

THE CHURCH IN WALES

YR EGLWYS YNG NGHYMRU

Annual Vestry Report

For year ended

31st December 2023

Ministry Area

Penybont ar Ogwr

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Ministry Area Council Report

For the year ended December 31st 2023

Introduction

The new Ministry Area Penybont ar Ogwr was formed and licensed from January 2022. This is the second Annual report of the Ministry Area.

Annual Vestry Report by the Ministry Area Leader

Re-reading last year's end of year report, I'm a little disappointed that there isn't very much to report that's different. Unfortunately, the situation in the Church in Wales (if not across the whole of the Church in the UK) hasn't changed and we're still facing a decline in both church attendance and in vocations to the priesthood. Furthermore, many priests are retiring early, me included. You have all been absolutely wonderful in your acceptance of the management of the situation, although I'm sure that you would far rather there were three priests, associate priests and a curate, as in the past. Those days are well and truly gone. What is fantastic is that the Revd. Roger has joined the team and the Revd. Mark Broadway is soon to take up the reins as Ministry Area Leader. Please give them as much support as you've always given me. Our local retired clergy, Canon Edward Evans, Canon Graham Holcombe and the Revd. Mike Lewis have continued to offer support and cover wherever it's been needed and Canon Tim Jones is a monthly regular. Furthermore, the Licensed Lay Ministers, Pete Craven, Penny Williams and Val Turner, plus the local lay teams, have kept everything ticking over on the alternate weeks so that there is always a service in every church every Sunday. Of course, there are no promises that this will continue in the future. This year has also seen the loss of significant members of our congregations. We miss them all and the contribution they made to the life of the MA. Finances have dominated the year, or, it would be more correct to say, lack of finances has dominated the year. The MA is truly fortunate to have such a gifted Treasurer in Sandra Arnott (indeed there is a wonderful team of treasurers serving all the churches), and without her thriftiness and clarity of thought, our financial position would be hopeless. Sandra will give a full account of the finances, but I mention here that we are struggling. Although since the pandemic our congregations have maintained their new 'normal' levels of attendance, the MA receives far, far less in offerings each week than the £11.55 per person which would cover our costs. Like our own domestic bills, utilities are crippling us, along with high insurance costs on all of our buildings. I'd urge you to reconsider your giving as a matter of urgency. Please be as generous as you possibly can. Unusually, and with the agreement of + Mary, the MA was able to advertise the post of MA Leader whilst I was still with you. This meant that I was involved in the process of writing the profile. It was thrilling to read each church's statement of mission and there's plenty of evidence that the congregations are playing their part in realising those statements. Coity and Nolton churches continue to support the local Food Bank and both churches are the focus for many larger community events such as weddings, funerals, baptisms and other occasional services. All Saints has again received funding to offer Warm Spaces through the winter. Friendships with non-church attenders are strengthening and the locals are 'owning' their church. St Crallo's has opted for a gentle approach with members offering their homes for afternoon teas and other fundraising events. Similarly, St Illtyd's have opened the church for various lunches and suppers when there's been anything at all to celebrate! St Teilo's continues in its ministry to visitors with new ideas for attracting interest, with the Remembrance display being particularly well-attended. St David's has held various successful social events and hosted the Mothers' Union Advent service and World Day of Prayer service. Brackla has built on the good foundations left by the diocesan mission enablers, and now runs a monthly 'Messy Coffee' in the school. Open the Book

has had a good year and in addition to sessions in Archdeacon John Lewis Primary School and Aberkenfig Primary School, a strong and lasting friendship has developed through the engagement of the team at Penyfai Primary School. These and many other community schools are using our churches for services through the year and for educational sessions. Now that the MA has an events calendar thanks to Mandy Buckley of St Teilo's, it will be easier to support one another in whatever way you can, whether as an organiser, helper or attender. Forest Church has continued to meet throughout the year but has been thwarted more often than not by poor weather. We've learnt that it's better to meet at one of our churches and hope for the best for the 'service' to be outside. This has meant that our activity, thanks to Philippa Coulson, our MA eco lead, has often been done inside and our displays left in the church porches as a 'Forest Church was here' mark. Every meeting has had its profound moments of sharing and often new people join us or ask what we're doing and then share a memory of the past with us. Hopefully this year will be a drier one and once again those who attend will be able to fully enjoy and appreciate the glories of God's Creation all around us in this especially attractive part of the country. The local representatives and office holders will give their own reports to supplement this and I take this opportunity to thank all those who are standing down from the MAC for giving their time, skill and experience in the service of the MA. For those continuing in their roles and for new members, thank you for your commitment and your ministries. The MA has experienced mixed fortunes this year, but it still needs to look to God for its direction and purpose. You have heard me quote this before, but it still holds true and I leave it with you.... 'Now to him who by the power at work within us is able to accomplish abundantly far more than all we can ask or imagine, to him be glory in the church and in Christ Jesus to all generations, for ever and ever. Amen.' (Ephesians 3. 20-21)

The Revd. Maggie Thorne MA Leader until 31st March, 2024

Annual Vestry Report by the Ministry Area Lay Chair

A largely successful year with significant developments to report.

The combined services proved to be increasingly popular with a congregation of 152 at its best. Also of note were the number of events organised by our various member churches. These were varied in nature from Eucharist services to charity events but all were increasingly well supported. The use of our social media sites in advertising and general communication seems to have played a part in this. Perhaps the most significant development is the creation and use of the Ministry Area diary. Thanks to Mrs Buckley for her efforts in developing the system and thanks to everyone who worked so hard in this field of communication. The diary is all already showing signs of its true value.

There were one or two notable social events held during the year which again were well supported. Chiefly of course, there was a party to celebrate the King's coronation. We thanked Councillor Tim Wood, Mayor of Bridgend, for planting a commemorative tree in the church grounds at St. Mary's Nolton.

As part of the overall development of the Ministry Area, several policy statements of importance were created. Chiefly, a Safeguarding policy was introduced during the year with all Ministry Area Council members having the opportunity to undergo safeguarding training so that now the significant majority of members hold a D.B.S. certificate. The training was either online or in person and very well attended. Thanks to Helen Harrison for leading the way. Perhaps of equal importance was the development of an Employment policy. This was achieved over several months of discussion, sometimes a little controversial but always well intended. The final document is thorough, legal and practical. Well done and thank you to all concerned in this work.

As with all organisations, the year saw some change of personnel. Rev. Maggie announced her retirement and the quest for a replacement began while Rev. Roger was appointed as priest to the Ministry Area. A welcome return to our Area by Rev. Roger as many will remember his first stint here (or the Parish as was). Several council members retired during the year and we thank them all for their efforts, especially in the early years. Equally, we thank the incoming replacements for taking on the role of Ministry Area Council member. It should be noted that there are still a few gaps in the appointments to various posts.

December 31st saw the end of my term in office as Lay Chair. A memorable and, I hope, a productive three years. Now we look forward to the next three years with Jenny in the Chair, and I welcome her wholeheartedly. Thanks to everyone for the support afforded to me during my term

Andrew Dix Lay chair (retired.)

Annual Vestry Meeting 2022 Minutes

Annual Vestry Meeting 2023

Minutes of meeting held on Sunday 30th April 2023

Following Joint Ministry Area service starting at 10:00

At Nolton Church

Apologies: Rev David Lloyd, Barrie Williams, Gloria Williams, Tricia Davidson, Karen Phillips, Bishop David Yeomans, Janice Yeomans, Alison Craven

The meeting was opened with prayer and Introduction by Vicar, Rev Maggie Thorne with a short reading from gospel according to St Luke

1. Chairman's Introduction. Andrew Dix (Lay Chair) thanked all MAC members for their work including those who had left service during the year. Thanks to Gaynor Coles who is standing down as a Ministry Area Warden. Worship has continued with the help of lay readers and retired clergy under difficult circumstances which Rev Maggie has managed very well. Finances have proved difficult to manage but Ministry Area continues to develop.
2. Annual Reports and Accounts
Rev Maggie Thorne delivered her report on our first year as a Ministry Area. The report had been circulated to all members. Allie Rogers was thanked for all her hard work as MA administrator Sandra Arnott (treasurer) presented financial report as distributed. Enquiries and valuations on assets are being completed before final accounts can be finalised and audited. It was confirmed that Fairer Share is under review currently. Full accounts will be available when RB and accountants have finalised details. Sandra was thanked for all her fantastic work on MA finances so far.

The meeting agreed to accept Annual Report as published with audited accounts to be added when available
3. Election of Ministry Area Council Members
Lay chair is appointed by Bishop until the end of 2023, other members of MAC are reappointed/ elected at AVM

The meeting agreed to the proposal to appoint those nominated as MAC representatives as published below

Deputy Lay Chair, Penny Williams

Treasurer, Sandra Arnott

Secretary, Stuart Davidson

Warden to MA, Hollie Evans

Warden to MA, Ian Hartley-Brown

Eco Church Rep, Philippa Coulson

Heritage Secretary, Allan Dowlman

Health and Safety Officer, Paul Smith

Nolton Representative, Andrew Dix

Coity Representative, Stuart Davidson

Brackla Representative, Gaynor Coles

Newcastle Representative, Hilary Markwell

Coychurch Representative, Rachel Gauci

Laleston Representative, Menna David

Pen-y-fai Representative, Penny Williams

Merthyr Mawr Representative, Simon Buckley

Safe guarding Officer, Helen Harrison

Diocesan Conference Representative – Ian Hibble

Clergy team and Lay readers are also members of Ministry Area Council

4. Appointment of Independent Auditor. It was proposed that Andrew Lee of Graham Paul Accountants of accounts be appointed as Independent Auditor of Accounts for 2023. Andrew has extensive experience of working with Ministry Area accounts. This appointment was agreed. Auditing MA accounts will be at a cost but there are Diocese Grants available to help with this.
5. Ian Hibble presented his Diocesan Conference Report which had been circulated and also the Annual deanery Conference report from Rev Ian Hodges. Ian also reported that MA would not have to pay Deanery subs this year.
6. AOB –.
Adrian Kendall asked about the caretaker position at Nolton Hall he had recommended a person for this part time role and had concerns over the termination of the position. Andrew Dix explained it was a procedural issue while MAC ensured it was following correct employment procedures. Engagement of caretaker was under way. A HR subcommittee will determine procedures for engagements going forward.
7. First meeting of new Ministry Area Council will be held on Tues 20th June at 19 30 in Nolton Hall
8. The meeting was declared Closed with prayers by Rev Maggie Thorne at 12:25.

Description of the Ministry Area

The Ministry Area Penybont ar Ogwr was created at the beginning of 2022 comprising the old Parishes of Coity, Nolton & Brackla, Coychurch, Newcastle, Laleston with Merthyr Mawr and Penyfai. It is part of the Deanery of Bridgend, which is within the Diocese of Llandaff and the Province of the Church in Wales. The Ministry Area is a Registered Charity – Charity Commission number 1135927.

Rev Maggie Thorne was appointed as Ministry Area Leader and Andrew Dix as Lay Chair of the Ministry Area Council.

Dedication of Churches

There are 8 churches in the Ministry area.

In the Village of Coity the Church is dedicated to St. Mary the Virgin.

Very close to Bridgend Town Centre in the area of the Town known as Nolton the Church is also dedicated to St. Mary.

Within the Archdeacon John Lewis Church in Wales Voluntary Aided Primary School, on the Brackla Estate is a Church, also dedicated to St. Mary.

Overlooking Bridgend Town Centre and on the edge of Cefn Glas Estate the Church is dedicated to St Illtyd.

In the village of Coychurch the church is dedicated to St Crallo.

In the village of Laleston the church is dedicated to St David.

In the village of Merthyr Mawr the church is dedicated to St Teilo.

In the village of Pen-y-fai the church is dedicated to All Saints.

Objectives

The Church in Wales is a Province within the Anglican Communion and as such has the task of advancing the Christian Religion, through worldwide Mission. The Ministry Area Council (MAC) is required to ensure that the life and work of the churches within their area is fulfilled both locally and further afield.

The MAC is not a body corporate. Its composition, procedures and powers are set out and regulated by the Constitution of the Church in Wales. This is amended from time to time to keep pace with changing times. It is set up under Section 3(1) of the Welsh Churches Acts of 1914. Elections to serve on the Ministry Area Council take place at the Annual Vestry Meeting.

The Representative Body of the Church in Wales holds lands and property, which includes the churches, their contents and churchyards. It also acts on behalf of the Province for paying stipends to full time clergy.

The MAC is responsible for promoting the mission of the Church, the parochial budget, all expenditure, the care and maintenance of church fabric and churchyards and also for acting on any matter referred to in the Constitution. The Council is the normal channel of communication between lay members and the Bishop of the Diocese.

With regard to the Charity Commission's guidance on public benefit and the advancement of religion, we try to enable people in our communities to live out their faith as part of our Ministry Area through: worship and prayer; learning about the Gospel, and developing their knowledge, faith and trust in Jesus; providing pastoral care for the people of the Ministry Area; and engaging in missionary and outreach work. To facilitate this work we consider it vital that we maintain the fabric of our churches and three church halls.

There is also a greater emphasis in managing and protecting the Environment which the Ministry Area has been actively engaged in building eco-friendly policies.

Administrative Information

Ministry Area Leader:	Revd Maggie Thorne, (until March 31 st 2024) The Rectory, Merthyr Mawr Road North, Bridgend CF31 3NH
Ministerial Team	Revd David Lloyd (retired August 2023) Rev Roger Pitman (from July 2023) Lay Readers –Mrs C Judd (until August 2023), Mr P Craven, Mrs Penny Williams, Mrs Val Turner
Independent Examiner	Andrew Lee (Graham Paul Accountants)
Bankers	H.S.B.C. Bank Plc, 13 Dunraven Place, Bridgend
Professional Advisers	Davies Sutton Architects: Penhevad Studios, Penhevad Street, Cardiff, South Glamorgan CF11 7LU

Members of the Ministry Area Council for 2023/2024

MA Leader, Rev Maggie Thorne (until end of March 2024)
Clergy, Fr. David Lloyd, (until August 2023)
Rev Roger Pitman (from July 2023)
Lay Minister, Penny Williams, Peter Craven (until May 2024), Val Turner, Chris Judd (until May 2023)
MA Lay Chair, Andrew Dix (until Dec 31st 2023),
Jenny Morgan (from 1/1/2024)
Deputy Lay Chair, Penny Williams
Treasurer, Sandra Arnott
Secretary, Stuart Davidson
Warden to MA, Hollie Evans (until April 30th 2024)
Warden to MA, Ian Hartley-Brown
Eco Church Rep, Philippa Coulson
Heritage Secretary, Allan Dowlman (until 30/9/2023)
Health and Safety Officer, Paul Smith
Safeguarding Officer, Helen Harrison
Nolton Representative, Andrew Dix
Coity Representative, Stuart Davidson
Brackla Representative, Gaynor Coles
Newcastle Representative, Hilary Markwell
Coychurch Representative, Rachel Gauci
Laleston Representative, Menna David (until May 2024) Lesley Davies (from June 2024)
Pen-y-fai Representative, Penny Williams
Merthyr Mawr Representative, Simon Buckley
Diocesan Conference Representative: Ian Hibble (until May 2023) Stephen Jones (from May 2023)

Organisation of Ministry Area Council

The Ministry Area Council is organised into sub committees, which carry out the duties and business assigned to it by the parent body. All the deliberations and recommendations of the Sub Committees are brought back to the MAC for ratification and/or authorisation. Membership of the sub committees is decided at the first full meeting of the MAC after the Annual Vestry Meeting, each year.

The Ministry Area Leadership team meets to agree Policy and Agenda for MAC meetings
. There were 11 full meetings of the MAC held during 2023/2024 and 10 meetings of MALT.

Bank of Treasurers

The Committee has been primarily concerned with managing the amalgamation of Finances across the Ministry Area the Treasurer presents a written financial report to the MAC at each meeting.

Heritage Committee

The Committee normally meets prior to each MAC meeting. The Committee has a pro-active concern for the fabric of the churches, churchyards, church halls, boundary walls and houses of the clergy. It also considers in detail and prepares budgets for items referred to it by the MAC. Under the guidance of its chairman it also ensures a prompt response to all recommendations resulting from Quinquennial Inspections.

Following the resignation of Heritage Secretary (Allan Dowlman) at end of September 2023. Heritage and Fabric matters have had to be led by local church representatives with decisions made by full Mac meeting

Electoral Roll

The Electoral Roll for Ministry Area was renewed from January 2022 as the Electoral Roll for the new Ministry Area and will be in effect until 2027. There are currently 230 members enrolled across the Ministry Area

Sunday Services

The regular Sunday schedule of services have had to be adapted due to Clergy availability.

