

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
(Registered Charity: 1193766)**

**ANNUAL REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Contents

| Page | |
|-------|--|
| 1 - 4 | Report of the Parochial Church Council |
| 5 | Independent Examiner's Report |
| 6 | Statement of Financial Activities |
| 7 | Balance Sheet |
| 8-13 | Notes to the Accounts |

The following pages do not form part of the statutory accounts:

| | |
|----|---|
| 14 | Details of Incoming Resources |
| 15 | Details of Resources Expended - Donations and Distributions |
| 16 | Details of Resources Expended - Other Expenditure |
| 17 | Church Hall Accounts |

Churches:

St George's Church, Lower Street, West Harnham, Salisbury, SP2 8EZ

All Saints Church, Harnham Road, East Harnham, Salisbury, SP2 8JH

Hall and Parish Office (address for correspondence):

St George's Parish Hall, Lower Street, West Harnham, Salisbury, SP2 8EY

Clergy:

Reverend Rebecca Roberts (Vicar)

Reverend Julian Poppleton (Assistant Priest)

Reverend Mike Badger (Curate)

Bankers:

Lloyds Bank plc, 38 Blue Boar Row, Salisbury, SP1 1DB

Central Board of Finance of the Church of England, One Angel Lane, London EC4R 3AB

Independent Examiner:

Vicki Poole, 18 St Georges Road, Salisbury, SP2 8LU

Parish Secretary & Website Administrator:

Linda Baker (07925 108856, harnhamparish@BTinternet.com)

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS**

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

STATUTORY DISCLOSURES

Members and Officers of the PCC

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) held on 21 May 2023 or in earlier years in accordance with the Church Representation Rules.

The following persons served on the PCC during the year:

Clergy
Reverend Rebecca Roberts (Vicar) #
Reverend Julian Poppleton (Assistant Priest) #
Reverend Mike Badger (Curate) #

Churchwardens

All Saints' Church: Mr R Salkeld #
St George's Church: Mr C Woodd #

Deanery/Diocesan Synod Representatives

Mr N Turpin Mrs K Carter

Elected members

until APCM 2023 Mrs E Wilson
until APCM 2024 Mrs D Mussellwhite
until APCM 2025 Dr K Mash Mrs J Brown# Mrs J West
until APCM 2026 Mrs E Wilson Mr I Hobday RIP 2024 Mrs J Carr

Officers

Chair Reverend Rebecca Roberts
Vice-Chair Mr Charles Woodd
Secretary Mrs Linda Baker
Treasurer Vacant from 21 May 2023. Mrs J Scott # appointed 10 April 2024

= member of Standing Committee

The PCC met 5 times during the year including the APCM. Between meetings it operates through its Standing Committee. It has appointed working groups or sub-committees for certain tasks. The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC.

Churchwardens and Officers attend training sessions held by the Diocese. Other members of the PCC are encouraged to attend courses from time to time, according to their personal needs and interests. The PCC intends to adopt a formal training regime.

Church Attendance

There were 150 names on our Electoral Roll at the last Annual Meeting in April 2023 of whom 7 lived outside the parish. The next Electoral Roll revision is this month, May 2024.

Between 40 and 60 regularly people attend our two churches every week. Up to 16 receive communion at home with many more attending our monthly Messy Church as well as services at the local primary school. Where possible we live stream special services on YouTube: <https://www.youtube.com/channel/UC9V2rf--r5MQuO0nbtVRI2Q> where we have 98 subscribers.

During the year there were 5 Baptisms, 1 wedding, 4 funerals and 18 burial of ashes.

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS**

**ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)**

FINANCE REVIEW

The Parochial Church Council of Harnham: St George and All Saints (the "PCC") presents its reports and accounts for the year ended 31 December 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The PCC, which is in the Diocese of Salisbury, is part of the Church of England and was established by the Parochial Church Council's (Powers) Measure 1956, as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969, as amended). It is a charity (Number 1193766) registered with the Charity Commission, regulated by the Charities Act 2011 which requires the PCC to report to its congregation and the public at large. PCC members are Trustees of the Charity. The PCC is a Public Benefit Entity as defined in FRS 102.

SUMMARY

The Accounts show that the parish had a general deficit of £5,537 (2022: deficit of £13,750). This excludes the impact of the revaluation of investments and an endowed Freehold property. The overall general fund deficit was £10,405 (2022: deficit of £4,868 after adjusting for Hall capitalised expenditure in the general fund).

