

FERNDOWN PAROCHIAL CHURCH COUNCIL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

tc accounts • tax • legal • financial planning

10 Bridge Street
Christchurch
Dorset
BH23 1EF

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FERNDOWN PAROCHIAL CHURCH COUNCIL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Howshall	
	Rev P Chabala	
	Mrs Diane French	
	Mrs Sarah Collins	
	Mr Alan Field	
	Mr Michael Raven	(Appointed 16 May 2023)
	Rev Oliver Fricker	
	Mrs Vera Waters	
	Mr Barry Robertson	
	Mr Simon Wagstaff	(Appointed 16 September 2023)
	Mrs Suzanne Sanderson	(Appointed 16 September 2023)
	Mr David Jobbins	(Appointed 16 September 2023)
	Rev Dominic Meering	(Appointed 1 September 2023)
Charity number	1134028	
Principal address	St Marys Church Hall Church Road Ferndown Dorset United Kingdom BH22 9EU	
Independent examiner	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF	

FERNDOWN PAROCHIAL CHURCH COUNCIL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016) and the Church Accounting Regulations 2006.

Objectives and activities

Status

St Mary's is the local 'Church of England' church, led and managed by the Parochial Church Council (PCC) which in turn is chaired by the incumbent of the church, Rev Dominic Meering. The PCC is given a mandate to further the work of the mission of the church in its worship and witness. Our stated aim is 'Transformation through Jesus'. This is done in many ways, some of which are described in the following pages.

Vision Statement: Transformation through Jesus

St Mary's can best be described as a family rather than an organisation, and as such, its aim and objectives are really relational. The Trustees have identified ten values which underpin our work and method of operation which reflect this:

Encountering Jesus, Celebration: a worshipping people, Kingdom Living; People of Faith; People of the Word and Spirit; Praying People; Equipping the Saints; Relational: Loving and Serving People; People Set Free. These values recognise our core objectives of growing and encouraging those who belong to St Mary's, equipping them to live the Christian life day to day, and reaching out with the Good News and love of Jesus to our community in a desire to demonstrate the goodness of God. These are still well summarised by the following three aims:

1. To be rooted in Jesus through worship, prayer, bible study, small groups, and public worship that is offered in a variety of styles.
2. Growing up to maturity in Jesus through discipleship, pursuing the Presence of God, service, sacrificial giving, and leadership development.
3. Reaching Out with Jesus through our welcome and witness. The quality of our love, care and relationships is key to extending God's Kingdom in this locality. We believe that the Good News of Jesus is good news for everyone, and that in Him all the solutions to the deepest needs of humanity can be found and so we intentionally share Him.

FERNDOWN PAROCHIAL CHURCH COUNCIL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public Benefit

Throughout this report we have illustrated the impact we are having on the local community. We exist to benefit the wider community but a by-product of this objective is that we benefit those that join us and are gathered in to the Church who in turn multiply the impact on the wider public. The PCC have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The following information demonstrates this duty and measurement of impact as a proactive part of managing the Charity.

The trustees regularly review our aims, objectives and activities of the charity and communicate this to the PCC body as a whole at least on an annual basis. The trustees have considered the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion for the public benefit.

Volunteers

Unpaid volunteers contribute a large amount in terms of time to the work of the PCC, including working in the office, cafe, church services, childrens work and visiting. The value of this time is considered too hard to quantify and not included as income in the charity accounts.

FERNDOWN PAROCHIAL CHURCH COUNCIL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

St Mary's Church Ferndown is called to be a community of people who know and love Jesus, and to follow his purposes for us in Ferndown in each season.

Above all, we are a community of believers seeking to worship Jesus as Lord, who died on the cross and rose from the dead, and receive his offer of forgiveness and invitation into a life filled with every spiritual blessing. We are a community seeking to serve and bless each other and those around us in the name of Jesus.

St Mary's Church and site includes a place of Christian worship, built circa 1933, a church Hall, and a suite of function rooms, offices, and a vibrant café which serves the local community.

In September 2023, I was licensed as Team Rector of All Saint's Hampreston & Stapehill, and St Mary's, Ferndown. I have joined a team consisting of two other licensed clergy, five paid staff, church officers, and large number of lay volunteers.