The timetable of services across the Ministry Area is published each month in the Newsletter and sent to each church to be posted on Notice boards

Diocesan Conference Report

- Stephen Jones (Diocesan Conference representative)

I attended the Diocesan Conference last year. I was, unfortunately, the sole representative of the MA as Revd Maggie had another commitment. There were some interesting sessions – more information should be available on the Diocesan website. It was Bishop Mary's first conference in Llandaff.

I took the opportunity to raise with the Bishop and key staff privately and on the floor the stresses that the financial situation impose on MA Treasurers, and the response was that this was understood, and it was an issue that Bishop Mary had sought to address as Archdeacon of Bangor. Among the many intentions was to seek to provide practical support to Treasurers in the form of Book Keeping support – this was a work in progress. It was also revealed that the Fairer Share process would be iterative; a draft budget would be set and then discussions would take place with MA's about their ability to pay share. In the light of this the budget was to be reviewed. I know Sandra is not sure about some of this, but representatives from the Diocese intend to speak to the MAC. We can follow this up then

There were interesting presentations from the Dean and from a Revd Dr Brian Oakley on the subject of poetry, which is something to which Archbishop Rowan attaches great importance. I learnt one poem. (I find this useful as then I can "read" it in my mind or aloud when I am doing something else)

It is ludicrous, says reason
It is what it is, says love

It is calamity, says calculation
It is nothing but pain, says fear
It is hopeless, says insight
It is what it is, says love

It is ridiculous, says pride
It is foolishness, says caution
It is impossible, says experience
It is what it is, says love

Local Church Reports

St Mary's Coity: It has been a year of further consolidation unfortunately hampered by the loss of several regular members of our congregation. A strong congregation with regular church choir has grown over the year and Sue Hawthorne continues to lead the Sunday Club which meets weekly throughout the year to bring the next generation into our church community. Mike Hawthorne has led the services when clergy are not available to maintain continuity. Despite the loss of our tower captain Fred Custerson, Bell ringing meets weekly and rings for services on most Sunday mornings and at weddings throughout the year. Flower club meets and decorates the church as we continue to try to Grow God's Kingdom in our community. A monthly collection for Bridgend Foodbank is well supported.

ST Illtyd's Newcastle : 'There have been challenges along the way uniting different traditions in the churches of our Ministry Area, however continued prayer and commitment from our congregation at St Illtyd's we have embraced the changes, and continue to support the clergy and enjoy the coming together with the other churches. Together we can look forward in faith, hope and love to continue to work to further God's kingdom'

St David's Laleston have been busy ensuring everyone has a warm welcome at St. David's church, Laleston. It has been a pleasure to meet new people who have attended Weddings and Baptisms and have now become regular members of our congregation.

We will continue welcoming and encouraging the local community, spreading the word of services whether in person or online and inviting them to join us.

Moving forward to continue the Fellowship within our Ministry Area and for us to grow in Faith together.

St Teilo's Church, Merthyr Mawr:

During 2023 St Teilo's benefitted from a more consistent delivery of Sunday services. Although the times of the services varied, a Eucharist or Morning Prayer was offered in the church on most Sundays. A key result of this was that the congregation numbers attending St Teilo's were maintained. A great deal of effort was expended by a smallish group within St Teilo's to offer an event within the church almost every month which was open to the wider public. Examples of such events included a Bluebell Festival, Craft and Chat Group, a Folk concert, Christmas Fayre, Pop Up Teas, Poppy and Remembrance Celebration. Whilst these events were financially rewarding and allowed St Teilo's to make contributions to a number of charities, their true success was in bringing large numbers, old and new friends, into the church. It is our intention to build upon this success and attract more people to our haven of peace, prayer, tranquillity and meditation during 2024. We hope that some of these new friends may also consider returning to St Teilo's to take part in Sunday services.

All Saints' Church Penyfai: Every member of the congregation at All Saints' is of the belief that the doors should be 'wide enough to welcome everybody in and narrow enough to keep prejudice out.'

In the past year they have worked together to maintain our beautiful church building; to welcome all who attend services, weddings, funerals and baptisms; to grow, and strengthen, our Sunday Group; to continue and develop, the bell ringing tradition; to decorate the church beautifully; to continue the exceptional 'Open the Book' initiative, in the wonderful Bettws Primary School; to continue the extremely well attended 'Warm Welcome' lunches; to provide exceptional social events; to work in conjunction with the Penyfai Community Association with regard to whole community events; to continue to work closely with the staff and pupils at Penyfai Primary School and to support charities, the whole community and each other. Our thanks go to all who support us, and our activities, and who have welcomed us into the Ministry Area as we move forward together as a church family in mission and fellowship.

St. Mary's Nolton The year ending December 2023 was largely successful. Rev. Maggie was able to produce programmes of worship to meet the needs of all the Churches in the Area. St Mary's Nolton experienced a slow but noticeable recovery of worshipers with attendance at Lay led services often matching full Eucharist services. The year saw a pleasing number of Baptism events and weddings, joyful events in themselves but even more pleasing when they inspired a small number of worshipers to return to regular worship. Naturally, we experienced an average number of funerals with one or two long serving members departing this life.

The year saw the welcome addition of Rev Roger to the clerical team. Many of us remember Roger's first spell of service with us and are delighted at the return. Following on from Rev. Maggie announcing her retirement plans, arrangements to appoint a replacement were instigated.

As part of our regular worship we were able to welcome worshipers from all our Ministry Area Churches to join in joint services .Wonderful (every fifth Sunday) to see so many supporting these joint efforts in a spirit of togetherness.

A variety of events were held or hosted in Church during the year. We were especially pleased to welcome pupils from Brynteg School on study visits when members of our congregation were pleased to talk to pupils on a variety of aspects of church life and history. The Kings Coronation was celebrated with a garden party, indoors of course, when Councillor Tim Wood, as Mayor of Bridgend, planted a tree in honour of the king. It seems to be flourishing well. We were pleased to welcome the Baby Loss group for their service of remembrance and the Love light group concert to kick off Christmas celebrations in December. This was closely followed by the Comprehensive school's annual carol services. Church was packed on both nights The Service of Remembrance was held in November with town dignitaries joining our congregation for this annual national event. The only problem of note this year was a significant leak to the roof on the west side. The problem was identified and repaired effectively by local roofer Stuart Cox. So a busy and full year drew to a close with my last days as Lay Chair to the Ministry Area Council. My three year stint in office ended on 31 st December and we look forward to the next three years under the chairperson ship of Jenny Morgan. Welcome Jenny. Andrew Dix. Lay Chair, 2021 to 2023.

St Mary's Brackla continues to flourish and build firm relationships with members of staff, pupils and parents of Archdeacon John Lewis Church in Wales Primary school. A number of events were held to become more visible in the wider community.

The Family Fun Day held in August was a great success with displays from local Marching Band, Brass Band and Karate groups. More than 100 people came and enjoyed an afternoon of activities, entertainment and refreshments.

Messy Coffee Mornings have been introduced throughout the school year for each age group in turn. Grownups were invited to join their children to make craft items relating to a biblical theme followed by refreshments and fellowship. Members of St Mary's facilitate these events and inter-generational links have been much appreciated.

Open the Book continues to feature regularly in weekly assemblies with volunteers from Brackla and Nolton churches supporting. If anyone would like to get involved please speak with Rev Roger.

We arranged 'Experience 'events at Harvest and Lent where the school hall was transformed into areas of interactive learning. The whole church was involved in sourcing items for each 'station' and our efforts were very much appreciated by staff and pupils alike.

We have also introduced a Prayer Space for the whole school to utilise. Funds were received from the ministry area along with donations from church members and friends of. This is the first of its kind in South Wales schools.

We continue to support the ministry area football team and look forward to planning joint events in the future.

This has all been achieved through the vision, creativity, commitment and fellowship of all the members of St Mary's, Brackla

St Crallo's Coychurch: It has been a busy year in St Crallo's. We have hosted a few forest church services. The children from the local primary school have come to the church for their Easter and Harvest services. The hundred club has successfully continued with its quarterly draws. Lay members held an afternoon tea and a cheese and wine evening in their homes to raise some vital funds. We held a moving remembrance service which started at the church and concluded around the memorial plaques down at the memorial hall. At Christmas time we welcomed in the WI for their annual lessons and carols service and we also welcomed in villagers along with the wider community for our annual community carol service. We held a Christmas Fayre that was widely attended by the community and it was absolutely lovely to see St Crallo's packed to the rafters for our much loved Christmas Eve Nativity and Christingle service which is a long standing tradition in the village. Going forward our aspiration is to continue building bonds across the ministry area under its new leadership, not only by reviving our once thriving relationship with Llangrallo/Coychurch primary school, but also by welcoming people from across the ministry area for joint services and reciprocating with visits to our fellow churches in return.

Financial Report

A draft Financial report and summary of accounts as of 31st December 2023 is available and will be distributed with this report .

Audited accounts will be distributed when auditors report is completed

CHARITY NUMBER 1135927

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
MINISTRY AREA PENYBONT AR OGWR**

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CHARITY INFORMATION

Charity Name	Ministry Area, Penybont Ar Ogwr
Registered Charity Number	1135927
Principal Address	St Marys Church Hall Merthyr Mawr Road North Nolton Bridgend CF31 3NH
Contact Details	01656 667690

Charity Trustees

Rev M Broadway (appointed 25 June 2024)
Rev M Thorne (resigned 31 March 2024)
Rev R Pitman (appointed 1 September 2023)
Rev D Lloyd (retired 31 August 2023)

G Coles
P Coulson
S Davidson
A Dix

H Harrison (appointed 3 February 2023)
P Williams (appointed 3 February 2023)
S Buckley (appointed 30 April 2023)
H Markwell (appointed 30 April 2023)
S Jones (appointed 8 May 2023)
V Turner (appointed 8 May 2023)
J Morgan (appointed 1 January 2024)
L Davies (appointed 1 June 2024)
J Lewis (appointed 30 June 2024)
A Buckley (appointed 30 June 2024)

P Craven (resigned 16 May 2023)
C Judd (resigned 16 May 2023)
I Hibble (appointed 3 February 2023, resigned 16 May 2023)
A Dowlman (resigned 30 September 2023)
J Dowlman (resigned 3 February 2023, co-opted 6 April 2023 and re-appointed formally 20 June 2023, resigned 31 October 2023)
H Evans (resigned 3 February 2023 re-appointed 30 April 2023, resigned 30 April 2024)
M David (appointed 3 February 2023, resigned 31 May 2024)
R Gauci (appointed 3 February 2023, resigned 30 June 2024)
P Smith (resigned 30 June 2024)
I Hartley – Brown (resigned 5 September 2024)

TRUSTEE'S REPORT

The trustees have pleasure in presenting their report and financial statements for the Charity for the year ending 31 December 2023.

Objectives and Activities

The objectives of the Charity are achieved by promoting throughout the Ministry Area the whole mission of the Church, pastoral, evangelistic, social and ecumenical – within our parish. This includes the following:

- Conducting regular Christian worship including the Holy Eucharist, marriages, funerals and baptisms;
- The provision and maintenance of the fabric of the churches, churchyards and associated buildings for which we are responsible;
- The maintenance of Christian burial places;
- Promoting the study of Christian teaching, practices and Scripture;
- The provision of means and encouragement to promote fellowship within the membership of the churches and the wider community;
- Pastoral care and visiting the sick & dying;
- Fostering ecumenical links between differing Christian denominations;
- Supporting the work of other charities.

In preparing this report, the Ministry Area Council have considered the guidance issued by the Charity Commission on public benefit. In each decision made, we have sought to weigh up the benefit and/or detriment both for those who join us for public worship within our congregations and those resident in our communities. The Ministry Area Council believes that the Church's activities detailed above are the main activities undertaken to meet the charity's public benefit objectives and to achieve its overall aim of promoting the Ministry Area and whole mission of the church.

The Ministry Area measures its success based on the level of activities – both religious and social – that it undertakes throughout the year. The Trustees believe that 2023 was a successful year, with a number of activities being undertaken both internally and joining with the community, for example local schools. The Area is seeking to expand on this in future periods.

Monies are raised by freewill offertory, fundraising activities and specific appeals. These are used to support the work and administration of the churches and wider mission. Both the Ministry Area, and its constituent local churches, continue to actively increase attendance and develop mission work in the community. Many of those involved in the main functions of the churches are volunteers.

The Ministry Area is grateful to all of those who freely give of their time on a voluntary basis. The majority of functions performed within the Area, including serving on the Area Council, are performed on a voluntary basis. These include various administrative functions, but also keeping the Church in a clean and serviceable state including limited maintenance, helping at services and organising events both religious and social around the service calendar. Without the significant numbers of individuals from each church giving their time the activities of the Area would be severely restricted.

TRUSTEE'S REPORT (continued)**Achievements and Performance**

It is disappointing that there isn't very much to report that is different from the prior year. Unfortunately, the situation in the Church in Wales (if not across the whole of the Church in the UK) hasn't changed and we are still facing a decline in both church attendance and in vocations to the priesthood. Furthermore, many priests are retiring early including our previous MA Leader who retired in March 2024. The Clergy within the MA were wonderful in the acceptance of the management situation, although it would have been preferable if there were three priests, associate priests and a curate, as in past, but sadly those days are well and truly gone. Local retired Clergy continued to offer support and cover throughout 2023 wherever needed and the Licensed Lay Ministers assisted in keeping everything ticking over on the alternate weeks so that there was always a service in every Church every Sunday. A Cleric joined the team in August 23 which eased the dire Clergy situation, and unusually, the MA was able to advertise the post of MA Leader whilst the current MA Leader was still in post which allowed her to be involved in the process of writing the profile. The successful candidate Reverend Mark Broadway took up his post in 2024.

Unfortunately the year saw a loss of significant members of our congregations. We miss them all and the contribution they made to the life of the MA.

Finances have dominated the year, or, it would be more correct to say, lack of finances has dominated the year. The MA is truly fortunate to have such a gifted finance officer without her thriftiness and clarity of thought, the financial position would be hopeless. There is also a wonderful team of Local Treasurers serving all the Churches working in close liaison with the finance team. Although since the pandemic our congregations have maintained their new "normal" levels of attendance, the MA receives far, far less in offering each week than the £11.55 per person which the Diocese estimate would cover the Parish Share. Throughout the year the income received has not been enough to cover the increased costs including the increased general cost of living and utility charges which are crippling us. There is a need for urgent reconsideration of giving and generosity for future long-term survival.

The Churches within the Ministry Area have been proactive in Mission which is reflected in the individual church's statement of mission and there is plenty of evidence that the congregations are playing their part in realising those statements to try and grow in God's Kingdom. In brief these are:

- St Mary's Coity had a year of further consolidation. A strong congregation with regular church choir grew over the year with weekly Sunday Club held to bring the next generation into the Church community. Coity continued to support the local Foodbank throughout the year
- St Mary's Nolton saw a slow but noticeable recovery of worshippers coupled with increased numbers of Baptisms and Weddings. A variety of mission events were held or hosted throughout the year which included school study visits, attendance by the local community at special annual events. Nolton church continued to support the local Foodbank
- Both Coity and Nolton churches are the focus for many larger community events such as weddings, funerals, baptisms and other occasional services
- St Mary's Brackla continued to flourish and build firm relationships within and outside the Church. Events were held to become more visible in the wider community, Open the Book was a regular weekly feature in school assemblies and Messy Coffee Mornings were introduced for inter-generational links. Success was the result of vision, commitment and fellowship of Brackla members and working with the Diocesan Mission Enablers
- All Saints, Pen-y-Fai, are very proactive in working with the Community to strength and grow. Events that continued throughout the year include Open the Book initiative at local primary school, Warm Welcome lunches, working in close association with Communities and Schools to support the community and charities alike. Friendships with non-church attenders are strengthening and the locals are "owning" their church

TRUSTEE'S REPORT (continued)

- St Crallo's is disadvantaged in Mission works as there is no running water, or toilet facilities. St Crallo's therefore opted for a gentle approach with members offering their homes for afternoon teas and other fundraising events which were very successful. Other events St Crallo's hosted included the local primary school Easter and Harvest services. Community lessons and carol services, annual Nativity and Christingle service. All events held in the vision of increasing growth
- St Illtyd's have had a challenging year uniting the different traditions in the Churches in the Ministry Area. However with continued prayer and commitment from the congregation at St Illtyd's changes were embraced and the future outlook is to move forward in faith, hope love to further God's kingdom
- St David's have been busy in proactively ensuring everyone has a warm welcome at St David's church. There has been some growth in attendees at Baptisms and Weddings becoming regular church members and work for the Fellowship within the Ministry Area and to grow in Faith continues
- St Teilo's benefited from a more consistent delivery of Sunday Services which resulted in no change in congregation numbers attending service. Fundraising events were held almost every month and were open to the wider public. Whilst the events were financially rewarding and allowed St Teilo's to make contributions to a number of charities, the true success was in bringing large numbers, old and new friends, to church. St Teilo's is exceptionally proactive and successful at holding events.

