

APCM 25th Feb 2015

I am Keith, the church treasurer. The annual accounts are presented in detail in the annual report. I have a few simple Power Point slides which I hope will summarise 2015 without confusing you too much.

Slide 1

This graph shows the church income over the past 8 years. The yellow represents general/unrestricted funds, the blue restricted funds. There has been a significant upward trend over the past four years, 2015 was a particularly good year with an increase of general income of 23% over 2014. The restricted income represents gifts received that are earmarked by the donors for a specific purpose, eg Beyond the Lytch Gate project. Unrestricted or general income can be used for whatever we want. Restricted income has been high during 2014 and 2015 due to donations for the Beyond the Lytch Gate project.

Slide 2

So where did this money come from? Hopefully this year the pie chart will make more sense, I have used brighter colours and, more significantly, we have new projectors. This pie chart breaks down the income. The last two segments are restricted income, the rest is unrestricted. As you can see the Gift aided section accounts for the majority of our income, this is mostly via standing orders or other regular giving by the congregation. The importance of completing a Gift Aid declaration (if you are a UK tax payer) cannot be stressed too highly when you see the amount of Gift Aid that we are able claim from the government. Other giving comprises of charity credits, where people give from Stewardship or CAF accounts, and gifts that are not eligible for Gift Aid. The loose plate collection were down slightly this year, hopefully this is due to the members of the congregation giving by standing order rather than cash. CCC lettings were down slightly, but we have had to restrict the amount of time that the centre can be hired out in order to have evening sessions for the new youth work. Service fees increased, this is not always a good thing as they are mostly due to funerals.

The House Purchase/BtLG income is made up of many one off gifts and 19 monthly standing orders.

Slide 3

And this is where the money goes

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As always parish share accounts for a major part of our general expenditure, in 2015 it was 28% of our unrestricted income. The average for churches in the diocese is that parish share accounts for 47% of general income, this indicates that we are a thriving (dare I say flourishing) church.

However, although I said that we can spend the unrestricted income however we like, after parish share we have items like heating oil, insurance and rebuilding of churchyard walls which eat into the available funds.

The grants section includes our 10% tithe (£23k) and other grants made from restricted funds (Scheilla & VDF)

One good figure on this chart is the Pastoral/Ministry figure of £33,305, last year it was £20,357 and in 2013 £11,155. So in areas such as Outreach, small groups, children's and youth work we are increasing our spending significantly, three times more than it was two years ago.

Administration costs have increased in 2015, due to the employment of extra staff and the associated set up costs.

For good stewardship the Charity Commission advises/insists that we should have reserves. Our policy is to hold two months running costs plus an extra month's wages in reserve. Due to the increase in expenditure this year the required reserves have increased from £33k to £43k. This may seem like a lot of money to be sitting on, but it is to avoid a 'Kids Company' situation where overnight you run out of money instead of having a few months grace to reorganise after a financial upset.

One anomaly that you may have spotted is that the purchase of the house, one of the most significant financial events of 2015, does not appear in these charts. As the house is an asset it does not count as expenditure. The House appears in the accounts as an asset (£275,000) and the mortgage as a liability of £163,500.

In summary, the overall surplus in 2015 was approximately £20k. However £10k of this was designated to the church building fund (not BtLG) and church equipment, as we are due a quinquennial inspection this year which will inevitably require expenditure on the church. The net result of this is that the accounts show a surplus of £10k and general fund reserves of £43k.