

Finance update

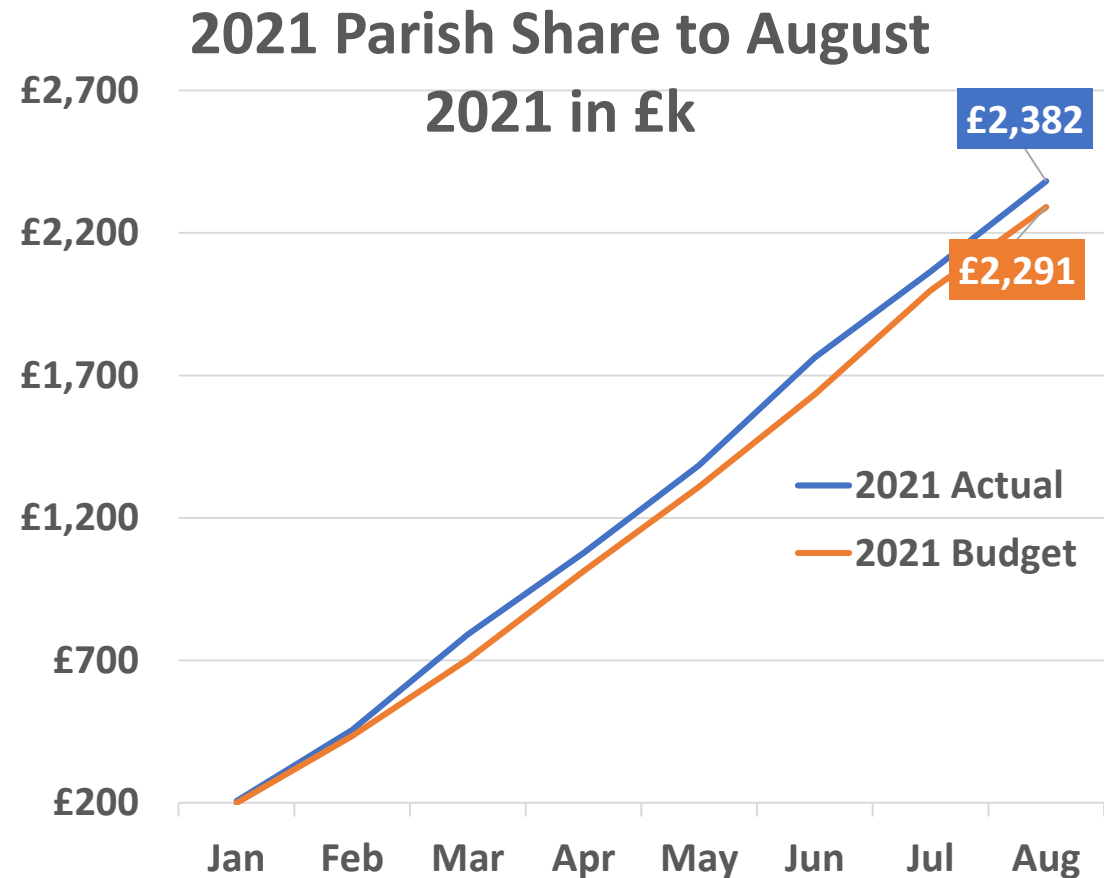
Performance to the end of
August 2021

How we have responded
financially to the Covid pandemic

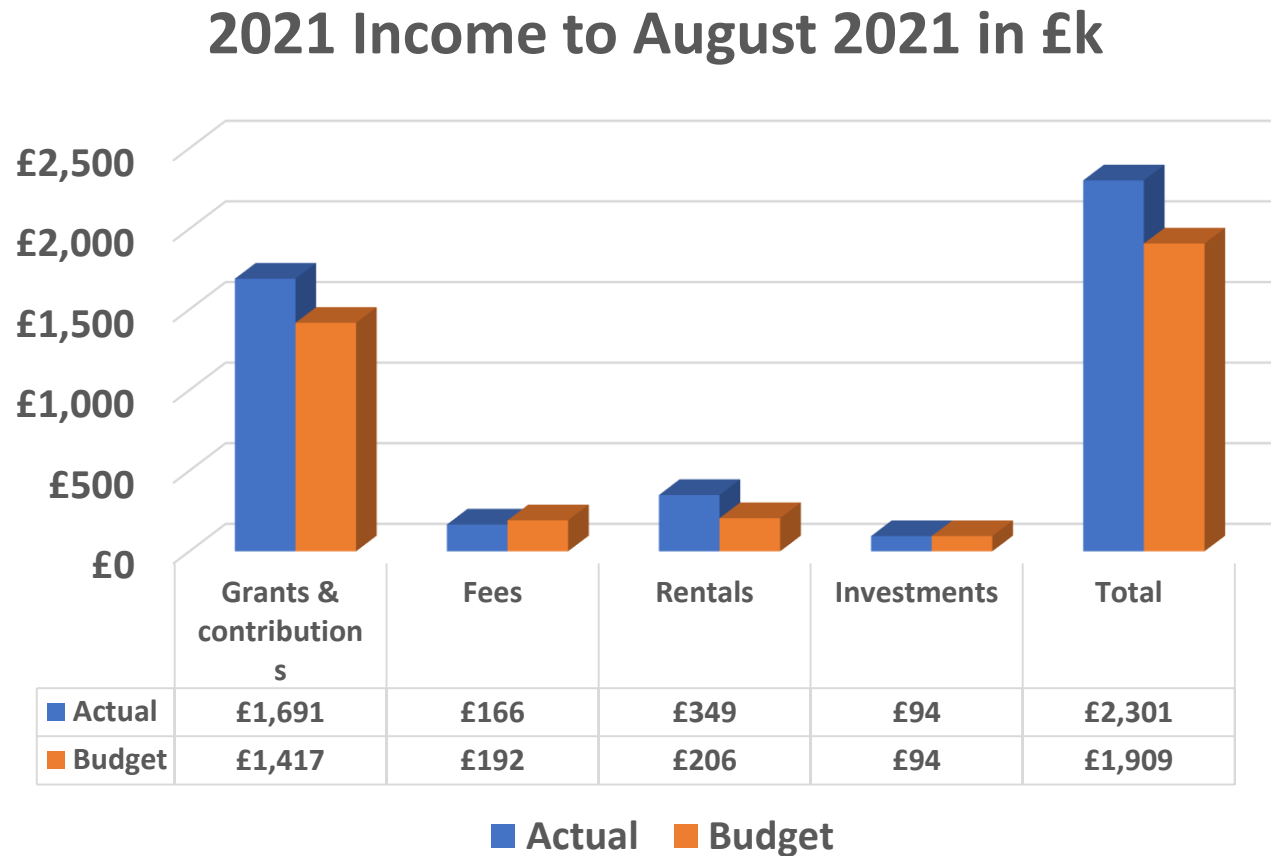
How we compare to other
Dioceses

2021 performance to date – parish share

- Parish share collections are currently in line with the 2021 budget (phased based on responses from parishes)
- The 2021 budget includes use of the sustainability funding received in 2020 and carried forward into 2021
- The budget assumes that we will continue to use the additional funding generated by the sale of surplus properties



