
St Paul's Church, Honiton

**Financial Statements of the
Parochial Church Council**

**For the year ended
31 December 2020**

Charity number 1128921

St Paul's Church, Honiton - 1128921

Financial statements of the Parochial Church Council

For the year ended 31 December 2020

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St Paul's Church Honiton – 1128921

Trustees Annual Report

for the year ended 31 December 2020

Administrative Information

St. Paul's Church is situated in the centre of Honiton and is part of the Diocese of Exeter within the Church of England. The correspondence address is St Paul's Parish Office, 99 High Street, Honiton, Devon EX14 1PG.

Aim and Purposes

St Paul's Parochial Church Council (PCC) has the responsibility of co-operating with the incumbent, the Revd Preb Sue Roberts, in promoting, in the ecclesiastical parish, the whole mission of the church – pastoral, evangelical, social and ecumenical. It also has maintenance responsibilities for St Michael's Lodge and the Mackarness Hall in Honiton and the graveyards at St Michael's, Honiton and at Monkton. The PCC also has current responsibility to carry out weekly inspections of St Michael's Church, reporting to the Diocese as necessary.

Structure, Governance and Management

St Paul's Church is a registered charity (no. 1128921) and the members of the PCC are also the trustees. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006). 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. PCC members are elected by members of the congregation, who are on the electoral roll of the church, at the Annual Parish Church Meeting (APCM) in accordance with the Church Representation Rules. During the period 1 January 2020 until the date this report was signed, the following served as members of the PCC:

Ex-officio members:

Incumbent and Chairman	Rev. Preb. Sue Roberts	
Churchwarden and Vice-Chairman	Belinda (Lyn) Thatcher	(until APCM 2023)
Secretary	Deborah Chapman	
Deanery Synod Representatives	Felicity Stead	
	Suzanne Henville	

Elected members:

Treasurer	Emily Wilkinson	(until APCM 2023)
	Catherine Lee	(until APCM 2023)
	Felicity Stead	(until APCM 2021)
	Jane Scriven	(until APCM 2022)
	Emily Thornhill	(until APCM 2021)
	Suzanne Henville	(until APCM 2023)

In this year of the Coronavirus pandemic, the working groups, which oversee different aspects of the work of the church, were unable to meet in person. Activities with small costs associated have gone ahead under the direction of the Standing Committee and Finance working group, with larger operational activities and decisions being put to the wider PCC.

The Mission working group (which organises fund raising events for mission both at home and overseas) was able to organise some Lent lunches which took place up until lockdown. Further funds for mission have been raised through the local Christian Aid group and through individual activities.

The Eco Church working group has continued to monitor the ecology of St Michael's churchyard and has worked towards the planting of some native trees as part of a local community scheme.

These working groups are responsible to the PCC and report back to it with minutes of their deliberations being received by the full PCC and discussed as necessary.

Objectives and Activities

The PCC is committed to enabling as many people as possible to take part in worship and other activities at our church and to become part of the parish community at St. Paul's. Our services and worship aim to put faith into practice through prayer and scripture, music and sacrament. There were 92 parishioners on the Electoral Roll.

When planning our activities for the year, the incumbent and the PCC 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 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 and
- Mission and outreach work.

Trustees Annual Report

for the year ended 31 December 2020

Achievements and Performance

Worship, Prayer and Outreach

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. Due to the pandemic, the church building and Mackarness Hall had to temporarily close in March. Services moved online or via telephone dial up. Monthly news sheets and written services were produced and distributed to members of the church. The church website, Facebook page and YouTube have also been used to share pre-recorded services as well as current news and information. Prior to lockdown, members of the congregation organised themselves into small groups for the purpose of staying in regular contact and checking on each other throughout lockdown and beyond.

In July the church building was able to open for private prayer and in August, services were able to resume in church for around 17 people with a booking system and strict procedures in place. Services also continued online and via telephone. Christmas services had to be rethought a little with informal, outdoor carol services around the crib being held and Christingle kits being distributed to families and schools, ready for a Christingle service via Zoom. Advent calendars containing hardboard books of the Christmas story were also distributed to families in place of the Traveling Crib.

In December, with the Mackarness Hall still being out of use, we were able to offer the space, free of charge, to Honiton FoodSave for the distribution of food donated by local businesses.

