



ANNUAL ACCOUNTS FOR 2020

APCM 25 APRIL 2021

The Parish Church of St Mary, Kippington

Version 1.2
25 April 2021

All figures approximate/rounded

Good News in 2020

On unrestricted funds, we earnt a bit more than we spent

- ❑ On unrestricted funds (plus managing the Vicarage during the interregnum), cash received was just over £133,000 and cash spent was £132,600. This is a very good result, bearing in mind the effects of the Covid pandemic.
- ❑ How did we do it? With reduced running costs for the Church and the Centre while they were closed, and thanks to a number of very generous donations:
 - ❑ Day-to-day running costs and expenses were down by more than £17,000
 - ❑ We received additional donations from our regular givers amounting to more than £10,000
- ❑ Planned Giving by Standing Orders was slightly ahead of 2019, despite the loss of a number of our most generous givers during the year.
- ❑ We were able to pay the full Diocesan Offer.

Restricted funds rose by just over £5000:

- ❑ The Church Development Fund rose by approx. £2,800.
- ❑ The new Meal Delivery Fund ended the year with a surplus of £2,200, because almost all the supporters gave their time and talents (and some of the food!) free of charge.

Once again we are grateful to God for His gracious provision to us

The Precision of God's Provision

□ “How St Mary’s Works”

- Leaflet produced in Autumn 2016
- Stated objective: To meet all regular running costs from regular income



***Achieved in all four years to within 1%:
In 2018, to within one quarter of one per cent***

The notsogood news in 2020

- ❑ Our Charifund units fell in value by almost 17.5%, which is more than £11,000 (though they had recovered more than half of this by April 20, 2021)
- ❑ After allowing for this and for depreciation, the General Fund fell by just over £14,000.
- ❑ From March onwards, collections in the plate fell to a trickle.
- ❑ During the year we lost a number of our most generous planned givers.
- ❑ Planned Giving started out ahead of budget but, by mid-year, this together with income from the collection plate were below budget by more than £1,000 per month

Overall, net current assets (what we had less what we owed) at 31 December were £14,000 lower than 2019.

The Story in 2020

What we spent

The total of all expenditure - £145,955

- ❑ This is almost 20% lower than 2019
- ❑ Of this, total operating costs accounted for £133,466 (down 8% on 2019)
 - Of the remaining £12,500, the vast majority was for depreciation on the Centre and restricted funds (e.g. Lunch Club and food costs for the Meal Delivery Service)
- ❑ As usual, around 75% of our operating costs were made up of three main items totalling some £98,500
 - The Diocesan 'Offer'
 - The running costs of the Church and the Centre
- ❑ We spent £8,100 on refurbishing the Vicarage prior to Mark's arrival, of which £2,400 was funded by the Diocese
- ❑ The other significant outgoing was our Tithing, which amounted to £13,500
- ❑ We had no significant capital expenditure or major repair costs in 2019

Thanks to all those who helped us keep a lid on costs

The Story in 2020

How we funded it

Total income – £143,098

- This is 18.5% lower than in 2019:
 - Unrestricted voluntary giving (including one-off donations) rose by £3,800 (3.5%)
 - Centre income was down by £16,000 (52%)
 - Wedding and Funeral Fees were down by £4,300 (75%)
- Of this
 - £130,440 were unrestricted funds
 - Planned Giving, Collections, Gift Aid, other giving - £111,262
 - Centre income – £14,852
 - Fees – £1,465

We are so grateful to our generous Church Family members, without whose additional giving we would have suffered a large operating deficit

