

Money and Giving at Christ Church – Facts, FAQ's and Myth Busters!

We know that money can be a complicated business and most people don't easily see what's going on in a table of numbers. The aim of this sheet is to present some of the facts, myths, and frequently asked questions about money and giving at Christ Church. It is deliberately simple and the numbers presented are broad brush, rounded and based on weekly amounts. They are taken from the 2018 budget, which has been approved by the PCC.

How much does it cost to run Christ Church?

For 2018 it will cost around £11,750 a week to run Christ Church.

How is that spent?

£8,900 of this is spent on our three "big ticket" items: our Parish Share contribution to the Diocese (£3,800), our staff (£3,400) and our giving to overseas and local mission (£1,700).

The remaining £2,850 is spent on maintenance and running our buildings (£1,600), ministry support costs (£400) and worship, events and ministries (£850).

Where does all that money come from?

The bulk of our income each week comes from the direct giving of the church family (currently £7,500 per week) and the tax we can reclaim on this under Gift Aid (£1,500).

Our only other sources of income are the rental of our buildings (£1,600), fees and investments (£200) and the income we take at events and activities (£400). This makes a total weekly income of approximately £11,200.

So we spend £550 each week more than we get in?

Yes that's right! Our income is currently not enough to fund all our mission and ministry, so our 2018 budget shows a "giving gap" of £29,000 for the year.

Why is the gap so big?

While our costs continue to rise each year our giving income has not kept pace. Our giving income is affected when members of the church family move away, whereas new members of the church family often need to settle in before they start to give. Over the years we have also seen a demographic shift in our church family, with newer members being younger, more transient and having less disposable income. This has also affected our income from Gift Aid as increasingly newer givers do not pay enough tax to enable us to claim. We have also noted that as much of our giving is via standing order or direct debit, once set up our givers tend to "leave alone". Many standing orders have not changed for a number of years.

Surely the PCC didn't approve a budget with such a big gap?

The PCC had to make some tough choices when looking at the budget for 2018. The Finance Team which prepared the budget had recommended cuts in our Parish Share contribution to the Diocese, further cuts to our mission giving and not implementing a recommended inflationary pay increase for our staff. The PCC felt unable to adopt these recommendations due to the impact they would have on our overall mission and ministry as a church. Instead the PCC has approved the use of some of our legacy funds to cover some costs (namely £10,000 of our Parish Share costs and 50% of our lay pastor costs) while seeking to increase our income from the church family to cover the remaining gap of £550 per week. These changes enabled the PCC to adopt a balanced budget.

But if our income is too low, why are we not living within our means?

As a large church we need to balance ministry resources across all our ministry areas, which is why the PCC sets a budget each year. As a church family we have recently invested "in faith" in the provision of a youth pastor couple, partly because we recognised an imbalance in our youth ministry resourcing compared to other areas of church life. To make a significant dent in our costs would require cutting back on one or more significant ministry areas, which would impact this balance again.

Why are we not reducing costs, like less photocopying and turning the lights off?

As a church we actually work really hard at keeping our costs as low as possible and not wasting money. And while there is always more that we can (and will) do, the reality is that any savings from these reductions will have very little impact in reducing the size of the deficit gap but do impact our ministries disproportionately.

Why don't we give less to the Diocese then?

Of the £4,000* we give to the Diocese each week in Parish Share, £2,800 covers the published Diocesan cost for providing us with a Vicar, Associate Vicar and Curate and £800 covers our share of the central Diocesan costs. The remaining £400 each week is our contribution towards the wider ministry within the Diocese. While Parish Share is a freewill contribution towards the shared costs of the Diocese, Christ Church has always aimed to ensure we fully covers the costs of the benefit we receive from the Diocese in return. It's also worth noting that for 2018, the Diocese were asking us to contribute at least £4,800 per week – something the PCC felt unable to agree to, given all our other costs. (**included £10,000 from legacy funds*)

Why do we give so much of our money away?

Historically Christ Church has given significant amounts of its income away, particularly to overseas mission. The amount we give has fallen in recent years from £2,500 per week in 2013 to £1,700 per week in 2018. One of the reasons for this is a trend for Christians to give direct to mission organisations rather than through the local church (in the past there were tax reasons for directing giving through a local church). We know that some church family members feel we should be giving more away, while others want us to spend a greater proportion of our income on our own mission. The PCC recognises this tension each year when setting the annual budget, and fundamentally believes that all our giving should be invested in mission and ministry whether in "Jerusalem, all Judea, Samaria or the ends of the earth".

Do we really get most of our money from the Church Family? I thought the Government gave us some!

Many people believe that as part of the Church of England we are either funded directly by the CofE nationally or locally or from the Government. This is not the case! The only money we receive from the government is the tax reclaimed on the giving of church members under the Gift Aid scheme (25p for every £1 given under Gift Aid). This is a scheme open to all charities. The Diocese of Bristol do pay for our clergy and their housing but we more than cover this cost from our Parish Share contribution to them. Two thirds of our income comes from the direct giving of the church family, with Gift Aid taking this up to 80%. We receive no other grants.

Is the church about to run out of money?

Not yet! As well as our general fund, which covers all our day to day costs, we have a number of special funds. These are "designated" because the PCC has set them aside for particular purposes. One is the Renew fund which is money set aside for the Renew building project (£712,000), the other is money received from a number of legacies in recent years (£400,000). The PCC's policy is to designate legacies for funding particular projects, rather than using them for day-to-day costs. However, as there is no restriction on these legacies the PCC can choose to use these funds to cover any deficit in our day-to-day costs. But, just like a homeowner dipping into savings to pay the bills, the PCC cannot do this forever. So while our bank balance is healthy, our income is not covering our day-to-day costs and the PCC is looking for £550 of new giving each week to meet this gap.

So how will we plug the gap between our income and our costs?

By developing a culture of generous giving within the church family! We are calling on everyone who considers themselves to be part of the church family at Christ Church to play their part in sharing out the family costs within the family. Currently we have 220 regular givers at Christ Church (either individuals or couples), many of whom haven't changed the amount they give for a number of years. But there are also 500 people on our database who currently don't give anything. We know some of these will have only loose connections to the church but many more will be committed family members. If, for example, 25 existing givers increased their giving by £5 per week and 25 new givers gave £20 per week we would have all we need for our mission and ministry in 2018. And with more giving we can do even more...