

## To all Incumbents, Churchwardens and Treasurers in the Willesden Area from Bishop Pete Broadbent

Dear Colleague,

Thank you for all that you give via the Common Fund to the mission and ministry of this Area and Diocese. I am aware that the Common Fund discussions and negotiations for 2011 have now taken place and I am grateful for the way in which the majority of churches have engaged with the process. We are now faced with the hard task of preparing a balanced budget for 2011 as we seek to continue to grow the Kingdom of God in London. In recent years this has been possible because of so much local generosity coupled with excellent professionalism in the central financial management of our affairs.



### Reduced Expenditure in 2010:

In order to produce a balanced diocesan budget **for 2010**, due to a number of factors resulting from the recession, we had to find ways of reducing the budget by £1.3m -

- The income from our endowment has fallen substantially
- The cost of providing clergy pensions has significantly increased
- The financial circumstances of every church have been affected by the recession, as you know only too well in your own situation!

Plans were put in place to reduce costs by £900,000. This included a reduction in grants to parishes and clergy, deferring housing expenditure and slimming down administrative costs. You may be aware that the floor which was previously occupied by the finance staff at London Diocesan House is now let as office space to the school next door. The property and finance staff are now sharing limited space in one open plan office.

### Area Stipends Budget:

In addition to the above, the Bishop's Council agreed that it was necessary to set a target of reducing the diocesan stipends budget by £430,000 – the equivalent of two full time posts in each Area. Thus each Area was given a reduced stipends budget for 2010.

Whilst strategic planning for posts continues, it can never be a quick process and therefore, in order to achieve a balanced budget by the end of 2010, each Area has had to either reduce expenditure or raise further income.

In Willesden, while we have been seeking ways of reducing our stipends budget, we also need to increase our income by about £80,000. We have been trying to do this in a number of ways including raising income through the letting of vacant properties. We are also mindful that when PCCs made their common fund offers in 2009, some churches committed themselves to reviewing their financial situation towards the end of 2010 to see if a further one-off donation might be possible.

### A Shared Need:

I am communicating all this because in the spirit of Common Fund, we would like our on-going financial needs to be a shared need. Therefore firstly and most importantly, may I and the Area Staff ask you to remain committed to praying about the situation as we continue to give thanks for all that God has given us and as we lay before God our current needs.

Secondly, we need every PCC to remain committed to their offer for 2010.

Thirdly, if you are one of the churches which, when making your 2010 Common Fund offer, agreed to revisit your financial situation towards the end of the year, we would be extremely grateful if you could now consider whether or not you are able to make a one-off extra mission gift to the 2010 Common Fund 'pot'.

Above all, let me reiterate how much I appreciate our lived out understanding of *shared* mission and ministry within Deanery, Area and Diocese and I am hopeful that we will continue to engage with the financial challenge facing us in a spirit of commonality of purpose, beginning in a place of thanksgiving and prayer.