

Parish of St Mary's Charlbury with All Saints' Shorthampton

2023 Financial Review and Financial Statements

FINANCIAL REVIEW

OVERVIEW

2023 had the makings of a very difficult year given the impact that global events were having on the UK economy and the cost of living. In particular, the soaring cost of energy prices at the turn of the year meant that it was anticipated that the annual utility bills would treble from previous years and, to balance the forecast budget for the year, a very ambitious fundraising target had been set which far surpassed anything that had been achieved in the past. On top of this, a new kitchen was to be built in St Mary's and a separate fundraising initiative was also required.

In the event, a variety of factors meant that the church finances at the end of the year were little changed from those at the start of the year. Overall, the value of parish funds fell by 5.8% but the General Fund, which covers the day to day operational costs of the parish, actually rose by 14% -- although a number of commitments for 2023 have had to be carried forward to 2024 (including a Q4 electricity bill for St Mary's and a grant for redecoration of the vicarage) and so the true picture is more one of "no change" to the General Fund. Even so, once these additional charges are taken into account, the General Fund continues to meet the PCC policy of maintaining a balance equating to 3 months operational expenditure.

UNRESTRICTED FUNDS

Unrestricted Funds comprise: (1) the General Fund for day-to-day expenditure and (2) designated funds, which finance particular church activities.

General Fund

A number of factors led to expenditure, somewhat unexpectedly, being less than anticipated. Not having a parish priest not only meant that our Parish Share was reduced by 10% but that clergy expenses were dramatically reduced. Perhaps associated with this, spending on church and outreach activities, and on parish administration, was also reduced. These savings were partly offset by some unplanned bills for churchyard maintenance and, of course, for the anticipated increased costs for electricity and gas. Fortunately, the prohibitively expensive utility contract, arranged for us through the Parish Buying scheme, ended in September and a new, 2-year contract, promises to be much more acceptable.

Income from planned giving and other sources remained pretty much as normal although it was a little disappointing to note that bookings for the use of the churches -- both for wedding/funeral services and for other events -- were down from previous years. However, these losses were more than offset by a wonderful fundraising effort throughout the year -- culminating in a hugely successful Christmas Tree Festival -- which more than met the, already ambitious, target set in the budget.

Designated Funds

Designated Funds comprise:

-**The Font Fund** receives takings from the weekly Font Café. This is now a regular fixture on the Church's weekly calendar and is well supported.

-**The Commemoration Flowers Fund** raises money for the purchase of flowers in memory of loved ones and has been little used throughout the year.

-**The Legacies Fund** established in 2019 to ensure legacies were used in line with the wishes of the donors to sustain and strengthen the Church ministry and facilities, has not been used in 2023.

-**St Mary's Projects Fund**, which had been dormant for a year or two, was used to consolidate paying for the building of a new kitchen in St Mary's. The work, which is more or less completed, has largely been funded through grants from a variety of agencies, topped up with donations raised from the local community. Some additional funds can be anticipated from VAT reimbursements and any remaining shortfall will be covered by payments from the St Mary's Fabric Fund and, where appropriate, the Legacies Fund.

RESTRICTED FUNDS

Restricted Funds comprise:

-**St Mary's Fabric Fund** has been used to pay for the installation of a defibrillator at the church and for the purchase of an oven for the new kitchen. These were largely paid for from individual donations. The Fund remains available to make good any shortfall in funding for the kitchen.

-**All Saints' Fabric Fund** has benefitted from the resurrecting of The Friends of Shorthampton, which encourages regular donations from parishioners, and from a very successful fundraising concert held at the Church. Money has been spent on the purchase of new benches, minor repairs to the organ and on a tree to commemorate the King's coronation.

-**Organ Fund** was used to purchase sheet music for use by the choir at St Mary's.

-**Memory Fund** continues to run a regular café to provide support and counselling for those members of the local community with memory loss or dementia.

-**Cornerstone Fund** has, again, been well supported by individuals and by a number of grant-making organizations. As a result, it has been able to expand the scope of the support it can offer to those in need within the town of Charlbury. As well as continuing to run a community shop, where local or excess produce is available to all, and continuing to help children through its Learning Café and grants for the purchase of school uniforms, it has also made some much needed grants to help families pay the cost of soaring utility bills during the winter months.

OUTLOOK FOR 2024

It is anticipated that the coming year will continue to provide financial challenges that will require considerable fundraising efforts if we are to meet all our commitments, and this is reflected in a new budget for 2024 which awaits input from our new vicar and subsequent PCC approval.

