Impact & Finance

UPDATE

Impact of our Projects	Our current financial challenges	Looking forward

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Introduction
From Revd Chris

There is significant angst in putting together this situational report as it calls us to examine in sharp focus our direction, the vision we feel God has given us to best reach this part of Morecambe with His love and the Gospel message.

I am reminded that difficulty, failure and death are a large part of the Gospel story - the disciples went back to fishing after Jesus was crucified, crushed and confused by His submission to death itself. And yet, death was defeated, and new life, even better than before, was born on Easter morning.

What does this mean for us?

Well, I'd be lying if I said I completely know the answer to how God is furthering His kingdom in our current situation. However, we have heard the beating of God's heart for the people left behind by poverty, mental health struggles and hopelessness, and it has meant our hearts too have begun to beat with the same rhythm. We have tried to further the renown of Jesus Christ and not just the name of Morecambe Parish Church.

We have stepped out in faith, encouraged to do so time and again in prayer and praise. Our numbers have shifted and shown signs of growth with new and renewed congregations.

Many have seen the gospel at work in local schools through the mission of the Lighthouse Club - children are being fed and developing social and personal skills; adults who otherwise couldn't are given space to find work and opportunities for self- development.

People, in the hundreds now, with empty wallets and empty fridges have found fullness in the work of the Pantry - full tummies but also full smiles as relief and community companionship have changed lives, all in the name of Jesus.

The Sanctuary, at the centre of our local community, has grown to provide literal sanctuary- a port from the many storms of people's lives. The coffee, food, warmth and welcome radiate with the all-encompassing love of God.

It's incredible what God has done here with and among us, as we have bravely tried to faithfully follow in his footsteps. God is at work here in Morecambe and at Morecambe Parish Church.

Have we got everything right so far?

No - inevitably, through stepping out like this for the first time, mistakes have been made, and it is right to reflect as we look ahead. However, in those mistakes and challenges we must continue to centre all we do on the God who called us and continues to call us to share his good news.

Do I think we're finished?

No, I honestly don't think we've come this far to see it all wiped away due to finances.

However, perhaps we need as a whole church family to listen again to God's beating heart and check that ours is in sync with His.

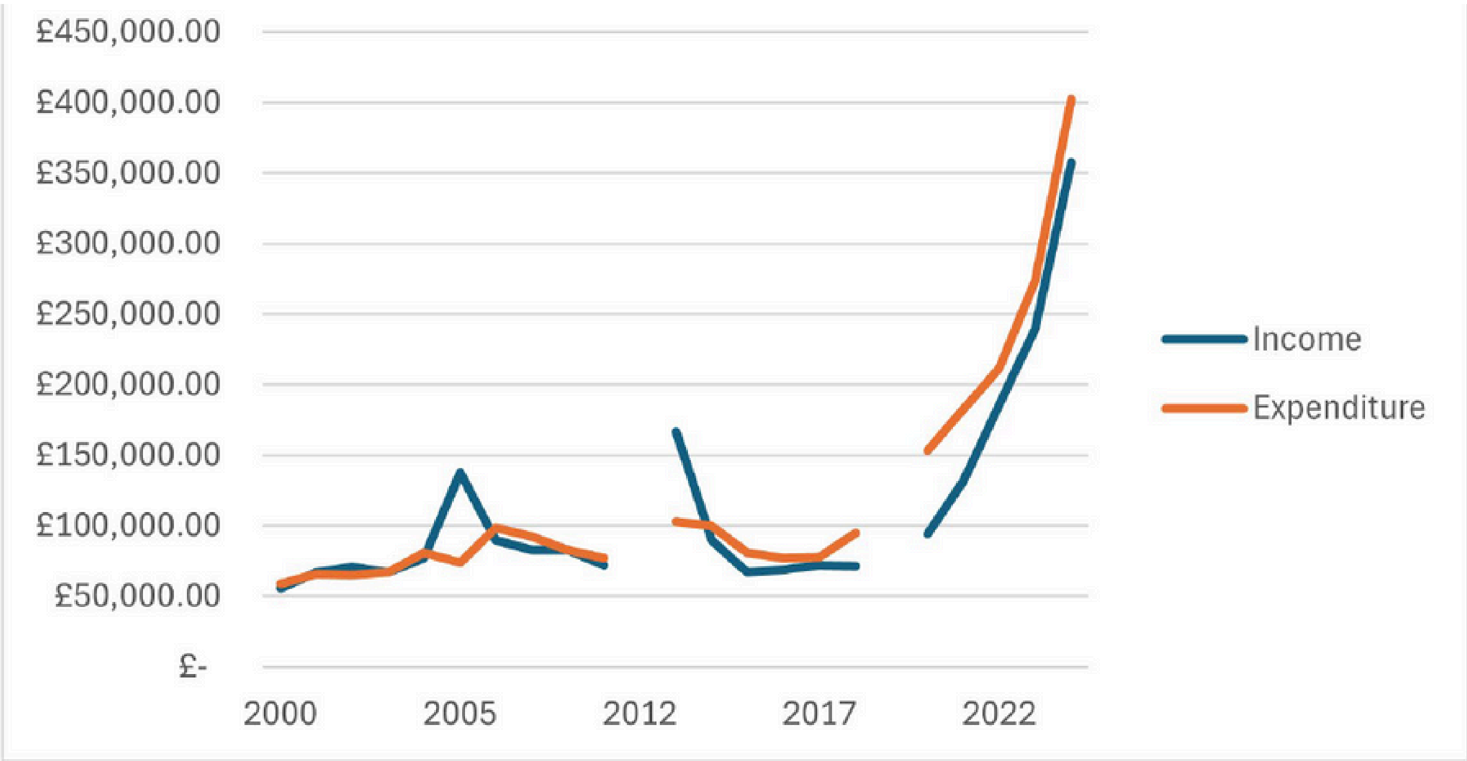
We all need to share in the struggle and share it with God in prayer. We are all being called to listen and talk with Jesus, to ask for His provision, His guidance and that He would be the centre of, and the reason for, all of our efforts.

