

**The Parish of Malmesbury & Brokenborough  
within the  
Upper Avon Benefice**

**End of Year Financial Statements**

**Year ending  
31 December 2020**

## 1. Reference and administrative information

This is the annual trustees report of the Parochial Church Council (PCC) of the ecclesiastical parish of Malmesbury with Westport and Brokenborough, within the Upper Avon Benefice. The Charity is registered with the Charity Commission No. 1146631.

There are two churches within the parish: the Abbey Church of St Peter and St Paul, Gloucester Street, Malmesbury, and St John the Baptist, Brokenborough. The parish office is located at The Old Squash Court, Holloway, Malmesbury SN16 9BA.

The members of the PCC at the start of the financial year were

Vicar

Rev. Oliver Ross

Associate Ministers

Rev. Mandy Churcher

Curate

Vacant

Churchwardens

Mark Hunt

Adele Carnegie

Pro-Warden for Brokenborough

Richard Robins

Synod Members

Deanery Synod - John Sunderland, Christopher Jager, Jane Henderson, Catherine Price.

Elected Members

Paul Coram, Doug Price (co-opted), Ann Holt, Geoff Canning, Doug Johnston, Sue Kirby, Alan McAdam, Janet Parke, Elliot Sagar, Simon Shaw, Jaqueline Tong, Carole Woodfield, Brian Whitehead.

Ex-officio member

Licensed Clergy Revd Mandy Churcher

Lay Minister Representative

Not filled

Youth Representative

Not filled

Jane Sunderland was co-opted onto the PCC in January 2020 as Treasurer.

Jane Henderson passed away during her term of office.

At the Annual Parochial Church Meeting (APCM) in October 2020, Richard Searle-Barnes, Fiona Petrie, Matt Bird and Jane Sunderland were elected to serve on the PCC for 3 years. Simon Shaw was re-elected.

Claire Camm was elected to the post of Church Warden, replacing Mark Hunt. Catherine Price was co-opted to Diocesan Synod.

No Pro-Warden for Brokenborough

(Mark Odium co-opted as Representative for Brokenborough)

The posts of lay minister representative and youth representative were not filled.



At an extraordinary meeting of the new PCC in October 2020, Richard Searle-Barnes was appointed as PCC Secretary, Jane Sunderland as PCC Treasurer and Ann Holt as PCC Vice Chairman, replacing John Sunderland. Richard Venn was co-opted to the PCC.

The main bank account is held with HSBC, with Lloyds being used to pay cash in.

The APCM re-appointed Christopher Sullivan to be the Independent Examiner.

Day to day running of the parish is in the hands of the Church Wardens and Ministry Team.

## **2. Structure government and management**

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure.

The appointment of PCC members is governed by and set out in the Church Representation Rules.

The members of the PCC are elected for a term of office of up to three years at the APCM. Ex officio members include the incumbent, two churchwardens, up to two pro-wardens of Brokenborough, the curate, one or more assistant ministers, a representative of the lay ministers, and those elected to serve on Deanery, Diocesan and General Synod. Other members are occasionally co-opted to serve until the following APCM. All members must have been on the electoral roll for at least six months, though no formal qualifications are required. Since the PCC is concerned with a wide range of matters affecting the parish, such as compliance with health and safety and disability discrimination legislation, and protection of children and vulnerable adults, expert advice in those fields is sought, and every effort is made to acquaint members with their responsibilities in these areas.

The incumbent acts as Chairman of the PCC. As soon as possible after the APCM, the PCC chooses a vice-chairman, secretary and treasurer to serve until the next APCM. The business of the PCC is determined by the Standing Committee, which consists of a minimum of chairman, secretary and churchwardens. During 2020 the Treasurer, also served on the Standing Committee. The PCC normally meets on the second Saturday of alternate months, but other meetings may take place as the need arises.

The PCC appoints committees to specialise in specific areas of the parish's activities. These include

- Property Oversight Committee (POC)
- Financial Oversight Committee (FOC)
- Health and Safety Committee (HSC)

The composition of these committees is determined by the PCC, and they provide regular reports to the general meetings.

One of the functions of the FOC is to review the financial risks to which the PCC is exposed and the procedures for managing these risks.

## **3. Objectives and activities**

The primary object of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC co-operates with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Parish Office, Holloway, Malmesbury and Eilmer House, 7-9 Gloucester Street, Malmesbury.



While much of the PCC's time has been spent dealing with the day to day running of the parish, vision days are occasionally held at which the members assess how we are performing as a church and discussing the way forward. A portion of most regular meetings is set aside for a broader discussion of a particular topic.