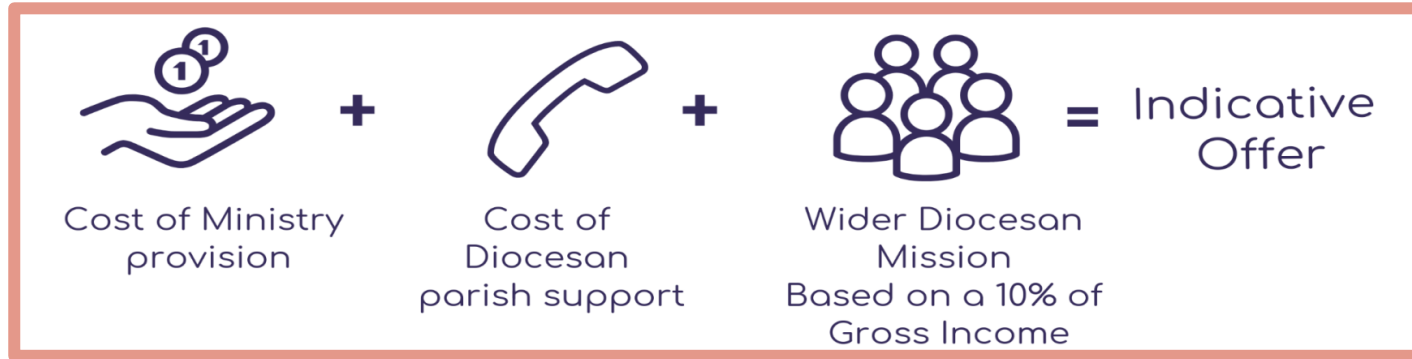
The Story in 2020

The Result

- ❑ Overall 'Statement of Financial Activities': £143,098 - £145,955 = a deficit of £2,857
- ❑ On unrestricted funds: £130,612 - £131,715 = a deficit of £1,003
- ❑ How can this be reconciled to the Balance Sheet?
 - The Charifund investments fell by £11,162 during the year (although we received dividends of £2,596)
 - £11,162 plus £2,857 gives £14,018, which is the reduction in Net Assets on the Balance Sheet
- ❑ These figures allow for £7,400 in depreciation on the Parish Centre. Taking this out of the 'resources expended' in the Accounts, we took in £4,543 more than we spent: £6,297 surplus on unrestricted and £1,754 deficit on restricted funds.

The annual payment to the Diocese

The formula for calculating the Diocesan “Indicative Offer” is:



The “10% of gross income” is calculated from the most recent figures available, so the 2021 value is based on income in 2019

For St Mary Kippington, the 2019 - 2021 calculations were:

2019	£41,008	+	£9,597	+	£18,495	=	£69,100
2020	£44,839	+	£10,149	+	£14,562	=	£69,550
2021	£41,042	+	£3,695*	+	£15,173	=	£59,909

****For 2021, a Diocesan Support figure of £11,085 is shared between the 3 parishes. There is more detail on the Diocesan finances in the backup slides***

Planned and Collection Giving

Significant growth at the start, tailing off later on

Planned Giving by Standing Order increased slightly, but Covid had a dramatic effect on Weekly Envelopes

- Existing members of the Scheme have continued to increase the size of their regular donations
- Between February 2020 and January 2021 we lost four Planned Givers and welcomed four new ones
- The number of Scheme members was 71 at the start of the year
- This number dropped to 69 by December 31, but was back to 71 during January
- A number of Weekly Envelope users were not able to attend services in person after March (but have generously made up the difference in early 2021)

Grateful thanks are due to those whose regular contributions have enabled us to stay on an even keel