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. A smaller number of funerals, and services of Baptism and Marriage have gone ahead when legally permitted and in keeping with the rules in place at the time.

Financial Review

Total income decreased to £64,767. Not being able to hold services in church resulted in a decrease in giving with planned giving down by £6,019 and all other donations, including collections in lieu of services, being down by a total of £8,502. Total expenditure was £99,321 including £3,442 of staff salaries which we were able to reclaim through the Coronavirus Job Retention Scheme. The net result for the year, after including gains on investments, was a deficit of £32,705. The balance, held in unrestricted funds and carried forward at 31 December, decreased to £328,673 with total funds amounting to £371,994.

The PCC paid its 2020 Common Fund assessment of £40,540 in full.

Reserves Policy

It is PCC policy to (if possible) maintain a balance on unrestricted funds which equates to approximately six months unrestricted payments, to cover any emergencies that may arise. In 2013 the PCC agreed "to maintain a balance on unrestricted funds (if possible) which equates to approximately four months unrestricted payments with the hope that, when finances allowed, it would be possible to return to a balance of six months reserves for unrestricted funds.

It is PCC policy to invest with CCLA in a CBF Church of England Deposit Account and CBF Church of England Investment Funds. Investments are revalued at the end of each financial year.

Appointments

The following were appointed as sidespersons during the year: Julia Beaman, Mollie Bolton, Anne Davies, Val Devereux, Val Fosse, Jill Hamilton, Suzanne Henville, Mike and Val Huxtable, Nicky and Meraniah Katene, Margaret Mumford, Michael and Priscilla Saunders, Belinda Thatcher and Margaret Wilderspin.

Thomas Westcott was appointed as Independent Examiner.

Volunteers

We would like to thank everyone who works so hard on behalf of the church. In particular we would like to mention our churchwarden Lyn Thatcher who has worked tirelessly, the volunteers that have enabled the opening of the church building for private prayer, those involved in the publication of the church news, and the whole church community for their love, prayers and support.

Approved by the PCC on _____ and signed on their behalf by _____

The Revd. Preb. Susan Roberts (PCC chairman)

St Paul's Church Honiton – 1128921

Statement of Financial Activities

for the year ended 31 December 2020

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	2019 Total Funds £
Income and Endowments from:	2						
Donations and Legacies		41,099.51	—	432.49	—	41,532.00	259,189.23
Income from Charitable Activities		16,617.00	—	—	—	16,617.00	25,923.48
Other Trading Activities		1,551.53	4,006.50	—	—	5,558.03	27,690.50
Investments		934.58	0.74	116.72	—	1,052.04	1,287.24
Other Income		8.00	—	—	—	8.00	399.50
Total Income and Endowments		60,210.62	4,007.24	549.21	—	64,767.07	314,489.95
Expenditure on:	3						
Raising Funds		2,082.08	4,660.21	—	—	6,742.29	11,459.73
Expenditure on Charitable Activities		89,242.52	3,137.44	198.92	—	92,578.88	104,773.58
Total Expenditure		91,324.60	7,797.65	198.92	—	99,321.17	116,233.31
Gains/(losses) on Investment	7b	1,554.47	—	—	294.51	1,848.98	4,222.96
Net Income/(Expenditure)		(29,559.51)	(3,790.41)	350.29	294.51	(32,705.12)	202,479.60
Transfers							
Gross transfers between Funds		1,757.36	(1,757.36)	—	—	—	—
Other Recognised Gains/(losses)		—	—	—	—	—	(15,750.05)
Net Movement in Funds		(27,802.15)	(5,547.77)	350.29	294.51	(32,705.12)	186,729.55
Reconciliation of Funds							
Total Funds brought forward		356,475.28	8,615.81	35,293.36	4,265.10	404,649.55	217,920.00
Total Funds carried forward		328,673.13	3,068.04	35,643.65	4,559.61	371,944.43	404,649.55

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

The 2019 comparative statement of financial activities is shown in note 6.

