

FINANCIAL REPORT 2022

The report below reflects the main points of interest for the various funds. The Treasurer is assisted by the Finance team. Our Independent Examiner **D HARVEY** has examined the accounts and verified their contents. The members of the PCC are the Trustees.

During 2022, as COVID restrictions eased, the church services and events were able to take place more often and in more comfort. The Church Hall was also used on a regular basis and the income from that source increased. The Parish Share is set by DBF and is calculated on an average number of the congregation and the economic level of the parish. Due to the continued generosity and support of our Church members, the Parish Share set for 2022 was paid in full.

There are no loans outstanding.

GENERAL FUND ACCOUNT

The main expenditure from the General Fund is the Parish Share. This is set by the Diocese of Bath & Wells and covers the cost of clergy stipends, houses and training. It also includes the support provided by the Diocese for services including training, stewardship advice, legal advice and membership of the Parish Buying network. In 2022, the PCC paid the Parish Share of **£46,722.74** in full.

Planned giving income was £38055.00, with a further £2927.00 donated on the Gift Day. £11098.00 was reclaimed on 2022 donations, from HMRC, through the Gift Aid scheme.

The total Receipts for 2022 were £92358 against an amount for 2021 of £86922. This is due to the increased Hall letting income and the increase in collections at services and other church events.

Total expenditure in 2022 was £97683 which represents a deficit of £5325 for the year. This is due to the costs of tree maintenance in both churchyards which amounted to £6192.

The payments are monitored and contracts analysed to obtain the lowest rates possible.

The main points to note are:

The overall payments increased by £2685 from £94998 in 2021 to £97683 in 2022.

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PCC ST JOHN THE BAPTIST, MIDSOMER NORTON

Registered Charity No. 1143117

PARISH SHARE

The Parish Share represents the main payment from the General Fund making up 47.8% of our total 2022 payments (compared with 45.41% in 2021).

CHURCH MANAGEMENT AND ADMINISTRATION

The sound system in church was updated at a cost to the PCC of £5473.00.

The PCC has engaged the services of an accounting firm to handle the intricacies of employee tax and pension matters.

A revised method of invoicing for hall rental was introduced in December.

UTILITIES

The cost of gas and electricity to both the church and the hall more than doubled in November 2022 and as there is no alternative to the current tariff, the situation can only be monitored.

CHARITY COLLECTIONS

The main charity supported during the year was the Ukraine Relief Fund and a total of £1890 was raised. The donation listed in this section reflect the actual cash received. The congregation also supports charities such as Children's Hospice South West and the local Foodbank, where giving is in time and resources.

TRADING ACTIVITIES

The hall lettings showed an increase of £1618 on 2021.

RESTRICTED INCOME AND PAYMENTS

CHURCHYARD ACCOUNT

The only income to this account in 2022 was from the interest of £61.06 on a legacy invested in COIF Income shares.

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INCOME	2022	2021	EXPENDITURE	2022	2021
Tax efficient planned giving	£34,643.00	£36,190.00	Phone/internet	£852.00	£744.70
Gift Day	£2,927.00		Fund raising costs	£534.86	£345.97
Other planned giving	£3,412.00	£2,638.00	Insurance costs	£3,122.50	£2,987.96
Other collections at services	£4,000.99	£763.90	Parish share	£46,722.74	£45,995.97
Misc. collections	£21.63		Printer/sound	£5,473.75	£946.80
recurring grant	£250.00	£3,277.13	Salaries/wages	£13,893.56	£13,342.20
nonrecurring grant	£1,248.09		Farewell gifts	£0.00	£167.55
Magazine	£508.92	£502.80	Heating/lighting	£3,961.38	£2,502.82
			Admin supplies	£2,441.20	£1,436.58
Magazine adverts		£407.89	Water bill	£455.99	£288.08
			Miscellaneous	£829.89	£240.00
Hall Letting	£10,244.42	£8,626.89	Clergy expenses	£628.15	£693.89
			Church maintenance	£2,355.47	£1,390.80
Sunday/Tuesday coffee		£324.90	Music costs	£857.20	£470.00
			Hall maintenance	£0.00	£332.39
Charity appeal	£1,890.70	£300.00	Bells/organist	£980.00	£220.00
			C/yard maintenance	£6,192.00	£934.03
Dividends/interest	£528.52	£576.33	Provision of services	£1,249.61	£463.19
error	£43.08		Noticeboard	£0.00	£1,434.00
Water rebate		£130.89	Transfer to Deposit		£7,000.00
Tax recovered via Gift Aid	£11,098.57	£8,996.37	Charity	£882.00	£350.00
Walsingham	£76.68		Auditor/accnt	£292.00	
Fund raising	£2,538.65	£2,098.00	Overpaid/refund	£631.08	£11.00
Donations	£21.73	£716.00	Loan/bank charges	£7.60	£6,020.55
Tax reimbursed re salary	£186.20	£807.00	Architect fee	£0.00	£1,038.76
			DBF Fee share	£4,759.00	£5,641.00
Parochial fees income	£18,718.00	£20,566.00	Hygiene	£561.60	£0.00
TOTAL	£92,358.18	£86,922.10		£97,683.58	£94,998.2

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NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

POLICIES ADOPTED BY THE TRUSTEES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 on the Receipts and Payments Basis.

