

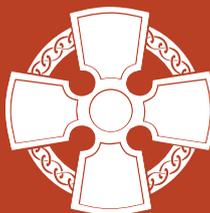
# The Church in Wales

## Membership and Finances

### 2014



YR EGLWYS  
YNG NGHYMRU



THE CHURCH  
IN WALES

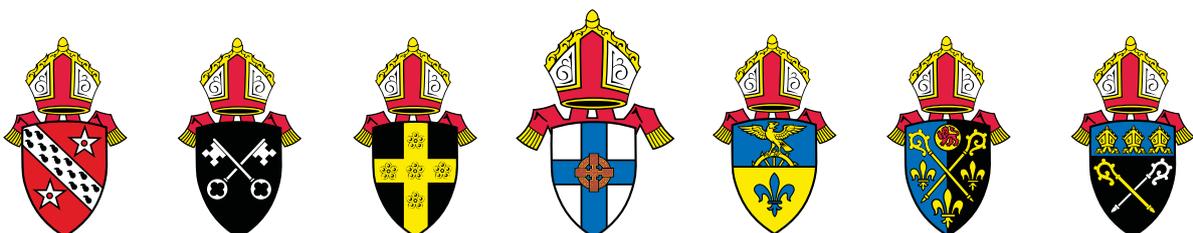
Welcome to the Church in Wales Membership and Finances report for 2014.

This year's report is based upon a 94% return from Church in Wales parishes, and we are grateful to clergy and parish officers – and staff from diocesan offices – for ensuring that completed questionnaires were returned in time for this report to be produced for the Governing Body. It is a measure of the continued commitment of church members that administrative tasks required of volunteers in addition to core parish duties of mission, ministry and maintenance are carried out without fuss during this period of particular change in the Church in Wales.

In last year's report we explained the importance of providing the Governing Body and the wider Church with as accurate a picture as possible each year about participation in Church life and parish finances as dioceses work with local communities to identify, bring together and resource Ministry Areas. This meant sharing some difficult figures from 2013, which painted a picture of general decline in terms of attendances and parish income. The data from 2014 makes for more positive reading, although too much should not be taken from one year's reasonable performance. Should this improvement continue in future years, and perhaps enable a positive trend to be reported, 2014 might be identified as a turning point. However, we are some way from being able to make a convincing case in this regard.

For this year, it would be better to concentrate on what these figures might be telling us about the current state of the Church: that there are signs of increased participation, that members remain committed to supporting the work of their parish and that in doing so they are prepared to give sacrificially. Whilst still at a low level historically in terms of attendance and other measures of participation, this presents a good base from which to grow, particularly if we take into account strong levels of financial commitment.

Returning to the more general context in which the Church is currently working, and the process underway in each diocese to develop Ministry Areas served by Ministry Area teams, it is possible that in some cases the means by which this work is being carried out – local meetings to consider how the church might better serve its community – might itself prove a catalyst for growth and increased levels of engagement with the church. It is, of course, far too early to draw any meaningful lessons from this data on the effectiveness of Ministry Areas where they are already in existence.



## Membership

**Table I: Participation in Parish Life for 2014 and 2013**

		2014	2013	2014 - 2013	%
Communicants	<i>Easter</i>	52,021	51,352	669	1
	<i>Pentecost</i>	30,415	30,722	-307	-1
	<i>Christmas</i>	51,310	52,662	-1,352	-3
	<i>Trinity III</i>	29,110	29,727	-617	-2
Average Attendance - over 18	<i>Sundays</i>	30,468	30,972	-504	-2
	<i>Weekdays only</i>	4,016	3,828	188	5
Average Attendance - under 18		6,057	6,084	-27	-0
Electoral Roll		47,398	53,262	-5,864	-11
Baptisms		6,791	7,275	-484	-7
Confirmations		1,034	1,212	-178	-15
Weddings		3,026	3,023	3	0
Funerals		6,403	6,445	-42	-1

The concept of “Membership” in the Church in Wales has always proved difficult to define, the claim to the Cure of Souls within each parish sitting more easily with the Anglican tradition in Wales than membership lists. The number of Easter communicants has traditionally been the high point of attendance figures (although not in 2013), with average Sunday attendance providing a more reliable guide to regular levels of participation. In addition, Electoral Roll figures have been used to record the number in each community with a demonstrable connection to the work of the parish.

