

**REGISTERED CHARITY NUMBER: 1139750**

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
FOR  
THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Barrow LLP  
Statutory Auditor  
Chartered Accountants  
Jackson House  
Station Road  
Chingford  
London  
E4 7BU**

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Annual Report for the Year Ended 31<sup>st</sup> December 2022**

**Administrative Information**

St Mary's Church is situated in Church Street, Henham. It is part of the Diocese of Chelmsford within the Church of England. The correspondence address is Church Office, Old Franks, High Street, Elsenham, CM22 6DD.

The Parochial Church Council of the Ecclesiastical Parish of St Mary the Virgin, Henham (PCC) is a registered charity No 1139750.

PCC members who have served from 1 January 2022 until the date this report was approved were:

Incumbent:	The Rev'd Louis Wilson - Chairman (appointed 5th September 2022)
Church Wardens:	Mr Simon Pilcher Mr Richard Peake
Elected Members:	Mrs Cathy Ward Mrs Isobel Brooks - Secretary Mr James Pimblett- Deanery Synod Rep Mr Richard Hurry (resigned 9th May 2022) Mrs Sandra Turner - Deanery Synod Rep Mrs Annabel Cottam Mr Malcolm McFrederick Mrs Shirley Wilcock Mrs Debra Packford Mr Derek Ward Mr Justin Brister Mr Roger Hughes-Penney - Treasurer (appointed 9th May 2022)
Co-opted Member:	The Rev'd Stephen Bazlinton

**Professional Advisors**

Bankers:	Barclays Bank Plc, Leicester LE87 2BB
Investment Managers:	Ruffer LLP, 80 Victoria Street, London, SW1E 5JL
Auditors:	Barrow LLP, Jackson house, Station Road, London, E4 7BU

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

## **Annual Report for the Year Ended 31<sup>st</sup> December 2022**

### **Structure, governance, and management**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objects and in planning future activities and setting policy for the year.

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC members are the trustees. The trustees review the risks to the charity each year and mitigate against these where possible including formal risk assessment procedures for all social activities.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

### **Objectives and activities**

St Mary's PCC has the responsibility of co-operating with the incumbent in promoting in the ecclesiastical parish the whole mission of the Church - pastoral, evangelistic, social and ecumenical. It also has responsibility for the maintenance of St Mary's Church. The incumbent's responsibilities include the wider benefice which, in addition to St Mary's Henham, includes St Peter's Ugley and St Mary's Elsenham. The PCC actively works with the PCCs of these other parishes.

### **Achievements and performance**

#### **Church attendance**

As at 31 December 2022, there were 75 parishioners on the Church Electoral Roll (78 in 2021), 21 of whom were not resident within the parish. The average weekly attendance (adults only) was 29 (27 in 2021) for the morning service and 33 (28 in 2021) for the evening service - which is a different congregation apart from around 10 (8 in 2021) people who also go in the morning.

### **Review of the year**

Henham PCC had 9 meetings during the year of which two were joint meetings held with Elsenham and Ugley PCCs to discuss benefice finance. Some of the subjects discussed during the year included:-

- Welcome events for Rev'd L. Wilson and family
- Youth provision and safeguarding
- Evangelism- pudding evenings, Christmas and Easter window trails, Coronation event
- Remembrance, new Christmas services, new All Age service
- Benefice Weekend Away
- Finance – annual accounts and budgets for Henham parish church and HEU Benefice and appointment of auditors
- Staff committee reports
- Deanery reports
- Issues with wider Church of England and possible responses
- Fabric and reordering project for Henham church
- Legal advice regarding bequests



# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

## **Annual Report for the Year Ended 31<sup>st</sup> December 2022**

### **Financial Review**

#### **General fund (Unrestricted)**

Total gross income in the Henham general fund amounted to £2,326 (2021: £6,562). Total expenditure of £1,249 (2021: £922) resulted in a net expenditure of £3,923 (2021: income of £4,140) after a transfer of £5,000 (2021: £1,500) to the Benefice fund. The total balance carried forward was £17,931 (2021: £21,854).

#### **HEU Benefice fund (Restricted)**

The HEU Benefice fund result for the year was a net income of £5,037 (2021: £28,599), taking the balance carried forward at the end of the year to £107,387 (2021: £102,350).