What follows in the rest of this document is held with this in mind.

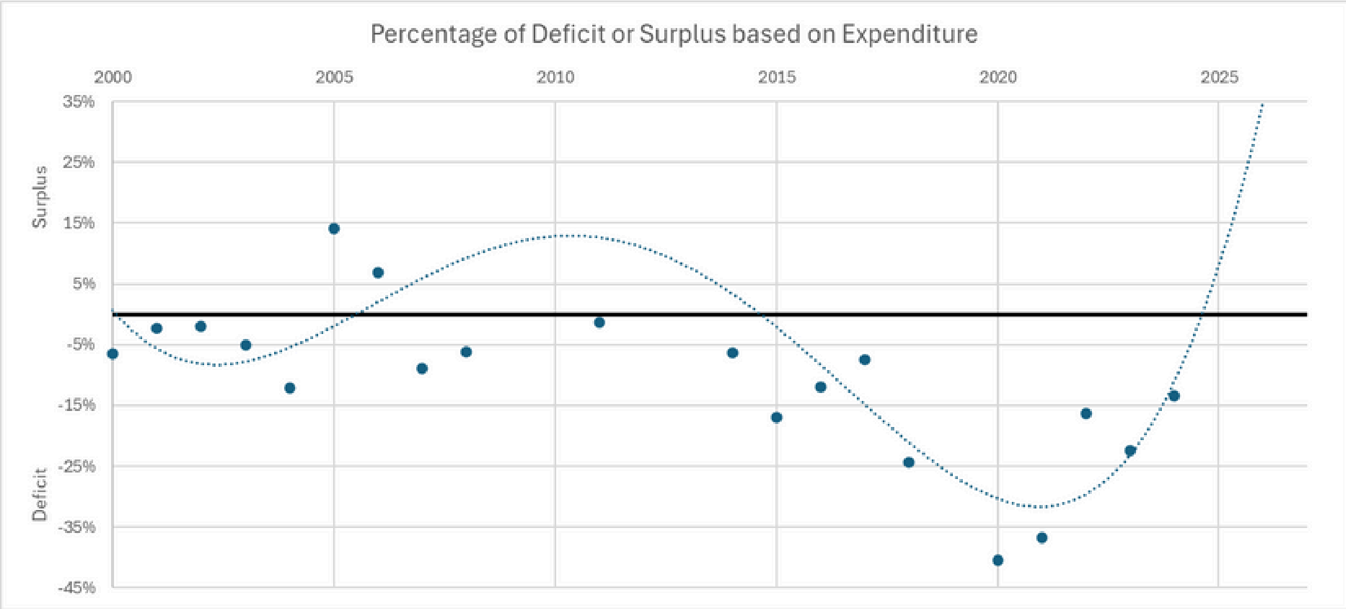
Financial News

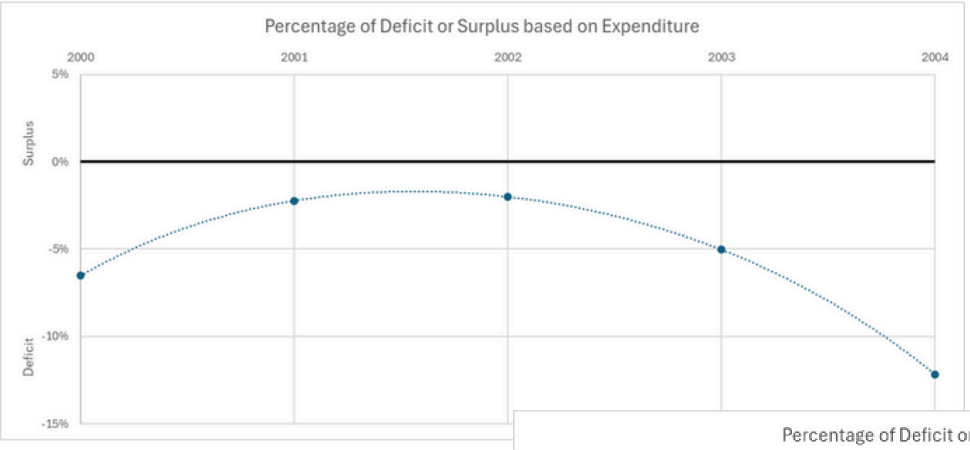
Morecambe Parish Church is struggling to meet its costs and swift action has been required to shore up our situation to avoid catastrophic financial failure. This is largely due to our outgoings for church continuing to be higher than our income. Church has been relying on The Sanctuary Cafe to pay its costs; to keep the lights on.

