



The Parish of St. Peter and the Winchester Martyrs

PARISH FINANCIAL REPORT

for the financial year ended 31st August 2020

Letter from the Parish Priest

Dear Parishioners,

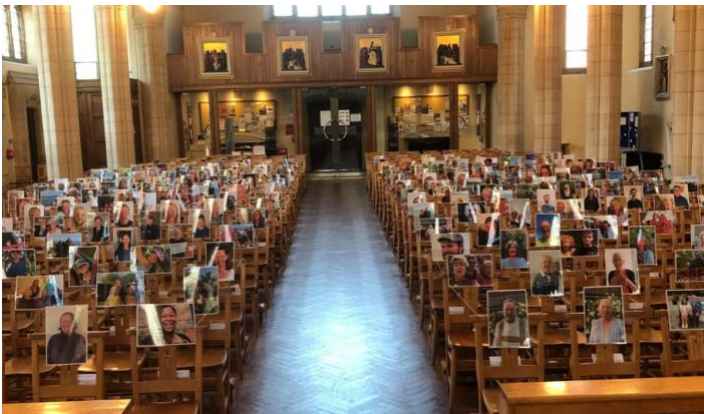
Bringing people closer to Jesus Christ in HOPE and JOY

I am delighted to be able to offer for your information the Parish Financial Report for the financial year ended 31st August 2020, which has been prepared on my behalf by the Parish Finance and Property Advisory Committee.

This report offers me once again the opportunity to offer an ‘enormous thank you’ for all the love and support and prayers you have given to the parish and to me personally over the course of the year from September 2019 to August 2020. It was a year with many surprises and challenges and yet, in many and varied ways, you have stepped up to the mark, and much more besides. So many of you have been plugging away behind the scenes, gently but lovingly doing your bit to help us be a parish where every day we are “bringing people closer to Jesus Christ in hope and joy”. Thank you so much to all of you, clergy, staff, volunteers, parishioners and guests, especially those who have shown incredible patience and understanding of the constraints under which we’ve been working.

Halfway through the year, we were, of course, struck by the COVID-19 Pandemic and the devastating effects this has had on our global, national and local communities. We cannot offer this report without noting, and praying for, all those who have suffered some form of loss as a result of the virus and the measures used to tackle it. We pray especially for those who have died, those who have been seriously ill, those who have suffered strain on their financial, emotional, mental and spiritual health, those who have risked themselves on the frontline against this virus, those who have been overworked or underworked, those unable to attend their place of education and those deprived of the opportunity to take public exams, those who have been cut

off from loved ones, those locked into situations where they feel trapped and those who have been forced to grieve in new and often strange ways. May the Lord bring us all healing and peace.



In the midst of the darkness, there have also been many blessings, many “small lights” which have shone brightly, offering hope. I would like to remind you of some of the gifts of the last financial year, which many will have seen in the letter I wrote to all parishioners last July:

- ✘ We welcomed Fr Stephen, who is living and working here in the parish and studying at St. John’s Seminary, Womersley;
- ✘ We launched a new parish website (very timely given what the future held in store);
- ✘ We’ve introduced a new way of preparing our children to celebrate their First Reconciliation and their First Holy Communion and we’ve watched them grow in their faith and love of the Lord Jesus;
- ✘ We celebrated Mass for the Feast of the Blessed Winchester Martyrs and launched our parish vision;
- ✘ We welcomed the Mayor of Winchester for Mass and a small reception;

- ✘ We ran “Called and Gifted” so that parishioners (and others from further afield) could begin a process of discerning the gifts which the Holy Spirit has given them for the benefit of others;
- ✘ We took a pilgrimage to Rome, San Giovanni Rotondo (Padre Pio) and Assisi;
- ✘ We welcomed guests into St. Peter’s for our annual “Night of Lights” just before Christmas;
- ✘ We were delighted to welcome Louise Buxton as the new permanent Headteacher for our Catholic parish Primary School;
- ✘ We blessed our bibles at the beginning of the Year of the Word;
- ✘ We welcomed Allegra Mutanda as our new parish Director of Evangelisation and Leadership.

