

Independent Examiner's Report to the PCC of St Mary's, Linton

This report on the accounts of the PCC for the year ended 31 December 2019, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the Regulations") and s.43 of the Charities Act 1993 ("the Act").

Respective responsibilities of the PCC and the Examiner

As members of the PCC you are responsible for the preparation of the accounts; you consider that the audit requirement of the Regulations and section 43(2) of the Act do not apply. It is my responsibility to issue this report on those accounts in accordance with the terms of the Regulations.

Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 43(7)(b) of the Act and to be found in the Church guidance, SORP 2005 edition, issued by the Finance Division of the Archbishops' Council. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements – to keep accounting records in accordance with section 41 of the Act; and – to prepare accounts which accord with the accounting records and comply with the requirements of the Act and the Regulations have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

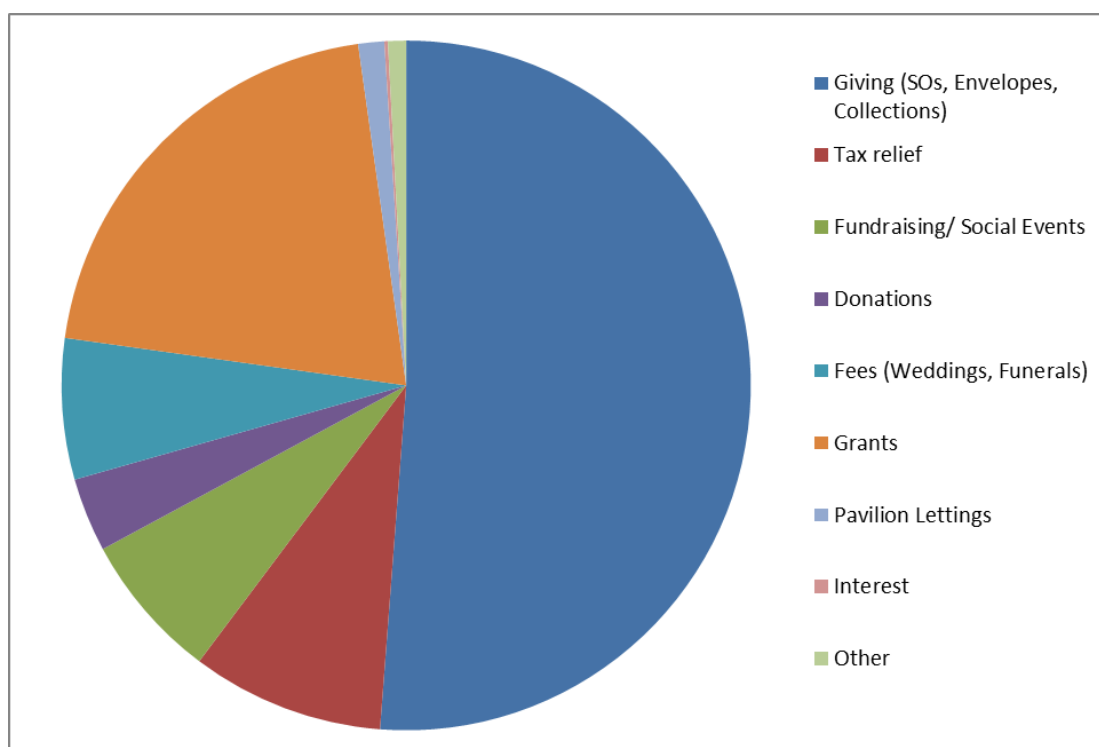
St Mary the Virgin, Linton: Financial Review 2019

Where does the money come from?

In 2019 St Mary's received a total of £114,254.76 in income, an increase of £5,570.00 (5%) when compared with 2018; however of this total, £23,499.00 came from grants from the Friends of St Mary's, the Anderson Trust, and the Parish Council and the PCC would like to express its gratitude to these organisations for their ongoing support.

The chart below shows the main sources of income and highlights the church's crucial dependence on regular giving, and the vital importance of members of the congregation completing gift aid forms wherever possible. Unfortunately during 2019 our regular giving dropped due to changes in circumstances, from those who have died or moved away and without a Stewardship officer there has not been any proactivity to increase our planned giving.

