

Finance report for PCC meeting 23rd September 2019

1. Introduction

This report deals with the financial position upto the end of August. The key events which are dealt with in this period are the generous giving campaign and the project to remove the front three rows of pews. These matters are referred to in the body of the report. Overall the position is encouraging but there are still issues to address. I have made some observations and recommendations which I would appreciate the PCC's views/support on.

2. Management accounts to 31 August 2019

The table below shows the outturn for the period to 31 August 2019. A pro-rata of the approved budget is given for comparison.

Receipts		£	£	Budget
	Planned Giving	44645		43336
	Collections	4027		0
	Income tax recovered	12214		10336
	Interest	1949		240
	Other	2709		3864
	Total Receipts		65544	57776
Payments				
	Parish Share	38430		38368
	Salaries	9910		10000
	Clergy exps	312		664
	Mission	3100		5400
	Children and youth	395		744
	Insurance	1346		1264
	General Admin	770		1332
	Services	513		1664
	Music	937		1000
	Heat and light	3499		2336
	Visiting Minister	85		264
	Other	564		432
	Total Payments		59861	63468
Before Maintenance	Surplus/(Deficit)		5683	(5692)
	Routine Maintenance		3121	0
After routine maintenance	Surplus/(Deficit)		2565	(5692)
	Major Projects		3396	0
	Surplus/(Deficit)		(831)	(5692)

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The following are worthy of note:

- a) Planned giving is ahead of the 'smoothed' budget due to benefiting from quarterly and half yearly receipts . It also reflects some increase in regular giving as a result of the generous giving campaign (see para 3)
- b) Collections is cash on the plate but also includes several 'one -off' payments relating to the giving campaign amounting to £ 1995.
- c) Other includes some £345 for lettings when the Parish Hall was out of action. The balance is for funerals.
- d) Mission expenditure includes the contribution to the Parish Hall 'roof 'project as previously reported. (see para 4)
- e) Children and youth costs are lower than planned due to various contributions which in total amount to £221
- f) Energy costs continue to run ahead of budget. This is due an increase of 5% on gas and 10% on electricity costs which took effect from the beginning of March. (see para 6)
- g) The surplus before any maintenance cost is sufficient to cover the 'routine' work which has been carried out, but not the whole of the special project relating to the pew removal (see para 5)

The overall position looks more encouraging than previously reported. I hope that we can manage income to cover expenditure for the remainder of the year, assuming no unforeseen issues arise.

The PCC are invited to note the current position

3. Review of Giving

The major impact on the giving has been the 'generous giving campaign'.

We now have some 75 regular giving families of whom 60 are by standing order and 15 are by envelope. During the year, and also on the back of generous giving, the amount of regular giving has increased. The annual impact is assessed at almost £5000

As a result of the campaign 13 individuals made one-off donations amounting to £1995.

In my view the campaign was successful as it has gone a significant way to closing the annual budgeted deficit, however, as a significant amount was raised by 'one-off' donations we will need to revisit the position for 2020.

The PCC are invited to note the financial outturn of the generous giving campaign and consider what action may be needed for 2020.

In addition, it is worth noting that the income collected at services, cash and envelopes, amounts to some 18% of our total income of which the cash element is 3%. As a result, many members of the congregation ignore the offertory plate at services. I

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wonder whether we might, for a trial period, dispense with the formal 'passing round' with the offertory plate but have a fixed point clearly marked for offertory to be left either before or after the service? The celebrant should also remind the congregation of this arrangement.

PCC to approve the introduction of revised arrangements for offertory at all services

4. Mission Giving

We have spent £3100 so far on outward giving. £100 was a support contribution for "Youth for Christ" trip to Mexico, which we heard about last Sunday. In addition, we have met our commitment to the Parish Hall 'roof project' amounting to £3000.

We have previously set out our aspiration of paying 10% of out giving to 'mission' projects. Based on the income flows so far that would amount to some £6000. The income lines used are planned giving, collections and gift aid tax recovery.

It is worth noting that our parish share payment includes an amount for 'mission work' supported by the diocese. The allocation is approximately 10%, so to date some £3800. It is for debate whether this should be taken into account in our 10% objective.

To remind the PCC, Dennis Pearson recommended a schedule of outward 'mission' giving which is set out below. I have identified those recipients which are considered a priority. The remainder would be nice to support if funds permit.

Recipient	2019 proposed	2018 actual	Notes
Overseas Mission	£	£	
CMS Freda Cary	1400	1400	Priority
Sasa Project	900	1200	Priority
Tear Fund	700	1035	
Major Giving Total	3000	3635	
Barnabus Fund	300	400	
Tanzania	0	300	
House of Hope	0	200	
MU overseas	0	250	
NEEMA (Tanzania)	0	250	

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MAF	0	300	
Minor Giving Total	300	1700	
Total Overseas Mission	3300	5335	
Home Mission	£	£	
Parish Hall	3000	0	Priority-paid 07/19
Bathford School	0	750	
Genesis (Bath)	300	400	
Bath CAP	0	200	
Bath Street Pastors	250	300	Priority
Bath Youth for Christ	150	450	
Open Christmas	50	50	
Deanery Clerical Families	0	50	
Bath City College Chaplain	0	200	
Nomads Martin Gilmore	250	250	Priority
Poppy Day RBL Bathford	60	60	
Mexico trip	100	100	Paid 04/19
Total Home Mission	4010	2810	
Total Mission Giving	7460	8145	Priority total £5800

In view of the 'improved' financial position reported in paragraph 2, I think we can consider making further mission payments at this stage. We should deal with the priority items which we endorsed at an earlier meeting. It would seem appropriate to support one overseas and one local cause say Freda Cary and Bath Street pastors.

PCC are asked to approve the payment to Freda Cary (£1400) and Bath Street Pastors (£250) as set out above. The remainder will be reviewed towards the end of the year depending on cash flow.

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5. Maintenance

The surplus before any maintenance expenditure is £5683. I have charged the following items to the general account being:

Lights (Supplied by TRHayes)	339
Installation in the nave	1798
Repairs to the windows	1000

There is also a donation of £150 from Derek Hayes towards the purchase of a new mower. We should use this before the end of the year.

The work on the removal of the pews cost £3396. Again, Derek Hayes was helpful in organising the carpet. Depending on the final outturn for the year this may be financed out of general funds, otherwise it will be charged to the fabric fund.

PCC are asked to note the position. I recommend a note of thanks be sent to Derek Hayes for his support on these various projects. A new lawn mower should be purchased.

6. Fees for lettings and services.

At the September 2018 meeting a lettings fee policy was approved. The key element for 'winter' bookings ie between October and May was a heating charge of £30. In view of the current costs for energy this is too low. Based on our current consumption this should be revised to £40. Whilst this may seem a significant increase it does more properly reflect the true cost to the PCC.

The fees for services are prescribed by the Diocese.

The PCC to approve an increase on the heating element of the hire charge to £xx, to be reviewed again in 12 months' time. All other fees to remain the same.

**Michael Gilbert
Treasurer
13 September 2019**