Approved by the PCC on 25.2.21 and signed on their behalf by



The Revd. Preb. Susan Roberts (PCC Chairman)

The notes on pages 5 – 13 form part of these accounts

St Paul's Church, Honiton – 1128921

Balance Sheet

for the year ended 31 December 2020

	Note	31/12/2020 £	31/12/2019 £
Fixed Assets			
Investments	7b	47,535.75	45,686.77
		47,535.75	45,686.77
Current Assets			
Debtors	9	1,191.00	4,170.75
Cash at Bank and in Hand		330,468.96	361,086.32
		331,659.96	365,257.07
Liabilities			
Creditors: Amounts falling due in one year	10	(7,251.28)	(6,294.29)
Net Current Assets less Current Liabilities		324,408.68	358,962.78
Total Net Assets less Liabilities		371,944.43	404,649.55
Represented by			
Unrestricted			
General Fund		328,673.13	356,475.28
Designated			
Choir Fund	5a	174.01	173.27
Mackarness Hall	5c, 10	2,894.03	8,442.54
Restricted			
Flower Fund	5a, 5b	797.91	794.69
Narthex Refurbishment	5a	516.71	514.53
Organ Fund	5a, 10	7,715.26	7,682.64
St Paul's Maintenance	5a, 10	26,076.97	25,568.05
Youth Fund	5a	536.80	733.45
Endowment			
St Michael's Churchyard	7b	4,559.61	4,265.10
Funds of the Church		371,944.43	404,649.55

The notes on pages 5 - 13 form part of these accounts.

St Paul's Church, Honiton – 1128921

Incoming Resources

for the year ending 31 December 2020

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	2019 Total Funds £
2 Income and Endowments						
2a Donations and Legacies						
Planned Giving	23,817.81	—	—	—	23,817.81	29,837.65
Loose Plate Collections	2,543.22	—	—	—	2,543.22	7,111.84
Collections Special Services	154.31	—	—	—	154.31	637.13
Giving through Wall Safe	1,328.02	—	432.49	—	1,760.51	1,645.03
One-off Donations	3,570.26	—	—	—	3,570.26	4,235.79
Tax Recoverable on Gift Aid	6,243.67	—	—	—	6,243.67	9,143.94
Legacies	—	—	—	—	—	206,577.85
One-off Grants	3,442.22	—	—	—	3,442.22	—
	41,099.51	—	432.49	—	41,532.00	259,189.23
2b Income from Charitable Activities						
Team Fees for Burials	6,502.00	—	—	—	6,502.00	10,737.00
Team Fees exc. Burials	2,201.00	—	—	—	2,201.00	4,269.00
Church Lettings	1,031.50	—	—	—	1,031.50	2,484.98
Crypt Lettings	252.50	—	—	—	252.50	1,757.50
Forecourt Lettings	30.00	—	—	—	30.00	75.00
Lodge Letting	6,600.00	—	—	—	6,600.00	6,600.00
	16,617.00	—	—	—	16,617.00	25,923.48
2c Other Trading Activities						
Proceeds from Events	—	—	—	—	—	235.00
Fund Raising - Mission	225.50	—	—	—	225.50	1,414.64
Fund Raising - Church	511.73	—	—	—	511.73	2,483.99
Fund Raising - Specific Projects	—	—	—	—	—	4,248.29
Coffee Mornings	687.20	—	—	—	687.20	3,812.13
Craft Club	127.10	—	—	—	127.10	592.45
Mackarness Hall Lettings	—	4,006.50	—	—	4,006.50	14,904.00
	1,551.53	4,006.50	—	—	5,558.03	27,690.50
2d Investments						
Interest and Dividends	934.58	0.74	116.72	—	1,052.04	1,287.24
	934.58	0.74	116.72	—	1,052.04	1,287.24
2e Other Income						
Printing/photocopying Recharges	8.00	—	—	—	8.00	189.30
Admin Recharges	—	—	—	—	—	210.00
Miscellaneous	—	—	—	—	—	0.20
	8.00	—	—	—	8.00	399.50
Total Income and Endowments	60,210.62	4,007.24	549.21	—	64,767.07	314,489.95