### The Picture for 2014 compared with 2013

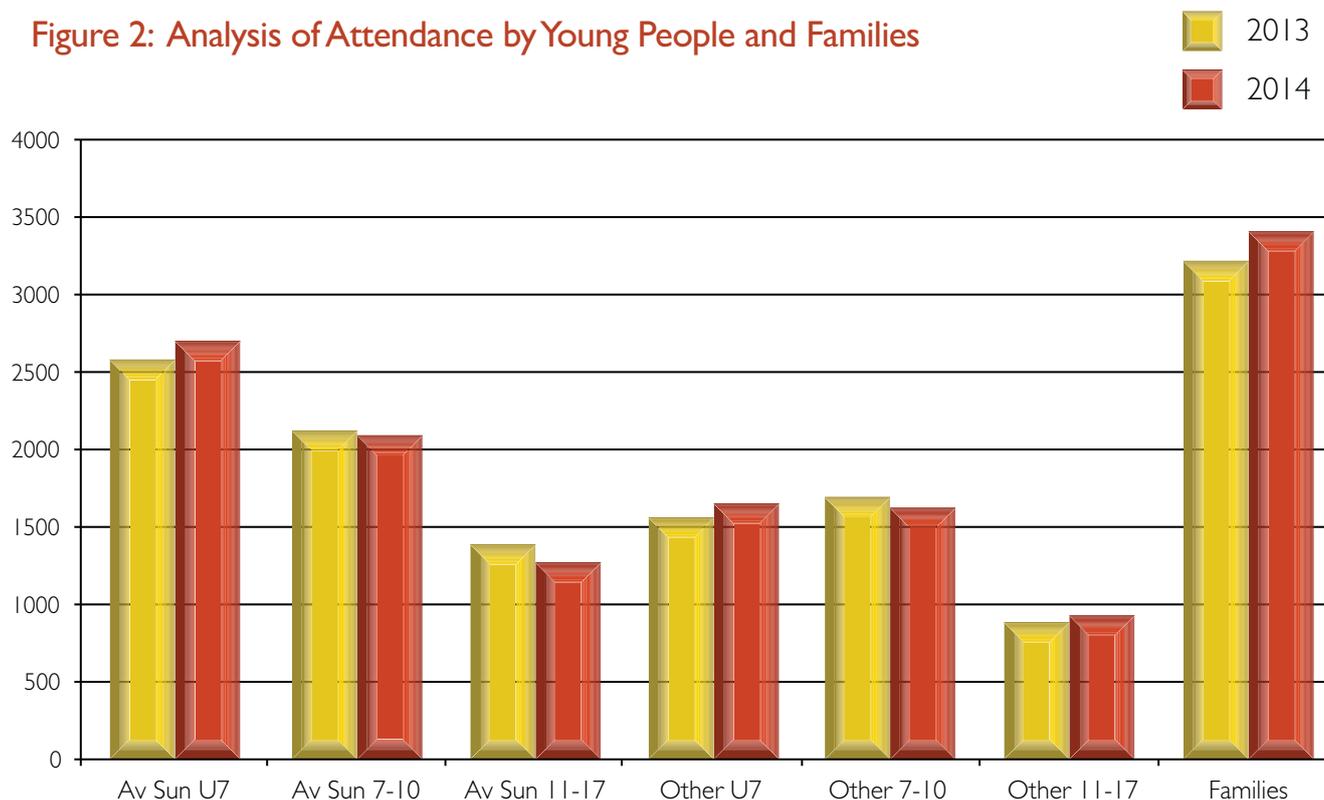
Table I sets out a comparison of key attendance figures for 2014 and 2013.

Whilst the figures for communicants at key festivals (plus Trinity III) continue to fluctuate, the rate of decline has slowed significantly and, in the case of Easter, some numbers have increased from 2013 levels. However, perhaps a more realistic assessment of regular attendance at services may be found in the Average Attendance fields, which also show a mixture of significantly slowed or arrested rates of decline (in Sunday attendance by over-18s (from -4% last year) and attendance of under-18s (from -9%) and an increase in average weekday attendance. Further analysis of participation in Church life by under-18s may be found on page 4.

However, encouraging signs in attendance figures have not been matched in the numbers to be found on the Electoral Roll, or who have been baptised or confirmed in the past year. Electoral Roll membership (which has declined every year since 2003) is subject to periodic review. Numbers of baptisms, confirmations, weddings and funerals do fluctuate from one year to the next in a similar manner to the communicant figures earlier in the table, with a general trend of decline.

