

Charity registration number 1170906

**NEWPORT AND CARISBROOKE PCC  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

# NEWPORT AND CARISBROOKE PCC

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr T A Harden	
	Mrs J Holliday	
	Rev S A Sutcliffe	
	M E Brett-Hill	
	Mr D G Salter	
	Mr R H Smout	
	Mr P J Whitlock	
	A C Hewitt	
	Mr P Hewitt	
	Mr A G Timbrell	
	Mr S A S Smith	
	A S Smout	
	R E Chambers	
	Ms G L Torrington	
	Mr P B Ednay	
	Mrs Stephanie Taylor	
	Rev E Cooksey	(Appointed 6 January 2022)
	Mr A Rolf	(Appointed 14 May 2024)
	Ms L Grondon	(Appointed 14 May 2024)
	Ms D Cook	(Appointed 14 May 2024)
	Ms P Stevenson	(Appointed 30 April 2023)
<b>Charity number</b>	1170906	
<b>Principal address</b>	The Parish Centre Town Lane Newport Isle of Wight PO30 1JU	
<b>Auditor</b>	Compass Accountants Limited Venture House The Tanneries East Street Titchfield Hampshire PO14 4AR	
<b>Website</b>	<a href="http://www.newportminster.org">www.newportminster.org</a>	
<b>Email</b>	<a href="mailto:operationsmanager@cofeheartofwight.org">operationsmanager@cofeheartofwight.org</a>	

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# NEWPORT AND CARISBROOKE PCC

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# **NEWPORT AND CARISBROOKE PCC**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Parish's Charitable objects, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

#### **Objectives and activities**

The Parish's objects are to promote in the Parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The objects are governed by the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended).

The Trustees are aware of the Charity Commission's guidance and requirements on public benefit in the Advancement of Religion for the Public Benefit and have due regard to it in their administration of the PCC. As part of its general promotion of the whole mission of the Church the PCC provides a benefit to the public by providing facilities for public worship, pastoral care and sociable activities both for its members and for anyone who wishes to benefit from what the Church offers; and by promoting Christian values and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

As a parish we do much for our local community. In 2022 to name but a few things: we provided a space for 44 different community groups across our three halls on a weekly basis, as well as, offering a space for events and training for the deanery and Diocese and for ad hoc events and celebrations in our community too. In 2022 we carried out 18 weddings, 43 funerals and 28 baptisms, we saw approx. 5000 people across the Christmas events and services held in the parish, we knitted and gave out approx. 1600 angels and stars, we helped approx. 2000 people mourn the death of the Queen, we have lead assemblies and worship regularly at three of our local schools, we have helped to govern some of our local schools, we offered Chatterbox toddler group for free, we offered warm hubs and coffee mornings for free, we held a weekly lunch club, we held free family fun events and we supported our local food bank. In 2022, we have raised money for many charities and causes. We have also offered pastoral support for those in the community and we pray for our local community daily. We have offered worship weekly both in person and on-line and have offered a safe space for people. And all of our ministry, mission and charity work that we do is only possible because of the dedicated and hardworking team of volunteers.

The first phase of building work at Newport Minster has now been completed, which means that the building is now watertight and will be removed off the at-risk register. At the end of 2022, the building was once again closed to make way for preparatory work before phase two internal work can commence in 2023. The Friends of the Minster Church of Saints Thomas, Newport continue their efforts in attempting to raise fund to support the restoration appeal of the Minster.

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

On 2 June 2020, the Parochial Church Council of the Ecclesiastical Parish of the Minster Church of St Thomas the Apostle and St Thomas of Canterbury Newport, was merged with the Parochial Church Council of the Ecclesiastical Parish of St John's, Newport and also the Parochial Church Council of the Ecclesiastical Parish of St Mary the Virgin, Carisbrooke to form a new single Parish.

As Newport Minster was registered as a charity, these accounts reflect the continuance of that charity with the merger of churches; the charity name was changed to Newport and Carisbrooke PCC.