#### **Benefice Weekend Away fund (Restricted)**

The Benefice Weekend Away fund is used to promote a benefice wide retreat with dedicated Bible teaching. The balance carried forward of £2,439 (2021: £2,439) is retained to subsidise attendance of those needing financial assistance to attend future events.

#### **Other funds (Restricted and endowment)**

The PCC has substantial other restricted funds from donations, legacies and bequests given with varying terms and conditions mainly for the maintenance of the Church buildings and grounds. These funds are the: Winmill fund, Bannehr fund, Fabric fund, Overs fund, Pimblett fund, Children and Youth Work fund, Vicar's Discretionary fund and three Endowment funds. The total value of these funds increased from £29,382 to £2,307,992 during the year mainly due to the receipt of legacies from the Winmill Trust (£1,762,729) and from the Bannehr Trust (£470,224).

### **Reserves policy**

At the end of the year unrestricted general funds amounted to £17,931 (2021: £21,854), restricted funds £2,412,407 (2021: £127,816) and endowment funds £5,411 (2021: £6,355).

It is PCC policy to ensure that funds will be available to cover future expenditure. The PCC does not maintain specific levels of reserves on the funds with the exception of the HEU Benefice Fund. This is because it has significant activity each year including responsibility for paying staff. It has therefore been decided that an appropriate reserves policy for the HEU Benefice fund is a minimum of two months' expenditure or approximately £20,000 (2021: £21,000).

The balance on the fabric funds is sufficient for any foreseeable future repair requirements.

### **Going Concern**

The PCC believes it is financially viable for the next 12 months. The HEU Benefice fund balance remains above the appropriate level of reserves and along with the unrestricted funds and other restricted funds, it is sufficient for activities to be maintained for 12 months.

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Annual Report for the Year Ended 31<sup>st</sup> December 2022**

**Plans for the future**

The Church reordering project now has a comprehensive plan in place. A letter of intent has been signed to allow Punch Construction to start ahead of the full contract being finalised. Drainage works have been undertaken together with test pilings and archaeological works. Internal works are expected to start in the building in September 2023.

**Trustees' responsibility statement**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the PCC on *10<sup>th</sup> September* 2023 and signed on its behalf by:



Simon Pilcher - Church warden (Trustee)

# **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

## **Opinion**

We have audited the financial statements of The Parochial Church Council Of The Ecclesiastical Parish Of St Mary The Virgin, Henham (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with the trustees and management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation of management's internal controls designed to prevent and detect irregularities;
- Reading key correspondence with the Charity Commission in relation to compliance with laws and regulations;
- Reviewing relevant meeting minutes;
- Procedures relating to the valuation of investments and vouching with third party confirmations.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations impacting revaluation; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



T P Curtis (Senior Statutory Auditor)  
for and on behalf of Barrow LLP  
Statutory Auditor  
Jackson House  
Station Road  
Chingford  
London E4 7BU

Date: 12 September 2023

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Statement of Financial Activities for the year ended 31<sup>st</sup> December 2022**

	Notes	Unrestricted Funds (£)	Restricted Funds (£)	Endowment Funds (£)	Total Funds 2022 (£)	Total Funds 2021 (£)
<b>Income</b>						
Donations	2(a)	1,173	2,354,344		<b>2,355,517</b>	101,095
Investments	2(b)	42	6,751	167	<b>6,960</b>	162
Charitable activities	2(c)	1,111			<b>1,111</b>	424
Other income	2(d)					1,341
<b>Total income</b>	<b>8</b>	<b>2,326</b>	<b>2,361,095</b>	<b>167</b>	<b>2,363,588</b>	<b>103,022</b>
<b>Expenditure</b>						
Charitable activities	3(a)	1,249	135,299	200	<b>136,748</b>	128,655
Other costs	3(b)		(285)		<b>(285)</b>	
<b>Total expenditure</b>	<b>8</b>	<b>1,249</b>	<b>135,014</b>	<b>200</b>	<b>136,463</b>	<b>128,655</b>
Net income/(expenditure) before investment gains		1,077	2,226,081	(33)	<b>2,227,125</b>	(25,633)
Net gains/(losses) on investments	5(b)		53,510	(911)	<b>52,599</b>	797
Transfer between funds	8	(5,000)	5,000			
Net income/(expenditure) being movement of funds		(3,923)	2,284,591	(944)	<b>2,279,724</b>	(24,836)
Total funds as originally stated						2,317,501
Prior year adjustment	10					(2,136,640)
Total funds brought forward	8	21,854	127,816	6,355	<b>156,025</b>	180,861
Total funds carried forward	8	<b>17,931</b>	<b>2,412,407</b>	<b>5,411</b>	<b>2,435,749</b>	156,025

The notes to the accounts are shown on pages 9 to 24 and form part of these financial statements.