In last year’s report it was noted that 105,000 people had also been reported as having attended other major acts of worship in parishes during 2013 (such as family services, carol services and Remembrance services). The figure for 2014 was 152,000. As this is only the second year in which this question has been asked of parishes it is not clear whether this represents a real (and significant) increase in such attendance, or merely an indication that parishes are becoming more used to the question and are including a growing number of “other acts of worship” in their returns. Either way, it certainly provides evidence of the level of broader participation in church life outside our traditional measures of attendance.

Figure 2: Analysis of Attendance by Young People and Families



### Working with Children, Young People and Families

Since 2011 the Membership return has gathered information about the level of weekly participation in worship by children, young people and families. Figure 2 sets out data from 2013 and 2014 in each category, and suggests that levels of participation have remained largely the same across all categories. Indeed, the overall figure for attendance by under-18s for 2011 is only 2% higher than for 2014, and there has been no change in the number of families recorded as attending worship between those two years. This is an area in which the Church is currently investing heavily, particularly in the appointment of dedicated ministers to work with young people and families.

### “Non-traditional Acts of Worship”

We have also asked parishes to record attendance at “non-traditional acts of worship” during the year. Details of a wide range of examples of such services or gatherings have been provided via the annual return, and some highly-creative ideas have been passed on to the Provincial Evangelism Group for further consideration and communication. It is difficult to assess actual levels of participation in these events, and we suspect that parishes are also becoming more used to recording this information, but the number recorded for 2014 was 36,000 (compared to 12,000 in 2013).

# Finances

**Table 3: Provincial Summary of Parish Finances for 2014 and 2013**

<b>INCOME</b> (£000s)	<b>2014</b> £	<b>2013</b> £	<b>EXPENDITURE</b> (£000s)	<b>2014</b> £	<b>2013</b> £
Planned Giving	11,728	11,872	Parish Share	17,464	17,246
Loose Collections	2,824	2,786	Clerics' Expenses	1,221	1,330
Donations	2,835	2,952	Other Ministry Support	368	277
For Mission	512	549	Maintenance of Services	1,358	1,360
Tax Refunds	2,950	2,718	General Parish Expenses	1,882	2,016
Legacy Gifts Received	2,163	1,820	Maintenance of Churches	5,812	5,687
Grants	3,083	3,102	Maintenance of Property	2,466	2,360
Money Raising	4,795	4,956	Exceptional Property Expenditure	3,895	3,844
Fees	1,859	1,954	Parish Grants	518	599
Investments	1,789	1,563	Home/World Grants	1,039	1,144
Other Incoming Resources	5,731	5,030	Capital Payments	2,076	2,142
			Cost of Money Raising	538	988
<b>TOTAL INCOME</b>	<b>40,269</b>	<b>39,302</b>	<b>TOTAL EXPENDITURE</b>	<b>38,637</b>	<b>38,993</b>

