

## **Commentary on the model Trustees' Annual Report and accounts: St Emilion's Church Barchester - Parochial Church Council**

This illustrative example annual report and accounts is for a Parochial Church Council preparing receipts and payments accounts.

The PCC had an income of £69,600 in the year and is eligible for independent examination. As the charity is below the audit threshold it may also prepare a simple annual report. This example is intended to give an idea of the range of information that can be included and, as a result, provides more detail than many charities of a similar size may choose to include in their annual report to explain to the reader the range of activities undertaken to further the religious aims of the charity.

Our publication CC15a - *Charity Reporting and Accounting: The essentials* - explain the reporting framework and thresholds applying to accounts preparation and their external scrutiny. Our publication CC32 – *Independent Examination of Charity Accounts* - provides further examples of the content of an independent examiner's report.

### **Reporting Public Benefit**

This example also addresses the new public benefit reporting requirements that applies to all charities reporting for financial years beginning on or after 1 April 2008. As a small charity, below the Charities Act's audit threshold, the report focuses on the main activities undertaken by the charity to further its charitable purposes for the public benefit. The '**Objectives and Activities**' section of the report provide a brief summary of activities undertaken together with a confirmation that the trustees have had regard to our guidance on public benefit, in particular our guidance on charities for the advancement of religion, when planning their activities. Further more detailed information about the activities and their success is provided in the '**Achievements and Performance**' section of the report.

The annual report specifically addresses the two key principles by which we will assess public benefit:

- 1) There must be an identifiable benefit or benefits – the trustees explained the activities and benefits which flow from them to the parish community;
- 2) Benefit must be to the public, or a section of the public – the trustees explain their commitment to enable as many people as possible to worship and become part of the parish community.

In this example additional voluntary information is provided about the contribution made by volunteers.

### **Statement of Assets and Liabilities**

The statement of assets and liabilities includes cash at bank and also identifies an outstanding gift aid claim relating to the year which was had not yet been received and a local authority grant which again was awarded during the year but not received until after the year end. A liability for organ cleaning and tuning is also listed as it had not been paid at the year end.

A restricted fund of £17,050 has been built up from donations to help meet future costs of maintaining the fabric of the Church. This fund is to help enable the PCC to meet its maintenance obligations in relation to the Church property.

### **Acknowledgement**

We thank the Diocesan Accounts Group for working with us in developing this example annual report. The example accounts have been reproduced with the permission from *The Charities Act 1993 and the PCC (3rd edition): A guide to the SORP 2005 revisions*, Church House Publishing, 2006. Copyright (c) The Archbishops' Council 2006. Copies of this publication and the shorter related guide *The Charities Act and the PCC: Preparing Receipts and Payment Accounts (SORP 2005)* are available from [www.chpublishing.co.uk](http://www.chpublishing.co.uk)

## **Aim and purposes**

St. Emilion's Parochial Church Council (PCC) has the responsibility of co-operating with the incumbent, the Reverend Samuel Weller, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the maintenance of the Church Centre complex of St. Emilion's, The Green, Barchester.

## **Objectives and Activities**

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community at St.Emilion. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our parish community through:

Worship and prayer; learning about the Gospel; and developing their knowledge and trust in Jesus.

Provision of pastoral care for people living in the parish.

Missionary and outreach work.

To facilitate this work it is important that we maintain the fabric of the Church of St. Emilion and the Church Centre Complex.

## **Achievements and Performance**

### *Worship and Prayer*

The PCC are keen to offer a range of services during the week and over the course of the year that our community find both beneficial and spiritually fulfilling. For example, evening prayers provide a quiet, intimate and reflective environment for worship whilst opportunities are provided for people to engage in more outgoing worship such as that provided by the youth group within our parish.

This year we have been successful in welcoming more families into our church and have agreed a new style of Family Worship on the morning of the 3rd Sunday each month. This has meant that special arrangements have had to be made for baptisms and for welcoming the families at corporate worship on the 1st Sunday of each month. It is pleasing to be able to report that the new arrangements have been well received since they came into operation during September. They will be reviewed by the PCC after 12 months.

In addition, a great deal of time and thought was spent during the year on making best use of the new services. Many have said how much easier it is to follow the services now that they are printed out in booklets.



