

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS
FOR BEAULIEU ABBEY CHURCH PCC
for year end, 31 December 2022**

This report has been produced by Beaulieu Abbey PCC and contains a summary of what funds the church has received, where they have come from and on what they have been spent and from where the money has been taken. The outstanding balances of all the funds held by the church are also stated as at year-end 2022 and it can be confirmed that there are no outstanding liabilities at that time.

It is important to note that the accounts this year have been produced on a receipts and payments basis which differs from the previous accounts presented in the past years which were based on income and expenditure.

Now to the accounts themselves. First, it can be reported that the accounts have been examined and signed off by Sara Steele for which we are very appreciative. She has also kindly agreed to examine the accounts for 2023 and we are grateful for that continuity over what has been a transitional period. With gratitude we thank Andrew Percy for the ten years he has been treasurer but handing over mid-year is never easy and David Telling very generously accepted to be acting Treasurer until his formal election at the May AGM in 2023.

This balance sheet shows where the actual money belonging to the church is held, whether it be in cash form or in investments and the value of those amounts. This year there are no creditors or debtors listed in comparison to the previous year and this is due to the fact, we are strictly working on cash received and cash paid out, not allowing liabilities to go into next year. The total assets of the Church stand at £281,043. This reads like an exceptionally large amount of money; however, it is not available for the PCC to use freely. It is mainly represented by a few funds that are restricted in their use such as the Preservation Fund which accounts for most of the money and can only be used on the preservation of the Grade, I listed building. Similarly, the Organ Fund, Choir Fund, Chancel, Churchyard and War Memorial are tied to their named uses.

Activities on these funds are summarised on page two showing Movement of Funds. There are several points of note. Perhaps the most important is the

negative revaluation of the investments held with the CCLA in their income fund. Last year our allegedly safest non deposit CCLA investments suffered the same fate as most market investments in 2022 resulting in an accounting loss of over £26,000 across three funds as at the date of 31st December. The losses are book losses and saw the church give back the book gains of the strong financial market of 2021 leaving the funds back to where they were at the beginning of 2021. The Finance Committee did not feel the accounts should witness such volatility in losses or gains in the future and once given authority, these funds have been moved for 2023 to a high yielding deposit account still under the CCLA umbrella. Also of note are the last two columns showing the existing loan from the Organ to the Choir Fund which is due to be repaid by 2025 if not before.

The movement of funds on page 2 shows the transfers which have been made by other funds during the year to the General Fund to provide further income which is most appreciated such as from the hard work of the flower team throughout the year and the wine tasting in particular and the social events in general put on by the Social Committee. It is the General Fund set out on pages 3 and 4 which goes into the more important detail of the income and expenditure of the church. Looking straight at the bottom line, the general activity of the church is running at a loss of just over £10,000 for the year or just under £1000 a month. We are seeing donations in its many forms up on the previous year which is a positive sign and reflects the digging deep of an increased congregation in these challenging times. The exception is the extraordinary donation to "the fete" in 2021. Equally dividends do not correlate to the previous year. It should be noted that customary contributions towards office expense from Exbury and East Boldre are not shown. This appears to be a historic invoicing matter but, as a result, no benefit or receipts will be shown in the accounts for the year 2022. Equally no actual receipt was found for Exbury's contribution for 2021 although it is shown in the 2021 accounts and has been written off. Going forward a token but monthly contribution is now being paid by both parishes for 2023. In contrast, Bucklers Hard very much made an important transfer but this was below pre-Covid years.