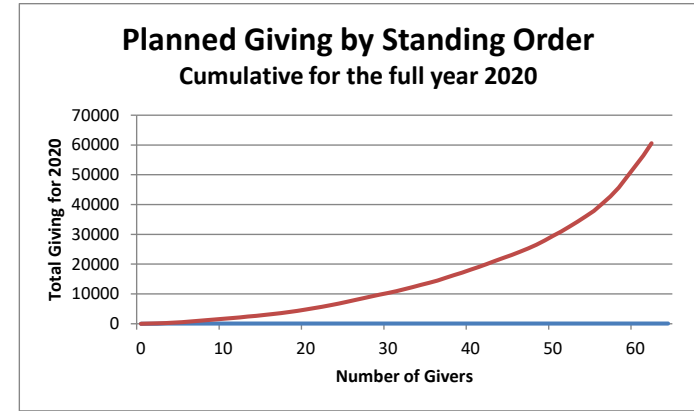
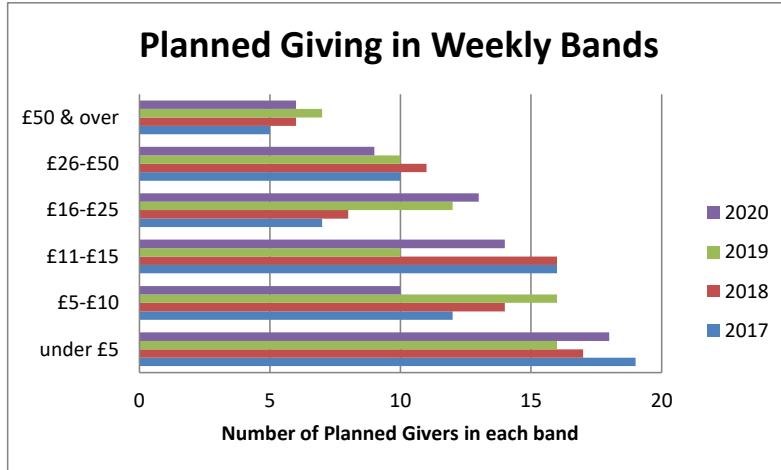
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gift Aid and Regular Giving	55,277	57,533	47,554	48,611	56,146	54,568	60,450	63,934	69,239	69,521
Gift Aid - Weekly Envelopes	5,350	2,500	3,418	3,453	3,765	3,635	4,420	5,108	5,695	3,390
	60,627	60,033	50,972	52,064	59,911	58,203	64,870	69,042	74,934	72,911
Collections in plate	7,322	5,936	12,221	10,272	9,767	10,210	9,633	9,466	8,524	5,592
	67,949	65,969	63,193	62,336	69,678	68,413	74,503	78,508	83,458	78,503

Note, however, the reduction in monthly planned income: see next slide

Planned Giving Profile

The Donor profile has a long tail, with a major reliance on a small number of planned givers.

The bar chart below shows that, in 2020, we lost one giver in the range £26-£50 pw and another over £50.



Though we gained as many contributors as we lost, the net reduction to our income (with Gift Aid) is **£775 per month** at the start of 2021.

Our experience is in contrast to that of the Diocese overall, where giving has been falling since 2016.

The effect of this loss is mitigated by our reduced Diocesan Offer. However, if half our existing Planned Givers were able to increase their contributions by 9%, we would restore the 2019 level.

Away Giving



PCC Giving

**£13,500 to 24 Charities
Including £1,500 to SCCS
(2019: £13,462)**

**Some £3,800 of these donations
supported activities of charities
working largely outside the UK**

Collections

**Much reduced due to Covid at
£1,823 (£11,150 in 2019):**

- **£1,184 for CMS to support our Mission Partner**
- **£519 to the Diocese of Rochester, for the Poverty and Hope Appeal and for support to Africa**
- **£117 to Combat Stress**

**Other
£45**

Total £15,368 (2019: £24,749)

Some of the PCC Giving was made available to charities which would normally be supported through dedicated collections at services

Prospects for 2021

A lot better than they looked at the last APCM

- ❑ We have received significant 'lockdown grants' for the Parish Centre from Sevenoaks DC
- ❑ A number of our regular worshippers who have not been able to attend church during the pandemic have 'made up the backlog' in their Weekly Envelope giving
- ❑ The reduction in our Diocesan 'Indicative Offer' offsets the reduction in Planned Giving (though Diocesan finances have suffered, and are forecast to deteriorate further in 2021)
- ❑ The value of our Charifund units has improved:
 - December 2019: £64,335
 - August 2020: £47,550
 - December 2020: £53,173
 - April 2021: £58,984
- ❑ However:
 - We can expect significant maintenance and repair bills for the Church in 2021
 - Bookings for the Parish Centre will take some time to recover
 - Receipts in the Collection Plate remain very low

All of this assumes no further lockdown.

Key Messages (they don't change much...)

1. We must continue to balance daily running costs against income – even with Covid.
2. We are on track to cover our costs in 2021, but better still if we can bring Planned Giving back to 2019 levels and improve our bottom line so that we can invest in new projects.
3. The number of Planned Givers has reached a plateau but is still well below the levels of ten years ago.
4. We always knew that voluntary income was vulnerable to relatively few key donors – 2020 proved this.
5. Consequently we can't afford to slacken our efforts to increase voluntary giving – through Planned Giving wherever possible, so that we can plan more effectively.
6. The state of the Diocesan finances will increase the pressure on us to provide as much support as possible.
7. Please sign up to 'easyfundraising.org.uk' if you buy anything online – so far we have raised almost £1,000 in just over 4 years (and it's quite painless!)