The results for the year can be summarised as follows:

| | Unrestricted Funds | Restricted Funds | Endowment Funds | Total 2023 | Unrestricted Funds | Restricted Funds | Endowment Funds | Total 2022 |
|---------------------------------|--------------------|------------------|-----------------|------------|--------------------|------------------|-----------------|------------|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Incoming resources | 137,361 | 24,120 | - | 161,481 | 111,483 | 35,887 | - | 147,370 |
| Resources expended | 143,122 | 11,098 | | 154,220 | 124,919 | 14,576 | - | 139,495 |
| Operating (deficit) /surplus | (5,761) | 13,022 | - | 7,261 | (13,436) | 21,311 | - | 7,875 |
| Exceptional Hall Transformation | | | (116,329) | (116,329) | | | | - |
| Gains and (losses) | 224 | 467 | 8,486 | 9,177 | (314) | (9,246) | (11,886) | (21,446) |
| Net change in funds in year | (5,537) | 13,489 | (107,843) | (99,891) | (13,750) | 12,065 | (11,886) | (13,571) |
| Fund balance at end of year | (10,405) | 89,224 | 197,982 | 276,801 | 112,339 | 134,857 | 129,496 | 376,692 |

POLICY ON RESERVES

The PCC retains a range of unrestricted, restricted and endowment funds which are described in notes 9 to 11 to the financial statements. The general reserve fund is held to cover the PCC's day to day activities.

In light of guidance from the Church of England and the Charity Commission, the PCC have a reserves policy of 3 months recurring costs, or £40,000, currently being provided by the restricted funds for repairs & improvements on the Churches. At the end of 2023, the Parish General Reserve amounted to a deficit of £10,405 with no further reserves or working capital. This has led to a practical cash deficit of approximately £40,000. The PCC will endeavour to remedy this by general fundraising, a review of parish decision making, priorities and financial controls. This will include new expenditure procedures, a detailed annual budget with cost savings and income targets, together with a three year plan to attempt to boost unrestricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS**

**ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)**

POLICY ON RESERVES (continued)

The Friends and All Churches Appeal reserves are amounts set to assist cover for repair and improvement of both churches. Both reserves were created in 2005 and were used in 2023 to pay for window and guttering repairs and redecoration at St Georges. At the end of 2023 the value of the Friends fund was £28,892.

The PCC intends to make its approach to the management of its reserves more conservative but consistent with the requirement to fund its activities to meet its vision. The policy on reserves is reviewed each year at the time of approving the financial statements.

MANAGEMENT OF RISK

The PCC continues to identify and manage the risks which arise from its day to day activities. The PCC views those risks under the headings of governance, operational, financial and external regulatory.

Areas of risk are brought to the attention of the PCC for review as part of the standing agenda over the year and any changes required are minuted and actioned. The major areas on the regular agenda for consideration are the following:

- Annual budget and quarterly reporting
- Bank Mandate
- Expense authority policy
- Finance reserves policy
- Insurance policies
- Safeguarding of children and vulnerable adults

SAFEGUARDING

The PCC have received regular updates from the safeguarding officers and the team have been working away doing DBS checks. We put a link to our team and statement onto our Parish Website and Church noticeboards. We are aware that the importance of being open and active in this area is vital for us as a church community often working with those who are vulnerable in many ways

INVESTMENT POLICY

The policy of the PCC has been to invest surplus funds in low-risk interest bearing investments which provide flexibility without penalty and restricted funds held for longer term expenditure with CCLA Investment Management Ltd Investment Fund.

The market value of investments at 31 December 2023 was £105,961 (2022: £96,784). In the Parish Accounts for 2023, an unrealised gain of £9,177 (2022: loss of £21,446) is shown in the Statement of Financial Activities.

THE FUTURE

During 2024, the PCC will continue to apply funds in line with the Vision, namely, To know Jesus and to make him known everyday. A budget proposing this was put to the PCC meeting on 23 May 2024 and was approved. Overall it is a budget with a surplus of £5,671 on the general fund, plus net capital expenditure to be met from restricted funds budgeted at £2,037, giving a net surplus of £3,634.

The budget has been prepared including one-off donations and appeals of £25,000 (over the last two years these have been an average of £30,000) as well as providing a mid case scenario for costs and events held during the period. The three main cost headings (Parish Share, energy for heat and light and photocopying) amount to over 80% of expenditure.

BUDGET SUMMARY TABLE

| Budget for 2024 | Unrestricted Funds | Restricted Funds | Endowment Funds | Budget total 2024 | Unrestricted Funds | Restricted Funds | Endowment Funds | Total 2023 |
|---|--------------------|------------------|-----------------|-------------------|--------------------|------------------|-----------------|------------|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Incoming resources - giving | 73,000 | 1,600 | - | 74,600 | 77,106 | 1,817 | - | 78,923 |
| other income including fees | 70,071 | - | - | 70,071 | 60,255 | 22,303 | - | 82,558 |
| Resources expended - parish share | (78,000) | - | - | (78,000) | (71,930) | | | (71,930) |
| other | (59,400) | (3,637) | - | (63,037) | (71,192) | (11,098) | | (82,290) |
| Operating surplus / (deficit) | 5,671 | (2,037) | - | 3,634 | (5,761) | 13,022 | - | 7,261 |
| Exceptional Hall Transformation (Costs) | | | | - | | | (116,329) | (116,329) |
| Gains and (losses) | - | - | - | - | 224 | 467 | 8,486 | 9,177 |
| Net change in funds in year | 5,671 | (2,037) | - | 3,634 | (5,537) | 13,489 | (107,843) | (99,891) |
| Fund balance at end of year | (4,734) | 87,187 | 197,982 | 280,435 | (10,405) | 89,224 | 197,982 | 276,801 |

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS**

**ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)**

TRUSTEES RESPONSIBILITIES STATEMENT

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

Select suitable accounting policies and apply them consistently; make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, and which enable them to ascertain the financial position of the charity, and which enable them to ensure that the financial statements comply with applicable regulations.

