which all directly enrich and support Christian ministry in our parishes and deaneries.

Groups and Committees also work on a larger canvas. Ecumenical and interfaith relationships, the world of work, refugees and homelessness, racial justice, urban regeneration, prisons

and criminal justice, world mission and development and, of course, Welcare. They also includes the work of the Minority Ethnic Anglican Concerns Committee which works with diocesan offices, boards, committees, councils and PCCs so as to bring about increased opportunities for participation and representation by minority ethnic Anglicans in the parishes and Cathedral, schools, and the Diocese as a whole.

£ 814,000 funds the **Board of Finance**

which is the legal and financial executive of the Diocesan Synod.

The Board provides

- ▶ synodical
- ▶ corporate
- ▶ legal
- ▶ financial
- ▶ and governance

services to the Diocese and assists parishes in a number of schemes.

Total cost of this work: £ 581,000.

The Board also funds the work of the Communications & Resources Department, which helps parishes in their stewardship programmes, and provides a press and publications service for the Bishop and Diocese.

Total cost of this work: £ 233,080.

Direct cost of providing clergy

Average cost per incumbent in the Diocese of Southwark in 2009

STIPEND
Standard stipend for 2009

NATIONAL INSURANCE
Average Nat Ins. employer's contribution

PENSION
Gross contribution payable to Pensions Board

PARSONAGE
Average Council Tax, water rates, insurance, in-going works, repairs, surveyors and support staff

ADDITIONAL SUPPORT
The clergy receive financial support for items such as training, removal and resettlement costs, life assurance and other benefits including housing in retirement amounting to an average of £ 6,136 per person

ASSISTANT STAFF
The direct cost of additional ordained staff, for whom housing is not provided by the Diocese, is approximately £ 32,315 plus the "additional support".

Support to parishes

The Diocese also provides support to parishes through the Area Mission Teams, Boards, Committees and Groups, and national church costs, totalling approximately £13,884 per parish.

£ 1,081,000 funds the Area Mission Teams

The Diocese is divided into three Episcopal Areas - Croydon, Kingston and Woolwich - with a mission team attached to each. The Area Bishop leads the team and is supported by the archdeacons and advisers in matters such as:

- ▶ Evangelism ▶ Social Responsibility
- ▶ Youth & Children's Work ▶ Training

The Area Mission Teams are there to support the parishes and clergy and assist in the development of ministry and mission.

Parishes are encouraged to make use of their Mission Teams.

£ 263,000 towards the funding of the Board of Education

which serves the 91 primary and 15 secondary Church of England schools in the Diocese and supports chaplaincy work in both further and higher education. The Board's support includes:

- ▶ training for new head teachers
- ▶ a range of professional support for teachers
- ▶ maintaining and improving the buildings of a majority of voluntary aided schools in the Diocese
- ▶ claiming grant-aid from the DfEE
- ▶ acting as banker for capital projects and running a maintenance scheme to which schools subscribe

How the Diocesan Budget is established

First

The present Committees consider their needs and submit a budget application



May

The Budget Review Committee of the Board of Finance meets for 2 days to draw up a draft budget for the Diocese



June

The Board of Finance Executive considers (amends) and approves the draft and presents it to



July

The full Board of Finance, which (amends and) approves it for



September

Bishops Council. After preliminary discussion, Bishop's Council agrees to put it on the agenda for

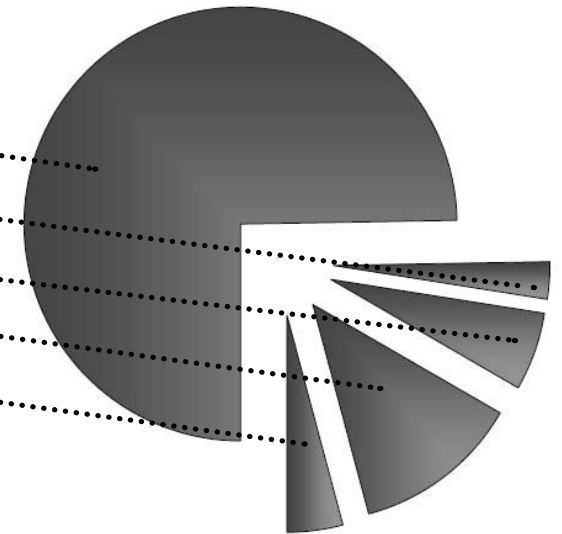


November

Diocesan Synod which debates the budget and may make changes before approving it

Income

| | 2008 | 2009 |
|---------------------------------------|---------------|---------------|
| | £ 000's | £ 000's |
| Parish Assessments | 14,800 | 15,431 |
| Parochial Fees | 560 | 600 |
| Funding from outside Diocese | 1,135 | 1,253 |
| Income from Diocesan assets | 2,531 | 2,470 |
| Transfer from Designated Funds | 834 | 900 |
| Total : | <u>19,860</u> | <u>20,654</u> |



Expenditure

| | £ 000's | £ 000's |
|--|---------------|---------------|
| Total Ministry & Parish Support | 16,480 | 17,188 |
| Area Mission Teams | 1,022 | 1,081 |
| Groups and Committees | 610 | 647 |
| Board of Education | 344 | 263 |
| Board of Finance | 776 | 814 |
| National Church Responsibilities | 561 | 575 |
| Cost of Generating Funds | 67 | 86 |
| Total : | <u>19,860</u> | <u>20,654</u> |

