

Interim Finance Report for 2020-21

The Finance Committee has reviewed the Parish accounts for the year to 30 September 2021 and they have now been released to the auditors. Detailed accounts are available on the parish website.

The budget for the year predicted an operating loss of \$85,760, which allowed \$33,400 for parish apostolates (altar breads, sacramental programmes, Youth, and spiritual development). These costs are the bare minimum to offering a real spiritual element to the parish.

This budget was approved against a backdrop of parish funds available to cover any shortfall, but not sustainable into the future.

All other costs relate to administration, car running expenses, property costs and were in line with budget, except building repairs, which included a one-off rental R&M project at 110 Brooklands Road and is reflected in increased rental going forward. Rental budget 2022 is \$101,746 compared with \$30,369 in 2019. Rental management fees increased over the budget, due to 110 Brooklands & 24 Clinton houses being tenanted.

The overall result for the year end was a surplus of \$10,512. Parish contributions were in line with budget but \$20,000 above 2020. Unbudgeted income items or in excess of budget included:

Legacies	\$30,000
Interest	\$13,000
Grants	\$20,000
Rents	\$11,000
<u>Donations</u>	<u>\$10,000</u>
Total	\$84,000

The Finance Committee cannot stress enough the benefit of the generosity of parishioners when they remember the Church in their Wills and one-off donations, reflecting a willingness to contribute to special projects. The outcome of this result is that we have avoided using our CDF savings to balance the budget.

Capital Projects:

Over the last three years, as a result of amalgamation, seismic survey constraints and provision for R&M, the parish has undertaken a series of projects to ensure good stewardship of its assets. These include:

New presbytery for Priests'	\$1,400,000
Our Lady Help of Christians improvements	\$1,000,000
Lantern & Structural maintenance St Joseph's	\$ 800,000
Brooklands Subdivision	\$ 625,000
Plant and equipment	\$ 115,000
Buildings	\$ 48,000
Parish Centre/St Joseph's redevelopment	\$ 43,000
Okato Subdivision	\$ 52,000

It is pleasing to report that after financing the above work the parish still has residual savings of \$440,000 without borrowing. This has been possible due to a mixture of releasing funds from previously necessary assets e.g. St Paul's sale \$600k; St Philomena's insurance payout \$1.4M; surplus land at Okato \$500k, prudent harbouring of resources and the generosity of the Frank Newmarch estate.

We know we are faced with a substantial spend on St Joseph's Church roof and the proposed parish centre, but we expect to produce a surplus from the Brooklands subdivision of approximately \$1 million, topped up with use of cash reserves and/or borrowing. These two projects will be subject to careful budgeting before and commitments are made.

The diocese encourages parishes to develop a passive income streams, in view of this the parish will retain the house at 110 Brooklands Rd, which is required for access to the subdivision development land, leading to a projected passive income, combined with our other two rental properties (122 Brooklands & Clinton st), of \$101k against \$30k in 2019. There is a temptation to sell off income producing assets to reduce borrowing, but that can be to make one feel comfortable, rather than good economic sense.

Budget 2022:

An annual budget for 2022 has been considered and approved against the backdrop of funds in hand to cover any shortfall, but this is not sustainable going forward. Included in the budget is \$33,400 for parish apostolates. The Finance Committee has agreed to underwrite the LifeTeen Summer Camp, but it is hoped that parishioners might be willing to make an investment in our youth for the future of the Church. Sixteen young people have committed to attending the camp – not all have the means to cover the \$250 p/person fee.

Beyond 2022, social housing at Bell Block (currently under the stewardship of NPDC), reverts back to parish ownership (Oct 2024) and could be a source of passive income or capital (cash) reserves for the future. We will have further details early next year as to the plan for this property.

The Finance Committee looks forward to the ongoing support and generosity of parishioners to maintain their present level of giving and where possible match the effects of inflation.

Many thanks to the members of the Finance Committee for their ongoing diligence and stewardship of parish finances on behalf of all parishioners, and a special thanks to Committee member Michael Finnigan who who always brings his wealth of professional experience and expert guidance to the table.

Colin Comber

Finance Committee Chairperson

9 December 2021