

# **PAROCHIAL CHURCH COUNCIL OF ST MARY'S PAINSWICK**

## **Annual Accounts 2019**

Financial statements for the calendar year 2019 are provided with this report in the form of : -

- A Statement of Financial Activity (SOFA)
- A Balance Sheet
- An Independent Examiners report; and
- Notes to the financial statements.

### **1. Overview.**

Income generated for in the year was £124,347 (2018 £134,415). The decrease is largely due to the lower amounts received from collections and donations and a small reduction in the parochial fees income.

The total expenditure for 2019 was £147,898 (2018 £164,310). Therefore the net outgoing was a loss of £23,551 (2018 net loss of £29,895).

Our investment gains, however, were £100,758 (2018 loss of £24,177).

Therefore the overall balance carried forward at 31 December 2019 was £791,936 being an increase of £77,207 over the year.

**2. Current account.** The balance held in the account at the start of the year was £71,838 but was reduced to £50,338 at 31 December 2019 (see Row A of Note 10, Table 10B). This is mainly due to the reduction in collections and donations as mentioned above.

**3. Charitable donations.** The PCC donated a total of £10,973 to charities in 2019 (see Note 7 to the statement for details). As a percentage of total income this represents 8.8% of our income whereas the PCC policy has been to give around 10% of income.

**4. Parish Share.** The PCC paid £62,101 in Parish Share to the Gloucester Diocese in 2019. This is our biggest item of expenditure and went towards the costs of providing ministry in the Beacon Benefice.

The PCC agreed at its November 2019 meeting to pay the slightly reduced amount of £61,200 requested by the Diocese for the Parish Share in 2020.

**5. Risks.** The PCC is not aware of any significant risks against which it is not reasonably protected by its insurance policies and its adherence to Health and Safety legislation.

**6. Thanks.** The PCC are most grateful to all who encourage, enable and equip the church in ministry, mission, and in the day to day running of St Mary's Church, the Churchyard, the Church Rooms and the Lychgate Office.

# Statement of Financial Activities for the year ended 31 December 2019

	Notes	Unrestricted fund	Designated fund	Restricted fund	2019	2018
Incoming resources		£	£	£	£	£
Voluntary income:						
Planned giving		38,899	0	0	38,899	40,411
Collections, donations & other giving		17,354	0	0	17,354	29,200
Income tax recovered		11,942	0	0	11,942	13,629
Legacies		2,002	0	0	2,002	0
Activities for generating funds						
Magazine/Bookstall sales/Hall Lettings etc		7,609	0	0	7,609	6,389
Income from other Properties		1,231	0	0	1,231	1,020
Investment income:						
Interest & dividends	6	24,234	0	0	24,234	23,600
Income from charitable activities:						
Parochial fees	4	12,541	0	0	12,541	14,341
Other incoming resources:						
Insurance claims		0	0	0	0	577
Other		8,535	0	0	8,535	5,248
<b>Total incoming resources</b>		<b>124,347</b>	<b>0</b>	<b>0</b>	<b>124,347</b>	<b>134,415</b>
Resources expended						
Charitable activities:						
Donations/Grants to charities	7	(10,973)	0	0	(10,973)	(11,509)
Mission & Evangelism		(6,780)	0	0	(6,780)	(6,655)
Parish Share		(62,101)	0	0	(62,101)	(62,901)
Clergy expenses		(1,018)	0	0	(1,018)	(1,112)
Church running expenses		(28,356)	0	0	(28,356)	(37,736)
Churchyard maintenance		(7,948)	0	0	(7,948)	(6,187)
Cost of raising funds		(3,600)	0	0	(3,600)	(175)
Running costs:						
Support costs		(5,681)	0	0	(5,681)	(2,958)
Administration costs (incl. staff costs)		(9,434)	0	0	(9,434)	(9,302)
Other		(7,354)	0	0	(7,354)	(6,599)
Governance costs		(756)	0	0	(756)	(720)
Repairs to church buildings		(2,961)	0	(936)	(3,897)	(18,456)
<b>Total resources expended</b>		<b>(146,962)</b>	<b>0</b>	<b>(936)</b>	<b>(147,898)</b>	<b>(164,310)</b>
Net (outgoing)/ incoming resources		<b>(22,615)</b>	<b>0</b>	<b>(936)</b>	<b>(23,551)</b>	<b>(29,895)</b>
Transfers between funds		0	0	0	0	0
Net incoming/(outgoing) resources before gains		(22,615)	0	(936)	(23,551)	(29,895)
Gains (Losses) on investment assets			100,758	0	100,758	(24,177)
<b>Net movement in funds</b>		<b>(22,615)</b>	<b>100,758</b>	<b>(936)</b>	<b>77,207</b>	<b>(54,072)</b>
Funds bought forward at 1 Jan 2019		93,483	618,007	3,239	714,729	768,801
Funds carried forward at 31 Dec 2019		<b>70,868</b>	<b>718,765</b>	<b>2,303</b>	<b>791,936</b>	<b>714,729</b>

