

## Parochial Church Council of St. John's, Churt

### Treasurer's Report

#### For the Year Ending 31st December 2020

##### **1. General Fund**

The year ended with the fund showing a surplus for the year's activities of £19.5k, and a closing balance of £58.5. Given the circumstances caused by the Coronavirus pandemic, this is a fabulous result financially.

Overall, total **income** excluding legacies [but including gift aid] was down on 2019 by £14.4k, due to lower regular giving/HMRC rebate of £7.8k [we lost 2 sizeable regular donors in the first quarter of the year with annualised income of £5.8k], casual giving/collections of £4.7k, lower Parish magazine sales of £2.7k, offset by extraordinary income of £2.0k [a donation to a Covid-19 face mask appeal organised by the Bicknell family]. We did also gain one additional regular donor at the beginning of 2020, thus annualised regular income at December 2020 was £5.2k lower than at December 2019. This meant the deficit between regular income and regular expenses had increased to c. £15k.

However, we received a very generous legacy payment of £4.5k which offset some of the lost income.

Fees to the PCC for wedding and funeral services etc were slightly down on 2019 by £0.4k.

The Parish Magazine income was £2.7k down on 2019 at £4.2k, though costs were £0.5k down at £2.8k, producing a net income of £1.4k, £2.1k lower than in 2019 - this is due mainly to the decision to give advertisers a payment holiday' during the pandemic period.

Total **expenditure** was down on 2019 by £27.5k.

Within this, the main areas of decreased spend were Vicarage Rent £4.5k, Parish Share £23.1k, Upkeep of Services £1.3k. The first 2 were due to the unfortunate departure in February of our Resident Minister, Clare Challis, where we have not paid any rent or minister costs since then. The latter was due to the closure of the church during the pandemic. There were also savings in other areas such as Upkeep of the churchyard and Stables.

At the year end, payments totalling £5.3k to charitable organisations have been accrued, the same level as for 2019.

There is a new lease agreement on the photocopier at £210 per quarter plus servicing/copy charges. The new lease cost and indeed service/copy charges represent a considerable annual saving [£1.1k for the lease alone], with title to the machine passing to the PCC at the end of the 5 year lease term.

There are no other long term financial commitments.

##### **2. Restricted Funds**

The total year end balance on Restricted funds stood at £68.5k, a net reduction of £7.4k in the year.

A total of £9.6k was spent from the **Fabric** fund, the main area of spend being £3.0k on roof repairs [though we received £2.2k insurance rebate], £3.4k on coping replacement in the Vestry, £0.6k PAT electrical testing and £1.5k fencing repairs between the vicarage and churchyard. Other expenses include garden maintenance and a portion of heating bills.

The **Friends** of St John's fund raising activities were unfortunately quashed by the pandemic, thus there was no income or indeed expenses of any sort during the year.

There was no activity from the **Growth** fund.

##### **3. Designated Funds**

The Projects Fund year end balance stood at £12.9k, a decrease of £1.3k over the opening balance, due to replacement of the pc and IT accessories for the Admin office.

The balance on the Children & Youth Fund was down by £44 [bible study folders].

The balance on the Toddler Fund was up by £0.4k [sundry cash donations received].

##### **4. Reserves Policy**

It is PCC policy to maintain a minimum balance of 25% of average annual regular expenditure in the General Fund, as well as a substantial balance in a restricted Fabric Fund.

Pleasingly, the balance on both these funds at the end of 2020 was healthy, thus meeting these criteria.

## **Summary**

Against the backdrop of an unprecedented period in our lives, coupled with the departure of our Resident Minister, the church finances has recorded an overall surplus of £11.2k.

We lost a couple of donors, but gained another, we saved money on Parish fees and vicarage rental, saved money on running expenses and upkeep of services.

We were blessed with a sizeable legacy in the first part of the year.

But sadly, there was no activity from the Friends during the year.

A main area of huge encouragement and gratitude has been the continued financial support from the community in terms of their continued donations throughout the pandemic period - thanks too to the Stewardship team and the Wardens for keeping the church open to visitors as often as possible, and to Richard Bodle for continuing with on-line services.

Currently, whilst there are savings on rent and minister fees, there is an annual surplus of c. £14k between regular income and regular expenses, though once a new Resident Minister is in place, we will run at an annualised deficit of c. £15k which is not sustainable.

I therefore urge the PCC Committee to continue it's positive work done so far, in finding as many ways as possible to increase further the level of regular giving, and other forms of donations.

Finally, I would like to express my thanks to all those who collate and bank the weekly collections, who collect and bank the cash from magazine sales throughout the parish and who sell advertising space in the magazine - particularly during this hard and challenging year.

