



## **Diocese of Nottingham: The Good Shepherd Parish Finance Committee**

### **Minutes of the meeting held on Thursday, 21<sup>st</sup> May 2020**

**Attendees:** This meeting was conducted by email in view of the restrictions on social gatherings imposed as a result of the Coronavirus pandemic. The documentation for the meeting was circulated on 6<sup>th</sup> May 2020 to the Committee's current membership: Sarah Bray, John Doherty, Michael Dwan, Brian Huthwaite, Oliver Kuras, Philip Martin, Jonathan Newman, David Staiano, Oliver Wastell and Canon Philipp Ziomek. Committee members were given the opportunity to raise any queries or comment on the documentation by 21<sup>st</sup> May 2020.

#### **1. Welcome to new member**

A warm welcome was extended to David Staiano who has recently agreed to join the Committee. Hopefully, it will be possible to see David in person at the Committee's next meeting at which time he will be introduced formally to colleagues.

**ACTION 8/20:** Philip to include this on the agenda for the next meeting.

#### **2. Minutes of the meeting on 5<sup>th</sup> March 2020**

In the absence of any comments to the contrary, the minutes of the previous meeting are deemed to be accepted as a true record and will be posted on the parish noticeboard and website. **ACTION 9/20:** Philip to action accordingly.

#### **3. Matters arising from the minutes**

**a) Parish property management-** Canon Philipp advised by email that a successor to Bob Reynolds as parish architect has yet to be identified. **ACTION 10/20:** Canon Philipp to update the Committee further at its next meeting.

**b) Church mullions-** Canon Philipp confirmed that he had met on 9<sup>th</sup> March 2020 with Peter Rogan of Peter Rogan and Associates Ltd for an on-site discussion about the work needed to remedy the defects in the mullions. Further action in this respect had then had to be put on hold owing to the current restrictions. The intention is to follow this up when the restrictions are relaxed. **ACTION 11/20:** Canon Philipp to be asked to advise on the current position at the Committee's next meeting.

**c) Second collections 2020/21-** Philip confirmed that the availability of the on-line versions of the bank standing order and Gift Aid forms had been given

greater profile on the parish website and had also been publicised in the parish newsletter.

**d) Collections on behalf of visiting priests from abroad or other causes-**

Philip advised that he had been in touch with the diocesan accountant about the practicality of using the "TransferWise" on-line facility for any future overseas payments. The accountant had subsequently explained that we would need to use CHAPS (Clearing House Automated Payment System) to move money from our account to the TransferWise account and that on an individual basis this would cost more than the bank transfer charges we currently incur.

**e) Database support-** it had not been possible to progress this owing to the current restrictions. **ACTION 12/20: Canon Philipp** to make contact with Oliver (Wastell) after the current restrictions are lifted with a view to arranging for Oliver to visit the parish office to assess what improvements can be made to the main parish database; **Philip** to contact Oliver thereafter to arrange a separate session at a later date to look at the parish's Gift Aid database.

#### **4. Annual Return to the diocese 2019/20**

A draft copy of the parish's Annual Return, prepared by Brian, had been circulated with the papers for the meeting, along with a covering report. The Return reflects receipts and payments made by the parish in the 2019/20 financial year. After consideration by the Committee, the Return has to be independently examined before being signed off and submitted to the diocese by its 31<sup>st</sup> July 2020 deadline. The diocese's deadline is a month later than normal in recognition of the difficulties under which parishes are currently working owing to the national restrictions.

Brian was congratulated for the continuing quality of his work on the parish accounts.

In the absence of any comments to the contrary, the Annual Return, when approved by Canon Philipp, will now be independently examined by John Doherty and certified as such prior to its submission to the diocese. Thereafter, Brian will advise when the Return has been submitted to the diocese so that Philip can draft the usual summary of the accounts for the information of parishioners. **ACTION 13/20: Brian/Philip** to action accordingly.

#### **5. Parish finances-update**

The usual update on the parish finances was provided by means of a report circulated with the papers for the meeting. Key points identified were:

- There was a credit balance of £20,436.29 on the parish's current bank account as at 4<sup>th</sup> May 2020. This includes a recent legacy of £5,000 in favour of the parish.
- The parish debt stood at £27,911 (excluding interest) at the beginning of May 2020. This reflects the fact that the parish continues to reduce its debt by monthly repayments of £3,950 but had also had to borrow further from the diocese in 2019/20 to cover the cost of essential church roofing repairs.
- We are required to make payments of £2,531 per month to the diocesan Quota for 2020/21 for which our annual contribution has been assessed as

£30,372 (equating to 21% of the total of the parish's offertory collections and Gift Aid income declared in the Annual Return for the 2018/19 financial year).

