

St Wilfrid's Church - Wilford Parish
Annual Finance Report 2022 (APCM 2023)

The Finance Team are responsible for the good stewardship of church finances in partnership with the Parochial Church Council (PCC). Together we acknowledge with gratitude the gifts entrusted to our stewardship and seek to use those gifts to further God's purpose in Wilford, the local community, and the world. The following information demonstrates how St Wilfrid's Church serves the local community and public benefit.

At the end of each year the Finance Group meet and set budgets based on a forecast of current income and expenditure with consideration for trends over the previous three to five years. We also consider known and potential changes in the year ahead. It is customary to revise the budget early in the new year and for it to be presented to, and authorised by, the PCC.

The accounts presented here have been independently examined.

Early in 2022 the finance group, with support of the PCC, set a budget for the year that initially indicated a potential deficit of £7680. After another year of restrictions due to the Covid pandemic and a period of interregnum through 2021, there was a high degree of uncertainty, and therefore the budget was conservative. The main financial commitment agreed by the PCC was that we meet the full parish share allocated to us.

The amount of Parish Share allocated by the Deanery was initially £59,380 but, after a discount of £700 was applied, the final target was £58,680 and I am pleased to report we met this in full.

Congregational giving had fallen through 2020 and 2021 and so a conservative expectation was set for 2022 at £54,800. In fact, the Lord blessed us with generosity and the giving rose to approximately £79,738. This coincided with the appointment of George White as our new rector and his dynamic leadership attracted an immediate growth in the church family and congregational giving.

How much we receive in one off gifts and grants is always a complete unknown going into a new year, although we always seem to have some. The hope was that we would receive at least £1500 but we actually received £20738. £6348 of this was gifted in March 2022, to cover the salary of an office manager for the rest of the year, and £4500 was gifted in November 2022 by Carters Educational Foundation to buy new equipment for our children and youth ministry.

Two of the income lines failed to come to fruition by the year end 2022. Gift Aid was claimed but was not received until early 2023. It was £14398 so a little more than predicted. We also claimed £6500 from the Diocese towards a Youth Leader, and this was likewise received in 2023.

The year end increase of all income over the expectation was approximately £31,000.

The operating expenditure for 2022 was also difficult to predict coming off the back of two years of covid restrictions and a period of interregnum. We expected some costs for providing services and online access along with some maintenance, heating, lighting and insurance, but the greatest expected cost, as already mentioned, was parish share. In fact we were blessed with a new ministry team and, as a consequence, the costs that go along with them.

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We had salaries to pay, for the office manager and youth leader, increased services, community events, IT and office costs, and children's and youth ministry. Maintaining the church site cost £3241 more than originally budgeted for, but this included the clearance, cleaning, repairing, painting and panelling of the church barn. A space that has added depth to the ministry and life of the church family.

All other budget lines finished roughly where they were expected to. Expenditure exceeded the budget by about £23,000.

The church finished 2022 with an almost equal income to expenditure and a reserve roughly equal to that at the end of 2021 (£17,548) however, if all costs and income expected by the end of 2022 had materialised, we would have actually had a reserve of £34,000 carried in 2023.

Through prayer, and God's grace, there was a far more optimistic outcome to 2022 then envisaged and the promise of much more to come in 2023.

FINANCE GROUP 2022

Members 2022: Peter Brown – Wendy Cranefield – Eddie Mason – Gary Evans – Paul Wicks – George White - Katie White
Giving Secretary – Helen Lander
Independent Examiner – Andrew Pearson

HALL FINANCE 2022

The hall finance figures were prepared by Sophie Blaken and have been examined by Andrew Pearson and incorporated into the overall church accounts.

Income totalled £105,346 which included a gift of £75,000 towards the hall refurbishment.

Expenditure totalled £117,956 which included £101,945 of costs for the hall refurbishment.

The difference was met from reserves which reduced from £36,683 to £24,072 (the amount carried forward into 2023).