As a PCC we have met 9 times during the year as well as the APCM. The Parish PCC consists of Team Vicars, Churchwardens, elected PCC members, Deanery Synod members and a co-opted member. As well as the Parish PCC, new church councils have been set up (DCC) to replace the old PCC in each church. Other Committees and working parties are made up on an ad hoc basis from members of the PCC and wider congregations. The Friends of Carisbrooke Church is currently a sub committee of the PCC. A finance team meets periodically throughout the year. A Pastoral Team is active in the Parish.

# NEWPORT AND CARISBROOKE PCC

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The beginning of 2022 saw the departure of our Team Rector, and shortly afterwards our curate. Our Lay Readers stepped up to the mark and have led and preached at more services across the parish. PtO's also helped to lead worship across the parish. The smaller ministry team has also been an opportunity to review the worship that we offer and work more in partnership across the parish.

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

Mrs T Osborn	(Resigned 20 July 2022)
Mrs M E Groves	(Resigned 18 October 2022)
Mr T A Harden	
Mrs J Holliday	
The Venerable P Leonard	(Resigned 31 March 2022)
Mr M P Groves	(Resigned 18 October 2022)
H F Barraclough	(Resigned 31 March 2022)
Rev S A Sutcliffe	
C I Whatley	(Resigned 30 April 2023)
M E Brett-Hill	
Mr D G Salter	
Mr R H Smout	
Mr P J Whitlock	
A C Hewitt	
Mr P Hewitt	
Mr A G Timbrell	
Mr J A Matthews	(Resigned 30 November 2023)
Mr S A S Smith	
C J Hull	(Resigned 30 March 2024)
A S Smout	
R E Chambers	
Ms G L Torrington	
F Harbridge	(Resigned 28 February 2022)
Mr P B Ednay	
Mrs Stephanie Taylor	
Rev E Cooksey	(Appointed 6 January 2022)
Mr A Rolf	(Appointed 14 May 2024)
Ms L Grundon	(Appointed 14 May 2024)
Ms D Cook	(Appointed 14 May 2024)
Ms P Stevenson	(Appointed 30 April 2023)

#### Achievements and performance

##### Financial review

The Parish generated income on unrestricted funds of £236,231 (2021 - £252,229) in the year, and incurred expenditure of £219,773 (2021 £251,091). After investment losses of £4,032 (2021 - £1,934 gain) there was a surplus on general funds of £12,426 (2021 - £3,072).

The restricted funds - mainly consisting of the restoration projects generated a combined surplus of £283,441 (2021 - £69,134). Therefore restricted funds grew to £499,125 (2021 £215,684). These represent funds which will be spent on restoration and other projects in future periods, and are clearly subject to the timing and recognition of the receipts of grants.

This took the net assets to £634,944 (2021 - £339,077), with £135,819 (2021 - £123,393) on unrestricted funds.

# NEWPORT AND CARISBROOKE PCC

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The parish has not been able to pay the Parish Share in full to the Portsmouth Diocese. The combined arrears balance brought forward of £192,719, grew in the year by £53,321 to £246,040. As these are not a legal obligation, the arrears is not included within the financial accounts, but the Parish remains committed to making good the arrears over time, and restoring the general funds to a break-even position with the full payment of parish share.

#### Accounts held for others:

The church administers the assets of a separate Trust -the Upper Alms Houses a separate registered charity, holding 2 Alms House properties in the town. The trustees of this Trust are the Incumbent and Churchwardens of the Parish. A balance of £11,218 was held (2021 - £14,057).

#### Reserves:

The PCC trustees aim to maintain build up over the next few years free reserves in unrestricted funds at a level which equates to approximately six months of unrestricted expenditure for each church (not including Parish Share).

The Parish as a whole has free reserves (Unrestricted funds less those tied up in designated funds or fixed assets) of £40,691 (2021 - £76,646).

#### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

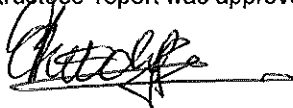
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Parish and of the incoming resources and application of resources of the Parish for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Parish and 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 Parish and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



**Rev S A Sutcliffe**

Trustee

Dated: 16 August 2024

# NEWPORT AND CARISBROOKE PCC

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF NEWPORT AND CARISBROOKE PCC

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#### Opinion

We have audited the financial statements of Newport and Carisbrooke PCC (the 'charity') for the year ended 31<sup>st</sup> December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31<sup>st</sup> December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditor's 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.