The last year has seen a marked increase in many community schools using the churches for services and for educational sessions which is resulting in strong and lasting friendships. Forest Church has continued to meet throughout the year with numbers increasing. Every meeting had its profound moments of sharing experiences and appreciation of God's Creation.

Overall the Ministry Area in 2023 has had successes in trying to grow God's Kingdom which are down to the vision, commitment, time given, skills of those holding roles within the MAC and parishioners alike. The MA continues to grow in fellowship with each other and there has been good improvement in creating a team spirit in helping and supporting each other.

The Ministry Area experienced mixed fortune in 2023, but it still needs to look to God for its direction and purpose. We look forward to seeing our congregations and the whole of the Ministry Area grow in faith, fellowship and number, and we look forward to seeing your ministries go from strength to strength.

Financial Review

During 2023 there has been good progress in implementing a central accounting function with ongoing progress. A central bank account has been opened and slowly each of the individual church bank accounts have been transferred to allow the sharing of resources, while still enabling the individual churches to identify and monitor their own elements via the accounting system. This has impacted on the local Churches Treasurers, but ultimately as day to day processes are consolidated, their time will be freed to apply their skills to the key financial issues facing the church.

2023 has been a challenging year for finance both with declining attendance of congregations and decline in giving whereby the contribution needed to cover basic Church running costs was not met.

As work of combining the original parish records, and investigation of certain assets is continuing further information is coming to light which has so far resulted in the reclassification of investments from unrestricted to restricted. There is ongoing research to clarify the position of various assets, particularly properties, and the original source of funds particularly some of the older restricted funds. This work is not yet complete and the notes to the accounts explain some of the outstanding areas. This may lead to adjustments to the accounts when the investigations are complete in future years.

TRUSTEE'S REPORT (continued)

The day-to-day finances are administered by the MAC, the Finance Officer and local Church Treasurers as agreed and directed by the MAC. As the MAC developed it became clear that for efficient governance there was a need for a Finance and Policy sub-committees to be set up. These have been formed in 2023.

During the year the charity had a total income from activities and assets of £291,373. This sum was split between restricted income of £77,794 and unrestricted income of £213,579. The majority of the restricted income relates to investment income from restricted funds such as investments and investment property.

In the year, the charity had total expenses of £367,281. Of the expenditure £214,398 was unrestricted and £152,883 was restricted. There were no major repair works carried out in 2023. The recurring spend was approximately £367,281 against potentially recurring income of £291,373 – a significant deficit of £75,908. This is compounded by a loss on property valuation of £82,500, partially offset by gain on investments of £66,220. The shortfall has been made up by utilising cash reserves.

The major recurring expense in the year is the parish share paid to the Diocese. This totalled approximately £157,000 in the year. Of the total expenditure, some items such as parish share were met by utilising the cash reserves brought forward in individual churches when the churches were merged with into the Ministry Area. It is intended to continue using these reserves of the individual churches to pay the parish share and other parish related expenses in future years.

The majority of the investments are held in shares in the Common Investment Fund administered by the Representative Body of the Church in Wales. The value of the shares in the Fund fluctuates with time. The Representative Body follows the Church of Wales ethical guidance on ethical investments prohibiting investments for example in armaments, predatory lending activities, gambling and alcohol and seeks to promote good levels of environmental, social governance responsibility. The investments are held to provide some income to the parishes and to provide funds where necessary for, in particular, capital projects in line with the original donations. The Ministry Area can utilise the funds as necessary subject to restrictions, particularly on capital projects, but does not want to draw down on the investments except in necessity as once spent they cannot be easily replaced!

The net assets of the charity at the year end totalled £2,218,041. However, the majority of these assets are restricted, with only unrestricted net assets of £132,432. Within this there are £116,192 of unrestricted cash. While there is also some funds brought forward in individual churches which are classed as restricted but can be used be fund specific church costs such as parish share, it can be seen that the Area needs to generate significant unrestricted income each year to cover its on-going costs and avoid drawing down on cash reserves.

Reserves Policy

Although the charity has £2,218,401 of total funds, a large proportion are restricted and also tied up in investments. At the year end the charity therefore held only £116,192 in cash which was freely available to meet on-going expenses, – approximately 4 months of available reserves. While there is on-going income, the charity intends to develop plans to hold sufficient cash reserves at any point in time to cover at least 6 months of recurring expenditure.

The charity is therefore seeking to improve its position as summarised below.

Plans For Future Periods

The Trustees recognise the need to improve the charity's on-going cash position.

The charity has recently put the Port Talbot property up for resale as the property has not generated significant income. However, the Trustees are aware that this may not improve the unrestricted cash position of the charity as the original funds used to purchase the property may entail restrictions and further investigation is on-going.

TRUSTEE'S REPORT (continued)

The Trustees recognise the difficulties of raising funds in a general atmosphere of declining Church attendance throughout the country, together with a reduced number of available clergy to celebrate services. The Charity is developing plans to set up key targets for the future including average number of persons attending services, and average giving per member of congregation.

The Trustees are also however seeking to:

- improve giving, particularly regular giving which will also assist with gift aid reclaims. The Trustees recognise that declining church attendance over a number of years has reduced incoming funds and they are seeking to address this both by seeking to increase attendance, and also by encouraging the congregation to contribute more per individual where their personal resources allow together with more fundraising events
- reduce expenditure. A review of expenditure is being undertaken to centralise expenditure where appropriate particularly to determine whether any savings can be achieved from central contracts.
- cutting costs and eliminating substantial amount of waste and needless spends
- work with the province to improve the return on investment
- a Finance Working Group has been set up to lead and advise on complex matters
- a Hall Management Working Team has been established to optimise the return from church halls
- Chasing down money that is owed to the MA through unclaimed gift aid and unpaid invoices.

Priority is to be given to: Addressing the pastoral issues that have caused decline ensuring that the situation does not deteriorate further; Developing a Growth & Revitalisation Strategy, so that we can go forwards towards growing our membership; Building a culture of generosity and hope, so that our members feel confident and hopeful in our joint vision, and so feel inclined to give generously.

We are asking our members to get involved in some keyways as we face this situation together:

First, to pray. The church is fundamentally a spiritual society, and its material decline follows its spiritual decline. We are encouraging our members to come to church early, and leave late, so that they have more time to pray. We are encouraging them to develop a pattern of praying every morning and every evening, bringing their requests to God with thankfulness.

Second, to serve. We are encouraging everyone who can to join a team or a rota. That may look like hosting a group or putting oneself forward to train to lead services. We would love everyone to offer up some time each week to spreading the gospel.

Finally, to give. We are encouraging our members to ask the Lord to show you how much they each should be giving to his church. It is the norm for Christians to offer 10% of their regular income to support gospel work. Some people are called to give more, some people are not able to give this much – but decisions around giving should begin with prayer and be motivated by thankfulness.

TRUSTEE'S REPORT (continued)

Structure, Governance and Management

The Ministry Area is a charity registered with the Charities Commission. The Area is an amalgamation of local churches as part of the Diocese of Llandaff, part of the Anglican Province of the Church in Wales set up under the Welsh Churches Act 1914. The Churches are governed in accordance with the Constitution of the Church in Wales.

On 1 January 2022, the Parish of Coity, Nolton and Brackla were combined with the neighbouring parishes of All Saints, Penyfai, St Crailos, Coychurch, St Davids, Laleston, St Iltyds Newcastle and St Teilos Merthyr Mawr to form a new Ministry Area under the charity registration of the Parish of Coity, Nolton and Brackla.

The Representative Body of the Church in Wales holds the land and property of the Church in Wales. They are an exempt charity set up under section 13(2) of the Welsh Churches Act. They act on behalf of the province in paying stipends and administering various aspects of central administration such as central investments.

The Ministry Area Council acts as both Parish Church Council and charity Trustees for the entire Ministry Area. It is not a body Corporate, so its composition, procedures and powers are regulated by the Constitution of the Church in Wales.

The Ministry Area Council is responsible for ensuring that reviews of all major risks are conducted and that wherever possible systems have been established to mitigate risks. The risks facing the charity include the state of repair of the churches, graveyards and church halls. The Council is responsible for ensuring that there are sufficient resources, including financial resources to achieve the Area's objectives.

The Ministry Area has identified safeguarding as a risk and has therefore adopted the Church in Wales safeguarding policy and has undertaken a number of training sessions.

Apart from The Ministry Area Leader, Lay Chair and Clergy, Trustees are appointed on a voluntary basis to the Ministry Area Committee (MAC) with no time deadline set. Lay Chair is a selected position and has a term of service being 3 years. Clergy serve on the Committee while they are post.

The Trustees are appointed annually at the Annual Vestry Meeting or co-opted depending on their individual expertise.

The Ministry Area Council will be reviewing the training, including safeguarding training, facilities given to Trustees over the coming months to ensure that all members have sufficient support to fulfil their responsibilities.

The Trustees have appointed various sub-committees to handle different aspects of the charity administration. A finance sub-committee advises on finance matters, including the level of salary and remuneration for staff which is benchmarked externally for similar roles with minimum of the living wage being used.

The day-to-day management of the Area is undertaken by the Clergy Team led by Rev Maggie Thorne. The day-to-day administration is assisted by a Treasurer, who is employed by the Area and is not a Trustee, together with a number of salaried staff

TRUSTEE'S REPORT (continued)

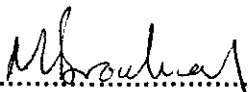
STATEMENT OF MINISTRY AREA COUNCIL RESPONSIBILITIES

The Charities Act requires the Council to prepare a statement of accounts for each financial year which comply with the regulations made under the Act.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and contain entries showing from day to day all monies received, and monies expended by the charity and the matters in respect of which those transactions took place and also contain a record of the assets and liabilities of the charity. The law also sets out the responsibilities for the preparation and content of the Annual Report.

The Council is also responsible for safeguarding the assets of the charity and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees declare that they have approved the trustees' report above


.....

Signed on behalf of the charity's trustees

Rev M Broadway

15/10/2024
.....

Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PENYBONT AR OGWR MINISTRY AREA

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023 which are set out on pages 12 to 28.

Respective responsibilities of trustees and examiner

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). The charity's trustees consider that an audit is not required for this year under section 144 of the Act and that an independent examination is needed

I report in respect of my examination of the charity's accounts, and it is my responsibility to:

1. examine the accounts under section 145 of the Act,
2. follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act, and
3. to state whether particular matters have come to my attention.

Independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the 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.

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.

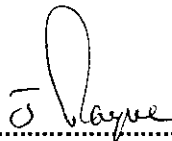
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PENYBONT AR OGWR MINISTRY AREA (CONTINUED)

The Ministry Area was set up via a combination of the existing Parish of Nolton, Coity and Brackla with the inclusion of a number of parishes of the Church in Wales in the local area. In doing so there are a number of historical financial records that needed clarifying and some of these are in the process of being investigated further. These include:

- the title and valuation of various properties to clarify the ownership and amounts to be included in the accounts as detailed in the fixed asset notes to the accounts
- exact restrictions on a number of restricted funds within the Ministry Area as summarised in the reserves note to the accounts.

Except as noted above 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 accounts to be reached.

INDEPENDENT EXAMINER



.....
JE Payne ACA
ICAEW
Graham Paul Limited
Court House, Court Rd
Bridgend, CF31 1BE

Date: 15/10/24

**Statement of Financial Activities
for the year ended 31 December 2023**

		2023	2023	2023	2022	2022	2022
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	Funds	Funds	Total	Funds	Funds	Total
		£	£	£	£	£	£
INCOMING RESOURCES	1						
Income and endowments from:							
Donations, legacies and grants		128,445	17,169	145,614	130,771	86,301	217,072
Charitable activities		81,153	4,197	85,350	64,952	5,337	70,289
Investments		2,268	56,428	58,696	49,156	1,766	50,922
Other income		1,713	-	1,713	16,112	1,108	17,220
Total income		213,579	77,794	291,373	260,991	94,512	355,503
RESOURCES EXPENDED	2						
Expenditure on:							
Charitable activities		(208,998)	(152,883)	(361,881)	(239,514)	(240,284)	(479,798)
Other expenditure		(5,400)	-	(5,400)	(10,309)	-	(10,309)
Total expenditure		(214,398)	(152,883)	(367,281)	(249,823)	(240,284)	(490,107)
Net income before investment gains/(losses)		(819)	(75,089)	(75,908)	11,168	(145,772)	(134,604)
Net gains/(losses) on investments:							
Gains/(losses) on revaluation of investments	11	1,143	65,077	66,220	(53,056)	(77,419)	(130,475)
Loss on revaluation of investment property	10	-	(82,500)	(82,500)	-	-	-
Investment income re-invested	11	-	3,565	3,565	9,006	-	9,006
(Losses) on disposal of investments		-	-	-	-	(147)	(147)
Net (expense)/income before extraordinary items		324	(88,947)	(88,623)	(32,882)	(223,338)	(256,220)
Extraordinary income	1	-	-	-	-	615,820	615,820
NET INCOME AND MOVEMENT IN FUNDS		324	(88,947)	(88,623)	(32,882)	392,482	359,600
Funds brought forward		1,149,987	1,157,037	2,307,024	1,223,769	723,655	1,947,424
Transfer between funds	15	(1,017,879)	1,017,879	-	(40,900)	40,900	-
Funds carried forward		132,432	2,085,969	2,218,401	1,149,987	1,157,037	2,307,024

*The restricted and total income comparative figures have been adjusted to reclassify a VAT refund from Charitable Activities income to Donations, Legacies and Grants for £22,585.

Included within restricted income is £10,788 (2022 - £8,526) arising from endowment investments.

MINISTRY AREA PENYBONT AR OGWR


Accounts 2023

Balance Sheet as at 31 December 2023

		2023	2023	2023	2022	2022	2022
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	Funds	Funds	Total	Funds	Funds	Total
		£	£	£	£	£	£
Fixed Assets							
Tangible fixed assets	9	-	124,001	124,001	100,000	27,001	127,001
Investment Properties	10	-	481,177	481,177	447,500	116,177	563,677
Investments	11	21,640	1,205,907	1,227,547	481,251	676,511	1,157,762
Total fixed assets		21,640	1,811,085	1,832,725	1,028,751	819,689	1,821,440
Current assets							
Cash at bank and in hand		116,192	274,884	391,076	120,010	337,348	457,358
Debtors	12	-	-	-	9,625	-	9,625
		116,192	274,884	391,076	129,635	337,348	466,983
Creditors:							
amounts falling due							
within one year:	13	(5,400)	-	(5,400)	(8,399)	-	(8,399)
Net Current Assets		110,792	274,884	385,676	121,236	337,348	458,580
Net assets		132,432	2,085,969	2,218,401	1,149,987	1,157,037	2,307,024
Brought forward		1,149,987	1,157,037	2,307,024	1,223,769	723,655	1,947,424
Transfers		(1,017,879)	1,017,879	-	(40,900)	40,900	-
(Deficit)/Surplus for the year		324	(88,947)	(88,623)	(32,882)	392,482	359,600
Carried Forward	14	132,432	2,085,969	2,218,401	1,149,987	1,157,037	2,307,024
Restricted Funds are split between							
Endowment			493,715			455,954	
Other			1,592,254			701,353	
			<u>2,085,969</u>			<u>1,157,037</u>	

These financial statements were approved by the Ministry Area Council on 15/01/24

Signed on their behalf by


Trustee – Rev M Broadway

STATEMENT OF ACCOUNTING POLICIES**Basis of preparation**

The accounts are prepared under the historic cost convention as modified by the revaluation of investments to fair value in accordance with the Charities Act 2011, the Church Accounting Regulations 2006 and the Statement of Recommended Practice (SORP): '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 (FRS102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

As a charity, the church is a Public Benefit Entity (PBE) within the meaning of FRS102.