While the Abbey employs various staff, including a Children and Youth Minister, an organist, two parish administrators in a job share, events coordinator, a housekeeper and a cleaner, much of the day to day running of the parish is in the hands of unpaid volunteers. These include, but are not limited to, churchwardens and deputy wardens, members of the PCC, chairmen and members of committees, and persons responsible for the upkeep of the Abbey and grounds. No attempt has been made to assign a monetary value for the work these people carry out, or to estimate what the cost would have been of employing people to perform these tasks.

The Malmesbury Abbey Restoration Scheme (MARS) - a £3 million project to build an extension to the Abbey to provide improved facilities and reorder the interior of the existing building – is still on hold (see the 2008 Trustees report).

#### **4. Achievements and performance**

See separate document *12<sup>th</sup> Century Beauty, 21<sup>st</sup> Century Church*.

#### **5. Financial review**

The impact during 2020 of the coronavirus pandemic on the Abbey's and Brokenborough's finances was significant. For 9 months of the year all buildings could not be fully open for visitors and congregation numbers were restricted. This impacted offerings at services and visitor donations. Similarly, the usual events and activities after March 2020 could not take place. Whilst income fell significantly, activity costs also reduced which went some way towards minimising the impact.

Total income on unrestricted funds was £356k. Regular giving was lower than 2019 by £13k, all from a reduction in giving via envelopes. Loose plate collections from services fell by £13k and visitor donations fell by £4k.

We were grateful to receive 3 legacies during the year. In September 2020 we received an unrestricted residuary legacy of £140,000 from the late Eleanor Green, a resident of Malmesbury a number of years ago. A further and final £10,790 from her estate has been received since the year end.

£80k was pledged and given in Parish Share, the sum of money paid to Bristol Diocese to help fund the expenses of running the Diocese, largely providing the stipend and housing for the clergy. Staff costs were £66k, after taking into account furlough grants receivable of £12k. Insurance, upkeep of the church yards and utilities are the next biggest expenses totalling £47k.

The net result for the year was an excess of income over expenditure of £110k.

The Green legacy has enabled the Abbey to increase its reserves, providing financial resilience through 2020 and a continuing source of finance to meet the uncertainties of 2021.



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PARISH OF MALMESBURY & BROKENBOROUGH WITHIN THE UPPER AVON BENEFICE**

I report on the accounts of The Parish of Malmesbury & Brokenborough within the Upper Avon Benefice for the year ended 31 December 2020, which are set out on pages 6 to 12.

**Respective responsibilities of the trustees and the examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- Follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- State whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission and to be found in Church Guidance, 2006 edition, issued by the Finance Division of the Archbishops' Council. An examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes consideration of 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, 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.

**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 2011 Act, and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act, 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.

Date 12 May 2021.....

Signed C. R. Sullivan  
FCR

C R Sullivan  
Chartered Accountant  
48 Bonners Close  
Malmesbury  
SN16 9UF

## Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
<b>Income and endowments from:</b>					
Donations and legacies	339,624	7,533	—	347,157	258,383
Income from charitable activities	6,018	—	—	6,018	9,966
Other trading activities	5,508	—	—	5,508	23,697
Investments	4,840	156	—	4,996	12,245
Other income	—	—	—	—	3,140
<b>Total income</b>	<b>355,990</b>	<b>7,689</b>	<b>—</b>	<b>363,679</b>	<b>307,430</b>
<b>Expenditure on:</b>					
Raising funds	3,493	—	—	3,493	10,764
Expenditure on charitable activities	236,971	13,482	—	250,453	276,500
<b>Total expenditure</b>	<b>240,464</b>	<b>13,482</b>	<b>—</b>	<b>253,946</b>	<b>287,264</b>
<b>Net income / (expenditure) resources before transfer</b>	<b>115,526</b>	<b>(5,793)</b>	<b>—</b>	<b>109,733</b>	<b>20,166</b>
<b>Transfers</b>					
Gross transfers between funds - in	1	160	—	161	705
Gross transfers between funds - out	(161)	—	—	(161)	(705)
<b>Other recognised gains / losses</b>					
<b>Net movement in funds</b>	<b>115,366</b>	<b>(5,633)</b>	<b>—</b>	<b>109,733</b>	<b>20,166</b>
<b>Total funds brought forward</b>	<b>222,530</b>	<b>61,950</b>	<b>—</b>	<b>284,480</b>	<b>264,313</b>
<b>Total funds carried forward</b>	<b>337,896</b>	<b>56,317</b>	<b>—</b>	<b>394,213</b>	<b>284,480</b>
<b>Represented by</b>					
<b>Unrestricted</b>					
General fund	337,240	—	—	337,240	222,200
<b>Designated</b>					
Holiday At Home	330	—	—	330	330
MUHL Y	—	—	—	—	1
Sound System	326	—	—	326	—
<b>Restricted</b>					
Abbey Online - digital/streaming/IT	—	269	—	269	—
Abbey Sofas	—	—	—	—	2,000
Agency Collection	—	195	—	195	195
Brokenborough Fabric Fund	—	25,378	—	25,378	28,926
Choir Fund	—	515	—	515	601
Heating Fund	—	2,124	—	2,124	2,833
Ministry Assistant	—	5,800	—	5,800	5,318
Move Screen Provision	—	1,165	—	1,165	1,165
Quinquennial Repairs	—	20,871	—	20,871	20,913



