Good morning

I have been doing this report for a number of years and it gets more difficult to say something new each year. I suspect regular attenders at this meeting will be able to work out already what I probably will talk about.

Last year I was asked how we could eliminate the deficit and replied that everybody needed to double their giving. Sadly I can report that didn't happen! We have had a modest increase in the total contributed which was helpful in the overall picture. Efforts to market the hall have proved to be very successful as that source of income went up by over 20%.

We are still too reliant on legacies and endowment income to attempt to balance the books. Around 40% of the total income came from these two sources. Of the remainder, the congregation provides just under 35%. This has been a consistent factor over a number of years and is something peculiar to St Cuthbert's.

Expenditure increased mainly due the costs of renovating the Bell Tower and a full time curate. Remember though that we are restricting all other unnecessary expenditure.

Overall before offsetting the increase in the value of the Investments we had a deficit of £36,000. One of the questions the Auditors raised was how the Vestry intend to eliminate the deficit given we have now had a number of years like this. The Vestry will have to discuss their response over the course of the coming year.

Obviously each year there are swings and roundabouts but there is an underlying structural deficit. What do I mean by structural deficit? This ignores all unexpected income such as sundry donations and legacies and only counts unavoidable expenditure. At the moment it is probably about £15,000 per annum. That's doesn't sound a big gap to close but you have to remember that we are not carrying out preventative maintenance or repairs that are not urgently necessary. Equally we might like to do something different which has a cost attached but how do we fund that on an ongoing basis?

That is the essentially the problem the vestry and congregation have to solve.