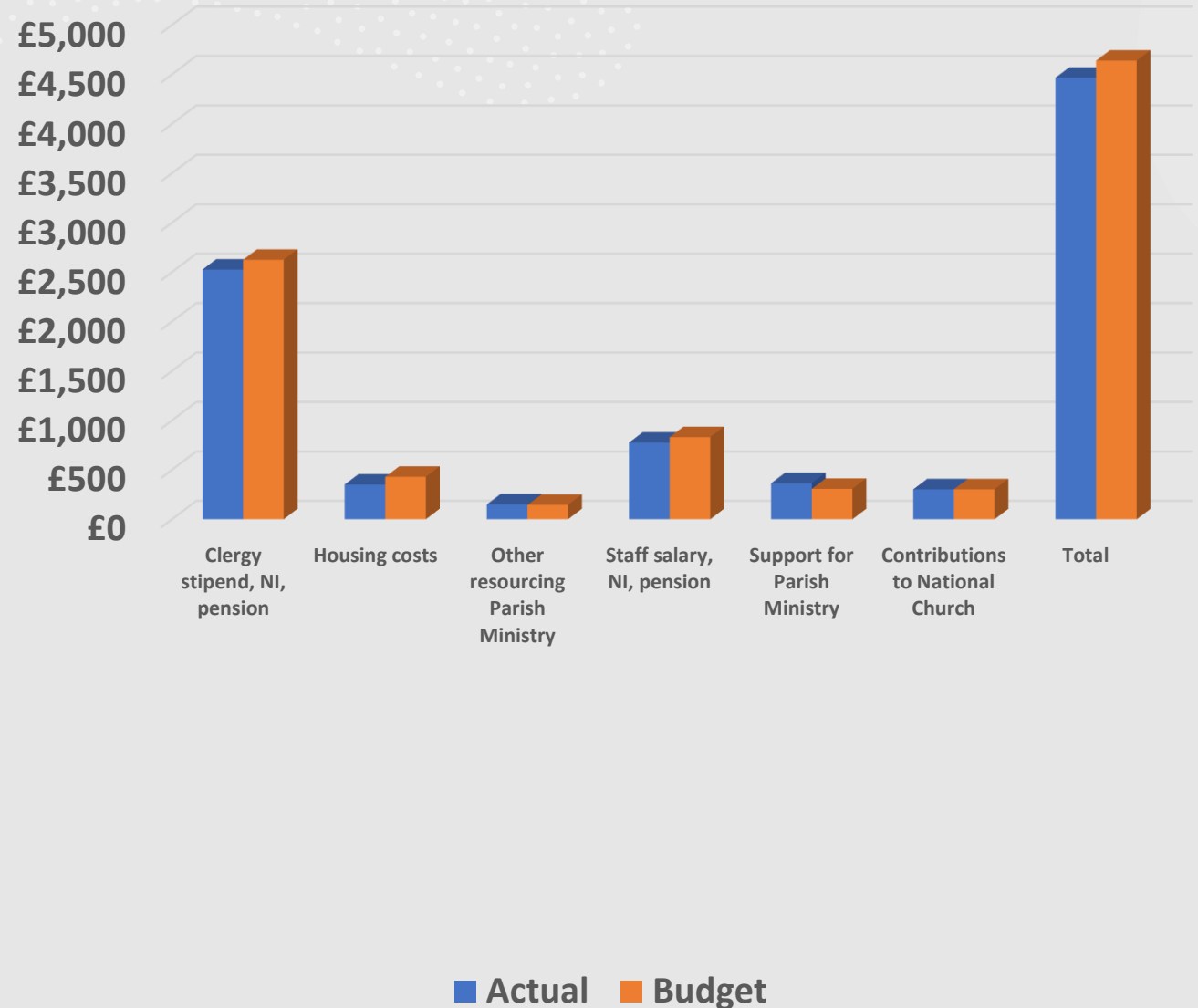
Financial performance – other income



- Rental income is higher than budget reflecting strong rental income from properties not currently used for Diocesan purposes

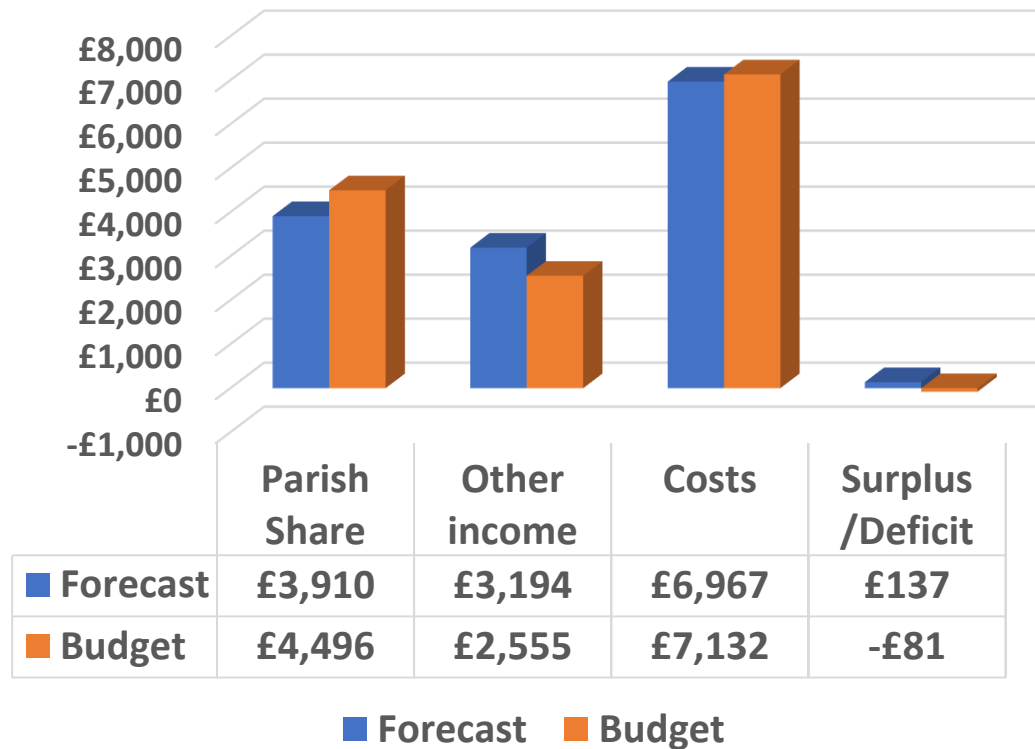
Financial performance - expenditure

2021 Costs to August 2021 in £k



Financial performance – where could we get to?

