

## **Independent examiner's report to the PCC of St Mary the Virgin, Ardleigh**

I report on the accounts of the PCC for the year ended December 2018.

### **Respective responsibilities of the PCC and the examiner**

The charity's trustees consider that 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;
- Follow procedures laid down in the general directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- State whether particular matters have come to my attention.

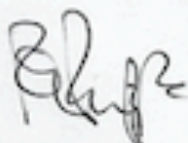
### **Basis of Independent Examiners Statement**

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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 consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an opinion on the accounts.

### **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 s. 130 of the 2011 Act; or
  - to prepare accounts, which accord with these accounting records have 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.



Mr R J Phipps ACMA, PGCE  
181 Eastwood drive  
Colchester

6 March 2019

GENERAL FUND			
INCOME		12 months to 31-Dec-18	12 months to 31-Dec-17
Ref			
1	Voluntary income	17,379.39	13,937.53
2	Activities for generating funds	396.41	343.77
3	Donations	6,674.50	5,238.90
4	Income from Church activities	4,324.29	2,747.61
5	Income from Investments	1,099.16	633.37
	<b>TOTAL INCOME</b>	<b>29,873.75</b>	<b>22,901.18</b>
EXPENSES			
6	Ministry and Administration Expenses	8,631.43	7,620.24
7	Church Running Costs	9,130.53	8,529.39
8	Parish Giving	105.70	137.40
9	Parish Share	9,087.33	11,630.00
	<b>TOTAL EXPENSES</b>	<b>26,954.99</b>	<b>27,917.03</b>
	<b>Increase in General Funds</b>	<b>2,918.76</b>	<b>(5,015.85)</b>

-158%

GENERAL FUND	31-Dec-18	31-Dec-17	
<b>Voluntary income</b>			
Planned Giving	5,089.96	4,434.96	15%
Gift Aided Giving	5,868.70	4,597.30	28%
Recoverable income tax	3,411.22	2,525.57	35%
Collections	2,791.58	2,231.60	25%
Offertory Box/Candlestand	217.93	148.10	47%
	<u>17,379.39</u>	<u>13,937.53</u>	25%
<b>Activities for generating funds</b>			
Dedham Music Festival (1/3rd of proceeds)	<u>396.41</u>	<u>343.77</u>	
	<u>396.41</u>	<u>343.77</u>	15%
<b>Donations</b>			
Roman Catholic Community	3,360.00	3,434.00	-2%
Other Donations- General	3,276.50	1,437.50	128%
Other Donations- Building	38.00	367.40	-90%
	<u>6,674.50</u>	<u>5,238.90</u>	27%
<b>Income from Church activities</b>			
Parochial Fees-Weddings	3,440.00	147.00	2240%
Parochial Fees-Funerals	4,182.00	3,333.40	25%
Total Parochial Fees	7,622.00	3,480.40	119%
Assigned Fees	(3,572.66)	(956.39)	274%
Net Income	4,049.34	2,524.01	60%
Sundry Income	274.95	223.60	
	<u>4,324.29</u>	<u>2,747.61</u>	57%
<b>Income from investments</b>			
Bank interest- Barclays Bank (Tfr from Chelmsford)	431.98	357.78	21%
Bank interest-CBF Deposit Fund (Reinvested)	667.18	275.59	142%
	<u>1,099.16</u>	<u>633.37</u>	74%
<b>TOTAL INCOME</b>	<u>29,873.75</u>	<u>22,901.18</u>	30%
<b>Ministry and Administration Expenses</b>			
Ministry	6,988.50	6,145.67	14%
Administration-Ardleigh	302.68	327.82	-8%
Secretarial- Ardleigh	1,340.25	1,146.75	17%
	<u>8,631.43</u>	<u>7,620.24</u>	13%
<b>Church Running Costs</b>			
Heating & Light	2,307.98	1,756.65	31%
Insurance	3,092.83	2,765.82	12%
Rates	45.71	126.95	-64%
Church Maintenance	3,223.69	3,277.59	-2%
Other Parish Expenses	460.32	602.38	-24%
Church Running costs	<u>9,130.53</u>	<u>8,529.39</u>	7%
<b>Parish Giving</b>	<u>105.70</u>	<u>137.40</u>	-23%
<b>Parish Share</b>			
Parish Fee	7,462.00	11,004.00	-32%
Assigned Fees to CBoF	1,625.33	626.00	160%
	<u>9,087.33</u>	<u>11,630.00</u>	-22%