The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the PCC on **23 May 2024** and signed on their behalf by:

R Roberts
Vicar and Chair

C.Woodd
Churchwarden and Vice-Chair

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

I report on the unaudited accounts of The Parochial Church Council of Harnham: St George and All Saints for the year ended 31 December 2023, which are set out on pages 6 to 13.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 154 of the Charities Act 2011. My examination has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination, for this report, or for the opinions I have formed.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider 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;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 a consideration of any unusual items or disclosures in the accounts 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 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:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
V J Poole
18 St Georges Road
Salisbury
Wiltshire
SP2 8LU

23 May 2024

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | | Unrestricted Funds | Restricted Funds | Endowment Funds | Total 2023 | Total 2022 |
|--|---------------|-----------------------|---------------------|--------------------|-----------------|-----------------|
| INCOMING RESOURCES | | | | | | |
| Incoming resources from generated funds: | | | | | | |
| Voluntary income | | | | | | |
| Incoming resources from donors | | 77,106 | 1,817 | - | 78,923 | 79,954 |
| Other voluntary income | | 24,030 | 22,409 | - | 46,439 | 31,110 |
| Legacies | | 250 | 121 | - | 371 | 10,000 |
| Charitable and ancillary trading | | 32,310 | (755) | - | 31,555 | 22,445 |
| Investment income | | 3,665 | 528 | - | 4,193 | 3,861 |
| Total incoming resources | Note 3 | 137,361 | 24,120 | - | 161,481 | 147,370 |
| RESOURCES EXPENDED | | | | | | |
| Cost of generating funds: | | | | | | |
| Expenses of charitable and ancillary trading | | 21,092 | 665 | - | 21,757 | 14,603 |
| Hall transformation costs | | | | 116,329 | 116,329 | 6,473 |
| Charitable activities | | | | | | |
| Donations & distributions | | 729 | 1,817 | - | 2,546 | 4,127 |
| Directly relating to the work of the Church | | 97,767 | 8,616 | - | 106,383 | 96,848 |
| Church management and administration | | 23,534 | - | - | 23,534 | 17,444 |
| Total resources expended | Note 4 | 143,122 | 11,098 | 116,329 | 270,549 | 139,495 |
| NET (OUTGOING) / INCOMING RESOURCES | | | | | | |
| Gains/(Losses) on investments | Note 6 | 224 | 467 | 8,486 | 9,177 | (21,446) |
| NET INCREASE/(DECREASE) IN FUNDS | | | | | | |
| | | (5,537) | 13,489 | (107,843) | (99,891) | (13,571) |
| Hall transformation fixed asset and costs transfer | | (117,207) | (59,122) | 176,329 | - | |
| Fund balances at 1 January | | 112,339 | 134,857 | 129,496 | 376,692 | 390,263 |
| Fund balances at 31 December | Notes 9 to 11 | (£10,405) | £89,224 | £197,982 | £276,801 | £376,692 |

All activities relate to continuing operations.

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
BALANCE SHEET
AS AT 31 DECEMBER 2023**

| | Notes | <u>2023</u> | | <u>2022</u> | |
|---|-------|----------------|-----------------------|----------------|-----------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Freehold Property | 5 | 100,000 | | 40,000 | |
| Equipment and Furniture | 5 | 7,229 | | 123,378 | |
| Investments (at Market Value) | 6 | 105,961 | | 96,784 | |
| TOTAL FIXED ASSETS | | <u>213,190</u> | | <u>260,162</u> | |
| CURRENT ASSETS | | | | | |
| CBF Deposit Account | | 47,729 | | 46,247 | |
| Current Bank Accounts | | 20,942 | | 45,942 | |
| Debtors and Prepayments | 7 | 19,948 | | 36,977 | |
| | | <u>88,619</u> | | <u>129,166</u> | |
| Less: CURRENT LIABILITIES | | | | | |
| Amounts due within one year | 8 | 19,862 | | 12,636 | |
| NET CURRENT ASSETS | | | 68,757 | | 116,530 |
| Less: Amounts due after one year | 8 | | 5,146 | | |
| TOTAL NET ASSETS | | | <u><u>276,801</u></u> | | <u><u>376,692</u></u> |
| Representing: | | | | | |
| ENDOWED FUNDS | 9 | 197,982 | | 129,496 | |
| RESTRICTED FUNDS | 10 | 89,224 | | 134,857 | |
| UNRESTRICTED FUNDS | | (10,405) | | 112,339 | |
| TOTAL FUNDS | | | <u><u>276,801</u></u> | | <u><u>376,692</u></u> |

The accounts were approved and authorised for issue by the PCC on 23 May 2024 and were signed on their behalf by:

R Roberts
Vicar and Chair

C.Woodd
Churchwarden and Vice-Chair

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
NOTES TO THE UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. ACCOUNTING POLICIES

1.1 Charity information

Harnham St George and All Saints Parochial Church Council (the 'PCC') is a charity registered (no. 1193766) with the Charity Commission and a part of the Church of England established by the Parochial Church Council's (Powers) Measure 1956 as amended by the Church representation rules.

