

St. Mark's Parish Church

Statement of Financial Activities for the year ended 31 December 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income					
Donations & legacies	3	263,232	56,558	319,790	282,536
Other trading activities	4	20,384		20,384	15,164
Investments	5	8,332		8,332	10,149
Charitable activities	6	9,013		9,013	3,614
Total Income		300,961	56,558	357,519	311,463
Expenditure on:					
Charitable Activities	7	299,450	3,577	303,027	258,434
Financial Fees & Charges	8	11,757	8,454	20,211	3,614
Depreciation	9	0		0	0
Restoration Expenditure				0	0
Total Expenditure		311,207	12,031	323,238	262,048
Net Income/ (Expenditure) before transfers		-10,246	44,527	34,281	49,415
Transfers between funds		-	-	-	-
Net Income/ (Expenditure) before other recognised gains and losses		-10,246	44,527	34,281	49,415
Net movement in funds		-10,246	44,527	34,281	49,415
Reconciliation of funds:					
Total funds brought forward	21	1,509,673	92,674	1,602,347	1,552,932
Total funds carried forward	21	1,499,427	137,201	1,636,628	1,602,347

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

All income and expenditure derive from continuing activities.

St. Mark's Parish Church

Statement of Financial Position /(Balance Sheet) as at 31 December 2022

	Note	2022	2021
		£	£
<u>Fixed Assets</u>			
Tangible Fixed Assets	13	1,276,730	1,200,000
Investment Properties	14	175,000	175,000
Investments	15	48,715	57,169
Total Fixed Assets		1,500,445	1,432,169
<u>Current Assets</u>			
Debtors & Prepayments	16	45,958	4,717
Cash and cash equivalents	17	165,474	179,019
Total Current Assets		211,432	183,736
<u>Current Liabilities</u>			
Creditors & Accruals	18	7,311	12,182
Bank Loans	19	2,000	1,376
Total Current Liabilities		9,311	13,558
Net Current Assets		202,121	170,178
<u>Long Term Liabilities</u>			
Bank Loans	19	65,938	0
Total Long Term Liabilities		65,938	0
Total Net Assets		1,636,628	1,602,347
Parish Funds			
<u>Unrestricted funds</u>			
General funds	21	47,697	134,673
Designated funds	21	1,451,730	1,375,000
Total Unrestricted Funds		1,499,427	1,509,673
<u>Restricted Funds</u>			
Restricted funds	21	137,201	92,674
Total Restricted Funds		137,201	92,674
Total Charity Funds		1,636,628	1,602,347

The notes on pages 13 to 20 are an integral part of these financial statements.

The financial statements on pages 11 to 20 were approved by the Board of Trustees on 20 April 2023 and signed on its behalf by:



Rev Peter Hilton
Trustee



D Phillips
Trustee

St. Mark's Parish Church

Notes to the Financial Statements for the Year ended 31 December 2022

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of Preparation

The financial statements have been prepared on a going concern basis in accordance with 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Parish meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Preparation of accounts on a going concern basis

The Parish generally meets its day to day working capital requirements from its annual income. The Trustees have obtained and reviewed cash flow forecasts for the coming year and based on these are satisfied that the Parish has resources to provide a reasonable expectation that it can continue to meet its financial obligations as they fall due for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

1.3 Income

Plate Collections, Weekly Envelopes and rental of the Parish Hall are accounted for on a cash receipts basis as the amount is collected. Other donations are recognised once the Parish has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time claim is submitted to HMRC.

Legacies are included within Income under either unrestricted or restricted funds according to the terms under which the donation is made and when the amount can be quantified with reasonable certainty. Donations and gifts in kind are brought into the accounts at their fair value to the Parish.

Income arising from the rental of investment properties to third parties is recognised when the parish has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

1.5 Tangible assets

The assets of the Parish comprise:-

The Church Building
The Parish Centre
The Rectory - Belfast Road
The Curatage - Londonderry Road

The Church Building:

The Church Building is deemed to be a Heritage asset as defined by the Charities SORP (FRS102).

This accounting policy for this asset is outlined in note 1.6 below.

The Parish Centre and Rectory:

The Parish Centre is recognised at cost. The Rectory is recognised at deemed cost.

No depreciation is provided on these as the current estimated residual value is not less than the carrying value and the remaining useful life currently exceeds 50 years.

The Curatage

This property was originally used for the residence of the Curate. This property has been

let at a commercial rent and has therefore been treated as an investment property. The accounting policy for this asset is outlined in note 1.7 below.

Equipment:

Equipment is included at cost and depreciated on a straight line basis over 4 years.

A diminution for capitalisation of £1,500 is applied.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of financial activities and included in 'Other operating (losses)/gains'.

