



holy trinity
Registered Charity No. 1131724

northwood

ANNUAL FINANCIAL REPORT

Financial Review and Accounts



for the year 2023

**Presented to the
Annual Church Meeting
on 12 May 2024**

Financial Review

This review explains the financial activities of the Holy Trinity Church, Northwood ("the Church", technically the PCC) in a simple way to make them as understandable as possible. The full statutory financial statements, Independent Examiner's report and the budget for 2024 follow the review.

Key: **Blue** means good news, **Red** means bad news. Numbers are rounded for simplicity.

HEADLINES

- **We collected around £2,000 more than we spent on day-to-day activities**
- **We had to spend £33,000 on necessary refurbishments, some of which was funded by a legacy donation of £25,000**
- **This led to an overall shortfall of around £6,000**
- **The final part of the legacy has been received in 2024.**
- **We will keep working (and praying) to move to a more positive financial position!**

General funds

2023 versus 2022

In 2023 the Church raised around **£171,000** and spent **£169,000** in its general account. This gives a surplus of **£2,000**.

This compares to 2022 where we raised **£166,000** and spent **£162,000**, which gave a surplus of **£4,000**.

The increase in money raised compared to 2022 comes mainly an increase in rental income **(+£3,550)**.

The increase in money spent compared to 2022 is mostly due to rising energy costs for the Church and Hall **(+£8,000)** offset by reduced youth work costs **(-£4,000)**.

This small annual surplus will not be able to fund any major repairs or investment that will be needed to maintain the church in the future. The PCC is considering how best to secure funding for such investment going forward, such as by appeals or unplanned income.

Designated and Restricted Funds

Necessary major refurbishments of the electrical system in the vestry and replacing the doors and windows in the Church Office cost **£33,000** in 2023. A significant legacy donation of **£25,000** offset these costs, but there remained a shortfall of around **£8,000**.

The last part of the legacy donation has been received in 2024 and the PCC is considering how best to invest this money. However, further investment must be funded from another source, such as appeals.

The only restricted activity was money collected in church for other charities which was passed on to the charities concerned.

Overall assets of the Church

The assets of the church decreased by **£8,000** in 2023, mostly due to the overall shortfall.

The total assets of **£451,000** is mostly made up of a house (**£355,000**) which was used as accommodation for church staff in 2023 but is now being rented. There is also **£45,000** in investments and **£54,000** cash in the bank. This may sound like a lot, but major renovations of the type necessary in 2023 of around £35,000 would use up the cash and investments in 3 years if not matched by major donations or appeals.

The Budget for 2024

The budget for 2024 is included at the end of this report. It reflects the expectations of the PCC for 2024 and would result in the money raised by the church matching the money spent in 2024. Overall income is budgeted to increase to **£187,000** in 2024 compared with £171,000 in 2023. A large part of this is the expected rental income increasing by **£15,000**, which will be spent on improving the property.

The PCC does recognise that achieving the budgeted income will be challenging and we will need all of the Church to work together.

Overall costs are budgeted to increase to **£187,000**, from £169,000 in 2023. In addition to property upkeep noted above, increased energy costs and common fund contribution are budgeted. The cost of children or youth workers are not included, though it is hoped that it may be possible to recruit one or both in the year. As with the income budget, the PCC recognises that achieving the budgeted expenditure will be challenging. We will keep a close eye on the running costs of the Church as the year goes on.

We would welcome any ideas and help from all of you on how to raise money and reduce costs, such as ideas for fundraising and ways to reduce energy use!

Jon Hooper
Treasurer
15 April 2024.

Note on labelling of funds

Churches generally separate out their transactions and assets into three categories.

The main category is called 'general' or 'unrestricted' funds which are available for spending on anything.

The second category is called 'designated' funds, which are again funds which the church can spend on anything, but have been designated by the PCC towards a specific purpose.

Finally, the third category of funds is called 'restricted' as they can only be spent according to the wishes of the donor.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	Unrestricted Funds	Designated Funds	Restricted Funds	TOTAL 2023	2022
		£	£	£	£	£
INCOME AND ENDOWMENTS						
Donations and legacies	2a	122,483	31,102	2,458	156,043	135,783
Charitable activities	2b	21,097	0	2,040	23,137	22,462
Income from investments	2c	17,260	0	0	17,260	12,802
Other income	2d	9,903	0	0	9,903	9,378
TOTAL INCOME		170,743	31,102	4,498	206,343	180,425
EXPENDITURE						
Charitable giving	3a	0	2,177	1,420	3,597	3,554
Church activities	3b	164,915	36,968	3,078	204,961	158,946
Investment outgoings	3c	3,942	0	0	3,942	2,694
TOTAL EXPENDITURE		168,857	39,145	4,498	212,500	165,194
SURPLUS / DEFICIT		1,886	-8,043	0	-6,157	15,231
Gains/(Losses) on investments			-1,086		-1,086	-2,726
Transfers between funds						0
NET MOVEMENT IN FUNDS		1,886	-9,129	0	-7,243	12,505
Total funds brought forward		0	210,120	247,706	457,826	445,321
Total funds carried forward		1,886	200,991	247,706	450,583	457,826

