



## Treasurer's Annual Report for 2019

### Summary

In terms of income, 2019 has been a positive year; with continued generosity in all forms being greatly appreciated. Routine giving has continued to grow steadily in 2019, 9% up on 2018. Moreover, there have been some significant one-off donations that have made a very noticeable difference to overall income in the period, particularly in funding staff team costs, and an increase in donations to support giving to members of the church family with specific needs. Total income, including donations for restricted purposes, was £344.7k, £40.6k over budget, but £178k down on 2018 levels due to non-recurrence of giving to the Narthex project.

Expenditure of £318.8k was £4.3k above budget of £314.4k, and excluding one-off projects, was in-line with prior year overall. Labour cost savings, primarily due to the budgeted youth & children's worker role not starting until August and non-recurrence of one-off labour costs in 2018, have been offset by increased Parish Share paid to the Diocese of Oxford, some one-off utilities & maintenance costs, and funded training, team expenses and giving costs. Unbudgeted project costs have been predominantly covered by existing funds.

Overall, the church has had a strong year financially in 2019, with a net surplus (income less expenditure, including restricted funds) of £29.9k; £40.3k ahead of budget of -£10.4k, and £30.3k ahead of prior year.

Considering the balance sheet, the £29.9k net surplus result for the year has increased net assets from £165.8k at 31 December 2018, to £195.7k at 31 December 2019, mostly increasing cash reserves. Net assets at 31 December 2019 comprise cash and deposits of £122.1k (an increase of £29.7k in the year), investments of £77.2k (an increase of £1.2k), and working capital of -£3.6k (a decrease of £0.5k).

Compared to the Reserves Policy minimum limit on unrestricted funds of £81k, unrestricted funds at 31 December 2019 were £117.7k, giving a headroom of £36.7k. The Reserves Policy will be re-evaluated by the Church Council to reflect a new budget for 2020 and the reduced risk of building fabric related expenditures following a successful quinquennial review in 2019.

Looking forward to 2020, we already have a prudent budget for 2020 to cover the costs of our current staff team and church activities. Infrastructure projects planned in the coming months (work on the bell tower, new loudspeakers and side-aisle monitors, plus quinquennial review recommendations) are already funded; whilst use of remaining surplus funds will be considered by the Church Council, alongside any new requests to the congregation to support actions planned as part of the 2020 5-Year Vision. These actions and strategic priorities will only be enacted if they have support from Church Council and the wider congregation.

## Income

	Unrestricted	Restricted	2019 Actual	Budget	Var	2018 Actual	Var
Planned giving	124,384		124,384	116,013	8,371	112,852	11,532
Gift Aid	40,338		40,338	38,594	1,744	34,163	6,175
Cash collections	32,557		32,557	29,758	2,799	37,780	(5,223)
Church hall lettings	23,741		23,741	22,311	1,430	24,760	(1,019)
Weddings & funerals	37,438		37,438	38,821	(1,383)	38,861	(1,423)
Donations	32,053	45,472	77,525	46,895	30,630	33,106	44,419
Fees	5,124		5,124	3,335	1,789	8,301	(3,177)
Interest	3,569		3,569	3,589	(20)	3,106	463
Other income	-		-	4,738	(4,738)	508	(508)
2018 restricted donations, collections						228,744	(228,744)
<b>Total income</b>	<b>299,204</b>	<b>45,472</b>	<b>344,676</b>	<b>304,054</b>	<b>40,623</b>	<b>522,180</b>	<b>(177,504)</b>

- a) Thanks to fantastic on-going generosity, planned giving continues to grow steadily. In 2019, planned giving of £124.4k was 7% above budget, and 9% above prior year.
- b) Church Hall lettings were 6% above budget for the year, but 4% down on prior year. Weddings and funeral fees were 4% behind budget and prior year.
- c) One-off donations have been significantly higher than budget in 2019; and the level of generosity is hugely appreciated. Actuals included £32.1k general donations and £45.5k restricted donations, including:
  - i. £20k to fund Worship and Prayer Leader costs.
  - ii. £13k for a new Rector's Discretionary Fund, to provide emergency support to those most in need in the Church.
  - iii. £10k to fund the Youth & Children's Worker costs, internships and leadership development training.