Before moving on to expenses, it is appropriate to spend some time explaining the choir fund which is of particular and very legitimate interest to many in the congregation. First, the choir is not a cost to the general fund. It was set up in late 2021 as a loan from the Organ Fund with an obligation to be paid back by the beginning of 2025. There is a cost to paying for singers (all local young musicians who are grateful to be honest for any paid work). The choral scholars are all sponsored and come at no cost to the church. Through concerts and sponsorship

(the latter to date stands at £5340 - again it seems easier to raise money for music than it is for general expenses), the amount of the loan drawn down for this outstanding music so far stands at £5721 at yearend 2022. The cost of the choir for 2023 to date is net zero and it is hoped that by the end of 2023 much of the loan should be able to be repaid. 2024 should afterwards see a surplus and then a positive contribution of income can be made into the General fund. One thing that is important to point out is that the accompaniment that the choir gives at services such as the uplifting Remembrance Service (where the costs are borne by the choir fund) all helps towards an increased collection, in this case to the Poppy appeal. The bottom of Page 4 sets out the donations Beaulieu Abbey Church has been able to facilitate and is very much seen as part of our charity mission.

Now to the expenses of the church. Page 4 shows a dramatic increase on last year. This has been due to the fact Beaulieu PCC paid its parish share in full for which the PCC and Congregation have received a grateful acknowledgment from the Diocese. This payment should ensure that Beaulieu Abbey Church can continue to its incumbent and the PCC believes it is essential that we should try to continue with this commitment ahead of everything else.

Signed: The Finance Committee

Balance Sheet as at 31st December 2022

31/12/2021		31/12/2021	31/12/2022
£	Bank Accounts		£
20,966	CCLA Deposit		21,242
29,334	CAF Deposit		74
217	CAF Current	3,388	5,049
	Barclays Current	269	218
	Churchwarden Fund Current		2,880
	Social Committee Current		1,159
	Social Committee Cash		99
	Flower Fund Current		325
	Bucklers Hard Current		196
	Fee Account Current		1,119
50,517	0		<u>32,361</u>
Investments at bid price 31 December 2022			
	Beaulieu PCC registered		
216,618	9529 Income Shares in C/E Investment Fund		196,737
	Diocese registered		
46,118	1972 Income Shares in C/E Invmt Fd (Chancel)		40,714
12,722	544 Income Shares in C/E Invmt Fd (Churchyard)		<u>11,231</u>
<u>275,458</u>			<u>248,682</u>
1,400 Debtors		TBC	0
<u>327,375</u>	Total Assets		<u>281,043</u>
-12,029 Creditors		TBC	0
<u>£315,346</u>	Net Assets	(see page 4 for changes)	<u>£ 281,043</u>
Represented by			
32,056	General Fund	Loan	Post Loan
10,500	Choir fund	-12,000	-5,721
14,534	Fund for Organ Maintenance	12,000	25,174
191,617	Preservation Fund		165,917
7,799	War Memorial Fund		7,139
46,118	Chancel Fund		40,714
12,722	Churchyard Fund		11,231
	Flower Fund		325
	Church Warden Fund		3105
	Parish Fee Account		4,119
	Social Committee Fund		1,258
	BH Chapel		-130
<u>£315,346</u>			<u>£ 281,043</u>