1.2 Accounting Convention

The financial statements have been prepared in accordance with the Parochial Church Council's governing document, the Charities Act 2011 and the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The PCC is a Public Benefit Entity as defined in FRS 102.

The PCC has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments and Freehold Property. The principal accounting policies are set out below.

1.3 Going Concern

At the time of approving the financial statements, the PCC members have a reasonable expectation that the PCC has adequate resources to continue in operational existence for the foreseeable future. Thus the PCC members continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

The accounts include all the charitable funds for which the PCC is legally responsible and PCC Members act as Trustees.

Unrestricted funds are available for use at the discretion of the PCC members in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in note 10 to the financial statements.

Endowment funds are restricted funds that must be retained as trust capital permanently and where the use of the income may be restricted or unrestricted. The purposes and uses of the endowment funds are set out in note 9 to the financial statements.

1.5 Income

Income is recognised when the PCC is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the PCC has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid of deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or when the PCC has been notified of an impending distribution if the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

1.6 Expenditure

A liability is recognised when either a legal or constructive obligation is identified.

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets

Consecrated and benefice property is not included in the accounts in accordance with section 10 (2)(a) and (c) of the Charities Act 2011, Moveable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory.

Endowed Freehold Property - St George's Parish Hall

Freehold Property has been brought into account at a valuation by the Trustees.

Other tangible assets will be capitalised if their carrying value is supported by income and their cost is over £1,000.

Other tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values on a straight line basis over their useful lives (3 to 20 years)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expenses as incurred.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The PCC has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the PCC's balance sheet when the PCC becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which includes debtors and cash and bank balances, are initially measured at transaction price including transaction costs and subsequently carried at amortised costs using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Derecognition of financial liabilities

Financial liabilities are derecognised when the PCC's contractual obligations expire or are discharged or cancelled.

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the PCC's accounting policies, the PCC members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects both current and future periods.

The most significant area of judgement that affects items in the accounts is to do with estimating the market value of St George's Parish Hall after recent building works (note 5).

3. INCOMING RESOURCES

| | 2023 | | | 2022 |
|--|----------------|---------------|----------------|----------------|
| | Unrestricted | Restricted | Total | Total |
| Incoming resources from donors | | | | |
| Planned giving | | | | |
| Donations under Gift Aid | 22,536 | - | 22,536 | 24,541 |
| Gift Aid Tax recoverable thereon | 5,549 | - | 5,549 | 6,138 |
| Parish Giving Scheme | 38,146 | - | 38,146 | 35,474 |
| Donations not under Gift Aid | 2,447 | - | 2,447 | 1,637 |
| Collections | 8,428 | 1,817 | 10,245 | 12,164 |
| | <u>77,106</u> | <u>1,817</u> | <u>78,923</u> | <u>79,954</u> |
| Other voluntary income | | | | |
| Donations, Appeals, etc | 18,770 | 22,409 | 41,179 | 24,918 |
| Parochial Fees | 5,260 | - | 5,260 | 6,192 |
| | <u>24,030</u> | <u>22,409</u> | <u>46,439</u> | <u>31,110</u> |
| Legacies | <u>250</u> | <u>121</u> | <u>371</u> | <u>10,000</u> |
| Income from charitable and ancillary trading | | | | |
| Fundraising | 7,373 | (785) | 6,588 | - |
| Parish Magazine | 2,478 | - | 2,478 | 2,291 |
| Church Hall | 22,459 | 30 | 22,489 | 20,154 |
| | <u>32,310</u> | <u>(755)</u> | <u>31,555</u> | <u>22,445</u> |
| Investment income | | | | |
| Dividends and Interest | <u>3,665</u> | <u>528</u> | <u>4,193</u> | <u>3,861</u> |
| | <u>137,361</u> | <u>24,120</u> | <u>161,481</u> | <u>147,370</u> |