The accounts presentation is in line with the requirements of the Annual Financial Return to Llandaff Diocesan Board of Finance. Some of these differ from the format and disclosure requirements of the SORP (FRS102) because, in the opinion of the PCC, the format adopted best represents the activities of the church.

The Ministry Area is a multi-church parish which comprised, at the beginning of 2022, the three churches of St Marys, Coity, Nolton and Brackla. On 1st January 2022, five additional churches – All Saints Penyfai, St Crallos, Coychurch, St Davids Laleston, St llyds Newcastle and St Teilos Merthyr Mawr, were also added to the charity which was renamed the Ministry Area.

The key accounting estimates used in the preparation of the accounts are:

- the estimated useful life of fixed assets
- recoverability of debts.

The accounts are prepared on a going concern basis on the grounds that the charity will be able to continue its operations for at least 12 months from the date of approval of the accounts and the trustees confirm that no material uncertainties relating to this position exist.

The presentation currency of the financial statements is the Pound Sterling (£).

Accruals accounting

All income is credited gross on the date on which it is received, or when it becomes due and can be reasonably estimated. All expenditure is fully accrued based on the date that the liability has arisen.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular specific purpose. Endowment funds are investments where capital is maintained, and income can be used in the parishes for the purposes specified by the original donors.

Investment Properties

Investment properties are originally included in the financial statements at cost including incidental costs such as professional fees. Investment properties are then revalued periodically to market value with gains and losses credited or charged to a revaluation reserve, classified as restricted or unrestricted according to the original nature of the funds used to acquire the property.

Church Land and Buildings

The land upon which all together with the contents of the churches, most of the Area church halls and the parsonages, are vested in the Representative Body of the Church in Wales. As these, nor their contents, are vested in the Ministry Area they do not appear in the accounts of the Ministry Area.

The Ministry Area pays for all maintenance expenses of the church halls, along with the maintenance of individual churches within the Area. Significant improvements for any buildings which are not consecrated, such as church halls, are capitalised as part of fixed assets. Cost includes original purchase price plus any costs directly attributable to making the asset capable of operating as and where intended.

STATEMENT OF ACCOUNTING POLICIES (Continued)

Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year and are stated at cost less accumulated depreciation. Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes original purchase price plus any costs directly attributable to making the asset capable of operating as and where intended.

Depreciation is provided at rates, in order to write off the cost, less estimated residual value, of each asset on a systematic basis over its estimated useful life. Depreciation is provided on:

- equipment at the annual rate of 15% and 25% reducing balance in order to write off each asset over its estimated useful life.
- leasehold improvements over 10 years from the date of the improvements completed.

Investment assets

Fixed asset investments in The Representative Body of the Church in Wales Common Investment Fund or other Charity Investment Vehicles are valued initially at original purchase cost and subsequently at their market value at the year end with any gains or losses going through the SOFA.

Amounts held at recognised UK banks are classified as cash at bank and in hand.

Debtors and creditors receivable/payable within one year

Debtors and creditors are recognised and measured at cost with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash

Cash consists of monies held in Banks by each of the Churches together with the Area plus, cash in hand at each of the individual churches plus funds held by the Representative Body in bank account.

STATEMENT OF ACCOUNTING POLICIES (Continued)

INCOME

Income is recognised in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it's more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

The following specifies the policies applied and the main types of income that are included within the particular categories of incoming resources:

Collection

The Ministry Area received its main income from the Direct Giving of its Parishioners and there are three main categories of this direct income:

- Gift Aided envelope which is remitted either by the use of a specially designed red envelope at a Church Service offertory collection, by direct payment to the Benefice Covenant Secretary or credited direct by bank transfer by Direct Giving .
- Casual Gift Aided contributions which are enclosed in the newly designed envelopes, which are signed and handed in at a Church Service offertory collection.
- Cash - offertory collections at a Church Service.

Grants and donations

Grants and donations are only included in the SOFA when the general income recognition criteria are met on a performance basis.

Legacies

Legacies are included in the SOFA when the receipt is probable, that is, when there has been grant of probate, the executors have established there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

Tax reclaims on donations, gifts and legacies

Gift aid receivable is included in income where there is a valid declaration from the donor and is recognised when the claim is successfully received. Any Gift Aid amount recovered is considered to be part of the original donation and as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Income from interest and dividends

The benefice has two main sources of investment income and is included in the accounts when receipt is probable, and the amount received can be measured reliably:

- Surplus cash resources are invested in Bank Deposits
- Trust Fund capital is invested in the Common Investment Fund, which is a Managed Fund under the control of the Representative Body of the Church in Wales. This is an income producing account with a Capital growth potential. The Benefice Churches involved received a quarterly income payment from the Representative Body.

Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Volunteer help

The value of any voluntary help is not included in the accounts but is described in the trustee's annual report.

STATEMENT OF ACCOUNTING POLICIES (Continued)

EXPENDITURE

Expenditure is accounted for on an accruals basis inclusive of VAT which is not recoverable as the organisation is not VAT registered.

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount can be measured with reasonable certainty. The charity has creditors which are measured at the amounts due in settlement.

TAX

The charity is exempt from corporation tax.

SIGNIFICANT JUDGEMENTS

The majority of income and expenditure is based on cash movements through the bank account. There are therefore limited judgements made in the overall accounts. These judgements include:

- estimates of the value of investment property
- an estimate of the useful life of tangible fixed assets
- estimates of expenditure incurred, but not yet billed at the time of the accounts
- recoverability of debts, including debts from rental of assets and gift aid.

A key judgement area is ensuring restricted funds are correctly identified and that the allocation of expenditure to individual restricted funds is in accordance with the terms of that specific fund. The Trustees are continuing to investigate brought forward funds to determine the details of all restrictions as identified in individual notes to the accounts.

MINISTRY AREA PENYBONT AR OGWR

Accounts 2023

NOTES TO THE ACCOUNTS

1 INCOME

	Unrestricted Funds £	Restricted Funds £	2023 Total £	Unrestricted Funds £	Restricted Funds £	2022 Total £
Donations, Legacies and Grants						
Planned Giving	80,471	-	80,471	83,420	325	83,745
Loose Collections	19,598	-	19,598	12,043	-	12,043
Tax Refunds (Gift Aid)	18,440	-	18,440	18,457	-	18,457
Donations	8,694	1,469	10,163	16,031	1,051	17,082
Legacies	-	100	100	-	118	118
Grants	1,242	15,600	16,842	820	84,807	85,627
	128,445	17,169	145,614	130,771	86,301	217,072
Charitable Activities						
Fees - Baptisms, Funerals and Weddings	8,185	4,197	12,382	13,781	5,337	19,118
- Hall hire	60,278	-	60,278	45,714	-	45,714
- Money Raising Events	12,690	-	12,690	5,457	-	5,457
	81,153	4,197	85,350	64,952	5,337	70,289
Income From Investments						
Investment Property Income	-	28,876	28,876	40,169	-	40,169
Fixed Asset Investment Income	512	23,135	23,647	8,329	327	8,656
Deposit Account Interest	1,756	4,417	6,173	658	1,439	2,097
	2,268	56,428	58,696	49,156	1,766	50,922
Other Income						
Other Incoming Resources	1,713	-	1,713	3,845	1,108	4,953
Covid related grant from Diocese	-	-	-	12,267	-	12,267
	1,713	-	1,713	16,112	1,108	17,220
Extraordinary Income						
Merger of Parishes	-	-	-	-	615,820	615,820
	-	-	-	-	615,820	615,820

Extraordinary Income

Extraordinary income relates to the integration of a number of parishes into the charity. The existing Parishes were joined on 1 January 2022 by the churches of All Saints Penyfai, St Crallos Coychurch, St Davids Laleston, St Iltyds Newcastle and St Teilos Merthyr Mawr. At 1 January 2022 the net funds in each of the parishes were transferred as restricted funds to the combined Ministry Area. These opening funds are then being applied, either in line with individual restrictions from the original donor, or for use in the general expenditure of the specific church, including contributions to the parish share.

The transfers were:

	£
All Saints, Penyfai	187,597
St Crallos, Coychurch	61,524
St Davids, Laleston	72,202
St Iltyds, Newcastle	138,504
St Teilos, Merthyr Mawr	155,993
	615,820

*The restricted and total income comparative figures have been adjusted to reclassify a VAT refund from money raising events (as part of Charitable Activities income) to grants (as part of Donations, Legacies and Grants) for £22,585.

MINISTRY AREA PENYBONT AR OGWR

Accounts 2023

2 EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	2023 Total £	Unrestricted Funds £	Restricted Funds £	2022 Total £
Charitable Activities Expenditure						
Support for Ministry including parish share	72,302	85,694	157,996	84,366	81,045	165,411
Ministry Area parish share rebate	(19,229)	-	(19,229)	(12,939)	-	(12,939)
Maintenance of Services	5,130	-	5,130	5,859	-	5,859
General Parish Expenses	74,347	18,016	92,363	75,939	883	76,822
Maintenance of Churches	46,345	12,369	58,714	44,029	3,199	47,228
Maintenance of Property	26,687	33,804	60,491	36,937	152,157	189,094
Mission (Donations)	416	3,000	3,416	2,323	3,000	5,323
Depreciation	3,000	-	3,000	3,000	-	3,000
	208,998	152,883	361,881	239,514	240,284	479,798
Other Expenditure						
Legal and Professional	5,400	-	5,400	10,309	-	10,309

3 MAINTENANCE OF MINISTRY AND RELATED PARTY TRANSACTIONS

To fund the provision of Ministry, the Ministry pays a "Parish Share" to the Diocese. This Parish Share was split and allocated between each church as agreed within the Area.

The total charge for Parish Share for the Area was £153,873 (2022 - £154,491).

During the year the area received a rebate for the parish share from the diocese of £19,229 (2022 - £12,939).

The total amount outstanding from the area to the diocese at the year end was £Nil (2022 £Nil).

4 MISSION

The Ministry Area recognises that an important part of its Christian Stewardship is to financially support the work of Church Missions, Christian Charities, Social and Emergency appeals. The amounts paid out for mission and charity donations in the year totalled £3,416 (2022 - £5,323).

5 LEGAL AND PROFESSIONAL

Amounts included in the accounts due to Independent Examiners, including VAT, for:

Independent Examination	£4,200	(2022 – £3,600)
Accounting	Nil	(2022 – £3,600)

6 CLERICS AND TRUSTEES TRANSACTIONS

The Ministry Area pays the cost of all expenses incurred by the Church in Wales Clerics and Church Wardens in the performance of their Parish duties. The amounts paid to Clerics were £9,252 (2022 - £7,809), including £Nil (2022 - £525) of baptism, funeral and wedding fees and £5,721 (2022 - £4,199) for re-imbursement of water rates, electricity and gas to 3 (2022 – 2) individuals. The amounts paid to vergers totalled £Nil (2022 - £Nil).

Other trustees received expenses totalling £Nil (2022 - £Nil) for reimbursement of expenses incurred relating to the general running and administrative costs of the charity.

Other than detailed above, the Area does not pay any remuneration to the Church in Wales Clerics. The clergy team, including the Dean, are remunerated by the Llandaff Diocesan Board of Finance. No payments were made to other Trustees for remuneration.

Some trustees give anonymously to the charity via the weekly church collections. Specific donations from trustees with conditions attached totalled £Nil (2022 - £1,000 which was included in the restricted fund income for use in the maintenance and renovation of church buildings).

7 WAGES AND SALARIES

During the year the area employed an average of 4 (2022 – 4) part time employees at a total cost of £49,170 (2022 - £42,635). The total cost included £Nil (2022 - £1,862) of employer's national insurance costs and £526 (2022- £326) of employer's contributions to personal pension schemes. The estimated number of equivalent full time employees for the year is 2 (2022 - 2).

A trustee resigned in the previous period to accept a paid role within the Ministry Area, and their costs are included above for 2022 and 2023 as an employee.

No employees earned over £60,000 (2022 - Nil).

8 OTHER INCOME AND EXPENDITURE

Income includes government grants of:

	2023	2022
	£	£
Central government grants	-	-
Other government grants	10,600	37,837

Total grants including the above of £16,842 (2022 - £75,309) were received in the year, of which £15,000 (2022 - £59,584) related to work done on St Teilo's Churchyard and surrounding grounds (2022 Church and surrounding grounds).

9 TANGIBLE FIXED ASSETS

	<u>Property</u>	<u>Leasehold Improvements</u>	<u>2023 Total</u>	<u>2022 Total</u>
	£	£	£	£
Cost/valuation brought forward	100,001	30,000	130,001	-
Adjustments	-	-	-	100,000
Merger	-	-	-	30,001
Cost carried forward	100,001	30,000	130,001	130,001
Depreciation brought forward	-	(3,000)	(3,000)	-
Depreciation in year	-	(3,000)	(3,000)	(3,000)
Depreciation carried forward	-	(6,000)	(6,000)	(3,000)
Net Book Value brought forward	100,001	27,000	127,001	100,000
Net Book Value carried forward	100,001	24,000	124,001	127,001

The land upon which all churches together with the contents of the churches, most of the Area church halls and the parsonages, are vested in the Representative Body of the Church in Wales. As these, nor their contents, are vested in the Ministry Area they do not appear in the accounts of the Ministry Area.

The following properties are, however, potentially believed to be held for the benefit of the Ministry Area:

Nolton Rectory and Church Hall

The beneficial ownership of this land and property is currently being determined. It is currently understood that the Ministry Area is not the beneficial owner of the properties and therefore no amounts are included in the accounts in relation to these buildings, although shown in the 2021 accounts - in the notes to, but not the Statement of Financial Affairs, at a cost of £638,000. Estimates of the current valuation are significantly lower than this original figure.

Coity Church Hall

The beneficial ownership of the Hall is currently under investigation, but it is currently understood that the Ministry Area is the beneficial owner of the property.

The original cost of this property cannot be fully determined, although shown in the 2021 accounts - in the notes to, but not the Statement of Financial Affairs, at a cost of £507,168. Due to the uncertainty surrounding this cost, Coity Church Hall is included in the accounts at valuation for balance sheet purposes of £100,000. The valuation was undertaken in the previous year by Watts & Morgan, Chartered Surveyors in accordance with RICS valuation rules effective as at 31 December 2022 as a freehold property. Watts & Morgan confirm they believe there has been no material change in this value during the current year.

In the prior year, the cost of Coity Church Hall, was classified as unrestricted. Further investigation has not identified the original source of funds for the Hall, and therefore, while continuing to investigate the beneficial ownership of the Hall, the valuation has been reclassified as restricted.

A significant proportion of the value of the Hall is considered to be the land on which the property is based. No depreciation is charged on the land. The useful life of the Hall is considered to be in excess of 20 years. Accordingly no depreciation on the balance of the valuation has been included in the accounts as it is considered immaterial to the overall accounts.

9 TANGIBLE FIXED ASSETS CONTINUED
Laleston Church Hall

Laleston Church Hall is held by the Representative Body of the Church in Wales as custodian trustee for The Ministry Area under terms of a 999 Year Lease which include covenants that render the Lease valueless to the Ministry Area under the required RICS assumptions as to balance sheet values. The lease is included in the accounts at a nominal of £1.

Leasehold Improvements to the property at an apportioned estimated cost of £30,000 were made in 2021 prior to the merger. These improvements are being depreciated over a 10 year estimated useful life.

10 INVESTMENT PROPERTIES

	2023	2022
	£	£
Valuation brought forward	563,677	447,500
Additions	-	116,177
Revaluation	(82,500)	-
Total carried forward	<u>481,177</u>	<u>563,677</u>

Leominster Property was purchased in 2015 for £442,026. In the opinion of the trustees the current valuation of the property is £365,000 (2022 - £447,500). The original source of funds, and therefore the net income, is believed to be restricted for use in Coity and Nolton parishes. This is a change in classification the property, which had previously been believed to be unrestricted, and therefore this property has been reclassified as restricted.

Port Talbot Property was purchased in 2022 and is therefore included at cost which also represents the trustees estimate of market value at the year end. The proceeds used to acquire the property are believed to be restricted – although further clarification is being sort - and therefore this property is classified as restricted. Since the year end the property has been disposed of at a sum similar to the original cost.

11 FIXED ASSET INVESTMENTS

The long-term investment of the Ministry Area consists of monies that have been donated or bequeathed to the Benefice and/or one of its churches by parishioners and also Stock issued by the Governing Body of the Church of Wales under the Tithe Act. The use to which some of these capital and income items may be put is restricted to the specific terms of the individual Trust Deed.

The majority of this money is under the control of the Representative Body of the Church in Wales in its capacity as the Special Trustee of all the Deeds and is invested by the Representative Body in its Common Investment Fund, which is a Managed Fund under its supervision.