## St Emilion's Church

All are welcome to attend our regular services. At present there are 273 parishioners on the Church Electoral Roll, 91 of whom are not resident within the parish. 18 names were added during the year and 9 were removed either through death or because they moved away from the parish. The average weekly attendance, counted during October, was 207, but this number increased at festivals and two Christmas carol services had to be held to seat all those who wished to attend.

As well as our regular services, we enable our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the gift of life, in marriage public vows are exchanged with God's blessing and through funeral services friends and family express their grief and give thanks for the life which is now complete in this world and to commend the person into God's keeping. We have celebrated 25 baptisms and 15 weddings and held 26 funerals in our church this year.

### *Deanery Synod*

Three members of the PCC sit on the deanery synod. This provides the PCC with an important link between the parish and the wider structures of the church. This year the PCC has also focused its attention on the questions posed to parishes in the deanery about the most effective deployment of stipendiary and non-stipendiary clergy.

### *The Church Centre Complex*

We want our church to be open to our community for private prayer. Unfortunately, since the theft of valuable church artefacts from St. Augustus Church, in the neighbouring parish, we have felt unable to leave the church open at all times for private worship. We are however pleased that a rota of parishioners has enabled us to open the church at weekends and for all public holidays in the past year.

The state of the nave roof has been causing concern for some time. After many years, during which routine maintenance has been carried out, a detailed report on its condition will be prepared by the architect at the next routine inspection in April 2010. We have already anticipated the need for major structural renewal, and it is our policy to make provisions from general income in the hope that an urgent appeal can be avoided.

### *Pastoral Care*

The kitchen in the Church Hall was refurbished during August and the new environment meets the stringent health and safety requirements and allows us to continue the old people's luncheon club on Saturdays. 18 people regularly attend at our luncheon club, 12 of whom are parishioners. We were particularly pleased to be able to extend the services of our club to the members of the Barchester Green Methodist Chapel luncheon club when the death of Alice Luther, the main organiser of that club forced its closure.

During the week the hall is used by our mothers and toddlers group on Wednesdays. Fifteen children and their carers, mothers fathers and other carers, have been regular attenders at the mother and toddler group. During the summer the group organised two outings including older siblings during the school holidays. In July, twenty children and their parents went for the day to Longleat and later in the holidays we had the hottest day of the year for our family outing to New Milton.



## St Emilion's Church

The crèche runs in the hall on Tuesday and Thursday mornings. There are 12 regular attenders at the crèche which is organised by Sally Pincet, the council's peripatetic childcare co-ordinator who runs crèches at our church as well as at St. Augustus on Mondays and Wednesdays. She has a rota of volunteers from the parish who help her all of whom have been CRB checked. The crèche had an OFSTED inspection during the year and passed with flying colours.

Some members of our parish are unable to attend church due to sickness or age. Reverend Samuel Weller has visited all church members who have requested it, to celebrate communion with them either at their homes or in hospital. Miss Finching has continued to organise a rota of volunteers to visit all who are sick or unable to get out for any other reason to keep them in touch with church life.

### *Mission and Evangelism*

Helping those in need is a demonstration of our faith. The Mission and Evangelism Committee is to be congratulated on their fund-raising efforts. £1,350 was raised for the Southern Africa Famine appeal. It is good that these efforts on behalf of others can be combined with opportunities for fellowship.

Our parish magazine is distributed quarterly to all parishioners on the Church Electoral Roll and available at the Church Hall. The magazine keeps our parishioners informed of the important matters affecting our Church and articles that help develop our knowledge and trust in Jesus.

### *Ecumenical Relationships*

The church is a member of Churches Together in Barchester and of the Salisbury Interfaith Forum.

We have held joint services on the fourth Sunday of every month with the Barchester Green Methodist Church and for the first time this year have joined with them both for our lent courses and to run an Alpha course in the autumn. The Alpha course has led a number of people to attend other church activities and services.

We have also worked with Barchester Green Methodist Church and Millfield Baptist Church to deliver a flyer to every home in the town advertising the Christmas services of all three churches.

### **Financial Review**

Total receipts on unrestricted funds were £64,200 of which £250 was investment income allocated to the designated fund set up for cleaning and tuning the church organ. Restricted donations of £5,400 were also received and are detailed in the Financial Statements. The freehold house at 36 Church Road continues to be let temporarily, which provided a gross income of £3,700.