The current activity of the church, centered around the person and call of Jesus, could be described as falling under the following twelve broad and overlapping areas. For each area a precis and non-exhaustive precis of activity and function is given below:

- **Worship** – including Sunday gatherings, baptisms, prayer evening for Christmas events, speaking words of God over us, faith-filled evenings, Kingdom Come evening. We have had some significant events over the last year which have seen good Spiritual fruit.
- **Children, Youth and Families** – numbers of children and youth involved in events had reached a very low ebb in recent years, but are showing signs of growing. Specific events have included: a Light Party, Duggie Doug Doug event, a Connect Group for growing families, after hours school club in the Café, Little Sheep, engagement with four schools, room hire, and a new youth team is being set up.
- **Seniors** – Ferndown has double the national average of older people, Ministry areas include: Open Doors, Thursday Communion, Café ministry, Songs of Praise, Memory Lane, all of which is bearing fruit but requires 'trellis' on which to grow.
- **Pastoral Care and Discipleship** – This includes funeral work, the Bereavement Journey course, 15 Connect Groups, one to one visiting, safeguarding.
- **Mission, Evangelism and Outreach** – Much of the discipleship work and our worship services has an element of equipping church members for personal evangelism. And many of our gatherings also have an evangelistic element to them, with specific outreach events at key points in the year. Other aspects of this include a marriage preparation afternoon, the Café, men's breakfasts, women's ministry events, support of external mission partners, and partnering with East Dorset CAP.
- **Building Community in Ferndown** – We engage with a number of institutional and personal community links, including work with Royal British Legion, Schools, Care Homes.
- **Prayer** – There are various regular and ad-hoc prayer gatherings: including a monthly Tuesday evening prayer meeting, and daily morning prayer meetings.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

- **The Beacon Café** – We run a vibrant café as one of our ministry areas. This offers a place to belong, and provides a place to connect with others as part of our wider outreach and local community engagement.
- **Environmental responsibility** – This ministry area includes an active environmental action group, which is working towards the Silver Eco A Rocha Eco Church Award, after gaining the Bronze Eco Church Award.
- **Fabric** – Includes management of the site and its facilities.
- **Finances** – Includes management and accounting of our financial resources.
- **Admin and operations** – Administration and coordination of the day-to-day procedures, events, business management of the cafe, support and equipping of teams and volunteers, internal communication, general publicity, and liaison with groups connected to the church community.

Dom Meering

Team Rector

Financial review

Year 2023 we produced a balanced budget and we have managed to achieve this with a lot of commitment from many members of our Church and we are incredibly grateful for their efforts. We were also blessed with a legacy that has put us in a surplus position. The self-funding ministries e.g. Men's group, Women's group, and Open Doors that we tried out in 2023 are working well and will continue into 2024.

Due to the sales in the café causing confusion on the income line of the accounts we have in 2024 split the Café from the Church for budgeting purposes but it is still regarded as a ministry of our church and any surplus money that maybe made will be used for the church in furthering its overall ministry.

The Hall refurbishment is still ongoing and is financed using the Beacon Project money and we should complete the project by the end of 2024 or early 2025.

The Café refit was completed in May 2023 and financed by a legacy for that purpose and now only leaves the till replacement in 2024 that is being looked at.

In summary we are in a much better financial position at the end of 2023 than recent years.

FERNDOWN PAROCHIAL CHURCH COUNCIL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserve Policy

Reserves have been agreed at a minimum of the equivalent to one months expenditure. The amount will vary from year to year, dependent on the level of expenditure at that time. The purpose of the reserve is to ensure that the church can meet its obligations to staff, the Diocese and other general day to day expenses. The trustees are in support of this decision.

Amount of total funds held £118,165 at the balance sheet date.

Amount of £24,421 restricted funds as detailed in note 15.

Designated Funds have been identified for the following:

Mission – 10% of our voluntary donations received is allocated to the Mission Fund, 90% of that amount is split between agreed Mission Partners and the residual amount is kept in the fund for the Mission Team to distribute as and when a specific need occurs.

Capital – 1% of our income is transferred into the capital fund for use on projects at the PCC's discretion.

Men's group – this is a self-funding ministry providing various activities aimed at Men.

Women's group – works in a similar way to the Men's group.

Ukraine – this group has obtained small grants to enable them to provide support to Ukrainian refugees who have been placed in our local area.

ECO Group – self funding group who promote an environmentally friendly ethos throughout the church and look at improving the church's environmental impact.

Open Doors – self funding ministry group aimed at older people and others providing a short service, light refreshments and company of the group.

