

ALL SAINTS CHURCH HARTFORD

RECEIPTS AND EXPENDITURE ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 2019

ALL SAINTS CHURCH HARTFORD

ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2019

Independent Examiner's Report to the PCC of All Saints Church Hartford

I have examined the report and financial statements of the PCC set out on pages 3 to 7, in accordance with the instructions which have been given to me without carrying out a full audit.

The independent examination has been carried out in accordance with the Church Accounting Regulations 2006 and the Charities Act 2011.

In my opinion the report and financial statements which have been prepared by the Treasurer on behalf of the PCC, in so far as those records concern the running of the PCC, is a fair summary of the accounting records for the year ended 31 December 2019 and is sufficiently supported by accounts, receipts and records.

Signature:

Date: 10th February 2020

D Ebdale
Independent Examiner
Clock Tower Cottage,
The Green,
Houghton,
Huntingdon,
Cambridgeshire PE28 2AX

These accounts were approved and accepted by the Parochial Church Council at the meeting on 16th March 2020

Signed for and on the behalf of the PCC:

Rev Geoff Boucher

Rector

Mr Paul Fearon

Treasurer

Contents

Page 3 Income and Expenditure Accounts

Statement of Bank Funds

Page 4 – 8 Treasurer's Report

Receipts and Expenditure Accounts for the year ended 31st December 2019					
Receipts			Expenditure		
	2019	2018		2019	2018
Gift Aided Income	5,907.38	8,764.95	Cost of Generating Funds	753.19	1,345.34
Parish Giving Scheme	12,969.75	10,158.50	Mission Giving & Charitable Donations	3,691.90	3,108.06
Cash Collections	2,732.64	3,039.79	Ministry Share	27,494.94	26,562.25
Donations	1,703.00	41,208.55	Organist Fees & PCC Expenses	1,175.00	1,235.00
Gift Aid	5,568.47	6,999.04	Expenses for clergy & pastoral staff	0.00	429.60
Legacies	11,500.00	0.00	Mission & Evangelism costs	35.00	194.74
VAT reclaimed	1,966.88	7,501.17	Regular Expenses	2,355.18	6,584.05
Fund Raising (gross amount)	5,903.19	7,569.29	Utilities	3,307.14	3,503.17
Income from property & Interest	239.99	418.80	Insurance Premiums	2,359.25	2,324.11
Statutory fees retained by PCC	5,901.00	4,706.00	Repair & Maintenance	12,354.32	46,262.28
Lettings, Bookstall, Magazine Ads	7,393.63	7,161.00	Contra Out	3,791.88	3,811.70
Other Income	681.00	1,019.80	Parochial Fees	4,698.00	4,266.00
Contra In	3,687.00	4,378.70	LLM & SSM Fees	725.00	1,068.00
Clergy Travel Fees	0.00	0.00			
Parochial Fees	4,982.00	4,266.00			
LLM & Visiting Clergy	725.00	1,150.00			
Total Income	71,860.93	108,341.59	Total Expenditure	62,740.80	100,694.30
			Total Income	71,860.93	108,341.59
			Surplus / Deficit	9,120.13	7,647.29
			Transferred to Reserves	17,500.00	10,629.00

Statement of Bank Funds for the year ended 31st December 2019

	£'s		
	RESTRICTED	UNRESTRICTED	TOTAL
LLOYDS GENERAL FUND		10,868.11	10,868.11
LLOYDS IAS GENERAL FUND		1,317.63	1,317.63
CBF INVESTMENT FUND		78,852.10	78,852.10
TOTAL		91,037.84	91,037.84

TREASURER'S REPORT - YEAR ENDED 31st DECEMBER 2019

Summary

Our annual accounts are prepared on a receipts and expenditure basis. On this basis total income for the year ended 31st December 2019 was £71,860 and total expenditure was £62,740 producing a surplus for the year of £9,120. During the year £17,500 was transferred to reserves.

The total funds held in the three bank accounts was £91,037 at the 31st December 2019, an increase of £19,860 compared with 31st December 2018.

Income

Our income in 2019 came from seven main sources:

- Direct Giving
- Donations
- Legacies
- VAT refund
- Church Room Lettings
- Fundraising
- Statutory Fees

Direct Giving – this includes the Parish Giving Scheme (PGS), the Envelope Scheme, collections and tax refunds from Gift Aid and the Small Donations Scheme. Direct Giving was £27,178 in 2019 compared with £28,962 in 2018. Direct Giving was down by £1,784 - a decrease of 6.1%. This was principally due to a fall in Gift Aid of £1,431. In 2019 Gift Aid was £5,568 compared with £6,999 in 2018 when we had the large one-off effect of the much earlier receipt of Gift Aid through PGS which was launched during 2018.

