

Statement of Financial Activities

Forecast for the period ending 31st December 2017

This table shows a summary of forecast income and expenditure analysed by church, clergy house and conference centre. In the annual report, net income from the conference centre is shown within the church column as income from trading subsidiary: £75,000. Here, the £75,000 has been removed and replaced by a new column showing gross income of £178,000, expenditure of £88,000 and capital spending of £15,000.

The clergy house figures only include direct house expenditure (hospitality costs, energy and repairs). No allocation has been made for overheads, although the church administrator spends a considerable amount of time dealing with house guests and other house related activities.

| | Church £ | Clergy house £ | Conference Centre £ | Total £ |
|----------------------------------|------------------|----------------------|---------------------------|--------------------------|
| Income: | | | | |
| Donations and legacies | 69,575 | 74,900 | - | 144,475 |
| Trading subsidiary | - | - | - | - |
| Other church activities | 2,950 | - | - | 2,950 |
| Other trading activities | 24,550 | - | 178,000 | 202,550 |
| Investments | 8,175 | - | - | 8,175 |
| Other | - | - | - | - |
| | 105,250 | 74,900 | 178,000 | 358,150 |
| Expenditure: | | | | |
| Raising funds | - | 17,550 | - | 17,550 |
| Running costs | 220,285 | 32,500 | - | 252,785 |
| Trading activities | - | - | 88,000 | 88,000 |
| | 220,885 | 50,050 | 88,000 | 358,335 |
| Net income (expenditure) | (115,035) | 24,850 | 90,000 | (185) |
| Gains on investment assets | - | - | - | - |
| Current movement in funds | (115,035) | 24,850 | 90,000 | (185) |
| Major capital expenditure | (249,500) | - | (15,000) | (264,500) |
| Net movement in funds | (364,535) | 24,850 | 75,000 | (264,685) |

Key assumptions: income

Voluntary income: £144,475 (2016 estimate - £159,000)

Voluntary income is expected to fall as a result of donor churn, and a fall in grants received.

Income from trading subsidiary: £75,000 (2016 estimate - £70,000)

The conference centre is operating in a very competitive local market and further increases in income are unlikely for the foreseeable future. It is assumed that the lighting project will not adversely affect conference centre income.

Opportunities to enhance income:

- Outreach to our communities to increase congregations.
- Specific and general fundraising activities.
- Actively seeking grants and awards.
- Increase suggested donation for staying in the house.
- Other?

Key assumptions: expenditure

| | Church £ | Clergy house £ | Conference Centre £ | Total £ |
|-----------------------------|----------------|----------------------|---------------------------|--------------------------|
| Expenditure: | | | | |
| Mission costs | 1,550 | - | - | 1,550 |
| Common Fund | 67,200 | - | - | 67,200 |
| Costs of trading | 6,450 | - | - | 6,450 |
| Vocations programmes | 32,050 | - | - | 32,050 |
| Routine building costs | 22,200 | 25,750 | - | 47,950 |
| Liturgy, services and music | 33,425 | - | - | 33,425 |
| Church administration | 35,700 | - | - | 35,700 |
| Office and support costs | 10,500 | - | - | 10,500 |
| Bank charges | 750 | - | - | 750 |
| Depreciation charges | 1,500 | - | - | 1,500 |
| Energy costs | 8,060 | 6,750 | - | 14,810 |
| Governance costs | 900 | - | - | 900 |
| | 220,285 | 32,500 | - | 252,785 |

Common Fund: £67,200 (2016 estimate - £66,000)

The PCC has committed to paying full Common Fund for 2017.

Vocations programme: £32,050 (2016 estimate - £38,300)

This is the cost of running the PA programme. In 2016 there were 3 PAs for part of the year (the third was funded by Westminster Abbey through a grant).

Routine building costs: £47,950 (2016 estimate - £48,500)

There were some significant improvements and repairs in the house during 2016 and the same level of expenditure is likely to recur in 2016.

Liturgy, services and music: £33,425 (2016 estimate - £11,875)

The recruitment of the new Director of Music will substantially increase costs in 2017. In future years, it is expected that this will, in part, be met by increases in church activities (recitals etc.).

Other costs

Other costs are broadly in line with previous years. There is a small increase in staff costs expected as a result of cost of living pay rises and the introduction of statutory pension provision.

Major capital expenditure

Major capital expenditure has been disclosed separately from 'current account' expenditure although from an accounting point of view, not all of this expenditure will necessarily meet the PCC's criteria for utilising the expendable endowment fund and will have to be met from current reserves or fundraising.