I would also like to express my ongoing gratitude to Barry Field for his continuing support, and for administering the gift aid recovery in his role as Finance Officer.

Tim Kirk  
Honorary Treasurer

**Parochial Church Council of St. John's, Churt**

**Statement of Financial Activities**

**For the Year Ending 31st December 2020**

	Note	Unrestrict ed Funds	Restricted Funds	Designated Fund	TOTAL 2020	TOTAL 2019	YoY Move
		£	£	£	£	£	£
<b>Incoming Resources</b>							
Voluntary Income	2(a)	73,864	2,285	0	76,149	114,148	(37,999)
Activities for generating funds	2(b)	0	0	0	0	8,898	(8,898)
Income from investments	2(c)	32	0	0	32	57	(24)
Church activities	2(d)	6,911	0	0	6,911	10,045	(3,134)
Other incoming resources	2(e)	2,121	0	558	2,679	214	2,465
<b>Total Incoming Resources</b>		<b>82,929</b>	<b>2,285</b>	<b>558</b>	<b>85,772</b>	<b>133,362</b>	<b>(47,591)</b>
<b>Resources Expended</b>							
Fund Raising Trading Costs	3(a)	0	0	0	0	2,746	2,746
Costs of Generating Voluntary Inc	3(b)	0	0	0	0	0	0
Church Activities	3(c)	63,336	9,645	1,474	74,455	100,794	26,338
Governance Costs	3(d)	90	0	0	90	90	0
<b>Total Resources Expended</b>		<b>63,426</b>	<b>9,645</b>	<b>1,474</b>	<b>74,545</b>	<b>103,630</b>	<b>29,084</b>
<b>Net Movement in Funds</b>		<b>19,503</b>	<b>(7,360)</b>	<b>(916)</b>	<b>11,226</b>	<b>29,733</b>	<b>(18,507)</b>
Balances b/f 1st Jan		38,984	75,835	16,919	131,738	102,006	29,733
<b>Balances c/f 31st Dec 2020</b>		<b>58,487</b>	<b>68,475</b>	<b>16,003</b>	<b>142,964</b>	<b>131,738</b>	<b>11,226</b>

**Parochial Church Council of St. John's, Churt**

**Balance Sheet as at 31st December 2020**

	Note	TOTAL 2020	TOTAL 2019
		£	£
<b>Current assets</b>			
Debtors	4	8,935	11,835
CBF Bank Deposit Account		7,627	7,595
Cash at Bank		136,190	119,791
<b>Total Current Assets</b>		<b>152,753</b>	<b>139,221</b>
<b>Liabilities</b>			
Creditors - amounts falling due in one year	5	9,788	7,482
<b>Total Current Assets</b>		<b>9,788</b>	<b>7,482</b>
<b>Total Net Assets</b>		<b>142,964</b>	<b>131,738</b>
<b>Parish Funds</b>			
Unrestricted	7	58,487	38,984
Restricted	7	68,475	75,835
Designated	7	16,003	16,919
<b>Total Funds</b>		<b>142,964</b>	<b>131,738</b>

Tim Kirk [PCC Treasurer]

**Approved by the Parochial Church Council**



## Parochial Church Council of St. John's, Churt

### Notes to the Financial Statements

#### For the Year Ending 31st December 2020

#### 1. Accounting Policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the SORP 2005.

The financial statements have been prepared under the historical cost convention. They include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

#### Funds

'Restricted' funds represent bequests, donations and PCC appeal proceeds made for a specific purpose. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year is carried forward as a balance of that fund. The funds are generally held in a bank deposit account and the interest is apportioned to individual funds on an average balance basis.

'Unrestricted' funds are general funds which can be used for PCC general running expenses.

'Designated' funds are part of the unrestricted funds that have been set aside for a particular project. These funds may be redesignated by the PCC, therefore designation does not prevent these funds from being spent on any other purpose.

'Conduit' funds represent fees for the services of the clergy, organists, vergers or choir at weddings and funerals, where the money is paid over directly to those involved. These funds also include collections taken at funerals where these funds are designated for charities or organisations outside of the church, and funds which have been collected or received on behalf of other charities. These funds are not included in the Statement of Financial Activities.

#### Incoming Resources

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is received. All incoming resources are accounted for gross.

#### Resources Expended

Donations are accounted for when paid over. The diocesan parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

#### Fixed Assets

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) of the Charities Act 2011.

Cost information is not available for moveable church furnishings acquired prior to 2000, therefore such assets are not valued in the financial statements. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when acquired.

All individual items of equipment used within the church premises with a purchase price of £500 or less have been written off when acquired.