1.6 Heritage assets

The Church Building is deemed to be a Heritage asset as defined by the Charities SORP (FRS102). This asset is not included on the balance sheet as information on the cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the Parish.

1.7 Investment properties

Fixed asset investments comprising investment properties are initially recorded at cost and are then subsequently stated at fair value at each balance sheet date. Unrealised gains and losses represent the difference between the fair value at the beginning and end of the financial year or, if purchased in the year, the difference between cost and fair value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the fair value at the start of the year or cost if purchased in the year. Both realised and unrealised gains and losses in investments are reported within 'Net Gains/(Losses) on Investments' within the Statement of Financial Activities.

1.8 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within Creditors - Amounts falling due within 1 year. Loans with a duration of more than 12 months are split between current and long term liabilities.

1.9 Financial instruments

The Parish only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price and subsequently measured at their settlement value.

1.10 Taxation

St. Mark's Parish Church is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities.

1.11 Retirement benefits

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

1.12 Funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted Funds: The Select Vestry has defined the Restoration Fund as restricted funds as these have been generated through separate donations from parishioners to undertake physical restoration works to the Church and Parish centre.

Endowment Funds: are funds which have been given on the condition that the original capital sum is not reduced, but the income there from is used for the purpose defined in accordance with the objects of the Parish. The Parish has no endowment funds.

Unrestricted Funds: are expendable at the discretion of the Trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the Trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.

2. Critical accounting judgements and estimation uncertainty

Estimates and judgments made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Trustees do not consider that there are any critical judgments made in applying the Parish's accounting policies or that there are any critical accounting estimates or assumptions which may have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

St. Mark's Parish Church

Notes to the Financial Statements for the Year Ended 31 December 2022

Analysis of Income

	Unrestricted Funds 2022	Restricted Funds 2022	Endowment Funds 2022	Total 2022	2021
	£	£	£	£	£
3. Donations and legacies					
Weekly envelopes / FWO	124,593	17,591		142,184	138,219
Gift Aid	41,187	0		41,187	48,090
Grants	0	0	-	0	0
Donations	68,519	5,167		73,686	70,565
Glen CC	15,470	10,000		25,470	25,662
WWCC	13,463	23,800		37,263	0
	<u>263,232</u>	<u>56,558</u>	<u>-</u>	<u>319,790</u>	<u>282,536</u>
4. Other trading activities					
Rentals from Parish Centre	20,384			20,384	10,945
BT Refund	0			0	4,219
	<u>20,384</u>	<u>-</u>	<u>-</u>	<u>20,384</u>	<u>15,164</u>
5. Investments					
The Curatage - rental income	6,439			6,439	6,509
RCB Trust income	699			699	489
Bank interest	669			669	390
Increase in FV of investments				0	1,757
Legacy investment income	525			525	1,004
	<u>8,332</u>	<u>-</u>	<u>-</u>	<u>8,332</u>	<u>10,149</u>
6. Charitable activities					
Gazette Income	160			160	187
Events	8,853			8,853	3,427
	<u>9,013</u>	<u>-</u>	<u>-</u>	<u>9,013</u>	<u>3,614</u>
Analysis of Expenditure					
7. Charitable Activities					
Salaries and Wages (note 11)	171,267			171,267	150,865
Diocesan costs	39,394			39,394	40,575
Premises costs	46,958	2,000		48,958	27,728
General Parish running costs	19,997	94		20,091	17,635
Charitable donations	1,851			1,851	13,040
Glen CC costs	12,899			12,899	8,591
WWCC costs	7,084	1,483		8,567	0
	<u>299,450</u>	<u>3,577</u>	<u>-</u>	<u>303,027</u>	<u>258,434</u>
8. Financial Fees & Charges					
Bank Charges and Interest	5,250			5,250	834
Accountancy & IE	1,440			1,440	-60
Decrease in fair value of investment		8,454		8,454	0
Professional fees	5,067			5,067	2,840
	<u>11,757</u>	<u>8,454</u>	<u>-</u>	<u>20,211</u>	<u>3,614</u>
9. Depreciation					
Equipment	0			0	0
	<u>0</u>	<u>-</u>	<u>-</u>	<u>0</u>	<u>0</u>

10 Taxation

St Mark's Parish Church is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities.

11. Analysis of Staff costs, Trustee remuneration and expenses, and the cost of Key Management Personnel

Employees

	2022	2021
	£	£
Clergy Stipend and Allowances	81,505	87,539
Clergy Employers NI	7,886	5,382
Staff Salaries	74,579	52,553
Staff Employers NI	4,651	3,059
Nest pension	2,646	2,332
Total	<u>171,267</u>	<u>150,865</u>

The average number of employees during the year, calculated on the basis of a head count, was as follows:

	2022	2021
	Number	Number
Ministerial support	5	5
Administration	1	1
	<u>6</u>	<u>6</u>

There are no employees in receipt of employee benefits in excess of £60,000.