Ardleigh St Mary the Virgin

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Statement of Assets as at 31 December 2018  
FUND ANALYSIS

	A	A	A	A	A	A	A	A	A	A	B
	Total	Vicar's Room	PCC Prop	PCC Prop	Bell Fund	Organ Fur	Lighting F	Youth Fun	Fabric fund	Flower Fund	General Fund
Balance at at 31.12.17	167,560.16	92,648.92	4,934.71	36.92	3,540.96	2,460.25	2,000.00	683.88	48,006.11	870.90	12,377.51
Cash Receipts for period	50,314.20	-			84.00	-		-	50,000.00	230.20	
Flower Festival	4,434.53										4,434.53
Inter Fund Transfers	-	-									-
Utilisation of Funds	2,195.02				-			(305.29)	(418.45)		2,918.76
Utilisation of Funds	(23,672.27)								(23,672.27)		
Revaluation	(75.67)		(74.01)	(1.66)							
Tax Recoveries due	(3,411.22)										(3,411.22)
Prior year tax received (2016)	6,003.89										6,003.89
<b>Balance at at 31.12.18</b>	<b>203,348.64</b>	<b>92,648.92</b>	<b>4,860.70</b>	<b>35.26</b>	<b>3,624.96</b>	<b>2,460.25</b>	<b>2,000.00</b>	<b>378.59</b>	<b>73,915.39</b>	<b>1,101.10</b>	<b>22,323.47</b>

A- Restricted Funds

B- Designated Funds

Increase in Funds 35,788.48

Analysis of Fabric Fund

Church Maintenance- Cost of Reinstating Lead theft  
Church Maintenance- Organ repair- Insurance Claim  
Church Maintenance-Total Insurance Claim

(11,571.84)  
(3,770.00)  
14,923.39  
(418.45)

Heating Project

Heating Project-Services  
Asbestos Project  
Lindsey Deposit

(1,264.01)  
(1,864.26)  
(20,544.00)  
(23,672.27)

## **Treasurers Report for the year ending 31 December 2018**

### **Introduction**

This is my twelfth report as treasurer. I would like to thank David Wright and his team in ensuring that the weekly collections are banked timely with supporting documentation prepared on a timely basis and my wife in completing the book-keeping. David is a key and invaluable member of the team and his support this past year has been greatly appreciated.

I also offer my thanks to all those who have donated cash and given their time to organise and support fund raising activities.

Finally, I thank Mr Phipps for his role as Independent Examiner of the accounts for the year to 31 December 2018.

### **Overview and Operating Statement**

I refer to the operating statement as it is important to communicate the financial results for the year ended 31 December 2018.

To provide clarity and transparency in respect of the Finances of the Church Accounts, the Funds are clearly classified as disclosed in the Statement of Assets with comparatives. Robust financial management principles have continued to be applied.

The reporting format for the year has been restructured to simplify the results reporting and to enable a good understanding of the issues faced by the PCC and Congregation.

For the year, expenses have decreased by 3% from £27,917 to £26,955. Income has increased by 30% from £22,901 to £29,874 leaving an operating surplus of £2,919 for the year ended 31 December 2018 (Deficit £5,016: 31.12.17). The operating result for the year reflects a decrease in the Parish Share payable to £9,087 for the year (2017: £11,630).