## Balance sheet

	Total funds	Prior year funds
<b>Fixed assets</b>		
Tangible assets	136,823	148,767
Investments	1	—
	<u>136,824</u>	<u>148,767</u>
<b>Current assets</b>		
Debtors	6,067	3,390
Investments	—	695
Cash at bank and in hand	255,214	128,769
	<u>261,281</u>	<u>132,854</u>
<b>Liabilities</b>		
Creditors: Amounts falling due in one year	3,892	(2,859)
	<u>3,892</u>	<u>(2,859)</u>
<b>Net current assets less current liabilities</b>	<u>257,389</u>	<u>135,713</u>
<b>Total assets less current liabilities</b>	<u>394,213</u>	<u>284,480</u>
<b>Total net assets less liabilities</b>	<u>394,213</u>	<u>284,480</u>
<b>Represented by</b>		
<b>Unrestricted</b>		
General fund	337,240	222,200
<b>Designated</b>		
Holiday At Home	330	330
MUHL	—	1
Mission	—	—
Sound System	326	—
<b>Restricted</b>		
Brokenborough Fabric Bond	—	—
Quinquennial Repairs	20,871	20,913
Abbey Sofas	—	2,000
Agency collection	195	195
Brokenborough Fabric Fund	25,378	28,926
Brokenborough Restricted	—	—
Choir Fund	515	601
Fabric Fund	—	—
Heating Fund	2,124	2,833
Ministry Assistant	5,800	5,318
Move Screen Provision	1,165	1,165
Abbey Online - digital/streaming/IT	269	—
<b>Funds of the church</b>	<u>394,213</u>	<u>284,480</u>

Approved by the Parochial Church Council and signed on their behalf by

Signed

Rev. O C M Ross - Vicar

Date

12 May 2021

Signed

J S Sunderland - Treasurer

Date

12/5/2021

## Analysis of income and expenditure

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
<b>INCOME AND ENDOWMENTS</b>						
<b>Donations and legacies</b>						
Gift Aid - Bank	111,685	1,560	180	—	113,425	111,036
Gift Aid - Envelopes	6,449	—	—	—	6,449	22,909
Other planned giving	12,342	—	—	—	12,342	11,996
Loose plate collections	3,797	—	60	—	3,857	16,556
Giving through church boxes	7,723	—	—	—	7,723	12,094
One-off Gift Aid gifts	—	—	—	—	—	9,490
Donations appeals etc	6,036	—	5,575	—	11,611	21,652
Tax recoverable on Gift Aid	29,850	423	468	—	30,741	35,389
Legacies	141,000	—	1,000	—	142,000	3,000
Recurring grants	18,515	—	—	—	18,515	6,600
Non-recurring one-off grants	—	—	250	—	250	3,963
Other funds generated	244	—	—	—	244	3,698
Total	337,641	1,983	7,533	—	347,157	258,383
<b>Income from charitable activities</b>						
Fees for weddings and funerals	4,853	—	—	—	4,853	9,866
Lettings - objectives	1,165	—	—	—	1,165	100
Total	6,018	—	—	—	6,018	9,966
<b>Other trading activities</b>						
Events	—	—	—	—	—	13,782
Event income - Lifepath	152	—	—	—	152	—
Event income - Skate	3,046	—	—	—	3,046	—
Event income - Little Stars	1,042	—	—	—	1,042	—
Lettings - fund raising	1,268	—	—	—	1,268	9,915
Total	5,508	—	—	—	5,508	23,697
<b>Investments</b>						
Bank and building society interest	62	—	156	—	218	287
Rent	4,778	—	—	—	4,778	11,958
Total	4,840	—	156	—	4,996	12,245
<b>Other income</b>						
Insurance claims	—	—	—	—	—	3,140
Total	—	—	—	—	—	3,140
<b>INCOME TOTAL</b>	<b>354,007</b>	<b>1,983</b>	<b>7,689</b>	<b>—</b>	<b>363,679</b>	<b>307,430</b>