12 Key Management and Trustees

Key management are deemed to comprise the Trustees. The parish paid expenses of £4,244 relating to the running costs of the Rectory house which is occupied by the rector.

During the year the Clergy received stipends and allowances of £81,505 and the ministers for the Church Plants Centre received salaries of £53,998. No other trustee or a person related to a trustee had a personal interest in any contract or transaction entered into by the charity during the year.

13 Tangible fixed assets

	Freehold land and buildings	Equipment	Total
At Cost	£	£	£
At 1 January 2022	1,200,000	0	1,200,000
Additions	426,730	0	426,730
Revaluation	-	0	-
Disposals	- 350,000	0	- 350,000
At 31 December 2022	<u>1,276,730</u>	<u>0</u>	<u>1,276,730</u>
Depreciation			
At 1 January 2022	0	0	0
Depreciation	0	0	0
Disposals	0	0	0
At 31 December 2022	<u>0</u>	<u>0</u>	<u>0</u>
Net book value at 31 December 2022	<u>1,276,730</u>	<u>0</u>	<u>1,276,730</u>
Net book value at 31 December 2021	<u>1,200,000</u>	<u>0</u>	<u>1,200,000</u>

Freehold land and buildings consist of the following properties:

Church building - this asset is not included on the balance sheet as the information on the cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the parish. Accordingly the Church building is deemed to be a Heritage asset as defined by the Charities SORP (FRS102). (At 31 October 2022, the sum insured for the Church building and contents was £6,224,598).

The Parish Centre and The Rectory are recognised at cost.

No depreciation is provided on these assets as the current estimated residual value is not less than the carrying value and their remaining useful life exceeds 50 years.

14 Investment Properties

	Investment Properties	Total
Fair Value	£	£
At 1 January 2022	175,000	175,000
Additions	0	0
Gain / Loss	0	0
Disposals	0	0
At 31 December 2022	<u>175,000</u>	<u>175,000</u>

The investment property, The Curatage, Londonderry Road, Newtownards, is held to earn rentals. The year end valuation of the property was carried out by the trustees and is based on reference to market evidence of transactions for similar properties in the area.

15 Investments

	Listed Investments £
Fair Value	
At 1 January 2022	57,169
Increase/(decrease) in fair value	-8,454
At 31 December 2022	<u>48,715</u>

16 Debtors & Prepayments

	2022 £	2021 £
Debtors	41,416	0
Prepayments	4,542	4,717
	<u>45,958</u>	<u>4,717</u>

17 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	165,474	179,019
Notice deposits (less than 30 days)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	<u>165,474</u>	<u>179,019</u>

18 Creditors & Accruals

	2022 £	2021 £
Creditors	2,681	10,208
Accruals	4,630	1,974
	<u>7,311</u>	<u>12,182</u>

19 Bank Loans

	2022 £	2021 £
Due within 12 Months	2,000	1,376
Due after 12 Months	65,938	0
	<u>67,938</u>	<u>1,376</u>

20 Retirement benefit schemes

The parish operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the parish in an independently administered fund.

21 Funds of the Parish

	At 1 Jan 2022	Income	Expenditure	Transfers	At 31 Dec 2022
	£	£	£	£	£
<u>Restricted funds</u>					
Building fund	-6,864	22,558			15,694
RJ Coulter Trust	57,169		8,454		48,715
Stained glass window fund	36,720		2,000		34,720
Jigsaw		200	94		106
GCC EA Youth grant fund	1,128				1,128
GCC Childrens & Orphans		10,000			10,000
WWCC Childrens & Orphans		10,000			10,000
WWCC Priorities fund		10,000	1,483		8,517
WWNN Mind Matters		3,800			3,800
West Winds project fund	4,521				4,521
	<u>92,674</u>	<u>56,558</u>	<u>12,031</u>		<u>137,201</u>
<u>Unrestricted funds</u>					
General fund	134,673	300,961	311,207	-76,730	47,697
<u>Designated funds</u>					
Property fund	1,200,000			76,730	1,276,730
Investment property	175,000				175,000
Equipment Fund					
Building Fund	0				0
	<u>1,509,673</u>	<u>300,961</u>	<u>311,207</u>		<u>1,499,427</u>
Total funds	<u><u>1,602,347</u></u>	<u><u>357,519</u></u>	<u><u>323,238</u></u>	<u><u>-</u></u>	<u><u>1,636,628</u></u>

Purpose of restricted funds

These funds are to support specific projects as noted above for which funds were given and restricted in their use to those projects.

Purpose of designated funds

Property fund: this fund is in relation to the Parish Centre and the Rectory.

Investment fund: this fund is in relation to the investment property The Curatage, Newtownards.

Building fund: this fund is in relation to building development projects.