

Finance Update

Feb 2021

Hi everyone

I am preparing the year end accounts for 2021 which will be presented at the SAM in due course but thought it helpful if I gave a short update on how the church finances are doing.

The past 12 months has been a challenging for us all and this has also impacted our congregational life with our sanctuary and premises closed for a substantial part of the year and some of our employees on furlough. We have however been blessed with having a great technical team and talented minister who adapted quickly to keep Sunday worship a constant throughout this period. I am sure like me you cannot wait until we return to being able to socialise and be together as God designed us to be.

During the last year I have continued to manage the church finances on-line working with Jack Geddes, Sue Amery Behr and the property and covid teams with a number of issues that have arisen, and I have kept the Board and Session updated regularly on how our finances have been impacted by the pandemic.

You will recall from my message at the SAM last year and through the notices in the early part of last year that our income levels were significantly lower than the budgeted expenditure for the year and this needed to be addressed. I asked the congregation to review its level of giving and then unfortunately the pandemic arrived in March with subsequent 'lockdowns' resulting in our halls closing and letting income stopping and no "open plate" and FWO envelopes being collected each week. As time went on some of the congregation adapted and I received cheques and bank transfers as well as the occasional cash/envelopes through my letter box. (Although cash is a strange thing to handle now and certainly difficult to bank!)

However, I am pleased to report that a number of the congregation did respond, and the standing order income has increased along with some substantial one-off gifts which were gratefully received. In addition, I applied for the governments Job Retention Scheme grant and received over £10,000 to help pay for some of our employees who were furloughed during most of last year. Including this our General Fund income was around £194,000 in 2020, some £15,000 better than budget.

On the costs side I have continued to closely monitor costs which naturally have been lower with lower activity. During the year our youth worker and childrens' worker have managed to adapt and continue their ministries and we have also managed to honour the commitment to support our missionary partners overseas with over £10,000 being sent during the year from the general funds.

There has been a few challenges including soaring electricity costs, some unexpected repairs including bird proofing the Castle and additional (but worth it) technology expenditure to enable us to worship together on line. We also had to make some difficult decisions regarding the church officer role as we sought to rebalance our expenditure to meet our income levels. Overall our General Fund expenses were around £219,000, some £2,000 higher than budget.

Our main property improvement project was of course the Sanctuary upgrade which if you recall had only just been completed prior to the restrictions last March. The fund raising generated £34,600 and project costs came in at £42,000 – a shortfall of £7,400 which has had to be covered from General Fund cash reserves.

Overall we have still ended up achieving better than budget this year. However, this was still a deficit of £32,000 (Budgeted deficit £38,000) and a drain on our cash reserves. Although our bank account balance remain relatively healthy (approx. £43,000 at 31 Dec 20) , as I said last year this trend cannot continue.

I am therefore proposing to the board a balanced budget target for 2021 (ie don't spend more than we bring in) which I believe is possible even with the uncertainties of when or if we will return to "normal".

There are several factors that influence this target but primarily it remains dependant on the continued support of the congregation in regular giving to the work of the church. Thank you to all who have reviewed their giving this year and to those who have switched to paying a regular standing order through the bank - it is so much easier to manage particularly through this pandemic. If you have not managed to review your giving for a while or considered switching to a bank transfer can I encourage you to prayerfully do so.

Finally, I do want to acknowledge the death a few weeks ago of my friend and our brother in Christ Stuart Bruce. I knew Stuart for over 20 years and as a former treasurer here at Maxwell he was a great support to me in the past couple of years. He was also responsible for the Missionary and Playgroup funds and will be greatly missed by me, the finance & missionary fund teams and the playgroup staff whom he supported so well.

If you have any questions please contact me on maxwellmearnsfinance@gmail.com.

God is good and I pray for a return to some normality for us all and look forward to seeing you all soon worshipping Him together Sunday by Sunday.

Ian Forgie

Treasurer