

# SAINT ANDREW'S

---

# Histon

## Financial Report 2017

This booklet supplements the Annual Report for 2017, which is the formal set of accounts that are submitted to the Charity Commission. As the Annual Report consolidates all the various elements of our finances together it is generally considered that it is harder to understand. This report aims to make it more readable and provides additional details, and comment, not required in the full report.

Andrew Glover

Treasurer

## Overview

- We met all our financial objectives outlined last year
- Underlying general (voluntary) income has increased
- Significant additional one-off donations
- The Saint Andrew's Centre has generated over **£11k** surplus, while ensuring the facilities are sufficiently available for church activities
- The Café has made an increased operating profit (before capital depreciations) and continues to improve
- We have now raised sufficient funds & pledges to ensure that we can clear all loans in relation to Saint Andrew's Centre in 2018
- Stepping Stones has been integrated into the overall accounts
- A three year budget and forecast was established this year in order to provide greater foresight and to enable longer term planning

	2017		2016	
	Income	Expend	Income	Expend
<b>General</b>	358,239	244,330	327,225	239,695
<b>Saint Andrew's Centre</b>	47,357	36,203	41,798	38,485
<b>Café</b>	116,014	117,870	100,214	104,323
<b>Stepping Stones</b>	26,234	24,266	22,114	24,647
	<b>547,842</b>	<b>422,669</b>	<b>491,350</b>	<b>407,149</b>
Balance		<b>125,173</b>		<b>84,201</b>

The balance is used to make the loan payments each year, supplemented in 2016 by reserves.

The budget for 2018 shows essentially just inflationary increases for the majority of the expenditure items. However, we expect General Income to reduce to be more in line with expenditure, as fund raising and donations to pay off the loan cease.

The balance sheet has been strengthened by the continued reduction in the loans that we owe, and the net liabilities (*amount we are owed by others less the amount we owe to others*)

	<b>2017</b>	<b>2016</b>	<b>Change</b>
<b>1. St Andrew's Centre</b>	1,492,943	1,513,321	-20,378
<b>2. Stable Rooms</b>	107,500	110,000	-2,500
<b>3. 31 Narrow Lane</b>	178,920	181,360	-2,440
<b>Other fixed assets</b>	22,991	21,199	1,791
<b>Debtors - Creditors</b>	14,960	-7,598	22,558
<b>Loans &amp; Mortgage</b>	-182,227	-291,227	109,000
<b>Cash &amp; Stock</b>	119,902	102,760	17,142
			<b>125,173</b>

Once the loan has been repaid then the only debt we will have is the balance of the mortgage on 31 Narrow Lane (currently £78,525)

## Saint Andrew's Centre

The Centre continues to outperform expectations.

	2017	2016	2015
<b>Income</b>			
Net Lettings	43,686	37,507	34,738
Service charges	3,671	4,291	4,320
	<b>47,357</b>	<b>41,798</b>	<b>39,058</b>
<b>Expenditure</b>			
Cleaning	3,419	3,048	3,380
Insurance	2,898	2,808	2,505
Utilities	10,712	9,694	8,669
Staffing	12,000	12,000	
Repairs, Maintenance	2,869	3,373	1,594
Management	682	404	1,547
Consumables	920	785	661
	<b>33,499</b>	<b>32,111</b>	<b>18,357</b>
Finance charges	2,704	3,104	3,899
<b>Balance</b>	<b>11,153</b>	<b>6,582</b>	<b>16,802</b>