All income and expenditure have arisen from continuing activities.

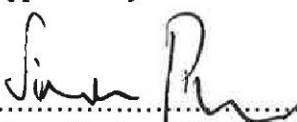
**THE PAROCHIAL CHURCH COUNCIL OF THE  
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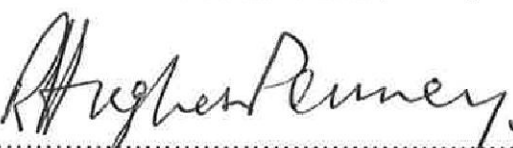
**Balance Sheet at 31st December 2022**

	Notes	2022 (£)	2021 (£)
<b>Fixed assets</b>			
Tangible	5(a)	12,882	
Investments	5(b)	461,897	6,355
<b>Total fixed assets</b>		<u>474,779</u>	<u>6,355</u>
<b>Current assets</b>			
Debtors	6	28,327	1,278
Cash at bank and in hand		1,959,000	150,360
<b>Total current assets</b>		<u>1,987,327</u>	<u>151,638</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>26,357</u>	<u>1,968</u>
<b>Net current assets</b>		<u>1,960,970</u>	<u>149,670</u>
<b>Total Net assets</b>		<u>2,435,749</u>	<u>156,025</u>
<b>Funds</b>			
Unrestricted funds	8 & 9	17,931	21,854
Restricted funds	8 & 9	2,412,407	127,816
Endowment funds	8 & 9	<u>5,411</u>	<u>6,355</u>
		<u>2,435,749</u>	<u>156,025</u>

The accompanying notes form part of these financial statements.

Approved by the Parochial Church Council on 10<sup>th</sup> September 2023 and signed on its behalf by:

  
Simon Pilcher – Church warden (Trustee)

  
Roger Hughes-Penney – Treasurer (Trustee)



**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Cash flow statement at 31st December 2022**

		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Notes		
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	<b>1</b>	<u><b>2,280,284</b></u>	<u><b>(23,900)</b></u>
<b>Cash flow from investing activities</b>			
Investments received as gifts		(1,159,649)	-
Proceeds from sale of investments		756,706	-
Net cash from investing activities		(52,599)	(797)
Purchase of tangible fixed assets		(16,102)	-
<b>Cash flow from financing activities</b>		<u><b>-</b></u>	<u><b>-</b></u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>1,808,640</b>	<b>(24,697)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2</b>	<u><b>150,360</b></u>	<u><b>175,057</b></u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2</b>	<u><b>1,959,000</b></u>	<u><b>150,360</b></u>



**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Cash flow statement at 31st December 2022**

**1. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the reporting period	2,279,724	(24,836)
Depreciation charges	3,220	-
(Increase)/decrease in debtors	(27,049)	(164)
Increase/(decrease) in creditors	<u>24,389</u>	<u>11,00</u>
	<u>2,280,284</u>	<u>(23,900)</u>

**2. Analysis of cash and cash equivalents**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year end 31 December 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<u>1,959,000</u>	<u>150,360</u>

**Year end 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<u>150,360</u>	<u>175,057</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022**

**1. Accounting policies**

**Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)-(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Church Accounting Regulations 2006.

The PCC constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

**Going concern**

The financial statements have been prepared on a going concern basis as the PCC members believe that no material uncertainties exist. The PCC members have considered the level of funds held and the expected level of income and expenditure for the 12 months from authorising these financial statements.

**Funds accounting**

Funds held by the PCC are:

Unrestricted funds - general funds which can be used by the PCC for ordinary purposes.

Designated funds - monies set aside by the PCC out of unrestricted funds for specific future purposes or projects. There are currently no designated funds.

