

Frequently Asked Questions:

Doesn't the church have lots of money? The simple answer is, 'No!' St. Luke's tries to keep some money in reserves, but we have had to use our reserves in the last few years and they are now down to just £10,000, a seventh of our annual budget. This is well below the recommended reserves for charities. The Church of England as a whole has significant sums in savings, but much of this is committed to paying clergy pensions, whilst the rest is invested in order to help pay for ministry and mission across the country.

Doesn't the government give the church money? No! In some other European countries there is a church tax where everyone pays 2% of income to the church, whether they attend or not. In this country there is no such tax. The churches rely primarily on the gifts of their members.

How bad is St. Luke's financial situation? Our expected income for 2019 is around £62,200 on present planned giving rates. We need to budget to spend around £77,500 to cover our costs. That leaves a shortfall of £15,300, which will need to be met through one off gifts by the end of the year.

In order to not have to rely on one-off gifts to pay our way in 2020, we need to increase our Planned Giving over 2020 by at least £25,000. That is just over £2,000 per month or just over an average of £20 for 100 adults per month.

Why are we asked to give so much to the Diocese? The Diocese pay for all the costs of having a vicar (stipend, national insurance contributions, pension contributions, vicarage upkeep and maintenance etc.) In addition to this we help contribute to the costs of training new clergy and some of the central administrative and support staff costs, although we pay less than most towards this because St. Luke's is in a deprived area. In 2019, we have been asked to pay £60,231 to the Diocese. In 2020, this will likely rise to around £61,000.

What else does St. Luke's spend money on? The costs of running the building are significant: heating, lighting, insurance and maintenance. We pay for an administrator for 8 hours per week and for the cost of running an office. There are also costs associated with publicity, licenses, vicar's expenses and purchasing materials. We seek to keep these costs as low as possible, but in 2019, we have budgeted to spend £17,300 on this.

Where does St. Luke's money come from? In 2019 around £43,500 was from planned giving, £6,000 from collections (both including Gift Aid) and £2,000 from wedding and funeral fees. We have also, received over £10,000 in one off gifts in 2019 so far, but need another £15,300 to meet the budget. We try not to use money from hall rental, because we want to spend any profit on updating and maintaining the hall.

What is gift aid? It is a scheme whereby the government pays back the tax it has earned on any money given to a charity. In practice this means that for every £1 you give to St. Luke's we can claim another 25p from the government – if you are a taxpayer, and you sign the gift aid declaration. It is worth noting that any money you give away gift aided can often be deducted from your salary when calculating tax credit claims.

Can I remember St. Luke's in my will? Yes! We should all ensure we leave a will. It makes life much easier for those dealing with our affairs when we die. St. Luke's like many churches has benefited greatly in the past from such legacies and we would be grateful if you were able to consider leaving money to St. Luke's in your will.

Who knows what I give? Only the treasurer and one or two of her helpers. Not the vicar!