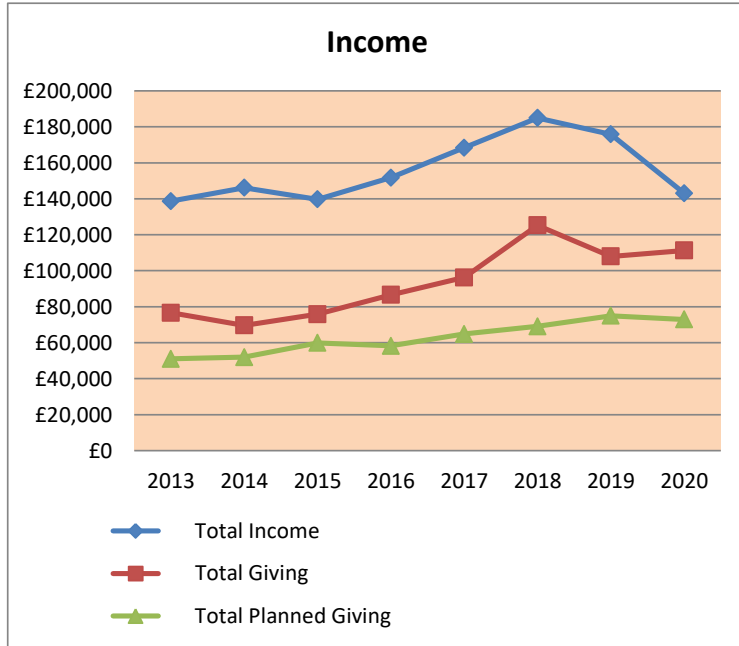


So Please

- If you are a member of the Planned Giving scheme – thank you! But if you have been giving the same amount for a year or more, are you in a position to increase it?
- If you are not already a member, please consider how much you are prepared to commit regularly and join the Scheme (every little helps!) – if you pay Income Tax, we can claim an extra 25% through the Gift Aid scheme
- If you give regularly through yellow Gift Aid envelopes, please consider making the commitment to join the Scheme, even if you aren't able to increase your giving
- If you are not a taxpayer, you can still be part of the Planned Giving Scheme: use the dated weekly envelopes rather than a Standing Order
- For more info on any of the above, contact kippingontreasurer@hotmail.co.uk.

Backup Slides

Income Analysis



Total Income (Diamonds on chart)								
	2013	2014	2015	2016	2017	2018	2019	2020
Total Income	£138,641	£146,127	£139,692	£151,718	£168,351	£184,967	£175,849	£143,098
% Change Year on Year	3.2%	5.4%	-4.4%	8.6%	11.0%	9.9%	-4.9%	-18.6%
% change across Diocese	-7.6%	7.9%	7.5%	-1.2%	-2.5%	1.5%	-2.4%	
Total Giving (squares on chart)								
	2013	2014	2015	2016	2017	2018	2019	2020
Total Giving	£76,594	£69,664	£75,850	£86,583	£96,233	£125,249	£107,954	£111,261
% Change Year on Year	1.6%	-9.0%	8.9%	14.2%	11.1%	30.2%	-13.8%	3.1%
% Change across Diocese	-13.1%	0.4%	13.5%	-7.2%	-0.7%	0.7%	-4.5%	
Total Planned Giving (triangles on chart)								
	2013	2014	2015	2016	2017	2018	2019	2020
Total Planned Giving	£50,972	£51,914	£59,911	£58,203	£64,820	£69,042	£74,942	£73,201
% Change Year on Year	-15.1%	1.8%	15.4%	-2.9%	11.4%	6.5%	8.5%	-2.3%
% Change across Diocese	-15.3%	1.3%	18.0%	-2.6%	-1.8%	2.4%	-4.5%	
Restricted and Unrestricted Income								
	2013	2014	2015	2016	2017	2018	2019	2020
Unrestricted and Designated Income	£121,398	£133,626	£130,788	£129,429	£141,826	£172,008	£149,571	£130,612
Restricted Income	£17,243	£12,501	£8,904	£22,288	£26,525	£12,958	£26,278	£12,486
% income which is unrestricted	87.6%	91.4%	93.6%	85.3%	84.2%	93.0%	85.1%	91.3%