Signed on behalf of Beaulieu PCC

Chairman

MOVEMENT OF FUNDS - YEAR ENDED 31 DECEMBER 2022

	Designated	Designated	Designated under PCC control but free to move fu						Restricted Funds		Restricted Funds (Diocese registered)		TOTAL	TO NOTE	TO NOTE
	GENERAL	BH Chape	Organ	Choir	Fee	Social	Flower	C'warden	Preser-	War	Chancel	Church	FUNDS	Actual	Actual
	Fund		Fund	Fund	Account	Committee	Fund	Fund	vation	Memoria	£	yard	£	Organ fu	Choir Fund
	£		£	£	£	£	£	£	£	£	£	£	£	£	£
Balance as stated in the accounts at 31 December 2021	32,056	N/A	14,534	10,500	N/A	N/A	N/A	N/A	191,617	7,799	46,118	12,722	315,346	14,534	10,500
Outstanding Loan frm Organ Fund to Choir														12,000	-12,000
Revaluation of investments at bid price at 31/12/22									-19,881		-5,404	-1,491			
WRITE OFF EXBURY, never received but shown in 2021 accou	-1,844														
RECEIPT FROM EAS BOLDRE in 2022 but shown in 21 accour	-2,267														
CREDITORS for year end 2021 unknown	12,029														
DEBTORS for year end 2021 Tax refund	-1,400														
Plus children society collected but paid privately	262														
Income	105,688			7,678	2,037		2,250	585							7,678
Expenditure	-116,612		-1,360	-11,899			-2,004		-5,819	-660				-1,360	-11,899
Donations to Fund from flower fund to General							-700								
Donations to Fund from Social Committee to General						-1,382									
Contribution towards running costs of Vicar to General		-3,528													
Transferred to general bank account						3,000									
Owed to Bucklers hard from general bank account for SPC		440													
Balance at 31 December 2022	27,912	-130	13,174	6,279	4,119	1,258	325	3,105	165,917	7,139	40,714	11,231	281,043	25,174	-5,721

NOTES: DIVIDENDS FROM CHANCEL AND CHURCHYARD FUND PAID INTO GENERAL ACCOUNT. ALL DIVIDENDS FROM THE CBF INVESTMENT FUND HAVE BEEN TAKEN AS NEW SHARES AND ARE SHOWN IN THE REVALUATION OF INVESTMENTS PRICE OF THE PRESERVATION FUND.

THERE IS AN OUTSTANDING LOAN OF £12,500 THAT NEEDS TO BE REPAYED BY THE CHOIR FUND TO THE ORGAN FUND IN THE FUTURE - please see last two columns

GENERAL FUND INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

Year 2021		INCOME	Year 2022	
£	£		£	£
		Incoming Resources from Donors		
		Planned Giving		
37,821		Gift Aided Donations	41,613	
9,671		Income Tax Recovery	10,315	
	47,492			51,928
		Collections in church and online		
1,444		For General Use	2,434	
3,089		Designated (see foot of page 2)	7,617	
	4,533			10,051
		Donations		
3,860		For Ordinary Purposes	7,079	
		Designated	6,096	
1,293		Concerts etc	0	
625		One off gift aid/donations	360	
3,150		Grant re Director of Music	1,850	
		Music at Beaulieu	3,000	
1,186		Church Boxes	1,711	
612		Votive candles	521	
	10,726			20,617
		Other Voluntary Resources		
11,500		Beaulieu Fete	5,000	
2,064		VAT refund	0	
		Other Receipts	2,147	
		Adjustment	58	
				7,205
	13,564	Income from Investments	0	
14		Interest	0	
1,495		Dividends on Chancel & Churchyard Shares	1,546	
8,804		Dividends on Preservation Fund	0	
	10,313			1,546
		Income from Trading		
873		Bookstalls	825	
3,446		Hire of Church Room	2,318	
3,845		Fees for Weddings and Funerals	7,241	
		Magazine	130	
	8,164			10,514
		Contributions to Benefice Expenses		
1,844		St Katharine's, Exbury	299	
2,267		St Paul's, East Boldre	0	
169		Bucklers Hard Chapel	3,528	
	4,280			3,827
	99,072	GROSS INCOME		105,688
	91,525	GROSS EXPENDITURE (Page 2)		-116,612
		DEFICIT ON GENERAL FUND ONLY		-10,924

