

Summary

In the first 6 months of this year our giving has gone down quite steeply and our expenses, especially heating and wages, have gone up so that our expenditure was substantially higher than our income. As you will understand, this is not sustainable. We are asking all members of the church family to think prayerfully whether they might be able to increase their regular giving - at the same time being very aware that many are already giving sacrificially and that some people are themselves struggling financially.

1. So how much does it cost to run the church?

- It cost over **£160,000** to run the church last year – that is about **£1000** for each church member.
- Of this £1000, around £600 is how much the Diocese requests as a contribution to pay for the clergy in our parish and to support other local churches.
- For many years we have delighted in also giving a tithe - 10% - of our giving to support Christian outreach and relief work locally and around the world – and sincerely hope to continue to be able to do this.
- The balance of our expenditure is the costs of running the church. The table below shows that, based on our maintenance and running costs for January to June costs will be substantially higher this year due mainly to the huge increase in price of gas.
 - **Gas bills** about **£3500** per month or **£14000** for first four months of 2023 (c.f. £5000 for whole of 2021). The Council Warm Space grant paid for £2500 of this.
 - **All wages have gone up** (including the Living Wage) which particularly affects Preschool.

There are leaflets available at the back of the church with more information about the Common Fund and where the Mission Tithe goes. A summary of operating income and expenditure for January to June 2022 and 2023 will also be available after the service from churchwardens or on request from our treasurer Kevin treasurer@st-matthias-church.org or the Office admin@st-matthias-church.org

2. What about our income?

The graphs and table below show how our giving has been reducing since 2019 – but has gone down quite steeply in the first 6 months of this year. If giving were to continue at the same level for the rest of the year our income from giving this year would be about £120,000 or £756 per church member, very substantially lower than the cost of running the church.

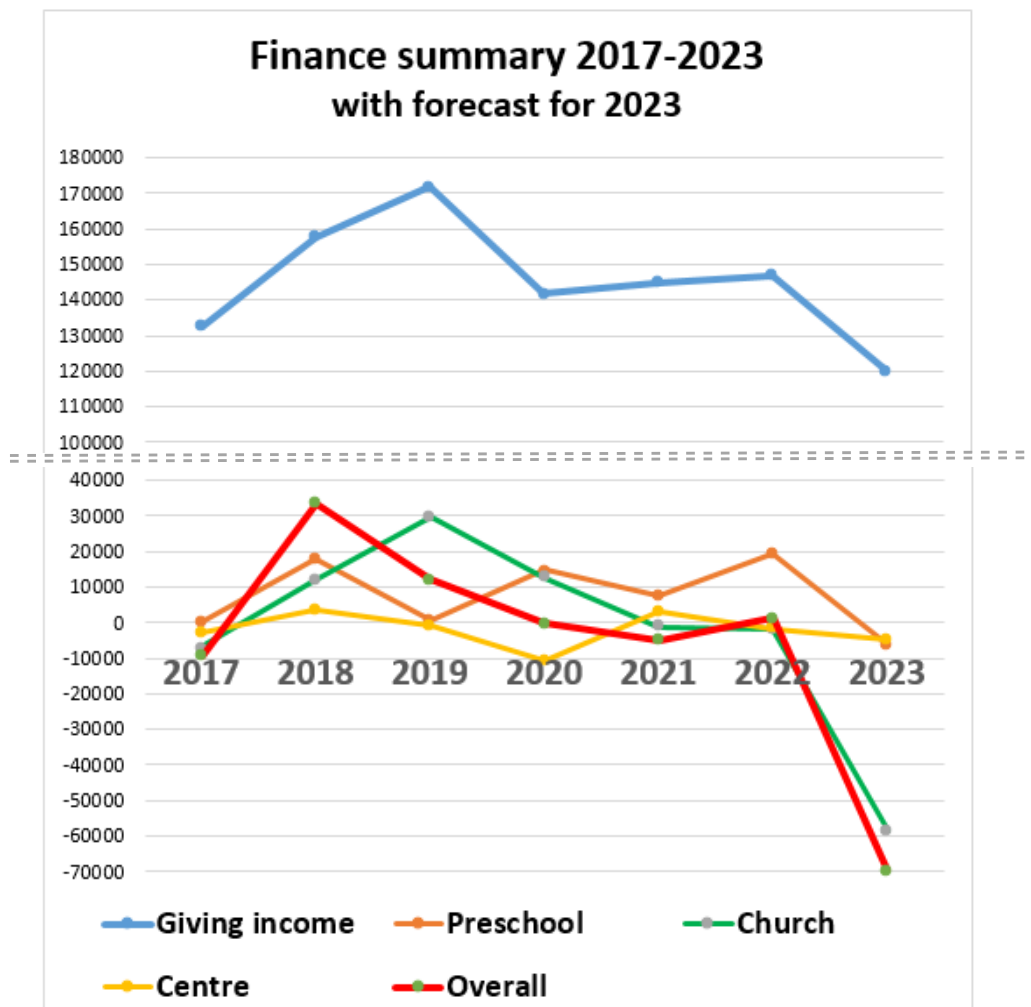


Table: Income from giving, contribution from preschool & centre, & overall surplus/deficit