Planned giving was down by 2.5% in 2020. However, total giving was up by 3% because we were boosted by a number of most generous one-off donations: from existing planned givers and from others too

Expenditure Analysis



THE CHURCH OF ENGLAND

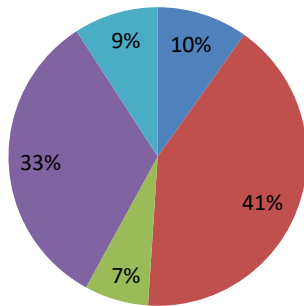
Expenditure Patterns - Parish: Kippington: St Mary
Parish: Kippington: St Mary

Expenditure	2015	2016	2017	2018	2019	2020	Average	
Charitable Giving	£11,471	£11,955	£16,417	£19,607	£20,130	£13,845	£15,571	9.9%
Parish Share	£60,600	£62,000	£63,550	£66,725	£69,100	£69,550	£65,254	41.4%
Salaries and Expenses	£8,993	£11,196	£10,642	£12,537	£11,882	£10,794	£11,007	7.0%
Other Running Costs	£46,810	£41,952	£47,736	£53,704	£70,341	£51,766	£52,052	33.1%
Capital Expenditure	£0	£5,142	£35,615	£37,853	£8,325	£0	£14,489	9.2%
Total Expenditure	£127,874	£132,245	£172,153	£186,612	£179,778	£145,955	£157,436	

NOTE:

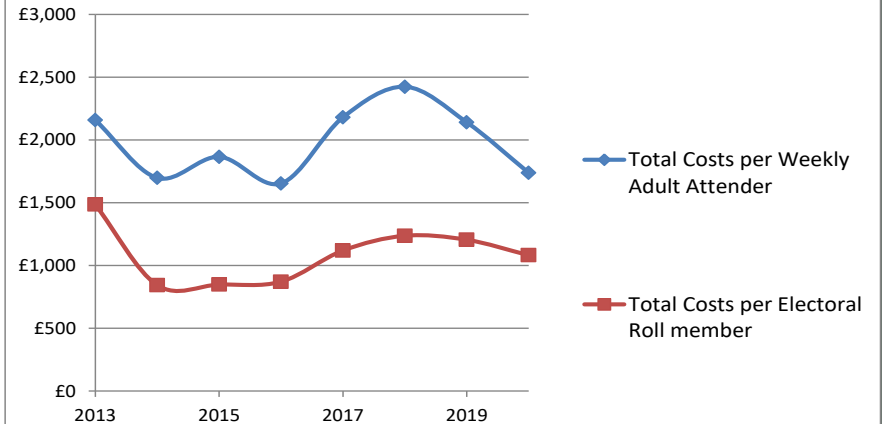
In the Table below, the 2019 number for Weekly Adult Attenders has been used for 2020

Expenditure Patterns Average 2015-2020



- Charitable Giving
- Parish Share
- Salaries and Expenses
- Other Running Costs
- Capital Expenditure

Total Costs	2013	2014	2015	2016	2017	2018	2019	2020
Total Costs per Weekly Adult Attender	£2,158	£1,697	£1,865	£1,653	£2,179	£2,423	£2,140	£1,738
Total Costs per Electoral Roll member	£1,485	£843	£847	£870	£1,118	£1,236	£1,204	£1,081