Restricted funds - a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year is carried forward as the balance on that fund.

Endowment funds - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds depending on the purpose set out in the terms of the original endowment.

**THE PAROCHIAL CHURCH COUNCIL OF THE  
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**Notes to the Financial Statements for the year ended 31<sup>st</sup> December 2022  
- continued**

Where the PCC has not invested in a fund separately, interest is apportioned to individual funds on an average-balance basis.

**Income**

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, and the amount can be quantified with certainty. Donations, collections and gifts are recognised upon receipt. Donated services and facilities are only included in the income (with an equivalent amount in expenditure) where the benefit to the PCC is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the PCC for the service or facility received. All income is accounted for gross. Realised and unrealised gains or losses on investments are included in the SOFA.

**Expenditure**

All expenditure is accounted for on an accruals basis. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. All costs have been directly allocated to the relevant activity.

**Fixed Assets**

*Tangible fixed assets*

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery       -       Straight line over 5 years

Consecrated and beneficed property of any kind is excluded from the accounts in accordance with s.10(2) (a) of the Charities Act 2011.

**Investments**

Investments are stated at market value at the balance sheet date, 31st December. Gains and losses arising from movements in market values during the year are credited or charged to the Statement of Financial Activities based on the market value at the year end.

**Debtors**

Trade and other debtors are recognised at the settlement value before any trade discounts due.

**Cash at bank**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short term maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts.

**Creditors**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at the settlement amount after allowing for any trade discounts.

**THE PAROCHIAL CHURCH COUNCIL OF THE  
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**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 – continued**

**Transactions involving members of the PCC and connected persons**

Members of the PCC are obliged to declare any interest in any proposed transaction that involves them or connected persons, and to withdraw from any discussions and not participate in any vote taken. Any transactions undertaken by or on behalf of the PCC and involving members of the PCC and/or connected persons are described in these notes, if applicable.

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Financial assets include the bank balances, trade debtors and other debtors, but exclude prepayments and taxation.

Financial liabilities include trade creditors, other creditors, accruals and deferred income, but exclude social security and other taxes due.

**Key Source of Judgement and Estimate Uncertainty**

No significant judgements or assumptions have been made by the PCC in applying the Charity's accounting policies.

With respect to the next reporting period 2023, the most significant area of uncertainty that affects the carrying value of assets held by the Church are the level of investment return particularly from investment income and the performance of investment markets.

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**2. Income**

	<b>Unrestricted Funds (£)</b>	<b>Restricted Funds (£)</b>	<b>Endowment Funds (£)</b>	<b>Total Funds 2022 (£)</b>	<b>Total Funds 2021 (£)</b>
<b>2(a) Donations</b>					
Planned giving:					
Gift Aid donations	240	74,466		<b>74,706</b>	66,464
Tax recoverable	220	19,695		<b>19,915</b>	17,366
Other	50	6,657		<b>6,707</b>	8,611
Collections (open plate)	638	278		<b>916</b>	911
Grant from Ugley to Benefice		5,000		<b>5,000</b>	
Donations, appeals, legacies, etc.	25	2,248,248		<b>2,248,273</b>	7,743
	<b>1,173</b>	<b>2,354,344</b>		<b>2,355,517</b>	<b>101,095</b>
<b>2(b) Investments</b>					
Dividends and interest including tax recoverable	42	4,351	167	<b>4,560</b>	162
Rental income		2,400		<b>2,400</b>	
	<b>42</b>	<b>6,751</b>	<b>167</b>	<b>6,960</b>	<b>162</b>
<b>2(c) Charitable activities</b>					
Fees from weddings etc	1,111			<b>1,111</b>	424
	<b>1,111</b>			<b>1,111</b>	<b>424</b>
<b>2(d) Other income</b>					<b>1,341</b>
					<b>1,341</b>
<b>Total income</b>	<b>2,326</b>	<b>2,361,095</b>	<b>167</b>	<b>2,363,588</b>	<b>103,022</b>

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ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**2. Income for prior year (2021)**