Donations – during the year donations totalled £1,703.

Legacies – we have received three legacies totalling £11,500 in 2019. The legatees were Gerald Gibbs, Nicholas Roberts and John Unwin and their thoughtfulness in making provision in their wills is greatly appreciated.

VAT Refund – two claims were made through the Listed Places of Worship Scheme for the VAT paid on the final invoices for the architect's fees, consultant fees for advice on Health & Safety and the retention payment from the main contractor for the works on the Church Tower which were carried out in 2018. The VAT paid for the work on the Bells and for the new Gas Boiler was also claimed. Both claims were settled in full and £1,966 of VAT was recovered.

Church Room Lettings – the income from Lettings was £7,088 in 2019 compared with £6,762 in 2018. The outstanding invoices of £1,618 at the end of 2018 were all paid and at the end of 2019 there were £154 of outstanding invoices. Total billings for 2019 were £5,817 compared to £7,570 in 2018. The pressure on local government spending has continued and their use of the Church Room has now fallen to 18% of our annual billings compared with 66% in 2017. The number of

private bookings has continued to increase, and we have benefited significantly from the regular use of the Church Room by The White Swan Dance Academy which started their sessions in April 2019.

Fundraising – the gross income received in 2019 was £5,903 compared with £7,569 in 2018, a decrease of £1,666. The cost of generating these funds was £753 leaving net income from fundraising of £5,150 compared with £6,224 in 2018. The PCC has set up a Fundraising and Social Committee which will commence its work after the APCM.

Statutory Fees – the income in 2019 was £5,901 and comes from Weddings and Funerals and is the part which is retained by the PCC. In 2019 there were eleven weddings, fifteen funerals in church and five funerals at the crematorium.

Expenditure

Our expenditure is in six main areas:

- Ministry Share
- Parochial Fees
- Mission and Charitable Giving
- Utilities
- Repairs and Maintenance
- Insurance

Ministry Share - all parishes in the diocese contribute towards the cost of ministry and the associated costs of running the diocese. Our contribution in 2019 was £27,494 which was paid in full.

Parochial Fees – these are the Statutory Fees due to the Diocese for the Weddings and Funerals conducted and £4,698 was paid in 2019.

Mission and Charitable Giving – in 2019 a sum £3,691, some 5.1% of our total income, was given to support the following organisations: Children’s Society – £200; Diocese in Europe £250; Fusion - £720; Godmanchester Food Bank – 200 kilos of tins and packets of food; Hinchingsbrooke Hospital Chaplaincy - £250; Huntingdon Area Money Advice - £300; Thrive - £300; Kairos Prison Ministry for their work in Littlehey Prison - £250; Salvation Army for Kings Ripton Court - £250; Kitegomba – Church of Uganda Primary School - £750; Royal British Legion - £100; Scripture Union Booklets for Schools Visits - £50 (given through Churches Together); Women’s Refuge £100.

Utilities – the cost for utilities totalled £3,307 in 2019 compared with £3,503 in 2018. The charge by utility was £1,881 for gas, £1,138 for electricity and £288 for water. In the first quarter of 2018 the weather was very cold with a commensurate high use of gas which is the reason for the small reduction in the utility cost in 2019 when the weather was warmer. We have a contract with Total Gas and Power using the Energy Basket negotiated through the Parish Buying Organisation for the Church of England which continues to provide very competitive energy prices. It is anticipated that the new Gas Boiler will be more efficient and help towards managing our heating costs.

Repairs and Maintenance – £12,354 was spent on repairs and maintenance. The final invoices for the works on the Church Tower paid in 2019 including the VAT totalled £2,235. The cost of the works including VAT for the refurbishment of the bells was £3,757 and for the new Gas Boiler £5,808. The remaining £554 was spent on general repairs.

Insurance - our insurance cover is provided by Ecclesiastical Insurance and the premium paid in 2019 was £2,359. The PCC review the level of cover annually and in June 2018 entered into a three-year agreement with Ecclesiastical Insurance using the Parish Plus Scheme.

Recognition – we cannot afford to forget the people in our congregation who give freely of their time, talent and energy some of whom also provide goods in supporting the church which has a real benefit in helping us to contain and reduce our expenditure. These people choose to channel some of their giving and support in this way. If we had to budget for these things, we would be looking at a higher level of expenditure.

