



# PROVISION FOR THE VISION.

FINANCIAL INFORMATION  
ACTUALS 2019 - BUDGET 2020 *Calendar Years*

*Passion* for God and people.

*Pursuit* of God and people.

*Power* of God through people.

# FINANCES.

phil evans.

Dear HVBC family,

2020 is not rolling out how I'm sure any of us expected. The cost to human life, mental health, job security and the economy is growing by the day, with no sure end in sight. In late February, we as a Church Leadership team were working hard to release the budget for 2020 on the first Sunday of March. Then, everything changed, and we felt it was important to prayerfully and wisely revisit our budget in light of the potential hardship that will be faced this year.

So here it is. We have endeavoured to walk it through, as always, with faith and wisdom working hand in hand. We have prayed, deliberated late into the night and done more sums than I care to remember. At the end of it all, though, we choose to trust God. And we are excited to see what He does in our midst, as each of us who call HVBC home, faithfully sow into all that He has called us to.

We are really aware that for some people, this pandemic is already wreaking havoc on your finances. We are praying for you and standing with you, and we know this may mean some people can't give as they usually would. There is not shame or condemnation in that. As I have already mentioned, faith and wisdom are Sacred and Holy companions, and I encourage you to lean into all that is sacred and holy, and determine your decisions from there. In the middle of uncertainty, ask of God, *"What does worship and sacrifice look like in this season?"* He will guide you.

For those who are able, we appreciate so much your ongoing contribution to the ministry of HVBC. As you will see in the following pages, there are already significant shortfalls in our income, both from tithe and property, and we have sought to put in place contingency plans to allow for this, while still being in a place of needing to trust God for His provision.

In the following pages, you will find:

- A 2020 Budget Summary Report
- An explanation of significant changes or important points of discussion
- A summary of our financial response to Covid-19, up to this point

As you read and consider this document, questions or points of clarification might arise. Please don't hesitate to contact me ([pevans@hvbc.org.au](mailto:pevans@hvbc.org.au)), Mark Davies ([mdavies@hvbc.org.au](mailto:mdavies@hvbc.org.au)) or Church Leaders ([churchleaders@hvbc.org.au](mailto:churchleaders@hvbc.org.au)).

Finally, a huge thank you to Mark Davies and his team for all of the work they have done on this. It has not been an easy time, but I thank God for the gifts and insight He has given to this team for this season.

I am so grateful to be a part of a Church that understands and lives out prophetic generosity. If it's God's vision, He will provide. If it's not His Vision, then what are we doing anyway?

With much love and anticipation for God's provision,  
Phil Evans (Senior Minister)

We take the  
stewardship of the  
church finances and  
your giving seriously.  
This document is  
created to provide  
transparency.

# SUMMARY REPORT.

| Church  | Note | Budget<br>2019  | Actual<br>2019  | Variance<br>2019 | BUDGET<br>2020  | VARIANCE<br>2019/20 | %           |
|---|------|-----------------|-----------------|------------------|-----------------|---------------------|-------------|
| Church income                                 | (a)  | 403,900         | 359,828         | (44,072)         | 358,770         | (1,058)             | (0)         |
| New start allowance: Shalvey                  |      | 10,000          | 0               | (10,000)         | 0               | 0                   | 0           |
| Faith Offering                                |      | 0               | 0               | 0                | 0               | 0                   | 0           |
| Counselling centre                            |      | 15,800          | 11,246          | (4,554)          | 12,260          | 1,014               | 9           |
| Leadership                                    |      | (116,480)       | (111,209)       | 5,271            | (109,670)       | (1,539)             | (1)         |
| Children & Families                           | (b)  | (23,400)        | (12,592)        | 10,808           | (22,400)        | 9,808               | 78          |
| Worship & Prayer                              | (c)  | (46,570)        | (45,817)        | 753              | (9,620)         | (36,197)            | (79)        |
| Youth & Young Adults                          | (d)  | (23,915)        | (26,946)        | (3,031)          | (31,400)        | 4,454               | 17          |
| Pastoral Care                                 | (e)  | (25,770)        | (23,712)        | 2,058            | (26,320)        | 2,608               | 11          |
| Mission & Community                           | (f)  | (18,450)        | (19,224)        | (774)            | (35,800)        | 16,576              | 86          |
| Spiritual Pathways                            |      | (8,250)         | (271)           | 7,979            | (1,500)         | 1,229               | 0           |
| Church Planting                               | (g)  | (32,400)        | (29,300)        | 3,100            | (13,500)        | (15,800)            | (54)        |
| Counselling Centre                            |      | (20,800)        | (16,887)        | 3,913            | (17,260)        | 373                 | 2           |
| Resources                                     |      | (85,985)        | (76,234)        | 9,751            | (76,290)        | 56                  | 0           |
| Rent to property                              |      | (40,500)        | (40,500)        | 0                | (41,500)        | 1,000               | 3           |
| <b>Church operating surplus / (deficit)</b>   |      | <b>(12,820)</b> | <b>(31,618)</b> | <b>(18,799)</b>  | <b>(14,230)</b> | <b>17,388</b>       | <b>(55)</b> |
| <b>Property</b>                               |      |                 |                 |                  |                 |                     |             |
| Property income                               |      | 273,000         | 273,313         | 313              | 277,025         | 3,712               | 1           |
| Property expenses                             | (h)  | (187,400)       | (183,498)       | 3,902            | (184,225)       | 727                 | 0           |
| <b>Property operating surplus / (deficit)</b> |      | <b>85,600</b>   | <b>89,815</b>   | <b>4,215</b>     | <b>92,800</b>   | <b>2,985</b>        | <b>3</b>    |
| Principal loan repayments                     |      | (85,600)        | (89,815)        | (4,215)          | (92,800)        | 2,985               | (3)         |
| <b>Overall property result</b>                |      | <b>0</b>        | <b>0</b>        | <b>0</b>         | <b>(0)</b>      | <b>(0)</b>          | <b>0</b>    |
| <b>Total surplus / (deficit)</b>              |      | <b>(12,820)</b> | <b>(31,618)</b> | <b>(18,799)</b>  | <b>(14,230)</b> | <b>17,387</b>       | <b>(55)</b> |