#### Other matter

The comparative figures were not subject to audit.

#### 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.

#### Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

# NEWPORT AND CARISBROOKE PCC

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF NEWPORT AND CARISBROOKE PCC

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

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

- the information given in the trustees' report 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; 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 set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor 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 an auditor's report 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates through discussions with management, sector research, and the application of relevant audit knowledge and experience
- We made enquiries of management around actual and potential litigation and claims
- We made enquiries of management and relevant staff, and designed our audit procedures, including reviewing financial statement disclosures and testing of supporting documentation, to assess compliance with applicable laws and regulations. We focussed on laws and regulations which could give rise to material misstatement in the financial statements including, but not limited to, the Charities Act 2011, the Charities SORP, and the Financial Reporting Standard 102.
- We identified the risk of material misstatement of the financial statements due to fraud and designed audit procedures to respond to the risk. We performed audit procedures designed to address the risk of fraud arising from management override of controls, including, but not limited to, testing of journal entries and other adjustments, reviewing accounting estimates for evidence of bias, and evaluating the business rationale of significant transactions outside the normal course of business

# NEWPORT AND CARISBROOKE PCC

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF NEWPORT AND CARISBROOKE PCC

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

#### 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 auditor's 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.



Compass Accountants Limited

Chartered Accountants  
Statutory Auditor

20th AUGUST 2024

Venture House  
The Tanneries  
East Street  
Titchfield  
Hampshire  
PO14 4AR

Compass Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# NEWPORT AND CARISBROOKE PCC

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

### Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	157,244	1,226,755	1,383,999	317,957
Charitable activities	4	64,570	14,074	78,644	51,158
Investments	6	97	-	97	1,154
Other income	5	17,037	-	17,037	12,784
<b>Total income</b>		<b>238,948</b>	<b>1,240,829</b>	<b>1,479,777</b>	<b>383,053</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	1,023	-	1,023	1,483
Charitable activities	8	215,276	957,388	1,172,664	311,298
<b>Total expenditure</b>		<b>216,299</b>	<b>957,388</b>	<b>1,173,687</b>	<b>312,781</b>
Net gains/(losses) on investments	11	(4,032)	-	(4,032)	1,934
<b>Net movement in funds</b>		<b>18,617</b>	<b>283,441</b>	<b>302,058</b>	<b>72,206</b>
Fund balances at 1 January 2022		123,393	215,684	339,077	266,871
<b>Fund balances at 31 December 2022</b>		<b>142,010</b>	<b>499,125</b>	<b>641,135</b>	<b>339,077</b>

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

All income and expenditure derive from continuing activities.

# NEWPORT AND CARISBROOKE PCC

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<b><u>Income and endowments from:</u></b>				
Donations and legacies	3	189,189	128,768	317,957
Charitable activities	4	49,102	2,056	51,158
Investments	6	1,154	-	1,154
Other income	5	12,784	-	12,784
<b>Total income</b>		<b>252,229</b>	<b>130,824</b>	<b>383,053</b>
<b><u>Expenditure on:</u></b>				
Raising funds	7	1,483	-	1,483
Charitable activities	8	249,608	61,690	311,298
<b>Total expenditure</b>		<b>251,091</b>	<b>61,690</b>	<b>312,781</b>
Net gains/(losses) on investments	11	1,934	-	1,934
<b>Net movement in funds</b>		<b>3,072</b>	<b>69,134</b>	<b>72,206</b>
Fund balances at 1 January 2021		120,321	146,550	266,871
<b>Fund balances at 31 December 2021</b>		<b>123,393</b>	<b>215,684</b>	<b>339,077</b>