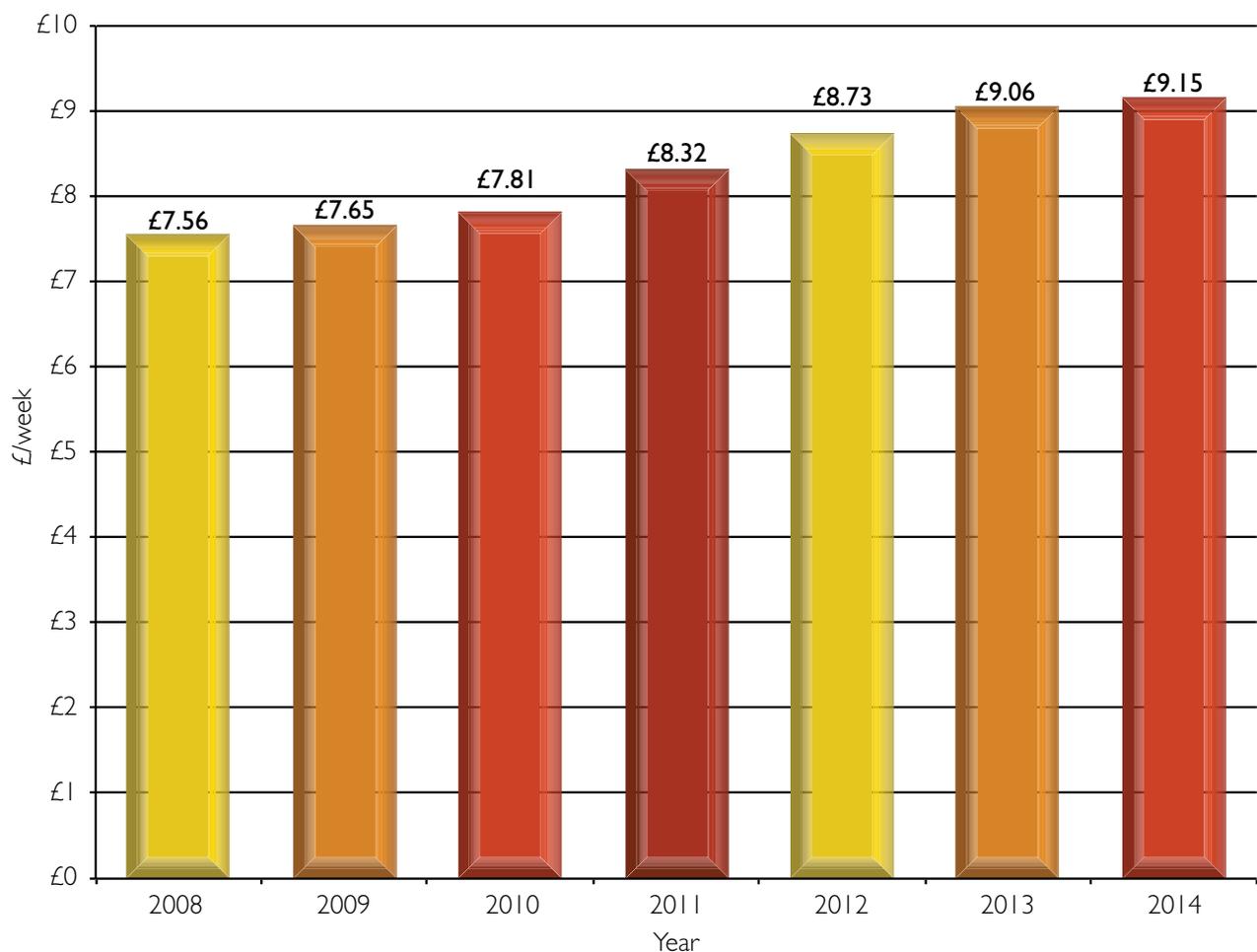
Table 3 provides a comparison of total parish income and expenditure for 2014 and 2013.

The good news is that total parish income has increased by nearly £1,000,000 over that period and, for the third consecutive year, has exceeded total parish expenditure. However, there are worrying signs in slight reductions in the amount raised by Planned Giving – that is, regular income – Donations and Money Raising. Income from Grants has also fallen, for the sixth successive year. As further analysis on page 6 demonstrates, regular giving is coming under increasing pressure as general attendance continues to fall and fewer members are required to meet the financial demands of parishes.

New work is being carried out to support the encouragement of Legacies – an area of growth in 2014 – and it is planned that there will be a new question included in next year's Finance return to gather data on the number, as well as the value, of legacies received. Income from fees fell in 2014, but it is expected that this trend will change in 2015 with the introduction of a new parochial fees structure and higher levels of fees intended to help parishes to meet their long-term commitments in areas such as graveyard maintenance.

Expenditure fell between 2013 and 2014, despite increased financial commitment to the Parish Share and (in particular) expenditure on buildings. It would seem that parishes are cutting back on other items over which they might have greater discretion (expenses and grants). Total parish expenditure has now fallen for four years in a row.

Figure 4: Weekly Direct Giving per Sunday Attender



### Direct Giving

As noted on the previous page, direct giving came under particular pressure in 2014: overall direct giving remained largely stable over the period but average attendances fell overall. Once again, this has meant that a greater proportion of parish costs have been met by a smaller group of members.

In 2014 weekly direct giving per Sunday attender increased by 1% to £9.15. This represents 2.7% of the average Welsh Gross Weekly Adult Income.

