



29<sup>th</sup> June, 2020

Dear Northfield Family

It is with a very heavy heart that we write you this letter.

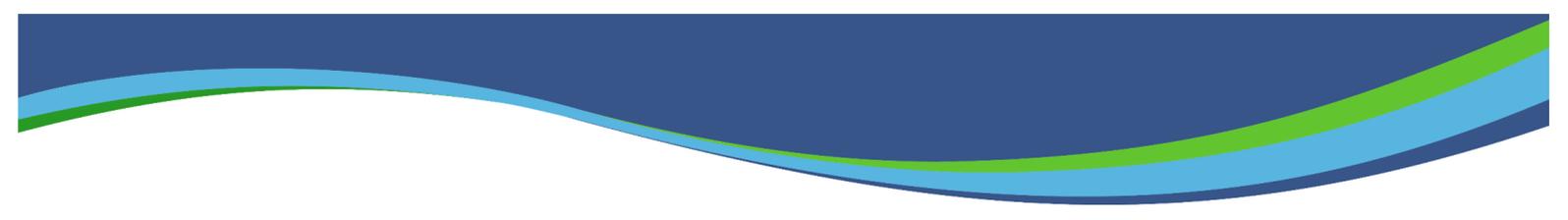
We are sure that many of you are aware of the difficult financial position that Northfield has been in over the last few years. This has meant that we have been unable to give our staff proper increases or bonuses over the last 6 years. Last year was a particularly bad year financially and as a result we entered 2020 in a very precarious position from a financial perspective. The beginning of 2020 looked promising and we were hopeful for the future of Northfield from a financial position. Unfortunately, however, when Covid-19 hit South Africa and we had to go into lockdown this meant a decrease in our income. We believe the decrease is a result of the negative impact on so many of our people's lives due to the lockdown.

There have been many Northfielders' who have gone out of their way to give generously through online giving and even some people have arrived at the office to place cash into our safe. We have been overwhelmed by everyone's generosity and provision and we are so thankful for this. However, at Northfield we have felt the financial impact of the lockdown as I'm sure most organisations have.

When the lockdown happened and we realised that we were not going to be able to meet as a congregation, the Trust properties committee, Society executive and Ministers had numerous discussions on how to manage the impact of the lockdown as responsibly as we could. Not knowing how long the lockdown would last we made a few strategic decisions. We decided to brace ourselves and defer as many payments as possible in March, April, May and June.

Our first step was to cut costs as much as possible. This was something that we have been intentional on from July 2019.

Our second step was that from March we took as many 'payment holidays' on monthly costs/expenses/debts/debit orders. Including Assessment fees. We implemented this at the beginning of Lockdown which was at the end of March. Some organisations were more than gracious, others found themselves in much the same position as we did and so could not grant us that luxury. We also decided to delay as much of our assessment payment to the Methodist church as we possibly could. The ministers also decreased their travelling allowance. This step was to try and alleviate the cashflow crisis that we found ourselves in, so that our stronger months at the beginning of the lockdown would carry us through for as long as possible. We also decided that to limit the impact on the individual staff members for as long as possible was the kindest thing to do.



Our third step was that we asked staff to take leave and from May we reduced all staff and minister's income by 20%. The staff and ministers were extremely gracious and supportive and have worked hard throughout all of this.

All these steps have helped us navigate our financial situation, but unfortunately, because we entered the crisis of Covid-19 without any reserves, we now find ourselves in a very difficult position financially, all of these steps are temporary and place us in a worse position as time goes on because we will have to make up these payments. We have explored all possible solutions to our financial situation and have realised that the only way in which we can continue as Northfield is to enter into a restructuring process. We will be engaging with the staff this week about various possibilities of how we can reduce our staff cost while still being able to meet the ministry needs of Northfield both in this season and beyond Covid-19. One of our priorities is to ensure that Northfield is still able to offer the variety of ministries that happen at Northfield, this will mean that we will be calling on congregation to assist us as volunteers in many areas.

This is a painful, but unfortunately, necessary process in which we need to reduce our salary costs by as close to R100 000 per month as we possibly can. We ask that you hold us in prayer. We ask that you pray for and support the staff and ministers of Northfield. We ask that you treat us all graciously, gently and prayerfully as we navigate this very difficult time.

We enter this process knowing that everyone, the Society Executive, the Trust properties committee, the Ministers and the staff of Northfield all love Jesus dearly and serve Northfield faithfully. We are all fully committed to being as fair as we possibly can to all parties involved and we commit to having only the best intentions of Northfield Methodist Church at heart.

We will continue to keep our members at Northfield up to date with all the developments that happen around our restructuring.

Yours in Christ  
The Society Executive