

TREASURER'S REPORT

The task of maintaining the operation and management of the finances of a small parish can only be achieved with the goodwill and hard work of parishioners. The roles played by Chris Rostock and Chris Turnbull in particular are critical to maintaining the parish finances and, on behalf of all parishioners, gratitude should be extended to them for their considerable contribution to this aspect of parish life.

In addition, the professional support of Patsy Brady, appointed again by the PCC as our independent financial adviser for 2015, is invaluable and her ongoing contribution saves the parish considerable time and money every year. The experience and creativity of John Roberts continues to be a source of guidance and information for which we should be grateful.

EXPLANATION OF THE CHANGES BETWEEN 2014 and 2015

INCOME

Planned Giving

Planned giving has remained largely consistent over the year, with an overall reduction of 1.7%. This is a much more positive position than had been experienced in the previous twelve month period which had seen a significantly greater reduction. Planned giving at St Chad's actually increased slightly over the year. Planned giving remains by far the most substantial, consistent, and therefore important element of income to the parish.

Plate and Other Collections

The year presented a notable increase in plate collections both at St Bartholomew's and St Chad's with this source of income increasing by slightly in excess of 20%. This is a welcome development that will hopefully continue.

Donations

The income generated by donations fell significantly in 2015, with a reduction of £8,374 over the course of the year. Consistently the greatest contribution of donations is realised through non-recurring donations which are, by their nature, variable. This is due to the fact that they often reflect gifts left in the wills of parishioners or from families celebrating events or lives that have particular resonance to the parish. That said, donations in any form and of any size are always welcome – and often unexpected – additions to the income of the parish.

Gift Aid and GASDS

This income relates to the legitimate recovery of tax from HMRC on certain types of financial income. Gift Aid is a long-established system through which the parish affects tax recovery on funding voluntarily donated by individuals who pay tax through their earnings. GASDS (Gift Aid Small Denominations Scheme) payments, meanwhile, we can claim from HMRC on cash not gift aided but given at events or activities, including services of worship, which take place at either of our churches. For 2015 the combined income from these routes reflected a marginal increase for the year and, more importantly, presented an income of over £12,000 to the parish. This will continue to be a significant source of income to the parish over the years to come and it is particularly important for those who give regularly to the parish to

declare Gift Aid wherever it is legitimate to do so as the sums generated over the course of a year are not insignificant.

Fund Raising Activities

During 2015 we received income from a range of fund raising events and activities. However, there was a continued year on year decline compared with 2014 of in excess of £1,500, adding to a decline of almost £1,000 in the previous year. The areas of greatest income in 2015 were the Christmas Fair and the sale of calendars, mirroring the position from the previous year.

Investment Income

Our Trust investments performed in a very similar way in 2015 as they did in 2014. The global financial market has retained its modest recent performance and, moreover, bank interest remains remarkably low, resulting in a continued marginal performance of the parish investments. The fall in income experienced in 2014 has, however, halted with a very small increase experienced in 2015. It seems unlikely that the situation will recover significantly in the foreseeable future.

Church Fees

Income from occasional services (statutory fees and contributions towards heating costs) presented a welcome increase on 2014 figures with a net rise of £1,578 for the year. This income is obviously subject to a natural variation in church activity so is always a somewhat volatile figure.

Hire of St Chad's Hall and Usage of the New Building

The hire of the church hall by groups and individuals raised increased significantly in 2015, an increase of £3,233 over the course of the year.

The income generated by the use of the extension at St Chad's has fallen during the same period by £943, largely due to the closure of Dawpool Pre-school in July 2015. It can reasonably be expected that the closure will have a significant detrimental impact on this line of income when considered over a full twelve month period.

Other Miscellaneous Income

During the course of the year other smaller income streams help to support overall income for the parish. Notably the income derived from the parish magazine remains consistent and the initiative to sell Christmas cards was proven to be a successful venture, more than breaking even and generating a small additional income to parish funds.

EXPENDITURE

Parish Share

Our parish share contribution to the Diocese increased by £1,741 in 2016. Similarly to previous years in recent times the PCC requested a deferral of a proportion of the 2015 parish share, a request that was supported by the Diocese. This means that, in practice, the parish is in arrears by £20,000 for the year due to anticipated cash flow difficulties during the

year and our need to achieve and maintain an adequate bank balance. The arrears of £10,422 (2011), £12,600 (2013) and £15,000 (2014) remain.

Mission Costs

The financial costs of delivering our work in the parish community was £4,927, a reduction from £6,401 in 2014. There was a reduction in costs associated with assisting clergy, the organist's fees and materials used in service costs alongside other smaller reductions over the year. Tots 'n' Tinies, also included in this category, had a reduction in their costs, down by £310 to £201 for the year

St Bartholomew's Overheads

The costs associated with maintaining and operating St Bartholomew's reduced overall in 2015, largely due to a significant reduction in building maintenance on our church in Thurstaston, reducing from £1,501 in 2014 to £517 in 2015. In other areas of associated cost:

- Churchyard Upkeep - Expenses specifically arising from the upkeep of the church grounds fell for the second year in succession, from £722 in 2014 to £267 in 2015
- Heating Oil - In line with a general increase in the unit price of utilities, the cost associated with heating the church increased, albeit marginally, by £23 during the year
- Electricity - Similarly, the cost of the electricity used in the church during 2015 increased from the 2014 figure of £407 to £485
- Church Organ Expenses - The cost of maintaining the church organ increased in 2015 by £315

St Chad's Overheads

The costs associated with maintaining and operating St Chad's church increased by £1,692 in 2015 with significantly increased maintenance costs more than offsetting reductions in costs in other areas. This reflects the increasing requirement for investment in the building as installations and equipment become life expired or defective. In other areas of associated cost:

- Hall Insurance - This cost reduced by £341 over the course of the year
- Utilities - In line with a general increase in the unit price of utilities, the cost associated with heating the church increased by £281 over the year. On the contrary, electricity costs reduced by £46 over the course of the year

Administration Expenses

The costs associated with parish administration - equipment, postage, software, stationary and telecommunication - reduced by £1,012 in 2015 when compared to the costs incurred in 2014, reflecting the very careful management of day to day resources in the operation of the parish.

Major Project Works

The largest and most exciting project in 2015 was the refurbishment of the kitchen at St Chad's. The considerable cost associated with this impressive project – almost £15,000 – was met by specific fundraising during 2014 and 2015. In accounting terms the grants and donations we receive for such project-based work are often carried over from one year to another but are reflected in our accounts for the year in which they are received. However, this money is specifically restricted and used for the purpose for which it is sought.

SUMMARY

The year 2015 saw income exceed expenditure by £10,451, reflected in an increased balance in the parish finances at the end of the year by an amount of £10,284. This was a welcome development from the position in the previous year, in which expenditure exceeded income.

Income from the planned giving scheme – and therefore the regular financial support from parishioners – remains a steady, reliable, and important aspect of the parish finances; this is to be welcomed.

The difference in 2015 from the previous year was a significant increase in income overall, with expenditure remaining remarkably similar to the previous year. The challenge for the coming year is arguably a combination of increasing maintenance costs at St Chad's church alongside the known ongoing challenges with the St Bartholomew's church building and a reduction in income associated with the use of the St Chad's extension given the closure of Dawpool Pre-School.