Income: £114,254.76



NOTES on Income

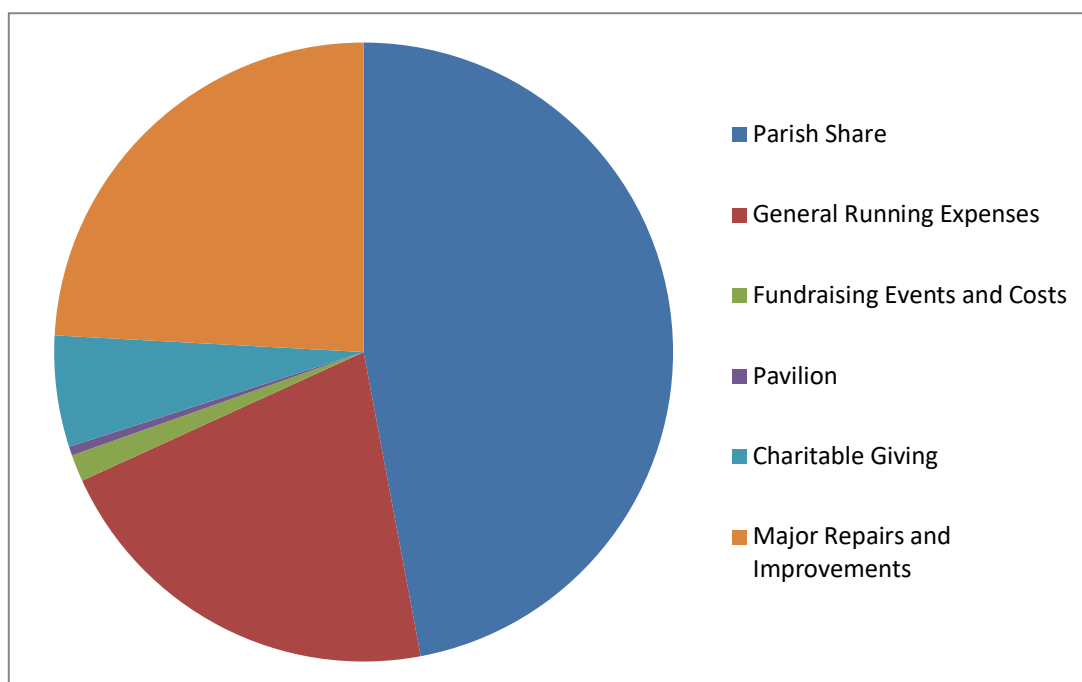
- Although the figure for fees appears high, only a proportion of income from each wedding and funeral is retained by the PCC; the rest is sent to the Diocese.

Where does the money go?

Total expenditure during the year was £134,681.05

As the chart below shows, the most significant part of expenditure goes on the Parish Share, which at £66,362.69 accounts for 62% of regular outgoings. As in previous years, the PCC (in line with virtually all other parishes in the Deanery) is committed to paying the Share in full, principally because otherwise the Diocese would not provide us with a full-time Team Rector and House for Duty Team Vicar. The amount requested by the Diocese continues to increase not only in line with inflation but also by requiring benefices to meet the full cost of their clergy as well as some of the diocesan costs and mission costs. During 2019, repairs under the Quinquennial Inspection have been carried out and we have also purchased new choir stalls and a notice board. Much of this work has been paid for by grants from the Friends of St Mary's and a grant from the Parish Council towards the notice board. Some further funds from the Friends were received in early January 2020 so are not shown in these accounts.

Expenditure: £134,681.05



In budgeting beyond the Ministry Share, the PCC continues to prioritise expenditure on:

- providing a welcoming and well-maintained space for services;
- supporting the valuable work undertaken with Linton's young people, through the Beacon Youth Trust;
- providing administrative support, to free up time for the incumbent to spend on pastoral activities;
- maintaining the Pavilion as both a meeting space and an asset;
- as a reflection of God's generous giving to us, giving back a proportion of income to those in need;
- developing initiatives related to the Mission Action Plan.

Summary

The final accounts for 2019 show a £27,629.39 deficit was incurred. This can be reduced by a tax refund of £1,816.59 and a grant of £4,103.29 both received in January and also by £7,203.10 which represents the depreciation of the Pavilion. This brings the deficit down to £14,506.41. Day to day running expenses of the Church continue to be kept to a minimum, however we do have a significant Parish share to pay and there is a responsibility to keep the Church in good repair.

Reserves Policy

In 2019, the PCC continues with a reserves policy; continuing to retain a sum of £22,500 for urgent repairs and as contingency cover. These reserves are currently held in the sterling bond fund. The designated Fabric Fund has been transferred to the General Fund as The Friends of St Mary's provide the funds for maintaining the fabric of the Church.

Financial Statements

The financial statements which follow comprise:

- A statement of Financial Activities (SOFA) for the year, showing all resources made available to the PCC and all expenditure incurred by it, and reconciling changes to funds.
- A return of Parish Finance which shows the same information but gives a breakdown of income and expenditure.
- A Balance Sheet showing assets, liabilities and funds.