St Paul's Church, Honiton – 1128921

Resources Expended

for the year ended 31 December 2020

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	2019 Total Funds £
3 Expenditure						
3a Raising Funds						
Kitchen Running Costs	748.15	—	—	—	748.15	938.51
Mackarness Hall Costs	—	2,589.84	—	—	2,589.84	3,375.17
Mackarness Hall Utility Bills	—	2,070.37	—	—	2,070.37	3,378.57
St Michael's Lodge costs	1,333.93	—	—	—	1,333.93	3,432.25
Event Catering Costs	—	—	—	—	—	102.11
Fundraising Expenditure	—	—	—	—	—	233.12
	2,082.08	4,660.21	—	—	6,742.29	11,459.73
3b Expenditure on Charitable Activities						
Common Fund	40,540.70	—	—	—	40,540.70	39,546.00
Mission Payments	429.81	—	—	—	429.81	2,308.34
Staff Salaries	8,275.37	3,137.44	—	—	11,412.81	9,769.96
Clergy Expenses	4,320.00	—	—	—	4,320.00	4,320.00
Cost of Services	938.50	—	—	—	938.50	1,101.13
Church Running Expenses	298.20	—	—	—	298.20	4,396.68
Organist Fees	30.00	—	—	—	30.00	564.60
Choir	107.00	—	—	—	107.00	105.00
Flowers	—	—	—	—	—	274.50
Insurance	4,174.01	—	—	—	4,174.01	4,093.73
Health and Safety Inspection Fees	1,086.70	—	—	—	1,086.70	1,578.89
Refurbishment Costs	—	—	—	—	—	21,528.06
St Paul's Utility Bills	17,479.61	—	—	—	17,479.61	489.54
St Paul's Forecourt	190.00	—	—	—	190.00	145.00
St Michael's Insurance	—	—	—	—	—	(151.27)
St Michael's Utility Bills	—	—	—	—	—	10.92
St Michael's Churchyard	6,581.11	—	—	—	6,581.11	9,089.90
Monkton Churchyard	300.00	—	—	—	300.00	180.00
Administration	196.57	—	—	—	196.57	171.72
Phone Bills/broadband	506.33	—	—	—	506.33	506.48
Printing and Photocopying Costs	1,843.88	—	—	—	1,843.88	1,853.68
Bank Charges	185.77	—	—	—	185.77	421.84
Professional Fees	1,758.96	—	—	—	1,758.96	2,468.88
Youth Activities	—	—	198.92	—	198.92	—
	89,242.52	3,137.44	198.92	—	92,578.88	104,773.58
Total Expenditure	91,324.60	7,797.65	198.92	—	99,321.17	116,233.31

St Paul's Church, Honiton – 1128921

Notes to the Financial Statements

for the year ended 31 December 2020

4. Staff Costs

Staff Salaries £11,412.81

During the year the PCC employed 2 administrators and 2 cleaners, none of whom were paid more than £10,000 in total.

Temporary organists were employed during the year.

No member of the PCC claimed traveling or subsistence expenses. Reclaimed expenses by PCC members for costs incurred on behalf of the church amounted to £224.92. Planned giving from members of the PCC amounted to £2,656.44.

5a. Deposit Accounts

The PCC's deposit account is held within the CBF Church of England Funds. In January 2019 St Michael's Church was transferred to the care of the Diocese of Exeter and the funds restricted to St Michael's and St Michael's Maintenance were transferred to the Exeter Diocesan Board of Finance.

CBF Funds	2019	Net transfers	Income	Interest (restricted)	Interest (unrestricted)	2020
	£	£	£	£	£	£
General	16,810.62	(233.57)	—	—	70.39	16,647.44
Narthex Refurbishment	514.53	—	—	2.18	—	516.71
St Paul's Maintenance	17,568.05	432.49	—	76.43	—	18,076.97
Organ	7,682.64	—	—	32.62	—	7,715.26
Youth	733.45	(198.92)	—	2.27	—	536.80
Choir	173.27	—	—	—	0.74	174.01
Flowers	758.05	—	—	3.22	—	761.27
	44,240.61	—	—	116.72	71.13	44,428.46

5b. Flower Fund Current Account (Restricted)

The flower fund account is managed by the Churchwarden with permission of the PCC.

	2020	2019
	£	£
Receipts		
Donations	—	174.50
Interest	—	—
Payments		
Flowers etc.	—	(274.50)
Net Movement in Funds	—	(100.00)
Total Funds brought forward	36.64	136.64
Total Funds carried forward	36.64	36.64

St Paul's Church, Honiton – 1128921

Notes to the Financial Statements

for the year ended 31 December 2020

5c. Mackarness Hall Account (Designated)

See note 7a(ii).