4. RESOURCES EXPENDED

| | | | | |
|--|----------------|---------------|----------------|----------------|
| Expenses of charitable and ancillary trading | | | | |
| Parish Magazine | 1,154 | - | 1,154 | 688 |
| Church Hall | 19,938 | 665 | 20,603 | 13,915 |
| Transformation costs expensed | | | | 6,473 |
| | <u>21,092</u> | <u>665</u> | <u>21,757</u> | <u>21,076</u> |
| Donations and Distributions | | | | |
| Home mission and Church | 400 | | 400 | 400 |
| Subscriptions | 210 | - | 210 | 210 |
| Special collections | 119 | 1,817 | 1,936 | 3,517 |
| | <u>729</u> | <u>1,817</u> | <u>2,546</u> | <u>4,127</u> |
| Directly relating to the work of the Church | | | | |
| Ministry: Diocesan Share | 71,930 | - | 71,930 | 69,835 |
| Clergy Expenses, Services, Music, etc | 11,123 | 411 | 11,534 | 11,250 |
| Church running and maintenance | 10,094 | 7,353 | 17,447 | 8,788 |
| Churchyards | 4,620 | 852 | 5,472 | 6,975 |
| | <u>97,767</u> | <u>8,616</u> | <u>106,383</u> | <u>96,848</u> |
| Church management and administration | <u>23,534</u> | | <u>23,534</u> | <u>17,444</u> |
| | <u>143,122</u> | <u>11,098</u> | <u>154,220</u> | <u>139,495</u> |

No PCC members received any remuneration in relation to their duties (2021: Nil).
The Independent Examiner's fee amounted to Nil (2021: Nil)

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. FREEHOLD PROPERTY AND TANGIBLE ASSETS

In 2007 St George's Hall was valued by the Trustees at £40k, as an estimate of the value to the PCC, based on a capitalisation of the hall's PCC usage at commercial rates. Building works known as phase 1 and 2 of the "Hall Transformation Project" were undertaken in 2022 and 2023. No revaluation was undertaken at 31 December 2022 as the Hall was still under construction.

There is now a pause in the project so the Trustees have reviewed the Hall's valuation in light of rental income in 2023. Since 2007 annual rental income has increased from £8k in 2006 to £20k in 2023 with a resulting uplift in valuation to £100k.

The Trustees note the continuing economic uncertainty and accordingly have decided to base the property valuation upon historic rental income rather than assuming any future growth as a result of enhancements from the Hall Transformation Project or recovery from the Pandemic.

St George's Hall and West Harnham Church Hall are the same property, now known as Harnham Parish Hall.

| | | Freehold Property (Valuation) | Hall under construction | Equipment | Total |
|----------------------------|------------------|-------------------------------------|----------------------------|--------------|----------------|
| | | £ | £ | £ | £ |
| Cost or valuation | At start of year | 40,000 | 119,177 | 5,605 | 164,782 |
| | Additions | - | - | 3,711 | 3,711 |
| | Disposals | - | - | - | - |
| | Revaluations | - | - | - | - |
| | Transfers | 119,177 | (119,177) | - | - |
| | At end of year | <u>159,177</u> | <u>-</u> | <u>9,316</u> | <u>168,493</u> |
| Depreciation & Impairments | at start of year | - | 759 | 645 | 1,404 |
| | Diposals | - | - | - | - |
| | Depreciation | - | - | 1,442 | 1,442 |
| | Impairment | 58,418 | - | - | 58,418 |
| | Transfers | 759 | (759) | - | - |
| | at end of year | <u>59,177</u> | <u>-</u> | <u>2,087</u> | <u>61,264</u> |
| Net Book Value | at start of year | 40,000 | 118,418 | 4,960 | 163,378 |
| | at end of year | <u>100,000</u> | <u>-</u> | <u>7,229</u> | <u>107,229</u> |

The net carrying amount of assets held under a finance lease included above is £1,933 (2022: £nil).

6. INVESTMENTS

| | Unrestricted | Restricted | Endowed | 2023 | 2022 |
|-------------------------------|--------------|--------------|---------------|----------------|---------------|
| Market value at start of year | 2,363 | 4,925 | 89,496 | 96,784 | 196,780 |
| Proceeds of disposal | - | - | - | - | (78,550) |
| Gains/(losses) in year | 224 | 467 | 8,485 | 9,177 | (21,446) |
| Market value at end of year | <u>2,587</u> | <u>5,392</u> | <u>97,981</u> | <u>105,961</u> | <u>96,784</u> |

| The holdings consist of :- | Units | Value | Units | Value |
|--|-------|-----------------|-------|----------------|
| Central Board of Finance of the Church of England's Investment Fund. | 4,677 | 105,713 | 4,677 | 96,550 |
| Fixed Interest Fund | 171 | 248 | 171 | 234 |
| The original cost of the investments is not known. | | <u>£105,961</u> | | <u>£96,784</u> |

These investments are held to support the endowed funds (note 7), and cannot be expended.
The interest income is available for use each year.