Free Reserves currently stand at £61,947 which is approximately £14,000 above the amount agreed in the reserve policy. The trustees are currently investigating possible future uses for the additional reserve funds, such as:

- Solar panels (grant application pending)
- Part time admin member of staff
- Children and families worker
- Café assistant
- New phone system
- Epos system for the café
- New screen in church

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Risk assessment

All adults working with children have been cleared with the DBS (formerly CRB) or their forms are being processed at the moment. We have a new Parish Safeguarding Representative who is working closely with those involved in working with vulnerable adults to ensure that they also have the relevant DBS checks. We now have a list of authorised First Aiders who are regular church members to cover the main acts of public worship on Sundays and many of our mid-week ministries. In 2016 we installed a defibrillator as a public service and a number of church members have been trained in its proper use. Risk Assessment issues are addressed at the monthly PCC meetings or its Standing Committee, and appropriate action or precautions are put in place depending on the level of risk.

In connection with the building fabric and premises during the year, the following aspects have duly been undertaken.

- Annual inspection of lightening protection system
- Annual inspection and testing of gas powered heating installations
- Annual testing of portable electrical appliances
- Annual maintenance of fire safety equipment

The Café had an Environmental Health Inspection and received a 5* rating.

Financial controls

Invoices are authorised and signed by two members of the finance team if over the £1,000 threshold. Under £1,000 only one member needs to authorise the invoices. The Treasurer pays all payments and the Finance Administrator counter signs all payments except Direct Debits/Standing Orders as they are ongoing.

The Finance Administrator makes reconciliations monthly, and the reports produced by the Treasurer for the PCC showing Actual against Budget for the month and Year to date as well as the Balance of all Funds that sit outside of the budget.

FERNDOWN PAROCHIAL CHURCH COUNCIL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

The PCC is the legal entity that is responsible for the leadership of the church. It works within the Anglican framework provided by Salisbury Diocese. The PCC is made up of the Team Rector, Team Vicar, Church Wardens, Assistant Curate and other elected lay members of the church, each heading up a department or sphere of church life.

The Annual Meeting of Parishioners and Annual Parochial Church Meeting (for church members) give a natural place for any issue to be openly discussed, and gives the legal framework for the election of Church Wardens and lay members who serve on the PCC.

The PCC meets monthly to oversee different activities and, where possible, discerns those whom God is calling to serve in the various "heads of department" roles such as mission, children's work, outreach, finance, fabric and the Beacon Project etc. Having been elected at the Annual Meetings (see above) they then have a duty to report back to the PCC and keep it informed as to how they manage the responsibilities, including budgets, delegated to them. With regard to finances, the PCC decides on the salaries of their employees, and also on the charges for letting out our premises. As a PCC our decision-making is fairly unusual in so far as changes are only made where unanimity is reached at the meetings.

Day to day management of the Church takes place through a variety of means, but especially through the ministries of its appointed leaders: the Team Rector, Team Vicar, Assistant Curate (when one is in place), Church Wardens, Church Secretary, Children's and Families Pastor, Worship and Youth Pastor and Treasurer. We have a Café Manager overseeing the work of the Beacon Café.

The Trustees of the Charity are identical to the members of the Parochial Church Council (PCC). There are presently 16 positions on the PCC, including Rector, Associate Minister, two Church Wardens, Treasurer, Secretary, and 'heads of department' for various spheres of Christian Ministry in the Church.

The trustees who served during the year and up to the date of signature of the financial statements were:

D Howshall

M Orman (Resigned 16 May 2023)

Rev P Chabala

O Chappell (Resigned 31 December 2023)

Mrs Diane French

Mrs Sarah Collins

Mr Alan Field

Mr Michael Raven (Appointed 16 May 2023)

Rev Oliver Fricker

Mrs Vera Waters

Mr Ryan Baldwin (Resigned 16 May 2023)

Mr Barry Robertson

Mr Simon Wagstaff (Appointed 16 September 2023)

Mrs Suzanne Sanderson (Appointed 16 September 2023)

Mr David Jobbins (Appointed 16 September 2023)

Rev Dominic Meering (Appointed 1 September 2023)

FERNDOWN PAROCHIAL CHURCH COUNCIL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Individuals with particular gifts and passions are approached and asked to consider standing, but then elections are held at the APCM, where others could stand against them. The appointed trustees are deemed to possess the appropriate abilities and experience required. From 2017 all Trustees will be DBS checked, and the recently agreed Safer Recruitment process will be used in recruitment of new Trustees. All trustees are considered to be highly experienced and skilled individuals. Training is provided where necessary.

