

FINANCIAL REVIEW

Investment Policy

The PCC's investment policy is regularly reviewed by members. The Council seeks to maximise long term income without exposing capital to undue risk.

Reserves Policy

The PCC's policy is to invest funds balances with the CBF Church of England Deposit Fund.

PCC Members Responsibility

The PCC members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Charity Law requires the PCC members to prepare financial statement for each financial year which give a true and fair view of the state of affairs of the PCC and of the surplus or deficit of the PCC for that period. In preparing these financial statements, the PCC members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- prepare financial statement on the going concern basis unless it is inappropriate to presume that the PCC will continue in business.

The PCC members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the PCC and to enable them to ensure responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

| Unrestricted Funds | 2022 | 2021 |
|------------------------------------|-------------------|-------------|
| | £ | £ |
| The unrestricted income was | 70918 | 60629 |
| Less: the unrestricted expenditure | <u>5699960926</u> | |
| Net Incoming/ Outgoing Resources | <u>13919</u> | <u>-297</u> |

The largest item of expenditure was in respect of the Parish Share which was £26,302 this

is a decrease of £11210 on the previous year. Fund raising events which we have not had in the two previous years helped and therefore the accounts show a surplus in the year of £13919.

| Restricted/Designated Funds | 2022 | 2021 |
|-----------------------------|-------------|---------------|
| <u>Receipts</u> | £ | £ |
| Legacies | | 20956 |
| Donations, etc. | 845 | 1131 |
| Organ Fund | | <u>12999</u> |
| | 845 | 35086 |
| Less: <u>Expenditure</u> | | |
| Legacies | 535 | 47012 |
| Other | | <u>1238</u> |
| | <u>1773</u> | <u>47937</u> |
| Total | <u>-928</u> | <u>-12851</u> |

Parochial Church Council of Saint George with Saint Mary Magdalene

Charity Number 1128943

Notes to the financial statements for the year ended 31 December 2022

1. ACCOUNTING POLICIES

Preparation

The financial statements have been prepared under the historical cost convention, except for the investments which are included at market value, as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities. 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.

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 by the PCC for a particular purpose are also unrestricted. Endowment funds are funds of which the capital must be maintained. Only the income from the investment may be used as unrestricted income.

Restricted funds represent (a) income from trusts which may be expended only on those restricted objects provided in the terms of the trust, donation or grant received for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

Incoming resources

Planned giving, collections and donations are recognized when received. Tax refunds are recognized when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable, interest is accrued. All other income is recognized when it is receivable. All incoming resources are accounted for gross.

Realised gains or losses on investments are recognized when the investment is sold. Unrealised gains or losses on investments are accounted for in the valuation of the investments at the year end.

Resources expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The Diocesan Parish Share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognized when it is incurred and is accounted for gross. Church activities expenses consist of costs in undertaking the PCC's work to meet its objectives. Governance costs consist of the expenses incurred in overseeing the work of the PCC.

Fixed Assets

Consecrated land and buildings and moveable church furnishings

Consecrated and benefice property is not included in the accounts. No value is placed on movable 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. All expenditure incurred during the year on consecrated or benefice buildings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight-line basis over four years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Investments

Investments are valued at market value. Unrealised and realised gains and losses on investments are included in the Statement of Financial Activities.

Current Assets

Amounts owing to the PCC in respect of fees, rent or other income are shown as debtors less provisions for amounts that may prove not to be collectable.

Short term deposits include cash held on deposit with the CBF Church of England Funds or with Lloyds Bank plc.

**The Parochial Church Council of The Ecclesiastical Parish of
Saint George with Saint Mary Magdalene, Worcester
Charity Number 1128943
Notes to the Financial statement for the year ended 31 December 2022**

| 2 INCOMING RESOURCES | | Unrestricted Funds £ | Designated Funds £ | Restricted Funds |
|---------------------------------|--|----------------------------|--------------------------|---------------------|
| Voluntary income | | | | |
| Planned giving: | | | | |
| | Gift Aid | | | |
| | Donations | 28,344 | | |
| | Tax recoverable | 8,898 | | |
| | Non gift aid | 5,563 | | |
| | Collections (open plate) at all services | 4,680 | | |
| | Sundry Donations | 1,962 | 317 | 528 |
| | Legacies | | | |
| | WCC Grants | 675 | | |
| | Organ Fund | | | |
| | | 50,122 | 317 | 528 |
| Activities for generating funds | | | | |
| | Fund raising | 5,462 | | |
| | Traidcraft | 135 | | |
| | | 5,597 | | |
| Church Activities | | | | |
| | Fees | 1,081 | | |
| | Lettings - Church | 4,870 | | |
| | Lettings - Magdalene Room | 9,078 | | |
| | | 15,029 | | |
| Income from investments | | | | |
| | Interest | 170 | | |
| | | 170 | | |
| Total incoming resources | | 70,918 | 317 | 528 |

