

Parochial Church Council of St. Giles' Church Exhall

Annual Financial Report for the year ending 31 December 2020



Incumbent

The Reverend Gail Phillip

Treasurer

The Reverend Stephen Carter

Bankers

Santander UK plc
CCLA Investment Management Ltd.
Churches' Mutual Credit Union

Independent Examiner

Gavin Kibble

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Introduction

Basis of preparing the financial statements

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Incoming resources and resources expended

All incoming resources are included in the Statement of Financial Activities when the church is legally entitled to the income and the amount can be quantified with reasonable accuracy. Expenditure is accounted for on an accruals and prepayments basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fund accounting

Unrestricted funds can be used in accordance with the church's objectives at the discretion of the PCC. Designated funds comprise funds that have been set aside at the discretion of the PCC for specific purposes and recorded as such in the minutes of the PCC. Restricted funds can only be used for the particular purposes specified by the donor or when funds are raised for particular restricted purposes.

The restricted fund for the Church Houses is supported by income derived from the legacy of Frances Riley. This can be used for the upkeep of the Churchyard (including the Meadow) and for maintenance of the church building.

The Church Maintenance restricted fund is largely supported by income derived from the legacy of Susan Bourne. It can be used for the enhancement of the audio-visual equipment of the church and for interior decoration.

Other, smaller, restricted funds derive their funds from direct grants, donations and investment income. They can be used for the specific purposes suggested by their titles.

Investments

Investments are stated at market value. The house in Coventry Road is currently used as an investment asset and generates income for the church. A valuation instructed by the PCC in 2019 indicated its current open market value is £185,000.

Staff Costs

The average monthly headcount was two staff (2019: two staff) and the average monthly full-time equivalent employees (including part-time staff) was one (2019: one). No staff were furloughed as a result of the Covid-19 pandemic. No staff were paid at a higher rate than £60,000 per annum during this or the previous year. The church subscribes to a workplace pension scheme. There is currently one member of the scheme.

Financial Report

It will come as no surprise to learn that our income decreased substantially in 2020. Total income was down £166,487 year on year, though this was in large part because no legacies were received in 2020, whereas legacies totalling £155,885 were received in 2019. After stripping out these one-off items, underlying income in 2020 was down just over £12,000 year on year (after adjusting to exclude an increase of about £1,500 in investment income). This reduction was largely, although not totally, attributable to the effect of the Covid-19 pandemic restrictions upon church services and associated activities.

As might also be expected, our expenditure decreased by £48,618 year on year. This resulted in an overall deficit of £29,559 – only about £3,000 more than that for which we had budgeted. Given the extremely constrained circumstances we feel that this outcome was much better than that for which we had hoped. The deficit was fully funded from our general reserves, from which we transferred about £54,500.

A breakdown of all these figures is available on request. A copy of the full accounts is posted on a noticeboard in church.

The Large Church Hall is a charity in its own right and its finances have to be reported to the Charity Commission separately. The details of the figures, however, are part of the main church accounts. Income received from lettings and donations in the year totalled £3,652 (2019: £6,250), while total expenditure to run and maintain the hall and car park came in at £4,416 (2019: £12,161), giving a deficit of £764 (2019: deficit of £5,911). A review of church hall hire fees was undertaken by the Halls Committee on behalf of the PCC in 2020. They were found to be somewhat lower than equivalent charges in the local area so the decision was made to increase them and amend the system of available discounts. These changes will be phased in over a period of two years.

Accounting Policies

Reserves Policy

The PCC's policy is to review the reserves of the church on a regular basis. This review encompasses the nature of income and expenditure streams, and the PCC has determined that a general fund reserve of three month's unrestricted expenditure should be maintained. At the end of the year this target was £26,159 (2019: £31,319).

Risk Policy

The PCC has identified the risks that might affect the church and has provided relevant training as advised. The PCC reviews the church's policies and procedures regularly to minimise any risks identified.

Independent Examiner's report to the PCC of St. Giles' Church, Exhall for the year ended 31st December 2020.

This report on the accounts of the PCC for the year ended 31st December 2020, which are set out on pages 5 to 9, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and s.145 of the Charities Act 2011 ('the Act').

