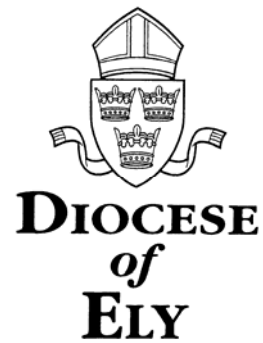


# 2008 BUDGET



## Objectives are to:

- increase the number of people exercising Christian ministry in the diocese
- maintain the full number of parish priests apportioned to the diocese by the Archbishops' Council
- maintain stipends at the level recommended for the Eastern Region by the Archbishops' Council
- provide for routine maintenance and expenditure on parsonage houses

## Financial Strategy

Over the next few years to balance income and expenditure while keeping Ministry Share increases to a level that are attainable in the parishes.

## Review of 2006

In 2006 there was a deficit of £101,931 on the general account compared with a break-even budget.

The diocese attempts to appoint its full quota of stipendiary priests but fell short of this in 2006 with the consequential unexpected saving of £57,000.

Ministry Share increased by £128,370 (3%), which was a shortfall of £234,100 on the amount requested. Several deaneries failed to apportion their full deanery Share with the consequence that while some parishes achieved their own target, the deanery total fell short of its full allotted Share. Nevertheless most parishes continued to pay their Share in full and seven deaneries achieved 100%.and a further three deaneries were within £4,000 of their target.

The policy of letting parsonage houses during vacancies yielded £233,455 (about £60,000 more than budget). This, together with the savings on stipends, partly offset the shortfall on Ministry Share and kept the deficit to £101,931.

## Progress in 2007

Expenditure on stipends is expected to be considerably over Budget because of an increase in curate numbers. Other expenditure is below Budget with savings in diocesan posts. Ministry Share receipts are running behind budgeted figures. The final outcome is dependent on deaneries and parishes meeting their full allocation..

## 2008 Budget

For two years the diocese has responded to requests from the Archbishops' Council to train extra curates. The cumulative effect of taking these curates has led to an increase in the number of stipend commitments above that predicted in the long term projection. This coupled with the increased pension contribution rate will result in additional expenditure of £300,000 in 2008 and £250,000 in 2009. This will come back into long term balance by 2010. It has to be remembered that over the last three years a saving of £270,000 has been made when stipend numbers were below Budget numbers.

Houses Committee have pursued a policy of improving the standard of parsonage houses to bring them up to modern standards. These improvements have had the consequence of increasing the capital value of the diocesan houses. In view of this it is intended to meet an element of houses expenditure from housing reserves to reduce the element falling directly on parishes.

## Ministry Share

It is essential that each deanery allocates its full Share to parishes in the deanery, and that each parish pays its Share in full. The diocese depends upon the contributions received from parishes to meet the monthly stipends of priests. A rebate of 2½% is returned to a deanery that meets 100% of its Share.

**To ensure that stipends can be met each month parishes are urged to use the direct debit procedure and to pay the Ministry Share in full.** A rebate of 2½% is returned to the PCC on that element of Share paid by direct debit.

## Vacancies

Vacancies will be filled only where they are consistent with Deanery Pastoral Plans. The financial strategy is based upon a progressive fall in the number of priests available as forecast by the Archbishops' Council. The statutory procedure for filling vacancies leads to delay between appointments. The increasing shortage of available parochial clergy means that inevitably many new appointments are associated with pastoral re-organisation and the process to find a suitable priest often takes longer; consequently vacancies will sometimes be prolonged.

## Summary

The Finance Committee prepares the budget after discussion with the Deanery Liaison Group (which comprises one representative from each deanery) and then refers it for comment to Deanery Synods. The budget is then considered by Bishop's Council before being presented to Diocesan Synod in October.

### SUMMARY BUDGET FOR 2008

#### INCOME

Ministry Share *	4,750,000
(less discounts)	(70,000)
National Church	140,250
Stipend fund and other income for ministry	2,056,500
(NB includes transfer from housing reserve)	<u>6,876,750</u>

#### EXPENDITURE

Parish Ministry	5,576,826
National Church	462,539
Services to parishes, diocesan programmes and administration	<u>837,385</u>
	6,876,750

#### NOTE

\* This level of Ministry Share in full is needed to balance diocesan expenditure on ministry

## Where does the money go?

**81%** **Ministry:**  
clergy stipends, pensions, clergy training and housing

**12%** **Parish Support and Diocesan Administration:**  
diocese-wide programmes in support of parishes; general administration and investment management

**7%** **National Church:**  
General Synod and ordination training;  
contribution towards national Church Administration