2021 Forecast Outturn in £k



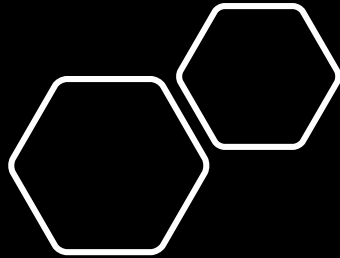
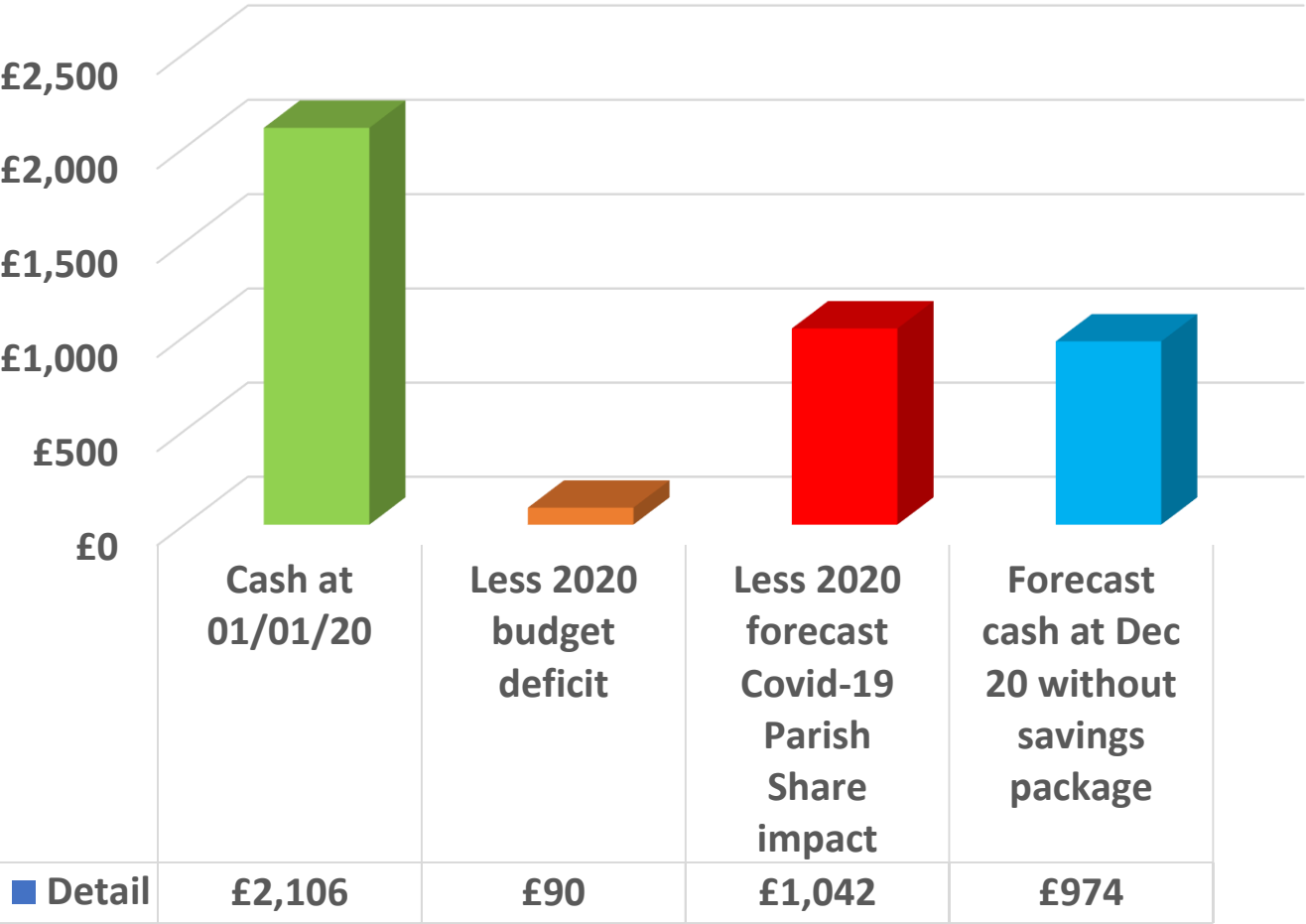
- The view of Synod has been that a “balanced budget” is a surplus or deficit of +/- £50k
- The 2021 budget is a deficit of £81,000
- Preliminary views indicate that we may achieve a surplus for 2021 supported by lower costs and increased income (particularly Parish Share, supported by the contingency fund, and rental income)



