

A REPORT FROM ST AMBROSE FINANCE COMMITTEE TO THE PARISHIONERS OF THE PARISH.
MARCH 2021.

As you will be aware from various newsletter items the Finance Committee have been conducting reviews of the Parish's financial position given the continued annual losses that are being made. Losses are being funded out of long-term reserves which sooner or later will run out unless we put measures in place to stop this erosion of funds.

Below is a table summarising the position from 2013 to 2020.

	2020	2019	2018	2017	2016	2015	2014	2013
Total Income	£87653	£107662	£107292	£104992	£95072	£107770	£119617	£110896
Less Total Expenditure	£100318	£132351	£156139	£119371	£111682	£124331	£130803	£124205
Total Annual Loss	(£12665)	(£24689)	(£48847)	(£14379)	(£16610)	(£16561)	(£11186)	(£13309)
Adjustment for Exceptional expenses/ income roofing, boilers, pathways etc. taken from Reserves.	(£5930)	£7200	£21908			£11121	£8071	£3670
Adjusted annual loss	(£18595)	(£17489)	(£26939)	(£14379)	(£16610)	(£5440)	(£3115)	(£9639)

As can be seen we have consistently made losses over the last seven years and this trend needs to be reversed.

For the year to 31st December 2021, we are forecasting a **further loss of £29768** and this is before any exceptional expenditure. The Diocesan levies for 2021 are **£21500** an increase of **£5728** on 2020 and this increase contributes to the ongoing annual loss which confirms that we continue to be living beyond our means.

At a Finance meeting on 24th February these losses were discussed and we highlight below the pertinent areas we feel need to be examined and appropriate action taken in order to halt the slide.

OFFERTORY GIVING CHANGES SINCE 2013

	2020	2013	Change from 2013 to 2020	Percentage change from 2013 to 2020
Offertories Total	£36210	£55543	(£19333)	34.80%
Offertories per 50 Week year	£724	£1111	(£387)	34.80%

MAJOR EXPENDITURE REVIEW

	2020	2013	Change from 2013 to 2020	Percentage change from 2013 to 2020
Personnel/wages	£29093	£18236	£10857	59.50%
Per 52 Week year	£559	£351	£208	59.50%

Currently the Parish has 3 employees which includes the servicing and regulating the bookings of the Parish Centre. These costs represent 80% of our offertories.

Notwithstanding the items listed above we will be undertaking a rigorous and detailed housekeeping exercise on all costs to ensure that we can deliver value to parishioners giving.

On the 31st December 2020 the total funds available to the Parish to operate the Churches, House and Parish centre amounted to £276874. At 31st December 2017 this amounted to £344350.

If we continue to make losses as forecast then the Parish would run out of money in less than 10 years' time.

Appendix A below gives a detailed analysis of the Parish's operating results for the year to 31st December 2020 and the comparison figures for 2019 along with our current forecast for 2021.

PROPOSED ACTION PLAN.

- . Conduct an in-depth review of all our cost centres and accounting processes.
- . Where possible and safe to do so ask for volunteers to conduct some of the many small maintenance work items required on the fabric of the Parish buildings
- . Encourage Parishioners to increase their offertories were possible; to include on line giving; contact Tim Yates
- . Encourage Parishioners to donate for specific projects to avoid Diocese levy.
- . If able to Parishioners to consider leaving a bequest in their Will.
- . Consider any suggestions Parishioners may have or comments they may wish to make which can be either sent by email to stambrosekiddminster@btinternet.com or a note dropped off at the Presbytery. Please mark any correspondence as **"Parish Finance Review March2021"**

St Ambrose Parish Finance Committee
24th February 2021

APPENDIX A				
ST AMBROSE PARISH KIDDERMINSTER				
RECEIPTS & PAYMENTS SUMMARY				
Year ending 31st December 2020		Budget		
		Forecast	Actual	Actual
	Note	31/12/2021	31/12/2020	31/12/2019
Receipts			£	£
Offertories - Gift Aid		£16,000	£18,781	£19,224
Offertories - Non-Gift Aid		£18,000	£17,429	£24,835
Offertories -Total	A	£34,000	£36,210	£44,060
Exceptl - legacies rec'd		£0	£2,200	£5,500
Donations - Gift Aid		£0	£166	£920
Donations - Non Gift Aid		£0	£4,748	£12,078
Tax Refds Gift Aid/invests		£7,500	£14,239	£5,499
Occasional/Fund raising/200 Club		£1,000	£985	£1,644
External Grants Furlough Claim		£3,031	£9,930	£0
Votive Candles		£1,000	£928	£2,842
Chaplaincy Receipts		£3,000	£0	£5,250
Repository/Piety		£500	£457	£779
Newspapers		£0	£280	£1,177
Parish Tote/200 etc Club		£4,500	£5,257	£5,312
Hall/social centre income		£5,000	£5,797	£14,994
Unit Scheme income		£6,000	£6,415	£7,412
Interest received		£0	£41	£197
Total Receipts	B	£65,531	£87,653	£107,662
Payments				
Church - Liturgical/Pastoral		£4,000	£3,016	£7,694
House - Domestic		£5,000	£5,273	£5,907
Repository		£750	£528	£595
Newspapers		£0	£1,459	£2,897
Votive Candles		£400	£200	£1,000
Occasional/Fund raising/200 Club		£1,000	£1,739	£2,919
Parish Donations		£0	£944	£1,721
Clergy - Supply Priests		£250	£0	£825
Clergy - Expenses, mileage		£3,000	£2,881	£4,373
Clergy - Clerical Medical		£206	£206	£206
Parish Levies		£21,500	£15,772	£16,358
Personnel/wages		£29,093	£34,587	£37,161
Office Expenses		£2,250	£2,193	£2,597
Interest paid/bank charges		£350	£356	£397
Church - Establishment		£10,000	£11,532	£21,498
Church - Property Maintenance		£5,000	£5,674	£10,048
House - Establishment		£5,000	£6,995	£8,004
House - Property Maintenance		£2,500	£2,963	£951
Excpt. - new bldg wrk/ reps etc		£5,000	£4,000	£7,200
Total Payments	C	£95,299	£100,318	£132,351
Parish Operating Loss	B less C	-£29,768	-£12,665	-£24,689
PARISH BALANCE SHEET ASSETS				
		31/12/2021	31/12/2020	31/12/2019
		£	£	£
Nat. West Bank account	Opening	£18,575.13	30953.55	1185.98
Funds from Unit Scheme		30000.00	0.00	55000.00
Funds to Unit Scheme				
Parish Loss for the year		-29768.44	-12665.00	-24688.91
Miscellaneous			286.58	-543.52
Nat. West Bank account	Closing	£18,806.69	£18,575.13	£30,953.55
Unit Scheme	Opening	258298.41	251013.27	275706.70
Funds to Nat. West Bank account		-30000.00	0.00	-55000.00
Funds from Nat. West Bank account				
Unit Scheme valuation change		7500.00	7285.14	30306.57
Unit Scheme	Closing	£235,798.41	£258,298.41	£251,013.27
TOTAL PARISH FUNDS		£254,605.10	£276,873.54	£281,966.82