Bank Funds and Other Assets

Bank Funds

The PCC hold three bank accounts; a Current Account and Instant Access Savings (IAS) with Lloyds Bank and an Investment Account in the CBF Church of England Investment Fund. Money excess to our day to day needs is held in The CBF Church of England Investment Fund enabling us to get the best return on the funds we hold.

At the 31st December 2019 there was £10,868 in our Lloyds Bank Current Account and £1,317 in the Instant Access Savings Account (IAS).

We hold 4,122.77 shares in The CBF Church of England Investment Fund and at the 31st December 2019 the value of this investment was £78,852. The £36,000 from the Chancel Designated Fund is held in this account as well as £1,500 in the Church Enhancements Designated Fund. Since the year end the PCC has agreed the transfer of John Unwin's legacy of £10,000 to The Church Enhancements Designated Fund which now stands at £11,500. The PCC has agreed that these two funds should be adjusted annually by the Retail Prices Index (RPI).

The CBF Church of England Investment Fund was set up in 1958 and its aim is to provide a long-term total return comprising growth in capital and distributions. We reinvest all the distributions received. With the recovery and growth in the financial markets since the end of 2018 there has been a significant increase in the value of our investment. It should be noted that the value of the investment in the short term may fluctuate up or down. In 2019 the gross income yield for the CBF Church of England Investment Fund was 2.94% and the overall growth in capital value was 11.21%.

The total funds held in all our bank accounts at the 31st December 2019 was £91,037 compared with £71,177 at the 31st December 2018. This is a significant increase of £19,860.

Other Assets

Land (6.434 acres) at Hartford is held by the Churchwardens at an estimated value of £4,400, this generates an annual grass keeping / grazing income. The grazing licence was renewed through our agents Brown & Co and the income of £238 in 2019 was after the fee for arranging the new two-year grazing licence had been charged.

Silver belonging to All Saints Church Hartford is on loan to the Fitzwilliam Museum in Cambridge and was valued in March 2019 at £8,500. This valuation was agreed with the Registration and Loans Department to enable them to apply for a Government Indemnity Insurance on our behalf. This was renewed in 2019 and the next renewal date is in 2022.

Going Forward

Managing our Finances

The PCC have agreed the following four principles for managing our finances:

- To balance income and expenditure and when possible generate a small annual surplus
- To maintain funds in the current account at a level to enable us to manage normal day to day activities
- To have available funds equivalent to around six months of annual expenditure
- To hold reserves including any Designated Fund(s) in the CBF Church of England Investment Fund

For 2020 we have budgeted for a deficit of £4,960 which includes £5,000 for repairing items outstanding from those identified in the 2017 Quinquennial Report. Currently there are surplus funds in our reserves which the PCC may decide to transfer to cover these costs. The PCC is exploring possible options for the use of the funds available in the Church Designated Enhancement Fund.

Including the RPI adjustment for the Chancel Designated Fund then £47,500 is ringfenced in the two Enhanced Funds. Our policy is to hold six months of reserves based on six months expenditure – £25,000 (based on annual expenditure of £50,000) leaving £18,537 of available funds at the 31st December 2019.

Gift Day

A Gift Day is planned for the 20th June 2020 when the focus will be on fundraising for the cleaning of the organ.

Parish Giving Scheme (PGS)

The Parish Giving Scheme is a direct-debit system developed by the Diocese of Gloucester to provide a professional, effective donation management system to support parishes fund their mission and ministry. PGS is the largest part of our direct giving and there are significant benefits for us when givers choose to use PGS.

We launched the Parish Giving Scheme in January 2018 and we now have 26 PGS Givers. We receive regular Gifts totalling over £1,000 every month plus £250 of Gift Aid. In the 2019 Gifts totalled £12,969 plus £3,135 of Gift Aid. PGS contributes 59.2% of our direct giving and is 22.4% of our total church income.

Conclusion

2019 showed a healthy surplus of £9,120 which was principally due to the receipt of £11,500 of legacies. We have funds in our bank accounts of £91,037.

In summary, our day to day income normally covers our annual expenditure and to undertake anything else we are dependent on special fundraising and investment income. It should be noted that the surplus we had in 2018 was due to the receipt of £40,000 from two donations. We are in the fortunate position of having a large Investment Fund which if required can provide a further source of funds.

There is no reason why this healthy financial position should change in the short to medium term with ongoing prudent management of our finances.

Paul Fearon
Treasurer

January 2020