### **Detailed Review GENERAL FUND Income**

#### **Voluntary Income**

Total Income has increased by 30% to £ 29,874 (2017 £22,901). Voluntary income has increased by 25% with Gift Aided Giving increasing by 28% to £5,869 (2017 £4,597). It is important to note that the level of comparable Total Income for the year ending 31 December 2007 was £46,000. It will be

challenging to raise the level of income to these levels but clearly as a congregation we need to take active steps to achieve this aim.

### **Activities for generating funds**

Proceeds from the music festival held at Dedham increased by 15% to £396.

### **Donations**

Donations increased by 27% to £6,675 with general donations increasing by 128% to £3,277. Donations from the Roman Catholic community amount to £3,360 (2017 £3,434) per annum.

### **Income from Church Activities**

There have been four weddings (2017 Nil) and twelve funerals (2017- 6) and net income increased to £4,324.

### **Income from Investments**

This income amounts to £1,099 and is still at historic low levels.

## **EXPENSES**

### **Ministry and Administrative Expenses**

Ministry expenses have increased by 14% to £6,989 with Secretarial increasing by 17% to £1,340.

### **Church Running costs**

This has increased by 7% to £9,130 and comprise mainly non-discretionary spend.

### **Parish Giving**

This is in relation to a donation to Beacon House.

### **Parish Share**

The Parish Fee for the year to 31 December 2018 amount to £7,462 (2017; £11,004) and assigned fees paid to the Chelmsford Board of Finance (CBoF) amount to £1,625 and both these total £9,087.

The Parish Share is by far the biggest single expenditure of the PCC. The Parish share was paid in full for 2015 and 2016 and amounted to £10,272 and £10,376

respectively. However, following the reorganisation in the Harwich Deanery in 2017 a new cost allocation basis was implemented, and this resulted in the Parish share for 2017 increasing to £30k, decreasing to £20k for 2018 with a further proposed reduction to £11k for 2019. The decrease in the Parish share for 2019 has resulted from further challenges to the new basis. However, it has been pointed out to the CBoF that the Parish share for an adjoining comparable Parish was £8,280 for 2017 and £9,097 for 2018 and as a result a working group has been established by the CBoF to investigate the differences.

## **Movements in other funds**

### **GENERAL FUND- Non- operational items**

The flower festival held in October raised net income amounting to £4,434 (Gross Income before expenses and including Gift Aid: £ 5,122) and has been utilised to partially offset General Fund deficits arising from the previous two years.

A claim for Gift Aid Tax refund was made on-line in March 2018 for £2,716 including interest receivable of £2.97 with the refund settled in the same month.

In addition, Tax recoveries under the Small Gift Aid Scheme for the tax years 2015/2016, 2016/2017 and 2017/2018 amounting to £1,249, £920 and £1,119 was made and received. The total tax recovered amounted to £6,004 for the year.

### **FABRIC FUND**

A Cash Endowment amounting to £50,000 was received by the PCC during the year and this has enabled the PCC to approve the installation of a Gas Central Heating System. Expenses amounting to £23,672 were incurred but unfortunately, the Gas Heating Company went into administration. In addition, asbestos was discovered in the church when preliminary heating works commenced.

The PCC has agreed to remove the asbestos and obtain new quotations for the installation of the Gas central heating system including the Gas connection to mains Gas. The PCC has secured additional funding from local entities and in addition plan to seek top up funding from the Parish Congregation.

### **Overall Funds at 31 December 2018**

The closing cash balance of the Total Funds amount to £203,349 a decrease of £35,788 from 31<sup>st</sup> December 2017.

## **Conclusion**

The Parish share is the single largest item that St Mary's needs to fund and for the year to 31<sup>st</sup> December 2018 amounted to £9,087. As with all expenses, the outgoings are funded through the General Fund-Revenue Account.

The PCC is taking active steps to ensure the Parish Share for 2019 onwards is calculated on a fair, just and consistent basis, in the light of the implementation of a new basis taking effect from 1 January 2017.

Francis Perera ACA Treasurer

6 March 2019