year	total giving	preschool	centre	Overall surplus or deficit
2017	132600	306	-2700	-9400
2018	157600	17700	3700	33200
2019	171700	700	-1000	12000
2020	141800	14800	-10800	-300
2021	144700	7500	2900	-4900
2022	147000	19400	-1600	1300
Projected 2023	120000	-6500	-4800	-69000

2023 figure assumes that giving stays the same and that we pay the agreed Mission Tithe of £14500

We are already eating into our reserves and if this level of loss continues until Christmas we may not be able to heat the church or continue to pay our full contribution to the Common Fund. Due to such a concerning deficit, we've made substantial enquiries into the reasons for the changes and we are reassured that everything has been correctly accounted for.

3. Church Centre and Preschool

The table above shows that in most of the last few years (with the exception of 2020 when Covid prevented letting for much of the year) the Church Centre has more or less broken even and the Preschool has run at a slight surplus.

In the past 6 months the Preschool has, unusually, made a loss. Like all other preschools it has faced significantly increased costs which have not been matched by an increase in government funding. The Preschool has taken action to increase fees - although we are aware that some people we serve will find this very difficult.

The Centre is an amazing resource for us as a church family as well as for the local community. The hiring income means that it is essentially a free resource for us and covers half the administrator's salary. The Preschool provides significant benefits to the local community and is an important part of our outreach to families.

Marketing for both the Preschool and the Centre is being reviewed to ensure that income from both sources is optimised. From the Autumn term 2023 onwards, Preschool is now forecast to at least break even.

4. We need more to grow God's Kingdom

We are, unashamedly, not just seeking to balance the books, but to extend the Kingdom! We are grateful for everything God has been doing at and through St Matthias and the opportunities we have:

- We still want to provide a warm church to welcome people and to make new disciples
- We still want to provide the Church Centre and the Preschool with its Christian ethos as a resource for the local community
- We still want to bless Kingdom work with our Mission tithe
- We still want to recruit an Emerging Generations Leader (EGL). Despite generous responses to John's recent request we do not have sufficient funds to take forward the appointment of the ordained person at this time but we are still hoping to appoint someone to take forward this vital work. The money already given and the continuing contributions to the EGL (Youth) Fund will give us the ability to offer a contract when we employ someone. However, we have asked those who offered pledges towards the appointment of the ordained person if they would consider making pledges to the Church general funds instead, giving us more flexibility to take forward all the church activities.

5. What are we asking the church family to do?

We are asking everyone who considers themselves part of the church family at St Matthias to consider prayerfully and carefully how they might contribute to God's work. The "All about Money" leaflet sets out some principles to guide our thinking and an easy way of calculating what a tithe of income might look like.

As you reflect please bear in mind:

- If you are able to give regularly giving through the Parish Giving Scheme, it allows us to claim gift aid automatically – could you commit to giving a regular sum?
- If you have been giving the same amount for many years, would you be able to increase your giving to reflect inflation?
- If you are struggling financially, do you need to reduce your giving for a period?

To address the difference between our income and our expenditure so that we can carry on our work here at St Matthias we need to increase our regular giving by over a third. How would God like each of us to contribute to this?

6. Plans for next few weeks

In response to the current serious financial situation we want not just to pray individually but to come together to seek God's will and ask for God's help and guidance. There will be two special prayer meetings in the next two weeks which Andrew Green and others will be leading – see notice sheets for details.

On Harvest Sunday we want to offer not just our gifts of food for the Food Larder but our pledges setting out what we will give to God 's work– our first fruits offered to him with joy and in recognition of everything he has done for us. Pledge slips will be distributed in church or by email over the coming weeks, and we invite you to place these in the barrel at the back of the church - this will be in place soon for those who are not able to attend on Harvest Sunday or they can be sent to the Treasurer care of the church office.

Thank you for reading this carefully, and for your prayers.

Clare and Cheryl
Churchwardens

For any other questions about Giving to St. Matthias, please contact our treasurer, Kevin Francis on treasurer@st-matthias-church.org