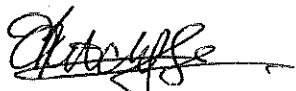
# NEWPORT AND CARISBROOKE PCC

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	13		20,004		25,603
Investments	14		29,751		33,783
			<u>49,755</u>		<u>59,386</u>
<b>Current assets</b>					
Stocks	15	500		985	
Debtors	16	31,487		27,783	
Cash at bank and in hand		599,314		280,961	
		<u>631,301</u>		<u>309,729</u>	
<b>Creditors: amounts falling due within one year</b>	17	(39,921)		(30,038)	
Net current assets			<u>591,380</u>		<u>279,691</u>
<b>Total assets less current liabilities</b>			<u>641,135</u>		<u>339,077</u>
<b>Income funds</b>					
Restricted funds	18		499,125		215,684
<u>Unrestricted funds</u>					
Designated funds	19	68,944		21,144	
General unrestricted funds		<u>73,066</u>		<u>102,249</u>	
			<u>142,010</u>		<u>123,393</u>
			<u>641,135</u>		<u>339,077</u>

The financial statements were approved by the Trustees on 16 August 2024



Rev S A Sutcliffe  
Trustee



Ms G L Torrington  
Trustee

# NEWPORT AND CARISBROOKE PCC

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23		318,256		58,660
<b>Investing activities</b>					
Investment income received		97		1,154	
<b>Net cash generated from investing activities</b>			97		1,154
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			318,353		59,814
Cash and cash equivalents at beginning of year			280,961		221,147
<b>Cash and cash equivalents at end of year</b>			<u>599,314</u>		<u>280,961</u>

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

##### Charity information

Newport and Carisbrooke PCC is a registered charity. The Charity is registered under number 1170906, and was formerly known as The Parochial Church Council of the Ecclesiastical Parish of the Minster Church of St Thomas the Apostle and St Thomas of Canterbury, Newport, and was also is known under the working name of Newport Minster.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Church Accounting Regulations, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities 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 (FRS 102)". The Parish is a Public Benefit Entity as defined by FRS 102.

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

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

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

##### 1.2 Going concern

The Parish Church Council has to balance its general fund, whilst meeting the Parish Share to the Diocese. In recent years the PCC has operated with an annual deficit, albeit now much reduced. In addition the restoration project grant conditions required reserves to be used in part funding of the project. The PCC therefore got into a deficit position with the Parish Share to the Diocese, which the PCC intends to reduce. Further on merger of the Parishes of St Johns, Newport, and St Marys Carisbrooke, the combined parish has taken on increased indebtedness to the Diocese. The parish share arrears do not constitute a contractual obligation, and therefore are not included as a liability in these accounts.

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

##### 1.3 Charitable funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the general purposes of the PCC. Funds designated for a particular use by the PCC are also unrestricted.

Restricted funds are those funds that must be spent on restricted purposes and details of the funds and restrictions are provided. Endowment funds are those where the capital must be maintained.

The accounts 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.

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.4 Income

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

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

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

Grants receivable including government grants are accounted for when the Charity is entitled to the grant, it can be quantified, and its receipt is probable.

#### 1.5 Expenditure

Expenses are allocated on the basis of the activity to which they relate. Support costs are allocated in full to activities directly relating to the work of the church.

The Parish Share represents the amount of money that the Charity is asked to contribute to support the mission and ministry of the Church in the Diocese of Portsmouth. It is accounted for when paid. Any Parish Share unpaid at year end is included as a note to these accounts as an operational (although not legal) liability.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Assets below £1,000 are not treated as capital

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

Plant and equipment	7 - 20 % straight line
---------------------	------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Consecrated land and buildings and moveable church furnishings is excluded from the accounts by the Charities Act 2011. No value is placed on moveable church furnishings held by the vicar and 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 on buildings, property and movable furnishings is written off as expenditure in the Statement of Financial Activities. Title to the church halls are held by the Diocese of Portsmouth and is not included in these accounts.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.8 Impairment of fixed assets

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

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

#### 1.10 Cash and cash equivalents

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

#### 1.11 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

Other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

##### **Derecognition of financial liabilities**

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

#### 1.12 Employee benefits

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

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

**(Continued)**

#### **1.14 Gifts in kind**

Gifts in kind are included at reasonable estimates of their value to the charity, usually the price that the charity would have to pay in the open market for an equivalent item.