**Parochial Church Council of St. Mary's Painswick**

Registered Charity No. : 1135419

**Balance Sheet as at 31 December 2019**

	Notes	General funds £	Restricted funds £	Designated income funds £	2019 total £	2018 total £
Fixed Assets						
Tangible Assets (A)		0	0	0	0	
Investments (B)	10	0	0	718,765	718,765	618,007
Total fixed assets (A+B)		0	0	718,765	718,765	618,007
Current Assets						
Stock (C)	9	492	0	0	492	1,613
Debtors (D)		1,060	0	0	1,060	2,158
Cash at bank & in hand (E)		69,741	2,303	0	72,044	94,479
Total current assets (C+D+E)		71,293	2,303	0	73,596	98,250
Current liabilities						
Creditors (due within 1 yr) (F)		425	0	0	425	1,528
Net current assets (C+D+E-F)		70,868	2,303	0	73,171	96,722
Total assets less current liabilities (A+B+C+D+E-F)		70,868	2,303	718,765	791,936	714,729
<b>NET ASSETS</b>		<b>70,868</b>	<b>2,303</b>	<b>718,765</b>	<b>791,936</b>	<b>714,729</b>

These statements were signed on behalf of Painswick PCC by :

..... PCC Treasurer 2019

M. A. Radway Churchwarden / Vicar

The Notes form part of these financial statements

Independent Examiner's Report to the Trustees of  
St Mary's Painswick

I report to the charity trustees on my examination of the accounts of the church for the year ended 31 December 2019.

**Responsibilities and basis of report**

As the trustees of the Church, you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2011 ('the Act').

Having satisfied myself that the accounts of the Church are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Louise Newman & Co Ltd  
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Date: 19th March 2020

# Parochial Church Council of St Mary's Painswick

*Registered Charity no. 1135419*

## Notes to the Financial Statements for the Year Ended 31 December 2019

### **1. ACCOUNTING POLICIES**

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

#### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the Church is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### **Resources expended**

Expenditure is accounted for on a receipts & payments basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Property assets**

The PCC, in conjunction with the Gloucester Diocesan Trust, has effective ownership of three properties; the Church Rooms, the Lychgate Office and the Grave Diggers Hut. In principle, the values of these properties should be included in these accounts. There is no current intention of selling any of these properties and any such sale would require a lot of consultation. Furthermore, assigning a value to these unique properties is very difficult and would depend on conditions at the time of any sale. Thus property assets are not included in the balance sheet.

#### **Stock**

Stock is valued at cost. (see Note 9).

#### **Taxation**

The Church is exempt from corporation tax on its charitable activities. The PCC has paid PAYE / income tax on behalf of its two part-time employees.

#### **Fund accounting**

See Note 3 below

### **2. CASHBOOK.**

Financial transactions of the PCC are recorded using the Gloucester Diocesan Board of Finance (DBF) supplied spreadsheet system called Cashbook v5.2. This allows semi-automated production of accounts not only for Painswick APCM but for DBF, Church of England and Charity Commission purposes as well. The finances of the St. Mary's Flower Guild and the Ancient Society of Painswick Youths (ASPY, the bell ringers) are not incorporated in these accounts. They have both had their own accounts for many years and are largely self-sufficient. The PCC does pay the Flower Guild for church flowers at Christmas, Easter and Harvest/Clypping. Wedding bell ringing fees are initially paid to the PCC and are then forwarded to ASPY.