FUNDS

General funds represent the funds of the PCC that are not subject to any restrictions. Funds designated for a particular purpose by the PCC are also unrestricted. The accounts 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.

RECEIPTS

VOLUNTARY INCOME AND CAPITAL SOURCES

Collections are recognized when received by or on behalf of the PCC. Planned giving receivable under covenant is recognized only when received. Income tax recoverable on covenants or Gift Aid donations is recognized when the income is received by or on behalf of the PCC. An estimate for the outstanding value is identified as an asset in the Statement of Assets and Liabilities. Grants and legacies to the PCC are recognized when the income is received. The value is identified as an asset in the Statement of Assets and Liabilities. Funds raised by fetes, garden parties and similar events are accounted for gross. Sale of books and magazines from the Church bookstall are accounted for gross.

OTHER ORDINARY RECEIPTS

Rental income from the letting of Church premises is recognized when the rental is received.

RECEIPTS FROM INVESTMENTS

Dividends and interest are accounted for when receivable.

GAINS AND LOSSES ON INVESTMENTS

Realized gains or losses are recognized when investments are sold.

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PAYMENTS

GRANTS

Grants and donations are accounted for when paid over. If that award creates a binding obligation on the PCC it is noted as a liability in the Statement of Assets and Liabilities.

ACTIVITIES DIRECTLY RELATING TO THE WORK OF THE CHURCH

The Diocesan Parish Share is accounted for when payable.

FIXED ASSETS

Consecrated and beneficed property is excluded from the accounts by the Charities Act 2011. No value is placed on moveable Church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

OTHER FIXTURES, FITTINGS AND OFFICE EQUIPMENT

Equipment used within the Church premises and purchased for a sum in excess of £1,500 are shown in the Statement of Assets and Liabilities as a Tangible Fixed Asset

INVESTMENTS

In following the principal of prudence, Investments are shown at the lower of 'Bid Market Value' or 'Market Value'. It has been agreed that any excess cash should be deposited with the CBF Church of England Deposit Fund.

CURRENT ASSETS

Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank.

RESERVE POLICY – AGREED 2015

Three to six months average expenditure within the Funds.

EMPLOYMENT POLICY

Salaries are paid at a minimum of the agreed Living Wage Foundation rate, honoraria are agreed by the Trustees

RISKS

None of the key management receives a salary direct from the accounts. The stipend for the Reverend **G. SCOTT** was paid by Bath & Wells Diocesan Board of Finance. No Social Investments schemes are undertaken.

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STATEMENT OF ASSETS AND LIABILITIES			
	RESTRICTED FUNDS	TOTAL	TOTAL
	£	2022	2021
Piano purchased 2016, 1 year depreciation on value £1,815		1	1
Mower purchased 2016, 1 year depreciation on value £1,580		1	1
CBF Income Shares – St. Barnabas Trust (889.62 units at £21 per unit)		18682	18,945
COIF Income Shares – Gregory Legacy (89 units at £18.62 per unit)	1657	1657	1691
CBF Fabric Fund		0	22
CASH FUNDS			
Bank Current Account	388	30714	36428
CBF Deposit Account		26297	25955
TOTAL ASSETS	2045	77350	83041
LIABILITIES			
Bath & Wells Diocesan Board of Finance - amount falling due in 12 months		zero	0
		Nil	zero

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The unrestricted fund is commonly known as the General Fund

The restricted funds comprise,

The Churchyard Account which may only be used for the maintenance of the Open and Closed Churchyards.

The Fabric Funds provides for major works and maintenance of the Church.

Note

1. The Investment Asset is the monies raised by the sale of St. Barnabas, which are now invested in a CBF Income Shares account. The interest is intended for the general purposes of the Church but the capital is Restricted. Valued at bid market value.
2. The Gregory Legacy which is now invested in a COIF Income Shares. The interest is intended for the general purposes of the Church yard but the capital is Restricted. Valued at bid market value.
3. The Church hall comprises the hall and car park. For accounting purposes the value of this property is based on the cost price.
4. Mower- purchased from the Churchyard account for £1,580. The equipment depreciated on a straight line basis over 4 years.
5. Piano - purchased from the Fabric Fund for £1,815. The item depreciated on a straight line basis over 4 years.

Approved by the Parochial Church Council and signed on its behalf:

Reverend **Guy SCOTT** (Chair)

John SHEARS (PCC Treasurer)

Reverend Guy C Scott _____

John Shears _____

Date: 18 April 2023 _____

Date: 18 April 2023 _____

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INDEPENDENT EXAMINER'S CERTIFICATE FOR THE PCC ACCOUNTS

Report to the trustees of **MIDSOMER NORTON PAROCHIAL CHURCH COUNCIL** on the accounts for the year ended **31 December 2022**.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities 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 procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act.
- 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 EXAMINERS 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 130 of the Charities Act.
 - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met.
2. To which in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.

SIGNED

Date

NAME

D.C. HARVEY

Relevant Professional Body- if any

ADDRESS

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DISCLOSURES

Only complete if the examiner needs to highlight material problems. Give brief details of any item the examiner wishes to disclose:

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