

## **FINANCIAL REPORT 2023**

The report below reflects the main points for the church funds. Our Independent Examiner PAUL JUSTIN has examined the accounts and verified their contents. The members of the PCC are the Trustees and the report was prepared by the Treasurer and approved by the PCC.

During 2023, there were no COVID restrictions and church services and events were able to take place as required. The Church Hall was used on a regular basis and the income from that source increased.

The Parish Share is set by the Diocesan Board of Finance and is calculated using the number of regular worshippers and the economic level of the parish. Due to the continued generosity and support of our Church members, the Parish Share set for 2023 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 2023, the PCC paid the requested Parish Share amount of **£47,286.72** in full.

Planned giving income was £36,489.90 with a further £2180.00 donated on the Gift Day. £10,126.46 was reclaimed on 2022 donations, from HMRC, through the Gift Aid scheme.

The total Receipts for 2023 were £110,263.61 against an amount for 2022 of £92,358.18. This figure is somewhat distorted through the inclusion of the Walsingham Pilgrimage group accounts which totalled £6008. Alternative arrangements will be made in 2024. The rental income from hall lettings increased by £5000, in part due to an increase in the hourly rate.

The introduction of contactless giving resulted in donations totalling £2262.90.

Total Expenditure in 2023 was £108,030.33, which represents a small profit of £2233.28 for the year. The main point to note is the cost of energy which increased by 242% compared with 2022.

Payments are monitored and contracts analysed to obtain the lowest rates possible. The PCC is a member of the Parish Buying group.

## **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 46.35% of our total 2023 payments (compared with 47% in 2022).

### **CHURCH MANAGEMENT AND ADMINISTRATION**

The PCC continues to use 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 2022 and is working well. There was an issue with rent arrears but this has now been resolved.

### **UTILITIES**

The cost of gas and electricity to both the church and the hall more than doubled in November 2022, but have since decreased. Phone/broadband charges were re negotiated during 2023, resulting in a more favourable tariff.

## **CHARITY COLLECTIONS**

The two charities supported during the year were the Ukraine Relief Fund and the Christian Aid Middle East Appeal and a total of £1128 was raised. 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 £5261 on 2022.

## **RESTRICTED INCOME AND PAYMENTS**

### **CHURCHYARD ACCOUNT**

The only income to this account in 2023 was interest of £54.47 on a legacy invested in shares.

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<b>INCOME</b>	2023	2022	<b>EXPENDITURE</b>	2023	2022
	<b>TOTAL</b>			<b>TOTAL</b>	
Tax efficient planned giving	£31,469.00	£34,643.00	Phone/internet	£1,061.58	£852.00
Gift Day	£2,180.00	£2,927.00	Fund raising costs	£559.87	£534.86
Other planned giving	£5,020.90	£3,412.00	Insurance costs	£3,621.01	£3,122.50
Other collections at services	£5,078.45	£4,000.99	Parish share	£47,286.72	£46,722.74
Misc collections	0	£21.63	Printer/sound system	£0.00	£5,473.75
recurring grant	£27.13	£250.00	Salaries/wages	£15,047.66	£13,893.56
nonrecurring grant	£600.00	£1,248.09	DBF Fee share	£5,409.00	£4,759.00
Magazine	£671.86	£508.92	Heating/lighting	£9,597.73	£3,961.38
Spring concerts	£602.47	0	Admin supplies	£2,174.29	£2,441.20
			Water bill	£616.24	£455.99
Hall Letting	£15,505.92	£10,244.42	Deanery fee/Misc	£216.00	£829.89
			Clergy expenses	£502.25	£628.15
Fund raising	£4,911.59	£2,538.65	Church maintenance	£3,055.25	£2,355.47
Charity appeal	£1,128.47	£1,890.70	Music costs	£596.78	£857.20
			Hall maintenance	£3,325.49	0
Dividends/interest	£998.31	£528.52	Bell ringers	£600.00	£980.00
error	£0.00	£43.08	C/yard maintenance	£234.00	£6,192.00
Walsingham	£6,008.00	£76.68	Provision of services	£1,745.93	£1,249.61
Tax recovered via Gift Aid	£10,617.61	£11,098.57	Transfer Gift Day	£2,180.00	0
Christmas Tree Festival	£1,744.00	0	Walsingham	£6,058.00	0
Donations	£2,262.90	£21.73	Charity	£2,919.33	£882.00
Tax reimbursed re salary	0	£186.20	Overpaid/refund	£203.00	£631.08
Parochial fees income	£21,437.00	£18,718.00	Loan/bank charges	£45.60	£7.60
			Auditor/accountant	£413.00	£292.00
			Hygiene	£561.60	£561.60
<b>TOTAL</b>	<b>£110,263.61</b>	<b>£92,358.18</b>		<b>£108,030.33</b>	<b>£97,683.58</b>

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## **NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023**

### **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 should not include the accounts of Church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members, although an exception to this was made in 2023.

### **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.

## **PCC ST JOHN THE BAPTIST, MIDSOMER NORTON**

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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; the Trustees agree honoraria.

#### **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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<b>STATEMENT OF ASSETS AND LIABILITIES</b>			
	<b>RESTRICTED FUNDS</b>	<b>TOTAL</b>	<b>TOTAL</b>
	<b>£</b>	<b>2022</b>	<b>2023</b>
Sound system		15000	11250
CBF Income Shares – St. Barnabas Trust (889.62 units at £22 per unit)		18682	19906
COIF Income Shares – Gregory Legacy (89 units at £18.62 per unit)	1700	1657	1700
		0	
<b>CASH FUNDS</b>			
Bank Current Account	497	30714	32837
CBF Deposit Account		26297	27140
<b>TOTAL ASSETS</b>		<b>92350</b>	<b>92833</b>
<b>LIABILITIES</b>			
No loans outstanding			

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**PCC ST JOHN THE BAPTIST, MIDSOMER NORTON**  
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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 Fund 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.
4. Sound system purchased via Fabric Fund and by donation in 2022 and depreciated on a straight line basis over 4 years.

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

Reverend **Guy SCOTT** (Chair)

**Mrs Kay Harvey** (PCC Treasurer)

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Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**PCC ST JOHN THE BAPTIST, MIDSOMER NORTON**

Registered Charity No. 1143117

**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 2023**.

**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**

**PAUL JUSTIN**

**Relevant Professional Body- if any**

**ADDRESS**

45 Waterloo Road, Radstock.

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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:

The accounts were found to be in good condition and easy to audit. I suggested small administration tweaks to make auditing a little simpler in future but the figures were easy to reconcile and agree. I would suggest that any future Walsingham Pilgrimage funding should be dealt with using a separate bank account as the year on year income and expenditure comparisons will be inaccurate by definition.

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