## EXPLANATION AND CLARIFICATION

This is an explanation of significant changes or important points that we thought needed clarifying. This is not exhaustive, and we invite all questions and feedback as needed.

It is also important to note that some vacant Ministry Leader wages have decreased due to our initial Covid-19 response. This is not a reflection of the value we place on those roles or ministries. As a leadership, we decided to freeze all hiring and/or extending of hours for 2020 due to the uncertainty of the economy. Our intention will be to revisit this and refinance it in line with our vision, when our financial situation is clearer. As it stands, all Pastoral staff are still being paid as they were going into this year.

**(a) 2.2% Increase on Projected Tithe income**

Under the heading 'Actual 2019' you will see that in 2019, we had \$359,828 come in through tithes and donations. Under the heading 'Budget 2020' you will see that we have budgeted for \$358,770, nearly \$1000 less than the previous year. The reason for this is that while we have increased our forecast tithe for 2020 by \$10k, it is offset by nearly \$11k which was made up of one off specific donations and other income in 2019 that we do not expect to receive in 2020.

**(b) Children and Families Budget Increase**

There is an increase due to actual savings in wages in 2019, because we weren't paying anyone in the Ministry Leader role for the majority of the year. These savings will not occur in 2020, as Emily Wood is currently being paid as Interim Ministry Leader for Children & Families.

**(c) Worship and Prayer Budget Decrease**

There is a decrease due to the elimination of the Worship Assistant role, previously held by Josh Mayne, who chose to vacate the position at the end of 2019. As well as that, while we paid Kylie Morgan in full in 2019 for her role as Ministry Leader for Worship and Prayer, since she vacated the role at the end of 2019, we have not yet replaced her, and due to our freezing of new employees in 2020, there will be no wage paid for the remainder of the year. There was also significant equipment purchases in 2019 (mainly a new keyboard) that won't be necessary in 2020.

**(d) Youth and Young Adults Increase**

There is an increase due to actual savings in wages in 2019, because there was a period of time where we were not paying anyone in the Ministry Leader role. These savings will not occur in 2020, as Dave Daniels is currently being paid as Interim Ministry Leader for Youth & Young Adults.

**(e) Pastoral Care Increase**

The 2019 Actuals include savings that had accumulated from special events over previous years. These allocations are not expected in 2020.

**(f) Missions and Community Increase**

There is a \$16k increase due to the Church's support of the Medley family in Kenya. We intend to contribute \$18k for the Medleys in 2020. The \$2k difference is a decision made not to contribute \$2k to Hanna Park Carols in 2020, due to the fact that over previous years, Carols has had surplus funds. As always HVBC would pick up any unlikely shortfall and this is not reflected in our church budgets.

**(g) Church Planting**

There is a decrease due to some recent changes in how Shalvey Church will be operating in 2020. Jordan Chan has decided to forgo his wage for the rest of 2020. Church Leadership have accepted his decision. This is largely due to Shalvey Church's desire to return to a 'Simple Church' model with a view to build towards a 'Complex Church' over the next 12 months. As they will be meeting in homes, this also eliminates venue hire costs. Any tithe that comes in through Shalvey Church, above and beyond any expenses will be set aside for Shalvey Church for the future. A portion of this surplus will also be used to contribute to the administrative costs associated with Shalvey Church.

**(h) Property Expenditure**

Included in the operating expenses is an interest payment of \$136.6k, and \$7k being set aside in a sinking fund to cover future capital expenses.

# RESPONSE TO COVID-19.

HVBC's Financial Response to the Covid-19 Pandemic (*Current up to April 17th, 2020*)

As the world reels from the Covid-19 crisis, we continue to believe wholeheartedly that God is in control, and we can trust Him. We have no desire for fear to be our motivating factor in how we navigate 2020. Instead, we choose faith and wisdom. We truly believe the words of Paul, when he wrote, "this same God who takes care of me will supply all your needs from his glorious riches, which have been given to us in Christ Jesus." (Philippians 4:19)

In saying all that, we know that this time can bring a lot of questions and a level of anxiety, so we wanted to share with you the steps we are taking as a leadership so that we can continue to maintain our desire for Godly stewardship of all that He entrusts us with.