	2020 £	2019 £
Income		
Donations	—	—
Lettings	4,006.50	14,904.00
Interest	—	—
Total Income	4,006.50	14,904.00
Expenditure		
Utility Bills	(2,070.37)	(3,378.57)
Salaries	(3,137.44)	(5,119.92)
Insurance	—	—
Running Costs/Maintenance	(2,589.84)	(3,375.17)
Total expenditure	(7,797.65)	(11,873.66)
Net Income /(Expenditure) Resources before transfer	(3,791.15)	3,030.34
Gross transfers - in	—	—
Gross transfers - out	(1,757.36)	—
Net Movement in Funds	(5,548.51)	3,030.34
Total Funds brought forward	8,442.54	5,412.20
Total Funds carried forward	2,894.03	8,442.54

St Paul's Church, Honiton – 1128921
Notes to the Financial Statements
for the year ended 31 December 2020

6. Comparative Statement of Financial Activities as at 31 December 2019

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	2018 Total Funds £
Income and Endowments from:						
Donations and Legacies	257,565.07	—	1,624.16	—	259,189.23	124,366.09
Income from Charitable Activities	25,908.50	14.98	—	—	25,923.48	30,830.40
Other Trading Activities	11,206.94	14,904.00	1,579.56	—	27,690.50	23,930.73
Investments	1,022.90	1.29	263.05	—	1,287.24	1,138.81
Other Income	399.50	—	—	—	399.50	581.03
Total Income and Endowments	296,102.91	14,920.27	3,466.77	—	314,489.95	180,847.06
Expenditure on:						
Raising Funds	4,443.02	6,753.74	262.97	—	11,459.73	26,948.37
Expenditure on Charitable Activities	79,648.84	5,119.92	20,004.82	—	104,773.58	94,117.94
Total Expenditure	84,091.86	11,873.66	20,267.79	—	116,233.31	121,066.31
Net Gains/(losses) on Investment	3,550.30	—	—	672.66	4,222.96	(417.24)
Net Income/(Expenditure)	215,561.35	3,046.61	(16,801.02)	672.66	202,479.60	59,363.51
Other Gains/(losses)						
Gross Transfers between Funds	1,075.61	—	(1,075.61)	—	—	—
Other Recognised Gains/(losses)	—	—	(14,702.93)	(1,047.12)	(15,750.05)	—
Net Movement in Funds	216,636.96	3,046.61	(32,579.56)	(374.46)	186,729.55	59,363.51
Reconciliation of Funds						
Total Funds brought forward	139,838.32	5,569.20	67,872.92	4,639.56	217,920.00	158,556.49
Total Funds carried forward	356,475.28	8,615.81	35,293.36	4,265.10	404,649.55	217,920.00

St Paul's Church, Honiton – 1128921

Notes to the Financial Statements

for the year ended 31 December 2020

7. Fixed Assets for use by the PCC

7a. Tangible Fixed Assets

It has not been possible to ascribe a historical cost to the properties held by the PCC. A current market valuation of the properties held by the PCC cannot be obtained without incurring unreasonable expense.

(i) The freehold land and buildings comprise St Michael's Lodge which was acquired from Combe Settled Estate or Richard Marker sometime between 1873 and 1901. The PCC took out a mortgage of £26,000 in 2000 (now fully repaid) to refurbish St Michael's Lodge to a sufficient standard for rental.

(ii) Exeter Diocesan Trust is Custodian Trustee of the Mackarness Hall and the Rector and Churchwarden are the Managing Trustees of this property, which, on 28 March 2010, reverted back to the PCC from East Devon District Council.

(iii) Land gifted by Mr Marker in 1990 is for use as a car park at St Michael's Church.

7b. Investment Fixed Assets

In 2019 the PCC held 288 shares in the Church of England Investment Fund (St Michael's) which is an endowment fund. In January 2019 St Michael's Church was transferred to the care of the Diocese of Exeter and 65 of the shares were transferred to the Exeter Diocesan Board of Finance (EDBF) by agreement of the PCC. Of the 288 original shares:

i 200 shares to be used for the maintenance of St Michael's churchyard were retained by the PCC.

ii 46 shares to be used for St Michael's church and churchyard were split equally between EDBF and the PCC.

iii 42 shares to be used for the stained glass window in St Michael's church were transferred to EDBF.