All of this, without mentioning the daily and weekly Masses, prayers and sacraments, and countless activities supported by our ministry groups.

Then, of course, Lockdown began. We closed our church doors but very much kept our Church open for business. Since Thurs 19th March, the Solemnity of St. Joseph and our last public worship before lockdown, we:

- ✘ Introduced live streaming for daily Morning Prayer, Mass and Night Prayer. This has been an amazing success with over 45,000 total views, 532 subscribers, about 900 views on average per weekend and about 50 on average for weekday Mass (we’ve also enabled people to gather with us from all over the globe and families to unite with each other at Mass, even when separated by thousands of miles);
- ✘ Established a team to welcome and fulfil our “track and trace obligations”, steward and “fog” the church, to keep those able to attend Mass in person as safe as possible;
- ✘ Offered an online Children’s Liturgy before the Sunday morning Mass;
- ✘ Gathered virtually to celebrate Holy Week, Easter, Pentecost and a whole host of Feast Days;
- ✘ Mourned the loss of loved ones and rejoiced in the healing of others;
- ✘ Begun an Outreach exercise called ‘PeterCares’ to make contact with elderly and vulnerable parishioners, to see how they are managing and provide support where needed. We managed to contact 188 parishioners to ask if they needed our support and are continuing to keep in touch with many of these who have welcomed a regular friendly call;
- ✘ Opened our “Virtual Church”, which has included prayer (Rosary, Divine Mercy Novena and Chaplet), scripture reflection (*Lectio Divina* and Acts of the Apostles) and courses on discipleship and prayer (The Gift, Strength to Strength).
- ✘ Introduced online evangelisation through Alpha. From lockdown until the end of August, we welcomed 45 guests who completed our Alpha courses and another 70 people have joined either a discipleship or a Scripture reflection course;

- ✘ Established collaborative music ministry, with contributions coming from across the parish and worshipping communities, from the very young and the once-very-young;
- ✘ Created a Prayerline, where anyone can either offer prayers, or ask for prayers: it is simple, confidential and informal;
- ✘ Committed to light candles for anyone who asks, every evening over this period;
- ✘ Sent in hundreds of photos of ourselves in order to brighten up the church building and put a huge smile on my face at Pentecost;
- ✘ Communicated with people via our website, the parish newsletter (Peterpost), email and a brand new Facebook page (we typically have 200 views a day, a high rate of engagement and a quick response time);
- ✘ Opened a “Virtual Tea Room” which is seeing increasing attendance after the 10am live streamed Sunday Mass on our Zoom platform.



Of course, life didn't end when the end of the financial year, 31st August, arrived and we have been continuing to move forward. In particular, we have said farewell to Fr Tom from his official role as assistant priest but welcomed Fr Anthony in his place and are already being blessed by his presence and ministry. It's great that both Fr Tom and Bishop Peter Doyle, now also in residence in Alresford, are able to be with us and continue to minister to us in this new phase of their priestly lives.

We are still learning and growing, making mistakes along the way (for which we ask your forgiveness and continued patience). As I write, for example, we've just marked Advent and celebrated Christmas with over 2,000 people joining us in person and online Masses. We were able to make this Christmas one to remember, not just because of the restrictions but as a celebration of our faith that, if and only if God is with us, as indeed God is, then everything will be alright.

Stewardship of Our Resources

We cannot fulfil our mission without financial resources and for this we rely on your generous financial giving. I am deeply conscious that as parishioners you have a direct interest in the financial well-being of this Parish and the proper stewardship of your earthly treasure. As a large parish - with over 1,000 people coming through the doors of our four church buildings each week, a wide variety of ministries and responsibility for a varied property estate including heritage buildings - our financial affairs are quite involved. The Parish Financial

Report is intended to show where our income has come from, how and where it has been spent during the financial year concerned and our closing financial position at the year-end.