#### 2. Incoming Resources

	Unrestricted Funds	Restricted Funds	Designated Funds	TOTAL 2020	TOTAL 2019	YoY Move
	£	£	£	£	£	£
<b>a) Voluntary Income</b>						
Planned Giving:						
Gift Aid donations	36,787			<b>36,787</b>	42,567	(5,781)
Tax recoverable	7,891			<b>7,891</b>	8,634	(744)
Non Gift Aid donations	15,148			<b>15,148</b>	15,148	0
Casual Giving [Gift Aid]:	892			<b>892</b>	3,606	(2,714)
Tax recoverable	223			<b>223</b>	902	(679)
Other Giving/Collections:	549			<b>549</b>	2,527	(1,979)
Tax recoverable	137			<b>137</b>	632	(495)
Sundry Donations:	6,142			<b>6,142</b>	6,781	(639)
Tax recoverable	1,535			<b>1,535</b>	1,695	(160)
Donations/Appeals etc:		2,285	0	<b>2,285</b>	31,655	(29,370)
Tax recoverable				<b>0</b>	0	0
Legacies	4,561			<b>4,561</b>	0	4,561
<b>Total</b>	<b>73,864</b>	<b>2,285</b>	<b>0</b>	<b>76,149</b>	<b>114,148</b>	<b>(37,999)</b>

<b>b) Activities for Generating Funds</b>						
Fund Raising:						
Friends of St. John	0	0	0	8,898	(8,898)	
Tax recoverable	0	0	0	0	0	
Other	0	0	0	0	0	
Tax recoverable	0	0	0	0	0	
Bookstall	0	0	0	0	0	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,898</b>	<b>(8,898)</b>	
<b>c) Receipts from Investments</b>						
Current account interest	0	0	0	0	0	
CBF Deposit Account interest	32	0	32	57	(24)	
<b>Total</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>32</b>	<b>57</b>	<b>(24)</b>
<b>d) Income from Church Activities</b>						
Church Property Lettings	0	0	0	0	0	
Parish magazine sales and advertising	4,211	0	4,211	6,936	(2,725)	
Fees paid to the PCC	2,700	0	2,700	3,109	(409)	
Bookstall	0	0	0	0	0	
<b>Total</b>	<b>6,911</b>	<b>0</b>	<b>0</b>	<b>6,911</b>	<b>10,045</b>	<b>(3,134)</b>
<b>e) Other Incoming Resources</b>						
Sale of Xmas cards	(2,164)		(2,164)	69	(2,233)	
Donation to Covid-19 mask appeal	2,000		2,000	0	2,000	
Insurance rebate re roof repairs	2,285	0	2,285	0	2,285	
Hire of Stables / Church Room	0		0	95	(95)	
Other / Charity Collections	0		558	50	508	
<b>Total</b>	<b>2,121</b>	<b>0</b>	<b>558</b>	<b>2,679</b>	<b>214</b>	<b>2,465</b>
<b>Total Incoming Resources</b>	<b>82,929</b>	<b>2,285</b>	<b>558</b>	<b>85,772</b>	<b>133,362</b>	<b>(47,591)</b>

### 3. Resources Expended

	Unrestricted Funds	Restricted Funds	Designated Funds	TOTAL 2020	TOTAL 2019	YoY Move
	£	£	£	£	£	£
<b>a) Fund Raising Trading Costs</b>						
Friends of St. John fund raising		0		0	2,746	2,746
Organ refurbishment		0		0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,746</b>	<b>2,746</b>
<b>b) Costs of Generating Voluntary Income</b>						
	0	0		0	0	0
	0	0		0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>c) Church Activities</b>						
Missionary & Charitable giving:						
Church overseas	2,140			2,140	2,140	0
Home mission & church organisations	2,415			2,415	2,415	0
Local church schools	454			454	249	(205)
Secular charities	550			550	550	0
Missionary & Charitable giving	5,559	0	0	5,559	5,354	(205)
Parish Share	32,693			32,693	55,799	23,107
Clergy Expenses	0			0	0	0
Vicarage Rent	1,500			1,500	6,000	4,500
Vicarage Expenses	771			771	695	(76)
Assistant Staff	0			0	0	0
Church Running Expenses	7,688			7,688	5,960	(1,728)
Church and Church Room Maintenance	172	9,645		9,818	5,334	(4,483)
Upkeep of services	1,038	0		1,038	2,370	1,332
Upkeep of Churchyard	0			0	551	551
Bookstall	0			0	0	0
Parish magazine production costs	2,850			2,850	3,372	522
Training, courses, children's groups	0		180	180	403	223
Stables Upkeep	150			150	1,199	1,049
Moveable furnishings and equipment	177			177	366	189
Salaries / Honoraria	4,992			4,992	5,765	773
New building / major work	0			0	0	0
New installations	0	0	1,294	1,294	0	(1,294)
Support costs	2,602			2,602	3,036	433
Recoverable insurance expenditure	0			0	0	0
Other resources expended	3,143	0		3,143	4,589	1,446
<b>Total</b>	<b>63,336</b>	<b>9,645</b>	<b>1,474</b>	<b>74,455</b>	<b>100,794</b>	<b>26,338</b>
<b>d) Governance Costs</b>						
AGM Expenses	90	0		90	90	0
<b>Total</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>90</b>	<b>90</b>	<b>0</b>
<b>Total Resources Expended</b>	<b>63,426</b>	<b>9,645</b>	<b>1,474</b>	<b>74,545</b>	<b>103,630</b>	<b>29,084</b>