The table below shows the comparison in market value of the shares retained in 2020 by the PCC only.

	Market Value 31/12/2019 £	Unrealised Profit/(loss) £	Market Value 31/12/2020 £
1177 shares in the CBF Church of England Investment Fund	22,511.30	1,554.47	24,065.77
223 shares in the CBF Church of England Investment Fund (St Michael's)	4,265.10	294.51	4,559.61
National Savings Bond (maintenance)	8,000.00	—	8,000.00
CBF Deposit Account 115002029D	10,910.37	—	10,910.37
Total market value	45,686.77	1,848.98	47,535.75

8. Analysis of Net Assets by Fund

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
Fixed Assets for Church use	—	—	—	—	—	—
Investment Fixed Assets	34,976.14	—	8,000.00	4,559.61	47,535.75	45,686.77
Current Assets	300,062.69	3,953.62	27,643.65	—	331,659.96	365,257.07
Current Liabilities	(6,365.70)	(885.58)	—	—	(7,251.28)	(6,294.29)
Balances 31 December 2019	328,673.13	3,068.04	35,643.65	4,559.61	371,944.43	404,649.55

St Paul's Church, Honiton – 1128921

Notes to the Financial Statements

for the year ended 31 December 2020

9. Debtors

		2020	2019
		£	£
Debtors			
	Mackarness Hall		
	General Fund	Designated Unrestricted	604.00 3,566.75
		1,191.00	
		1,191.00	4,107.75

10. Creditors

		2020	2019
		£	£
Creditors			
	Mackarness Hall		
	General Fund	Designated Unrestricted	33.04 6,261.25
		885.58 6,365.70	
		7,251.28	6,294.29

11. Accounting Policies

The Financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2006 together with applicable accounting standards and the Charities SORP.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

Funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are shown as unrestricted in the accounts.

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 or those that are informal gatherings of church members.

Incoming Resources

Voluntary Income and Capital Sources

Collections are recognised when received by or on behalf of the PCC.

Income tax recoverable on Gift Aid donations is accrued in the accounting year to which it is applicable.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

Other Income

Rental income from the letting of church premises is recognised when the rental is due.

Notes to the Financial Statements
for the year ended 31 December 2020

11. Accounting Policies (continued)

Income from Investments

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

Gains and Losses on Investments

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources Used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities Directly Relating to the Work of the Church

The Diocesan Common Fund is accounted for when paid. Any Common Fund unpaid at 31 December but certain to be paid in the following year, is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

Fixed Assets

Consecrated Property and Movable Church Furnishings

Consecrated and beneficed property for any kind is excluded from the accounts by s96(2) of the Charities Act 1993.

Movable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2005 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since 1 January 2005 are capitalised and depreciated in the accounts over their currently anticipated useful economic life (initially over 10 years) on a straight-line basis.

All expenditure incurred in the year on consecrated or beneficed buildings, individual items under £500 or on the repair of movable church furnishings acquired before 1 January 2005 is written off.

Other Fixtures, Fittings and Office Equipment

Equipment used within the church premises is depreciated on a straight-line basis over 4 years. Individual items of equipment with a purchase price of £500 or less are written off when the asset is acquired. Equipment purchased for the Mackarness Hall is not depreciated and the cost fully recognised in the year of purchase.

Investments

Investments are shown at market value at 31 December.

Current Assets

Amounts owing to PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

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

This report on the accounts of the PCC for the year ended 31 December 2020, which are set out in the PCC Annual Report and on pages 1 to 17, is in respect of an examination carried out in accordance with the Church Account Regulations 2006 ('the Regulations') and s.145 of the Charities Act 2011 ('the Act').

Respective Responsibilities of the PCC and the Examiner

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and s.144 of the Act does not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

Basis of this Report

My examination was carried out in accordance with the General Directions given by the Charity Commission and the Church guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering 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 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 Act; and
 - to prepare financial statements which accord with the accounting records and comply with the requirements of the Act and the Regulations 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.

N. Smy

N Smy ACA
Independent Examiner
Thomas Westcott
Chartered Accountants
Queens House
New Street
Honiton
Devon
EX14 1BJ

Dated: 7.6.21