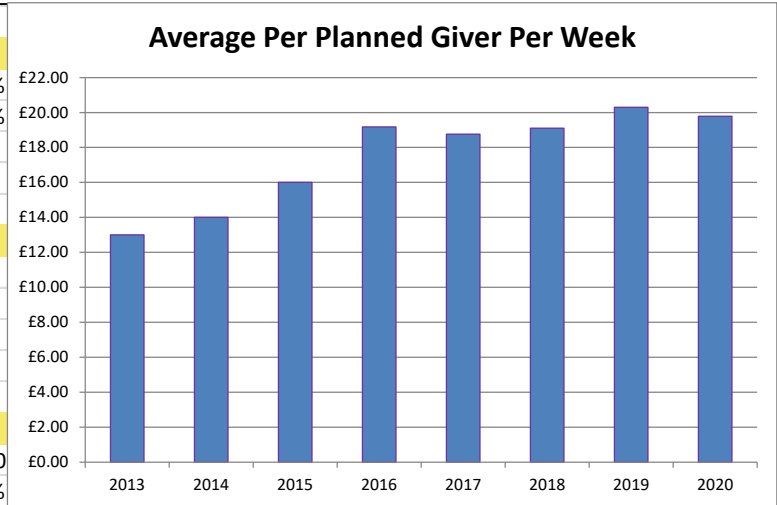


Planned Giving Analysis



Planned Giving - Parish: Kippington: St Mary
Parish: Kippington: St Mary

Giving and Parish Income								
	2013	2014	2015	2016	2017	2018	2019	2020
Total Giving as % of Total Income	55.2%	46.0%	52.2%	57.1%	57.2%	67.7%	61.10%	77.75%
Planned Giving as % of Total Giving	66.5%	74.5%	79.0%	67.2%	67.4%	55.1%	80.10%	65.80%
Number of Planned Givers								
	2013	2014	2015	2016	2017	2018	2019	2020
Number of Planned Givers	73	71	71	59	69	68	71	70
Planned Givers as % of AWA Adults	93.6%	95.9%	102.9%	73.8%	87.3%	88.3%	84.5%	N/A
Average per Giver per Week								
	2013	2014	2015	2016	2017	2018	2019	2020
Average per Giver per Week	£13	£14	£16	£19	£19	£19	£20	£20
% Change Year on Year	-15.1%	4.7%	15.4%	16.9%	-2.2%	3.5%	6.30%	-2.50%



We lost a number of our most generous Planned Givers in 2020 but:

- One-off donations were significantly higher, boosting Total Giving***
- Parish Centre income was down, so Total Giving was a much higher percentage of Total Income***

News from the Diocese



- Budget is affected by the severity and longevity of the Covid-19 pandemic
- Actions in 2020 to manage outturn and national assistance provides confidence in ability to contain deficit
- Worst case is fundable, if necessary
- Strategic Review to arrive at a plan of a financially sustainable model of mission for the Diocese

In these figures, from Autumn 2019, the Diocese budgeted for a surplus of £80,000 in 2020



Common Fund (£M)	Budget 2020	Forecast 2019
Total expenditure	12.82	12.93
Estimated capitalisation of property costs	(0.35)	(0.25)
Transfer from DPA to support stipends	---	(0.50)
Funding from other funds	(0.33)	(0.17)
Pension costs provided	(0.60)	(0.77)
Diocesan Expenditure	<u>11.54</u>	<u>11.24</u>
Parish Offers	9.39	9.14
DBF Fees	0.40	---
Other income	<u>1.67</u>	<u>1.48</u>
Diocesan Income	<u>11.46</u>	<u>10.62</u>
Budget/ Forecast Deficit	<u>£0.08M</u>	<u>£0.62M</u>

By Autumn 2020, the forecast deficit was £0.94M



Common Fund (£M)	Budget 2021	Forecast 2020
Total expenditure	12.62	12.52
Estimated capitalisation of property costs	(0.15)	(0.20)
Transfer from DPA to fund property catch-up	-	(0.25)
Funding from other funds	(0.24)	(0.10)
Pension costs provided	<u>(0.57)</u>	<u>(0.59)</u>
Common Fund Net Expenditure	<u>11.66</u>	<u>11.38</u>
Parish Offers	8.60	8.60
Covid impact on Parish Offers	<u>(0.60)</u>	<u>(0.30)</u>
Anticipated Parish Offers	8.00	8.30
DBF Fees	0.40	0.40
Other income	<u>1.46</u>	<u>1.74</u>
Common Fund Income	<u>9.86</u>	<u>10.44</u>
Budget/ Forecast Deficit - and double that for 2021	<u>£1.80M</u>	<u>£0.94M</u>
Indicative Offers (i.e. original budgeted)	<u>£9.44M</u>	<u>£9.39M</u>