This compares to marginally higher prior-year general donations of £33.1k. Prior year restricted donations totalled £229k, primarily related to kitchenette & Narthex projects.

## Expenditure

Notes relating to expenditure table on next page:

- a) Parish Share was in line with budget and 7% higher than prior year.
- b) Labour costs were £21.3k ahead of budget and £29.2k ahead of prior year, mostly due to non-recurrence of one-off costs in 2018, against a gap in Director of Music roles between Martin Seymour leaving and James Grimwood joining, and Matthew Clark starting as salaried Youth & Children's Worker in August whilst budgeted from January.
- c) Other running costs were £6.6k over budget and prior year, due to additional training (of which £2.5k was funded), staff expenses (of which £1.9k was funded) and

quinquennial inspection fees.

- d) Utilities were £1.9k over budget, primarily due to one-off incidents in the winter period, whilst maintenance costs were £1.6k over budget following purchase of a replacement heat pump and a lighting fault repair. Maintenance cost savings included £1.9k organ servicing costs not incurred in 2019.
- e) Giving by the Church increased by 80% thanks to an increased level of specific donations in the year (see Funds section).
- f) Music costs were £2.0k under budget due to minimal expenditure on sheet music and robes in the year.
- g) Unbudgeted project costs were mostly covered by specific donations in the period (see Funds section). Costs of £6.3k were incurred to repair and improve water piping and heating in the church hall, of which £3.0k was covered by an insurance reclaim.

	Unrestricted	Restricted	2019 Actual	Budget	Var	2018 Actual	Var
Parish share	(126,113)		(126,113)	(126,128)	15	(116,865)	(9,249)
Parish expenses (PCC)	(19,222)		(19,222)	(21,490)	2,269	(17,800)	(1,421)
Labour	(32,776)	(28,559)	(61,335)	(82,605)	21,270	(90,491)	29,156
Other running costs	(18,921)	(4,375)	(23,296)	(16,740)	(6,556)	(16,816)	(6,480)
Insurance	(5,315)		(5,315)	(5,244)	(71)	(4,991)	(324)
Utilities	(9,122)		(9,122)	(7,232)	(1,890)	(7,491)	(1,631)
IT & communications	(3,193)		(3,193)	(2,000)	(1,193)	(1,267)	(1,925)
Maintenance	(7,145)		(7,145)	(5,100)	(2,045)	(1,965)	(5,180)
Giving	(2,523)	(6,800)	(9,323)	(2,000)	(7,323)	(1,500)	(7,823)
Wedding & funeral costs	(21,201)		(21,201)	(21,201)	-	(23,288)	2,088
Music	(5,280)		(5,280)	(7,390)	2,110	(7,223)	1,943
Church hall operating costs	(17,311)		(17,311)	(17,311)	-	(17,351)	40
Depreciation	(375)		(375)	-	(375)	(375)	-
Project costs:							
Kitchenette		(2,578)	(2,578)	-	(2,578)	-	(2,578)
Staging		(1,796)	(1,796)	-	(1,796)	-	(1,796)
Church hall refurb	(3,315)		(3,315)	-	(3,315)	-	(3,315)
Narthex		(1,410)	(1,410)		(1,410)	-	(1,410)
Gravestones		(1,424)	(1,424)		(1,424)	-	(1,424)
2018 projects		-	-			(214,811)	
<b>Total expenditure</b>	<b>(271,810)</b>	<b>(46,941)</b>	<b>(318,751)</b>	<b>(314,441)</b>	<b>(4,310)</b>	<b>(522,234)</b>	<b>203,483</b>

## Other Gains and Losses

Other gains and losses of £4.0k comprised a £4.5k revaluation gain on endowment investments, partially offset by a £0.5k revaluation loss on property fund investments.

## Net Surplus

A net surplus of £29.9k for 2019 comprised total income of £344.7k, less expenditure of £318.8k, with other gains minus losses (revaluations of investments) of £4.0k. This compared to a budgeted annual loss for 2019 of £10.4k; and a loss of £0.4k in 2018.

