

SAINT ANDREW'S

Histon

Financial Report 2016 and Budget 2017

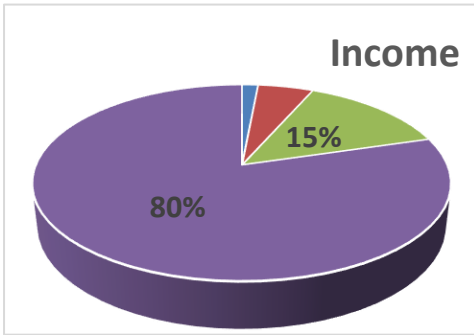
This booklet supplements the Annual Report for 2016, which is the formal set of accounts that are submitted to the Charity Commission. As these consolidate all the various elements of our finances together it is generally considered that they don't provide the clarity needed. This report aims to make it more readable and provides additional details not required in the full report.

Overview

- We met all our financial objectives outlined last year
- General income has increased, with a £10k surplus which is earmarked for paying off the Diocese loan
- Centre has generated nearly £10k surplus while ensuring facilities available for church activities
- Café has made a small operating profit and continues to improve

Church General accounts

The overall outcome for 2016 was close to projected, and we are anticipating a break even year for 2017.



The majority **80%** of our income comes from **YOU**, through direct giving, tax rebates and Sunday collections.

Voluntary income was **↑ 11%** with **Gift Aid** **↑ 9%**.

| | 2015 actual | 2016 budget | 2016 actual | 2017 budget |
|---------------------------------|----------------|----------------|----------------|----------------|
| Voluntary Income | 167,332 | 193,000 | 184,975 | 185,000 |
| Charitable activities | 29,085 | 23,000 | 35,095 | 26,500 |
| Activities for generating funds | 10,703 | 8,400 | 7,450 | 5,400 |
| Other Income | 3,116 | 3,000 | 3,248 | 3,000 |
| | 210,237 | 227,400 | 230,769 | 219,900 |

Our income has enabled us, amongst many things, to:

- Deliver a great range of children’s work, both within the church and our wider community
- Deliver extensive programme of youth work and outreach
- Pay our parish share to fund clergy and mission of the Diocese
- Employ office staff and vicar’s PA to ensure smooth running of the church
- Extend our outreach and community programmes
- Maintain our buildings and grounds
- Cover costs of services, weekly programmes and events
- Make modest grants to support wider church and mission

We have managed to control our expenditure, with no major surprises.

| | 2015 actual | 2016 budget | 2016 actual | 2017 budget |
|----------------|----------------|------------------------|------------------------|----------------|
| Administration | 17,411 | 22,500 | 23,804 | 26,400 |
| Property | 12,395 | 12,500 | 15,165 | 12,000 |
| Grants | 5,035 | 4,000 | 6,807 | 5,500 |
| Ministry | 59,484 | 59,600 | 62,105 | 62,600 |
| Parish Share | 75,158 | 75,910 | 75,921 | 76,500 |
| General costs | 32,300 | 37,000 | 36,359 | 37,000 |
| | 201,783 | 211,510 | 220,161 | 220,000 |

The budget for 2017 shows essentially just inflationary increases for the majority of items.

Saint Andrew's Centre

The payment of the loans (to Diocese and others) are the only outstanding liabilities remaining from the development (the final snagging payments were made in early 2016). We enhanced the Centre this year by adding air conditioning to Hall1, and this was paid for by additional donations. We have sufficient funds and income to pay off the next £100,000 of loans this year but the final push in 2018 is still uncertain.

Still to pay

| | |
|-------------------------|----------------|
| Diocese and other loans | 206,702 |
|-------------------------|----------------|

Expected Income (2017-2018)

| | |
|-----------------------------|--------|
| Already in bank | 50,000 |
| Recurring pledges | 37,500 |
| Surplus from General/Centre | 20,000 |

Outstanding balance to find

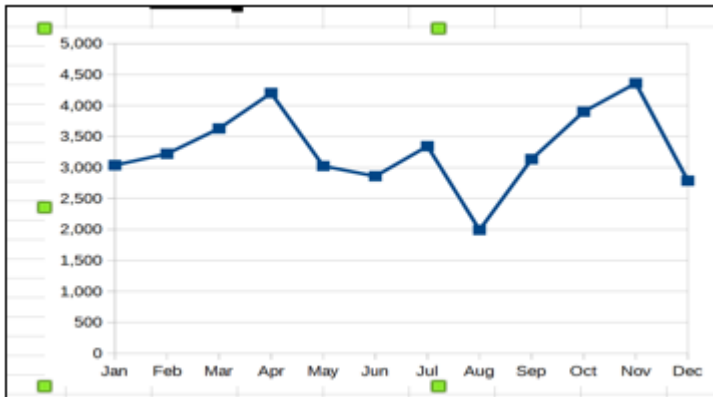
99,202

And how is the running of the Centre doing?

| | 2015 | 2016 | 2016 | 2017 |
|--------------------|---------------|---------------|---------------|---------------|
| | Actual | Budget | Actual | Budget |
| INCOME | | | | |
| Lettings | 39,335 | 41,000 | 43,908 | 44,000 |
| Service Charges | 4,320 | 3,600 | 4,291 | 3,600 |
| Discounts | - 6,180 | - 6,200 | - 6,401 | - 6,200 |
| | 37,475 | 38,400 | 41,798 | 41,400 |
| EXPENDITURE | | | | |
| Salaries | 1,000 | 13,200 | 12,000 | 12,000 |
| Utilities | 8,669 | 10,728 | 9,694 | 11,000 |
| Other | 8,688 | 8,916 | 10,417 | 9,650 |
| | 18,357 | 32,844 | 32,111 | 32,650 |
| Net Income | 19,118 | 5,556 | 9,686 | 8,750 |

Income has continue to increase through higher utilisation of the facilities. We don't need to raise any additional income and so focus is now on ensuring that the Church is able to use the 'spare' times and . The budget for 2017 is therefore very similar to 2016.