P J DURRANT
PCC Treasurer

Parish of St. Mary's Charlbury with All Saints' Shorthampton

Financial Statements for the Year Ended 31 December 2023

STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted <i>General</i>	Funds <i>Designated</i>	Restricted Funds	Total 2023	Total 2022
Income from :					
<i>Donations +legacies</i>	85762	42050	40850	168662	109215
<i>Income from Charitable activities</i>	18907			18907	15770
<i>Investments</i>	799			799	197
<i>Other income</i>	1138	1960		3098	26497
<i>Charitable donation</i>	-125			-125	
Total income from :	106481	44010	40850	191341	151679
Expenditure on :					
<i>Raising funds</i>	1041			1041	302
<i>Expenditure on Charitable Activities</i>	96751		44522	141273	161373
<i>Other Expenditure</i>	5570	50154		55724	13990
Total Expenditure on :	103362	50154	44522	198038	175665
Net Income/Expenditure	3119	-6144	-3672	-6697	-23986

STATEMENT OF ASSETS AND LIABILITIES

	Total 2023	Notes	2022
Current Assets - Cash at Bank and in Hand			
<i>Santander - Current Account</i>	33719		24947
<i>CAF Bank Current Account</i>	52897		71357
<i>CAF Bank Gold Account</i>	4001		
<i>CCLA (CBF) - deposit account</i>	16531		16531
<i>Cash in Hand</i>	0		1010
<i>Agency Collection/Opening Balance</i>	126		126
TOTAL	107274		113971
Liabilities - Agency accounts			
<i>Agency collections</i>	0		0
TOTAL	0		0
Net Total Assets	107274		113971

The attached notes form part of these financial statements:

See Note 3 for movements in unrestricted and restricted funds during the year.

See Note 4 for details of agency collections.

See Notes 5-7 for more detailed breakdowns of income and expenditure.

Parish of St. Mary's Charlbury with All Saints' Shorthampton

Financial Statements for the Year Ended 31 December 2023

NOTES

Note 1. The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 using the Receipts and Payments Basis.

Note 2. Figures shown for 2023 have been revised to be consistent with the revised nominal accounts categories that were introduced in 2009.

Note 3. The distribution of monetary assets between unrestricted and restricted funds and the movement in funds during 2023 is shown in Table 1 below.

Table 1: Movement in Restricted and Unrestricted Funds (excluding Agency operations)

Fund Type and Title	Fund Balance B/F	Restated after prior year adjustment	Notes	Incoming Resources	Outgoing Resources	Fund Balance C/F
Unrestricted funds						
General Fund	29328			106481	103362	32447
SM Projects Fund (Kitchen)	0			42050	49867	-7817
Legacies Fund	4453			0	0	4453
Font Fund	10817			1960	122	12655
Commemoration flowers Fund	21			0	165	-143
Sub-Totals - Unrestricted Funds	44619	0		150491	153516	41595
Restricted Funds						
SM Fabric Fund	18291			2107	3719	16679
AS Fabric Fund	9939			8909	4065	14783
Organ Fund	491			0	204	287
Cornerstone	39335			29834	36253	32916
Memory Fund	1296			0	281	1015
Sub Totals Restricted Funds	69852	0		40850	44522	65680
TOTALS ALL FUNDS	113971	0		191341	198038	107275

Note 4: Agency operations are activities that are not included in the Financial Statements since money received is paid over in full to a third party. In previous years, this has included money collected by the PCC on behalf of the Diocese for wedding and funeral fees as well as fees for the vergers, organist and gravediggers. This year, there are no agency operations' transactions and the amount of £126 carried forward from last year, and shown as "Agency Collection/Opening Balance" in the Statement of Assets and Liabilities will be cleared in 2024.

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Note 5: Table 2 shows income and expenditure during 2023 broken down between the different fund groups. The General Fund is used primarily to finance the PCC's operational costs.

Table 2: Income and Expenditure by Group

	Unrestricted General	Funds Designated	Restricted Funds	Total 2023	Total 2022
Income					
Planned Giving	61120			61120	58604
Other Giving	10895	6675	5011	22581	13549
Gift Aid Recovery	13746	375	785	14906	15835
Grants	0	35000	2869	37869	8405
Fund Raising Activities/Events	15343		2351	17694	15769
Fees Income	2889			2889	7170
Legacies	0			0	0
Cornerstone Initiative			29834	29834	32150
Other income	2488	1960		4448	197
Total Income	106481	44010	40850	191341	151679
Expenditure					
Parish Share	51966			51966	58985
Clergy Expenses	357			357	4763
Church and Outreach	1740	287	513	2540	3078
Parish Administration +Office Expenses	13567			13567	20351
Utilities and Insurance	16785			16785	9498
Church and Churchyard	14794			14794	8287
Cleaning/Maintenance	2008			2008	7542
Major Building Repairs +Improvements		49867	7756	57623	33285
Fund Raising Costs	1042			1042	301
Cornerstone			36253	36253	29135
Other Expenditure	1103			1103	438
Total Expenditure	103362	50154	44522	198038	175663
Funds Balance	3119	-6144	-3672	-6697	-23984

Note 6: Table 3 shows the distribution of capital spending on building repairs and improvements.