Key assumptions: capital expenditure

Capital expenditure is made up of provisional estimates of the costs of works. Full competitive tenders and PCC approval will be sought before contracts are signed. These figures do not include routine building and maintenance costs which are included within the revenue budgets.

| | Church £ | Clergy house £ | Conference Centre £ | Total £ |
|--|----------------|----------------------|---------------------------|--------------------|
| Project: | | | | |
| Tower The second floor is currently used for storage but it could be used as rehearsal and storage space for the planned music activity and also allow the third floor to be used as storage. There would be no structural changes to the building so a Faculty is not required, although an Archdeacon's Licence would be sought. | 7,500 | - | - | 7,500 |
| Roof repairs The Inspecting Architect has identified a variety of roof repair works that are needed to keep the church and buildings watertight. We already have a Faculty for these works. | 25,000 | - | - | 25,000 |
| Lighting project These works have been discussed at previous PCC meetings. We have a conditional Faculty and plans for a fundraising campaign to meet some of these costs. | 120,000 | - | - | 120,000 |
| Church redecoration These works have also been discussed at previous PCC meetings. We have a conditional Faculty and plans for a fundraising campaign to meet some of these costs. | 45,000 | - | - | 45,000 |
| Lady Chapel flooring The existing floor covering is out of keeping and the Inspecting Architect has suggested that this could be changed at the same time as the redecoration project. | 12,000 | - | - | 12,000 |
| Church forecourt These works have also been discussed at previous PCC meetings. Works are dependent on obtaining permission from the new occupiers of the neighbouring building and the re-granting of planning permission (as the previous permission has expired). | 40,000 | - | - | 40,000 |
| Conference centre kitchen The existing kitchen makes poor use of limited storage space and an upgraded kitchen may allow us to expand activity to evening events which require better catering facilities. | - | - | 15,000 | 15,000 |
| | 249,500 | - | 15,000 | 264,500 |

Appendix

Statement of Financial Activities

Forecast for the period ending 31st December 2017

This shows the budgeted figures within the statutory reporting framework and in the context of the last five years of historical income and expenditure.

Six year summary

| | 12 months | | | | 9 months | Forecast |
|----------------------------------|-----------|---------|---------|----------|----------|-----------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| | £ | £ | £ | £ | £ | £ |
| Income from: | | | | | | |
| Donations and legacies | 100,908 | 114,948 | 153,483 | 134,472 | 119,190 | 144,475 |
| Trading subsidiary | 14,002 | 27,865 | 60,935 | 51,263 | 45,000 | 75,000 |
| Other church activities | 3,231 | 3,938 | 5,826 | 7,942 | 1,924 | 2,950 |
| Other trading activities | 25,237 | 25,297 | 30,810 | 34,545 | 22,830 | 24,550 |
| Investments | 240 | 295 | 696 | 2,900 | 3,086 | 8,175 |
| Other | - | - | 11,039 | - | 230 | - |
| | 143,619 | 172,342 | 262,789 | 231,122 | 192,259 | 255,150 |
| Expenditure on: | | | | | | |
| Raising funds | 15,243 | 14,605 | 19,044 | 18,207 | 12,468 | 17,550 |
| Church activities | 113,426 | 116,542 | 169,562 | 203,511 | 177,824 | 252,785 |
| | 128,669 | 131,147 | 188,606 | 221,719 | 190,291 | 270,335 |
| Net income (expenditure) | 14,950 | 41,195 | 74,183 | 9,403 | 1,968 | (15,185) |
| Gains on investment assets | 423 | 592 | 268 | 4,444 | 17,984 | - |
| Current movement in funds | 15,373 | 41,787 | 74,450 | 13,847 | 19,952 | (15,185) |
| Major capital expenditure | - | - | - | (33,756) | (8,574) | (249,500) |
| Net movement in funds | 15,373 | 41,787 | 74,450 | (19,909) | 11,378 | (243,315) |

Six year summary

| | 12 months | | | | 9 months | Forecast |
|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| | £ | £ | £ | £ | £ | £ |
| Church activities: | | | | | | |
| Mission costs | 437 | 921 | 927 | 1,109 | 210 | 1,550 |
| Common Fund | 30,000 | 31,100 | 35,000 | 45,000 | 49,200 | 67,200 |
| Costs of trading | 4,496 | 7,685 | 14,064 | 17,745 | 8,354 | 6,450 |
| Vocations programmes | 24,574 | 25,192 | 30,321 | 25,763 | 28,723 | 32,050 |
| Routine building costs | 24,004 | 18,405 | 34,716 | 41,906 | 36,488 | 47,950 |
| Liturgy and services | 9,802 | 11,575 | 9,857 | 12,640 | 7,406 | 33,425 |
| Church administration | 3,130 | 1,799 | 23,549 | 34,479 | 25,406 | 35,700 |
| Office and support costs | 1,876 | 2,752 | 4,120 | 6,806 | 9,789 | 10,500 |
| Bank charges | 915 | 1,246 | 159 | 335 | 413 | 750 |
| Depreciation charges | 1,703 | 1,317 | 3,042 | 2,027 | 765 | 1,500 |
| Energy costs | 12,291 | 14,333 | 12,964 | 13,953 | 10,396 | 14,810 |
| Governance costs | 197 | 217 | 844 | 1,747 | 674 | 900 |
| | 113,426 | 116,542 | 169,562 | 203,511 | 177,824 | 252,785 |