



THE DIOCESE OF HEREFORD

A Guide to the 2012 Budget

Set out below are the key points on the 2012 Diocesan Budget:

1) Basic Assumptions

- Inflation 3.00%
- Deposit Interest Rate (Average) 1.00%
- Investment Income Growth 5.00%
- Diocesan Stipend 2.00%
- Diocesan Parish Share Increase 2.92%

2) Basic Principles

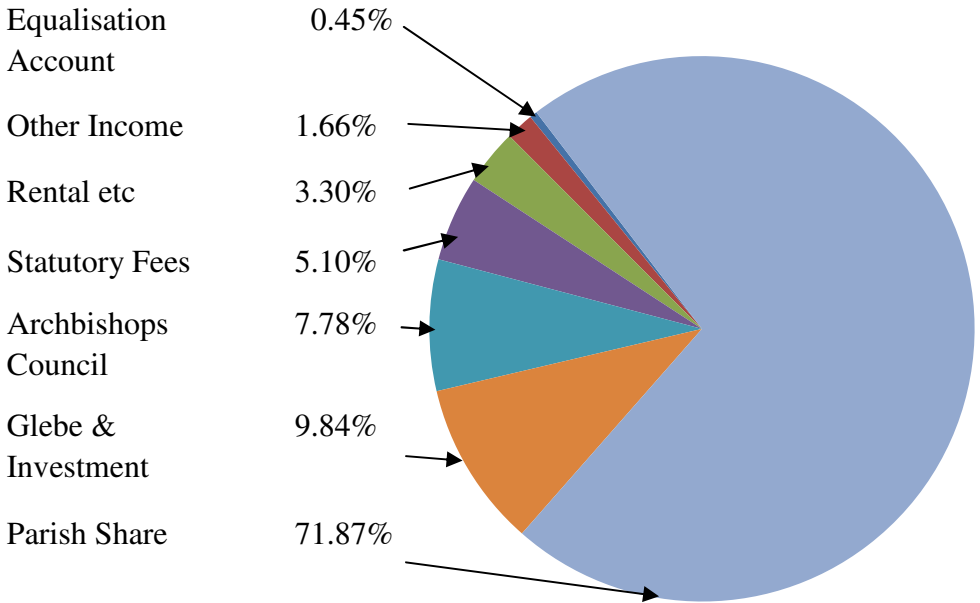
Unchanged from 2011:-

- Consolidating Financial Position
- Realistic and Prudent View of Short Term Finances
- A Parish Share Increase that is attainable



2012 Income

Income £5,552,227



Key Points on Income

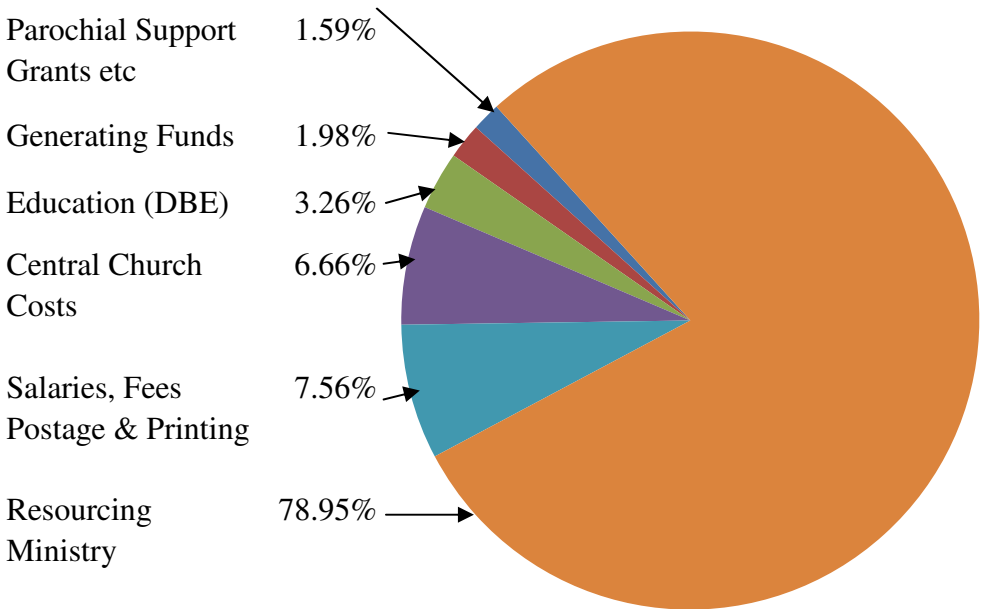
- ◆ Archbishops Council Grant increased from £396,641 to £432,224
- ◆ Current Income increased by £11,200 to £84,900 as EIG Share of profits distributed to the Diocese are expected to rise
- ◆ Dividend income expected to grow but interest rates likely to stay low.

Equalization Account Movement

	£
Accumulated Equalization Reserve at 31st December 2010	311,347
2011 Budget	(45,190)
2012 Budget	(24,807)
Expected Balance at 31st December 2012	<u>£241,350</u>

2012 Expenditure

Expenditure £5,552,227



Key Points on Expenditure

- ◆ Investment Management costs go up by £2,064 (+8.26%) as agents fees rise
- ◆ Parish Share rebate up as 12 of the 13 Deaneries are now in the scheme
- ◆ Contributions to the Archbishops Council down by £13,678 as Ordained Training costs reduce
- ◆ Clergy Pension Fund contributions up to £19,800 to £702,400 as a result of minimum stipend level increase of 4.6%
- ◆ Missioner for the Environment Post vacant and being reviewed
- ◆ DAC expenditure increased by 7.75% to £64,660 following 5 year uplift in Church Inspections Fees
- ◆ Grant to Ludlow Mascall Centre reduced from £14,000 to £7,000

2011 Deanery Allocations

- At their meetings on 13th October 2011 The Diocesan Board of Finance and Diocesan Synod agreed on a 2.92% increase in Share for deaneries except where there had been changes in the Deanery Pastoral Plan.
- Set down below is a summary of the 2012 share allocation for each deanery.

	2012 Allocation £	% Increase	Stipendiary Clergy (per pastoral plan)	No. of churches in formula +	No. of Parishes
Abbeystead	247,955	2.92%	5.00	35	34
Bromyard	206,497	2.92%	4.00	22	17
Hereford Deanery	595,379	2.92%	11.00	44	41
Kington & Kington	249,756	2.92%	5.00	31	28
Ledbury	280,818	2.92%	5.00	22	22
Leominster	313,135	2.92%	6.00	40	36
Ross & Archenfield	380,929	2.92%	7.00	37	37
Bridgnorth	404,890	2.92%	8.00	32	30
Clun Forest	198,439	†-12.02%	4.00	27	27
Condover	365,780	2.92%	*6.67	37	34
Ludlow	357,860	2.92%	7.00	41	37
Pontesbury	259,988	2.92%	6.00	24	20
Telford Severn Gorge	128,756	2.92%	4.00	8	8
	<u>3,990,182</u>		<u>78.67</u>	<u>400</u>	<u>371</u>

* Includes a 2/3 post.

+ Only those churches which are subject to a quinquennial inspection are included in the formula.

† Change in Pastoral Plan Stipendiary Clergy Numbers.