Table 3: Capital Expenditure by Fund

	General Fund Reserves 2023	SM Project/ Kitchen Fund 2023	SM Fabric Fund 2023	AS Fabric Fund 2023	Total Capital Expenditure 2023	Total Capital Expenditure 2022
St Mary's Charlbury						
<i>Building Repairs and improvements</i>		49867	3719		53586	5298
All Saints Shorthampton						
<i>Building Repairs and improvements</i>			4065		4065	27986
		49867	7784	0	57651	33284

**Parish of St. Mary's Charlbury with All Saints'
Shorthampton**

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Note 7: The General Fund is used primarily to finance the operational budget of the PCC. Table 4 provides a more detailed breakdown of General Fund income and expenditure by category.

Table 4: General Fund - Operational Income and Expenditure (Detailed)

Operational Income (General Fund)	<u>2023</u>	<u>2022</u>
Planned Giving	61120	58605
<i>Parish Giving Scheme</i>	<i>48485</i>	<i>48206</i>
<i>Standing Orders</i>	<i>12185</i>	<i>7445</i>
<i>Envelopes</i>		<i>646</i>
<i>Other Planned giving</i>	<i>450</i>	<i>2308</i>
Other Giving	10895	10862
<i>One off donations</i>	<i>3395</i>	<i>4371</i>
<i>Collections at Services</i>	<i>5466</i>	<i>5043</i>
<i>Wall Boxes and Card Reader</i>	<i>2034</i>	<i>1448</i>
Gift Aid Recovery	13746	15707
Grants	0	6838
 Fund Raising Activities	 15343	 9795
 PCC Fees (Weddings + Funerals)	 2889	 4881
 Hire and use of Church Facilities	 676	 2290
Investment Income	799	197
Other Receipts	1013	0
Total Operational Income	106481	109175
 Operational Expenditure (General Fund)		
Parish Share	51966	58985
Clergy and Assistants Expenses	357	4763
Church and Outreach Activities	1740	3078
Parish Administration	13567	18054
<i>Administrators' Services</i>	<i>10453</i>	<i>9687</i>
<i>Office Equipment + Consumables</i>	<i>2504</i>	<i>6032</i>
<i>Photocopying + Printing + IT support</i>		<i>0</i>
<i>Other Office Costs</i>	<i>610</i>	<i>2335</i>
Utilities	11215	6499
<i>Electricity</i>	<i>2541</i>	<i>1088</i>
<i>Gas</i>	<i>7829</i>	<i>3114</i>
<i>Telephone + Internet</i>	<i>845</i>	<i>2297</i>
Church Cleaning	2008	1424
Building Maintenance + Minor Repair	6813	10762
Equipment Repairs / Maintenance	0	0
Churchyard Maintenance	7981	3642
Insurance	5570	5297
Fundraising Costs	1042	301
Other PCC expenses	1103	
Total Operational Expenditure	103362	112805
 Excess of Income over Expenditure	 3119	 -3630

Parish of St. Mary's Charlbury with All Saints' Shorthampton

Financial Statements for the Year Ended 31 December 2023

Independent Examiner's Report to the PCC of St. Mary's Charlbury with All Saints' Shorthampton

This report on the financial statements of the PCC for the year ending 31st December 2023, which are set out in Appendix 1 to the PCC Annual Report for 2023, is in respect of the examination carried out in accordance with Church Accounting Regulations and Section 43 of the Charities Act 1991.

Respective Responsibilities of the PCC and the Examiner

As members of the PCC you are responsible for the preparation of the financial statements. You consider that the audit requirement of the Regulations and the Section 43(2) of the Act do not apply (income/expenditure above £250,000). It is my responsibility to issue this report to those financial statements in accordance with the terms of the Regulations.

Basis of this Report

My examination was carried out in accordance with the directions given by the Charity Commission under section 43(7)b of the Act to be found in the Church Guidance 2006 edition issued by the Archbishop's Council. The examination includes a review of the accounting records kept by the PCC. It also includes considering any unusual terms or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

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

- (i) which gives me cause to believe that in any material respect the requirements to keep accounting records in accordance with Section 41 of the Act and to prepare financial statements which comply with the Act have not been met; or
- (ii) to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to have been reached.

Mr Tony Morgan

Independent Examiner
30 January 2024