Respective responsibilities of the PCC and the examiner

As members of the PCC you are responsible for the preparation of the accounts; you consider that the audit requirement of the Regulations and section 144(2) of the Act do not apply. It is my responsibility to issue this report on those accounts in accordance with the terms of the Act and the Regulations.

Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commission under the Act and to be found in the Church Guidance, 2006 edition, issued by the Finance Division of the Archbishop's Council. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements –
 - to keep accounting records in accordance with section 130 of the Act; and
 - to prepare financial statements which accord with the accounting records and comply with the requirements of the Act and the Regulations have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

(Signed)

(Date)

Gavin Kibble ACMA
1 Kineton Road
Wyken
Coventry CV2 3NR

Statement of Financial Activities

| | Unrestricted funds | Restricted funds | Endowment funds | Total funds | Prior year total funds |
|---|--------------------|------------------|-----------------|------------------|------------------------|
| Income and endowments from: | | | | | |
| Donations and legacies | 54,259 | 6,852 | — | 61,112 | 220,290 |
| Income from charitable activities | 12,910 | — | — | 12,910 | 17,671 |
| Other trading activities | 6,481 | 2,280 | — | 8,761 | 13,101 |
| Investments | 470 | 10,285 | — | 10,755 | 8,964 |
| Total income | 74,122 | 19,417 | — | 93,540 | 260,027 |
| Expenditure on: | | | | | |
| Raising funds | 1,294 | 270 | — | 1,564 | 1,907 |
| Expenditure on charitable activities | 112,115 | 9,419 | — | 121,535 | 169,811 |
| Total expenditure | 113,410 | 9,689 | — | 123,100 | 171,718 |
| Net income / (expenditure) resources before transfer | (39,287) | 9,727 | — | (29,559) | 88,308 |
| Transfers | | | | | |
| Gross transfers between funds - in | 5,551 | 13,219 | — | 18,771 | 154,363 |
| Gross transfers between funds - out | (17,672) | (1,098) | — | (18,771) | (154,363) |
| Other recognised gains / losses | | | | | |
| Gains / losses on investment assets | 4,151 | 23,524 | — | 27,676 | 59,193 |
| Net movement in funds | (47,257) | 45,373 | — | (1,883) | 147,502 |
| Total funds brought forward | 108,498 | 1,108,544 | — | 1,217,042 | 1,069,540 |
| Total funds carried forward | 61,241 | 1,153,917 | — | 1,215,159 | 1,217,042 |
| Represented by | | | | | |
| Unrestricted | | | | | |
| General fund | 60,237 | — | — | 60,237 | 100,987 |
| Designated | | | | | |
| Church Hall - Large | (749) | — | — | (749) | (4,935) |
| Church Hall - Small | 122 | — | — | 122 | (177) |
| Church Houses | — | — | — | — | 10,408 |
| Church Maintenance | 1,317 | — | — | 1,317 | 1,905 |
| Church Meadow | 312 | — | — | 312 | 310 |
| Restricted | | | | | |
| Church Hall - Large | — | 580 | — | 580 | — |
| Church Hall - Small | — | 500 | — | 500 | — |
| Church Houses | — | 294,675 | — | 294,675 | 261,520 |
| Church Maintenance | — | 160,489 | — | 160,489 | 148,384 |
| Church Meadow | — | 1,821 | — | 1,821 | 3,244 |
| Churchyard | — | 2,664 | — | 2,664 | 2,137 |
| Property Values | — | 691,084 | — | 691,084 | 691,084 |
| Remembrance Parade Road Closures | — | 400 | — | 400 | 400 |
| St Giles' Toddlers' Group | — | 264 | — | 264 | 264 |
| Youth Café | — | 1,438 | — | 1,438 | 1,509 |

