



January 2013

Martin Bishop
Financial Secretary

Tel: 01727 818111

Fax: 01727 844469

e-mail: mbishop@stalbans.anglican.org

Dear Treasurer,

Encl (Paper version): 1 - Parish Share Statement of account to 31st December; 2 – Direct Debit Form; 3 – Standing Order Form

Items for potential or immediate action, are indicated by side lines

Parish Share Account as at 31 December 2012

This statement is either enclosed with your paper copy of this letter or will arrive under separate cover by email. Statements are not sent where the balance on the account is currently zero.

The statement takes into account all remittances received up to the 31st December. As in previous years, payments may be made for a limited period to settle any outstanding amounts for the prior year, and these will be taken into account *before* any annual shortfall is determined. The deadline for this limited period is **Friday 25th January 2013**.

Parish Share 2013 - Monthly Payment of Parish Share

Regular payment to us of parish share by either Standing Order or Direct Debit helps us in turn to meet our monthly commitments, in particular the monthly clergy stipend and pension payments.

For PCCs who have previously been paying the Parish Share by Direct Debit, you are about to receive a separate letter giving details of the planned collections for the coming year. If you would like to *start* paying parish share by Direct Debit, then please use the enclosed Direct Debit Mandate (<http://www.stalbans.anglican.org/Resources/Help-for-Parish-Officers/PCC-Treasurers/Finance-Forms>) This should be returned to the Diocesan Office in the first instance. We will then write to you to let you know when the collections will start and confirm the amounts concerned.

If, however, you would like to pay some of the Parish Share in regular monthly amounts by Standing Order instruction to your PCC's bank, then please use the enclosed Banker's Order form (<http://www.stalbans.anglican.org/Resources/Help-for-Parish-Officers/PCC-Treasurers/Finance-Forms>)

It would help us, when choosing the transaction date for your Standing Order, if you could avoid a period of 2-3 days at either end of the month. In some cases it can take up to 3 working days after the debit date on your statement for the funds to reach the DBF account. This may lead, at the year-end especially, to misunderstandings as to which accounting period a particular standing order payment was intended for.

Parish Trusts

Our next priority is to produce the annual statements of Custodian Trusts, which we expect to be able to distribute to you by the end of January.

Whilst we are not authorised to give investment advice, you may however be interested to read an *abridged* copy of a letter received from CCLA's Chief Executive about future expected returns on the Church of England *Fixed Interest* Securities Fund:

The CBF Church of England Fixed Interest Securities Fund - Reduction in income distribution to investors, proposed change in benchmark

The investment objective of the Fund is to provide investors with a high and consistent income from a portfolio of fixed interest investments. In support of this and despite an increasingly difficult environment in domestic fixed interest investment markets, the Fund has maintained the income payment to investors at an unchanged level since 2005. Conditions however have continued to be challenging and the level of income available from the UK fixed interest market has fallen very substantially. The problem has been particularly acute for UK government bonds (gilts), a key part of the Fund portfolio. In this environment, as existing high yielding fixed interest bonds have matured it has not been possible to replace the income they have provided at an acceptable level of risk. **This will unfortunately mean that there will be an inevitable and unavoidable fall in the income paid by the Fund in 2013.**

As the manager of the Fund, CCLA can limit the extent of the reduction by increasing the proportion of the portfolio invested in good quality corporate bonds, a section of the fixed interest market which provides a higher income than government securities. This rebalancing of the portfolio will not change the objective of the Fund and is not expected to have a significant effect on its characteristics or long term return expectations.

If you would like more information on the proposed changes please contact our Customer Service Team at clientservice@ccla.co.uk or by calling freephone 0800 022 3505.

Yours sincerely



Michael Quicke
Chief Executive
CCLA Investment Management Limited

Next Newsletter

The next Newsletter to Parish Treasurers will be circulated in February. This will contain information about changes that HMRC are introducing to the way in which Gift Aid claims will be processed from April 2013.