## Analysis of income and expenditure (continued)

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
<b>EXPENDITURE</b>						
<b>Raising funds</b>						
Costs of events	—	—	—	—	—	10,764
Costs of Events - Lifepath	490	—	—	—	490	—
Costs of events - Skate	2,607	—	—	—	2,607	—
Costs of events - Little Stars	396	—	—	—	396	—
Total	3,493	—	—	—	3,493	10,764
<b>Expenditure on charitable activities</b>						
Giving to missionary societies	56	—	—	—	56	292
Home mission	1,650	—	—	—	1,650	4,616
Secular charities	795	305	—	—	1,100	458
Ministry parish share	80,000	—	—	—	80,000	72,000
General staff costs	11,460	—	(483)	—	10,977	16,360
Salaries	66,635	—	—	—	66,635	60,371
Working expenses of incumbent	115	—	—	—	115	145
Education	256	—	—	—	256	9,364
Children and Youth Expenses	990	—	—	—	990	—
Parish training and mission	165	—	—	—	165	100
Church running - insurance	11,442	—	1,262	—	12,704	12,496
Telephones	1,090	—	—	—	1,090	1,354
Organ / piano tuning	1,263	—	—	—	1,263	6,562
Church maintenance	2,980	1,296	709	—	4,985	24,803
Cleaning	1,334	—	—	—	1,334	2,557
Upkeep of services	1,779	55	3,103	—	4,937	6,880
Upkeep of churchyard	10,585	—	3,375	—	13,960	9,131
Administration	12,931	—	—	—	12,931	15,431
Church running - general	116	—	3,000	—	3,116	868
Church running - electric	5,307	—	—	—	5,307	6,524
Church running - gas	9,132	—	—	—	9,132	6,994
Church running - water	108	—	—	—	108	123
Church running - oil	—	—	—	—	—	1,670
Church running - heating and lighting	—	—	—	—	—	1,831
Church running - depreciation	11,944	—	—	—	11,944	11,137
Hall running - electricity	801	—	—	—	801	763
Hall running - gas	903	—	—	—	903	683
Hall running - maintenance	979	—	—	—	979	1,796
Hall running - telephone	418	—	—	—	418	—
Hall running - water	81	—	—	—	81	79
Church major repairs - structure	—	—	2,516	—	2,516	—
Other PCC property upkeep	—	—	—	—	—	1,114
Total	235,315	1,656	13,482	—	250,453	276,500
<b>EXPENDITURE TOTAL</b>	<b>238,808</b>	<b>1,656</b>	<b>13,482</b>	<b>—</b>	<b>253,946</b>	<b>287,264</b>
<b>GRAND TOTAL</b>	<b>115,199</b>	<b>327</b>	<b>(5,793)</b>	<b>—</b>	<b>109,733</b>	<b>20,166</b>

## Notes to the financial statements for the year ended 31 December 2020

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### Accounting policies

#### Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the Church Accounting (Amendment) Regulations 2006 together with applicable accounting standards and the Charities Statement of Recommended Accounting Practice (FRS 102).

The accounts include all transactions, assets and liabilities for which the Parochial Church Council (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.

#### Funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC.

Designated funds represent funds that have been given for a specific purpose, but which the PCC are not legally bound to use for that purpose.

Restricted funds represent the funds that are restricted regarding their use by the PCC.

#### Incoming resources

##### *Voluntary income and capital sources*

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under gift aid is recognised only when received. Income tax recoverable on gift aid donations is recognised when the donation is received. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due. Funds raised by fetes, bazaars and similar events are accounted for gross of expenses.

##### *Other ordinary incoming resources*

Rental income from letting of church premises is recognised when the rental is due.

##### *Income from investments*

Dividends and interest are accounted for when receivable. Tax recoverable on such income is recognised in the same accounting year.

#### Resources used

##### *Grants*

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation to the PCC.

##### *Activities directly relating to the work of the church*

The practice in previous years had been for the Parish Share to be accounted for when payable. However, starting in 2010 parishes have been asked to specify in advance each year how much they



intend paying. If they fall short in any year, the deficit will only be carried forward if there is every intention of making up the deficit in the early part of the following year.

### **Tangible fixed assets**

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.96 (2) (a) of the Charities Act 1993. No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the statement of financial activities.

The cost of buildings is depreciated on a straight-line basis over 20 years.

*Other fixtures, fittings and office equipment*

Equipment used within the church premises is depreciated on a straight-line basis over ten years. Individual items of equipment with a purchase price of £10,000 or less are normally written off when the asset is acquired.

Assets acquired prior to 1 January 1997 have been written off as expenditure and no subsequent value has been assigned to them in the balance sheet.

### **Church Workers Pension Fund (CWPF)**

Malmesbury Abbey PCC participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

### **Pension Builder Scheme**

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. Malmesbury Abbey PCC participates in the Pension Builder 2014 section.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2020: £2,333, 2019: £2,542).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Malmesbury Abbey PCC could become responsible for paying a share of that employer's pension liabilities.