

Financial Summary for Commitment Sunday January 2021

Look back at 2020

2020 was a difficult year in many different ways and this was no different for the church's finances. When the pandemic fully struck the UK in March 2020 and we reviewed the church's financial position, we faced the possibility of a significant shortfall in income leading to potentially large deficit for the year. Regular income showed a significant fall, partly resulting from the impact of the pandemic on individuals' personal circumstances, but also as a result of the phased loss of the giving of the team members who went to plant into St Mary's & St George's and other members of the congregation moving away. We also saw a cessation of offering plate income and a large fall in hiring of the church buildings.

As a result, we sought to reduce costs, whilst wanting to meet our long-term commitments where possible. We utilised the government's Furlough Scheme where individual members of staff were unable to do their job through cessation of the use of the church buildings or due to childcare challenges. Additionally, we shared with church members the challenges we faced, asking those who were able to consider giving a little more.

Our income ended up significantly higher than we had reforecast, mainly through two sources – the additional giving of church members and the continuation of the government's Furlough Scheme. The draft 2020 showing a surplus of around £8,000 is a real answer to prayer.

£'000

	2019 Actual	2020 Draft	
Income			
Regular Giving plus gift aid	266	240	Pandemic & SMG team transfer
One Off Donations	2	15	Increase in one off donations
Cash Offerings	10	2	Offering plate ceased mid March
Grants	7	31	Mainly government Furlough grants
Other income	29	22	Fall in fees & events income
	314	310	
Expenses			
People	154	142	Use of Furlough & reduced expenses
C of E	67	69	Mainly Parish Share – due to Diocese
Premises	45	42	Some small savings on use of building
Other	28	12	Lower events & costs of services etc
Giving away - mission	35	37	Commitments to mission partners
	329	302	
Net Surplus/Deficit	-15	8	

Look forward to 2021

2021 looks to be another challenging year in terms of the church's finances. Maintaining regular income at an appropriate level is once again likely to be challenging as the agreed phased reduction in giving from the SMG plant team concludes, alongside growing challenging personal circumstances for many as the full economic impact of the pandemic hits. Additionally, we are likely to see significantly less support from the government as restrictions are hopefully eased in Spring.

On the costs side, in November Liz Webber stepped down from the children's pastor role. We would like to replace Liz when current restrictions are eased and have reflected this in the budget. Additionally, two mission partners finished their roles at the end of 2020 and we have not replaced those commitments at this current time as our ongoing mission commitments broadly match our aim of giving away 10% of our income. Finally, on costs, we have provisionally agreed a deferral of part of our commitment to Hillside until our 2021 finances become clearer.

Overall, the result of all of this means we need to see an increase from our known/expected giving level of around £29k or 10% of our income in order to breakeven for the year. This is reflected in the budget as an additional £12k of regular giving, £12k of one-off donations and a return of offering plate giving of £5k.

<u>£'000</u>	2020	2021	
	Draft	Budget	
<u>Income</u>			
Regular Giving plus gift aid	240	232	Known fall £20k, so real £12k increase
One Off Donations	15	12	Need to maintain higher level
Cash Offerings	2	5	Some return of plate giving
Grants	31	20	Lower government grants
Other income	22	23	Hiring & event income flat
	310	292	
<u>Expenses</u>			
People	142	149	Re-employ children's pastor
C of E	69	67	Maintain Parish Share commitment
Premises	42	33	Deferral of some rental commitments
Other	12	16	Expect more services/event costs
Giving away - mission	37	27	Reduced to maintain 10% giving
	302	292	
Net Surplus/Deficit	8	0	