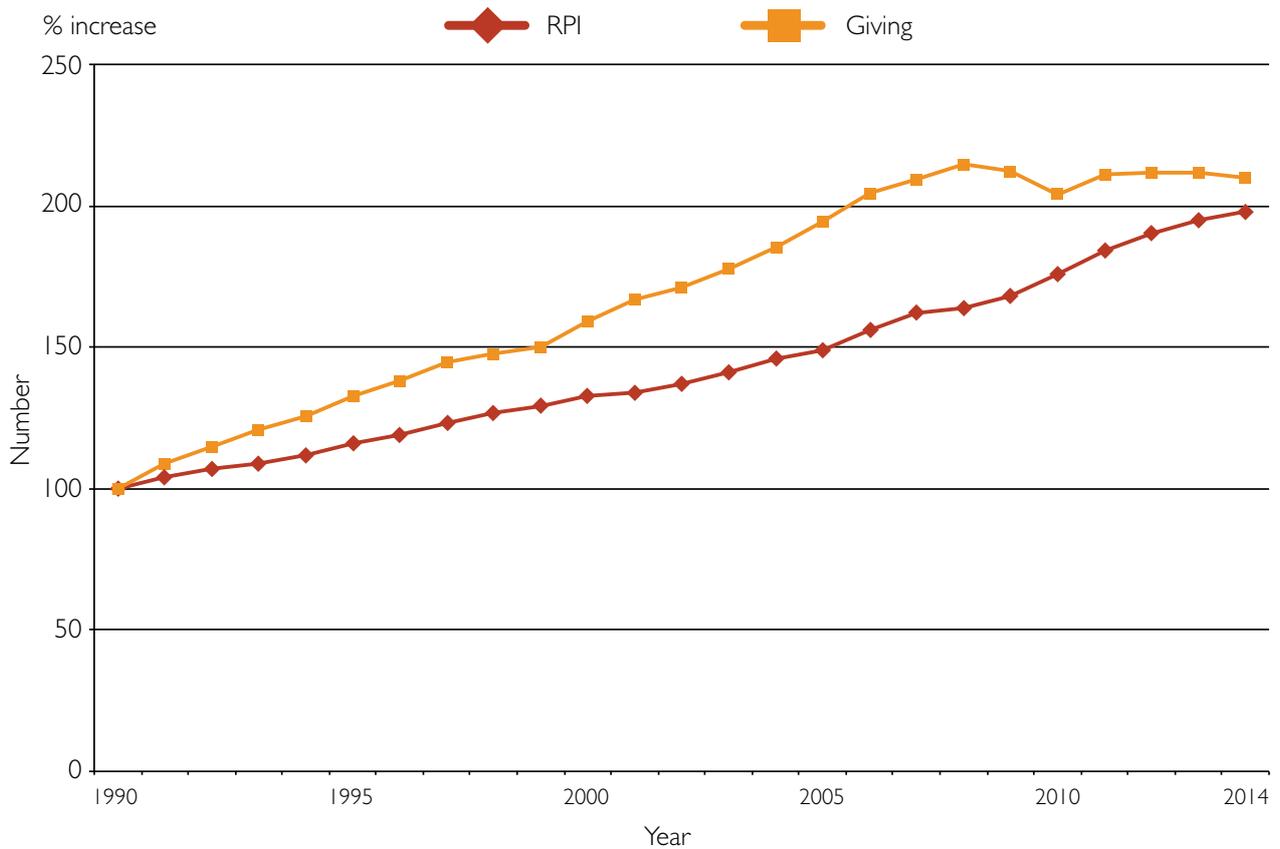
The fact that members continue to rise to this financial challenge should not excuse the Church in Wales from continuing to participate in a serious conversation about the best use of resources in support of its wider mission.

It is also imperative that as a Church we make intelligent use of all means to maximise the funds we are able to raise (see section on tax efficient giving, page 8).