How we have responded financially to the Covid pandemic

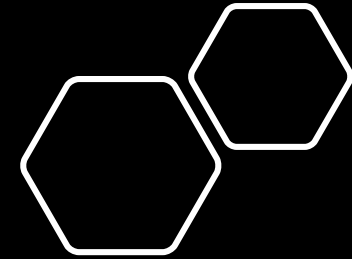
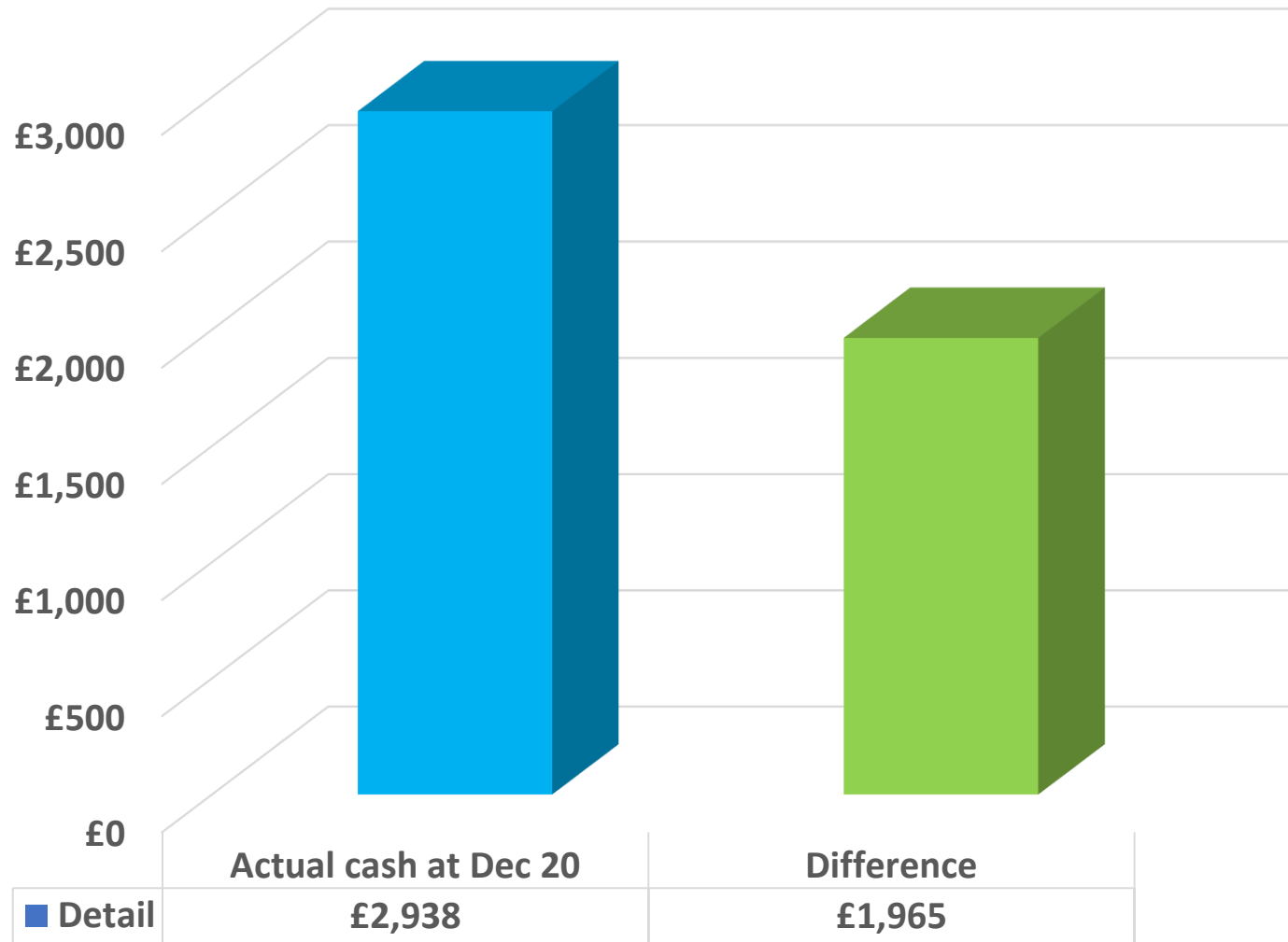