	<b>Unrestricted Funds (£)</b>	<b>Restricted Funds (£)</b>	<b>Endowment Funds (£)</b>	<b>Total Funds 2021 (£)</b>	<b>Total Funds 2020 (as restated) (£)</b>
<b>2(a) Donations</b>					
Planned giving:					
Gift Aid donations	240	66,224		<b>66,464</b>	70,025
Tax recoverable	284	17,082		<b>17,366</b>	16,321
Other	100	8,511		<b>8,611</b>	12,735
Collections (open plate)	495	416		<b>911</b>	1,624
Grant from Ugley to Benefice					15,000
Donations, appeals etc.	5,000	2,743		<b>7,743</b>	2,418
	<b>6,119</b>	<b>94,976</b>		<b>101,095</b>	<b>118,123</b>
<b>2(b) Investments</b>					
Dividends and interest including tax recoverable	4	158		<b>162</b>	191
	<b>4</b>	<b>158</b>		<b>162</b>	<b>191</b>
<b>2(c) Charitable activities</b>					
Fees from weddings etc	424			<b>424</b>	636
Benefice Weekend Away					5,473
	<b>424</b>			<b>424</b>	<b>6,113</b>
<b>2(d) Other income</b>					
	15	1,326		<b>1,341</b>	5,360
	<b>15</b>	<b>1,326</b>		<b>1,341</b>	<b>5,360</b>
<b>Total income</b>	<b>6,562</b>	<b>96,460</b>		<b>103,022</b>	<b>129,787</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**3 Expenditure**

	<b>Unrestricted Funds (£)</b>	<b>Restricted Funds (£)</b>	<b>Endowment Funds (£)</b>	<b>Total Funds 2022 (£)</b>	<b>Total Funds 2021 (£)</b>
<b>3(a) Charitable activities</b>					
Mission and charitable giving		9,673		<b>9,673</b>	10,777
Parish Share		79,267		<b>79,267</b>	76,302
Employment costs 4(a)		15,102		<b>15,102</b>	28,163
Employees' expenses		1,000		<b>1,000</b>	1,915
Office & Hall	150	7,699		<b>7,849</b>	4,714
Church running expenses	91	2,289		<b>2380</b>	
Church maintenance		5,266		<b>5,266</b>	284
Church building repairs	150	5,399	200	<b>5,749</b>	
Upkeep of services	593	405		<b>998</b>	2,191
Depreciation		3,221		<b>3,221</b>	
Bank Charges		104		<b>104</b>	
Governance		5,262		<b>5,262</b>	
Sundry	265	612		<b>877</b>	4,309
	<b>1,249</b>	<b>135,299</b>	<b>200</b>	<b>136,748</b>	<b>128,655</b>
<b>3(b) Other costs</b>					
Property running costs		(285)		<b>(285)</b>	
<b>Total Expenditure</b>	<b>1,249</b>	<b>135,014</b>	<b>200</b>	<b>136,463</b>	<b>128,655</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE  
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**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**3 Expenditure for prior year (2021)**

	Notes	Unrestricted Funds (£)	Restricted Funds (£)	Endowment Funds (£)	Total Funds 2021 (£)	Total Funds 2020 (as restated) (£)
<i>Charitable activities</i>						
Mission and charitable giving		175	10,602		10,777	10,401
Parish Share			76,302		76,302	80,519
Employment costs	4(a)		28,163		28,163	54,342
Employees' expenses			1,915		1,915	6,456
Conferences						
Office & Hall			4,714		4,714	4,892
Church running expenses						398
Church maintenance		284			284	33
Upkeep of services		463	1,728		2,191	928
Evangelism						
Equipment						153
Benefice Weekend Away						5,138
Sundry			4,309		4,309	2,790
<b>Total Expenditure</b>		<b>922</b>	<b>127,733</b>		<b>128,655</b>	<b>166,050</b>



**THE PAROCHIAL CHURCH COUNCIL OF THE  
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**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**4 (a) Employment costs**

	<b>Unrestricted Funds (£)</b>	<b>Restricted Funds (£)</b>	<b>Endowment Funds (£)</b>	<b>Total Funds 2022 (£)</b>	<b>Total Funds 2021 (£)</b>
Salaries		14,011		<b>14,011</b>	24,195
National insurance contributions		1,091		<b>1,091</b>	780
Pension contributions					3,188
	-	15,102		<b>15,102</b>	28,163

During the year the PCC employed a part-time administrator. This equated to 0.5 (2021: 0.5) of a full-time employee.

