

Report to the ADCM, St Michael's Church, Abingdon

End of year financial report

31 December 2022

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Commentary, 31 December 2022

Statement of Financial Activities (SOFA)

The SOFA summarizes all the activities of St Michael's Church in the year. Each column shows a different sort of fund. Numbers shown in brackets are negative.

	General Fund	Restricted Funds	Endowment funds	2022	2022	Variance	2021	
				Actual 12 m	Budget 12 m			Actual 12 m
	£	£	£	£	£	ADVERSE	FAVOURABLE	£
Incoming resources								
Incoming resources from generated funds								
Voluntary income	37,736	755	0	38,491	39,531			49,157
Activities for generating funds	6,923	0	0	6,923	2,600			2,384
Income from investments	6,399	297	0	6,696	6,560			6,442
Income from church activities	4,772	0	0	4,772	3,646			2,801
Other income	0	0	0	0	0			625
Total incoming resources	55,830	1,052	0	56,882	52,337			61,409
Resources expended								
Costs of generating funds	(1,275)	0	0	(1,275)	(300)			(91)
Church activities	(54,837)	(3,418)	0	(58,255)	(62,631)			(60,409)
Other expenditure	(580)	0	0	(580)	(1,000)			(900)
Total resources expended	(56,692)	(3,418)	0	(60,110)	(63,931)			(61,400)
Net incoming resources before transfers	(863)	(2,365)	0	(3,228)	(11,594)			9
Investment gains and losses	(27,583)	0	(2,569)	(30,152)	0			17,711
Transfers between funds	0	0	0	0	0			0
Net movement in funds	(28,446)	(2,365)	(2,569)	(33,381)	(11,594)			17,720
Balances b/fwd	248,078	6,210	21,826	276,114				258,394
Total funds c/fwd 31 December 2022	219,632	3,845	19,256	242,734				276,114

In the year to 31 December, the total deficit for St Michael's totaled £33,381 (on the "Net movement in funds" row). However, over £30,000 of that was the loss in value of our investments, which have lost value like most investments throughout the world with the uncertainties of war and climate change. The important deficit is on the "Net incoming resources before transfers" row, £3,228, much better than we dared hope a year ago.

The £2k deficit on the Restricted fund includes £1,540 spent on boiler repairs last spring and £600 on repairs to the stonework.

Further details on the £863 loss on the General Fund are given below.

Balance Sheet

The Balance Sheet shows what our funds were worth at the end of the year, i.e. £242,734. The value has dropped in the year, by the £33k loss shown on the SOFA above.

St Michael & All Angels Church, Abingdon					
Balance Sheet as at 31 December 2022					
	General Fund	Restricted Funds	Endowment funds	Total as at 31 Dec 22	Total as at 31 Dec 21
	£	£	£	£	£
Tangible Fixed Assets	9,067	0	0	9,067	9,823
Investments	177,696	0	19,256	196,952	227,104
Total Fixed Assets	186,763	0	19,256	206,019	236,927
Current Assets					
Stock	0	0	0	0	0
Debtors	7,552	248	0	7,800	8,644
Short term deposits	20,671	4,005	0	24,676	27,563
Cash at bank & in hand	14,127	194	0	14,321	10,481
					0
Total current assets	42,350	4,447	0	46,797	46,688
					0
Amounts due within one year	(9,481)	(602)	0	(10,083)	(7,501)
					0
Net current assets	32,870	3,845	0	36,714	39,187
					0
Total net assets	219,632	3,845	19,256	242,734	276,114
					0
Funds	219,632	3,845	19,256	242,734	276,114

General Fund

There is more detail on The General Fund on the report below. It is always useful to compare the actual figures with the budget. The differences between the actuals and the budgets are known as variances. I have shown these as bars with the favourable variances to the right and the adverse ones to the left.

Among the income, there was an adverse variance on the pledged income row. The budget for 2022 pledged income was perhaps over optimistic. The best way to increase the pledged income is by growing our congregation.

I am very impressed by the fund raising income, which was remarkable in 2022 and over twice what we raised in 2021. Congratulations to all those involved with fund raising in 2022!

Where costs were concerned, the church costs were lower than expected, mostly because of my mistake including £4k 2022 insurance cost in the 2021 accounts.

St Michael & All Angels Church, Abingdon, General Fund
Statement of financial activities as at 31 December 2022
INCOME

Category	2022 Budget 12 m	2022 Actual 12 m	ADVERSE	FAVOURABLE	2021 Actual 12 m
Pledged income	31,710	25,380 *			26,898
Gift aid and GASD	3,600	5,327 *			7,343
Loose plate	450	1,867 *			781
Legacies	0	0			0
Grants received	1,116	2,530			1,608
Sundry donations	1,270	2,632			10,809
Fund raising income	2,600	6,923			2,384
Dividends & interest	6,370	6,399 *			6,251
Bookstall	0	207			0
Rental income	1,500	2,872			1,213
Fee income	2,146	1,693			1,588
Administration for sister church	0	0			625
TOTAL INCOME	50,762	55,830			59,499

EXPENDITURE

Category	2022 Budget 12 m	2022 Actual 12 m	ADVERSE	FAVOURABLE	2021 Actual 12 m
Cost of fetes and other events	(300)	(1,275)			(91)
Charitable giving	(3,280)	(3,496)			(2,437)
Parish share	(37,201)	(37,501)			(35,570)
Clerical costs	(345)	(1,226)			(1,225)
Church fuel	(3,600)	(4,117)			(2,494)
Church costs, other	(7,760)	(1,786)			(8,452)
Upkeep of services	(2,510)	(2,814)			(2,388)
Parish Centre costs	(821)	(591)			(949)
Musson Close upkeep	(303)	(367)			(754)
Salaries & staff costs	(3,058)	(1,489)			(591)
Office costs	(1,443)	(1,450)			(1,726)
Repairs and renewals	0	0			0
Professional fees	(1,000)	(580)			(900)
TOTAL EXPENDITURE	(61,621)	(56,692)			(57,577)
Net income (expenditure)	(10,859)	(863)			1,923
Investment gains and losses	0	(27,583)			14,942
Transfers between funds	0	0			(227)
SURPLUS / (DEFICIT) to date	(10,859)	(28,446)			16,637

Liquidity

Current and deposit accounts **£34,798**
(equivalent to 7.4 months average expenditure)

St Michael's giving, 5% of * income in
2022, dropping to 2.5% in 2023 **£1,949**

I have shown the calculation agreed upon by the DCC of the amount donated to charity at the end of the year, £1,949.

The report shows the considerable investment losses over the year, in line with the global downturn, partly due to the war in Ukraine.

It is difficult to know what to say about the future of St Michael's accounts. We can predict that St Michael's is almost certain to become even more loss making, especially with the expected big increases in the cost of fuel in 2023. Our investments will no doubt counteract the losses to some extent, but will not be a big enough buffer overall.

If you have any questions about any aspect of the accounts, please feel free to ask me, preferably by email so I may research my response.

Susan Read, 29 March 2023
Church Treasurer, treasurer@stmichaels-abingdon.org.uk,