Statement of assets and liabilities

| | This year | Last year |
|---|----------------|----------------|
| Investments | | |
| CCLA Riley Trust Legacy A/c - 111002290S | | |
| Church Houses (Restricted) - | 224,238 | 209,810 |
| | 224,238 | 209,810 |
| CCLA Bourne Legacy A/c - 611067001S | | |
| Church Maintenance (Restricted) - | 141,379 | 132,283 |
| | 141,379 | 132,283 |
| CCLA General Investment A/c - 611067001J | | |
| General fund (Unrestricted) - | 44,847 | 40,695 |
| | 44,847 | 40,695 |
| Total for Investments | 410,465 | 382,789 |
| Tangible assets | | |
| Large Hall | | |
| Property Values (Restricted) - | 396,348 | 396,348 |
| | 396,348 | 396,348 |
| Small Hall | | |
| Property Values (Restricted) - | 109,736 | 109,736 |
| | 109,736 | 109,736 |
| House - Coventry Road | | |
| Property Values (Restricted) - | 185,000 | 185,000 |
| | 185,000 | 185,000 |
| Total for Tangible assets | 691,084 | 691,084 |
| Cash at bank and in hand | | |
| Santander Current Account | | |
| General fund (Unrestricted) - | 14,742 | 2,945 |
| Church Maintenance (Designated) - | 1,317 | 1,905 |
| Church Maintenance (Restricted) - | 1,331 | 2,247 |
| Church Hall - Large (Designated) - | (749) | (4,452) |
| Church Hall - Large (Restricted) - | 580 | — |
| Church Hall - Small (Designated) - | 122 | (45) |
| Church Hall - Small (Restricted) - | 500 | — |
| Churchyard (Restricted) - | 2,664 | 2,137 |
| Church Meadow (Designated) - | 312 | 310 |
| Church Meadow (Restricted) - | 1,821 | 3,343 |
| Church Houses (Designated) - | — | 10,408 |
| Church Houses (Restricted) - | 4,199 | 2,000 |
| Youth Café (Restricted) - | 1,438 | 1,509 |
| St Giles' Toddlers' Group (Restricted) - | 159 | 159 |
| Remembrance Parade Road Closures (Restricted) - | 400 | 400 |
| | 28,841 | 22,868 |
| CCLA No 2 A/c - 611067003D | | |
| General fund (Unrestricted) - | 316 | 29,738 |
| | 316 | 29,738 |
| CCLA Restoration A/c - 611067004D | | |
| Church Maintenance (Restricted) - | 17,778 | 13,753 |
| | 17,778 | 13,753 |
| CCLA Riley Trust Income A/c - 611067005D | | |
| Church Houses (Restricted) - | 66,237 | 49,710 |
| | 66,237 | 49,710 |
| CMCU Ltd A/c - 1031 | | |
| General fund (Unrestricted) - | 316 | 25,190 |
| | 316 | 25,190 |

| | | | |
|---|--|------------------|------------------|
| Administrator's Cash A/c | | | |
| General fund (Unrestricted) - | | 1 | 21 |
| | | 1 | 21 |
| Toddlers' Group Cash A/c | | | |
| St Giles' Toddlers' Group (Restricted) - | | 104 | 104 |
| | | 104 | 104 |
| Churchwardens' Cash A/c | | | |
| General fund (Unrestricted) - | | 12 | 41 |
| Church Maintenance (Restricted) - | | — | 100 |
| Church Meadow (Restricted) - | | — | (98) |
| | | 12 | 42 |
| Total for Cash at bank and in hand | | 113,609 | 141,430 |
| Debtors | | | |
| Accounts Receivable | | | |
| General fund (Unrestricted) - | | — | 2,930 |
| | | — | 2,930 |
| Total for Debtors | | — | 2,930 |
| Creditors: Amounts falling due in one year | | | |
| Accounts Payable | | | |
| General fund (Unrestricted) - | | — | (576) |
| Church Hall - Large (Designated) - | | — | (482) |
| Church Hall - Small (Designated) - | | — | (131) |
| Total for Creditors: Amounts falling due in one year | | — | (1,191) |
| Grand total | | 1,215,159 | 1,217,042 |