**The Parochial Church Council of The Ecclesiastical Parish of
Saint George with Saint Mary Magdalene, Worcester
Charity Number 1128943
Notes to the Financial statement for the year ended 31 December 2022**

| 2 INCOMING RESOURCES | Unrestricted Funds £ | Designated Funds £ | Restricted Funds |
|--|----------------------------|--------------------------|---------------------|
| Voluntary income | | | |
| Planned giving: | | | |
| Gift Aid | | | |
| Donations | 28,344 | | |
| Tax recoverable | 8,898 | | |
| Non gift aid | 5,563 | | |
| Collections (open plate) at all services | 4,680 | | |
| Sundry Donations | 1,962 | 317 | 528 |
| Legacies | | | |
| WCC Grants | 675 | | |
| Organ Fund | | | |
| | 50,122 | 317 | 528 |
| Activities for generating funds | | | |
| Fund raising | 5,462 | | |
| Traidcraft | 135 | | |
| | 5,597 | | |
| Church Activities | | | |
| Fees | 1,081 | | |
| Lettings - Church | 4,870 | | |
| Lettings - Magdalene Room | 9,078 | | |
| | 15,029 | | |
| Income from investments | | | |
| Interest | 170 | | |
| | 170 | | |
| Total incoming resources | 70,918 | 317 | 528 |

**The Parochial Church Council of The Ecclesiastical Parish of
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Notes to the financial statements for the year ended 31 December 2022**

| 3 RESOURCES EXPENDED | Unrestricted Funds £ | Designated Funds £ | Restrict ed Funds £ | Endowmen t Funds £ |
|--------------------------------|-------------------------------------|-----------------------------------|--|---------------------------------------|
| Fundraising Costs | 1041 | | | - |
| Missionary & Charitable giving | | | | |
| Overseas | 2000 | | | |
| Home | 1500 | | | |
| Other Charities | 100 | | | |
| | 3600 | | | |
| Legacies | | 535 | | |
| Church Activities | | | | |
| Ministry: | | | | |
| Diocesan Parish Share | 26302 | | | |
| Ministry Support Fund | 4000 | | | |
| Clergy expenses | 1082 | | | |
| Music and Worship | 3720 | | | |
| Church buildings | | | | |
| Running expenses | 1869 | | | |
| Insurance | 5477 | | | |
| Utilities | 3211 | | | |
| Children's Work | 124 | | | |
| Magdalene Room - costs | 1896 | | | |
| Magdalene Room - utilities | 1399 | | | |
| Sundry costs | 1033 | | | |
| Parish Office contribution | 2149 | | | |
| Fixed asset depreciation | | | | |
| Community Projects | | 70 | 1168 | |
| Professional Fees (Audit) | 96 | | | |
| | 52358 | 70 | 1168 | |
| Total resources used | 56999 | 605 | 1168 | |

**The Parochial Church Council of The Ecclesiastical Parish of
Saint George with Saint Mary Magdalene, Worcester
Charity Number 1128943
Notes to the Financial statement for the year ended 31 December 2022**

| 2 | INCOMING RESOURCES | Unrestricted Funds | Designated Funds | Restricted Funds | Endowment Funds | Total 2022 |
|---|--|-----------------------|---------------------|---------------------|--------------------|---------------|
| | | £ | £ | | £ | £ |
| | Voluntary income | | | | | |
| | Planned giving: | | | | | |
| | Gift Aid Donations | 28,344 | | | | 28,344 |
| | Tax recoverable | 8,898 | | | | 8,898 |
| | Non gift aid | 5,563 | | | | 5,563 |
| | Collections (open plate) at all services | 4,680 | | | | 4,680 |
| | Sundry Donations | 1,962 | 317 | 528 | | 2,807 |
| | Legacies | | | | | |
| | WCC Grants | 675 | | | | 675 |
| | Organ Fund | | | | | |
| | | 50,122 | 317 | 528 | | 50,967 |
| | Activities for generating funds | | | | | |
| | Fund raising | 5,462 | | | | 5,462 |
| | Traidcraft | 135 | | | | 135 |
| | | 5,597 | | | | 5,597 |
| | Church Activities | | | | | |
| | Fees | 1,081 | | | | 1,081 |
| | Lettings - Church | 4,870 | | | | 4,870 |
| | Lettings - Magdalene Room | 9,078 | | | | 9,078 |
| | | 15,029 | | | | 15,029 |
| | Income from investments | | | | | |
| | Interest | 170 | | | | 170 |
| | | 170 | | | | 170 |
| | Total incoming resources | 70,918 | 317 | 528 | | 71,763 |