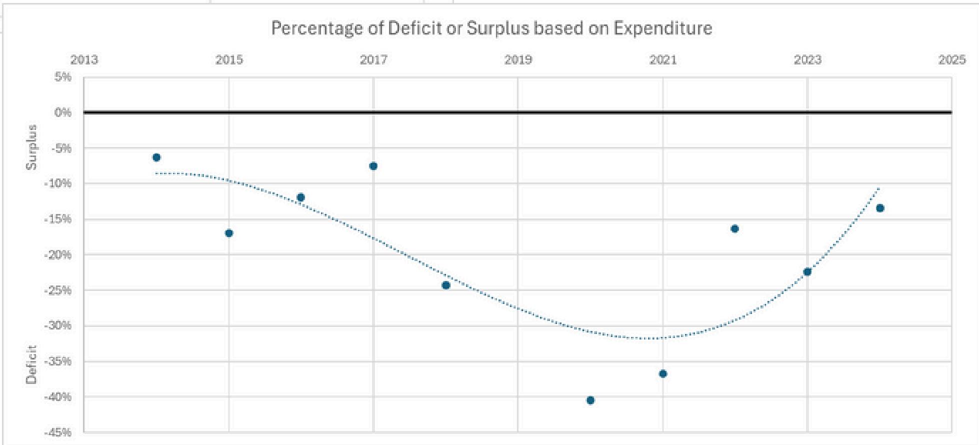
But how did we get here?



Here, we compare our income and expenditures from 2000 to 2024. The blue line shows our income, and the orange line shows our spending. In most years, our revenue and expenditure have moved in similar directions; however, since 2000, there have only been three years (2005, 2006 and 2013) with a surplus of income over expenditure, which are due to large one-off donations.