- Although some parishioners are posting their usual weekly offertory donations to the parish, our only secure income currently are the offerings being made by parishioners by way of bank standing orders. These currently amount to £3,347 per month, albeit a few new standing orders are in the "pipeline". We also await the first quarterly Gift Aid repayment from HMRC in the 2020/21 financial year (for the quarter ending 31<sup>st</sup> March 2020) which should be in the region of £4,392 assuming our claim is accepted in full.
- The diocese has confirmed that it will ensure all parish bank accounts maintain a positive balance during the current restrictions. Funds will be transferred from the parish set-off account, as required, even if this means that it moves into deficit (and effectively has to be covered by further loans from the diocese).
- Additionally, the diocese has asked all parishes to complete a monthly analysis of income over the period April to September 2020 compared to the same period in 2019 so that the diocese is able to quantify the losses that individual parishes have incurred resulting from the current restrictions on Mass attendance and the loss of rental for facilities such as the parish community centre.

## **6. Analysis of income 2019/20**

The end of year analysis, prepared by Philip, had been circulated with the agenda.

Income from the weekly offertory collections, bank standing orders, Gift Aid claims and our monthly parish building fund collections in 2019/20 totalled £149,198. This was less than anticipated owing to the virtual collapse of parish income from the weekly offertory following the suspension of public attendance at Mass in the last two weeks of the financial year as a result of the restrictions put in place to combat the Coronavirus pandemic. It represents an overall reduction of £3,223 (2.1%) on the previous year's total of £152,421. Inflation (as measured by the Consumer Price Index for the 12 month period to the end of March 2020) was 1.5%, so our income for 2019/20 amounted to a real terms reduction of 3.6%. That is however mitigated by the fact that there were only 51 potential Saturday/Sunday Mass collection dates in 2019/20 compared to 52 in 2018/19. When that is factored in the overall net reduction is reduced to around 3.5%.

This is the first real terms reduction in our income for some years, albeit much of it is due to the exceptional circumstances prevailing since late March 2020.

Income from the weekly offertory collections (envelopes and loose plate) was down by £4,463 (5.4%). This was mainly due to the suspension of Mass attendance but was also impacted by the fewer number of such collections in 2019/20 compared with 2018/19.

On the other hand, income from bank standing orders increased by £2,397 (6.4%), probably as a result of the pulpit led financial appeal made in March 2019. This amounts to an average of £764 income per week from this source. Following the suspension of Mass attendance, an additional number of parishioners have switched to using standing orders and the impact of that should be evident as the 2020/21 financial year progresses.

Income from the monthly building fund collection towards the parish debt decreased by £812 (8.6%) mainly owing to the collection not being taken at some Masses in November and December 2019.

Income from Gift Aid claims was also slightly lower than in 2018/19, involving a reduction of £345 (1.5%). Income levels from this source in 2020/21 will be affected by the overall reduction in income from March 2020 onwards, given our Gift Aid claims are made quarterly in arrears.

The latest Mass attendance data shows that the average attendance at week-end Masses in the 2019/20 financial year up to and including 15<sup>th</sup> March 2020 was 667. This represented a significant decrease on the levels for 2018/19. Average attendance for that period was 730; thus our data suggests a decrease of 63 Mass attendees per week- an 8.6% decrease. This reduction occurred prior to the Coronavirus restrictions and is a cause for concern. The parish think tank has been asked to consider what can be done to address this issue.

**ACTION 14/20: Philip** to continue to bring quarterly income reports to the Committee so progress can be monitored.

## **7. Parish Community Centre- income trends**

Income for the hire of the parish community centre in 2019/20 totalled £10,801. This represented a decrease of £2,443 (18.4%) on the previous year. It is not clear why such a reduction has arisen and this will be investigated when the current “lock-down” arrangements have been relaxed. **ACTION 15/20: Philip** to investigate in due course and report back to the Committee at its next meeting.

## **8. Parish Tea Dance Group- accounts for 2019/20**

The parish tea dance accounts for 2019/20 were circulated with the documentation for the meeting. In the absence of any comments, the receipt of the accounts are deemed to have been noted.

## **9. Date of the next meeting**

The Committee’s next meeting will be at 6.30pm on Thursday, 17<sup>th</sup> September 2020.