I do hope you find this report informative and useful. We will be holding an open meeting when members of the Parish Finance and Property Advisory Committee will be presenting this Financial Report and you will have the opportunity to ask questions about the Parish finances. You are warmly invited to attend the meeting which will take place by Zoom on Thursday 18th February at 19:45. To confirm your attendance [please register here](#).

I would like to end as I began, with an enormous thank you for the contribution you are making to our parish mission through the generous offering of your time, talents and treasure. Let's continue to support each other, and allow the Lord to hold all of us, as we strive **to bring people closer to Jesus Christ in hope and joy so that he can heal our souls and bodies and restore our broken lives by the power of the Holy Spirit.**

With every blessing,

Fr. Mark Hogan

25th Jan 2021 (The Feast of the Conversion of St. Paul)

This financial report has been prepared as an information document for parishioners of The Parish of St. Peter and the Winchester Martyrs. The Parish does not publish individual statutory accounts as for legal and accounting purposes it is part of the Roman Catholic Diocese of Portsmouth and its detailed financial transactions are included within the annual consolidated accounts of the Diocese.

The Parish of St. Peter and the Winchester Martyrs

Financial Statement

financial year ending 31st August	2020	2019	2018
	£	£	£
ORDINARY PARISH INCOME			
Offerings	233,282	249,200	248,769
Donations	20,900	18,390	14,499
Gift Aid tax refunds	53,314	65,018	47,465
Divine Renovation hypothecated income	38,266	11,859	1,500
Hall and room hire	18,339	24,834	35,146
Other ordinary income	4,216	6,736	6,701
Sub-total	<u>368,317</u>	<u>376,037</u>	<u>354,080</u>
RENTAL PROPERTY INCOME			
Rents received	175,565	186,488	170,454
Professional fees and insurance	-26,545	-26,955	-27,671
Repairs and maintenance	-22,468	-35,964	-31,541
Other operating costs	-3,086	-3,015	-3,390
Sub-total	<u>123,466</u>	<u>120,554</u>	<u>107,852</u>
ORDINARY PARISH EXPENDITURE			
Diocesan levy	-103,635	-103,927	-110,085
Staff costs	-107,525	-135,241	-154,059
Clergy costs	-29,366	-36,783	-36,644
Liturgy and worship costs	-9,463	-15,727	-18,317
Divine Renovation expenditure	-38,321	-11,851	-9,655
Faith, ministries and outreach	-11,707	-38,133	-51,780
Repairs and maintenance	-37,970	-61,707	-65,680
Utility charges	-35,820	-23,153	-33,586
General administration and insurance	-34,364	-48,967	-55,705
Other operating costs	-18,965	-11,343	-25,833
Sub-total	<u>-427,136</u>	<u>-486,832</u>	<u>-561,344</u>
OTHER MOVEMENTS ON INCOME ACCOUNT			
Reserve for projects delayed by Covid lockdown	-35,158	-	-
NET SURPLUS/(DEFICIT) ON INCOME ACCOUNT BEFORE EXCEPTIONAL ITEMS	<u>29,489</u>	<u>9,759</u>	<u>-99,412</u>
EXCEPTIONAL MOVEMENTS ON INCOME ACCOUNT			
Exceptional property costs	-	-	-255,251
Other exceptional income/(costs) net	-	-6,417	-14,375
Legacy funds used	-	-	128,449
Sub-total	<u>-</u>	<u>-6,417</u>	<u>-141,177</u>
NET SURPLUS/(DEFICIT) ON INCOME ACCOUNT	<u>29,489</u>	<u>3,342</u>	<u>-240,589</u>