## Where does the money come from?

**68%** **Ministry Share:**  
contributions from parishes

**30%** **Stipends Fund and other income for ministry:**  
fees; trust income and investments, property and land managed by the Diocesan Office

**2%** **National Church:**  
general allocation, parish mission initiative grant

A detailed Budget statement of proposed income and expenditure for 2008 (if not appended to this paper) is available from the Diocesan Office or on the Diocesan web site [www.ely.anglican.org](http://www.ely.anglican.org)

Budget/2008Budget

## DIOCESAN BUDGET FOR 2008

2006 Actual	2007 Budget			£
<b>INCOME</b>				
£	£	A	<b>Parish contributions</b>	
4,429,623	4,670,000		Ministry Share	4,750,000
(119,111)	(100,000)		(Rebate)	(100,000)
17,388	30,000		Other contributions	30,000
<u>4,327,900</u>	<u>4,600,000</u>			<u>4,680,000</u>
<b>B Voluntary Income from Archbishops' Council</b>				
22,273	25,000		Chancellor / Registrar	25,750
25,000	0		Selective allocation Church Commissioners' help towards pension costs	75,000
38,400	39,500		Parish Mission grant	39,500
<u>85,673</u>	<u>64,500</u>			<u>140,250</u>
<b>C Other voluntary income</b>				
68,680	70,000		Ecclesiastical Insurance grant	70,000
2,780	2,000		Ordination candidates donations	2,000
	30,000		Transfer from property reserve	150,000
10,164			Marshalls charity grants towards housing	
9,787			Donations	
<u>91,411</u>	<u>102,000</u>			<u>222,000</u>
<b>D Income from activities for generating funds</b>				
233,455	200,000		Rent from let parsonages	220,000
<u>233,455</u>	<u>200,000</u>			<u>220,000</u>
<b>E Investment income</b>				
598,987	593,000		Stipend Fund income	630,000
79,836	105,000		Interest from Diocesan Pastoral Account	105,000
223,988	284,000		DBF Trust & general investments and interest	230,000
341,051	336,000		Glebe Income (costs and charges see below)	340,000
<u>1,243,862</u>	<u>1,318,000</u>			<u>1,305,000</u>
<b>F Incoming resources from charitable activities</b>				
238,646	250,000		Assigned Fees	260,000
37,185	30,000		Unassigned Fees	30,000
15,218	18,000		Fees from Services in vacancies	16,500
7,435	0		Guaranteed annuities	3,000
<u>298,484</u>	<u>298,000</u>			<u>309,500</u>
<u><b>6,280,785</b></u>	<u><b>6,582,500</b></u>		<b>TOTAL BUDGETED INCOME</b>	<u><b>6,876,750</b></u>
<b>EXPENDITURE</b>				
<b>G Costs of generating voluntary income</b>				
42,215	45,000		Parsonage letting costs	40,000
<u>42,215</u>	<u>45,000</u>			<u>40,000</u>
<b>H Investment management costs</b>				
49,658	66,000		Glebe agents fees	54,000
<u>49,658</u>	<u>66,000</u>			<u>54,000</u>
<b>J Contribution to Archbishops' Council</b>				
164,036	180,117		Training for the Ministry (GS vote 1)	190,046
200,653	204,220		National Church Responsibilities (GS votes 2&3)	208,045
55,197	51,885		CHARM (Church's Housing Assistance for the Retired Ministry) (GS vote 5)	50,328
13,099	13,208		Mission Agencies - pension contributions (GS vote 4)	14,120
<u>432,985</u>	<u>449,430</u>			<u>462,539</u>
<b>K Expenditure on resourcing Ministry &amp; Mission</b>				
Parish Ministry				
<b>K1 Gross cost of Stipends</b>				
2,488,233	2,569,590		Parochial clergy stipends	2,681,280
90,500	95,100		Archdeacons & Dir of Ministry	97,902
<u>2,578,733</u>	<u>2,664,690</u>			<u>2,779,182</u>
162,043	170,520		N.I. contributions	175,000
871,010	883,990		Pension contributions	988,088
14,600	12,000		Church Commissioners interest charge	14,000
<u>3,626,386</u>	<u>3,731,200</u>			<u>3,956,270</u>
<b>K2 Clergy housing costs</b>				
471,846	551,230		Repairs to Clergy Houses	583,000
98,176			exceptional repairs expenditure	
267,165	297,500		Council Tax	295,000
61,088	65,000		Water & Sewerage	65,000
43,390	44,000		Insurance	46,000
48,697	50,000		Rents payable	55,000
106,317	109,000		Management costs	115,000
<u>1,096,679</u>	<u>1,116,730</u>			<u>1,159,000</u>
	30,000		Depreciation on houses	0
-	30,000			0