**Payments to PCC Members**

During the year, NIL expenses were made to the Resident Minister, and NIL were made to PCC members for various fundraising activities, church running expenses etc.

**4. Debtors**

	TOTAL 2020	TOTAL 2019
	£	£
<b>a) Unrestricted Funds</b>		
Tax recoverable	8,935	11,199
Others	0	636
	<b>8,935</b>	<b>11,835</b>
<b>b) Restricted Funds</b>		
Tax recoverable	0	0
Others	0	0
	<b>0</b>	<b>0</b>
<b>b) Conduit Fund</b>		
	0	0
	<b>0</b>	<b>0</b>
<b>Total Debtors</b>	<b>8,935</b>	<b>11,835</b>

**5. Liabilities**

**Amounts falling due in one year**

	TOTAL 2020	TOTAL 2019
	£	£
<b>Unrestricted Funds</b>		
Unpresented cheques and expenses	8,676	1,070
Prepayment magazine advertising		
Accruals for utilities	300	300
Magazine printing December edition	0	0
Parish Share	0	5,819
	<b>8,976</b>	<b>7,189</b>
<b>Restricted Funds</b>		
Withheld invoice payment	0	0
	<b>0</b>	<b>0</b>
<b>Conduit Fund</b>		
	812	293
	<b>812</b>	<b>293</b>
<b>Total Liabilities</b>	<b>9,788</b>	<b>7,482</b>

**6. Funds Movements**

	Fabric Fund	Growth Fund	Church Flowers	AVA System	TOTAL 2020
	£	£	£	£	£
<b>a) Restricted Funds</b>					
Balance b/f 1st Jan 2020	61,264	13,854	716	0	75,835
Incoming Resources	2,285	0	0	0	2,285
Resources Expended	(9,645)	0	0	0	(9,645)
Bank Interest	0	0	0	0	0
<b>Balance c/f 31st Dec 2020</b>	<b>53,904</b>	<b>13,854</b>	<b>716</b>	<b>0</b>	<b>68,475</b>

	Youth Activities	Projects Fund	TOTAL 2020
	£	£	£
<b>b) Designated Funds</b>			
Balance b/f 1st Jan 2020	2,764	14,155	16,919
Incoming Resources	558	0	558
Resources Expended	(180)	(1,294)	(1,474)
Bank Interest	0	0	0
<b>Balance c/f 31st Dec 2020</b>	<b>3,142</b>	<b>12,861</b>	<b>16,003</b>

**7. Analysis of Net Assets - by Fund**

	Unrestricted Funds	Restricted Funds	Designated Funds	Conduit Funds	TOTAL 2020
	£	£	£	£	£
<b>Current Assets:</b>					
Cash at Bank	59,340	68,475	16,003		143,817
Debtors	8,123	0		812	8,935
<b>Liabilities:</b>					
Amounts due in one year	(8,976)	0	0	(812)	(9,788)
<b>Balance c/f 31st Dec 2020</b>	<b>58,487</b>	<b>68,475</b>	<b>16,003</b>	<b>0</b>	<b>142,964</b>

**Parochial Church Council of St. John's, Churt**

**Independent Examiner's Report**

For the Year Ending 31st December 2020

I report on the accounts for the year ended 31st December 2020 which are set out on pages 1 to 7.

**Respective Responsibilities of the Trustees and Independent Examiner**

The Charities Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is sufficient.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners in section 145(5)(b) of the 2011 Act;
- state whether particular matters have come to my attention.

**Basis of Independent Examiner's Statement**

My examination was carried out in accordance with the General Directions given by the Charity Commission.

That examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

**Independent Examiner's Statement**

In connection with my examination, no matters have come to my attention:

- 1) which give me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 130 of the 2011 Act; or
  - to prepare accounts which accord with the accounting records have not been met; or
- 2) which, in my opinion, attention should be drawn to in order to enable a proper understanding of the accounts to be reached.



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27th April 2021