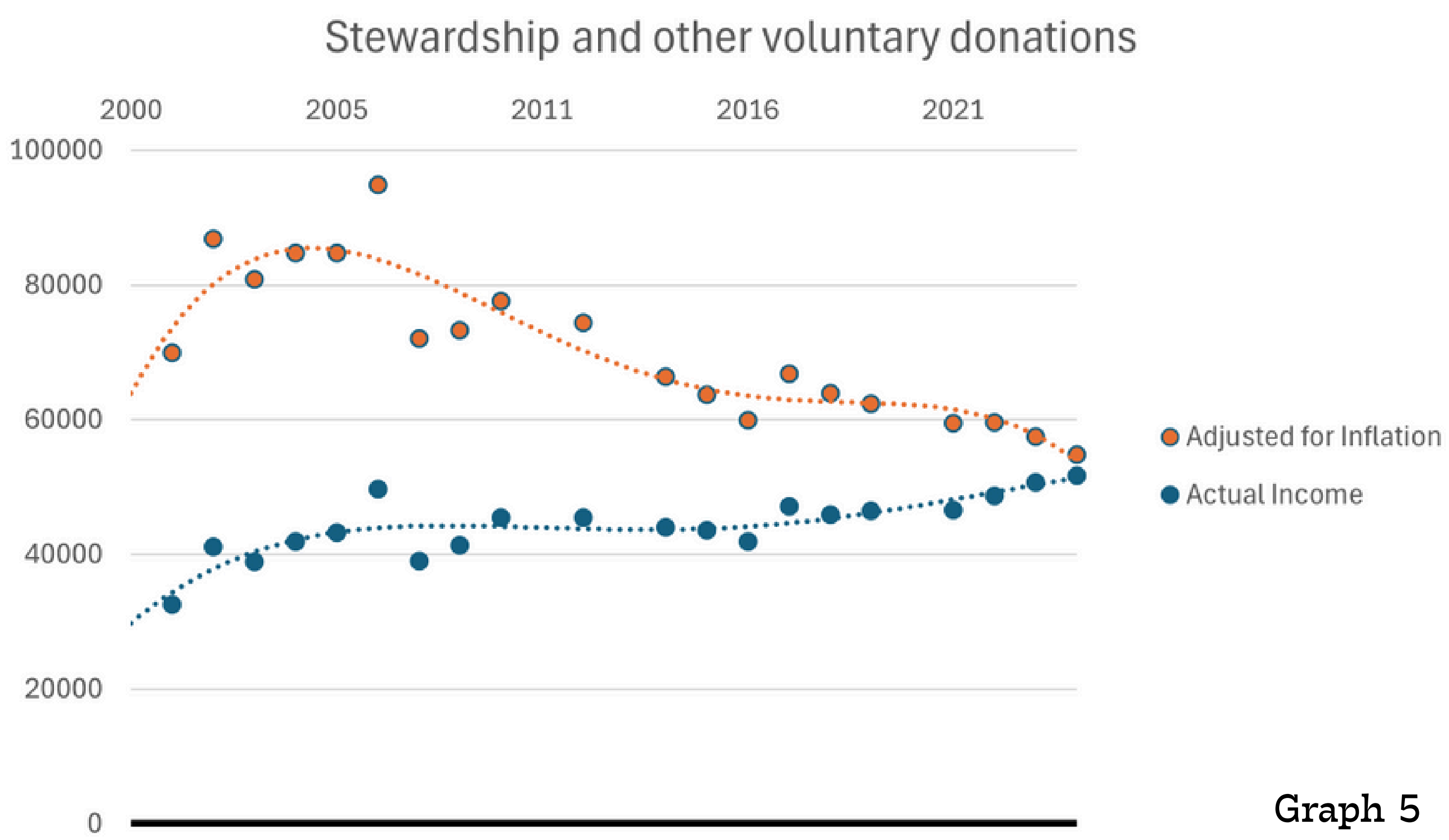


The graphs show how our spending has translated into a surplus or a deficit over the last 25 years. It's percentage-based, so we get a sense of how significant those changes were year by year. As stated above, only 3 years had a surplus in the last 25 years, and large one-off donations have skewed the trendline upwards between 2005 and 2013.

Before 2005, our deficit was an average of 6% each year and **after 2013, the deficit increased from 6% in 2014 to 24% in 2018,** without a real change in our offering to the parish.

Our largest deficit was 40% in 2020, which can be explained by COVID closures and having a planned deficit for building works.

Since 2020, we have reduced our deficit to 13% whilst increasing our outreach, mission, and congregation numbers as well as employing people from the local community and supporting our school with a wrap-around care provision.

