

**EVANGELICAL FREE CHURCH OF AUSTRALIA  
2010-11 GENERAL FUND BUDGET**

The Board of Deacons has approved the General Fund Budget (**Budget**) for the 2010-11 financial year on 20 June 2010.

**Weekly Offertory Target**

The weekly offertory target will increase to **\$18,700** from the current target of \$17,300 (an increase of 8.1%).

**Summary of the Budget**

<b>Income</b>	\$
Offertory	972,400
Interest	30,000
Total Income	1,002,400
<b>Expense</b>	
Staff Expense	634,596
Operating Expense	
Rent	117,484
Other Items (eg. telephone, electricity, water rate, insurance, photocopy, repair & maintenance)	113,519
Ministry Activities	107,268
Non-Operating Expense (i.e. contribution to FEFCA)	29,172
Total Expense	1,002,038
<b>Surplus</b>	362

A brief explanation of the main components of the Budget is set out below.

**Income**

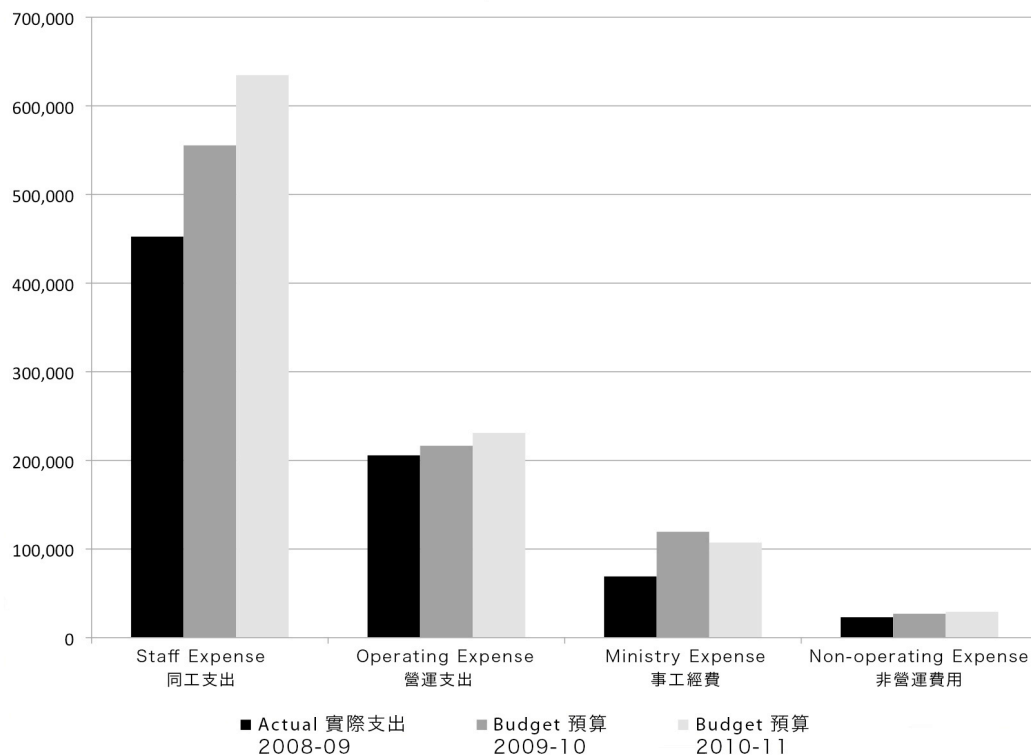
Our church has two sources of income: offertory and interest. Offertory is the primary source of income for our church. The total offertory target of \$972,400 represents approximately 97% of the annual income under the Budget.

The interest income is from the cash deposited at the bank. Thanks to God's abundant provision our church currently has around \$1.3 million of cash deposit. In the Budget we have budgeted to receive \$30,000 in interest on the basis of around \$500,000 in the general fund reserve. This differs with our practice in the past where interest earned on the entire

cash deposit goes towards the general fund. Going forward, interest income will be allocated proportionately to the various funds of our church, namely the church building fund, mission fund, theological student scholarship fund, sacred music fund and benevolent fund. This is considered appropriate and will help add to the church building fund over time.