MINISTRY AREA PENYBONT AR OGWR

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11 FIXED ASSET INVESTMENTS (CONTINUED)

Shares No	2022 Market Value £	Fund	Purchase/ Disposals No	Shares No	2023 Market Value £
Held at Representative Body – Common Investment Fund					
<i>Coity, Nolton and Ministry Area</i>					
<i>(All religious purposes investments combined in current year and comparatives amended)</i>					
Religious purpose in general but primarily for the use in Coity and Nolton Parish					
411,477	862,291	- Capital	25,967	437,444	967,845
23,446	49,133	- Accumulated income	(23,446)	-	-
-	5,284	- Cash for re-investment	-	-	-
9,781	20,497	Legacy held for religious purposes in general	-	9,781	21,640
St Iltyds, Church, Newcastle					
4,008	8,399	Maintenance of graveyard	-	4,008	8,868
St Crallo's, Coychurch					
-	-	Maintenance of Church and Churchyard	-	-	-
2,976	6,237	General church purposes Maintenance of Church and Churchyard,	-	2,976	6,584
Maintenance of West Memorial Window					
1,154	2,418	- Capital	-	1,154	2,553
3,501	7,337	- Accumulated income	158	3,659	8,096
	136	- Cash for re-investment	-	-	71
All Saints, Penyfai					
Maintenance of Church Buildings					
15,863	33,242	- Capital	-	15,863	35,097
37,777	79,165	- Accumulated income	2,133	39,910	88,301
-	1,908	- Cash for re-investment	-	-	609
2,373	4,973	Maintenance of Churchyard	-	2,373	5,250
St Davids, Laleston					
Chancel repair fund					
614	1,285	- Capital	-	614	1,358
705	1,477	- Accumulated income	109	814	1,801
	163	- Cash for re-investment			23
	<u>1,083,945</u>	Sub-total			<u>1,148,096</u>
Held at Church					
St Marys, Coity					
	18,677	Maintenance of graveyard – COIF Charities Investment Fund			20,393
St Teilos, Merthyr Mawr					
	<u>55,140</u>	LGT investment fund			<u>59,058</u>
	<u>73,817</u>	Sub Total			<u>79,451</u>
	<u>1,157,762</u>	Totals			<u>1,227,547</u>

MINISTRY AREA PENYBONT AR OGWR

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11 FIXED ASSET INVESTMENTS (CONTINUED)

	Coity/Nolton/ Ministry Area	Newcastle	Coychurch	Penyfai	Laleston	Merthyr Mawr	Total
	£	£	£	£	£	£	£
At 1 January – original	955,882	8,399	16,128	119,288	2,925	55,140	1,157,762
Income retained in portfolio	-	-	270	3,206	89	-	3,565
Revaluation	53,996	469	906	6,763	168	3,918	66,220
	1,009,878	8,868	17,304	129,257	3,182	59,058	1,227,547
Restricted	554,234	-	8,166	88,910	1,824	59,058	712,192
Restricted - Endowment	434,004	8,868	9,138	40,347	1,358	-	493,715
	988,238	8,868	17,304	129,257	3,182	59,058	1,205,907
Unrestricted	21,640	-	-	-	-	-	21,640
See Note 14	1,009,878	8,868	17,304	129,257	3,182	59,058	1,227,547

Movement:

	Brought Forward	Reclass	Adjusted Brought Forward	Income	Transfer to Parish	Revaluation	Total
	£	£	£	£	£	£	£
Restricted	220,557	448,815	669,372	16,542	(12,977)	39,255	712,192
Restricted - endowment	455,954	11,939	467,893	10,158	(10,158)	25,822	493,715
Total Restricted	676,511	460,754	1,137,265	26,700	(23,135)	65,077	1,205,907
Unrestricted	481,251	(460,754)	20,497	512	(512)	1,143	21,640
Total	1,157,762	-	1,157,762	27,212	(23,647)	66,220	1,227,547

MINISTRY AREA PENYBONT AR OGWR

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12 DEBTORS

	2023	2022
	£	£
Other debtors (rent due)	<u>-</u>	<u>9,625</u>

Other debtors were classed as unrestricted, but as they relate to the Leominster property, have now been reclassified as restricted.

13 CREDITORS

	2023	2022
	£	£
Accruals	4,200	7,561
Other creditors including tax and social security	<u>1,200</u>	<u>838</u>
	<u>5,400</u>	<u>8,399</u>

All accruals and creditors are classed as unrestricted.

MINISTRY AREA PENYBONT AR OGWR

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14 RESERVES

The Ministry Area aims to be at least break-even in future years so that its reserves are maintained so that fixed asset investments are only drawn down for major capital expenditure.

	1 Jan 2023 £	Adjust £	Adjusted 1 Jan 2023 £	Additions/ (Disposals) £	Net Income /(Expenditure) £	31 Dec 2023 £
Restricted						
Fixed Assets						
Investment Property	116,177	447,500	563,677	-	(82,500)	481,177
Tangible fixed assets - property						
St Davids, Laleston	27,001	-	27,001	-	(3,000)	24,001
Coity Hall	-	100,000	100,000	-	-	100,000
	27,001	100,000	127,001	-	(3,000)	124,001
Investments						
Religious Purposes for Coity and Nolton parishes	455,954	460,754	916,708	-	51,137	967,845
Maintenance of churchyard and buildings:						
St Marys, Coity	18,677	-	18,677	-	1,716	20,393
St Iltyds, Newcastle	8,399	-	8,399	-	469	8,868
St Crillos, Coychurch	16,128	-	16,128	270	906	17,304
All Saints, Penyfai	119,288	-	119,288	3,206	6,763	129,257
St Davids, Laleston	2,925	-	2,925	89	168	3,182
For use in parish						
St Teilos, Merthyr Mawr	55,140	-	55,140	-	3,918	59,058
Total Investments	676,511	460,754	1,137,265	3,565	65,077	1,205,907
Other debtors/creditors	-	9,625	9,625	-	(9,625)	-
Cash						
Brackla, Coity and Nolton parishes	124,112	-	124,112	-	(40,294)	83,818
Maintenance of churchyard and buildings						
St Iltyds, Newcastle	4,105	-	4,105	-	(806)	3,299
St Crillos, Coychurch	29,924	-	29,924	-	(2,909)	27,015
All Saints, Penyfai	652	-	652	-	952	1,604
St Teilos, Merthyr Mawr	53,035	-	53,035	-	464	53,499
Other specific purposes within parishes						
St Davids, Laleston	7,008	-	7,008	-	-	7,008
St Teilos, Merthyr Mawr				-	1,219	1,219
Transfer of opening balances for use on parish expenditure						
St Iltyds, Newcastle	86,392	-	86,392	-	-	86,392
All Saints, Penyfai	28,695	-	28,695	-	(17,665)	11,030
St Teilos, Merthyr Mawr	3,425	-	3,425	-	(3,425)	-
Total Cash	337,348	-	337,348	-	(62,464)	274,884
Total Restricted	1,157,037	1,017,879	2,174,916	3,565	(92,512)	2,085,969
Unrestricted						
Investment property	447,500	(447,500)	-	-	-	-
Tangible fixed assets	100,000	(100,000)	-	-	-	-
Investments	481,251	(460,754)	20,497	-	1,143	21,640
Cash	120,010		120,010	-	(3,818)	116,192
Debtors/creditors	1,226	(9,625)	(8,399)	-	2,999	(5,400)
Total unrestricted	1,149,987	(1,017,879)	132,108	-	324	132,432
Total	2,307,024	-	2,307,024	3,565	(92,188)	2,218,401

The restrictions regarding the investment property and cash held in Brackla, Coity, Nolton and St Iltyds are under investigation to determine their exact nature from the original source of the funding.

MINISTRY AREA PENYBONT AR OGWR

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The prior year comparatives show:

	1 Jan 2022 £	Adjust £	Adjusted 1 Jan 2022 £	Merger £	Additions/ (Disposals) £	Net Income /(Expenditure) £	31 Dec 2022 £
Restricted							
Fixed Assets							
Investment Property	-	-	-	-	116,177	-	116,177
Tangible fixed assets - property							
St Davids, Laleston	-	-	-	30,001	-	(3,000)	27,001
Investments							
Religious Purposes for Coity and Nolton parishes – endowment	241,275	212,703	453,978	-	50,000	(48,024)	455,954
Maintenance of churchyard and buildings:							
St Marys, Coity	10,676	10,458	21,134	-	-	(2,457)	18,677
St Iltyds, Newcastle	-	-	-	9,384	-	(985)	8,399
St Crallos, Coychurch	-	-	-	19,759	(1,759)	(1,872)	16,128
All Saints, Penyfai	-	-	-	133,051	-	(13,763)	119,288
St Davids, Laleston	-	-	-	3,251	-	(326)	2,925
For use in parish							
St Teilos, Merthyr Mawr	-	-	-	113,131	(48,000)	(9,991)	55,140
Total Investments	251,951	223,161	475,112	278,576	241	(77,418)	676,511
Cash							
Brackla, Coity and Nolton parishes	320,108	(71,565)	248,543	-	(116,177)	(8,254)	124,112
Maintenance of churchyard and buildings							
St Iltyds, Newcastle	-	-	-	1,259	-	2,846	4,105
St Crallos, Coychurch	-	-	-	28,896	-	1,028	29,924
All Saints, Penyfai	-	-	-	6,861	-	(6,209)	652
St Davids, Laleston	-	-	-	970	-	(970)	-
St Teilos, Merthyr Mawr	-	-	-	33,228	49,759	(29,952)	53,035
Other specific purposes within parish							
St Davids, Laleston	-	-	-	17,900	-	(10,892)	7,008
Transfer of opening balances for use on parish expenditure							
St Iltyds, Newcastle	-	-	-	127,862	-	(41,470)	86,392
St Crallos, Coychurch	-	-	-	12,867	-	(12,867)	-
All Saints, Penyfai	-	-	-	47,686	-	(18,991)	28,695
St Davids, Laleston	-	-	-	20,080	-	(20,080)	-
St Teilos, Merthyr Mawr	-	-	-	9,634	-	(6,209)	3,425
Total Cash	320,108	(71,565)	248,543	307,243	(66,418)	(152,020)	337,348
Total Restricted	572,059	151,596	723,655	615,820	50,000	(232,438)	1,157,037
Unrestricted							
Investment property	-	447,500	447,500	-	-	-	447,500
Tangible fixed assets – property	-	100,000	100,000	-	-	-	100,000
Investments	246,275	329,027	575,302	-	(50,000)	(44,051)	481,251
Cash	102,107	-	102,107	-	-	17,903	120,010
Debtors/creditors	(1,140)	-	(1,140)	-	-	2,366	1,226
Total unrestricted	347,242	876,527	1,223,769	-	(50,000)	(23,782)	1,149,987
Total	919,301	1,028,123	1,947,424	615,820	-	(256,220)	2,307,024

The restrictions regarding the investment property and cash held in Brackla, Coity, Nolton, St Iltyds and St Teilos are under investigation to determine their exact nature from the original source of the funding.

Transfers of £50,000 represent use of unrestricted investment funds held by the Representative Body to purchase restricted endowments funds. This is offset by transfer of £9,100 spending from restricted funds resulting in a net transfer in the Statement of Financial Activities of £40,900.

15 FUND TRANSFERS

The Trustees have been investigating the restrictions, including were possible obtaining copies of wills relating to the original donations. This has resulted in the following reclassifications to last years opening position which are shown as transfers during 2023:

	Note	£
Coity Hall	9	100,000
Investment Property	10	447,500
Coity, Nolton and Brackla - fund for religious purposes	11	460,754
Investment Property Rental Debtor	12	9,625
Total reclassifications	14	<u>1,017,879</u>

As detailed in Note 9, the ownership and valuation of Coity Hall is undetermined. The hall has therefore been shown and reclassified as restricted in the current year.

Funding for the Leominster Property - and The Port Talbot property - is believed to have been derived from a number of sources, principally the sales of property in Nolton and Coity which, in turn, it is believed were originally purchased by utilising funds restricted for use in Nolton and Coity. Therefore, the Property has been classified as restricted while further investigations are undertaken.

Further information has been obtained on an investment held for religious purposes and it is now understood that the fund can only be used for the Church to which it is donated. It has therefore been reclassified as restricted.

As the investment property which last years rental debtor related to has been reclassified as restricted, the rental debtor has been reclassified as restricted accordingly.

16 COMMITMENTS

The charity had operating lease commitments of

	2023	2022
	£	£
Due within one year	1,396	3,806
Due between 1 and 5 years	4,886	6,216
	<u>6,282</u>	<u>10,022</u>

The charity made payments under operating leases in the period of £5,413 (2022 - £4,489).

The charity had no capital commitments at the year end (2022 - £Nil).

CHARITY NUMBER 1135927

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
MINISTRY AREA PENYBONT AR OGWR**

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CHARITY INFORMATION

Charity Name	Ministry Area, Penybont Ar Ogwr
Registered Charity Number	1135927
Principal Address	St Marys Church Hall Merthyr Mawr Road North Nolton Bridgend CF31 3NH
Contact Details	01656 667690

Charity Trustees

Rev M Broadway (appointed 25 June 2024)
Rev M Thorne (resigned 31 March 2024)
Rev R Pitman (appointed 1 September 2023)
Rev D Lloyd (retired 31 August 2023)

G Coles
P Coulson
S Davidson
A Dix

H Harrison (appointed 3 February 2023)
P Williams (appointed 3 February 2023)
S Buckley (appointed 30 April 2023)
H Markwell (appointed 30 April 2023)
S Jones (appointed 8 May 2023)
V Turner (appointed 8 May 2023)
J Morgan (appointed 1 January 2024)
L Davies (appointed 1 June 2024)
J Lewis (appointed 30 June 2024)
A Buckley (appointed 30 June 2024)

P Craven (resigned 16 May 2023)
C Judd (resigned 16 May 2023)
I Hibble (appointed 3 February 2023, resigned 16 May 2023)
A Dowlman (resigned 30 September 2023)
J Dowlman (resigned 3 February 2023, co-opted 6 April 2023 and re-appointed formally 20 June 2023, resigned 31 October 2023)
H Evans (resigned 3 February 2023 re-appointed 30 April 2023, resigned 30 April 2024)
M David (appointed 3 February 2023, resigned 31 May 2024)
R Gauci (appointed 3 February 2023, resigned 30 June 2024)
P Smith (resigned 30 June 2024)
I Hartley – Brown (resigned 5 September 2024)

TRUSTEE'S REPORT

The trustees have pleasure in presenting their report and financial statements for the Charity for the year ending 31 December 2023.

Objectives and Activities

The objectives of the Charity are achieved by promoting throughout the Ministry Area the whole mission of the Church, pastoral, evangelistic, social and ecumenical – within our parish. This includes the following:

- Conducting regular Christian worship including the Holy Eucharist, marriages, funerals and baptisms;
- The provision and maintenance of the fabric of the churches, churchyards and associated buildings for which we are responsible;
- The maintenance of Christian burial places;
- Promoting the study of Christian teaching, practices and Scripture;
- The provision of means and encouragement to promote fellowship within the membership of the churches and the wider community;
- Pastoral care and visiting the sick & dying;
- Fostering ecumenical links between differing Christian denominations;
- Supporting the work of other charities.

In preparing this report, the Ministry Area Council have considered the guidance issued by the Charity Commission on public benefit. In each decision made, we have sought to weigh up the benefit and/or detriment both for those who join us for public worship within our congregations and those resident in our communities. The Ministry Area Council believes that the Church's activities detailed above are the main activities undertaken to meet the charity's public benefit objectives and to achieve its overall aim of promoting the Ministry Area and whole mission of the church.

The Ministry Area measures its success based on the level of activities – both religious and social – that it undertakes throughout the year. The Trustees believe that 2023 was a successful year, with a number of activities being undertaken both internally and joining with the community, for example local schools. The Area is seeking to expand on this in future periods.

Monies are raised by freewill offertory, fundraising activities and specific appeals. These are used to support the work and administration of the churches and wider mission. Both the Ministry Area, and its constituent local churches, continue to actively increase attendance and develop mission work in the community. Many of those involved in the main functions of the churches are volunteers.

The Ministry Area is grateful to all of those who freely give of their time on a voluntary basis. The majority of functions performed within the Area, including serving on the Area Council, are performed on a voluntary basis. These include various administrative functions, but also keeping the Church in a clean and serviceable state including limited maintenance, helping at services and organising events both religious and social around the service calendar. Without the significant numbers of individuals from each church giving their time the activities of the Area would be severely restricted.