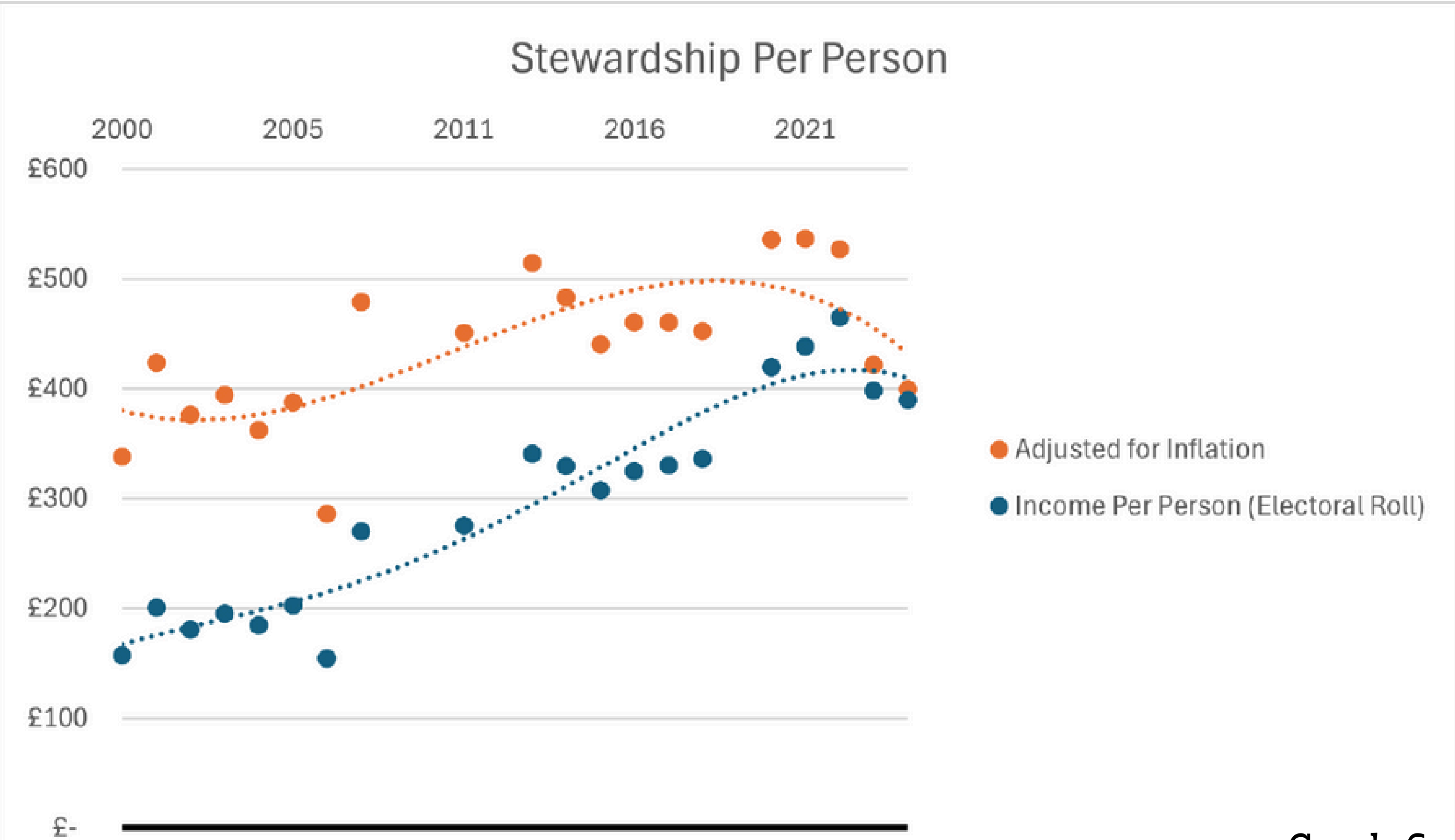


Graph 5

Graph 5 shows how our voluntary donations have changed from 2000 to 2025, both in actual income and when adjusted for inflation. The blue line is the actual income we received, and the orange line shows what that would look like in today's money.

Interestingly, while actual donations have gradually increased over time, when we adjust for inflation, the value has actually gone down. So even though we're receiving more in pounds, the real value of those donations has declined.

It's a helpful reminder that rising costs affect not just our spending but also the impact of the income we receive—something to keep in mind as we plan for future fundraising.



