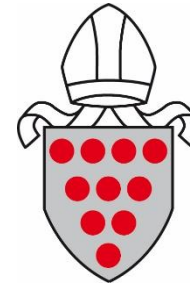




Kingdom People

love • compassion • justice • freedom



THE CHURCH
OF ENGLAND

DIOCESE OF
WORCESTER

2021-23 BUDGET PROPOSAL

The numbers in brief...

	2020	2021
Budgeted Income	£7,968k	£8,225k
Budgeted Operating Expenditure	£8,440k	£8,182k
Pension Deficit Contribution	£319k	£320k
Budgeted Operating Deficit	(£791k)	(£277k)

The motion:

This Synod approves the budget presented by the Bishop's Council and Standing Committee for the Worcester Diocesan Board of Finance Limited, which provides for expenditure of £8,182,000* in 2021 involving no increase in the amount of Parish Share requested, and leading to a budgeted deficit of £277,000**.

*£8,263,000 in agenda paper

** £399,000 in agenda paper

Four Key Points...

I. 2020 Performance

2020 budgeted operating deficit of £791k*

Impact of pandemic...

- Medium forecast on parish share expects drop of £885k (-18%)
- Now have clarity on net savings of £790k (includes furlough, ministry fund donations, expenditure savings).

Current estimate of 2020 operating deficit has improved from previous estimates to £886k.**

* Prior to investment in special projects

** This is better than the figures shown in the budget paper which were kept consistent with that presented to Bishop's Council.

Four Key Points...

2. No Parish Share increase for 2021

No increase in parish share proposed for 2021.

Why not cut? Parish Share funds Parish Ministry – costs of stipends etc has not gone down.

But we understand the parish economy is still severely affected and we don't expect parish share receipts to return to 2019 levels – “do what you can.”

Four Key Points...

3. No recommended increase
in stipends/wages

Since no increase in parish share proposed for 2021, no change in stipends/wages proposed either.

Four Key Points...

4. Underlying structural deficit eliminated by 2023

- We are working to eliminate the underlying £1 million structural deficit* by 2023. This budget shows us making good progress towards that.
- This budget shows a deficit for 2021 of £277k – about quarter of a million pounds better than that indicated for 2021 this time last year.
- However, the pandemic is likely to mean that parish share receipts will be lower than budget, and the actual deficit higher than budget. Our current indications are that this will be between £787k and £1,960k.

*The 2018 operational deficit was £1,064k which gave rise to our diocesan restructuring plans.

Four key points...

1. 2020 Performance

2. No Parish Share increase
for 2021

3. No recommended increase
in stipends/wages

4. Underlying structural deficit
eliminated by 2023