**DIOCESAN BUDGET (continued)**

2006 Actual £	2007 Budget £			£
		<b>K3</b>	<b>Ministry Selection &amp; Training</b>	
			Training for the Ministry (see above)(65 vote 1)	
144,758	145,000		Ordinands maintenance grants	150,000
(84,714)	(89,045)		Pooling Arrangements	(80,844)
3,000	4,000		Regional Training Partnership	3,500
19,057	17,500		Director of Ministry expenses of office	20,000
4,645	20,000		Fresh Expressions (½post) -- from Mission initiative gra £18k+exp	22,000
82,103	85,640		Ministerial & Adult Learning	89,600
16,649	18,000		Continuing Ministerial Education & Post ordination training	18,000
26,413	2,500		Clergy / Rural Deans' conferences	2,500
<u>211,911</u>	<u>203,595</u>			<u>224,756</u>
		<b>K4</b>	<b>Clergy Support</b>	
5,039	7,000		Parish Expenses/Clergy recruitment/travel	8,000
(5,000)	(5,000)		Donation from Trust fund	(6,000)
124,017	100,000		Removal and Resettlement & NSM grants/candidates expenses	120,000
7,073	7,000		Professional support/counselling	7,500
6,469	12,000		Criminal Records Bureau	12,000
9,000	9,000		Bishop's discretionary fund	9,000
46,266	42,000		Service fees paid during vacancies	45,000
6,412			Candidates expenses - vacant parishes	
(157)	4,500		Diocesan Assoc of Readers	4,500
36,444	35,000		Archdeacons' expenses of office	36,800
<u>235,563</u>	<u>211,500</u>			<u>236,800</u>
		<b>K5</b>	<b>Diocesan Programmes and Services to Parishes</b>	
57,262	52,400	1	Legal fees and retainers (Chancellor & Registrar)	62,000
239,809	252,574	2	Administration and Management inc computer upgrades	259,625
28,632	33,000		Management Accounting	35,000
25,605	12,000		Trusts & Gift Aid service	13,000
3,067	5,000		Bank charges	4,000
39,522	40,000	3	Diocesan Advisory Committee (DAC)	43,000
11,456	19,000		Faculty fees for P.C.Cs	19,000
0	2,000		Consistory Courts	2,000
18,405	24,000	4	Church inspection fees	19,000
300	300	5	Church Bldg and Preservation donations	300
8,185	8,250	6	Publications (Directory / Annual Report etc)	8,200
(2,919)	(3,500)		(income sales / advertising)	(3,500)
9,650	10,195	7	Church in Society	10,490
16,000	16,000	8	Family and Social Welfare	16,000
3,500	3,500	9	Chaplaincy to People at Work	3,500
6,055	1,000	10	Rural Mission	4,000
99	500	11	Urban Priority Areas	500
5,000	3,500	12	East of England Churches Network	5,000
1,027				
9,299	12,000	13	Council for Ministry and Mission	12,000
3,005	5,000	14	Parish Mission initiative	5,000
1,038	5,750	15	Cambridge Ecumenical Council (incl part stipend)	2,000
0	400	16	Diocesan Liturgical Committee	400
1,050	1,050	17	Ely Royal School of Church Music	1,050
2,865	3,100	18	Spirituality	3,500
280	1,000	19	Ministry to deaf people	3,000
125	850	20	Ministry of Healing	850
127,134	123,350	21	Children and young people: (Education and Training)	130,830
27,546	29,600	22	Director of Communications & Group expenses	30,000
6,000	6,000	23	Web Site Editor	6,000
26,270	16,000	24	Ely Ensign	0
(18,259)			Ensign income / donation	
6,736		25	Web site	
0	10,000	26	Bishop's Council Contingency (Lambeth Conference 2008)	10,000
<u>663,744</u>	<u>693,819</u>			<u>705,745</u>
		<b>L</b>	<b>Governance costs</b>	
14,016	13,000		Audit fees	15,000
4,120	8,200		Boards and Committees Trav Exps	8,200
1,444	3,600		General Synod members' expenses	3,600
10,025	10,426		Diocesan Synod & Bishop's Council	10,840
<u>29,605</u>	<u>35,226</u>			<u>37,640</u>
<u><b>6,388,746</b></u>	<u><b>6,582,500</b></u>		<b>TOTAL BUDGETED EXPENDITURE</b>	<u><b>6,876,750</b></u>
(6,030)			Transferred from restricted fund	
			Transfer to New Churches Fund	
<u><b>(101,931)</b></u>	<u><b>(0)</b></u>		<b>TRANSFER TO (TAKEN FROM) GENERAL RESERVES</b>	<u><b>(0)</b></u>