The following chart shows how the income from bookings varies through the year.

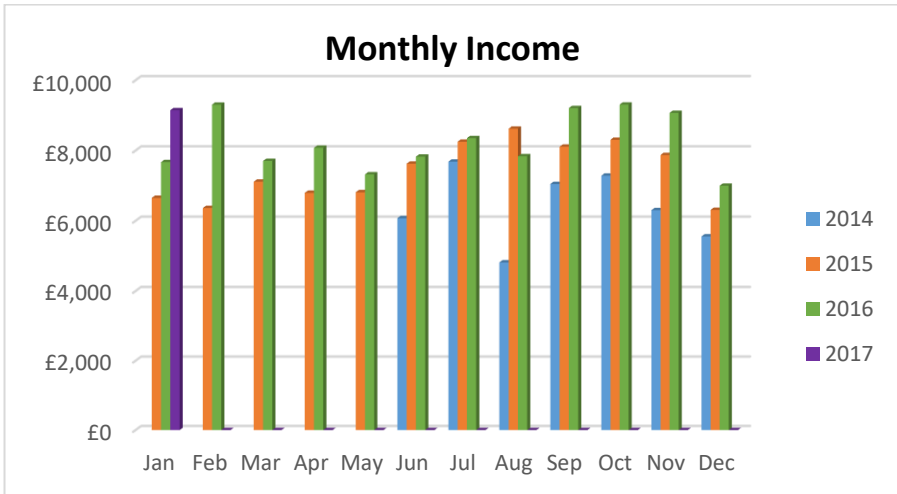


Expenditure increased due to the extra paid administrative support that was taken on in 2016, however the rest of the costs were controlled. For 2017 we expect costs to be largely similar. We also have a full set of maintenance contracts now in place and an active repair and repaint schedule to ensure the building is kept in good condition.

We are currently seeing a ratio of 37%:63% church:community by number of bookings and this is closely watched by the management team to ensure that the opportunities for church activities and outreach are protected.

Saint Andrew's Centre Café

We are continuing to see increases in revenue on a monthly like for like basis. Apart from August this year, every month has been higher and the trend is continuing. This has produced an overall 11% increase in income and for the first time an operational profit.



| | <u>2016</u> | <u>2015</u> |
|------------------------------|---------------|---------------|
| Total Income | 100,214 | 89,922 |
| Cost of goods | -29,058 | -28,549 |
| Gross margin | 71,156 | 61,373 |
| Staff costs | -53,503 | -48,925 |
| Expenses | -16,395 | -16,311 |
| Operational Depreciation | -481 | -481 |
| Operating Profit/Loss | 777 | -4,344 |
| Capital Depreciation | 4,886 | 4,667 |

The cost of depreciation of the fixtures, fittings and equipment are taken from the development fund as relate to the assets paid for by the initial investment. Any other purchases are depreciated as an operational expense.

The leading favourite items in various categories are:

| | |
|------------------|--|
| Panini | Cheese and Ham |
| Best hot lunches | Soup & Quiche neck and neck |
| Sandwiches | Egg and Cress |
| Coffees | Americano , but Latte now ahead of Cappuccino |

Monday, Tuesday and Wednesday have all become busier; while Saturday (and to a slight degree Friday) have become quieter, although Friday is still the most popular day.

Objectives and vision for 2016

The following are the main priorities for the year:

1. Complete integration of Stepping Stones into accounts & finance team
2. Document and expand finance team to reduce burden on individuals
3. Maintain lettings of Saint Andrew's Centre
4. Continue to pay back Diocesan loan and close final gap
5. Fund further outreach activities and community engagement
6. Meet all general financial obligations

If additional funds were available we would like to:

1. Undertake essential maintenance work on the fabric of the church, especially roof and pointing (£?) as outlined in previous quinquennial report.
2. Increase our reserves to 3 months of cash flow – at present we have 2 months. (£15,000)

Prayer Points

Give thanks for:

- The resources that God has made available to us.
- The 10 people currently part of the finance team.

Please pray for the following:

- The finance team as they work together, deal with suppliers, handle increased complexity and demands.
- What your own level of Stewardship should be.
- The PCC as they set priorities and balance demands.
- Jo and the Centre management team as they handle the bookings and steward the building.
- Emma and the Café directors as they make decisions affecting staff, prices and trade.

Further information & Contacts

If you would like any more information about anything contained in this report, or any church finance issues then do please get in touch.

For more information about Stewardship and the reasons to give then do please pick up a copy of the leaflet from the church porch.

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|-------------------|---|
| Treasurer | Andrew Glover treasurer@standrewshiston.org 01223 864931 |
| Gift Aid | Stella Barrett 01223 233063 |
| Bank Details | Unity Trust Bank Name: PCC of St Andrew's Histon Sort Code: 60-83-01 Account: 20311465 |
| Charity Reference | 1129167 |