No employees received over £60,000 remuneration during the year (2021: nil).

The PCC considers its key management personnel to comprise the Incumbent Minister, the two Churchwardens, the Treasurer and the Secretary (as listed on page 3).

The Trustees neither received nor waived any remuneration during the year.

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**4 (b) Payments to PCC members**

There were no disclosable transactions in respect of PCC members, nor persons closely connected with them, nor other related parties.

**THE PAROCHIAL CHURCH COUNCIL OF THE  
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**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**5 Fixed assets**

**(a) Tangible**

	<b>Equipment/ Furniture (£)</b>
<b>Cost</b>	
At start of year	-
Additions	<u>16,102</u>
At end of year	<u>16,102</u>
<b>Depreciation</b>	
At start of year	-
Change in the year	<u>3,220</u>
At end of year	<u>3,220</u>
<b>Net book value at end of year</b>	<u>12,882</u>
At 31st December 2021	<u>-</u>

**(b) Investments**

	<b>2022 (£)</b>	<b>2021 (£)</b>
<i>At market value</i>		
Securities and invested cash	<b>301,288</b>	6,355
UK investment properties	<u><b>160,609</b></u>	
	<u><b>461,897</b></u>	<u>6,355</u>
Market value at start of year	<b>6,355</b>	5,558
Disposals at carrying value	<b>(756,706)</b>	
Purchases and Legacies	<b>1,159,649</b>	
Net gains/(losses) on investments	<u><b>52,599</b></u>	<u>797</u>
Market value at end of year	<u><b>461,897</b></u>	<u>6,355</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**6 Debtors:**

	<b>2022 (£)</b>	<b>2021 (£)</b>
Gift Aid tax recoverable	819	183
Prepayments & accrued income	8,381	114
Other debtors	19,127	981
	<u>28,327</u>	<u>1,278</u>

**7 Creditors: amounts falling due within one year**

	<b>2022 (£)</b>	<b>2021 (£)</b>
Creditors	15,191	1,968
Accruals and deferred income	11,166	
	<u>26,357</u>	<u>1,968</u>

**8 Statement of Funds**

The unrestricted funds comprise the following:

General fund: unrestricted funds held for the ordinary purposes of the PCC.

The restricted funds comprise the following:

HEU Benefice Fund	Funds held for the income & expenditure relating to the joint benefice.
Fabric Fund	Funds held for the general maintenance of the fabric and furnishings of the church.
Benefice weekend Fund	Funds held for purposes of benefice retreats.
Children and Youth Work Fund	Funds for children and youth work. (Closed in 2021)
Overs Fund	Funds held for the upkeep of the graves of the Overs family.
Pimblett Fund	Funds held for the repair of the graveyard wall.
Vicar's Discretionary Fund	Funds held for the assistance of needy parishioners.

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**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

Winmill Fund                      Funds held for the general maintenance of the fabric and furnishings of the church.

Bannehr Fund                      Funds held for the general maintenance of the fabric and furnishings of the church.

The endowment funds comprise the following:

Ormerod Fund                      Funds held for the general maintenance of the churchyard.

Pilkington Fund                      Funds held for the upkeep of the graves of George Pilkington and his wife.

Chancel Tithe                      Funds held for chancel repairs and insurance of the church.

Transfers - a transfer was made from the unrestricted general fund to the restricted HEU Benefice Fund as a grant from Henham to the Benefice.

**8. Statement of Funds (continued)**

	Balance at 1- Jan 2022 (£)	Income (£)	Expenditure (£)	Invest- ment Gains/ (Losses) (£)	Transfers (£)	Balance at 31-Dec 2022 (£)
<b>Unrestricted funds</b>						
General	21,854	2,326	(1,249)		(5,000)	17,931
<b>Restricted funds</b>						
Winmill		1,767,542	(16,825)	53,510		1,804,227
Bannehr		471,998				471,998
Vicar's Discretionary	1,356	3,675	(509)			4,522
HEU Benefice	102,350	117,717	(117,680)		5,000	107,387
Fabric	11,474	163				11,637
Benefice Weekend Away	2,439					2,439
Overs	197					197
Pimblett	10,000					10,000
	<b>127,816</b>	<b>2,361,095</b>	<b>(135,014)</b>	<b>53,510</b>	<b>5,000</b>	<b>2,412,407</b>
<b>Endowment funds</b>						
Ormerod	1,718	45	(200)	(247)		1,316
Pilkington	4,496	118		(647)		3,967
Chancel tithe	141	4		(17)		128
	<b>6,355</b>	<b>167</b>	<b>(200)</b>	<b>(911)</b>	<b>-</b>	<b>5,411</b>
<b>Total funds</b>	<b>156,025</b>	<b>2,363,588</b>	<b>(136,463)</b>	<b>52,599</b>	<b>-</b>	<b>2,435,749</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE  
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**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**Agency Arrangements**