TRUSTEE'S REPORT (continued)**Achievements and Performance**

It is disappointing that there isn't very much to report that is different from the prior year. Unfortunately, the situation in the Church in Wales (if not across the whole of the Church in the UK) hasn't changed and we are still facing a decline in both church attendance and in vocations to the priesthood. Furthermore, many priests are retiring early including our previous MA Leader who retired in March 2024. The Clergy within the MA were wonderful in the acceptance of the management situation, although it would have been preferable if there were three priests, associate priests and a curate, as in past, but sadly those days are well and truly gone. Local retired Clergy continued to offer support and cover throughout 2023 wherever needed and the Licensed Lay Ministers assisted in keeping everything ticking over on the alternate weeks so that there was always a service in every Church every Sunday. A Cleric joined the team in August 23 which eased the dire Clergy situation, and unusually, the MA was able to advertise the post of MA Leader whilst the current MA Leader was still in post which allowed her to be involved in the process of writing the profile. The successful candidate Reverend Mark Broadway took up his post in 2024.

Unfortunately the year saw a loss of significant members of our congregations. We miss them all and the contribution they made to the life of the MA.

Finances have dominated the year, or, it would be more correct to say, lack of finances has dominated the year. The MA is truly fortunate to have such a gifted finance officer without her thriftiness and clarity of thought, the financial position would be hopeless. There is also a wonderful team of Local Treasurers serving all the Churches working in close liaison with the finance team. Although since the pandemic our congregations have maintained their new "normal" levels of attendance, the MA receives far, far less in offering each week than the £11.55 per person which the Diocese estimate would cover the Parish Share. Throughout the year the income received has not been enough to cover the increased costs including the increased general cost of living and utility charges which are crippling us. There is a need for urgent reconsideration of giving and generosity for future long-term survival.

The Churches within the Ministry Area have been proactive in Mission which is reflected in the individual church's statement of mission and there is plenty of evidence that the congregations are playing their part in realising those statements to try and grow in God's Kingdom. In brief these are:

- St Mary's Coity had a year of further consolidation. A strong congregation with regular church choir grew over the year with weekly Sunday Club held to bring the next generation into the Church community. Coity continued to support the local Foodbank throughout the year
- St Mary's Nolton saw a slow but noticeable recovery of worshippers coupled with increased numbers of Baptisms and Weddings. A variety of mission events were held or hosted throughout the year which included school study visits, attendance by the local community at special annual events. Nolton church continued to support the local Foodbank
- Both Coity and Nolton churches are the focus for many larger community events such as weddings, funerals, baptisms and other occasional services
- St Mary's Brackla continued to flourish and build firm relationships within and outside the Church. Events were held to become more visible in the wider community, Open the Book was a regular weekly feature in school assemblies and Messy Coffee Mornings were introduced for inter-generational links. Success was the result of vision, commitment and fellowship of Brackla members and working with the Diocesan Mission Enablers
- All Saints, Pen-y-Fai, are very proactive in working with the Community to strength and grow. Events that continued throughout the year include Open the Book initiative at local primary school, Warm Welcome lunches, working in close association with Communities and Schools to support the community and charities alike. Friendships with non-church attenders are strengthening and the locals are "owning" their church

TRUSTEE'S REPORT (continued)

- St Crallo's is disadvantaged in Mission works as there is no running water, or toilet facilities. St Crallo's therefore opted for a gentle approach with members offering their homes for afternoon teas and other fundraising events which were very successful. Other events St Crallo's hosted included the local primary school Easter and Harvest services. Community lessons and carol services, annual Nativity and Christingle service. All events held in the vision of increasing growth
- St Illtyd's have had a challenging year uniting the different traditions in the Churches in the Ministry Area. However with continued prayer and commitment from the congregation at St Illtyd's changes were embraced and the future outlook is to move forward in faith, hope love to further God's kingdom
- St David's have been busy in proactively ensuring everyone has a warm welcome at St David's church. There has been some growth in attendees at Baptisms and Weddings becoming regular church members and work for the Fellowship within the Ministry Area and to grow in Faith continues
- St Teilo's benefited from a more consistent delivery of Sunday Services which resulted in no change in congregation numbers attending service. Fundraising events were held almost every month and were open to the wider public. Whilst the events were financially rewarding and allowed St Teilo's to make contributions to a number of charities, the true success was in bringing large numbers, old and new friends, to church. St Teilo's is exceptionally proactive and successful at holding events.

The last year has seen a marked increase in many community schools using the churches for services and for educational sessions which is resulting in strong and lasting friendships. Forest Church has continued to meet throughout the year with numbers increasing. Every meeting had its profound moments of sharing experiences and appreciation of God's Creation.

Overall the Ministry Area in 2023 has had successes in trying to grow God's Kingdom which are down to the vision, commitment, time given, skills of those holding roles within the MAC and parishioners alike. The MA continues to grow in fellowship with each other and there has been good improvement in creating a team spirit in helping and supporting each other.

The Ministry Area experienced mixed fortune in 2023, but it still needs to look to God for its direction and purpose. We look forward to seeing our congregations and the whole of the Ministry Area grow in faith, fellowship and number, and we look forward to seeing your ministries go from strength to strength.

Financial Review

During 2023 there has been good progress in implementing a central accounting function with ongoing progress. A central bank account has been opened and slowly each of the individual church bank accounts have been transferred to allow the sharing of resources, while still enabling the individual churches to identify and monitor their own elements via the accounting system. This has impacted on the local Churches Treasurers, but ultimately as day to day processes are consolidated, their time will be freed to apply their skills to the key financial issues facing the church.

2023 has been a challenging year for finance both with declining attendance of congregations and decline in giving whereby the contribution needed to cover basic Church running costs was not met.

As work of combining the original parish records, and investigation of certain assets is continuing further information is coming to light which has so far resulted in the reclassification of investments from unrestricted to restricted. There is ongoing research to clarify the position of various assets, particularly properties, and the original source of funds particularly some of the older restricted funds. This work is not yet complete and the notes to the accounts explain some of the outstanding areas. This may lead to adjustments to the accounts when the investigations are complete in future years.

TRUSTEE'S REPORT (continued)

The day-to-day finances are administered by the MAC, the Finance Officer and local Church Treasurers as agreed and directed by the MAC. As the MAC developed it became clear that for efficient governance there was a need for a Finance and Policy sub-committees to be set up. These have been formed in 2023.

During the year the charity had a total income from activities and assets of £291,373. This sum was split between restricted income of £77,794 and unrestricted income of £213,579. The majority of the restricted income relates to investment income from restricted funds such as investments and investment property.

In the year, the charity had total expenses of £367,281. Of the expenditure £214,398 was unrestricted and £152,883 was restricted. There were no major repair works carried out in 2023. The recurring spend was approximately £367,281 against potentially recurring income of £291,373 – a significant deficit of £75,908. This is compounded by a loss on property valuation of £82,500, partially offset by gain on investments of £66,220. The shortfall has been made up by utilising cash reserves.

The major recurring expense in the year is the parish share paid to the Diocese. This totalled approximately £157,000 in the year. Of the total expenditure, some items such as parish share were met by utilising the cash reserves brought forward in individual churches when the churches were merged with into the Ministry Area. It is intended to continue using these reserves of the individual churches to pay the parish share and other parish related expenses in future years.

The majority of the investments are held in shares in the Common Investment Fund administered by the Representative Body of the Church in Wales. The value of the shares in the Fund fluctuates with time. The Representative Body follows the Church of Wales ethical guidance on ethical investments prohibiting investments for example in armaments, predatory lending activities, gambling and alcohol and seeks to promote good levels of environmental, social governance responsibility. The investments are held to provide some income to the parishes and to provide funds where necessary for, in particular, capital projects in line with the original donations. The Ministry Area can utilise the funds as necessary subject to restrictions, particularly on capital projects, but does not want to draw down on the investments except in necessity as once spent they cannot be easily replaced!

The net assets of the charity at the year end totalled £2,218,041. However, the majority of these assets are restricted, with only unrestricted net assets of £132,432. Within this there are £116,192 of unrestricted cash. While there is also some funds brought forward in individual churches which are classed as restricted but can be used be fund specific church costs such as parish share, it can be seen that the Area needs to generate significant unrestricted income each year to cover its on-going costs and avoid drawing down on cash reserves.

Reserves Policy

Although the charity has £2,218,401 of total funds, a large proportion are restricted and also tied up in investments. At the year end the charity therefore held only £116,192 in cash which was freely available to meet on-going expenses, – approximately 4 months of available reserves. While there is on-going income, the charity intends to develop plans to hold sufficient cash reserves at any point in time to cover at least 6 months of recurring expenditure.

The charity is therefore seeking to improve its position as summarised below.

Plans For Future Periods

The Trustees recognise the need to improve the charity's on-going cash position.

The charity has recently put the Port Talbot property up for resale as the property has not generated significant income. However, the Trustees are aware that this may not improve the unrestricted cash position of the charity as the original funds used to purchase the property may entail restrictions and further investigation is on-going.

TRUSTEE'S REPORT (continued)

The Trustees recognise the difficulties of raising funds in a general atmosphere of declining Church attendance throughout the country, together with a reduced number of available clergy to celebrate services. The Charity is developing plans to set up key targets for the future including average number of persons attending services, and average giving per member of congregation.

The Trustees are also however seeking to:

- improve giving, particularly regular giving which will also assist with gift aid reclaims. The Trustees recognise that declining church attendance over a number of years has reduced incoming funds and they are seeking to address this both by seeking to increase attendance, and also by encouraging the congregation to contribute more per individual where their personal resources allow together with more fundraising events
- reduce expenditure. A review of expenditure is being undertaken to centralise expenditure where appropriate particularly to determine whether any savings can be achieved from central contracts.
- cutting costs and eliminating substantial amount of waste and needless spends
- work with the province to improve the return on investment
- a Finance Working Group has been set up to lead and advise on complex matters
- a Hall Management Working Team has been established to optimise the return from church halls
- Chasing down money that is owed to the MA through unclaimed gift aid and unpaid invoices.

Priority is to be given to: Addressing the pastoral issues that have caused decline ensuring that the situation does not deteriorate further; Developing a Growth & Revitalisation Strategy, so that we can go forwards towards growing our membership; Building a culture of generosity and hope, so that our members feel confident and hopeful in our joint vision, and so feel inclined to give generously.

We are asking our members to get involved in some keyways as we face this situation together:

First, to pray. The church is fundamentally a spiritual society, and its material decline follows its spiritual decline. We are encouraging our members to come to church early, and leave late, so that they have more time to pray. We are encouraging them to develop a pattern of praying every morning and every evening, bringing their requests to God with thankfulness.

Second, to serve. We are encouraging everyone who can to join a team or a rota. That may look like hosting a group or putting oneself forward to train to lead services. We would love everyone to offer up some time each week to spreading the gospel.

Finally, to give. We are encouraging our members to ask the Lord to show you how much they each should be giving to his church. It is the norm for Christians to offer 10% of their regular income to support gospel work. Some people are called to give more, some people are not able to give this much – but decisions around giving should begin with prayer and be motivated by thankfulness.

TRUSTEE'S REPORT (continued)**Structure, Governance and Management**

The Ministry Area is a charity registered with the Charities Commission. The Area is an amalgamation of local churches as part of the Diocese of Llandaff, part of the Anglican Province of the Church in Wales set up under the Welsh Churches Act 1914. The Churches are governed in accordance with the Constitution of the Church in Wales.

On 1 January 2022, the Parish of Coity, Nolton and Brackla were combined with the neighbouring parishes of All Saints, Penyfai, St Crailos, Coychurch, St Davids, Laleston, St Iltyds Newcastle and St Teilos Merthyr Mawr to form a new Ministry Area under the charity registration of the Parish of Coity, Nolton and Brackla.

The Representative Body of the Church in Wales holds the land and property of the Church in Wales. They are an exempt charity set up under section 13(2) of the Welsh Churches Act. They act on behalf of the province in paying stipends and administering various aspects of central administration such as central investments.

The Ministry Area Council acts as both Parish Church Council and charity Trustees for the entire Ministry Area. It is not a body Corporate, so its composition, procedures and powers are regulated by the Constitution of the Church in Wales.

The Ministry Area Council is responsible for ensuring that reviews of all major risks are conducted and that wherever possible systems have been established to mitigate risks. The risks facing the charity include the state of repair of the churches, graveyards and church halls. The Council is responsible for ensuring that there are sufficient resources, including financial resources to achieve the Area's objectives.

The Ministry Area has identified safeguarding as a risk and has therefore adopted the Church in Wales safeguarding policy and has undertaken a number of training sessions.

Apart from The Ministry Area Leader, Lay Chair and Clergy, Trustees are appointed on a voluntary basis to the Ministry Area Committee (MAC) with no time deadline set. Lay Chair is a selected position and has a term of service being 3 years. Clergy serve on the Committee while they are post.

The Trustees are appointed annually at the Annual Vestry Meeting or co-opted depending on their individual expertise.

The Ministry Area Council will be reviewing the training, including safeguarding training, facilities given to Trustees over the coming months to ensure that all members have sufficient support to fulfil their responsibilities.

The Trustees have appointed various sub-committees to handle different aspects of the charity administration. A finance sub-committee advises on finance matters, including the level of salary and remuneration for staff which is benchmarked externally for similar roles with minimum of the living wage being used.

The day-to-day management of the Area is undertaken by the Clergy Team led by Rev Maggie Thorne. The day-to-day administration is assisted by a Treasurer, who is employed by the Area and is not a Trustee, together with a number of salaried staff

TRUSTEE'S REPORT (continued)

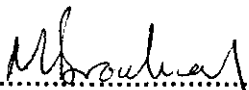
STATEMENT OF MINISTRY AREA COUNCIL RESPONSIBILITIES

The Charities Act requires the Council to prepare a statement of accounts for each financial year which comply with the regulations made under the Act.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and contain entries showing from day to day all monies received, and monies expended by the charity and the matters in respect of which those transactions took place and also contain a record of the assets and liabilities of the charity. The law also sets out the responsibilities for the preparation and content of the Annual Report.

The Council is also responsible for safeguarding the assets of the charity and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees declare that they have approved the trustees' report above


.....

Signed on behalf of the charity's trustees

Rev M Broadway

15/10/2024
.....

Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PENYBONT AR OGWR MINISTRY AREA

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023 which are set out on pages 12 to 28.

Respective responsibilities of trustees and examiner

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). The charity's trustees consider that an audit is not required for this year under section 144 of the Act and that an independent examination is needed

I report in respect of my examination of the charity's accounts, and it is my responsibility to:

1. examine the accounts under section 145 of the Act,
2. follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act, and
3. to state whether particular matters have come to my attention.

Independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the 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.

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.

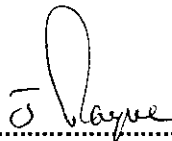
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PENYBONT AR OGWR MINISTRY AREA (CONTINUED)

The Ministry Area was set up via a combination of the existing Parish of Nolton, Coity and Brackla with the inclusion of a number of parishes of the Church in Wales in the local area. In doing so there are a number of historical financial records that needed clarifying and some of these are in the process of being investigated further. These include:

- the title and valuation of various properties to clarify the ownership and amounts to be included in the accounts as detailed in the fixed asset notes to the accounts
- exact restrictions on a number of restricted funds within the Ministry Area as summarised in the reserves note to the accounts.

Except as noted above 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 accounts to be reached.