### **2 Critical accounting estimates and judgements**

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

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

The trustees believe there are no such significant items.

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
	2022	2022	2022	2022	2022	2022	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£	£	£	£	£	£	£
Donations and gifts	87,948	4,417	92,365	136,543	8,726	145,269						
Legacies receivable	100	-	100	-	-	-						
Grants received	36,438	1,070,460	1,106,898	35,905	107,772	143,677						
Other	32,758	151,878	184,636	16,741	12,270	29,011						
	157,244	1,226,755	1,383,999	189,189	128,768	317,957						

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Charitable activities

	2022 £	2021 £
Church shop - book stall	174	331
Church hall lettings	38,079	22,352
Coffee shop income	6,505	3,859
Fees	14,797	18,656
Fundraising income	18,259	5,313
Model church income	742	647
Other income	88	-
	<u>78,644</u>	<u>51,158</u>
Analysis by fund		
Unrestricted funds	64,570	
Restricted funds	<u>14,074</u>	
	<u>78,644</u>	
For the year ended 31 December 2021		
Unrestricted funds		49,102
Restricted funds		<u>2,056</u>
		<u>51,158</u>

### 5 Other income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Insurance claims receivable	<u>17,037</u>	<u>12,784</u>

### 6 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	<u>97</u>	<u>1,154</u>

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	485	251
Staging fundraising events	538	1,232
	<hr/>	<hr/>
Fundraising and publicity	1,023	1,483
	<hr/>	<hr/>
	1,023	1,483
	<hr/>	<hr/>

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Charitable activities

	Unrestricted fund 2022 £	Restricted fund 2022 £	Total 2022 £	Unrestricted fund 2021 £	Restricted fund 2021 £	Total 2021 £
Staff costs	34,094	-	34,094	38,686	-	38,686
Depreciation	5,599	-	5,599	3,439	-	3,439
Home missions & charity	6,252	345	6,597	2,936	342	3,278
Parish share	38,250	-	38,250	37,000	-	37,000
Clergy expenses	3,143	-	3,143	985	-	985
Upkeep of seivces	1,054	-	1,054	1,887	-	1,887
Church running costs	15,241	-	15,241	9,563	-	9,563
Church maintenance and restoration	20,058	954,048	974,106	75,955	61,116	137,071
Organist fees and church music	11,679	-	11,679	18,144	144	18,288
Insurance	16,791	-	16,791	14,494	-	14,494
Church hall and vicarage running costs	14,287	-	14,287	8,215	-	8,215
Church hall maintenance costs	6,425	-	6,425	1,221	-	1,221
Administration - support costs	15,704	-	15,704	12,700	-	12,700
Bank charges - support costs	145	-	145	163	88	251
Fees to diocese	10,758	-	10,758	15,861	-	15,861
Accounts and Independent examination - Governance	6,529	2,995	9,524	2,618	-	2,618
Governance costs	3,447	-	3,447	5,741	-	5,741
Other charitable expenditure	5,820	-	5,820	-	-	-
	<u>215,276</u>	<u>957,388</u>	<u>1,172,664</u>	<u>249,608</u>	<u>61,690</u>	<u>311,298</u>
	<u>215,276</u>	<u>957,388</u>	<u>1,172,664</u>	<u>249,608</u>	<u>61,690</u>	<u>311,298</u>
<b>Analysis by fund</b>						
Unrestricted funds	215,276	-	215,276	249,608	-	249,608
Restricted funds	-	957,388	957,388	-	61,690	61,690
	<u>215,276</u>	<u>957,388</u>	<u>1,172,664</u>	<u>249,608</u>	<u>61,690</u>	<u>311,298</u>

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 9 Trustees

The following trustees received remuneration from the Parish during the year (for services not related to being a Trustee) as detailed below :

	2022 Salary Pension Contributions	Salary	2021 Pension Contributions	
Ms G Torrington- Operations manager	£30,838	£925	£21,154	£450
Mrs C Whatley - Cleaning	£2,968	£0	£2,997	£0

#### 10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	6	5
	<u>6</u>	<u>5</u>
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	32,794	35,949
Social security costs	-	2,287
Other pension costs	1,300	450
	<u>34,094</u>	<u>38,686</u>

There were no employees whose annual remuneration was more than £60,000.