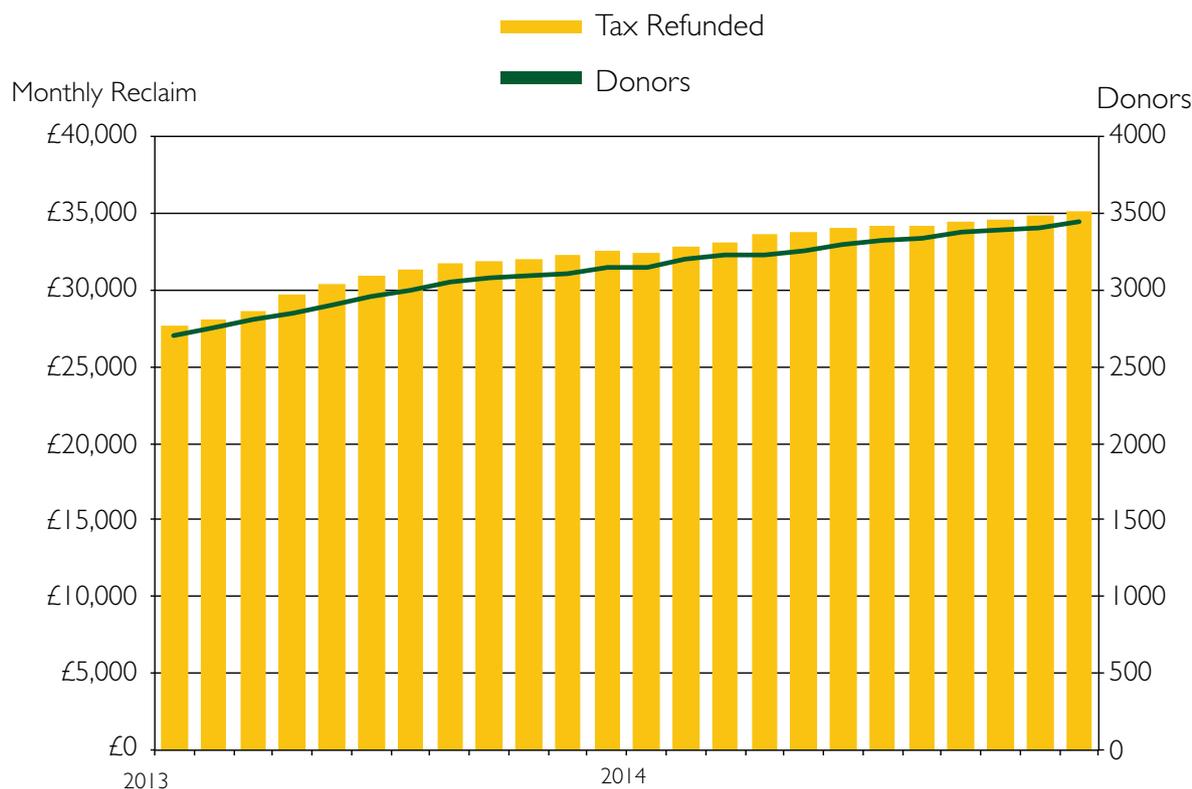
Figure 5 compares the rate of increase on a donation of £1 given in 1990 using the Retail Price Index (RPI) and the actual rate of increase in direct giving by Church in Wales members.

The trend identified on previous pages can be clearly seen here too: as the number of regular worshippers continues to fall, the rate at which direct giving can increase is limited. Even at a time of low inflation, there has been a significant narrowing of the gap between the two lines on this graph as RPI catches up with the actual increase in giving, despite the evident commitment of individual members to increase their own giving (see Figure 4).

**Figure 5: Changes in Direct Giving**



**Figure 6: Donors and Tax Reclaim via Gift Direct in 2013 and 2014**



As the financial situation of the Church becomes more difficult, and increasing pressure is felt by individual members to help meet the cost of running the Church, it is important that we take advantage of such schemes as might be available to maximise our funds. Tax-efficient giving – and in particular the use of the Gift Aid scheme – has been high on the agenda for most parishes for many years, and it is encouraging to note that income from tax reclaims not only increased in 2014, but is at its second-highest level ever (tax reclaims broke the £3 million level in 2009).

The introduction of the Gift Aid Small Donations Scheme has provided a further opportunity for parishes to gain additional income on other types of donations, and is welcomed. We plan to include a question in next year’s return specifically to gather data on parishes’ use of this new provision.

In last year’s report we drew members’ attention to the availability of the Gift Direct facility, which is run by the Representative Body, and we