INDEPENDENT EXAMINER



.....
JE Payne ACA
ICAEW
Graham Paul Limited
Court House, Court Rd
Bridgend, CF31 1BE

Date: 15/10/24

**Statement of Financial Activities
for the year ended 31 December 2023**

		2023	2023	2023	2022	2022	2022
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	Funds	Funds	Total	Funds	Funds	Total
		£	£	£	£	£	£
INCOMING RESOURCES	1						
Income and endowments from:							
Donations, legacies and grants		128,445	17,169	145,614	130,771	86,301	217,072
Charitable activities		81,153	4,197	85,350	64,952	5,337	70,289
Investments		2,268	56,428	58,696	49,156	1,766	50,922
Other income		1,713	-	1,713	16,112	1,108	17,220
Total income		213,579	77,794	291,373	260,991	94,512	355,503
RESOURCES EXPENDED	2						
Expenditure on:							
Charitable activities		(208,998)	(152,883)	(361,881)	(239,514)	(240,284)	(479,798)
Other expenditure		(5,400)	-	(5,400)	(10,309)	-	(10,309)
Total expenditure		(214,398)	(152,883)	(367,281)	(249,823)	(240,284)	(490,107)
Net income before investment gains/(losses)		(819)	(75,089)	(75,908)	11,168	(145,772)	(134,604)
Net gains/(losses) on investments:							
Gains/(losses) on revaluation of investments	11	1,143	65,077	66,220	(53,056)	(77,419)	(130,475)
Loss on revaluation of investment property	10	-	(82,500)	(82,500)	-	-	-
Investment income re-invested	11	-	3,565	3,565	9,006	-	9,006
(Losses) on disposal of investments		-	-	-	-	(147)	(147)
Net (expense)/income before extraordinary items		324	(88,947)	(88,623)	(32,882)	(223,338)	(256,220)
Extraordinary income	1	-	-	-	-	615,820	615,820
NET INCOME AND MOVEMENT IN FUNDS		324	(88,947)	(88,623)	(32,882)	392,482	359,600
Funds brought forward		1,149,987	1,157,037	2,307,024	1,223,769	723,655	1,947,424
Transfer between funds	15	(1,017,879)	1,017,879	-	(40,900)	40,900	-
Funds carried forward		132,432	2,085,969	2,218,401	1,149,987	1,157,037	2,307,024

*The restricted and total income comparative figures have been adjusted to reclassify a VAT refund from Charitable Activities income to Donations, Legacies and Grants for £22,585.

Included within restricted income is £10,788 (2022 - £8,526) arising from endowment investments.

MINISTRY AREA PENYBONT AR OGWR


Accounts 2023

Balance Sheet as at 31 December 2023

		2023	2023	2023	2022	2022	2022
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	Funds	Funds	Total	Funds	Funds	Total
		£	£	£	£	£	£
Fixed Assets							
Tangible fixed assets	9	-	124,001	124,001	100,000	27,001	127,001
Investment Properties	10	-	481,177	481,177	447,500	116,177	563,677
Investments	11	21,640	1,205,907	1,227,547	481,251	676,511	1,157,762
Total fixed assets		21,640	1,811,085	1,832,725	1,028,751	819,689	1,821,440
Current assets							
Cash at bank and in hand		116,192	274,884	391,076	120,010	337,348	457,358
Debtors	12	-	-	-	9,625	-	9,625
		116,192	274,884	391,076	129,635	337,348	466,983
Creditors:							
amounts falling due							
within one year:	13	(5,400)	-	(5,400)	(8,399)	-	(8,399)
Net Current Assets		110,792	274,884	385,676	121,236	337,348	458,580
Net assets		132,432	2,085,969	2,218,401	1,149,987	1,157,037	2,307,024
Brought forward		1,149,987	1,157,037	2,307,024	1,223,769	723,655	1,947,424
Transfers		(1,017,879)	1,017,879	-	(40,900)	40,900	-
(Deficit)/Surplus for the year		324	(88,947)	(88,623)	(32,882)	392,482	359,600
Carried Forward	14	132,432	2,085,969	2,218,401	1,149,987	1,157,037	2,307,024
Restricted Funds are split between							
Endowment			493,715			455,954	
Other			1,592,254			701,353	
			<u>2,085,969</u>			<u>1,157,037</u>	

These financial statements were approved by the Ministry Area Council on 15/01/24

Signed on their behalf by


Trustee – Rev M Broadway

STATEMENT OF ACCOUNTING POLICIES**Basis of preparation**

The accounts are prepared under the historic cost convention as modified by the revaluation of investments to fair value in accordance with the Charities Act 2011, the Church Accounting Regulations 2006 and the Statement of Recommended Practice (SORP): '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 (FRS102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

As a charity, the church is a Public Benefit Entity (PBE) within the meaning of FRS102.

The accounts presentation is in line with the requirements of the Annual Financial Return to Llandaff Diocesan Board of Finance. Some of these differ from the format and disclosure requirements of the SORP (FRS102) because, in the opinion of the PCC, the format adopted best represents the activities of the church.

The Ministry Area is a multi-church parish which comprised, at the beginning of 2022, the three churches of St Marys, Coity, Nolton and Brackla. On 1st January 2022, five additional churches – All Saints Penyfai, St Crallos, Coychurch, St Davids Laleston, St llyds Newcastle and St Teilos Merthyr Mawr, were also added to the charity which was renamed the Ministry Area.

The key accounting estimates used in the preparation of the accounts are:

- the estimated useful life of fixed assets
- recoverability of debts.

The accounts are prepared on a going concern basis on the grounds that the charity will be able to continue its operations for at least 12 months from the date of approval of the accounts and the trustees confirm that no material uncertainties relating to this position exist.

The presentation currency of the financial statements is the Pound Sterling (£).

Accruals accounting

All income is credited gross on the date on which it is received, or when it becomes due and can be reasonably estimated. All expenditure is fully accrued based on the date that the liability has arisen.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular specific purpose. Endowment funds are investments where capital is maintained, and income can be used in the parishes for the purposes specified by the original donors.

Investment Properties

Investment properties are originally included in the financial statements at cost including incidental costs such as professional fees. Investment properties are then revalued periodically to market value with gains and losses credited or charged to a revaluation reserve, classified as restricted or unrestricted according to the original nature of the funds used to acquire the property.

Church Land and Buildings

The land upon which all together with the contents of the churches, most of the Area church halls and the parsonages, are vested in the Representative Body of the Church in Wales. As these, nor their contents, are vested in the Ministry Area they do not appear in the accounts of the Ministry Area.

The Ministry Area pays for all maintenance expenses of the church halls, along with the maintenance of individual churches within the Area. Significant improvements for any buildings which are not consecrated, such as church halls, are capitalised as part of fixed assets. Cost includes original purchase price plus any costs directly attributable to making the asset capable of operating as and where intended.

STATEMENT OF ACCOUNTING POLICIES (Continued)

Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year and are stated at cost less accumulated depreciation. Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes original purchase price plus any costs directly attributable to making the asset capable of operating as and where intended.

Depreciation is provided at rates, in order to write off the cost, less estimated residual value, of each asset on a systematic basis over its estimated useful life. Depreciation is provided on:

- equipment at the annual rate of 15% and 25% reducing balance in order to write off each asset over its estimated useful life.
- leasehold improvements over 10 years from the date of the improvements completed.

Investment assets

Fixed asset investments in The Representative Body of the Church in Wales Common Investment Fund or other Charity Investment Vehicles are valued initially at original purchase cost and subsequently at their market value at the year end with any gains or losses going through the SOFA.

Amounts held at recognised UK banks are classified as cash at bank and in hand.

Debtors and creditors receivable/payable within one year

Debtors and creditors are recognised and measured at cost with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash

Cash consists of monies held in Banks by each of the Churches together with the Area plus, cash in hand at each of the individual churches plus funds held by the Representative Body in bank account.

STATEMENT OF ACCOUNTING POLICIES (Continued)

INCOME

Income is recognised in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it's more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

The following specifies the policies applied and the main types of income that are included within the particular categories of incoming resources:

Collection

The Ministry Area received its main income from the Direct Giving of its Parishioners and there are three main categories of this direct income:

- Gift Aided envelope which is remitted either by the use of a specially designed red envelope at a Church Service offertory collection, by direct payment to the Benefice Covenant Secretary or credited direct by bank transfer by Direct Giving .
- Casual Gift Aided contributions which are enclosed in the newly designed envelopes, which are signed and handed in at a Church Service offertory collection.
- Cash - offertory collections at a Church Service.

Grants and donations

Grants and donations are only included in the SOFA when the general income recognition criteria are met on a performance basis.

Legacies

Legacies are included in the SOFA when the receipt is probable, that is, when there has been grant of probate, the executors have established there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

Tax reclaims on donations, gifts and legacies

Gift aid receivable is included in income where there is a valid declaration from the donor and is recognised when the claim is successfully received. Any Gift Aid amount recovered is considered to be part of the original donation and as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Income from interest and dividends

The benefice has two main sources of investment income and is included in the accounts when receipt is probable, and the amount received can be measured reliably:

- Surplus cash resources are invested in Bank Deposits
- Trust Fund capital is invested in the Common Investment Fund, which is a Managed Fund under the control of the Representative Body of the Church in Wales. This is an income producing account with a Capital growth potential. The Benefice Churches involved received a quarterly income payment from the Representative Body.

Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Volunteer help

The value of any voluntary help is not included in the accounts but is described in the trustee's annual report.

STATEMENT OF ACCOUNTING POLICIES (Continued)

EXPENDITURE

Expenditure is accounted for on an accruals basis inclusive of VAT which is not recoverable as the organisation is not VAT registered.

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount can be measured with reasonable certainty. The charity has creditors which are measured at the amounts due in settlement.

TAX

The charity is exempt from corporation tax.

SIGNIFICANT JUDGEMENTS

The majority of income and expenditure is based on cash movements through the bank account. There are therefore limited judgements made in the overall accounts. These judgements include:

- estimates of the value of investment property
- an estimate of the useful life of tangible fixed assets
- estimates of expenditure incurred, but not yet billed at the time of the accounts
- recoverability of debts, including debts from rental of assets and gift aid.

A key judgement area is ensuring restricted funds are correctly identified and that the allocation of expenditure to individual restricted funds is in accordance with the terms of that specific fund. The Trustees are continuing to investigate brought forward funds to determine the details of all restrictions as identified in individual notes to the accounts.

MINISTRY AREA PENYBONT AR OGWR

Accounts 2023

NOTES TO THE ACCOUNTS

1 INCOME

	Unrestricted Funds £	Restricted Funds £	2023 Total £	Unrestricted Funds £	Restricted Funds £	2022 Total £
Donations, Legacies and Grants						
Planned Giving	80,471	-	80,471	83,420	325	83,745
Loose Collections	19,598	-	19,598	12,043	-	12,043
Tax Refunds (Gift Aid)	18,440	-	18,440	18,457	-	18,457
Donations	8,694	1,469	10,163	16,031	1,051	17,082
Legacies	-	100	100	-	118	118
Grants	1,242	15,600	16,842	820	84,807	85,627
	128,445	17,169	145,614	130,771	86,301	217,072
Charitable Activities						
Fees - Baptisms, Funerals and Weddings	8,185	4,197	12,382	13,781	5,337	19,118
- Hall hire	60,278	-	60,278	45,714	-	45,714
- Money Raising Events	12,690	-	12,690	5,457	-	5,457
	81,153	4,197	85,350	64,952	5,337	70,289
Income From Investments						
Investment Property Income	-	28,876	28,876	40,169	-	40,169
Fixed Asset Investment Income	512	23,135	23,647	8,329	327	8,656
Deposit Account Interest	1,756	4,417	6,173	658	1,439	2,097
	2,268	56,428	58,696	49,156	1,766	50,922
Other Income						
Other Incoming Resources	1,713	-	1,713	3,845	1,108	4,953
Covid related grant from Diocese	-	-	-	12,267	-	12,267
	1,713	-	1,713	16,112	1,108	17,220
Extraordinary Income						
Merger of Parishes	-	-	-	-	615,820	615,820
	-	-	-	-	615,820	615,820

Extraordinary Income

Extraordinary income relates to the integration of a number of parishes into the charity. The existing Parishes were joined on 1 January 2022 by the churches of All Saints Penyfai, St Crallos Coychurch, St Davids Laleston, St Iltyds Newcastle and St Teilos Merthyr Mawr. At 1 January 2022 the net funds in each of the parishes were transferred as restricted funds to the combined Ministry Area. These opening funds are then being applied, either in line with individual restrictions from the original donor, or for use in the general expenditure of the specific church, including contributions to the parish share.

The transfers were:

	£
All Saints, Penyfai	187,597
St Crallos, Coychurch	61,524
St Davids, Laleston	72,202
St Iltyds, Newcastle	138,504
St Teilos, Merthyr Mawr	155,993
	615,820

*The restricted and total income comparative figures have been adjusted to reclassify a VAT refund from money raising events (as part of Charitable Activities income) to grants (as part of Donations, Legacies and Grants) for £22,585.

MINISTRY AREA PENYBONT AR OGWR

Accounts 2023

2 EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	2023 Total £	Unrestricted Funds £	Restricted Funds £	2022 Total £
Charitable Activities Expenditure						
Support for Ministry including parish share	72,302	85,694	157,996	84,366	81,045	165,411
Ministry Area parish share rebate	(19,229)	-	(19,229)	(12,939)	-	(12,939)
Maintenance of Services	5,130	-	5,130	5,859	-	5,859
General Parish Expenses	74,347	18,016	92,363	75,939	883	76,822
Maintenance of Churches	46,345	12,369	58,714	44,029	3,199	47,228
Maintenance of Property	26,687	33,804	60,491	36,937	152,157	189,094
Mission (Donations)	416	3,000	3,416	2,323	3,000	5,323
Depreciation	3,000	-	3,000	3,000	-	3,000
	208,998	152,883	361,881	239,514	240,284	479,798
Other Expenditure						
Legal and Professional	5,400	-	5,400	10,309	-	10,309

3 MAINTENANCE OF MINISTRY AND RELATED PARTY TRANSACTIONS

To fund the provision of Ministry, the Ministry pays a "Parish Share" to the Diocese. This Parish Share was split and allocated between each church as agreed within the Area.

The total charge for Parish Share for the Area was £153,873 (2022 - £154,491).

During the year the area received a rebate for the parish share from the diocese of £19,229 (2022 - £12,939).

The total amount outstanding from the area to the diocese at the year end was £Nil (2022 £Nil).

4 MISSION

The Ministry Area recognises that an important part of its Christian Stewardship is to financially support the work of Church Missions, Christian Charities, Social and Emergency appeals. The amounts paid out for mission and charity donations in the year totalled £3,416 (2022 - £5,323).

5 LEGAL AND PROFESSIONAL

Amounts included in the accounts due to Independent Examiners, including VAT, for:

Independent Examination	£4,200	(2022 – £3,600)
Accounting	Nil	(2022 – £3,600)

6 CLERICS AND TRUSTEES TRANSACTIONS

The Ministry Area pays the cost of all expenses incurred by the Church in Wales Clerics and Church Wardens in the performance of their Parish duties. The amounts paid to Clerics were £9,252 (2022 - £7,809), including £Nil (2022 - £525) of baptism, funeral and wedding fees and £5,721 (2022 - £4,199) for re-imbursment of water rates, electricity and gas to 3 (2022 – 2) individuals. The amounts paid to vergers totalled £Nil (2022 - £Nil).

Other trustees received expenses totalling £Nil (2022 - £Nil) for reimbursement of expenses incurred relating to the general running and administrative costs of the charity.

Other than detailed above, the Area does not pay any remuneration to the Church in Wales Clerics. The clergy team, including the Dean, are remunerated by the Llandaff Diocesan Board of Finance. No payments were made to other Trustees for remuneration.

Some trustees give anonymously to the charity via the weekly church collections. Specific donations from trustees with conditions attached totalled £Nil (2022 - £1,000 which was included in the restricted fund income for use in the maintenance and renovation of church buildings).

7 WAGES AND SALARIES

During the year the area employed an average of 4 (2022 – 4) part time employees at a total cost of £49,170 (2022 - £42,635). The total cost included £Nil (2022 - £1,862) of employer's national insurance costs and £526 (2022- £326) of employer's contributions to personal pension schemes. The estimated number of equivalent full time employees for the year is 2 (2022 - 2).

A trustee resigned in the previous period to accept a paid role within the Ministry Area, and their costs are included above for 2022 and 2023 as an employee.

No employees earned over £60,000 (2022 - Nil).

8 OTHER INCOME AND EXPENDITURE

Income includes government grants of:

	2023	2022
	£	£
Central government grants	-	-
Other government grants	10,600	37,837

Total grants including the above of £16,842 (2022 - £75,309) were received in the year, of which £15,000 (2022 - £59,584) related to work done on St Teilo's Churchyard and surrounding grounds (2022 Church and surrounding grounds).

9 TANGIBLE FIXED ASSETS

	<u>Property</u>	<u>Leasehold Improvements</u>	<u>2023 Total</u>	<u>2022 Total</u>
	£	£	£	£
Cost/valuation brought forward	100,001	30,000	130,001	-
Adjustments	-	-	-	100,000
Merger	-	-	-	30,001
Cost carried forward	100,001	30,000	130,001	130,001
Depreciation brought forward	-	(3,000)	(3,000)	-
Depreciation in year	-	(3,000)	(3,000)	(3,000)
Depreciation carried forward	-	(6,000)	(6,000)	(3,000)
Net Book Value brought forward	100,001	27,000	127,001	100,000
Net Book Value carried forward	100,001	24,000	124,001	127,001

The land upon which all churches together with the contents of the churches, most of the Area church halls and the parsonages, are vested in the Representative Body of the Church in Wales. As these, nor their contents, are vested in the Ministry Area they do not appear in the accounts of the Ministry Area.