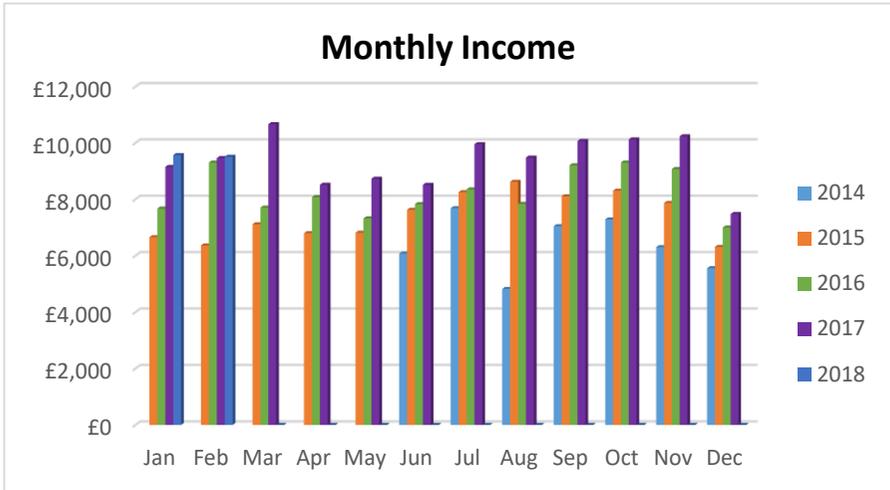
Income has continued to increase through higher utilisation of the facilities. We don't need to raise any additional income and so focus is now on ensuring that the Church is able to use the 'spare' times and maintain the existing income without needing to take any further commercial bookings. We are currently seeing a ratio of 37%:63% church:community by number of bookings and this is closely watched by the management team.

The budget for 2018 is therefore very similar to the actuals for 2017.

Expenditure was as budgeted and similar to 2016. For 2018 we expect this to remain similar, with just minor inflationary increases and some additional maintenance contracts.

## Saint Andrew's Centre Café

We are continuing to see increases in revenue on a monthly like for like basis. Every month has been higher than last year and the trend is continuing. This has produced an overall 16% increase in income and an increase in the operational profit.



	2017	2016	2015
<b>Total Income</b>	116,014	100,214	89,922
Cost of goods	-35,517	-29,058	-28,549
<b>Gross margin</b>	<b>80,496</b>	<b>71,156</b>	<b>61,373</b>
Staff costs	-58,819	-53,503	-48,925
General Expenses	-19,131	-16,395	-16,311
Operational Depreciation	-588	-481	-481
<b>Operating Profit/Loss</b>	<b>1,958</b>	<b>777</b>	<b>-4,344</b>
Capital Depreciation <sup>1</sup>	3,814	4,886	4,667

<sup>1</sup> The cost of depreciation of the fixtures, fittings and equipment are taken from the development fund as they relate to the assets paid for by the initial investment. Any other purchases are depreciated as an operational expense.

## Objectives for 2018

The following are the main priorities for the year:

- New Treasurer handover
- Maintain lettings of Saint Andrew's Centre
- Fund further outreach activities and community engagement
- Meet all general financial obligations

## Policy objectives

With the burden of the loan having been cleared, it becomes possible to focus on missional development and ensuring good maintenance of the church buildings. To this end the PCC has established a new set of policies.

**Policy 1** – The General Fund should, at least, break even every year. [*i.e. everyday running costs should be covered by normal income.*]

**Policy 2** – Aim to hold 20% of general expenditure costs in reserve. [*It is the policy of the PCC not to maintain reserves other than sums necessary to meet identified future requirements. As at 31 December 2017, cash available in the general fund was below the 20% target and the PCC brought this to the attention of the congregation during 2017 and will aim to put part of any annual surplus aside until the reserves are at the required level.*]

**Policy 3** – Establish a capital maintenance budget/fund. [*This year has been the first for a while when we have done any significant work on the church. Over the coming years this cannot be ignored, with likely expenditure needed on the stonework, heating and decorations.*]

**Policy 4** – Establish a missional development fund. [*This would be for projects or initiatives beyond the normal running expenditure. It could be used for grants or bursaries, both internally or externally, where an injection of money would enable a project to be established.*]

## Prayer Points

Give thanks for:

- The resources that God has made available to us
- The 12 people currently part of the finance team
- The wonderful provision of the financing to have paid for the Saint Andrew's Centre, in full

Please pray for the following:

- A new treasurer taking over and the whole 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.

Treasurer

[treasurer@standrewshiston.org](mailto:treasurer@standrewshiston.org)

Bank Details

Unity Trust Bank

Name: PCC of St Andrew's Histon

Sort Code: 60-83-01

Account: 20311465

Charity Reference 1129167