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

| 7. DEBTORS AND PREPAYMENTS | 2023 | 2022 |
|-----------------------------------|---------------|---------------|
| Gift Aid Income Tax Receivable | 11,960 | 18,683 |
| Hall Rent Receivable | 1,845 | 1,082 |
| Legacies Receivable | - | 10,000 |
| Other Debtors | 6,143 | 7,212 |
| Prepaid Expenditure | - | - |
| | <u>19,948</u> | <u>36,977</u> |

| 8 CREDITORS AND ACCRUALS | 2023 | 2022 |
|---------------------------------|---------------|---------------|
| Amounts due within one year | | |
| Sundry Creditors | 9,907 | 6,443 |
| Outstanding Share | - | 5,820 |
| Accrued Expenditure | 9,955 | 373 |
| | <u>19,862</u> | <u>12,636</u> |

| | | |
|---|--------------|---|
| Amounts due after one year | | |
| Photocopier lease creditor repayable over 5 years | <u>5,146</u> | - |

Finance leases:

| | 2023 | 2022 |
|---|--------------|------|
| The future minimum finance lease payments are as follows: | £ | £ |
| Not later than one year | 1,940 | - |
| Later than one year and not later than five years | 7,437 | - |
| Total gross payments | <u>9,377</u> | - |
| Less: finance charges | (2,338) | - |
| Carrying amount of liability | <u>7,039</u> | - |

The 5 year finance lease on a photocopier was inception on 3 November 2023 and included the lease break costs on two previous photocopiers which have been expensed in the year £5,146 (2022: £nil)
At the end of the lease terms the company has no option to purchase the assets.

9. ENDOWED FUNDS

| (Funds that provide income but cannot be expended) | Balance at 1 January 2023 | Investment Gains & (Losses) | Balance at 31 December 2023 |
|--|---------------------------------|-----------------------------------|-----------------------------------|
| St George's Hall Property Fund | 40,000 | 60,000 | 100,000 |
| Warre Trust | 78,087 | 7,411 | 85,498 |
| Eckett (Churchyard) Trust | 234 | 14 | 248 |
| Mitchell (Churchyard) Trust | 10,184 | 967 | 11,151 |
| West Harnham Church Hall Fund | 991 | 94 | 1,085 |
| | <u>£129,496</u> | <u>£68,486</u> | <u>£197,982</u> |

St George's Hall Property Fund - the land on which the hall was built was bequeathed as a permanent endowment for ecclesiastical purposes. The PCC acts as managing trustees for the hall and field, which are held by the Diocesan Board of Finance as custodian trustees

Warre Trust - income is available for general purposes, while no stipendiary curate is appointed, however the The Diocese has confirmed that this will not be enforced.

Eckett (Churchyard) Trust - income may be used for general purposes, as long as certain graves are maintained

Mitchell (Churchyard) Trust - income is to be applied to the maintenance of All Saints churchyard.

West Harnham Church Hall Fund - income must be applied to the maintenance of the church hall.

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. RESTRICTED FUNDS

| (Funds that can only be expended on specified purposes) | | Balance at 1 January 2023 | Incoming Resources | Investment Gains & (Losses) | Transferred/ Expended in year | Balance at 31 December 2023 |
|--|----|---------------------------------|-----------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Churchyard Fund | | 2,656 | 30 | 467 | (30) | 3,123 |
| Appeal for both Churches | ++ | 3,059 | - | - | (3,059) | - |
| Friends of Harnham Churches | ++ | 27,604 | 2,150 | - | (862) | 28,892 |
| William Snow Memorial Fund | ++ | 6,202 | - | - | - | 6,202 |
| Organ Fund (general) | ++ | 3,476 | - | - | - | 3,476 |
| White - All Saints' Organ Fund | ++ | 8,951 | - | - | (396) | 8,555 |
| Pike - St George's Repair Fund | ++ | 2,037 | - | - | (2,037) | - |
| Snelling - All Saints' Projects | ++ | 16,996 | - | - | - | 16,996 |
| Harper - St George's generally | ++ | 1,000 | - | - | (1,000) | - |
| Wilcockson legacy for the hall | ++ | 10,000 | 120 | - | (10,120) | - |
| Hall Transformation | ++ | 43,675 | 19,025 | - | (49,001) | 13,699 |
| St George's Warre Artwork | ++ | 4,836 | - | - | - | 4,836 |
| Vicar's Discretionary Fund | ++ | 1,957 | - | - | - | 1,957 |
| Flower Funds | ** | 215 | 156 | - | (107) | 264 |
| Chancel lights | ++ | 463 | 338 | - | - | 801 |
| Cycle racks | ++ | - | 675 | - | (294) | 381 |
| Activities donations and surpluses | ** | 945 | 36 | - | (939) | 42 |
| Endowment income churchyards | | - | 528 | - | (528) | - |
| Endowment income hall | | - | 30 | - | (30) | - |
| Specific Collections | | - | 1,817 | - | (1,817) | - |
| Activities surplus released to income | ** | 785 | (785) | - | - | - |
| | | 134,857 | 24,120 | 467 | (70,220) | 89,224 |

++ = Specific donations not yet expended

** = Self financing activities

Churchyard Fund - for the benefit of All Saints. The fund has an endowed investment.

Appeal and Friends - for the repair and improvement of both churches. Both funds were launched during 2006. The stated objects of the Friends Appeal are to fund unplanned repair costs in the churches, take on specific projects for the parish and promote public awareness of the church buildings and their place in the community.

William Snow Memorial Fund - this fund was created by a gift from Mr Snow (now deceased) to install glass doors at All Saints Church but practicalities and costings proved prohibitive and his representatives have directed that other projects will be undertaken from the fund in his memory.

