

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
EAST HARPTREE WITH WEST HARPTREE AND HINTON BLEWETT
REGISTERED CHARITY NUMBER 1187091**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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Independent Examiner's Report
To the Trustees of the Parochial Church Council of the
Ecclesiastical Parish of East Harptree with West Harptree and Hinton Blewett
On the accounts for the year ended 31 December 2021
set out on pages 2 to 7

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act;
- Follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities 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 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 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 which gives me reasonable cause to believe that, in any material respect,

- accounting records were not kept in accordance with section 130 of the Charities Act, or
- the accounts do not accord with the accounting records.

I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed.......... Dated.....25/10/22.....

Name: ELM ACCOUNTING SERVICES LTD.

Qualification: CHARTERED ACCOUNTANT (ICAS)

Address: LITTLE GABLES, BATTLE LANE, CHEW MAGNA, BSWO 8PX.

The Parochial Church Council of the Ecclesiastical Parish of East Harptree with West Harptree and Hinton Blewett

Financial Statements for the Year Ended 31 December 2021

RECEIPTS & PAYMENTS ACCOUNT

	Unrestricted funds £	Designated funds £	Restricted funds £	TOTAL 2021 £	TOTAL 2020 £
RECEIPTS - see page 4 for detailed analysis					
<u>Voluntary receipts</u>					
Planned giving	19,670	-	-	19,670	21,095
Collections at services	1,989	-	-	1,989	1,047
All other giving	2,989	86,678	-	89,668	9,632
Grants	-	99,610	-	99,610	34,358
Gift Aid recovered	6,600	803	-	7,404	6,433
	31,248	187,092	-	218,341	72,565
<u>Activities for generating funds</u>	1,129	8,179	-	9,307	5,050
<u>Receipts from Church Activities</u>	6,694	-	-	6,694	4,846
<u>Investment Income</u>	985	-	-	985	1,795
<u>Other Receipts</u>	-	-	1,200	1,200	100
TOTAL RECEIPTS	40,056	195,271	1,200	236,527	84,356
PAYMENTS - see page 5 for detailed analysis					
Church activities:					
Diocesan parish contribution	34,157	-	-	34,157	35,163
Clergy, organists and administration	5,320	-	-	5,320	3,586
Church running expenses	5,448	74,413	22,885	102,746	41,057
Outward giving	1,480	-	-	1,480	123
Costs of generating funds	340	638	-	978	829
TOTAL PAYMENTS	46,744	75,051	22,885	144,679	80,758
Net receipts / (payments)	(6,688)	120,220	(21,685)	91,847	3,598
Unrealised gains/(losses) on investments	15,327	2,392	-	17,719	11,918
NET RESULT FOR THE YEAR	8,639	122,612	(21,685)	109,566	15,516
Fund balances at 1 January	90,007	137,186	1,150	228,343	212,827
Transfers between funds	-	-	-	-	-
FUND BALANCES AS AT 31 DECEMBER	98,646	259,798	(20,535)	337,909	228,343

Approved online by the PCC

PCC Chair:

Mary R Cookson.

The Parochial Church Council of the Ecclesiastical Parish of East Harptree with West Harptree and Hinton Blewett

Financial Statements for the Year Ended 31 December 2021

STATEMENT OF ASSETS & LIABILITIES

	PCC £	East Harptree £	West Harptree	Hinton Blewett	TOTAL 2021 £	TOTAL 2020 £
Investment Assets						
CBF Investment Fund - shares at market value					-	
Accumulation units	93,028	-	-	-	93,028	106,611
Income units	-	-	-	33,516	33,516	32,419
	93,028	-	-	33,516	126,544	139,030
Cash Funds						
Cash at bank and in hand	40,042	83,879	8,589	1,887	134,398	28,434
CBF Deposit Fund	-	59,752	4,090	13,127	76,968	60,879
	40,042	143,631	12,679	15,014	211,366	89,313
Current Assets/(Liabilities)						
Loans to PCC from churches					-	-
TOTAL NET ASSETS	133,070	143,631	12,679	48,530	337,910	228,343
Reserves - see notes 2 & 3 to the Financial Statements						
<u>Opening balances</u>						
Restricted	1,150	-	-	-	1,150	5,879
Designated	1,405	69,588	12,048	54,145	137,186	115,203
Unrestricted	90,007	-	-	-	90,007	91,745
	92,562	69,588	12,048	54,145	228,343	212,827
Result for the year	25,181	72,748	631	(6,712)	91,847	3,598
Investment gains/(losses)	15,327	1,295	-	1,097	17,719	11,918
Net transfers from PCC						-
	133,070	143,631	12,679	48,530	337,909	228,343
<u>Closing balances</u>						
Restricted	1,150	-	-	-	1,150	17,402
Designated	1,405	143,631	12,679	48,530	206,245	120,934
Unrestricted	130,515	-	-	-	130,515	90,007
	133,070	143,631	12,679	48,530	337,909	228,343
Movements in Investments						
Market values 1 January	92,701	13,910	-	32,419	139,030	127,112
Investments sold	(15,000)	(15,205)	-	-	(30,205)	-
Unrealised gains/(losses)	15,327	1,295	-	1,097	17,719	11,918
Market values 31 December	93,028	-	-	33,516	126,544	139,030