Analysis of income and expenditure

| | Unrestricted | Designated | Restricted | Endowment | This year | Last year |
|--|--------------|------------|------------|-----------|-----------|-----------|
| INCOME AND ENDOWMENTS | | | | | | |
| Donations and legacies | | | | | | |
| Bank SOs (Gift Aided) | 18,688 | — | — | — | 18,688 | 15,616 |
| Envelopes (Gift Aided) | 13,752 | — | — | — | 13,752 | 17,746 |
| CAF Vouchers | — | — | — | — | — | 515 |
| CAF Donate | 2,146 | — | — | — | 2,146 | — |
| Bank SOs (Non-Gift Aided) | 1,124 | — | — | — | 1,124 | 1,030 |
| Envelopes (Non-Gift Aided) | 3,038 | — | — | — | 3,038 | 3,024 |
| Loose plate collections | 2,416 | — | — | — | 2,416 | 5,707 |
| One-off gifts (Gift Aided) | 715 | — | 120 | — | 835 | 1,380 |
| One-off gifts (Non-Gift Aided) | 1,788 | 100 | 1,460 | — | 3,348 | 2,482 |
| Other donations, appeals etc. | 217 | — | 200 | — | 417 | 70 |
| Wall Safe | 107 | — | — | — | 107 | 386 |
| Candles | 10 | — | — | — | 10 | 30 |
| Tax recoverable on Gift Aid & GASD | 8,524 | — | — | — | 8,524 | 10,557 |
| Legacies | — | — | — | — | — | 155,885 |
| Recurring grants | — | — | 4,548 | — | 4,548 | 4,359 |
| Non-recurring one-off grants | 1,630 | — | 524 | — | 2,154 | 1,500 |
| Total | 54,159 | 100 | 6,852 | — | 61,112 | 220,290 |
| Income from charitable activities | | | | | | |
| Fees for Occasional Services | 8,019 | — | — | — | 8,019 | 10,317 |
| Large hall lettings | — | 3,652 | — | — | 3,652 | 5,250 |
| Small hall lettings | — | 454 | — | — | 454 | 1,016 |
| Magazine income - sales | 785 | — | — | — | 785 | 809 |
| Playgroup income | — | — | — | — | — | 277 |
| Total | 8,804 | 4,106 | — | — | 12,910 | 17,671 |
| Other trading activities | | | | | | |
| Fund-raising sales and events | — | — | 30 | — | 30 | 2,881 |
| Other funds generated | 65 | — | — | — | 65 | 24 |
| Rent from Coventry Road House | — | 4,574 | 2,250 | — | 6,824 | 8,000 |
| Bookstall sales | — | — | — | — | — | 31 |
| Photocopying | 15 | — | — | — | 15 | 164 |
| Small Hall - PV Cell income | — | 884 | — | — | 884 | 797 |
| National Grid Wayleave | — | 2 | — | — | 2 | 2 |
| Magazine income - advertising | 940 | — | — | — | 940 | 1,200 |
| Total | 1,020 | 5,460 | 2,280 | — | 8,761 | 13,101 |
| Investments | | | | | | |
| Dividends | 125 | — | — | — | 125 | 2,600 |
| Income transferred from investments | — | 257 | 10,036 | — | 10,293 | — |
| Bank and building society interest | 77 | 10 | 248 | — | 336 | 6,363 |
| Total | 203 | 267 | 10,285 | — | 10,755 | 8,964 |
| INCOME TOTAL | 64,187 | 9,934 | 19,417 | — | 93,540 | 260,027 |

EXPENDITURE

Raising funds

| | | | | | | |
|--|-----|-------|-----|---|-------|-------|
| Costs of stewardship campaign | 271 | — | — | — | 271 | 155 |
| Costs of fetes & other events | — | — | — | — | — | 791 |
| House management costs - Coventry Road | — | 1,022 | 270 | — | 1,292 | 960 |
| Total | 271 | 1,022 | 270 | — | 1,564 | 1,907 |