### 3. **UNRESTRICTED, DESIGNATED AND RESTRICTED FUNDS.**

The Church of England defines three types of fund for PCC purposes :

- **Unrestricted** – funds that can be used for any legitimate purpose of the PCC
- **Restricted** – funds that have been raised for a specific purpose and are kept separate or which have been donated for specified projects or uses. The only restricted fund for Painswick is the Re-ordering fund and that has a bank account separate from other funds
- **Designated** - funds which the PCC has put aside for specific purposes (but if circumstances change the PCC can decide to un-designate or re-designate).

Our Designated funds are our investments totaling over £600,000. These funds were given to Painswick Church in the past for use by the PCC. Our predecessors chose to use them for income but there is no paperwork with the PCC Treasurer or DBF restricting their use as such. Thus, these are classified as Designated rather than Restricted funds. In principle, it would be possible to use some of these funds for major projects. Clearly that would require careful thought and it would be wise to find ways of replacing the lost investment income that would result.

A list of our accounts and their classification is given in Table 10B of Note 10.

### 4. **PAROCHIAL FEES**

The figure of £12,541 quoted in the SOFA (Note 4) as the PCC income from parochial fees is the gross income to the PCC (i.e. £5,621 PCC statutory fees plus £6,920 non-statutory extras).

The actual net income to the PCC was £7,131 after deducting £5,410 from the £12,541 for payments for the organist, bell ringers, choir and flower guild.

### 5. **CHURCH ROOMS**

Income from hire of Church Rooms, and contributions from the Tourist Office for electricity use, in 2019 amounted to £8,374. Expenditure (including gas, electricity, insurance and cleaning costs) was £7,685 (this is mainly included in Church Running Expenses in the SOFA). There was thus a gain of £689 in the year. The surplus amount brought forward from 2018 was £1,066 and therefore the total at the end of 2019 is £1,755.

The largest expenditure during the year was on the balance for the exterior decorating which amounted to £1,100.

## 6. INCOME FROM INVESTMENTS

The total investment income in 2019 was £23,955 (£23,600 in 2018). This is 3.3% of our overall closing balance (£718,765). Income details for individual accounts is given in the table below.

Acct	Account Name/Description	Closing Balance 31-12-19(£)	Dividend & interest income (£)	% Return on investment
	<u>Cash accounts (All are “unrestricted” funds except reordering which is “restricted”)</u>			
A	Barclays current	50,338	137	0.3
B	Barclays reordering	2,303	0	0.0
C	Office cash account	8	0	0.0
D	CBF deposit account	5,999	44	0.7
E	CBF deposit account – tombstone	12,890	94	0.7
F	CBF deposit account - tower fund 1	506	4	0.8
	<b>Totals, for cash accounts</b>	72,044	279	0.4
	<u>Investment accounts (All are “designated income” funds)</u>			
G	CBF 1994 fund	29,482	857	2.9
H	M & G 1994 fund	46,732	2,335	5.0
I	M & G PCC of Painswick	56,463	2,822	5.0
	CBF - investment accounts			
J	Lychgate funds	93,334	2,713	2.9
K	Goddard bequest	372,992	10,842	2.9
L	Platt bequest	39,067	1,135	2.9
	CBF - fixed interest accounts			
M	Lychgate funds	17,921	722	4.0
N	Goddard bequest	62,774	2,529	4.0
	<b>Totals for investment accounts</b>	718,765	23,955	3.3

## 7. CHARITABLE GIVING (PSALMS is included in Mission & Evangelism in the SOFA)

	2019	2018
	£	£
To PSALMS	6,350	6,151
To Other Charities*	10,973	11,509
<b>Total Giving</b>	17,323	17,660
Notes * Other charities were The Children’s Society, Building Circles, The Door, Tear Fund, Garas, Amy Elgar Trust, Medecins Sans Frontieres, Unicef, and RBL Poppy Appeal.		

## 8. BENEFICE OFFICE COSTS

The costs of running the Lychgate Office on behalf of the six churches of the Beacon Benefice are initially borne by Painswick PCC but were charged out to the other PCCs as per the following percentages:

Cranham	Edge	Harescombe	Painswick	Pitchcombe	Sheepscombe	Total
12.0%	4.65%	5.1%	57.7%	5.55%	15.0%	100%

Accounts are sent quarterly to the other parishes and have all been paid promptly. Net office running costs in 2019 were as follows:

	£	Painswick	Other Parishes
Q1 2019	3,368	1,943	1,425
Q2 2019	2,881	1,662	1,219
Q3 2019	1,944	1,121	823
Q4 2019	2,506	1,446	1,060
<b>Total</b>	<b>10,699</b>	<b>6,172</b>	<b>4,527</b>

Office costs include salaries for Mrs Lydia Savage and Rev Andrew Leach, office electricity, copier rental, phone and broadband, website maintenance, stationery and stamps. The net cost to Painswick PCC for the Lychgate Office is thus 57.7% of £10,699 or £6,172. The income from other parishes is included in Other Incoming Resources.