The Parochial Church Council of the Ecclesiastical Parish of East Harptree with West Harptree and Hinton Blewett

Financial Statements for the Year Ended 31 December 2021

DETAILED ANALYSIS OF RECEIPTS

	PCC	East	West	Hinton	TOTAL	TOTAL
	£	Harptree	Harptree	Blewett	2021	2020
	£	£			£	£
<u>Voluntary Receipts - Unrestricted</u>						
Planned givings - STOs	19,670	-	-	-	19,670	21,095
Envelope scheme	-	-	-	-	-	-
Collections at services	1,989	-	-	-	1,989	1,047
Other donations	2,989	-	-	-	2,989	941
Gift Aid recovered	6,600	-	-	-	6,600	6,245
	<u>31,248</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,248</u>	<u>29,328</u>
<u>Voluntary Receipts - Restricted / designated</u>						
Other donations	56,744	27,657	1,003	1,275	86,678	8,691
Gift Aid recovered	803	-	-	-	803	188
Grants	15,626	81,384	-	2,600	99,610	34,358
	<u>73,174</u>	<u>109,041</u>	<u>1,003</u>	<u>3,875</u>	<u>187,092</u>	<u>43,237</u>
<u>Activities for Generating Funds - Unrestricted</u>						
Magazine advertising	1,129	-	-	-	1,129	1,668
Fund raising	-	-	-	-	-	280
	<u>1,129</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,129</u>	<u>1,948</u>
<u>Activities for Generating Funds - Restricted / Designated</u>						
Fund raising	-	4,062	3,868	249	8,179	3,102
<u>Receipts from Church Activities - Unrestricted</u>						
Fees	4,186	0	25	-	4,211	2,589
Magazine sales	2,483	-	-	-	2,483	2,257
	<u>6,669</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>6,694</u>	<u>4,846</u>
<u>Investment income - Unrestricted</u>						
Realised gains on disposal	-	-	-	-	-	-
Interest & dividends	10	25	2	948	985	1,795
	<u>10</u>	<u>25</u>	<u>2</u>	<u>948</u>	<u>985</u>	<u>1,795</u>
<u>Other income - Restricted / Designated</u>						
Hall rental	1,200	-	-	-	1,200	100
	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>100</u>
Total Receipts	<u>113,430</u>	<u>113,128</u>	<u>4,898</u>	<u>5,072</u>	<u>236,527</u>	<u>84,356</u>

The Parochial Church Council of the Ecclesiastical Parish of East Harptree with West Harptree and Hinton Blewett

Financial Statements for the Year Ended 31 December 2021

DETAILED ANALYSIS OF PAYMENTS

	PCC £	East Harptree £	West Harptree	Hinton Blewett	TOTAL 2021 £	TOTAL 2020 £
<u>Church Activities - Unrestricted</u>						
Diocesan parish share	34,157	-	-	-	34,157	35,163
<u>Clergy, organists & administration</u>						
Administrator	2,750	-	-	-	2,750	1,566
Organists	2,570	-	-	-	2,570	2,020
Rector's expenses	-	-	-	-	-	-
	5,320	-	-	-	5,320	3,586
<u>Church Running Expenses - Unrestricted</u>						
Equipment purchases	-	-	-	-	-	-
Magazine printing	2,678	-	-	-	2,678	3,192
Phone, copier, stationery etc	355	-	-	-	355	320
Other church running costs	2,414	-	-	-	2,414	893
	5,448	-	-	-	5,448	4,405
<u>Church Running Expenses - Restricted / Designated</u>						
Heat, light, water, insurance	-	1,704	1,863	1,369	4,936	4,942
Equipment purchases	-	96	-	10,269	10,366	495
Maintenance	-	311	279	65	655	5,385
Other church running costs	39,559	1,063	877	81	41,579	1,890
E Harptree - Newton project	-	36,890	-	-	36,890	22,514
Visiting Clergy	1,328	-	-	-	1,328	-
Professional fees	600	-	945	-	1,545	1,426
	41,487	40,064	3,963	11,784	97,298	36,652
<u>Outward giving - Unrestricted</u>						
Charitable donations	1,480	-	-	-	1,480	123
<u>Outward giving - Restricted / Designated</u>						
Charitable donations	-	-	-	-	-	-
<u>Costs of Generating Funds - Unrestricted</u>						
Fund raising expenses	340	-	-	-	340	-
<u>Costs of Generating Funds - Restricted / Designated</u>						
Fund raising expenses	18	316	304	-	638	829
Total Payments	88,249	40,380	4,267	11,784	144,679	80,758
Receipts from page 4	113,430	113,128	4,898	5,072	236,527	84,356
Net Result for the year	25,181	72,748	631	(6,712)	91,847	3,598

Notes to the Financial Statements for the year ended 31 December 2021

1. Basis of preparation

The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 using the Receipts and Payments basis. This method of preparing the accounts means that income and expenses fall into the accounts for the year when the cash movements take place. This can lead to unexpected fluctuations if receipts or payments are delayed around the time of the year end, which may require additional explanations to ensure an understanding of the figures.