Expenditure on charitable activities

| | | | | | | |
|--|-----------------|--------------|--------------|----------|-----------------|----------------|
| Giving - Missionary Societies | 1,360 | — | — | — | 1,360 | 1,625 |
| Giving - Relief & Development | 1,360 | — | — | — | 1,360 | 1,822 |
| Agencies | | | | | | |
| Giving - Home mission | 1,360 | — | — | — | 1,360 | 1,817 |
| Giving - Secular Charities | 1,360 | — | — | — | 1,360 | 1,754 |
| Ministry parish share etc | 67,220 | — | — | — | 67,220 | 65,900 |
| Assistant staff costs | — | — | — | — | — | 56 |
| Family Worker Salary | 11,733 | — | 227 | — | 11,960 | 12,744 |
| Salary of parish administrator | 5,170 | — | — | — | 5,170 | 6,138 |
| Organists | 625 | — | — | — | 625 | 2,500 |
| Working expenses of incumbent | 199 | — | — | — | 199 | 29 |
| Working expenses of F & C's Worker | 321 | — | 71 | — | 393 | 552 |
| Vicar's telephone | 116 | — | — | — | 116 | 60 |
| Parish training | 144 | — | — | — | 144 | 53 |
| Mission Resources | 189 | — | 296 | — | 485 | — |
| Website | 93 | — | — | — | 93 | 43 |
| Social Outreach Events | — | — | — | — | — | 140 |
| Church running - insurance | 3,956 | — | — | — | 3,956 | 4,030 |
| Church office - Telephone / Internet | 466 | — | — | — | 466 | 630 |
| Organ / piano tuning | 295 | — | — | — | 295 | — |
| Church maintenance | 716 | 588 | 768 | — | 2,072 | 2,094 |
| Cleaning | 592 | — | — | — | 592 | 4 |
| Sundry church expenses | 394 | — | 278 | — | 672 | 689 |
| Covid-19 Expenses | 342 | — | — | — | 342 | — |
| Upkeep of services | 1,224 | — | — | — | 1,224 | 1,338 |
| Church Broadband Connection | 238 | — | — | — | 238 | — |
| Choir Expenses | — | — | — | — | — | 112 |
| Upkeep of Churchyard | 6 | — | 3,033 | — | 3,039 | 3,665 |
| Upkeep of Meadow | — | — | 1,622 | — | 1,622 | 2,826 |
| Waste Disposal | — | — | 986 | — | 986 | 989 |
| Administration | 207 | — | — | — | 207 | 126 |
| Office Stationery | 904 | — | — | — | 904 | 1,011 |
| Photocopier Costs | 1,682 | — | — | — | 1,682 | 1,727 |
| Visiting speakers / locums | — | — | — | — | — | 32 |
| Refreshments | 235 | — | — | — | 235 | 419 |
| Playgroup expenses | — | — | — | — | — | 202 |
| Church running - electric | 305 | — | — | — | 305 | 470 |
| Church running - gas | 1,182 | — | — | — | 1,182 | 1,345 |
| Magazine expenses | 110 | — | — | — | 110 | 44 |
| Large Hall running - electricity | — | 1,535 | — | — | 1,535 | 2,693 |
| Large Hall running - licencing | — | 124 | — | — | 124 | 132 |
| Large Hall running - insurance | — | 1,299 | — | — | 1,299 | 1,324 |
| Large Hall running - maintenance | — | 838 | — | — | 838 | 1,318 |
| Large Hall running - cleaning | — | 620 | — | — | 620 | 1,514 |
| Small Hall running - electricity | — | 445 | — | — | 445 | 884 |
| Small Hall running - insurance | — | 395 | — | — | 395 | 403 |
| Small Hall running - maintenance | — | 33 | — | — | 33 | 446 |
| Small Hall running - cleaning | — | 263 | — | — | 263 | 766 |
| House insurance costs - Coventry Road | — | 178 | — | — | 178 | 168 |
| House minor repair costs - Coventry Road | — | 1,391 | 2,115 | — | 3,506 | 908 |
| House running costs - Coventry Road | — | 36 | 19 | — | 55 | — |
| Governance costs examination/audit fee | 250 | — | — | — | 250 | 250 |
| Church major repairs - installation | — | — | — | — | — | 2,259 |
| Large Hall - major repairs (structure) | — | — | — | — | — | 4,880 |
| Large Hall - fixtures & fittings depreci | — | — | — | — | — | 19,366 |
| Small Hall - fixtures & fittings depreci | — | — | — | — | — | 15,492 |
| Total | 104,364 | 7,751 | 9,419 | — | 121,535 | 169,811 |
| EXPENDITURE TOTAL | 104,636 | 8,774 | 9,689 | — | 123,100 | 171,718 |
| GRAND TOTAL | (40,448) | 1,160 | 9,727 | — | (29,559) | 88,308 |

Conclusion

As we started the year, Sue Talbot and Jacquie Coleman counted and banked the money regularly as before, and our thanks go to them for their great help. Covid-19 and the ensuing lockdown meant that they were unable to continue beyond March and, since then, Stephen & Gwyneth Carter have fulfilled this task.

There is no doubt that we are in a precarious situation as far as our funds are concerned. The Finance & Stewardship Committee and the PCC will continue to monitor the situation closely and seek to identify and take mitigating action where possible and appropriate.

This report dated: 15 February 2021



Stephen Carter
PCC Treasurer



Gail Phillip
Incumbent & PCC Chair