The church family have been blessed by a wonderful Hall Management team and amazing generosity by large donors. The hall is a superb community facility and a legacy for those who follow and use it.

Amen

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25 April 2023

To the Trustees & PCC St Wilfrid's Church Independent Examiners Report for the year ended 31 December 2022

Thank-you for appointing me to undertake your Charity Independent Examination of St Wilfrids Church records and governance for 2022. I am required to bring to your attention any matters which arise from my examination which and also to consider any matters raised to you, and review last year matters reported to the Charity Commission by the previous Examination undertaken by Mr Mike Polkinghorne as a qualification to your accounts.

Matters arising from your 2021 Independent Examination

1. Expenditure found without necessary supporting documentation.

Several PCC members incur costs on behalf of the Church and request reimbursement. Most attempt to provide copy receipts/invoices in an accompanying email.

There are still handwritten claims being made without documentation. Although I can see that this has improved, but still needs attention.

There is also evidence that funds are expeditiously taken from Weekly Offerings to pay for such items. (see below Weekly Offering Sheets, Cash Expenses & Banking) These payments still need to be reconciled to bankings clearly.

2. Authorisation and reimbursement of expenses not fully segregated.

There should be a standard form of Expense claim to complete which should itemise the nature of each purchase clearly (if not shown on the supporting document).

A cash advance can be given where significant expenditure is expected, which will be deducted from the cost of purchases made, or the excess advance returned accordingly.

There is evidence that some PCC members are using an expense sheet, but not all members are doing so. The PCC minutes (November) indicate that an online "Expense" system is being introduced which may improve the position.

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The Expense sheet must be authorised by a supervisor/authority (this can be done by forwarding a claim via email)

3. Minuting of Donations

The Examiner recommended that commitments to donations should be minuted by the PCC

There is evidence that donations are being more clearly minuted at PCC meetings

Matters arising from the 2022 Independent Examination

1. Weekly Offering Sheets, Cash Expenses & Banking

There should be reconciled summary of Weekly Offering sheets to the relevant banking to ensure that full control is exercised over all Cash Received. It was noted that bankings were not made on a regular basis. This again leads to higher risk of control and security over cash funds whether or not these are secured.

As mentioned above there is evidence that Offering cash is “expeditiously” used to pay for church Purchases and Expenses. This leads to a lack of control where documentation is poor particularly where no authenticating receipts are available.

A Cash Summary sheet needs to be prepared for each banking which takes account of all Weekly Offerings that are to be banked any Cash Expenditure that may have been utilised.

It is recommended that bankings are made frequently and monthly as a minimum. A Weekly/Monthly Cash Reconciliation sheet has been recommended (Excel provided).

2. Authority and Approval Controls

It was noted (November) that the PCC has now agreed Authority levels for expenditure.

It is recommended that these authority approval controls are extended to cover signing of Contracts > 1 year and employment of staff and their Employment conditions. There is evidence that employment posts are being adequately discussed at PCC meetings

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3. Use of Bank Cards

It is understood that several Bank Cards have been issued to staff to help with Church Purchases.

This was not adequately minuted in the PCC meetings as to who would be issued with a card and no guidelines on use were given.

Issue of Bank cards without limitation controls poses a risk should cards be fraudulently accessed. It is recommended that Bank Cards are limited to finance PCC members and only to persons that are authorisers of expenditure.

It would appear from Bank Transactions that only one authoriser is required to make Bank/Card payments, this should be reviewed.

4. Accounting Records

Whilst the accounting records are adequate, and maintained on an Excel sheet, a more secure and efficient accounting system is required

I have recommended QB (Quickbooks) online accounting software which will greatly improve the efficiency of processing and reconciliation of bank and cash transactions.

This could also facilitate further commercial invoicing and control over services e.g. Hall Lettings.

Please get in touch, if you require any further information or wish to discuss any of the above matters.