GENERAL FUND EXPENDITURE YEAR ENDED 31 DECEMBER 2022

YEAR 2021		EXPENDITURE	YEAR 2022	
£	£		£	£
3,089		Grants to Charities		
		See below for details	8,880	
	3,089			8,880
		Expenses related to the work of the church		
46,791		Parish Share	67,696	
2,018		Postage, telephone and stationery	1,584	
1,760		Printing and publicity	1,890	
	50,569			71,170
553		Transport	324	
7,974		Secretary's salary and relief	8,004	
		Bank charges	258	
		Cashless Terminal & Fees	198	
74		Visiting Clergy	74	
	8,601			8,858
3,091		Heating and Lighting and Water	5,271	
4,519		Cleaning	4,661	
	7,610			9,932
3,121		Insurance	3,240	
5,009		Repairs/Maintenance charged to Preservation Fund	0	
2,148		Repairs charged to Preservation fund	0	
		Upkeep of churchyard	1,169	
584		Heating repairs	0	
295		Organ service	0	
1,081		Books and Magazines	1,035	
	12,238			5,444
1,884		Administration and other expenses	2,689	
6,108		Musical Director	7,220	
0		Organist	2,420	
	7,992			12,329
	90,099	GROSS EXPENDITURE		116,612

Remittances to Charities

Through church services designated to charities where all the costs are borne by the church

	£	£
Mission to Seafarers	411	
New Forest Basics Bank	200	
Royal British Legion	871	
DEC (on behalf of Ukraine) raised over Easter and including Stainers	1,956	
Children Society (Christmas Eve collection)	262	0
		3,438
Wessex Cancer Trust	648	
Cancer Research	1,047	
Oakhaven	389	
Rose Road Association	79	
Music at Beaulieu	1,706	
Pancreatic Cancer Research	832	
Neonatal ICU Princess Anne Hospital	410	
Prostate Cancer Research	331	
		5,442
TOTAL GIVE TO CHARITY BY PCC		8,880

BUCKLERS HARD CHAPEL**INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2022**

YEAR 2021		INCOME	YEAR 2022	
£	£		£	£
		Incoming Resources from Donors		
280		Planned Giving: gift aided donations	n/a	
15		Collections for general use	0	
383		Church Boxes	2,005	
169		Payments from Beaulieu	502	
	847			2,507
		EXPENDITURE		
169		Contribution to Benefice Expenses	3,528	
158		Heating and Lighting	198	0
0		Cleaning	0	
327		Insurance	300	
		Bank Charge	13	
	654			4,039
		193 Surplus/Deficit of Income over Expenditure		-1,532
		1,858 Cash at Bank		196
1,205		General Fund opening balance	1,398	
193		Add Surplus/Deficit for year	-1,532	
	1,398	General Fund closing balance	-130	
	460	Special Contents Fund THIS MUST BE KEPT	460	196
	<u>£1,858</u>		<u>£196</u>	

BEAULIEU PCC ACCOUNTING POLICIES

The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006, using the receipts and payment basis.

Funds

General funds represent the funds of the PCC that are not subject to any special restrictions regarding their use and are available for application to the general purposes of the PCC. These include funds designated for a particular purpose by the PCC.

The accounts include monetary transactions, assets, and liabilities for which the PCC can be held responsible. They do not include the accounts of other Church groups that owe an affiliation to another body, nor those that are informal gatherings of Church members.

Balance Sheet

The following assets are recognised but not necessarily valued in the Balance Sheet:

- Moveable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal.
- Land and buildings held on behalf of the PCC.
- Other fixtures, fittings, and office equipment where the PCC is free to dispose of these assets without faculty and where the original cost exceeded £1,000.

The following assets are recognised, and a monetary value given as part of the description in the Balance Sheet:

- Closing Bank balances
- Investments held beneficially by the PCC.
- Amounts owing from HM Revenue & Customs, where a formal claim has been made, and any other amounts owing to the PCC.

INDEPENDENT EXAMINER'S REPORT

Page 7

Beaulieu Abbey Church, Parochial Church Council

I report on the accounts for the year ended 31st December 2022 which are set out on pages 1 to 6.

Respective responsibilities of the PCC and Independent Examiner

The members of the PCC consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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 Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

1. which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s.130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records have not been met; or
2. to which, in my opinion attention should be drawn in order to enable a proper understating of the accounts to be reached

Sara Steele, ASIP
Bignalls
Beaulieu
Hampshire

22nd March 2022

