

PORTSMOUTH CATHEDRAL

CATHEDRAL – BULLETIN V 22nd November 2009

I. Introduction

Bulletins I and II issued at the beginning of this year outlined the situation concerning the Cathedral's finances, the shortfall of £132,000 in 2008 and potential deficit budget of £160,000 in 2009 unless major steps were taken.

Bulletin III, issued at the end of March, outlined the decisions that had to be made to reduce the deficit for 2009, to provide a balanced budget for 2010 and invited everyone to respond.

Bulletin IV, issued at the end of July, acknowledged the generosity of many in response by their increased regular giving, one-off donations and additional voluntary help. It gave details of how the major cost saving decisions had been put into effect, the reductions in staff and staff hours, the lowering of department budgets and the careful monitoring of all expenditure and outgoings. *(These Bulletins remain available in the welcome area and on the Cathedral's website.)*

This Bulletin (V) again acknowledges the considerable generosity and understanding of members of staff, congregation and the very careful management of the Chapter Clerk of this whole process. It now seeks to outline how a realistic balanced budget can be achieved for 2010 and invites all members of the congregation and the wider community to contribute to a debate which will lead to a realistic budget being adopted for 2010. These figures will be presented to the Cathedral Council at their meeting on 1st December 2009.

2. Proposed Budget for 2010

The following paragraph deals with the general operating budget of the Cathedral, which covers the Cathedral's annual running costs and the income to meet these costs. Special projects are the subject of a separate paragraph and financing. Very broadly the figures produce a small contingency of £7,729 – but only if the current levels of giving are maintained and one-off donations continue as this year: **(Figures highlighted in brackets indicate expenditure prior to savings measures).**

EXPENDITURE:

	2009 budget	Proposed 2010 budget
Parish share (quota to Diocese)	90,600	96,000
Cathedral housing	20,000	21,500
Cathedral running expenses	73,309 (115,500)	68,269
Cathedral utilities	17,400	17,400
Committee expenses	4,000	4,000
Cathedral House costs	13,950	17,400
Other property costs	11,000	12,000
Services and music	4,200	3,750
Music Dept	72,298 (85,700)	69,113
Administration:	94,711 (128,000)	97,254
Support costs	24,941	16,650
Clergy costs	48,700	49,221
Fundraising costs	13,650 (41,100)	5,250
Donations	18,700	15,200
TOTALS	507,459 (623,791)	493,007

INCOME:

	2009 budget *	Proposed 2010 budget
Congregational giving, donations, collections.	197,500	205,000
Breakdown:		
<i>Planned giving</i>	94,000	90,000
<i>Tax recovered</i>	22,500	28,000
<i>Routine collections</i>	30,000	30,000
<i>Funeral collections</i>	5,000	5,000
<i>Donations</i>	20,000	30,000
<i>Visitors boxes, candles</i>	12,000	12,000
<i>Sunyani</i>	2,000	2,000
<i>Special collections</i>	12,000	8,000
Grant from Church Commissioners (clergy support costs, not clergy pay)	94,600	107,236
Grants from other sources (diocese, Sing Up)	36,141	28,300
Fundraising income (art, music, exhibitions, Christmas Fair)	18,150*	18,500
Income from investments	7,500	7,500
Rental income	35,200	45,700
Trading and fee income	62,600	72,500
Non recurring income	13,500	16,000
TOTALS	465,191	500,736

*Note: 2009 budget excludes Flower Festival figures.

3. The remainder of 2009

It was always going to be several months before the major cost-saving measures taken this year would take full effect. However, the deficit of £160,000 anticipated at the beginning this year, has been reduced to around £44,000.

4. Special projects

The monthly Congregational Newsletters have contained details of how costs are broadly being kept to budget with the reroofing of the nave and the repairs to the tower and cupola. The augmentation of the bells is an entirely self funding project by the ringers and the new vestments, altar frontals and proposed frontal chest have all been paid for by various sources from within the congregation, community and Friends. New projects, for example the part glazing and self opening inner south door, await funding and are not part of the 2010 budget.

5. What next?

Members of the congregation are invited to meet with Chapter members after the Joint Eucharist on Advent Sunday (29th November) and prior to the congregational lunch (tickets in advance £5) to ask questions and understand how it costs nearly £10,000 per week just to maintain the present life and witness of the cathedral without planning for growth. Whether the budget will in fact balance in 2010 will depend upon everyone's continued response either regularly or with one-off donations (all preferably gift-aided whenever possible). However, Chapter is committed to keeping its spending within achievable income levels and hopes that, with this control in place, everyone will feel able to be generous in their response. However, until income grows considerably and is sustainable, Chapter cannot begin to consider how, for example, the verging department can be enlarged to release some of Canon Michael's time back to the parish.

Chapter continues to thank all members of staff for their great commitment and hard work in difficult circumstances and remains open to all offers of voluntary work from members of our community.