The planned giving through envelopes and banker's orders increased by 8% and it was good to see the use of Gift Aid envelopes increased. However the total income, including tax recovered but excluding the legacy, went up by only 2% due to a reduction in general donations and because no rummage sales were held. We were grateful for a pecuniary legacy of £1,000 from the estate of Mrs Mary Rudge. £2,000 was set aside towards the cost of the much needed cleaning of the organ. The work was completed in time for Christmas.

£61,350 was spent to provide the Christian ministry from St. Emilion's Church, including the contribution to the diocesan parish share which increased by 12% in the year and largely provides the stipends and housing for the clergy. The sum that the churches in the deanery have to find is shared between the churches according to a formula that is based mainly on a head count of the congregations. We have to find more of the sum at St. Emilion's as the size of our congregation increased more compared with other churches.

The net result for the year was an excess of receipts over payments of £2,850 on unrestricted funds (including a receipt of £250 allocated to designated funds). A transfer of £2,000 was made to the designated organ fund to cover expenditure incurred towards the end of the year (paid in 2010). Adding bank and deposit balances brought forward at the beginning of the year, the balances carried forward at 31<sup>st</sup> December on unrestricted funds totalled £10,450 of which £5,550 has been set aside to meet the costs of cleaning and tuning the church organ and is carried forward as a designated fund.

### **Reserves policy**

It is PCC policy to maintain a balance on unrestricted funds (if possible), which equates to at least three months unrestricted payments, equivalent to £15,000, to cover emergency situations that may arise from time to time. The balance of £4,900 held on unrestricted funds, after designations, at the year end did not match this target.

The balance of £17,050 in the Fabric restricted fund is retained towards meeting the cost of the nave roof repairs detailed above.

It is our policy to invest our funds balances with the CBF Church of England Deposit Fund.

### **Volunteers**

We would like to thank all the volunteers who work so hard to make our church the lively and vibrant community it is. In particular we want to mention our churchwardens Mrs Allen and Mr Tapley who have worked so tirelessly on our behalf, Mrs Neckett who has helped us all to understand the church's accounts and its finances, and all the other members of the PCC for their valuable contribution to our ministry and for keeping the church running.

### **Structure, governance and management**

The method of appointment of PCC members is set out in the Church Representation Rules. At St. Emilion's the membership of the PCC consists of the incumbent (our vicar), churchwardens, the reader and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services / members of the congregation are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.



# St Emilion's Church

The full PCC met six times during the year with an average level of attendance of 80%. Given its wide responsibilities the PCC has a number of committees each dealing with a particular aspect of parish life. These committees which include worship, mission and outreach and fabric and finance, are all responsible to the PCC and report back to it regularly with minutes of their deliberations being received by the full PCC and discussed as necessary.

## Administrative information

St. Emilion's Church is situated in The Green, Barchester. It is part of the Diocese of Salisbury within the Church of England. The correspondence address is The Vicarage, Church Street, Barchester.

The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006) and a charity excepted from registration with the Charity Commission.

PCC members who have served from 1<sup>st</sup> January 2009 until the date this report was approved are:

### *Ex Officio members*

<i>Incumbent:</i>	The Reverend Samuel Weller	Chairman
<i>Reader:</i>	Mr Robert Sawyer	
<i>Wardens:</i>	Mrs Arabella Allen	
	Mr Mark Tapley	Vice chairman

### *Elected members:*

Mr Frederick Trent	representative on Deanery Synod
Mr Peter Magnus	Secretary, representative on

### *Deanery Synod*

Mr John Fielding	representative on Deanery Synod
Miss Flora Finching	(From APCM 2009 – 5 <sup>th</sup> April 2009)
Mrs Charlotte Neckett	Treasurer
Mr George Radfoot	
Miss Edith Granger	
Mrs Tilly Slowboy	
Miss Emily Wardle	(Until APCM 2009 – 5 <sup>th</sup> April 2009)
Mr Mark Walker	
Miss Emma Haredale	
Mr Julius Handford	(Until APCM 2009 – 5 <sup>th</sup> April 2009)
Miss Elizabeth Hexham	
Mr Ralph Nickleby	(From APCM 2009 – 5 <sup>th</sup> April 2009)

