**Treasurer’s Report – For PCC via Standing Committee**

**Budget monitoring position to date.**

**Resources side indicative.**

**Purpose**

At next month’s PCC the budget for 2020 will be considered. As this report is presented I am awaiting returns from budget holders to complete the expenditure side together with a small number of general income lines.

At this point it will be helpful for Standing Committee to examine the figures we have and the likely giving in the coming year and form a strategy for PCC.

**Giving**

As I have reported throughout the year giving has (apart from one month) held strong against that expected. The latest report is attached which confirms this but it can be seen that giving is highly likely to fall sharply in the remainder of the year.

As we have prepared the giving budget for 2020 a clear reduction is confirmed. We know that a significant number have left the church but the impact on giving has not actually “hit the bank”. Peter White has helped me to prepare and carefully analyse all giving and, in particular, ensure there has been no double counting as givers have moved from CAP and Youth accounts to mainly PGS.

We are confident that the figures presented are as good as it is possible to estimate at this time of year. Nevertheless there is clear enough evidence to demonstrate a reduction in giving for 2020.

**Expenditure**

Whilst giving has held well against budget, expenditure is, in a number of areas running below budget. Until budget returns have been received a firm idea of expenditure for the year is not available but the position to date indicates there is likely to be an underspend in excess of £20,000. If budget holders are asked to restrain expenditure on other than essential items I believe an underspend of this order is achievable.

This will help in cash balance terms but it will also lay down a firmer base for 2020 where a lower spend is necessary.

**Impact on cash position**

The cash flow statement below gives a simple and clear picture of what we should see happening to year end and moving forward.

This now takes account of the 2019 budget decisions to donate £10,000 to Old Kea Development and earmark £20,000 for All Hallows development. Cash has been transferred in respect of Old Kea but is held in the PCC bank account for All Hallows.

The assumption is that the deficit for 2020 and 2021 remains at £30,000.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2019  Budget | 2019 Outturn | 2020  Budget | 2021  Budget |
|  | £ | £ | £ | £ |
| Bank Balance - closing | 108,950 | 122,700 | 72,700 | 42,700 |
| Adjusted closing balance | 78,950 | 102,700 | 72,700 | 42,700 |

John Taylor

Treasurer