Forecast Cash Dec 20 in £k - without savings package



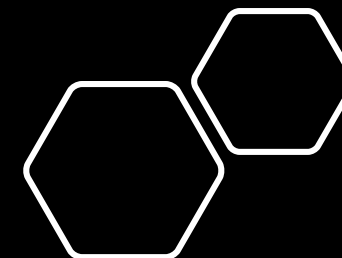
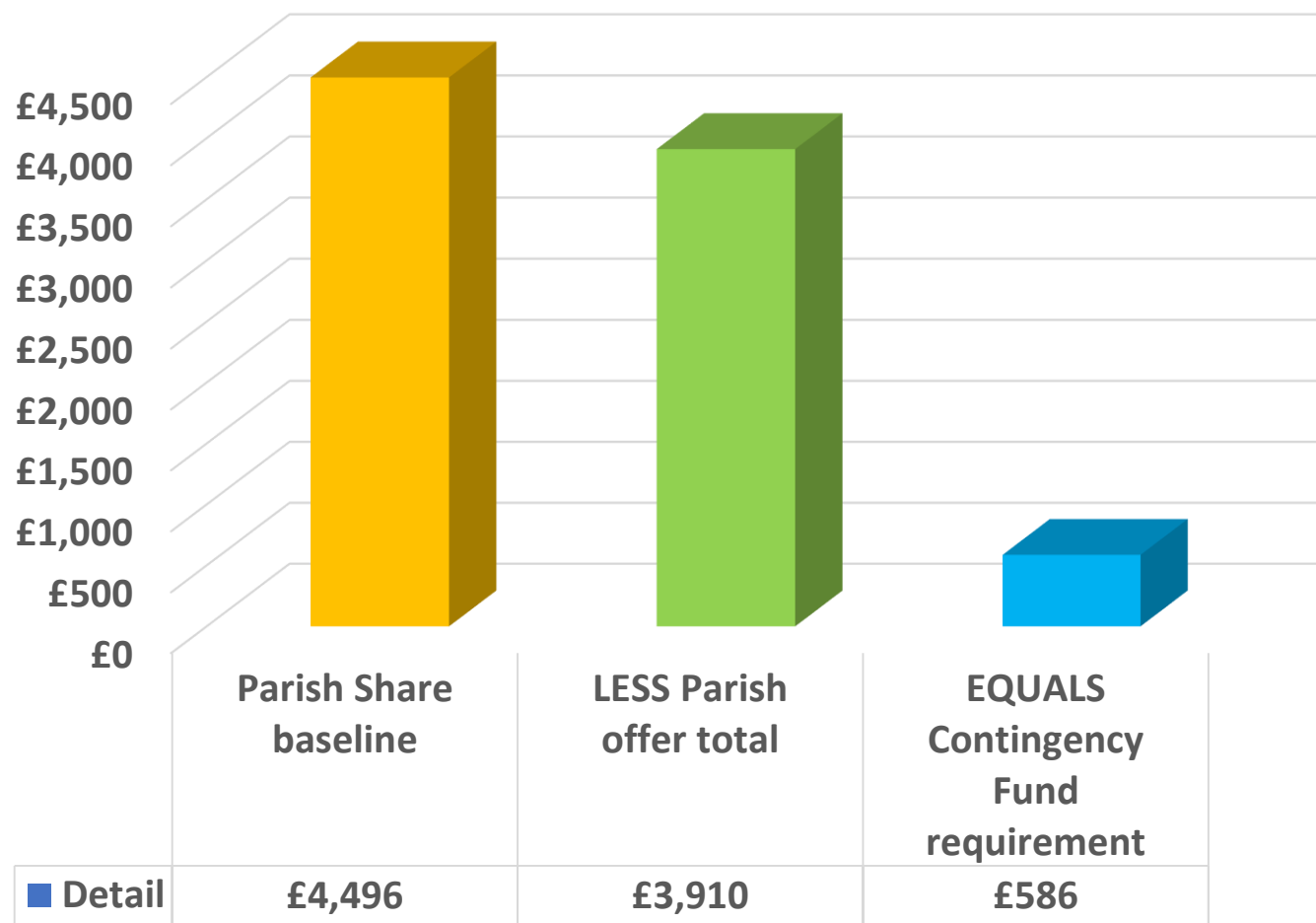
Cash balances and the end of 2020 were forecast to be less than £1m if we did nothing

Actual Cash in £k Dec 20



Cash balances were in excess of £2.9m at the end of December 2020. This was achieved by the work of parishes, savings package put in place and support from the central church's sustainability fund