Self financing activities - these accounts have mostly been released to general income, except where they contain restricted donations. In future surpluses from activities within the church will be treated as general funds.

0

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted | Restricted | Endowed | Total |
|---|-----------------|---------------|----------------|----------------|
| Freehold property and tangible assets | 7,229 | - | 100,000 | 107,229 |
| Fixed Asset Investments | 2,585 | 5,393 | 97,982 | 105,961 |
| Cash | - | 68,671 | - | 68,671 |
| Other net assets | (5,060) | - | - | (5,060) |
| Loan to unrestricted from restricted fund | (15,160) | 15,160 | - | - |
| | (10,405) | 89,224 | 197,982 | 276,801 |

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
DETAILS OF INCOMING RESOURCES
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 2023 | | | 2022 |
|---|---------------------|-------------------|----------------|----------------|
| | <u>Unrestricted</u> | <u>Restricted</u> | <u>Total</u> | <u>Total</u> |
| <u>Incoming resources from donors</u> | | | | |
| Planned giving | | | | |
| Donations under Gift Aid | 22,536 | | 22,536 | 24,541 |
| Gift Aid Tax recoverable thereon | 5,549 | | 5,549 | 6,138 |
| Parish Giving Scheme | 38,146 | | 38,146 | 35,474 |
| Donations not under Gift Aid | 2,447 | | 2,447 | 1,637 |
| | <u>68,678</u> | <u>-</u> | <u>68,678</u> | <u>67,790</u> |
| General Collections | 8,428 | | 8,428 | 8,724 |
| Specific Collections | - | 1,817 | 1,817 | 3,440 |
| | <u>77,106</u> | <u>1,817</u> | <u>78,923</u> | <u>79,954</u> |
| <u>Other voluntary income</u> | | | | |
| Unrestricted | | | | |
| General Donations | 9,610 | - | 9,610 | 2,486 |
| Parish Appeal 2023 | 8,699 | - | 8,699 | - |
| Parochial Fees | 5,260 | - | 5,260 | 6,192 |
| Historic Churches Cycle Ride | 461 | - | 461 | 471 |
| Restricted (including Gift Aid Tax recoverable) | | | | |
| Friends Subscriptions | - | 2,150 | 2,150 | 2,160 |
| Hall Transformation Fund | - | 19,024 | 19,024 | 15,163 |
| Other Restricted Donations | - | 1,235 | 1,235 | 4,638 |
| | <u>24,030</u> | <u>22,409</u> | <u>46,439</u> | <u>31,110</u> |
| <u>Legacies</u> | | | | |
| Helen Wilcockson for Hall | - | 121 | 121 | 10,000 |
| Edward Manning legacy | 250 | - | 250 | - |
| | <u>250</u> | <u>121</u> | <u>371</u> | <u>10,000</u> |
| <u>Net income from charitable and ancillary trading</u> | | | | |
| Fundraising | 7,373 | (785) | 6,588 | |
| Parish Magazine | | | | |
| Receipts | 2,478 | - | 2,478 | 2,291 |
| Expenses | (1,154) | - | (1,154) | (688) |
| | <u>1,324</u> | <u>-</u> | <u>1,324</u> | <u>1,603</u> |
| Parish Hall | | | | |
| Rental and other Income | 20,394 | 30 | 20,424 | 18,444 |
| | 2,065 | - | 2,065 | 1,710 |
| Routine Expenses | (19,938) | (665) | (20,603) | (13,915) |
| Depreciation | - | - | - | - |
| Transformation costs expensed, decapitalised | | | | (6,473) |
| | <u>2,521</u> | <u>(635)</u> | <u>1,886</u> | <u>(234)</u> |
| Total net income from charitable and ancillary trading | <u>11,218</u> | <u>(1,420)</u> | <u>9,798</u> | <u>1,369</u> |
| <u>Investment income</u> | | | | |
| Dividends and Deposit Interest | 1,854 | - | 1,854 | 979 |
| General Income from Trusts | 1,811 | - | 1,811 | 2,396 |
| Restricted Income from Trusts | - | 528 | 528 | 486 |
| | <u>3,665</u> | <u>528</u> | <u>4,193</u> | <u>3,861</u> |
| | <u>116,269</u> | <u>23,455</u> | <u>139,724</u> | <u>126,294</u> |