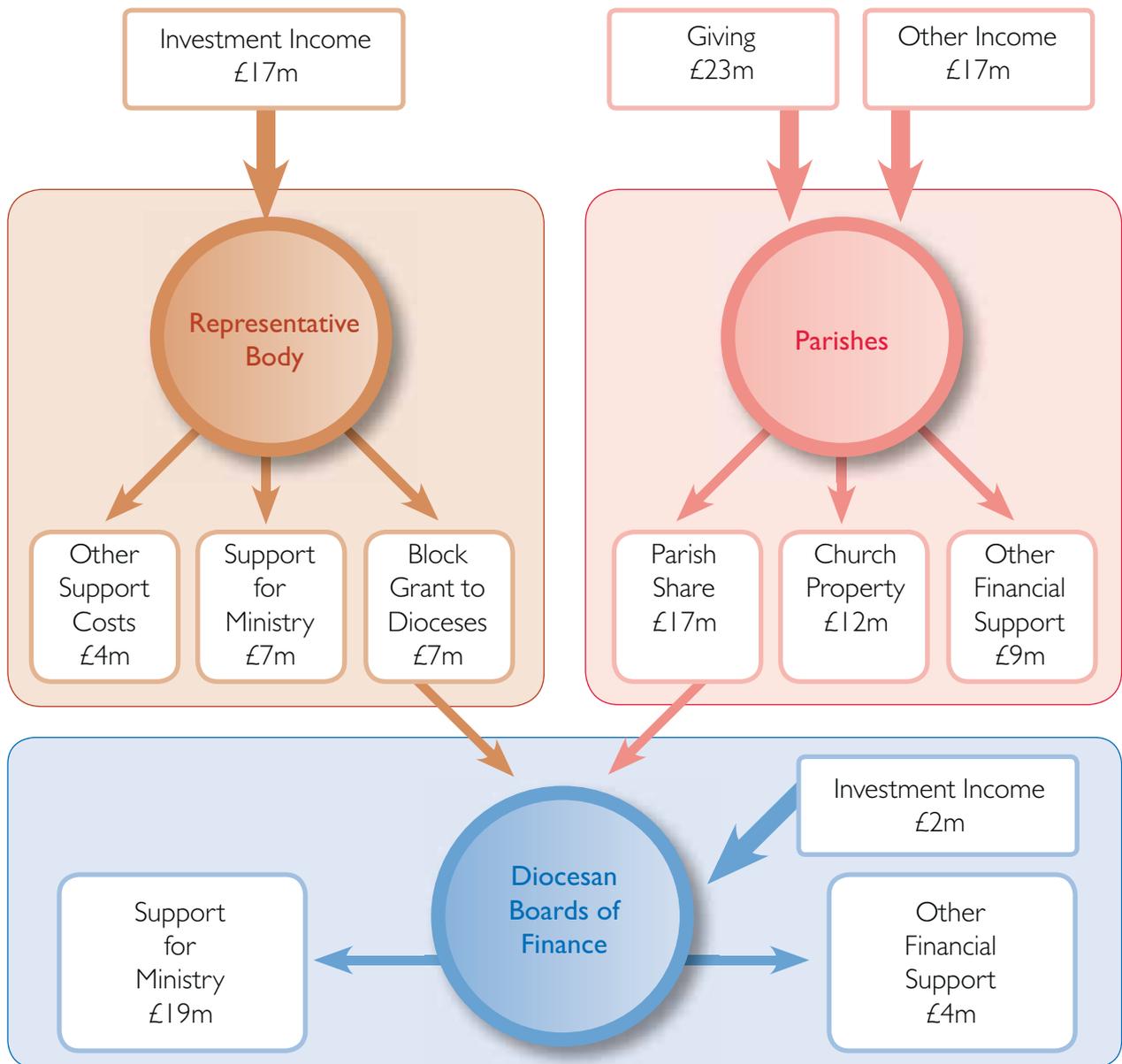
continue to encourage members to make use of this free service to parishes. Under this scheme, individual donors are able to make regular monthly donations by Direct Debit. Each donation, plus any tax reclaim due via Gift Aid, is then paid electronically into a nominated parish account each month. Regular statements are made to parishes, and the amount given and to whom it should be paid remains in the hands of the donor.

Figure 6 illustrates the growth of the scheme over the past two years. During that period the number of donors has increased from **2,705** to **3,443**, and the amount of tax reclaimed on donations per month increased from **£27,694** (annual figure 2013 **£367,195**) to **£35,082** (annual figure 2014 **£407,203**).

Please note: you do not need to be a tax payer to make donations via Gift Direct.

For information on the scheme please contact: [glendaedwards@churchinwales.org.uk](mailto:glendaedwards@churchinwales.org.uk)