2021 Diocesan Contingency Fund in £k at Aug 21



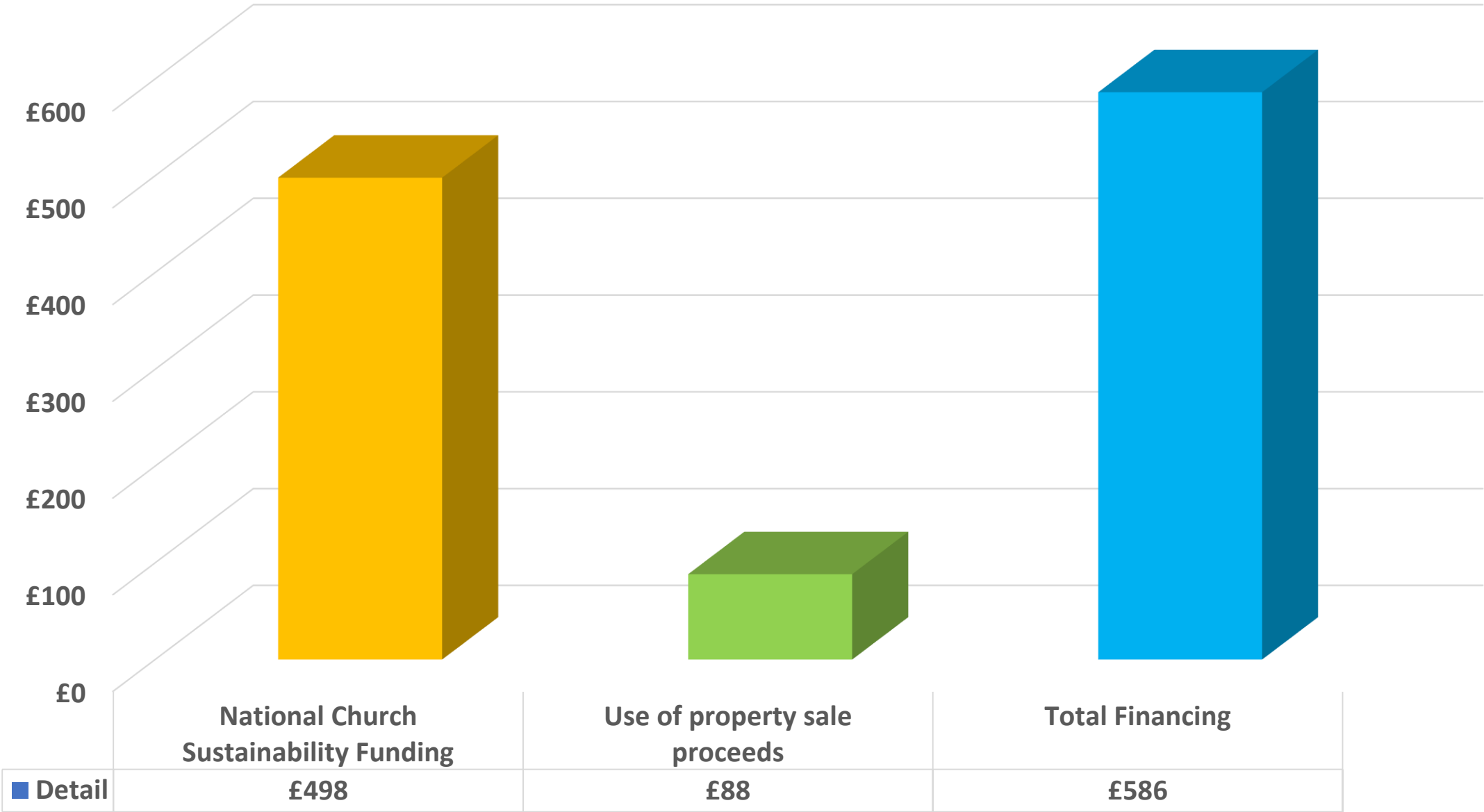
We have established a contingency fund to assist parishes having difficulties paying Parish Share. This is funded by use of the 2020 surplus from the sustainability fund and property sales, but cannot continue for ever

2021

We have set up our own contingency fund to bridge the gap between budgeted income and budgeted expenditure.