#### 11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Revaluation of investments	(4,032)	1,934
	<u>(4,032)</u>	<u>1,934</u>

#### 12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 13 Tangible fixed assets

	Plant and equipment £
<b>Cost</b>	
At 1 January 2022	43,532
At 31 December 2022	43,532
<b>Depreciation and impairment</b>	
At 1 January 2022	17,929
Depreciation charged in the year	5,599
At 31 December 2022	23,528
<b>Carrying amount</b>	
At 31 December 2022	20,004
At 31 December 2021	25,603

### 14 Fixed asset investments

	Investments £
<b>Cost or valuation</b>	
At 1 January 2022	33,783
Valuation changes	(4,032)
At 31 December 2022	29,751
<b>Carrying amount</b>	
At 31 December 2022	29,751
At 31 December 2021	33,783

### 15 Stocks

	2022 £	2021 £
Bookshop Stocks	500	985

## NEWPORT AND CARISBROOKE PCC

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**16 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors including Gift Aid	7,410	27,398
Prepayments and accrued income	24,077	385
	<u>31,487</u>	<u>27,783</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	555	1,933
Funds held for others - Almshouses charity	11,218	14,057
Other creditors	254	-
Accruals and deferred income	27,894	14,048
	<u>39,921</u>	<u>30,038</u>

The parish is also in arrears for the Parish share to the Diocese of Portsmouth. The Parish Share is not a legal liability and has not been included within the creditors. At the year end £246,040 of arrears was outstanding (2021 - £192,729).

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18 Restricted funds

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

	Balance at 1 January 2021 £	Movement in funds			Balance at 1 January 2022 £	Movement in funds			Transfers £	Balance at 31 December 2022 £
		Incoming resources £	Resources expended £			Incoming resources £	Resources expended £			
Newport Minster - Restoration and renewal fund for the Minster building	16,571	119,819	(58,699)		77,691	1,228,502	(879,064)		-	427,129
Newport Minster - Flower money	-	-	-		-	88	(41)		-	47
Newport Minster - Organ maintenance and choir	2,958	-	(144)		2,814	-	-		-	2,814
Newport Minster - Special causes and donated monies	2,432	342	(342)		2,432	-	(304)		(500)	1,628
Yvonne Woodland legacy - Restoration for the Minster	68,466	-	-		68,466	-	(68,466)		-	-
St John's - Reordering fund for the St John's church	2,791	-	-		2,791	-	-		-	2,791
St John's - 2020 Appeal towards the development of the hall	41,657	7,063	(1,016)		47,704	3,267	(6,518)		-	44,453
Friends of St Mary's the Virgin, Carisbrooke and maintenance at St Mary's	8,674	3,600	(1,442)		10,832	8,938	(2,995)		-	16,775
St Mary's - Joyce Bale bequest	2,954	-	-		2,954	-	-		-	2,954
St Mary's - Pew bibles	47	-	(47)		-	-	-		-	-
St Mary's - Charity/Mission fund	-	-	-		-	34	-		500	534
	146,550	130,824	(61,690)		215,684	1,240,829	(957,388)		-	499,125

The Restoration and Renewal restricted fund is the project to upgrade and maintain both the fabric of the Newport Minster building and also the internal use of the space as a Parish Church with Civic purposes as well as community space.

Other Newport Minster restricted funds relate to operational monies to maintain the church organ, and specific causes from appeals and donations from special services. The legacy provided from Yvonne Woodland was allocated to the restoration appeal project for the renewal of the church facilities.

St John's restricted funds were in relation to plans to upgrade the Church Hall and donations towards the reordering of the church.

St Mary's Carisbrooke restricted funds include a fund for works donated by the Friends supporters group, and smaller fund donations towards the work of the Church.