financial year ending 31st August	2020	2019	2018
	£	£	£
OTHER FUNDS AND RESERVES MOVEMENTS			
Legacies received	1,601	29,037	1,061
Legacy funds used for exceptional costs	-	-	-128,449
Community Support Fund net donations/(usage)	1,355	-	-
Project costs reserved for	35,158	-	-
Sub-total	<u>38,114</u>	<u>29,037</u>	<u>-127,388</u>
NET CHANGE IN FINANCIAL POSITION	67,603	32,379	-367,977
Opening reserves and other funds	43,644	11,265	379,242
DOPIFS investments balance brought into income reserve	55,622	-	-
TOTAL CLOSING RESERVES AND OTHER FUNDS	<u>166,869</u>	<u>43,644</u>	<u>11,265</u>
FINANCIAL POSITION AT YEAR-END			
DOPIFS investments	55,622	-	-
Net bank/cash balances and other current assets	236,528	168,925	11,265
less: Diocesan loan repayable	<u>-125,281</u>	<u>-125,281</u>	<u>-</u>
Net assets	<u>166,869</u>	<u>43,644</u>	<u>11,265</u>
Income account reserve	68,660	-16,451	-19,793
Project costs reserve	35,158	-	-
Legacy funds	36,638	35,037	6,000
Diocesan Living Our Faith (LOF) grant funds	25,058	25,058	25,058
Community Support Fund	1,355	-	-
Total reserves and other funds	<u>166,869</u>	<u>43,644</u>	<u>11,265</u>

Notes to the financial statement

Summary

Despite the coronavirus lockdown in the second half, there was a net surplus for the full financial year of £29,489 on income account before exceptional items (2019: £9,759 net surplus; 2018: £99,412 net deficit).

While the coronavirus lockdown resulted in a net reduction in income compared to the previous year this was more than offset by a consequential reduction in operating costs, deferment of some repair and maintenance projects and the benefit of the government Job Retention Scheme rebate on staff costs. A reserve of £35,158 was made against the 2019/20 income account for the deferred repair and maintenance projects which are expected to be carried out in the current financial year.

As there were no exceptional items this year, the net surplus for the year on income account after exceptional items was also £29,489 (2019: £3,342 net surplus; 2018: £240,589 net deficit).

There was a net increase in other reserves and funds of £38,114 including legacies received and the transfer from income account to repair and maintenance project reserves (2019: £29,037 increase from net legacy receipts; 2018: £127,388 reduction from net legacy funds utilised).

This resulted in a net positive change in financial position of £67,603 for 2019/20 (2019: £32,379 positive; 2018: £367,977 negative).

In addition, for completeness, on 31st August 2020 the Parish's investment holdings in the Diocesan Investment Fund Scheme (DOPIFS) were brought into the income account reserve for the first time with a closing valuation of £55,622.

Accordingly, total Parish reserves and other funds closed 31st August 2020 with a total value of £166,869 (31st August 2019: £43,644).

Ordinary parish income

Total ordinary parish income at £368,317 was £7,720 (2%) less than the previous year (2019: £376,037):

Offerings for the Parish at £233,282 fell by £15,918 (6%) compared to the previous year (2019: £249,200).

These offerings comprise:

Type of offering:	2019/20	2018/19	2017/18
	£	£	£
Planned-giving (standing orders and direct debits)	181,745	180,981	174,849
Offertory collections – Gift Aid envelopes	10,664	13,242	13,735
Offertory collections – other including online	40,873	54,977	60,185
Total Parish offerings	<u>233,282</u>	<u>249,200</u>	<u>248,769</u>

Planned giving has held up well through the coronavirus situation, but offertory collections were inevitably badly affected, falling by £16,682 (24%) in total compared to the previous financial year.

The above figures do not include special collections - regular retiring collections and other charity appeals - as these are not Parish income and are paid on in full to the respective beneficiaries. Our parishioners give generously to these collections and appeals as summarised below:

Special collections:	2019/20	2018/19	2017/18
	£	£	£
Diocesan second (retiring) collections	10,437	12,642	17,329
CAFOD	3,607	7,450	6,177
Covenant With The Poor (CWP)	20,556	18,664	16,753
SVP	1,775	2,729	1,529
Other charity appeals	2,512	7,321	8,687
Total special collections	<u>38,887</u>	<u>48,806</u>	<u>50,475</u>

Donations - which are occasional, substantial lump sum gifts by parishioners and other donors - at £20,900 these were £2,510 (14%) more than the previous year (2019: £18,390) mainly due to the £2,500 increase in an annual private trust donation from £12,500 to £15,000.