Financing the Contingency Fund in £k





Contingency fund

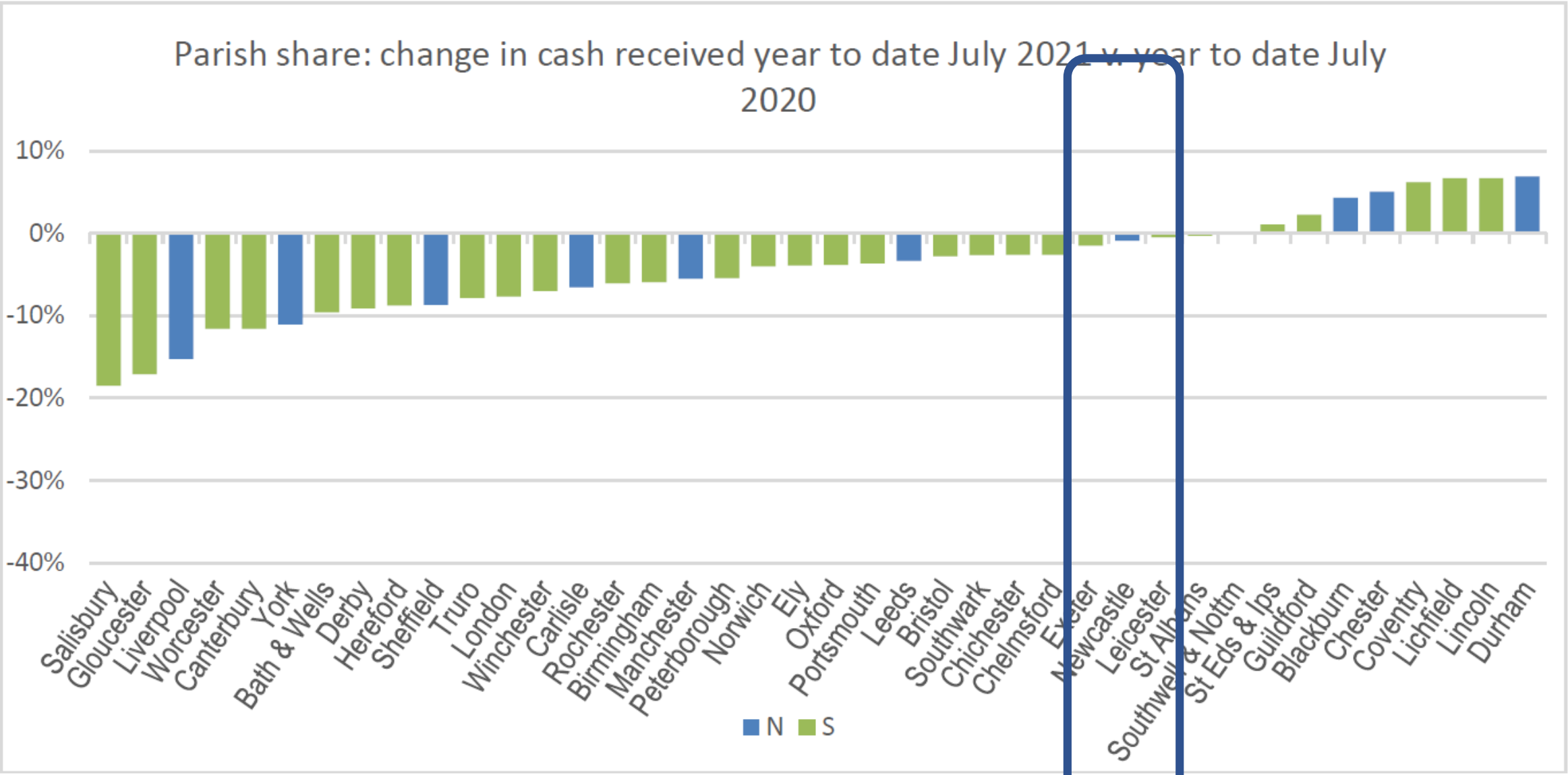
- The Contingency fund is funded in 2 parts
 - Use of the sustainability fund received from the central church in 2020 and carried forward into 2021
 - This amounts to £498k
 - Creation of our own contingency fund
 - The forecast is that we will require £88k from this fund
- In addition to this fund, we have looked at our own cash requirements to meet our own risk appetite, reflecting the requirement to have cash to meet day to day needs
 - To ensure we have sufficient cash resources we have realized cash from the sale of surplus properties.
 - The sale of these properties and the forecast cash requirements is closely monitored by the Finance Group and Bishops Council

Relative performance

How do we compare to other Dioceses in England?



Chart 2: Change in parish share cash received for the year to end July 2021 from July 2020



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In summary

- Thank you to all parishes for the continued engagement in Parish Share payment
- Thank you to the team in Church House in continuing to ensure that our finances are well looked after
- We have been supported by central funds and our own created contingency fund, but this cannot continue for ever