The PCC received funds in August 2022 as a result of gifts from two Trusts ( the Winmill Trust and the Bannehr Trust) that were established through legacies from two estates. The assets of these Trusts were previously incorrectly reported in the PCC's figures until 31st December 2020.

**8. Statement of funds (continued) – Prior year (2021)**

	Balance at 1-Jan-21 (£)	Income (£)	Expenditure (£)	Invest- ment gains (£)	Transfers (£)	Balance at 31-Dec-21 (£)
<b>Unrestricted funds</b>						
General	17,714	6,562	(922)		(1,500)	21,854
<b>Restricted funds</b>						
Vicar's Discretionary	2,159	2,700	(3,503)			1,356
HEU Benefice	130,949	93,602	(123,701)		1,500	102,350
Fabric	11,316	158				11,474
Benefice Weekend Away	2,439					2,439
Children and Youth Work	529		(529)			
Overs	197					197
Pimblett	10,000					10,000
	157,589	96,460	(127,733)		1,500	127,816
<b>Endowment funds</b>						
Ormerod	1,503			215		1,718
Pilkington	3,934			562		4,496
Chancel tithe	121			20		141
	5,558			797		6,355
<b>Total funds</b>	180,861	103,022	(128,655)	797		156,025

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST MARY THE VIRGIN, HENHAM**

**Notes to the Financial Statements for the year ended 31<sup>st</sup> December  
2022 - continued**

**9 Analysis of net assets by fund**

	<b>Unrestricted funds (£)</b>	<b>Restricted funds (£)</b>	<b>Endowment funds (£)</b>	<b>Total (£)</b>
Tangible fixed assets		12,882		<b>12,882</b>
Investment assets		456,286	5,611	<b>461,897</b>
Net current assets	17,931	1,943,239	(200)	<b>1,960,970</b>
<b>Total funds at 31 December 2022</b>	<b>17,931</b>	<b>2,412,407</b>	<b>5,411</b>	<b>2,435,749</b>
Tangible fixed assets				
Investment assets			6,355	<b>6,355</b>
Net current assets	21,854	127,816		<b>149,670</b>
<b>Total funds at 31 December 2021</b>	<b>21,854</b>	<b>127,816</b>	<b>6,355</b>	<b>156,025</b>

**10 Prior Year Adjustment**

This adjustment was necessary because the Winmill and Bannehr Trusts were incorrectly included in the PCC's figures in 2020 and in previous years. The effect on the reserves at 1 January 2020 was a reduction of £2,136,640. The trust funds were correctly transferred into the PCC's figures in 2022 following gifts made from the Trustees of each of the Trusts.

**11 Financial Commitments**

On 21 November 2022, the charity entered into an agreement and committed £48,000 for ground clearance and archaeology clearance works. This commitment was duly approved by the Trustees.

**12 Post balance sheet events**

In late November 2022, the Trustees announced their intention to initiate significant refurbishment works at the Church, utilising funds received from the Winmill Trust and Bannehr Trust. The projected cost of for this proposed project is approximately £1,750,000. The project will give rise to improved heating, lighting, and audio-visual facilities. It will include toilets and food preparation areas that are safe and accessible, together with new areas that can better support a creche, our Sunday Club, and also those at the other end of the age range. It will result in a church building that is beautified and fit for purpose in the 21st century as we reach out to our community and build people up as we seek to follow Jesus.

**13 Related party disclosure**

During the reporting period, no transactions have taken place between the Charity and its related parties that are required to be disclosed in accordance with the applicable accounting standards.