Your sincerely

Andrew Pearson FCMA
Independent Examiner

St Wilfrids Church (Reg No 1132451)
Income & Expenditure Account for the year ended 31 December 2022

INCOME	Notes			£	£
		<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Total</u>
		<u>Total</u>	<u>Funds</u>	<u>2022</u>	<u>2021</u>
Charitable Activities	<i>Church Members</i>	-	79,738	79,738	53,198
	<i>Activities</i>	-	4,555	4,555	4,504
	<i>Youth Work</i>	-	-	-	804
Grants & Donations	<i>Gifts & Legacies</i>	10,848	9,890	20,738	11,534
	<i>Gift Aid</i>	-	-	-	13,079
Hall Income	<i>Hall ReDevelopment</i>	75,000	-	75,000	4,000
	<i>Hall Income</i>	-	30,346	30,346	29,345
Other Income	<i>Sundry Income</i>	-	1,295	1,295	285
	<i>Investment Income</i>	-	29	29	4
TOTAL INCOME		85,848	125,853	211,701	116,753
EXPENSES					
				£	£
Repairs & Maintenance	<i>Hall Redevelopment</i>	-	-	-	552
	<i>Church Running costs</i>	-	13,485	13,485	9,908
Youth Work	<i>Carter Educational Trust</i>	-	-	-	-
	<i>Other</i>	-	-	-	-
Mission Donations	<i>Other</i>	-	4,294	4,294	2,297
Church Work & Services	<i>St Wilfrid's</i>	-	13,092	13,092	7,313
	<i>Other Activities</i>	-	360	360	1,202
Hall Running Costs	<i>Hall Running Costs</i>	-	16,011	16,011	9,683
	<i>Re development</i>	75,000	26,945	101,945	-
Admin & Office Costs	<i>Salaries & Wages</i>	-	14,650	14,650	-
	<i>Other</i>	-	5,153	5,153	2,056
Parish Share		-	58,680	58,680	56,862
TOTAL Expenditure		75,000	152,670	227,670	89,873
Funds Transfer		-	-	-	-
TOTAL Income - Expenditure		10,848	(26,817)	(15,969)	26,880
Opening Reserves		3,564	55,221	58,785	31,905
Closing Reserves		14,412	28,404	42,816	58,785

St Wilfrid's Church (Reg No 1132451)
Account Balances as at 31 December 2022

Assets				£	£
		<u>Restricted</u>	<u>Unrestricted</u>	<u>2022</u>	<u>2021</u>
		<u>Funds</u>	<u>Funds</u>		
Capital Endowments	<i>(Brewill Forman CH Lands)</i>	3,564	-	3,564	3,564
Bank Accounts & Deposits			829	829	824
Cash & Current Account	<i>St Wilfrid's</i>	10,848	6,700	17,548	17,714
	<i>Church Hall</i>	-	24,072	24,072	36,683
		10,848	7,529	46,013	58,785
Liabilities					
Accruals	<i>Payroll</i>	-	(3,197)	(3,197)	-
Total Assets		10,848	4,332	42,816	58,785
Reserves					
Funds					
Restricted	<i>Carter Educational Trust</i>	4,500	-	4,500	-
	<i>J & T Shearman</i>	6,348	-	6,348	-
	<i>Hall ReDevelopment</i>	-	-	-	-
Unrestricted		-	4,332	4,332	58,785
Total Reserves		10,848	4,332	42,816	58,785

Trustees Chairman Rev George White
Treasurer Peter Brown

Date 28 April 2023

**St Wilfrids Church (Reg No 1082849)
for the year ended 31 December 2022**

Report to the Trustees/Members

I report to the charity trustees on my examination for the year ended 31 December 2022 which are set out below

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

The charity's trustees consider that an audit is not required for this year under section 144 of the Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the applicable Directions given by the Charity Commission (under section 145(5)(b) of the Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An 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 trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act or
- the accounts do not accord with the accounting records

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



Independent Examiner

Date 28 April 2023

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