

September 2024 Waiapu Cathedral Parish Finance Report

The update about our financial situation.

The parish can no longer afford to run this Cathedral building. The Dean, Treasurer and Vestry are of the view that we ought not to accept another deficit budget - as we were forced to do this year with unexpectedly high insurance premiums. They have reviewed our income and our expenditure.

Income

Regular parishioners are aware that outgoings have been increasing faster than parish income. They responded to the challenge, and despite the tough economic climate, regular giving has increased by 6%. To make ends meet, however, we need an increase of 100%, or \$100 000 per annum. The Dean and the Vestry consider that this is beyond our reach

We have already exhausted other significant sources of income:

- The annual Diocesan subsidy of \$70 000 per annum cannot increase (every other Cathedral in the country bar one has had its Diocesan subsidy removed).
- The carpark is already leased six days a week, with the rent reviewed recently.
- As a concert venue, the building is no longer seen as an attractive option when compared to venues that are warm, comfortable, and offer modern facilities for hospitality – and have been earthquake strengthened already.

Expenditure

- We exercise excellent stewardship in containing our regular running costs.
- We have reduced our insurance policy from Replacement to Indemnity Value (which means from 2025 we pay to fix accidental damage and theft ourselves) but still there is a slight increase over our 2023 premium.
- Knowing the building needs significant strengthening work, we have reduced all non-essential maintenance.

We must face decisions this year about the parish's sustainability in 2025.

The treasurer has drafted budget scenarios for 2025 which show we cannot achieve a balanced budget if we continue using the Cathedral building for another winter when our expenses are at their highest, and our income at its lowest.

What of the future?

- Ormond Chapel remains suitable for smaller groups of able-bodied people, but would be expensive to bring up to a "Building Warrant of Fitness" standard.
- We are exploring renting/sharing another church's building for Sunday services.
- The possibility of a streamlined Cathedral Parish of Greater Napier becomes more compelling - we would pool our resources, administration and personnel. This needs to be raised at synod next month.