Key management personnel

S Michelo - Cafe manager from 01/10/2022

The trustees' report was approved by the Board of Trustees.

Rev Dominic Meering

Trustee

Dated: 18 June 2024

FERNDOWN PAROCHIAL CHURCH COUNCIL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FERNDOWN PAROCHIAL CHURCH COUNCIL

I report to the trustees on my examination of the financial statements of Ferndown Parochial Church Council (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants (ACCA), which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do 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 matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

James Paget FCCA

TC Group

10 Bridge Street

Christchurch

Dorset

BH23 1EF

Dated: 18 June 2024

FERNDOWN PAROCHIAL CHURCH COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income from:</u>									
Donations and legacies	3	293,107	27,496	16,849	337,452	288,349	10,060	8,525	306,934
Charitable activities	4	182,211	8,389	3,040	193,640	129,701	13,535	-	143,236
Investments	5	231	-	27	258	111	-	-	111
Total income		475,549	35,885	19,916	531,350	418,161	23,595	8,525	450,281
<u>Expenditure on:</u>									
Charitable activities	6	447,704	50,877	16,098	514,679	429,405	46,588	10,547	486,540
Net incoming/(outgoing) resources before transfers		27,845	(14,992)	3,818	16,671	(11,244)	(22,993)	(2,022)	(36,259)

FERNDOWN PAROCHIAL CHURCH COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2023

Net incoming/(outgoing) resources before transfers	27,845	(14,992)	3,818	16,671	(11,244)	(22,993)	(2,022)	(36,259)
Gross transfers between funds	(22,087)	22,431	(344)	-	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds	5,758	7,439	3,474	16,671	(11,244)	(22,993)	(2,022)	(36,259)
Fund balances at 1 January 2023	58,166	22,381	20,947	101,494	69,410	45,374	22,969	137,753
Fund balances at 31 December 2023	63,924	29,820	24,421	118,165	58,166	22,381	20,947	101,494

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

FERNDOWN PAROCHIAL CHURCH COUNCIL

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		1,977		3,955
Current assets					
Stocks	12	1,600		1,600	
Debtors	13	18,478		11,999	
Cash at bank and in hand		120,292		113,615	
		<u>140,370</u>		<u>127,214</u>	
Creditors: amounts falling due within one year	14	<u>(24,182)</u>		<u>(29,675)</u>	
Net current assets			116,188		97,539
Total assets less current liabilities			<u>118,165</u>		<u>101,494</u>
Income funds					
Restricted funds	15	24,421		20,947	
Unrestricted funds - designated	16	29,820		22,381	
Unrestricted funds - general		63,924		58,166	
		<u>118,165</u>		<u>101,494</u>	

The financial statements were approved by the Trustees on 18 June 2024

Mr Barry Robertson
Trustee

Rev Dominic Meering
Trustee

FERNDOWN PAROCHIAL CHURCH COUNCIL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		6,419		(19,629)
Investing activities					
Interest received		258		111	
Net cash generated from investing activities			258		111
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			6,677		(19,518)
Cash and cash equivalents at beginning of year			113,615		133,133
Cash and cash equivalents at end of year			120,292		113,615

1 Accounting policies

Charity information

St Mary's is the local 'Church of England' church in Ferndown, Dorset, led and managed by the Parochial Church Council (PCC), the unincorporated registered UK charity, chaired by the incumbent of the church. The PCC is the legal entity that is responsible for the leadership of the church. It works within the Anglican framework provided by Salisbury Diocese.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016) and the Church Accounting Regulations 2006. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Donated fixed assets are recorded at fair value. The time of volunteers is not recognised.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

VAT is charged on Cafe sales and food provided for venue hire and income derived from this is shown net of VAT.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. VAT is claimable on vatable Cafe related expenditures.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, repairs and maintenance costs, finance etc which supports the charity's activities. All support costs are deemed to relate to the charitable activity of the charity, any costs related to other income methods are deemed to be immaterial.

Governance costs are those support costs incurred to meet the statutory and constitutional requirements of the charity.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Other Fixtures, Fittings & Office Equipment

Equipment used within the church premises is recorded at cost and depreciated on a straight-line basis over 4 years, apart from the digital organ which is depreciated over 10 years. Individual items of equipment with a purchase price of £5,000 or less are written off when the asset is acquired.

