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June 12, 2020

Re: Financial report as of May 31, 2020

Dear Friends in Christ

Now that we know we will not be opening the church to worship until at least September, we can start to make plans and take actions to see us over the summer months.

As of May 31, expenses exceeded income by \$4,200. Most of that shortfall (\$3,600) happened during March, April and May, the months of the pandemic. However, comparisons to budget or last year are meaningless because of the impact of the pandemic.

The focus of this report will be on March, April and May, the period of suspension of services and the outlook for June, July, August and September.

After three months' activity, there are some clear trends:

- No income from groups, events or facility use
- Envelope offerings are our only source of income
- Current income does not cover fixed expenses
- We are doing no discretionary spending. All our expenses are fixed costs.

Income

The only source of income is the offering of the congregation. Of all the people who have made offerings in 2020, only 62% have made contributions over the last three months. Over 78% of those offerings have come from 25 individuals or families. In other words, a small percentage of parishioners is keeping the church afloat.

A big thank you to those who are making regular monthly offerings through pre-authorized, Interac and envelopes. This steady, reliable source of income is very much appreciated and makes managing our finances easier.

Expenses

Essential services such as hydro and gas reflect a drop in usage in their invoices. However, these services come with infrastructure charges that have to be paid no matter how much we use. For example, although we used next to no water in the last couple of

months, we still had to pay a \$475/month infrastructure connection fee.

Payroll expenses are unchanged.

Apportionment is paid up to date.

These fixed expenses total approximately \$16,500 per month.

Canada Emergency Wage Subsidy (CEWS)

The program provides a subsidy of up to 75% of wages for charitable organizations. As part of the Diocese of Huron, we are participating in the program. The program has very specific criteria that must be met. The program runs from March to June.

We do know that we have qualified for the March and April subsidies, although the precise amount is unknown because of caps to the program. However, CEWS for March and April will likely erase the shortfall accumulated to the end of May.

We do not know what our status for May or June is at this time. This uncertainty makes determining total expenses very difficult.

If we qualify for CEWS in May and June and maintain at least the current level of offering, we will enter September financially sound.

If we don't qualify for CEWS in either one or both of the months, based on the current level of offerings, we will have a deficit of between \$6,000 and \$10,000.

How you can help your church

- Consider enrolling in the Pre-Authorized Giving program. Contact Bill McKinstry (mck728@icloud.com, 226-224-0222) for assistance in setting this up.
- Consider making monthly Interac transfers through online banking to office@ascensionlondon.com.
- Mail envelope offerings to:
Church of the Ascension
2060 Dundas Street East,
London, Ontario N5V 1R2
- Please consider starting envelope offerings or increasing your current level so that we can emerge in September financially sound and also to lessen the burden on the small number of congregants who provide 78% of our income.

Thank you very much for your generosity, support, patience and understanding as we navigate through these very uncertain times.

Peace be with you.

Rev. Canon June Hough
Mary Grant
Russ Braley
Sandra Coulson

Steve Holmes
Bill McKinstry