Gift Aid tax refunds amounted to £53,314 (2019: £65,018). The £11,704 reduction partly reflects the coronavirus impact on Gift Aided envelope offertory together with the reversion to more normal levels after the catching up of an outstanding quarter's Gift Aid in the previous year.

Divine Renovation hypothecated income of £38,266 (2019: £11,859) is specifically pledged funding from the Diocese Living Our Faith fund and private donors for costs related to the Divine Renovation ministry. This funding is mainly received as lump sum payments which are held in reserve and released to income as necessary to cover actual Divine Renovation costs incurred.

Hall and room hire income - from St. Peter's Pastoral Centre hall and meeting rooms, the Milner Hall and St. Gregory's Pastoral Centre – was badly affected by the coronavirus lockdown and closure of these facilities in the second half of the financial year. Net income was £18,339, a reduction of £6,495 (26%) compared to the previous year (2019: £24,834).

Other ordinary income of £4,216 (2019: £6,735) mainly comprises votives box donations (net of votive candle costs) and interest on funds invested in Diocesan deposits. Votive box donations were adversely impacted by the closure of churches during the coronavirus lockdown.

Rental property income

Rental properties net income at £123,466 (2019: £120,554) represents the rents received from the Parish's portfolio - flats at 8 and 9 St. Peter Street, Cemetery Cottage (Romsey Road), flats and office premises at 29 Jewry Street (The Old Presbytery) and the former Alresford Presbytery - after deduction of related expenses, mainly repairs and maintenance and professional fees. Despite some significant rent arrears resulting from

the coronavirus situation, net income increased by £2,912 (2.4%) over the previous year with the benefit of five months' rent from the new letting of Alresford Presbytery and a reduction of £13,496 in repairs and maintenance costs, some of which was deferred to be carried out in the current financial year.

Ordinary parish expenditure

Total ordinary parish expenditure at £427,136 was £59,696 (12%) less than the previous year (2019: £486,832):

Diocesan levy at £103,635 was almost in line with the previous year (2019: £103,927). All parishes in the Diocese are subject to the levy – essentially a contribution to central costs – of 25% of their income (less levy-free allowances for certain categories of income). Each year's levy is calculated by reference to the parish income of two years ago.

Staff costs at £107,525 were £27,716 (20%) less than the previous year (2019: £135,241). This cost covers the whole Parish staff team – pastoral workers, sacristy, housekeeping, facilities management, finance and general administration. The staff costs reduction compared to prior year is mainly accounted for by the government Job Retention Scheme rebate received for the period April to August.

Clergy costs – comprising our priests' stipends, supply priest fees, travel, living costs and training - at £29,366 were £7,417 less than the previous year (2019: £36,783) mainly due to reduction in the use of supply priests and travel expenses due to the closure of churches during coronavirus lockdown.

Liturgy and worship costs - comprising altar supplies (communion wafers, candles, incense etc.), flowers, and liturgy and music expenses - were £9,463 (2019: £15,727), a decrease of £6,264 (40%) mainly reflecting the curtailment of congregational Masses due to the coronavirus situation.

Divine Renovation expenditure for the year increased by £26,470 to £38,321 (2019: £11,851) in line with the increased allocation of resources as planned. These costs relate specifically to implementation of Divine Renovation principles and are fully covered by hypothecated income, as noted above.