Freehold land is not depreciated.

Dedicated (not consecrated) land and buildings and movable church furnishings

No value is placed on moveable church furnishings held since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement is written off as expenditure in the SOFA and separately disclosed.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Donations and legacies

	Unrestricted funds general 2023	Unrestricted funds designated 2023	Restricted funds 2023	Total 2023	Unrestricted funds general 2022	Unrestricted funds designated 2022	Restricted funds 2022	Total 2022
	£	£	£	£	£	£	£	£
Donations and gifts	288,107	27,496	16,849	332,452	283,349	10,060	8,525	301,934
Employment allowance	5,000	-	-	5,000	5,000	-	-	5,000
	293,107	27,496	16,849	337,452	288,349	10,060	8,525	306,934
Donations and gifts								
Envelope scheme	95	-	-	95	635	-	-	635
Gift aid recoverable	46,560	-	-	46,560	43,730	-	-	43,730
General church collections	20,921	-	-	20,921	17,568	-	-	17,568
Regular giving	201,167	9,966	2,407	213,540	196,984	-	5,830	202,814
Harvest collections	-	-	678	678	-	-	679	679
Other donations	19,364	17,530	6,135	43,029	22,611	10,060	-	32,671
Christmas service collections	-	-	7,629	7,629	-	-	2,016	2,016
Other	-	-	-	-	1,821	-	-	1,821
	288,107	27,496	16,849	332,452	283,349	10,060	8,525	301,934

There were no donated goods or services during the year.

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Charitable activities

	Charitable Activities 2023 £	Charitable Activities 2022 £
Cafe sales	133,470	104,944
Room hire	35,696	24,553
Other income - Youth work, weddings, funerals, groups & events	24,474	13,739
	<u>193,640</u>	<u>143,236</u>
Analysis by fund		
Unrestricted funds - general	182,211	129,701
Unrestricted funds - designated	8,389	13,535
Restricted funds	3,040	-
	<u>193,640</u>	<u>143,236</u>

5 Investments

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £
Interest receivable	231	27	258	111
	<u>231</u>	<u>27</u>	<u>258</u>	<u>111</u>

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities		Ministry	Children & youth work	Church & grounds	Cafe	Other	Total 2023	Total 2022
		2023 £	2023 £	2023 £	2023 £	2023 £	£	£
	Staff costs	35,358	24,223	1,435	36,020	-	97,036	112,726
	Depreciation and impairment	-	-	-	-	1,978	1,978	1,978
	Diocesan share/Children's expenses/Upkeep/Cost of sales/Bookstall	166,066	3,504	23,642	56,755	-	249,967	210,505
	Rector's/-/Refurbishment/-/Catering expenses	1,192	-	-	-	2,080	3,272	7,969
	Assoc' minister/Outreach/Grounds/Maintenance/Open Doors expenses	1,848	1,883	1,983	20,470	13	26,197	10,516
	Pastoral expenses/Beacon running/Card machine & internet/	438	-	24,584	1,453	-	26,475	24,286
	Worship equipment	-	-	8,228	-	-	8,228	3,195
	Marriage prep	-	-	-	-	8,082	8,082	7,495
	Men's group	-	-	-	-	6,828	6,828	1,919
	Sundry	-	-	-	-	379	379	1,103
	The Grow Project	-	-	-	-	-	-	2,240
		204,902	29,610	59,872	114,698	19,360	428,442	383,932
	Grant funding of activities (see note 7)	31,677	-	-	-	-	31,677	41,441
	Share of support costs (see note 8)	50,660	-	-	-	-	50,660	57,769
	Share of governance costs (see note 8)	3,900	-	-	-	-	3,900	3,398
		291,139	29,610	59,872	114,698	19,360	514,679	486,540

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Charitable activities							(Continued)
	Ministry 2023	Children & youth work 2023	Church & grounds 2023	Cafe 2023	Other 2023	Total 2023	Total 2022
	£	£	£	£	£	£	£
Analysis by fund							
Unrestricted funds - general	260,002	29,610	41,359	104,313	12,420	447,704	429,405
Unrestricted funds - designated	27,214	-	6,338	10,385	6,940	50,877	46,588
Restricted funds	3,923	-	12,175	-	-	16,098	10,547
	291,139	29,610	59,872	114,698	19,360	514,679	486,540