**Approved by the PCC on 8<sup>th</sup> March 2010 and signed on their behalf by the Reverend Samuel Weller (PCC chairman)**

## ST EMILION'S CHURCH, BARCHESTER

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds	Total 2009 £	Total 2008 £
<b>RECEIPTS AND PAYMENTS ACCOUNT</b>						
<b>Receipts</b>						
Voluntary Receipts						
<b>Regular Giving</b>						
Receipts from donors						
Planned giving	29,400	-	-	-	<b>29,400</b>	27,200
Collections other than giving	9,900	-	-	-	<b>9,900</b>	10,600
Income tax recovered	8,700	-	-	-	<b>8,700</b>	8,300
	<u>48,000</u>	-	-	-	<b>48,000</b>	46,100
Other voluntary receipts (note 5a)	2,700	-	4,450	-	<b>7,150</b>	7,050
Activities for generating funds (note 5b)	8,300	-	-	-	<b>8,300</b>	9,000
Receipts from Church Activities (note 5c)	4,300	-	-	-	<b>4,300</b>	4,100
Investment income (note 5d)	650	250	950	-	<b>1,850</b>	1,600
	<u>63,950</u>	<u>250</u>	<u>5,400</u>	-	<b>69,600</b>	67,850
<b>Payments</b>						
Church activities						
Diocesan parish share	41,500	-	-	-	<b>41,500</b>	37,050
Other payments (note 5e)	19,850	-	1,750	-	<b>21,600</b>	21,300
	<u>61,350</u>	-	<u>1,750</u>	-	<b>63,100</b>	58,350
<b>Excess of Receipts over Payments</b>	2,600	250	3,650	-	<b>6,500</b>	9,500
Transfers between funds	(2,000)	2,000	-	-		
	600	2,250	3,650	-	<b>6,500</b>	9,500
Bank current and deposit accounts 1 <sup>st</sup> Jan.	4,300	3,300	13,400	-	<b>21,000</b>	11,500
Bank current and deposit accounts 31 <sup>st</sup> Dec.	4,900	5,550	17,050	-	<b>27,500</b>	21,000
<b>STATEMENT OF ASSETS AND LIABILITIES</b>						
<b>Cash Funds</b>						
Bank current account	400	--	-	-	<b>400</b>	350
CBF deposit fund	4,500	5,550	17,050	-	<b>27,100</b>	20,650
	<u>4,900</u>	<u>5,550</u>	<u>17,050</u>	-	<b>27,500</b>	21,000
<b>Other Monetary Assets</b>						
Local Authority grant for churchyard	300	-	-	-	<b>300</b>	-
Income tax recoverable (recd Jan. 2010)	2,240	-	-	-	<b>2,240</b>	-
	<u>2,540</u>	-	-	-	<b>2,540</b>	-
<b>Investment Assets (note 3)</b>						
20,000 CBF Church of England Investment Fund shares at market value	-	-	-	20,000	<b>20,000</b>	19,500
<b>Assets retained for Church use (note 2)</b>	<u>59,000</u>	-	-	-	<b>59,000</b>	59,000
<b>Liabilities – Organ clean/tune Dec 2009</b>	-	6,200	-	-	<b>6,200</b>	-

The attached notes form part of these financial statements

Approved by the PCC on 8<sup>th</sup> March 2010 and signed on their behalf by Reverend Samuel Weller (PCC chairman) and Mrs Charlotte Neckett (PCC treasurer)



# St Emilion's Church

## ST EMILION'S CHURCH, BARCHESTER

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### NOTES

1. The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 using the Receipts & Payments basis.

2. Fixed assets retained for Church use is the freehold house at 36 Church Street, purchased 5th November 1984, at cost. Assets recognised but not valued in the Statement of Assets and Liabilities include:

Movable church furnishings held by the church-wardens on special trust for the PCC and which require a faculty for disposal, and:

Lawnmower from the estate of Mr Luke Titus (restricted fund).

3. The Endowment fund, a donation in 1999 by R H Smith, has to be retained as a capital fund, but the income is for ordinary church purposes. It is invested in CBF Church of England Investment Fund shares.