Graph 6

Graph 6 tracks the Average Stewardship and donations received per person on the electoral roll from 2000 to 2024, both in actual terms and adjusted for inflation. Whilst our income has only increased by an average of £10,000 since 2000, our electoral roll numbers have almost halved, from 215 to 120.

This shows that while we receive significantly less when adjusted for inflation, we donate more per person now than 25 years ago.

We've seen that while income has grown steadily over time—especially through trading and grants—the real value of donations has declined when adjusted for inflation. **This means that even though we're receiving more in actual pounds, those funds don't stretch as far as they used to.**

Our expenditure has risen significantly, particularly in staffing, building maintenance, and parish share contributions. The 'Income vs Expenditure' graph shows that while both have increased, having a deficit is not a new problem though we are now lacking the reserves that provided a buffer for this.

The year-on-year balance confirms this downward trend, showing a steady decline since the large donation in 2013 to a negative position by 2024.

It signals that we're operating beyond our means and we needed to act.

So what are we doing?

CURRENT DEBTS

At present, our church had outstanding debts of £37,000.

This includes money owed to HMRC and other local creditors. This HMRC bill is due to the way payroll was managed and it has been changed to avoid accumulating more. The PCC felt it was important to prioritise paying off local debts (around £14,000) first, before tackling the HMRC debt in instalments.

Thanks to the generosity of one of our congregation, we have been able to take a £24,000 loan at 0% interest, repayable over 5 years (£400 per month) to consolidate what we owe.

In addition, our existing cashflow loan has been extended and reduced to £25,000, with repayments of £300 per month.

With the changes detailed in this update and these payment plans we have cleared our local debt and have an arrangement with HMRC meaning our debt is consolidated and manageable.

STAFF CHANGES

To help reduce our regular outgoings, some existing roles are coming to an end, and we are creating a single new administrative role (12 hours per week).
This change will save the church nearly £3,000 per month from November 2025, while ensuring that essential admin support continues.

SPENDING SMARTER

We are also making practical changes to reduce costs. For example, we are simplifying our use of Pleo (the church's spending cards), which will cut unnecessary expenses while still supporting ministry work.
The overall aim is to grow our financial stability back, aiming for three months running costs as a surplus.

FUTURE PLANS

Looking ahead, we plan to keep staff hours stable in the Sanctuary Café and Lighthouse projects, but without taking on additional employees. To strengthen our income, small price increases will be made in both the Café and Lighthouse, and we are developing set-price catering menus as well as a van hire policy.
These steps will help cover costs and build long-term sustainability.

PARISH SHARE CONTRIBUTION

We are currently unable to make Parish Share. The PCC is looking at ways to restart contributions to our parish share from 2026. Our initial aim is to give between 5% and 10% of the full amount, with the intension of increasing this as our finances recover. This balanced approach allows us to support the wider church while safeguarding our long-term stability. Ultimately, the key issue is that we are relying on The Sanctuary income to pay the Church bills as the Church brings in £25,000 less than it needs to keep the lights on.

GOOD NEWS

Although we have come close to a financial crisis there is good news too. The support of our congregation has eased immediate pressures, and **we expect £6,000–£7,000 from the 100 Club** to help with repayments.

Overall, this financial plan gives us a realistic path towards a greater stability for the years ahead.

Now that we have eased our immediate debtors and cut some spending we are budgeted to continue to recover.

Our debt is budgeted to be halved by 2027 and we can gradually start paying Parish Share in 2026

Looking forward...

There is still plenty to do to continue to reach out into our community with the Good News of Jesus, and as our church family grows with numbers of people wanting to find their place in God's family and Kingdom we mustn't see this recent challenge as an opportunity to retreat into safe mode, but instead an example of how God has walked us through the raging waters by parting the sea.

Ways to help...

All that God is doing in our community and within our church family requires people power. People to actively offer themselves to help out with **cooking for Lighthouse Club**, **help at the Pantry** with customers and stock and help **washing up at The Sanctuary Cafe**, as well as church cleaners, service helpers...

The list of ways to help practically is seemingly endless, however we also need people of power in a different sort of way. We need **people who pray**. For what greater power is there to draw on than that of God's Holy Spirit, His mighty arm and His loving presence? We need you to pray, just ask, seek and knock for our church and community and be ready to listen to the voice of the one who calls us by name.