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities						(Continued)	
	For the year ended 31 December 2022						
	Ministry	Children & youth work	Church & grounds	Cafe	Other	Total 2022	£
	£	£	£	£	£		
Staff costs	34,308	33,599	14,452	30,367	-	112,726	
Depreciation and impairment	-	-	-	-	1,978	1,978	
Diocesan share/Children's expenses/Upkeep/Cost of sales/Bookstall	160,424	2,483	13,699	33,661	238	210,505	
Rector's/- /Refurbishment/-/ Catering expenses	1,007	-	3,228	-	3,734	7,969	
Assoc' minister/Outreach/ Grounds/Maintenance/Open Doors expenses	1,160	2,258	814	5,186	1,098	10,516	
Pastoral expenses/Beacon running/Card machine & internet/	447	-	22,572	1,267	-	24,286	
Worship equipment	-	-	3,195	-	-	3,195	
Marriage prep	-	-	-	-	7,495	7,495	
Men's group	-	-	-	-	1,919	1,919	
Sundry	-	-	-	-	1,103	1,103	
The Grow Project	-	-	-	-	2,240	2,240	
	197,346	38,340	57,960	70,481	19,805	383,932	

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities	(Continued)				
Grant funding of activities (see note 7)	41,441	-	-	-	41,441
Share of support costs (see note 8)	57,769	-	-	-	57,769
Share of governance costs (see note 8)	3,398	-	-	-	3,398
	299,954	38,340	57,960	70,481	486,540
Analysis by fund					
Unrestricted funds - general	258,513	38,340	44,185	70,481	429,405
Unrestricted funds - designated	41,441	-	3,228	-	46,588
Restricted funds	-	-	10,547	-	10,547
	299,954	38,340	57,960	70,481	486,540

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Grants payable

	Ministry 2023 £	Ministry 2022 £
Grants to institutions:		
Missionary committee - tithe	27,813	29,104
Missionary donations	3,864	12,337
	<u>31,677</u>	<u>41,441</u>

8 Support costs

	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £
Staff costs	37,013	-	37,013	49,824	49,824
Accountancy - independent examination	-	3,900	3,900	-	3,398
General office expenses	13,647	-	13,647	7,945	7,945
	<u>50,660</u>	<u>3,900</u>	<u>54,560</u>	<u>57,769</u>	<u>61,167</u>
Analysed between					
Charitable activities	<u>50,660</u>	<u>3,900</u>	<u>54,560</u>	<u>57,769</u>	<u>61,167</u>

9 Trustees

R Baldwin, trustee (Resigned on 16/05/2023) , was paid £20,047 (2022: £28,050) gross salary and £607 (2022: £872) employer pension for his role as children's worker and for cleaning services.

M Orman, trustee (Resigned on 16/05/2023), was paid £31,263 (2022: £30,263) gross salary and £1,001 (2022: £961) employer pension for his role as Pastor.

Trustees' expenses

Expenses of £11,696 were refunded to 11 trustees (2022: £3,300 to 8 trustees) in the year, for travel, stationery, books, repairs, equipment and other general expenses incurred on church related activities in the year.

FERNDOWN PAROCHIAL CHURCH COUNCIL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2023****10 Employees****Number of employees**

The average monthly number of employees during the year was:

2023	2022
Number	Number
8	6

Employment costs

2023	2022
£	£

Wages and salaries	134,049	162,550
--------------------	---------	---------

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

11 Tangible fixed assets

	£
Cost	
At 1 January 2023	45,097
At 31 December 2023	45,097
Depreciation and impairment	
At 1 January 2023	41,142
Depreciation charged in the year	1,978
At 31 December 2023	43,120
Carrying amount	
At 31 December 2023	1,977
At 31 December 2022	3,955

12 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	1,600	1,600

FERNDOWN PAROCHIAL CHURCH COUNCIL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2023****13 Debtors**

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	16,242	10,270
Other debtors	1,184	507
Prepayments and accrued income	1,052	1,222
	<u>18,478</u>	<u>11,999</u>

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts due.

