

# **Parish of St Columba, Chesham** **Financial Report for the year ended 31 March 2022**

## **Chairman's Report**

### **Headlines**

The Parish made an annual surplus of £7,208 in the year to 31 March 2022 compared with £9,173 in the prior year. Excluding third party receipts and payments the surplus this year was £6,447 (£10,419 in the prior year).

### **Overview of Receipts and Payments**

Both years were significantly impacted by the coronavirus pandemic, but the impact was similar, so there is not much change year on year for most receipt and payment headings. The most significant changes have been a reduction of £6,000 in Gift Aid recovered (mainly due to a one-off catch up in tax recovered in 2020/21) and a reduction of nearly £5,000 in Other Property expenses (which related to various church refurbishments which took place in 2020/21).

### **Cost sharing with Immaculate Heart of Mary Parish**

St Columba's and Immaculate Heart of Mary ("IHM") are served by one parish priest (Fr Alessandro during the period of these accounts) and so his salary, living and travel costs, and the utility and council tax bills of the St Columba's presbytery are shared between the two parishes. Because the parish priest lives in Chesham IHM is able to let (to diocesan workers) the presbytery in Great Missenden, so the rent is also shared between the two parishes. IHM covers two thirds of the relevant costs and pays away two thirds of the presbytery rental income to St Columba's in line with the relative offertory income of the two parishes. The net payment to St Columba's this year was £17,000 (£15,300 in 2020/21). It is only because we are sharing a parish priest with IHM that they are making these payments – if IHM did not share a parish priest then they would have to meet the full cost.

Over the past five years the cumulative parish surplus amounts to £26,000. However, if we exclude the impact of cost sharing with IHM, parish costs have exceeded parish income by £27,000 – as a "standalone parish" St Columba's is losing more than £5,000 each year, on average. This indicates that St Columba's is only currently financially viable if it shares a priest with another parish. Given the lack of priests in the Diocese the sharing of priests is increasingly common (as can be seen by Our Lady's and St Aidan's now being served by one priest), and so having to fund a fulltime priest is unlikely to be a problem in the short to medium term.

Cumulatively over the last five years IHM has paid St Columba's £53,000 – if it were not for this cost sharing the Parish debt would now be £83,000, rather than £30,000.

### **Offertory Appeal**

In March 2022 I made an offertory appeal. I am pleased to report that many parishioners increased their regular giving by the requested level of 20%. Thank you to everybody who

responded so positively. This increase will be reflected in the accounts for the year to March 2023.

You may recall that I made the appeal because parish costs (charged directly to the parish and incurred on our behalf by the Diocese) had increased through inflation over many years but offertory income had remained unchanged. After taking account of the cost sharing with IHM our offertory income has covered our local costs most years, but these annual surpluses have not reflected the full costs incurred on our behalf by the Diocese, and so we (***along with all other parishes***) have been overstating our financial position. The Diocese recovers these centrally incurred costs by charging a levy on parish offertory income, but it has become apparent that this levy (historically charged at 23%) has not been sufficient. Without a detailed forensic analysis of historic accounts it is not possible to fully calculate our true financial position but it is undoubtedly the case that the cumulative negative balance with the Diocese (£40,000 at March 2022) reported in these accounts is a gross understatement of our true debt. The Diocese has had to borrow £3m to cover the shortfall across all parishes. In order to repay this borrowing the Diocese requested that all parishes make an offertory appeal and the levy has been increased to 40%. This means that despite a positive response to the offertory appeal our budget for 2022/23 forecasts an annual deficit. And this has been put under further pressure by the increasing level of inflation, especially with respect to utility bills.

### **Looking Forward**

I want to thank all those parishioners who responded so positively to the offertory appeal in March, but as noted above the increase of 20% was just to catch up on historic cost inflation. Current inflation is projected to rise to more than 10% and so we need to increase our offertory income again, just to stand still. The Finance Committee recognises that times are difficult but they would encourage everybody to review their level of giving and where possible increase it. Additionally if you are a tax payer but not yet contributing under the Gift Aid scheme please do sign up so that the Parish can reclaim an additional 25% without it costing you anything. Forms are available from the Parish Secretary. Thank you.

### **Finance Committee**

At 31 March 2022 the Parish Finance Committee comprised Fr Alessandro, Dcn Gerard Felix, Roger Platt (Chairman), Tony Huebner (Treasurer), Sam Canning (Gift Aid Co-Ordinator), Julie Micallef, and Sean Naidoo (Facilities Co-Ordinator). Since the year end Fr Alessandro has moved on and Fr Dave has replaced him, and Tony Huebner and Sean Naidoo have retired and have yet to be replaced. On behalf of the Parish I would like to record my sincere thanks for the work of all members of the Finance Committee.

These accounts have been approved by the Parish Finance Committee. Any member of the Committee would be pleased to answer any questions you may have.

**Roger Platt**  
**Chairman of Parish Finance Committee**  
**November 2022**

**Parish of St Columba, Chesham**  
**Receipts and Payments Account for the year ended 31 March 2022**

	<b>2022</b>	<b>2021</b>
	£	£
<b>Receipts</b>		
Planned giving	18,920	21,659
Loose plate	6,662	3,460
Gift Aid Recovered	4,565	10,571
<b>Offertory Receipts</b>	<u>30,147</u>	<u>35,690</u>
Donations.	4,498	3,313
100 Club	600	150
Other Fundraising	1,327	4,176
Share of IHM Presbytery Rent	3,425	3,411
<b>Total Receipts</b>	<u>39,997</u>	<u>46,740</u>
<b>Payments</b>		
Personnel	5,848	4,861
Travel	1,876	642
Office	1,511	1,759
Liturgical	2,656	1,913
Presbytery	3,533	1,787
Other Property	9,574	14,420
Diocesan Levies	8,552	8,600
Interest on Parish Debt		2,339
<b>Total Payments</b>	<u>33,550</u>	<u>36,321</u>
<b>Annual Surplus on "normal" Parish Activities</b>	<b>6,447</b>	10,419
<b>Other Items:</b>		
Net Third Party (Charitable) Receipts/(Payments)	<u>761</u>	<u>(1,246)</u>
<b>Parish Total Annual Surplus</b>	<u><b>7,208</b></u>	<u>9,173</u>
<b>Parish Cumulative Surplus/(Deficit):</b>		
Debt with the Diocese	<b>(39,832)</b>	(45,870)
Local Bank Balance	<u>9,373</u>	<u>8,203</u>
<b>Net Cumulative Deficit at 31 March</b>	<u><b>(30,459)</b></u>	<u>(37,667)</u>