## ***Tithes and Offering***

We are aware that this is a difficult time financially for many, and expect that to be reflected in our general income for at least part of 2020. We have already seen a weekly drop off about \$850 on what we would usually see come in each week. Prior to Covid-19, we were \$1k behind budget, and now we are a further \$850 behind which puts us just under \$2000 behind budget per week. We have budgeted \$6900, and we are seeing about \$5k. We invite those who can to continue to faithfully tithe into the ministry's of HVBC, to ask God what that specifically looks like for you. For those who would usually give in our services, we are happy to talk to you about alternative options, including online banking or dropping cash into the church on specific days.

## ***SRE***

SRE is currently on hold until further notice. There is every chance that even when schools start 'reopening', they will limit external visitors for a time. If schools go back at the end of September, we will have enough money in the SRE Fund to pay Mick Pope's wages through to the middle of December.

## ***Chaplaincy***

By the Grace of God, our Chaplains are fully funded for the remainder of 2020. Any new money that comes in will be automatically allocated to 2021. Amidst the Covid-19 crisis, all of our Chaplains are still faithfully serving into our schools, reinventing their roles as to be as available as possible to all staff, students and families.

## ***Property***

As can be expected, our tenants are experiencing the financial hardship of our day, like small businesses everywhere are. As it stands, only one of our tenants have been forced to close due to Government restrictions, and we are working closely with them. Our heart is to walk this through with wisdom and grace. It is in our best interest and the best interest of all our tenants to still be here when things begin to pick up again.

If they are experiencing financial strain, we are asking our Tenants to do the following before ceasing or reducing rent:

- Make any possible applications for Government subsidies that may be available to them
- Meet with our property manager and us to determine the amount of rent that can be paid
- When this is all over, we will sit down with each tenant and determine how to deal with arrears, in line with our Bank's expectations

In regards to cash flow, we have speculated receiving about \$8k rent per month, about 45% of what we are usually owed, through to the end of November. This is a guide only and we hope to see more than this come in.

### ***Government Subsidies***

Mark Davies has been working to determine what government subsidies are available to us. It has been determined that we are eligible to receive 20k as part of the governments cash flow assistance for business including not for profits and charities. We have also registered our interest in the Job Keeper package and the resources team are looking at the implementation practicalities of this.

### ***Mortgage Repayments***

Baptist Financial Services have given us two options of reprieve during this time. It is important to note that this is not a loan extension, anything we don't pay during this time will have to be paid back, and the interest compounded. Neither of these options provide long term relief.

Option 1: Pay no loan repayments or interest for 3 months

- Will free up \$56k for cash flow for 2020 (this money will need to be paid back)

Option 2: Interest only for 6 months

- Will free up \$42.5k for cash flow for 2020 (this money will need to be paid back)

Church Leadership, with the guidance of Mark Davies, has decided to go with option 1. The increased cash flow will be helpful if things take longer to pick up, and what we don't use can be put straight back on the loan. This option gives us a projected balance in our bank of \$22,100 by Dec 31st 2020, giving us one month loan payment in reserve for January 2021. These are speculative numbers based on rental income increasing in November, and back to normal by December.

### ***Employment Freezing***

Some vacant Ministry Leader wages have decreased due to our initial Covid-19 response. This is not a reflection of the value we place on those roles or ministries. As a leadership, we decided to freeze all hiring and/or extending of hours for 2020 due to the uncertainty of the economy. Our intention will be to revisit this and refinance it in line with our vision, when our financial situation is clearer. As it stands, all Pastoral staff are still being paid as they were prior to the Covid-19 crisis.

The ministries directly effected:

- **Worship and Prayer:** We will not be paying a Ministry Leader for Worship and Prayer in 2020
- **Spiritual Pathways:** There has been a day budgeted for this role for the past few years. Our intention is to eventually combo this with another Ministry Leader role. However, we will not be paying a Ministry Leader for Spiritual Pathways in 2020
- **Children and Families:** The portion of wage that Beck Pavy was on prior to moving, which meant she shared the interim role (equated to 8 hours a week) which will not be taken up by anyone else in 2020.

# WAYS TO GIVE.

To know more  
about the HEART  
behind our  
finances read  
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## Tithe

Account Name:  
Hawkesbury Valley Baptist Church  
BSB: 633-000  
Account Number: 117 768 960  
Reference: Tithe

## SRE

(Scripture in schools)  
*Tax Deductible Giving*  
Account Name: SRE  
BSB: 633-000  
Account Number: 122 353 139  
Reference: SRE

## Chaplaincy

*Tax Deductible Giving*  
[www.fundachaplain.org](http://www.fundachaplain.org)

## The Medley Family: on mission in Kenya

Account Name:  
Hawkesbury Valley Baptist Church  
BSB: 633-000  
Account Number: 117 768 960  
Reference: 'Medleys'



Hawkesbury Valley Baptist Church  
14/26 Terrace Road North Richmond  
[www.hvbc.org.au](http://www.hvbc.org.au)  
4571 4963