**Figure 7: How the Church in Wales is Funded 2014**



### How is the Church in Wales Funded?

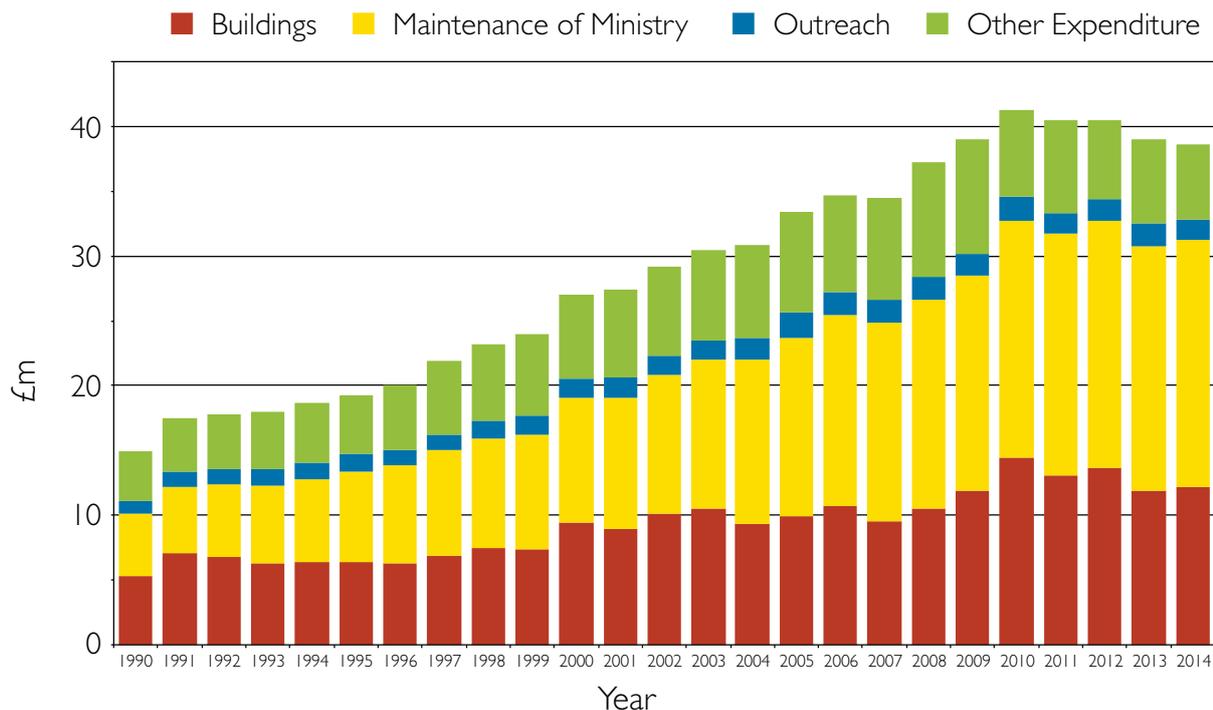
Parishes play a major – and ever increasing – role in helping to meet the costs of running the Church in Wales. However, it is worth considering also how the parishes' contribution fits into the broader provincial picture.

Figure 7 is a diagrammatic representation of the way in which the Church in Wales is funded. Dioceses are responsible for meeting the cost of clergy stipends and receive funds from both the parishes (via Parish Share) and the Representative Body (via the Block Grant) for this purpose.

However, this is not the only area of expenditure, and the diagram illustrates the contribution made by all three groups to funding different parts of the Church's activities.

The main component in the Representative Body's "Other Support for Ministry" is the cost of the past-service element of the Clergy Pension Scheme. "Other Financial Support" by parishes includes support for ministry (eg clergy expenses, the cost of services) not included in parish share.

**Figure 8: Parish Expenditure since 1990**



**How do Parishes Spend their Money?**

Total parish expenditure has now fallen for four successive years, although in 2014 expenditure on Parish Share and buildings increased. The long-term trend (illustrated in Figure 8) has seen a clear shift towards expenditure on ministry at the expense of the proportion of expenditure spent on buildings.

**Figure 9: Parish Expenditure 2014**

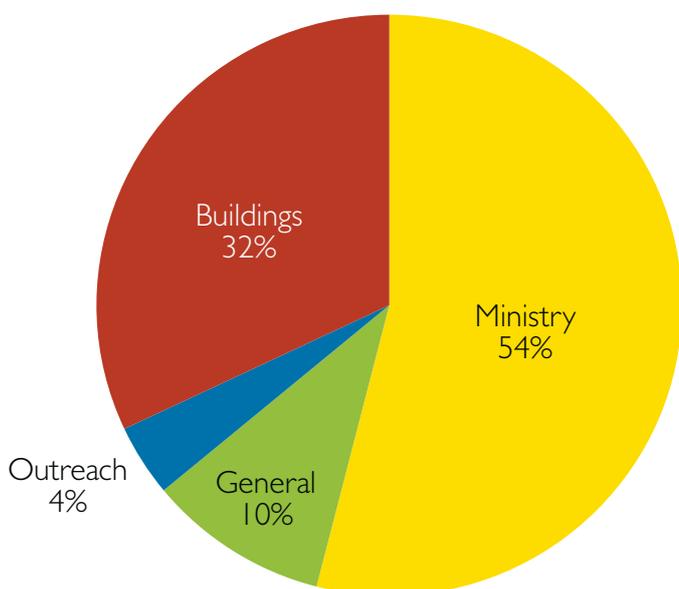


Figure 9 provides a breakdown of parish expenditure in 2014. Despite the overall long-term trend, the proportion of expenditure on buildings increased from 30% in 2013 to 32%, whilst the proportion spent on ministry fell slightly from 55% to 54%. The proportion assigned to outreach remained the same, although there were reductions in actual expenditure in this area and on general items.