Faith, ministries and outreach expenditure amounting to £11,707 (2019: £38,133) cover faith training/courses and books, First Communion preparation, youth faith activities, Alpha courses, family catechesis and neighbourhood groups together with parish events, parish transport, ecumenism and financial contributions to the SVP and external local community charities. These contributions were restricted in the year by our budgetary constraints and added financial pressure resulting from the pandemic

Repairs and maintenance costs at £37,970 were £23,737 less than the previous year (2019: £61,707). These costs cover planned and regulatory maintenance (including cleaning and gardening), routine repairs and non-routine repairs for all Parish facilities and grounds (the four churches, St. Peter's Pastoral Centre, Peterhouse, St. Gregory's Pastoral Centre, Milner Hall, Convent (White House) and St. James Cemetery). The cost reduction mainly relates to the deferred projects costs.

Utility charges of £35,820 (2019: £23,153) are for heating, lighting and water supply to the Parish churches and other facilities. The increase compared to the previous year reflects reversion to more normal levels

following refunds received in 2018/19 in respect of accumulated excess charges due to estimated meter readings in prior years.

General administration and insurance expenditure of £34,364 (2019: £48,967) covers telephone, IT costs, printing, postage, stationery, travel expenses and insurance premiums (Diocese all-risks cover). The £14,603 reduction from last year is mainly due to lower travel, telephone, printing, photocopying and stationery costs resulting from the reduced level of administrative activity from April to August 2020. Insurance premiums and IT costs increased slightly.

Other operating costs of £18,965 (2019: £11,343) include council tax charges on Parish facilities and miscellaneous furniture and equipment costs. The £7,622 increase compared to prior year is mainly for new audio-visual equipment purchased for St. Peter’s Church and the Pastoral Centre.

Financial position at year-end

The net change in financial position for the year was £67,603 positive (2019: £32,379 positive) which together with the DOPIFS investment balance of £55,622 brought into the accounts for the first time resulted in total closing reserves and other funds increasing to £166,869 at 31st August 2020 (31st August 2019: £43,644).

The closing reserves and other funds comprise:

	Total	Unrestricted	Designated	Restricted
	£	£	£	£
Income account reserve	68,660	55,092	-	13,568
Project costs reserve	35,158	-	35,158	-
Legacy funds	36,638	30,638	-	6,000
LOF funds	25,058	-	-	25,058
Community Support Fund	1,355	-	-	1,355
Total	166,869	85,730	35,158	45,981

In addition, the Parish has a term loan from the Diocese of £125,281; this loan is repayable from July 2021 in monthly instalments over four years.

Looking ahead

The Parish financial plan for the current financial year ending 31st August 2021 is to generate a small ordinary surplus on income account, assuming continuation of the coronavirus impact through the first six months (to 28th February) with a gradual recovery thereafter. Key assumptions for the 2020/21 operating budget are:

- sufficient funding has already been secured/pledged to cover planned Divine Renovation expenditure in 2020/21.
- the project costs reserve established at 31st August 2020 will be utilised against repair and maintenance project costs deferred from 2019/20.

- the offerings income budget assumes that while planned giving is expected to hold up quite well and online donations will increase, other offertory income (Mass collections and numbered envelopes) and related Gift Aid tax refunds will continue to be impacted by the coronavirus situation before recovering to more normal levels.
- halls and meeting rooms hire income will continue to be severely constrained by the pandemic conditions.
- net rental income is expected to decrease due to catching up on the backlog of repair and maintenance works but this will be partly offset by a full 12 months of rental income from the Alresford Presbytery.
- The Diocesan levy charge is expected to be in line with 2019/20.
- all operating expenditures will continue to be carefully managed by the respective budget-holders and are expected to be held approximately in line with net expenditures for 2019/20.
- the sale of one of our lower yielding rental properties to provide funds for essential major property repair costs is being actively considered, though this is subject to approval by the Diocese.
- the potential structural repairs to and refurbishment / re-purposing of the White House (convent) building will continue to be dealt with as a separate, ring-fenced project subject to further discussion and specific funding outside of the core Parish financial plan.

Prepared and issued by the Parish Finance and Property Advisory Committee – 25th January 2021