## Expense

The expense under the Budget is determined on the basis of spending estimates provided by the four Ministries (i.e. Cantonese, English, Mandarin and SWITCH Ministries) and estimates of church-wide expenditures (e.g. staff expenses, rent, electricity, photocopying, etc). We have tried to keep these expense estimates as realistic as possible, and, at the same time, we are trying to balance the needs of our growing church and the demand that this is placing on our offertory income. In fact, in this Budget we have taken the unprecedented step of reducing the Ministry Expense budget by around 22% in light of our difficulties in meeting our offertory target. Based on the trend of previous ministry expense, we consider that this reduction is unlikely to impact the normal operation of the respective Ministry.



## **Strategic Direction and Budget Expense**

Our vision is a healthy growing church.

### **Church Staff**

A healthy growing church requires pastoral staff trained to teach the Word of God, and ideally there should be one pastor for about every 100 congregation members for effective training and nurturing.

Servants of God ought to be remunerated fairly – the staff expense under the Budget includes a modest adjustment for inflation.

Praise the Lord that in 2010-11 we will have a full complement of pastors and staff. We have the following team of dedicated pastors: Rev Sam Lui (Senior Pastor), Rev James Jim (Cantonese Ministry), Rev Dennis To (Cantonese Ministry), Pastor Bob Lee (Cantonese Ministry), Pastor Florence Fung (Cantonese Ministry), Pastor Alby Lam (English Ministry), Pastor John Yao (Mandarin Ministry), Pastor David Chen (SWITCH).

In addition, a church our size requires a number of administrative staff to deal with the routine administrative activities. This also helps reduce the workload of our pastors whose time is better spent on gospel activities rather than administrative ones. We currently have three permanent part-time staff and two casual staff assisting with the administrative functions of our church.

There is no provision for additional staff under the Budget.

### **Ministry Activities**

To achieve a healthy growing church (in terms of more people committing themselves to God and growing spiritual maturity of existing brothers and sisters) resources must be provided to support relevant ministry activities.

Some of the ministry activities funded by the Budget are:

- **Evangelism.** It is the duty of every Christian to spread the Gospel. We encourage all congregation members to be more actively involved in evangelism.
- **Training & Equipping.** We encourage our congregation members to become more mature in Christ. Our pastors and members of our congregations need training so that they are better equipped to teach and lead our church.

- Children/ Youth Education. The future of our church is in our children and youths. It is important that we support the Youth/ SWITCH ministry.

### **Church Development**

To facilitate the continual growth of our church we need a new church premise. To acquire and construct a suitable church premise in the Chatswood area requires significant financial resources. As you are aware, our Stage 1 collection target is \$5 million. Praise the Lord, our church currently has around \$630,000 in the Church Building Fund.

The Budget contains no provision in relation to the church development.

### **Challenges Ahead and Your Prayers**

Going forward our church will rely more on offertory income than in the past as the interest received by our church no longer fully goes towards the general fund. Looking further ahead, greater financial commitments by members of our church will be required because:

- the church development project requires financial commitment to progress;
- our growing church will eventually need more staff over time.

Despite the challenges ahead, we must still learn to utterly depend on God's provision and obey Him in our offering.

Please pray for God's provision, pray that the church leaders have the wisdom to discern God's will and to spend the money wisely, and pray that more people will commit to Christ and join our church in the coming years and commit to the growth of His church.

### **Enquiry**

Please contact the Financial Secretary (Deacon Raymond Yu) or Treasurer (Deacon Freddie Wong) should there be any questions concerning the church budget.

Please prayerfully and financially support the 2010-11 Church Budget

ECCA Board of Deacons 4 July 2010