The following properties are, however, potentially believed to be held for the benefit of the Ministry Area:

Nolton Rectory and Church Hall

The beneficial ownership of this land and property is currently being determined. It is currently understood that the Ministry Area is not the beneficial owner of the properties and therefore no amounts are included in the accounts in relation to these buildings, although shown in the 2021 accounts - in the notes to, but not the Statement of Financial Affairs, at a cost of £638,000. Estimates of the current valuation are significantly lower than this original figure.

Coity Church Hall

The beneficial ownership of the Hall is currently under investigation, but it is currently understood that the Ministry Area is the beneficial owner of the property.

The original cost of this property cannot be fully determined, although shown in the 2021 accounts - in the notes to, but not the Statement of Financial Affairs, at a cost of £507,168. Due to the uncertainty surrounding this cost, Coity Church Hall is included in the accounts at valuation for balance sheet purposes of £100,000. The valuation was undertaken in the previous year by Watts & Morgan, Chartered Surveyors in accordance with RICS valuation rules effective as at 31 December 2022 as a freehold property. Watts & Morgan confirm they believe there has been no material change in this value during the current year.

In the prior year, the cost of Coity Church Hall, was classified as unrestricted. Further investigation has not identified the original source of funds for the Hall, and therefore, while continuing to investigate the beneficial ownership of the Hall, the valuation has been reclassified as restricted.

A significant proportion of the value of the Hall is considered to be the land on which the property is based. No depreciation is charged on the land. The useful life of the Hall is considered to be in excess of 20 years. Accordingly no depreciation on the balance of the valuation has been included in the accounts as it is considered immaterial to the overall accounts.

9 TANGIBLE FIXED ASSETS CONTINUED

Laleston Church Hall

Laleston Church Hall is held by the Representative Body of the Church in Wales as custodian trustee for The Ministry Area under terms of a 999 Year Lease which include covenants that render the Lease valueless to the Ministry Area under the required RICS assumptions as to balance sheet values. The lease is included in the accounts at a nominal of £1.

Leasehold Improvements to the property at an apportioned estimated cost of £30,000 were made in 2021 prior to the merger. These improvements are being depreciated over a 10 year estimated useful life.

10 INVESTMENT PROPERTIES

	2023	2022
	£	£
Valuation brought forward	563,677	447,500
Additions	-	116,177
Revaluation	(82,500)	-
Total carried forward	<u>481,177</u>	<u>563,677</u>

Leominster Property was purchased in 2015 for £442,026. In the opinion of the trustees the current valuation of the property is £365,000 (2022 - £447,500). The original source of funds, and therefore the net income, is believed to be restricted for use in Coity and Nolton parishes. This is a change in classification the property, which had previously been believed to be unrestricted, and therefore this property has been reclassified as restricted.

Port Talbot Property was purchased in 2022 and is therefore included at cost which also represents the trustees estimate of market value at the year end. The proceeds used to acquire the property are believed to be restricted – although further clarification is being sort - and therefore this property is classified as restricted. Since the year end the property has been disposed of at a sum similar to the original cost.

11 FIXED ASSET INVESTMENTS

The long-term investment of the Ministry Area consists of monies that have been donated or bequeathed to the Benefice and/or one of its churches by parishioners and also Stock issued by the Governing Body of the Church of Wales under the Tithe Act. The use to which some of these capital and income items may be put is restricted to the specific terms of the individual Trust Deed.

The majority of this money is under the control of the Representative Body of the Church in Wales in its capacity as the Special Trustee of all the Deeds and is invested by the Representative Body in its Common Investment Fund, which is a Managed Fund under its supervision.

MINISTRY AREA PENYBONT AR OGWR

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11 FIXED ASSET INVESTMENTS (CONTINUED)

Shares No	2022 Market Value £	Fund	Purchase/ Disposals No	Shares No	2023 Market Value £
Held at Representative Body – Common Investment Fund					
<i>Coity, Nolton and Ministry Area</i>					
<i>(All religious purposes investments combined in current year and comparatives amended)</i>					
Religious purpose in general but primarily for the use in Coity and Nolton Parish					
411,477	862,291	- Capital	25,967	437,444	967,845
23,446	49,133	- Accumulated income	(23,446)	-	-
-	5,284	- Cash for re-investment	-	-	-
9,781	20,497	Legacy held for religious purposes in general	-	9,781	21,640
St Iltyds, Church, Newcastle					
4,008	8,399	Maintenance of graveyard	-	4,008	8,868
St Crallo's, Coychurch					
-	-	Maintenance of Church and Churchyard	-	-	-
2,976	6,237	General church purposes Maintenance of Church and Churchyard,	-	2,976	6,584
Maintenance of West Memorial Window					
1,154	2,418	- Capital	-	1,154	2,553
3,501	7,337	- Accumulated income	158	3,659	8,096
	136	- Cash for re-investment	-	-	71
All Saints, Penyfai					
Maintenance of Church Buildings					
15,863	33,242	- Capital	-	15,863	35,097
37,777	79,165	- Accumulated income	2,133	39,910	88,301
-	1,908	- Cash for re-investment	-	-	609
2,373	4,973	Maintenance of Churchyard	-	2,373	5,250
St Davids, Laleston					
Chancel repair fund					
614	1,285	- Capital	-	614	1,358
705	1,477	- Accumulated income	109	814	1,801
	163	- Cash for re-investment			23
	<u>1,083,945</u>	Sub-total			<u>1,148,096</u>
Held at Church					
St Marys, Coity					
18,677		Maintenance of graveyard – COIF Charities Investment Fund			20,393
St Teilos, Merthyr Mawr					
55,140		LGT investment fund			59,058
	<u>73,817</u>	Sub Total			<u>79,451</u>
	<u>1,157,762</u>	Totals			<u>1,227,547</u>

MINISTRY AREA PENYBONT AR OGWR

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11 FIXED ASSET INVESTMENTS (CONTINUED)

	Coity/Nolton/ Ministry Area	Newcastle	Coychurch	Penyfai	Laleston	Merthyr Mawr	Total
	£	£	£	£	£	£	£
At 1 January – original	955,882	8,399	16,128	119,288	2,925	55,140	1,157,762
Income retained in portfolio	-	-	270	3,206	89	-	3,565
Revaluation	53,996	469	906	6,763	168	3,918	66,220
	1,009,878	8,868	17,304	129,257	3,182	59,058	1,227,547
Restricted	554,234	-	8,166	88,910	1,824	59,058	712,192
Restricted - Endowment	434,004	8,868	9,138	40,347	1,358	-	493,715
	988,238	8,868	17,304	129,257	3,182	59,058	1,205,907
Unrestricted	21,640	-	-	-	-	-	21,640
See Note 14	1,009,878	8,868	17,304	129,257	3,182	59,058	1,227,547

Movement:

	Brought Forward	Reclass	Adjusted Brought Forward	Income	Transfer to Parish	Revaluation	Total
	£	£	£	£	£	£	£
Restricted	220,557	448,815	669,372	16,542	(12,977)	39,255	712,192
Restricted - endowment	455,954	11,939	467,893	10,158	(10,158)	25,822	493,715
Total Restricted	676,511	460,754	1,137,265	26,700	(23,135)	65,077	1,205,907
Unrestricted	481,251	(460,754)	20,497	512	(512)	1,143	21,640
Total	1,157,762	-	1,157,762	27,212	(23,647)	66,220	1,227,547

MINISTRY AREA PENYBONT AR OGWR

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12 DEBTORS

	2023	2022
	£	£
Other debtors (rent due)	<u>-</u>	<u>9,625</u>

Other debtors were classed as unrestricted, but as they relate to the Leominster property, have now been reclassified as restricted.

13 CREDITORS

	2023	2022
	£	£
Accruals	4,200	7,561
Other creditors including tax and social security	<u>1,200</u>	<u>838</u>
	<u>5,400</u>	<u>8,399</u>

All accruals and creditors are classed as unrestricted.

MINISTRY AREA PENYBONT AR OGWR

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14 RESERVES

The Ministry Area aims to be at least break-even in future years so that its reserves are maintained so that fixed asset investments are only drawn down for major capital expenditure.

	1 Jan 2023 £	Adjust £	Adjusted 1 Jan 2023 £	Additions/ (Disposals) £	Net Income /(Expenditure) £	31 Dec 2023 £
Restricted						
Fixed Assets						
Investment Property	116,177	447,500	563,677	-	(82,500)	481,177
Tangible fixed assets - property						
St Davids, Laleston	27,001	-	27,001	-	(3,000)	24,001
Coity Hall	-	100,000	100,000	-	-	100,000
	27,001	100,000	127,001	-	(3,000)	124,001
Investments						
Religious Purposes for Coity and Nolton parishes	455,954	460,754	916,708	-	51,137	967,845
Maintenance of churchyard and buildings:						
St Marys, Coity	18,677	-	18,677	-	1,716	20,393
St Iltyds, Newcastle	8,399	-	8,399	-	469	8,868
St Crillos, Coychurch	16,128	-	16,128	270	906	17,304
All Saints, Penyfai	119,288	-	119,288	3,206	6,763	129,257
St Davids, Laleston	2,925	-	2,925	89	168	3,182
For use in parish						
St Teilos, Merthyr Mawr	55,140	-	55,140	-	3,918	59,058
Total Investments	676,511	460,754	1,137,265	3,565	65,077	1,205,907
Other debtors/creditors	-	9,625	9,625	-	(9,625)	-
Cash						
Brackla, Coity and Nolton parishes	124,112	-	124,112	-	(40,294)	83,818
Maintenance of churchyard and buildings						
St Iltyds, Newcastle	4,105	-	4,105	-	(806)	3,299
St Crillos, Coychurch	29,924	-	29,924	-	(2,909)	27,015
All Saints, Penyfai	652	-	652	-	952	1,604
St Teilos, Merthyr Mawr	53,035	-	53,035	-	464	53,499
Other specific purposes within parishes						
St Davids, Laleston	7,008	-	7,008	-	-	7,008
St Teilos, Merthyr Mawr				-	1,219	1,219
Transfer of opening balances for use on parish expenditure						
St Iltyds, Newcastle	86,392	-	86,392	-	-	86,392
All Saints, Penyfai	28,695	-	28,695	-	(17,665)	11,030
St Teilos, Merthyr Mawr	3,425	-	3,425	-	(3,425)	-
Total Cash	337,348	-	337,348	-	(62,464)	274,884
Total Restricted	1,157,037	1,017,879	2,174,916	3,565	(92,512)	2,085,969
Unrestricted						
Investment property	447,500	(447,500)	-	-	-	-
Tangible fixed assets	100,000	(100,000)	-	-	-	-
Investments	481,251	(460,754)	20,497	-	1,143	21,640
Cash	120,010		120,010	-	(3,818)	116,192
Debtors/creditors	1,226	(9,625)	(8,399)	-	2,999	(5,400)
Total unrestricted	1,149,987	(1,017,879)	132,108	-	324	132,432
Total	2,307,024	-	2,307,024	3,565	(92,188)	2,218,401

The restrictions regarding the investment property and cash held in Brackla, Coity, Nolton and St Iltyds are under investigation to determine their exact nature from the original source of the funding.

MINISTRY AREA PENYBONT AR OGWR

Accounts 2023

The prior year comparatives show:

	1 Jan 2022 £	Adjust £	Adjusted 1 Jan 2022 £	Merger £	Additions/ (Disposals) £	Net Income /(Expenditure) £	31 Dec 2022 £
Restricted							
Fixed Assets							
Investment Property	-	-	-	-	116,177	-	116,177
Tangible fixed assets - property							
St Davids, Laleston	-	-	-	30,001	-	(3,000)	27,001
Investments							
Religious Purposes for Coity and Nolton parishes – endowment	241,275	212,703	453,978	-	50,000	(48,024)	455,954
Maintenance of churchyard and buildings:							
St Marys, Coity	10,676	10,458	21,134	-	-	(2,457)	18,677
St Iltyds, Newcastle	-	-	-	9,384	-	(985)	8,399
St Crallos, Coychurch	-	-	-	19,759	(1,759)	(1,872)	16,128
All Saints, Penyfai	-	-	-	133,051	-	(13,763)	119,288
St Davids, Laleston	-	-	-	3,251	-	(326)	2,925
For use in parish							
St Teilos, Merthyr Mawr	-	-	-	113,131	(48,000)	(9,991)	55,140
Total Investments	251,951	223,161	475,112	278,576	241	(77,418)	676,511
Cash							
Brackla, Coity and Nolton parishes	320,108	(71,565)	248,543	-	(116,177)	(8,254)	124,112
Maintenance of churchyard and buildings							
St Iltyds, Newcastle	-	-	-	1,259	-	2,846	4,105
St Crallos, Coychurch	-	-	-	28,896	-	1,028	29,924
All Saints, Penyfai	-	-	-	6,861	-	(6,209)	652
St Davids, Laleston	-	-	-	970	-	(970)	-
St Teilos, Merthyr Mawr	-	-	-	33,228	49,759	(29,952)	53,035
Other specific purposes within parish							
St Davids, Laleston	-	-	-	17,900	-	(10,892)	7,008
Transfer of opening balances for use on parish expenditure							
St Iltyds, Newcastle	-	-	-	127,862	-	(41,470)	86,392
St Crallos, Coychurch	-	-	-	12,867	-	(12,867)	-
All Saints, Penyfai	-	-	-	47,686	-	(18,991)	28,695
St Davids, Laleston	-	-	-	20,080	-	(20,080)	-
St Teilos, Merthyr Mawr	-	-	-	9,634	-	(6,209)	3,425
Total Cash	320,108	(71,565)	248,543	307,243	(66,418)	(152,020)	337,348
Total Restricted	572,059	151,596	723,655	615,820	50,000	(232,438)	1,157,037
Unrestricted							
Investment property	-	447,500	447,500	-	-	-	447,500
Tangible fixed assets – property	-	100,000	100,000	-	-	-	100,000
Investments	246,275	329,027	575,302	-	(50,000)	(44,051)	481,251
Cash	102,107	-	102,107	-	-	17,903	120,010
Debtors/creditors	(1,140)	-	(1,140)	-	-	2,366	1,226
Total unrestricted	347,242	876,527	1,223,769	-	(50,000)	(23,782)	1,149,987
Total	919,301	1,028,123	1,947,424	615,820	-	(256,220)	2,307,024

The restrictions regarding the investment property and cash held in Brackla, Coity, Nolton, St Iltyds and St Teilos are under investigation to determine their exact nature from the original source of the funding.

Transfers of £50,000 represent use of unrestricted investment funds held by the Representative Body to purchase restricted endowments funds. This is offset by transfer of £9,100 spending from restricted funds resulting in a net transfer in the Statement of Financial Activities of £40,900.

15 FUND TRANSFERS

The Trustees have been investigating the restrictions, including were possible obtaining copies of wills relating to the original donations. This has resulted in the following reclassifications to last years opening position which are shown as transfers during 2023:

	Note	£
Coity Hall	9	100,000
Investment Property	10	447,500
Coity, Nolton and Brackla - fund for religious purposes	11	460,754
Investment Property Rental Debtor	12	9,625
Total reclassifications	14	<u>1,017,879</u>

As detailed in Note 9, the ownership and valuation of Coity Hall is undetermined. The hall has therefore been shown and reclassified as restricted in the current year.

Funding for the Leominster Property - and The Port Talbot property - is believed to have been derived from a number of sources, principally the sales of property in Nolton and Coity which, in turn, it is believed were originally purchased by utilising funds restricted for use in Nolton and Coity. Therefore, the Property has been classified as restricted while further investigations are undertaken.

Further information has been obtained on an investment held for religious purposes and it is now understood that the fund can only be used for the Church to which it is donated. It has therefore been reclassified as restricted.

As the investment property which last years rental debtor related to has been reclassified as restricted, the rental debtor has been reclassified as restricted accordingly.

16 COMMITMENTS

The charity had operating lease commitments of

	2023	2022
	£	£
Due within one year	1,396	3,806
Due between 1 and 5 years	4,886	6,216
	<u>6,282</u>	<u>10,022</u>

The charity made payments under operating leases in the period of £5,413 (2022 - £4,489).

The charity had no capital commitments at the year end (2022 - £Nil).