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Movement in funds			Transfers 1 January 2022	Balance at 1 January 2022	Movement in funds			Transfers	Balance at 31 December 2022
		£	Incoming resources	Resources expended			£	Incoming resources	Resources expended		
St Mary's - Organ fund	9,699	-	-	-	500	10,199	500	-	(250)	-	10,449
St Mary's - Hall fund	410	-	-	-	(410)	-	-	-	-	15,000	15,000
St Johns - Windows	1,488	-	-	(250)	-	-	-	-	(785)	37,000	36,215
St John's - Mission	4,835	-	-	(590)	500	1,238	-	-	(608)	-	630
St John's - Organ fund	1,500	347	-	(185)	-	4,745	-	-	(646)	800	4,899
St John's - Choir and Youth	-	3,300	-	-	-	1,662	125	-	(336)	-	1,451
Minster Cultural Recovery Fund reserve	-	-	-	-	-	3,300	-	-	-	(3,000)	300
	17,932	3,647	3,647	(1,025)	590	21,144	625	49,800	(2,625)	49,800	68,944

There are specific designated funds within the three churches relating to monies set aside - designated for the upkeep of the organ, and windows, as well as youth work within the churches. The Minster designated the cultural recovery monies to specific projects. St Johns had designated funds for major ongoing repair works on the east window.

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 20 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	20,004	-	20,004	25,603	-	25,603
Investments	29,751	-	29,751	33,783	-	33,783
Current assets/(liabilities)	92,255	499,125	591,380	64,007	215,684	279,691
	<u>142,010</u>	<u>499,125</u>	<u>641,135</u>	<u>123,393</u>	<u>215,684</u>	<u>339,077</u>

### 21 Operating lease commitments

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

	2022 £	2021 £
Within one year	<u>753</u>	<u>-</u>

# NEWPORT AND CARISBROOKE PCC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 22 Related party transactions

Payments made to two Trustees for wages are disclosed in note 9. There are no further disclosable related party transactions during the year (2021 - none).

#### **The Upper Almshouses Trust - Registered charity number 236493**

The Churchwardens and Incumbent are also the Trustees of a separate charity - the Upper Almshouses Trust Newport and the PCC administers the assets of the charity with that of the PCC. The Upper Almshouses are separately registered with the Charity Commission under number 236493. These funds are with Newport Minster and included in creditors at £11,218 (2021 - £14,057).

#### **Friends of the Minster Church of Saints Thomas Newport Isle of Wight - Registered charity 1133165**

The friends organisation raise funds for the upkeep of the church buildings and is registered as a charity under number 1133165. During the year the Friends' Charity contributed funds towards the restoration project including assisting with events, and the liaison with the builders and grant providers.

#### **Lord Hunsdon's gift - Registered charity number 237670**

Lord Hunsdon's gift aim to provide relief within the parish of Carisbrooke who are in conditions of need, hardship or distress. During the year the charity contributed to supporting the parish in which the churches operate. At the year end, the charity had funds of £936 (2021 - £936).

#### **Serle's gift - Registered charity number 237669**

Serle's gift aim is to provide relief to persons resident in Carisbrooke who are in condition of need, hardship or distress, either in gifts of kind or grants of money. During the year the charity contributed to supporting the parish in which the churches operate in. At the year end the charity had funds of £8,863 (2021 - £8,863).

23	Cash generated from operations	2022 £	2021 £
	Surplus for the year	302,058	72,206
	Adjustments for:		
	Investment income recognised in statement of financial activities	(97)	(1,154)
	Fair value gains and losses on investments	4,032	(1,934)
	Depreciation and impairment of tangible fixed assets	5,599	3,439
	Movements in working capital:		
	Decrease/(increase) in stocks	485	(272)
	(Increase) in debtors	(3,704)	(23,402)
	Increase in creditors	9,883	9,777
	<b>Cash generated from operations</b>	<b>318,256</b>	<b>58,660</b>
24	<b>Analysis of changes in net funds</b>		
	The Parish had no debt during the year.		