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	5,752	13,402
Trade creditors	7,934	5,630
Other creditors	6,446	6,593
Accruals and deferred income	4,050	4,050
	<u>24,182</u>	<u>29,675</u>

FERNDOWN PAROCHIAL CHURCH COUNCIL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2023****15 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Balance at 31 December 2023
	£	£	£	£	£
The Beacon Project	19,356	2,407	(8,795)	(344)	12,624
Christmas services fund	1,591	8,927	(2,762)	-	7,756
Harvest fund	-	678	(678)	-	-
Youth fund	-	3,040	-	-	3,040
Mission other - Turkey appeal	-	4,864	(3,863)	-	1,001
	<u>20,947</u>	<u>19,916</u>	<u>(16,098)</u>	<u>(344)</u>	<u>24,421</u>

Beacon Project

Funds to enhance the development and maintenance of the Beacon Complex which comprises of the Café, Hall, Foyer area, Beacon Room, Office, Venue 1, The Spring, Kitchen, Toilets and Storage Rooms.

Christmas Services Fund

An annual appeal for a specific cause agreed by the PCC, gifts are separate from the rest of the church giving, gifts go via the church bank accounts, but are given in their entirety to the chosen cause.

Harvest Fund

As per the Christmas fund.

Youth Fund

To be used for youth activities, groups and other needs related to youth within the church.

Mission Fund

This restricted fund is for special collections made for specific causes that are outside our regular Mission giving, usually to support a one off urgent need such as an earthquake appeal.

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities made up as follows:

	Movement in funds				
	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Mission fund	(29,606)	-	(27,213)	58,076	1,257
AV Fund	30,441	-	-	(30,441)	-
Quinquennial fund	175	-	-	(175)	-
Capital/refurbishment fund	17,232	27,496	(15,502)	(4,594)	24,632
Men's group	1,790	1,752	(1,550)	(435)	1,557
Women's group	338	2,316	(1,430)	-	1,224
Ukraine support group	1,730	1,550	(3,100)	-	180
ECO group	281	717	(866)	-	132
Open Doors	-	2,054	(1,216)	-	838
	<u>22,381</u>	<u>35,885</u>	<u>(50,877)</u>	<u>22,431</u>	<u>29,820</u>

Mission

10% of our voluntary donations received is allocated to the Mission Fund, 90% of that amount is split between agreed Mission Partners and the residual amount is kept in the fund for the Mission Team to distribute as and when a specific need occurs.

Capital

1% of our income is transferred into the capital fund for use on projects at the PCC's discretion.

Men's group

This is a self-funding ministry providing various activities aimed at Men.

Women's group

Works in a similar way to the Men's group as a self-funding ministry providing various activities for Women.

Ukraine

This group has obtained small grants to enable them to provide support to Ukrainian refugees who have been placed in our local area.

ECO Group

Self funding group who promote an environmentally friendly ethos in throughout the church and look at improving the churches environmental impact.

Open Doors

Self funding ministry group aimed at older people and others providing a short service, light refreshments and company of the group.

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Analysis of net assets between funds

Fund balances at 31 December 2023 are represented by:

Tangible assets

Current assets/(liabilities)

	Unrestricted General	Designated	Restricted	Total	Unrestricted General	Designated	Restricted	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
	1,977	-	-	1,977	3,955	-	-	3,955
	61,947	29,820	24,421	116,188	54,211	22,381	20,947	97,539
	63,924	29,820	24,421	118,165	58,166	22,381	20,947	101,494

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Between two and five years	13,833	-
	<u> </u>	<u> </u>

FERNDOWN PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Donations from trustees		Diocese of Salisbury - Diocesan Quota	
	2023	2022	2023	2022
	£	£	£	£
Entities with control, joint control or significant influence over the company	20,955	14,680	166,066	160,423
	<u>20,955</u>	<u>14,680</u>	<u>166,066</u>	<u>160,423</u>
	<u><u>20,955</u></u>	<u><u>14,680</u></u>	<u><u>166,066</u></u>	<u><u>160,423</u></u>

20 Cash generated from operations

	2023	2022
	£	£
Surplus/(deficit) for the year	16,671	(36,259)
Adjustments for:		
Investment income recognised in statement of financial activities	(258)	(111)
Depreciation and impairment of tangible fixed assets	1,978	1,978
Movements in working capital:		
(Increase) in stocks	-	(62)
(Increase)/decrease in debtors	(6,479)	281
(Decrease)/increase in creditors	(5,493)	14,544
Cash generated from/(absorbed by) operations	<u><u>6,419</u></u>	<u><u>(19,629)</u></u>

21 Analysis of changes in net funds

The charity had no debt during the year.

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