2. Fund accounting - unrestricted / designated funds

Unrestricted funds are funds which may be spent on any of the PCC's general purposes. These may however be designated by the PCC for particular purposes. In these financial statements, unrestricted funds held by the three individual churches have been designated by the PCC as specific to each church only, to be held and used for the maintenance and upkeep of that church.

3. Fund accounting - restricted funds

Restricted funds comprise donations for a specific purpose intended by the donor.

There are specific restricted funds managed by East Harptree and by the PCC as follows:

The Graham Veitch Bell Fund at East Harptree

This fund was set up in 2016 with donations in memory of the late Graham Veitch, for the purpose of maintaining the church bells and bell equipment at East Harptree. The balance is now £0 (£1,279) having been utilised during 2021 towards the works to the bells that form part of the Newton Project.

The Newton Project Fund at East Harptree

During 2019 the first grant funding was obtained from the National Heritage Lottery Fund to cover consultancy and set up costs for this project which will involve major works to East Harptree church, including essential structural repair work and works to conserve and restore significant heritage items, and works to improve the inclusive access to the church and the project will also involve a number of Activities including with East Harptree Church of England Primary School, the Harptrees History Society and the East Harptree Environment Group. During 2021 a second significant grant was awarded by the National Heritage Lottery Fund. During 2021 further funding was received totalling £109,041 and expenditure of £36,890 made on the project. The balance unspent at the end of the year was £87,124.

The Choir Fund held by the PCC

This fund was introduced during 2018 for the choir's expenses, and started 2021 with a balance of £1,150. No expenditure was made from the fund during 2021 so the balance at the end of the year totalled £ 1,150.

4. Outward giving

International Nepal Fellowship	£1020
Royal British Legion	£410
Friends of Somerset Churches	£50

5. Reserves

The three church buildings are managed and maintained by the respective Friends and Village Church Committees. All three churches have reserves, which it is believed are sufficient to cover all foreseeable emergencies. Such reserves may not be sufficient to cover major capital works, when additional fund raising may be necessary.

The PCC is responsible for maintaining a Christian Ministry in the Parish. Reserves held by the PCC are considered to be adequate for foreseeable eventualities.

Financial Review for the year ended 31 December 2021

Results

For the overall United Benefice, receipts exceeded payments, with an overall surplus of £91,847 (for 2020 there was a surplus of £3,598). However these were exceptional figures significantly distorted by the donations and grants and expenditure on Project Newton and much of the surplus will be spent on Project Newton in 2022. Unrealised gains on investments amounting to £17,719 as at the year end further improved the situation.

Excluding investment gains, the PCC alone showed a net surplus of £25,181. However these figures mask the fact that they contain restricted donations which are to be used towards Project Newton. East Harptree showed a net surplus of £72,748, but largely due to receiving a grants and donations in respect of Project Newton which will be spent in 2022. West Harptree made a surplus of £631 and Hinton Blewett a deficit of £6,712.

Receipts

Combined receipts amounted to £236,527 (2020 - £84,356). Both 2020 and 2021 were distorted by significant grants and donations received towards Project Newton (for instance in 2018, which predated Project Newton, they were £58,228). Receipts in 2021 included grants and donations of £109,041 received for Project Newton. Planned giving showed a further decrease to £19,670 (£21,095 in 2020), and unsurprisingly in the light of the COVID pandemic church collections remained low at £1989.

Payments

Combined payments amounted to £144,679 (2020 - £80,758), with £36,890 of this relating to Project Newton. Other church running costs (Restricted) showed a big increase due to the distribution of grants and donations towards Project Newton.

Reserves, and looking forward to 2022

Reserves appear strong but a large part will be spent in 2022 on Project Newton. During the year the PCC repaid the loans (totalling £15k) it had received from the individual churches.

The COVID 19 virus had a huge financial impact, not only on our own church income, but on the Church of England overall. Despite that our PCC and individual church results and the grants and donations towards Project Newton give cause for some optimism and the Project Newton works started in March 2022 and are now well advanced. Many challenges lie in store for us all, particularly as we are still in a vacancy and likely to be for some time, and we will need to work together in our communities to support and pray for one another and for those in positions of authority. As your treasurer, once more I express my gratitude on behalf of the PCC to all those who continue to support the church with regular standing orders. Thank you to you all.

Guy Stobart

October 2022