Bequests

A charitable Bequest is a gift of money, property or an item left in a will. This is commonly referred to as gifts in wills. Gifts in wills can be left to parish churches, cathedrals and dioceses and are exempt from inheritance tax.

Do you have a will? Have you been able to update it recently?

The church of England has a free will-writing service here:
www.churchofengland.org/faith-life/lasting-gift-your-church/writing-your-will

One-off donations

You can make one-off donations in various ways: through the collection plate, our contactless donation machine, a cheque, or your bank, with the details below.

Gift Aid Envelopes

White envelopes are available on the pews in church for guests or the congregation to make Gift-aided one-off donations. The front of the envelope has a one-off gift aid declaration if you are a UK taxpayer.

Bank Details: ***Account number: 21139776***

Sort code: 165810

Triodos Bank, Deanery Rd, Bristol, BS1 5AS

We're part of the Parish Giving Scheme (PGS), a simple and secure way that you can give to our church.

Making a gift through PGS is the easiest way of ensuring your gift comes to this parish, supporting our local ministry.

What's more, PGS does all the admin, saving time for our treasurer!

Whether making a one-off gift today, or to become a regular giver, scan this code to go to the PGS website and 'find your parish'.

SCAN ME

Thank you!

PARISH GIVING SCHEME™

Gift Form

I wish to give a regular gift for my church

☐ Please tick to confirm you have read and understood the information on pages 1 and 2, including the Frequently Asked Questions.

I wish my gift to be used solely for the benefit of:

Church / Parish name Morecambe Parish Church

PGS Parish code 030603245

In the village / town / city of Morecambe

In the ***Diocese*** *of* Blackburn

Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other ☐

First name(s):
Surname(s):
Full home address:
Postcode:
Telephone:
Email:

I wish to support my parish in the future by agreeing to an annual inflationary increase on my gift. *Please tick* **Yes** ☐

I understand that the new amount will be communicated to me by letter 30 days prior to the gift donation date. I have the right to opt out of this arrangement at any point in the future by communicating my wishes by letter, email or phone to the Parish Giving Scheme.

I wish to give ☐

Please tick one **per month** ☐ **quarter** ☐ **year** ☐

to the Parish Giving Scheme Registered Charity Number: 1156606

Starting on the 1st* of ....(month) ....(year)

**Please allow one month from today*

NB: Only you can cancel your existing Standing Order

I wish to remain anonymous to my parish's Planned Giving Representative *(please carefully read 'How will our parish be notified of my gift?' on page 2)* ☐

I wish to Gift Aid my donation *giftaid it*

Gift Aid makes every £1 worth £1.25

Please treat as Gift Aid donations all qualifying gifts of money made from the date of my first gift on this declaration and in the future. I am a UK tax payer and understand that if I pay less income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference. I understand the charity will reclaim 25p for every £1 that I give.

Signature *Title:*

Instruction to your Bank or Building Society to pay by Direct Debit

DIRECT Debit

Name and full postal address of your Bank/Building Society

To: The Manager Bank/Building Society
Address:
Postcode:

Name(s) of Account Holder(s)

Branch Sort Code

Bank / Building Society account number

Service User Number

4	2	1	4	0	2

Donor reference number (to be completed by PGS office)

P	G	S		T	H	A	N	K		Y	O	U				

Instruction to your Bank or Building Society

Please pay Parish Giving Scheme Direct Debits from the account detailed in this instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand that this instruction may remain with Parish Giving Scheme and, if so, details will be passed electronically to my Bank / Building Society.

Signature(s)
Date

Please complete this page and send it to: ***Parish Giving Scheme, 76 Kingsholm Road, Gloucester, GL1 3BD***

CUT HERE

This Guarantee should be detached and retained by the payer

The Direct Debit Guarantee

DIRECT Debit

✓ This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.

✓ If there are any changes to the amount, date or frequency of your Direct Debit PGS will notify you 10 working days in advance of your account being debited or as otherwise agreed. If you request PGS to collect a payment, confirmation of the amount and date will be given to you at the time of the request.

✓ If an error is made in the payment of your Direct Debit, by PGS or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society.

✓ If you receive a refund you are not entitled to, you must pay it back when PGS asks you to.

✓ You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.