BALANCE SHEET AS AT 31ST DECEMBER 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible	5a	355,438	355,438
Investments	5b	45,133	46,219
		400,571	401,657
CURRENT ASSETS			
Debtors	6	7,249	12,796
Cash at bank		54,298	56,224
		61,547	69,020
TOTAL ASSETS		462,118	470,677
LIABILITIES			
Amounts falling due within 1 year	7	11,535	12,851
TOTAL NET ASSETS	8	450,583	457,826
REPRESENTED BY			
Funds:			
General	9	1,886	0
Designated	9	200,991	210,120
Restricted	9	247,706	247,706
		450,583	457,826

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations "true and fair view" provisions.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. The financial statements 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 affiliations to another body, nor those which are informal gatherings of church members.

Going Concern

The accounts have been prepared on a going concern basis which assumes that the charity will continue to operate for the foreseeable future. This is based on the Trustees opinion that the activity will continue due to support of their charitable activities.

If the charity were unable to continue to operate, adjustments would be made to provide for any further liabilities which may arise.

Assets

The financial statements have been prepared under the historical cost convention except for:

- a. The Church, built in 1854, and other consecrated and beneficed property assets, previously excluded from financial statements in accordance with generally accepted practice and now included as required by Charity Accounting regulations. Due to their location and purposes, and having no known cost, the value ascribed is nominal.
- b. Other property assets at cost.
- c. Moveable church furnishings at cost where known.
- d. Plant and equipment, over £1,000 with a life of 2 years and over, at cost

Depreciation

No depreciation is provided on consecrated and beneficed property as its cost is unknown and by reason of it being unsaleable by its nature and age, being 50 or more years old.

No depreciation is provided on other property assets as their current estimated residual value is not less than the carrying value and the remaining useful life exceeds 50 years.

Depreciation on plant, equipment and furnishings is calculated to write off their cost less their anticipated residual value over their estimated useful life.

Investments

Investments quoted on a recognised stock exchange or whose value derives from them are valued at market value at the year end.

Funds**Unrestricted Funds**

These represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC.

Designated Funds

These represent unrestricted amounts designated by the PCC for specific purposes which may well extend over one or more accounting periods.

Restricted Funds

These represent amounts received which must be used for the purpose specified by the donor.

As in previous years, the net movement on the general fund has been moved into the designated maintenance fund at the end of the year.

2. INCOME AND ENDOWMENTS

		Unrestricted	Designated	Restricted	TOTAL
		Funds	Funds	Funds	2023
	Note	£	£	£	£
Donations and Legacies	2a				
Planned giving		82,380			82,380
Open plate collections		8,022			8,022
Gift aid recoverable		21,891	413	170	22,474
Donations and appeals		10,190	5,689	2,288	18,167
Legacies			25,000		25,000
		122,483	31,102	2,458	156,043
Charitable Activities	2b				
Fund raising events		5,981			5,981
Holiday club		1,507			1,507
Other funds generated		2,415			2,415
		9,903	0	0	9,903
Investment income	2c				
Interest		3,710			3,710
Property rent		13,550			13,550
		17,260	0	0	17,260
Income from church activities	2d				
Fees payable to the PCC		1,976			1,976
Weddings and funerals		1,485		2,040	3,525
Hall and Parish Rooms		17,636			17,636
		21,097	0	2,040	23,137
TOTAL INCOME		170,743	31,102	4,498	206,343

3. EXPENDITURE

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
Missionary and charitable giving	3a		2,177	1,420	3,597	3,554
Church activities	3b					
Ministry:						
Parish		87,775			87,775	85,200
Staff expenses		1,729			1,729	2,016
Church running expenses		17,086			17,086	19,824
Hall and Parish Rooms		17,898			17,898	13,174
Churchyard		660			660	150
Youth work costs		4,776			4,776	9,266
Services and resources		7,986	4,100		12,086	7,828
Holiday club		519			519	829
Administration		22,199			22,199	19,326
Fund Raising Costs		2,404			2,404	1,361
Weddings and funerals		1,883		2,040	3,923	0
Other Costs		0		1,038	1,038	0
Refurbishments			32,868		32,868	-28
		164,915	36,968	3,078	204,961	158,946
Investment outgoings	3c					
Property upkeep		3,942			3,942	2,694
TOTAL EXPENDITURE		168,857	39,145	4,498	212,500	165,194

4. Staff costs and Trustee Donations

	2023	2022
	£	£
Within youth work costs and Church administration costs are:		
Salaries and employer's National Insurance	13,148	21,887
Employer's pension contributions	890	368
Total	14,038	22,255

Other than reimbursement of expenses incurred, no payments were paid to any PCC member, person closely connected or related to them, or related parties.

In 2023, members of the PCC, being Trustees of the Charity, contributed £27,201 by way of donations.