Accounting Policies

These accounts have been prepared under the Church Accounting Regulations 2006 and in accordance with the Charities SORP (2005) and applicable standards. The PCC is registered with the Charity Commission under the name of The Parochial Church Council of the Ecclesiastical Parish of St Mary the Virgin, Linton, Diocese of Ely, charity registration number 1138508.

St Mary's Linton
Statement of Financial Activities

For the period from 01 January 2019 to 31 December 2019

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
Incoming resources					
Incoming resources from generated funds					
Voluntary income	95,144	1,152	—	96,296	84,442
Activities for generating funds	7,854	6	—	7,860	13,423
Investment income	180	6	—	187	118
Incoming resources from charitable activities	8,777	164	—	8,941	10,700
Other incoming resources	—	968	—	968	—
Total incoming resources	111,956	2,298	—	114,254	108,683
Resources used					
Cost of generating funds	1,296	—	—	1,296	1,153
Cost of generating voluntary income	—	—	—	—	—
Fundraising trading cost of goods sold and other costs	577	10	—	587	1,451
Charitable activities	139,539	460	—	140,000	106,536
Governance costs	—	—	—	—	—
Total resources used	141,413	470	—	141,884	109,141
Net incoming / outgoing resources before transfer	(29,456)	1,827	—	(27,629)	(457)
Transfers					
Gross transfers between funds - in	3,566	876	—	4,442	—
Gross transfers between funds - out	(183)	(4,259)	—	(4,442)	—
Net incoming / outgoing before other gains / losses	(26,073)	(1,555)	—	(27,629)	(457)
Other recognised gains / losses					
Gains / losses on investment assets	3,792	—	—	3,792	(911)
Gains on revaluation, fixed assets, charity's own use	—	—	—	—	—
Net movement in funds	(22,281)	(1,555)	—	(23,837)	(1,369)
Reconciliation of funds					
Total funds brought forward	100,489	5,169	—	105,658	107,028
Total funds carried forward	78,207	3,613	—	81,821	105,658

St Mary's Linton**Return of Parish Finance for year ending 31 December 2019**

Incoming Resources	2019	2018
Voluntary Income		
Tax efficient planned giving		
Gift Aid - Bank	42,407.64	45,513.60
Gift Aid - Envelopes	5,480.80	5,968.10
Total tax efficient planned giving	47,888.44	51,481.70
Other planned giving	2,854.00	2,458.50
Loose plate collections	7,769.67	5,555.12
Regular Gift Days	0.00	0.00
Giving through church boxes	485.23	441.88
One off Gift Aid gifts	2,057.91	2,879.02
Donations, appeals, etc (note 1)	415.00	1,283.93
Tax recovered through Gift Aid (note 2)	10,327.23	16,574.86
Legacies	1,000.00	
Non-recurring one off grants (note 3)	23,499.22	3,767.20
Total for voluntary income	96,296.70	84,442.21
Activities for Generating Funds		
Other funds generated (note 4)	1,310.17	3,372.62
Summer Event	4,509.02	5,778.03
Christmas Event	650.03	1,112.01
Social Events (note 5)	1,391.65	3,160.36
Total for Activities for Generating Funds	7,860.87	13,423.02
Bank and building society interest	187.28	118.47
Church Activities		
Fees for weddings and funerals	7,549.00	9,266.00
Pavilion lettings	1,392.25	1,434.00
Total for Church Activities	8,941.25	10,700.00
Other Incoming Resources		
Choir funds	968.66	
Total for Incoming Resources	114,254.76	108,683.70

	2019	2018
Resources Expended		
Costs of Generating Funds		
Summer Event Costs	1,296.36	679.29
Christmas Event Costs	0.00	474.05
Costs of Social Events (note 6)	587.45	1,451.70
Total for costs of Generating Funds	1,883.81	2,605.04
All Mission Giving and Charitable Grants & Donations (note 7)		
Giving to missionary societies	1,190.00	776.22
Secular Charities	1,675.45	1,383.55
Home mission	4,958.25	5,758.05
Total for All Mission Giving etc	7,823.70	7,917.82
Church Activities		
Parish Share	63,362.69	60,292.26
Salaries (note 8)	6,790.96	6,995.96
Expenses (clergy, pastoral staff, etc)		
Working expenses of Incumbent	480.00	820.01
Rector's telephone	123.60	224.40
Education	1,475.25	1,358.01
Total for Expenses	2,078.85	2,402.42
Parish Training and mission	117.59	98.12
Regular Church running expenses (insurance, cleaning, admin)		
Church running - insurance	3,674.65	3,573.11
Organ / piano tuning	235.00	241.20
Church maintenance	3,770.47	4,245.25
Upkeep of services (note 9)	6,442.88	6,390.59
Upkeep of churchyard (note 10)	128.20	108.90
Administration	2,701.23	1,910.47
Flowers (note 11)	132.08	67.62
Total for Regular Church running expenses	17,084.51	16,537.14
Church utility bills (gas, electricity, water)		
Church running - electric	534.35	760.90
Church running - gas	1,829.67	2,737.90
Church running - water	26.58	26.05
Total for Church utility bills	2,390.60	3,524.85