## 9. STOCK

Stock is the postcards, church guides, leaflets and notelets that are available for purchase from the bookstall. The values below are the purchase values of the stock. The retail value (i.e. anticipated income if all purchasers paid the ticketed price) to the PCC through money in the donation boxes is a factor of 2 or 3 higher.

	£
Stock value 31/12/2018	1,613
Stock additions during year	0
Estimated sales during year (based on a stock take in early Jan 2020)	(1,121)
Stock value 31/12/2019	492



## 10. STATEMENT OF FUNDS

**Table 10 A - by fund classification**

	Brought Forward from 2018	Incoming Resources	Resources Expended	Transfers In (out)	Depreciation Fixed Assets & Stock	Capital Gains / (Losses)	Carried Forward to 2020
	£	£	£	£	£	£	£
<b>TOTAL UNRESTRICTED FUNDS</b>	93,483	124,347	146,962	0	0	0	70,868
<b>TOTAL DESIGNATED INCOME FUNDS</b>	618,007	0	0	0	0	100,758	718,765
<b>TOTAL RESTRICTED FUNDS</b>	3,239	0	936	0	0	0	2,303
<b>TOTAL - ALL FUNDS</b>	<b>714,729</b>	<b>124,347</b>	<b>147,898</b>	<b>0</b>	<b>0</b>	<b>100,758</b>	<b>791,936</b>

Notes :

- This table has been structured as per the revised classification of funds as adopted by the PCC in 2016
- For the purposes of fund valuation at end of 2019 the mid-market share price values have been used. A more detailed breakdown of our funds giving capital gain is provided in Table 10B - below. Note 6 gives the investment income from our designated income funds

**TABLE 10B – by individual account**

Acct	Account Name/Description	Fund classification	Opening ACTUAL Balance	Transactions In	Transactions Out	Capital gains on investments	Closing ACTUAL Balance
			<i>01-Jan-19</i>	<i>during 2019</i>	<i>during 2019</i>	<i>during 2019</i>	<i>31-12-19</i>
			£	£	£	£	£
A	Barclays current (Cash)	Unrestricted	71,838	131,433	152,933	0	50,338
B	Barclays reordering (Cash)	Restricted	3,239	0	936	0	2,303
C	Office petty cash (Cash)	Unrestricted	7	1	0	0	8
D	General (Cash)	<i>Ditto</i>	5,999	0	0	0	5,999
E	Tombstone (Cash)	<i>Ditto</i>	12,890	0	0	0	12,890
F	Tower fund 1 (Cash)	<i>Ditto</i>	506	0	0	0	506
G	CBF 1994 fund (Inv)	Designated – Endowment	24,836	0	0	4,646	29,482
H	M & G 1994 fund (Inv)	<i>Ditto</i>	40,072	0	0	6,660	46,732
I	M & G PCC of Painswick (Inv)	<i>Ditto</i>	48,417	0	0	8,046	56,463
J	Lychgate funds (Inv)	<i>Ditto</i>	78,627	0	0	14,707	93,334
K	Goddard bequest (Inv)	<i>Ditto</i>	314,218	0	0	58,775	372,993
L	Platt bequest (Inv)	<i>Ditto</i>	32,911	0	0	6,156	39,067
M	Lychgate funds (Inv)	<i>Ditto</i>	17,528	0	0	393	17,921
N	Goddard bequest (Inv)	<i>Ditto</i>	61,398	0	0	1,375	62,773
O	Stock (Cash)	Unrestricted	1,613	0	1,121	0	492
P	Creditors (Cash)	<i>Ditto</i>	(1,528)	1,528	425	0	(425)
Q	Debtors (Cash)	<i>Ditto</i>	2,158	1,060	2,158	0	1,060
<b>TOTALS</b>			714,729	134,022	(157,573)	100,758	791,936