4. The movements in designated and restricted funds during the year were:

	<b>Bal</b>	<b>Receipts</b>	<b>Payments</b>	<b>Transfer</b>	<b>Bal</b>
	<b>B/fwd</b>				<b>C/Fwd</b>
Restricted: Church fabric (including tower)	13,400	5,050	1400	-	17,050
Flower fund		350	350	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	13,400	5400	1750	-	17050
Designated: Organ fund	3,300	250		2000	5,550
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The fabric fund represents accumulated donations and appeals for fabric maintenance, which can only be spent for that purpose.

The flower fund represents a donation from a parishioner to be spent on Easter lilies in memory of her recently deceased mother. The cost of the flowers is included in costs of services.

The transfer to the Organ fund was from ordinary unrestricted funds to meet the balance of the clean/tune costs.

## ST EMILION'S CHURCH, BARCHESTER

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

5. Receipts and Payments analysis	Unrestricted	Designated	Restricted	Total	Total
	Fund	Fund	Funds	2009	2008
	£	£	£	£	£
a. Other voluntary receipts					
Legacy	1,000	-	-	<b>1,000</b>	
Donations	1,700	-	4,450	<b>6,150</b>	7,050
	<u>2,700</u>	<u>-</u>	<u>4,450</u>	<u><b>7,150</b></u>	<u>7,050</u>
b. Activities for generating funds - receipts					
Parish magazine – sales and adverts	2,200	-	-	<b>2,200</b>	2,100
Rent – temporary let, Curate's house	3,700	-	-	<b>3,700</b>	3,700
Summer fete and Christmas bazaar	2,400	-	-	<b>2,400</b>	2,500
Rummage sales	-	-	-	-	700
	<u>8,300</u>	<u>-</u>	<u>-</u>	<u><b>8,300</b></u>	<u>9,000</u>
c. Receipts from Church Activities					
Fees	400	-	-	<b>400</b>	300
Church Centre – local community use	3,900	-	-	<b>3,900</b>	3,800
	<u>4,300</u>	<u>-</u>	<u>-</u>	<u><b>4,300</b></u>	<u>4,100</u>
d. Receipts from Investments					
Bank and CBF Deposit Fund Interest	150	250	950	<b>1,350</b>	1,100
Dividends on CBF Investment Fund	500	-	-	<b>500</b>	500
	<u>650</u>	<u>250</u>	<u>950</u>	<u><b>1,850</b></u>	<u>1,600</u>
e. Church activities - payments					
Overseas missions and relief					
CMS	1,200	-	-	<b>1,200</b>	1,200
Southern Africa Famine appeal	1,350	-	-	<b>1,350</b>	-
Earthquake appeal	-	-	-	-	1,350
	<u>2,550</u>	<u>-</u>	<u>-</u>	<u><b>2,550</b></u>	<u>2,550</u>
Church running expenses	5,200	-	-	<b>5,200</b>	5,300
Clergy expenses	1,900	-	-	<b>1,900</b>	1,800
Cost of services	2,600	-	350	<b>2,950</b>	2,100
Buildings maintenance	2,500	-	-	<b>2,500</b>	5,200
Lychgate roof repair	-	-	1,400	<b>1,400</b>	-
Organ inspection	-	-	-	-	150
Printing Magazine	1,800	-	-	<b>1,800</b>	1,800
Printing and stationery	1,100	-	-	<b>1,100</b>	1,200
Cleaning Church Centre	1,200	-	-	<b>1,200</b>	1,200
Sunday school teachers training	1,000	-	-	<b>1,000</b>	-
	<u>19,850</u>	<u>-</u>	<u>1,750</u>	<u><b>21,600</b></u>	<u>21,300</u>

6. The expenses paid to clergy may include a small immaterial proportion, which relates to their function as PCC members. No other payments were made to PCC members.

**Independent Examiner's Report to the trustees/ members of St Emilion's Church, Barchester, Parochial Church Council.**

I report on the accounts for the year ended 31<sup>st</sup> December 2009 which are set out on pages 7 to 9.

**Respective responsibilities of trustees and examiner**

The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed. It is my responsibility to:

examine the accounts (under section 43 of the Act),  
to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act), and  
to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

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 you as 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 the course of 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 41 of the Act; and  
to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act; have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Sarah Temple MCIE  
18 Church Close  
Barchester.

8<sup>th</sup> March 2010