## Funds

	Property	Team support	Giving	Endowment	Total restricted, designated & endowment	Unrestricted	Total
Opening fund	30,555	15,688	3,960	26,668	76,871	88,904	165,775
Income	2,152	30,433	12,888	848	46,320	298,356	344,676
Expenditure	(7,207)	(32,934)	(6,800)	(1,406)	(48,348)	(270,403)	(318,751)
Other gains and losses	-	-	-	4,543	4,543	(538)	4,005
Transfers	888	-	-	(2,258)	(1,370)	1,370	-
	<b>26,388</b>	<b>13,187</b>	<b>10,047</b>	<b>28,394</b>	<b>78,016</b>	<b>117,689</b>	<b>195,705</b>
	<b>(5,056)</b>	<b>(2,501)</b>	<b>6,088</b>	<b>3,984</b>	<b>2,515</b>	<b>27,415</b>	<b>29,930</b>

Expenditure on Property funds in the year mostly related to final payments on Narthex and kitchenette projects, some items of staging, and gravestones, as listed in Expenditure. Of the remaining £26.4k funds at 31 December 2019, £15.6k is budgeted to be spent in 2020 on urgent bell tower repairs and essential repairs identified in the 2019 quinquennial review.

Also anticipated in early 2020 are property expenditures on improved audio-visual equipment. The Friends of All Saints Marlow are generously covering the cost of the TV monitors and speakers, and Sennheiser have kindly donated new microphones, so no expenditure of existing funds is anticipated for this whole project.

Donations towards staff team support funds have enabled the church to offset a significant portion of the costs of employing Gill, Matt and Becca as Worship & Prayer Leader, Youth & Children's Worker and Intern respectively, as well as provide leadership training in 2019. Generous donations have again been received for staff team support purposes in early 2020.

Giving related funds received donations of £12.9k, including to a new Rector's Discretionary Fund, to provide emergency support to those most in need in the church.

Endowment funds have delivered dividend income of £0.8k, consistent with prior years. £3.7k of expenditure and transfers to other funds to cover project costs have been more than offset by revaluation gains at 31 December 2019.

The Church Council will continue to evaluate how best to use restricted, designated and endowment funds prudently, in accordance with their purposes, and for the best benefit of the church.

During the year, a Reserves Policy for 2019 was approved by the Church Council, to maintain minimum reserves of unrestricted funds of 3 months' operating expenses plus £15k for

unforeseen costs resulting from the 2019 quinquennial inspection. Compared to this Reserves Policy minimum limit of £81k, unrestricted funds at 31 December 2019 were £117.7k, giving a headroom of £36.7k.

The Reserves Policy will be re-evaluated by the Church Council to reflect a new budget for 2020 and the reduced risk of building fabric related expenditures following a successful quinquennial review in 2019.

## Net Assets

	31 Dec 2018	31 Dec 2019	Movt YTD
<b>Tangible fixed assets</b>	375	-	(375)
<b>Financial assets</b>			
Cash	74,839	106,439	31,600
Short term deposits	17,594	15,646	(1,948)
Investments:			
Equity fund investments	26,667	28,395	1,728
Property fund investments	49,362	48,824	(538)
<b>Total Financial Assets</b>	<b>168,462</b>	<b>199,304</b>	<b>30,842</b>
<b>Working capital</b>			
Debtors	10,913	9,164	(1,748)
Creditors	(13,976)	(12,765)	1,211
<b>Total Working capital</b>	<b>(3,063)</b>	<b>(3,601)</b>	<b>(537)</b>
<b>Total Net Assets</b>	<b>165,774</b>	<b>195,704</b>	<b>29,930</b>

In terms of financial resources managed by the church, the net assets of £195.7k comprise £122.1k cash and short-term deposits, £77.2k investments, and -£3.6k working capital balances. Net assets have increased by £29.9k across 2019, as reflected in the movements in Funds as described above.

The £29.9k movement in net assets comprised:

- A £29.7k increase in net cash and short-term deposits, from £92.4k to £122.1k.
- A £1.2k increase in endowment and property investments to £77.2k; being £4.0k net revaluation gains, offset by £2.8k project expenditure.
- A £0.5k decrease in working capital, due to timing of accruals, other creditors and Gift Aid receivable balances at year-end.

*James Tindal-Robertson, ASM Treasurer*