5. Fixed Assets	2023	2022
(a) Tangible		
Consecrated and benefice property assets - Hall, adjacent Parish Rooms with Flat at nominal value	2	2
Freehold property at cost	<u>355,436</u>	<u>355,436</u>
	<u>355,438</u>	<u>355,438</u>
(b) Investments		
Market value 1st January	46,219	48,946
Investments Sold at market value	0	0
Unrealised (loss)/gain on revaluation	<u>-1,086</u>	<u>-2,727</u>
Market value 31st December	<u>45,133</u>	<u>46,219</u>

The investments are in the CBF Investment Fund and the Equities Investment Fund for Charities (Charifund).

6. Debtors (Unrestricted Funds)	2023	2022
Amounts falling due within one year:		
Gift aid recoverable	2,470	5,554
Other debtors	<u>4,779</u>	<u>7,242</u>
	<u>7,249</u>	<u>12,796</u>

7. Liabilities	2023	2022
Amounts falling due within one year:		
Accounts payable	7,064	8,331
Other creditors	<u>4,471</u>	<u>4,520</u>
	<u>11,535</u>	<u>12,851</u>

8. Analysis of net assets by fund

	General Fund	Designated Fund	Restricted Fund	Total Funds
	£	£	£	£
Tangible fixed assets		109,838	245,600	355,438
Investment fixed assets		45,133		45,133
Current assets	13,421	46,020	2,106	61,547
Current liabilities	-11,535			-11,535
	<u>1,886</u>	<u>200,991</u>	<u>247,706</u>	<u>450,583</u>

9. Funds

	Bal fwd 01-Jan-23 £	Income £	Expenditure £	Losses £	Funds Transfer £	Bal fwd 31-Dec-23 £
Unrestricted Fund						
General	0	170,743	-168,857	0	0	1,886
Designated Funds						
Maintenance	40,240			-1,086		39,154
House	109,838					109,838
Working Capital	18,500					18,500
Projects	38,867	25,025	-32,868			31,024
Organ	2,675	3,900	-4,100			2,475
Mission and charity	0	2,177	-2,177			0
	210,120	31,102	-39,145	-1,086	0	200,991
Restricted Funds						
House	245,600					245,600
Mission and charity	-272	4,498	-4,498			-272
Vicar's Discretionary	2,378					2,378
	247,706	4,498	-4,498	0	0	247,706

10. Charitable and other donations

The PCC made grants totalling £3,421 (2022 - £3,554) from its funds, from special collections, fund raising events and on behalf of other beneficiaries from special collections and fund raising and passed on directly to them. The beneficiaries were:-

HT Church Northwood - Charitable Donations 2023

	£
Malawi School	406
Mount Vernon Cancer Charity	500
Lynda Jackson Macmillan Centre	620
Tearfund	305
Macmillan	236
St Georges College Jerusalem	677
One YMCA	677
TOTAL	3421

Approval of Report and Financial Statements

The Report, Financial Statements and Activity Reports were approved by the Parochial Church Council on XX April 2024 and signed on their behalf, by Chairperson.

Ann Lynes

Independent Examiner's Report to the Parochial Church Council of Holy Trinity Northwood

I report on the accounts of the charity for the year ended 31st of December 2023 which are set out on pages 5 to 13.

Respective responsibilities of the PCC and examiner and basis of report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2023.

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act: or
- The accounts did not accord with the accounting records: or
- The accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matter in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Date: 18 April 2024



Shahbaz Ahmed ACA; FCCA
LPS Livingstone Limited Chartered Accountants
Relevant Professional body: Institute of Chartered Accountants in England and Wales




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WD18 9AB.

Holy Trinity Northwood

Budget for year ending 31st December 2023

General Fund	Actual for 2023	Budget for 2024
	£	£
Incoming Resources		
Planned Giving	82,380	83,000
Loose Plate	8,022	6,600
Gift Aid	21,891	22,800
Donations	10,190	9,000
Fund raising	5,981	7,500
Holiday Club	1,508	1,500
Other	2,415	3,000
Interest	3,710	4,000
Rent	13,550	28,850
Fees to PCC	3,461	3,700
Hall and Parish Rooms Hire	17,636	18,000
Total income	170,743	186,750
Outgoing Resources		
Common Fund	87,775	91,300
Staff expenses	1,729	2,000
Church running expenses	17,086	18,866
Hall and Parish Rooms	17,898	23,356
Property upkeep	3,942	14,873
Churchyard	660	500
Youth work costs	4,776	500
Services and resources	7,986	9,970
Holiday club	519	750
Administration	22,199	22,135
Fund Raising Costs	2,404	2,500
Weddings and funerals	1,883	0
Total expenditure	168,857	186,750
Surplus / (Deficit) for the period	1,886	-

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 holy trinity northwood <small>Registered Charity No. 1131724</small>			
<i>a welcoming community of Christ</i>  <i>open to God</i>  <i>inclusive of all</i>  <i>serving one another</i>			
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<hr/>			
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