	2019	2018
Costs of trading Pavilion		
Pavilion running - electricity	550.39	484.63
Pavilion running - maintenance	53.99	541.88
Pavilion running - water	28.26	37.90
Total for Costs of trading	632.64	1,064.41
Total for Church Activities	92,457.84	90,915.16
Total for Resources Expended	102,165.35	101,438.02
 Major Capital Expenditure	 2019	 2018
Church major repairs	32,515.70	0.00
Pavilion Depreciation	7,203.10	7,703.10
Total for Major Capital Expenditure	39,718.80	7,703.10
Total Expenditure	141,884.15	109,141.12
 Total Income	 114,254.76	 108,578.70
Resources Expended	134,681.05	101,438.02
Depreciation	7,203.10	7,703.10
Total Expenditure	141,884.15	109,141.12
Balance	-27,629.39	-457.42

St Mary's Linton

Balance sheet (Summary)

As of: 31 December 2019

	2019 £	2018 £
Fixed assets		
Pavilion (note 12)	500	7,703
Investments (note 13)	49,656	45,864
	<u>50,156</u>	<u>53,567</u>
Current assets		
Cash at bank and in hand	31,665	52,091
	<u>31,665</u>	<u>52,091</u>
Net current assets less current liabilities	<u>31,665</u>	<u>52,091</u>
Total assets less current liabilities	<u>81,821</u>	<u>105,658</u>
Total net assets less liabilities	<u>81,821</u>	<u>105,658</u>
Represented by		
Unrestricted		
Unrestricted - General fund	44,485	59,563
Designated		
Designated - Contingency	22,500	22,500
Designated - Mission Action Plan	10,722	10,722
Designated - Pavilion (note 12)	500	7,703
Restricted		
Restricted - Anderson Trust	628	253
Restricted - Bells	1,411	1,406
Restricted - Churchyard (note 14)	(41)	66
Restricted - Music (note 15)	1,615	561
Restricted - Sound System	0	2,881
Funds of the church	<u>81,821</u>	<u>105,658</u>

Notes to Financial Statements

Return of Parish Finance

1. Donations include £390 specifically for Christian Aid and £20 from the Guild of Vergers.
2. There is still £1800 tax awaited from the diocese in respect of a claim submitted in October 2019 (received January 2020).
3. Grants received this year are £1,100 from the Anderson Trust, £500 from the Parish Council towards the new notice board, £21,899.22 from the Friends of St Mary's who financed the new choir stalls and works identified by the Quinquennial Inspection that we have undertaken.
4. The income from other funds generated includes £57.48 from 'Give as you Live', £148 from the mini market, £45.82 from the Fair Trade Stall, £253 from Sale of Calendars and £93.00 from Ride and Stride.
5. Social events include refreshments after services as well events organised by the Events Committee such as New Year's Eve, Jancis Harvey Evening, and Great Yarmouth trip.
6. This largely relates to the cost of hiring the Coach to Great Yarmouth and the cost of the Village Hall for Remembrance Sunday afternoon refreshments.
7. Charitable giving this year includes £390 to Christian Aid from the Lent Appeal, £668.81 from the 2018 Carol service to Cambridge Churches Homeless Project, £376.83 from the Remembrance Service to the Royal British Legion, £500 to USPG, £500 to Haverhill Foodbank, £300 to Youthinc and £86.81 from the Christingle service Collection. In Addition £4,958.25 has been given to support the work of the Beacon Youth Trust.
8. Salaries relates to payments made to our organists and parish administrator.
9. Upkeep of services includes fees paid to Ely and Non Stipendiary priests for taking weddings and funerals. In 2019 this was £3,960.67. This means the cost of running our services in Church is £2,432.21 (2018: £2,288.24).
10. Upkeep of Churchyard is from money held for the Monday Gang.
11. Once again, the cost of the flowers has also been covered by separate collections at the end of some services and the generosity of the flower arrangers.

Balance Sheet

12. Pavilion at cost £77,031. This has been depreciated over the last 10 years and is now being shown at a nominal £500.
13. Investments £49,656 is the value of the Sterling Bond Fund held at Barclays. Over the past year this has shown a growth of 9%.
14. The Churchyard fund shows a negative figure as more has been spent on the Churchyard than the remaining funds held.
15. The Music restrictive fund has increased due to the closure of a dormant account held by the choir.