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
DETAILS OF RESOURCES EXPENDED
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 2023 | | | 2022 |
|--|----------------------|---------------------|-----------------------|----------------------|
| | <u>Unrestricted</u> | <u>Restricted</u> | <u>Total</u> | |
| DIRECTLY RELATING TO THE WORK OF THE CHURCH | | | | |
| Diocesan Share | | | | |
| Total, net of Direct Debit Discount | <u>71,930</u> | <u>-</u> | <u>71,930</u> | <u>69,835</u> |
| Clergy Expenses | <u>1,190</u> | <u>240</u> | <u>1,430</u> | <u>2,308</u> |
| Upkeep of Churches | | | | |
| Insurance | 4,014 | - | 4,014 | 3,735 |
| Heat Light and Water | 5,683 | - | 5,683 | 2,372 |
| Routine Repairs and Maintenance | 397 | 396 | 793 | 2,681 |
| | <u>10,094</u> | <u>396</u> | <u>10,490</u> | <u>8,788</u> |
| Major projects and repairs to Churches | | | | |
| St Georges | - | 6,957 | 6,957 | - |
| | <u>-</u> | <u>6,957</u> | <u>6,957</u> | <u>-</u> |
| Cost of Services | <u>2,255</u> | <u>107</u> | <u>2,362</u> | <u>3,775</u> |
| Churchyards | <u>4,620</u> | <u>852</u> | <u>5,472</u> | <u>6,975</u> |
| Music, Youth and Support | | | | |
| Organists and Music | 3,379 | - | 3,379 | 3,161 |
| CCLI license costs | 1,369 | - | 1,369 | - |
| Use of Hall by Parish | 2,065 | - | 2,065 | 1,710 |
| Youth Activities | 323 | 64 | 387 | 201 |
| Functions and Courses | 542 | - | 542 | 95 |
| | <u>7,678</u> | <u>64</u> | <u>7,742</u> | <u>5,167</u> |
| | <u>97,767</u> | <u>8,616</u> | <u>106,383</u> | <u>96,848</u> |
| CHURCH MANAGEMENT AND ADMINISTRATION | | | | |
| Administrator's Pay | 6,981 | | 6,981 | 7,473 |
| Equipment and Website | 7,782 | - | 7,782 | 7,630 |
| Photocopy lease | 5,146 | | 5,146 | - |
| Bank Charges | 413 | - | 413 | 366 |
| General Costs | 3,212 | - | 3,212 | 1,975 |
| | <u>23,534</u> | <u>-</u> | <u>23,534</u> | <u>17,444</u> |

**THE PAROCHIAL CHURCH COUNCIL OF
HARNHAM: ST GEORGE AND ALL SAINTS
ST GEORGE'S CHURCH HALL - HARNHAM PARISH HALL
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | <u>2023</u> | <u>2022</u> |
|---|-------------------------|---------------------|
| INCOME | | |
| Rents | 20,395 | 15,945 |
| Wiltshire County Council - loss of income grant | - | 2,500 |
| Parish Usage (based on booking records) | 2,065 | 1,710 |
| Investment Income (see Endowment note below) | 30 | 29 |
| | <u>22,490</u> | <u>20,184</u> |
| EXPENDITURE | | |
| Insurance, Heat, Light and Water | 9,958 | 7,634 |
| Electricity provision against market | 4,200 | - |
| Cleaning and materials | 2,483 | 2,451 |
| Maintenance and Repairs | 2,176 | 1,600 |
| Music licence PPL | 521 | 742 |
| Administration | 1,265 | 1,488 |
| | <u>20,603</u> | <u>13,915</u> |
| ROUTINE SURPLUS FOR THE YEAR | <u>1,887</u> | <u>6,269</u> |
| Transformation Costs impairment | 116,329 | 6,473 |
| NET (DEFICIT) / SURPLUS FOR THE YEAR | <u><u>(114,442)</u></u> | <u><u>(204)</u></u> |

ENDOWMENT

There is an endowment fund, the capital of which may not be expended. The income has to be applied to the maintenance of the hall. The fund is represented by an investment in 48 units of the Central Board of Finance of the Church of England's Investment Fund.

| | | |
|--------------|---------------------|-------------------|
| Market Value | <u><u>1,085</u></u> | <u><u>991</u></u> |
|--------------|---------------------|-------------------|

HALL TRANSFORMATION

| | |
|---|-----------------------|
| The hall transformation costs incurred since 2020 can be summarised as follows: | Totals £ |
| Kitchen, including structural alterations | 49,355 |
| Heating including heat pumps and underfloor heating | 37,332 |
| Electrical services including new 3 phase high power supply | 19,616 |
| Flooring | 7,646 |
| Ceiling and LED lights | 25,002 |
| Roof repair & renovation | 29,800 |
| Other costs | 21,363 |
| | <u><u>190,114</u></u> |

Movements on Hall Transformation Project Restricted Fund by year

| | up to 2020 | 2,021 | 2022 | 2,023 | Totals £ |
|----------------------------------|-------------------|---------------|-----------------|-----------------|-----------------|
| Existing funds | 21,498 | | | | 21,498 |
| Hub fundraising and donations | 12,223 | 47,234 | 15,163 | 19,025 | 93,645 |
| St George's Road restricted fund | | | 78,550 | | 78,550 |
| | <u>33,721</u> | <u>47,234</u> | <u>93,713</u> | <u>19,025</u> | <u>193,693</u> |
| Expenditure | 3,525 | 6,637 | 120,831 | 49,001 | 179,994 |
| | <u>30,196</u> | <u>40,597</u> | <u>(27,118)</u> | <u>(29,976)</u> | <u>13,699</u> |