

### **PCC Accounts for 2019 – A Report from the Treasurer**

The Annual Parochial Church Meeting (APCM) was due to be held on 29<sup>th</sup> March but the Corona virus restrictions introduced in the preceding week prevented it taking place. The APCM is not always particularly well attended and it is fair to say that the treasurer's report, the content of which runs to about 14 pages, is often the point at which many people "switch off". The many pages of the formal report are mostly needed to satisfy requirements of the Charities Act, but I think that many people find them confusing. I have therefore produced an abbreviated version of Income and Expenditure showing, for instance, the real net effect of funds raised (after taking related expenses into account) and a summarized Balance Sheet.

The Income and Expenditure Account summary which follows shows church operating income & expenditure separately from that for the church hall, although both have to be combined in the formal accounts. The Church Operating Account shows a surplus for 2019 of £4887; however that figure should effectively be reduced by £4445 which is the amount of a legacy designated a "restricted fund" ie. not available to pay general expenses. Thus the 2019 surplus realistically was just £442 against £2113 in 2018. During the year we actually did well to contain costs to a bare minimum, but income also reduced considerably as a result of a change of tenant at Church House and a lengthy void rent period.

The Church Hall account shows a surplus of £3320 after some reduction in letting fees during the year and an increase in running costs, including a contribution of £830 made to general church funds.

All who support our two churches ought to be aware of the financial situation, but few are and there is often a mistaken assumption that "the church has plenty of money". The reality is that although the formal Balance Sheet shows some extremely large figures, the readily available cash resources are limited. The substantial assets shown are either restricted investment funds (only available for specific purposes); endowment funds( producing income but not capital); or non- disposable property – Church House (which produces a significant rental income) and the Church Hall ( which produces income and is seen to be a community asset). A simplified balance sheet is shown below which might more easily explain why we are asset rich but cash poor.

Copies of the formal accounts were approved (unaudited) by the PCC at a recent meeting and are available from me; they are available in both churches.

Perhaps this is an opportune moment to thank everyone who by their donations, either by regular giving by standing order or through church collections, help to financially support our Parish. We have two churches to maintain and a large monthly pledge to pay to the Diocese -which covers the gross cost (remuneration, NI, and pension contributions) of our priest as well as some administration functions. One way or another we need to produce income of nearly £7000 per month to cover our regular costs and show a small annual surplus, so your continuing support is greatly appreciated and needed.

I must also thank Heather Phipps for her help during the year in dealing with service collections and Djina Dann for undertaking the detailed and time consuming formal examination of the accounts.

Frank Foxen