

CATERHAM TEAM MINISTRY
THE CHURCHES OF ST. PAUL & ST. AGATHA, WOLDINGHAM

REPORT ON FINANCE TO THE ANNUAL PAROCHIAL CHURCH MEETING 2017

I am pleased to report on the PCC's finances for the year ended 31st December 2016. The accounts for the year have been completed and subjected to examination by our independent examiner, Roger Lugg. They have been available at the back of St. Paul's since the middle of March.

Our total funds at 31st December 2016 stood at almost £229,000 (2015 – £190,000) of which almost £180,000, 78%, (2015 – £159,000, 84%) related to funds which can only be used for specific purposes – principally the George Lucy bequest fund (for the maintenance of the churches and churchyards), the St. Agatha's Churchyard fund and its Bell Appeal fund and the balance of the Village Memorial fund, which is being retained to cover maintenance work. The remaining £49,000 is in respect of funds to be spent at the discretion of the PCC, part of which is already allocated for particular purposes. There is a much healthier £21,000 (2015 – £5,600) in the General Fund following a surplus of nearly £16,000 during the year, consistent with the strategy we adopted to restore health to the General Fund to a level which provides some contingency against unforeseen costs or significant loss of income.

We continue to manage our costs as best we can, especially energy costs which are one of our highest costs but there are few options open to us to reduce them. We have now completed our first full year under the new system for Diocesan contribution (the Parish Support Fund), which I have outlined before, based on pledges from each parish. We pledged £42,500 for 2016 which has all been paid and have pledged £45,000 (an increase of 6%) for 2017. Whilst we have lost some of our regular donors in the last twelve months we have gained some new ones and with the base station now operational, the annual income that generates allows us to be a little more generous. Whilst our pledge is lower than the quota we paid under the old system, it is substantially higher than the cost of providing our clergy; in other words we continue to contribute generously to the mission of the Diocese and to support less well-off parishes.

Both churches remain well-maintained and in good condition and we continue to benefit from the hard work of volunteers in maintaining the church grounds at St. Paul's and St. Agatha's. In 2016 we spent around £13,000 on maintenance, including the regular maintenance of both churchyards, extensive electrical works at St. Agatha's and various smaller items, many following on from the 2015 quinquennial inspection. As previously reported, the inspection recommended replacing the lead roof of the St. Paul's Church tower which we expect to cost in excess of £70,000. Preliminary works – to confirm exactly what is required and how the works should be undertaken – have been commissioned but we will not proceed with any further works until we have a plan to fund the works. Replacement of the bell at St. Agatha's, funded by a generously supported appeal, will be carried out shortly now that faculty has been granted. Funds raised in excess of the actual costs will be used for other works required at St. Agatha's in due course.

Our investments – held with the Church Board of Finance and mostly in respect of the George Lucy fund – increased in value again in 2016, benefiting from the positive response of markets in the second half of 2016. We will continue to manage the investments to maximise return consistent with providing adequate funds to pay for maintenance activity.

Finally, on behalf of the PCC and the congregation I would like to express my thanks to Roger Lugg for continuing to act as our independent examiner.

13th March 2017



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