

Treasurer's Report for the APCM

Sunday 14th May 2023



Review of the year 2022

Overview

Despite the difficult funding environment, SJP has exceeded the 2022 deficit budget improving the projected deficit of £283,322 to a result deficit of £247,801 thanks to the new three-year strategy of being a more focussed and streamlined organisation investing part of the reserves in programs more aligned to our mission combined with continued efforts in savings on overheads costs.

Total unrestricted fund income was £998,512 of which £385,159 was unrestricted planned and voluntary donations, and a further £31,354 was from Gift Aid. Unrestricted but designated donations came to £63,679, the majority of which were to finance the FEAST program. Unrestricted fund income was 1.6% higher than 2021 and 8.23% above the budget, but the total income, including restricted fund, decreased 6.82% £83,378 compared with the previous year

The major unrestricted income streams for 2022 was planned and voluntary donations including Gift Aid, which accounted for 42% and use of the premises with 48% of the total unrestricted income. As the future external funding is focussed on raise funds for The Wren Project, the income generation strategy has evolved, including the plan for establishing a trading subsidiary, as part of efforts to ensure SJP financial resilience.

Expenditure for 2022 was £1,459,324, spent from unrestricted funds, with the running costs of St James's being a significant portion of the total spent. It is to be noted that the higher expenditure amounts are a result of delivering activities reduced in 2021 because of the pandemic, the investment in new skilled staff and the launch of 2023-2025 strategy. St James's original offer towards the Diocesan Common Fund was £108,000 in 2020 (compared to £104,000 in 2019), but in light of the impact of Covid-19 on St James's finances, this was subsequently revised to £85,200 in 2021 and kept the same amount for 2022, which was paid in full. All expenses are scrutinised and kept as low as possible, in line with the church's system of budgetary control. Investments The PCC's portfolio of investments as 31 December 2022 had a total value of £460,094 of which £445,342 is held in the CBF Church of England Deposit Fund an actively managed, diversified portfolio of sterling denominated money market deposits and instruments. It will principally invest in sterling call accounts, notice accounts, term deposits and money market instruments that aims to provide a high level of capital security and competitive interest rates, managed by CCLA Investment Management Limited in accordance with the policies of the Church of England National Investing Bodies: The CBF Church of England Funds, the Church Commissioners for England and the Church of England Pensions Board. The objective for 2023 is to continue investing SJP reserves in this fund combining a highest possible interest rate with immediate availability.

In 2022 St James's generated a general fund deficit of £247,801. On 31 December 2022, general fund reserves were £337,369 (2021 - £585,170), meeting our reserves target.

Finally, I would like to thank Radames Delgado, for his hard work and dedication as SJP Accounts Manager

Ben Mariam
Treasurer