
BOLDRE PAROCHIAL CHURCH COUNCIL

ACCOUNTS

For the year ended 31 December 2022:

Statement of Financial Activities

Balance Sheet

Accounting Policies

2023 Budget

Statement of Financial Activities for the year ended 31 December 2022

	Notes	2022	2021
Income from:		£	£
Donations	1a	115,420	89,594
Church Activities	1b	9,140	10,793
Events, including Summer Fete and Christmas Market	1c	18,159	9,559
Dividends and interest	1d	6,866	6,576
Total Income		149,585	116,524
Expenditure on:			
-Mission including Rwanda	2a	7,674	5,796
-Activities directly relating to work of Church	2b	72,775	
-Maintenance & Projects	2c	52,878	
-Church management and administration	2e	17,829	14,731
-Music	2d	4,780	
Total Expenditure		155,917	104,160
Net (Loss)/Surplus		(6,332)	12,364

Balance Sheet as at 31 December 2022

	Notes	2022	2021
		£	£
Investment Assets	3	218,353	253,118
Current Assets			
Debtors		2,059	5,398
Cash at bank		55,448	59,947
Net Liabilities		-1,860	-8,007
Net current assets		55,647	57,338
Net Assets		273,603	310,456
Represented by:			
Opening balance		310,456	275,958
(Decrease)/Increase for year (including investment account)		(36,716)	34,498
		273,740	310,456

Boldre PCC Financial Statement 2022

During 2022 income increased by £33,061 with:

- (a) An increase in fund-raising through a Summer Fete, the first since 2019, a Christmas Market and events for Ukraine,
- (b) An increase in Gift Aid income,
- (c) Exceptional income in the form of a grant of £23,250 from the Boldre Church Trust related to repairs on the church tower and smaller grants from the Council and for energy costs. These were one-off sources of income,
- (d) Investment income increasing slightly to £6,865,
- (e) Whilst Net Benefice Income remained lower than historically.

During 2022 expenditure increased by £57,757 compared with 2021 reflecting additional expenditure of £46,500 on the church tower of St John's, substantially higher energy costs and an increase in the Common Mission Fund paid to the Diocese of Winchester from £42,691 to £45,130.

The accounts for 2022 have been prepared on the same basis as the 2021 accounts and therefore are directly comparable.

The overall result is a gross operating loss between income and expenditure in 2022 of £6,333. In addition, there was an unrealised loss on investments of £30,383. The holding by the Boldre Parish Fund of fixed income shares was disposed of during the year for £4,528, the proceeds being used to meet some of the costs of the church tower repairs.

The administration of Benefice activity (weddings, funerals, memorials) is carried out jointly for St John's, Boldre and St Mary's, South Baddesley. The related income and expenditure is set out in the attachment to these accounts.

Approved by the Parochial Church Council on 6 March 2023 and signed on its behalf by:

[signature on file]

[signature on file]

Richard Tolkien (Hon Treasurer)

Revd Simon Newham (Chairman)

Dated: 23rd March 2023

Dated: 23rd March 2023

Independent Examiner's Report on the Accounts

Report to the members of	Boldre Parochial Church Council		
On accounts for the year ended	31 December 2022	Charity No.	1200694
Respective responsibilities of trustees and examiner	<p>The Parochial Church Council is responsible for the preparation of the accounts. The members consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.</p> <p>It is my responsibility to:</p> <ul style="list-style-type: none"> examine the accounts under section 145 of the Charities Act to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and to state whether particular matters have come to my attention. 		
Independent examiner's statement	<p>I have completed my examination. In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in, any material respect, the requirements:</p> <ul style="list-style-type: none"> to keep accounting records in accordance with section 130 of the Charities Act; and to prepare accounts which accord with the accounting records and comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; <p>have not been met. I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts reached.</p>		
I			
Signed:	Stan Bowers [signature on file]	Date:	03 March 2023.
Name:	Mr Stan Bowers, Independent Examiner		
Address	26 Westmoreland Court, Stopples Lane, Hordle, Lymington, SO41 OYA		

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

1 Income

	2022	2021
	£	£
1a Voluntary Income		
Planned Giving Scheme	43,357	40,981
PGS Gift Aid	8,841	9,367
Other regular Donations	8,033	11,373
Green Envelope giving	8,137	9,685
Collections	9,170	5,087
Other Gift Aid	6,379	5,937
One off Donations	4,039	4,390
Good Box giving	2,261	1,733
Other (Council & Energy grants)	2,000	1,002
Boldre Church Trust	23,250	-
	115,420	89,594
1b Church Activities		
Net Benefice Income	7,940	9,593
Bridge Magazine	1,200	1,200
	9,140	10,793
1c Income from		
Summer Fete	9,494	-
Christmas Market, Harvest supper or		
Autumn Fayre	2,995	3,355
Musical Events	-	-
Christmas Cards, Calendars and Jam	1,928	2,234
Rwanda donations	1,970	3,970
Love Ukraine, Quiz	1,772	-
	18,159	9,559
1d Investments		
Dividends and Interest	6,866	6,576
Total Income	149,585	116,524

	2022	2021
2 Expenditure	£	£
2a Grants& Missionary:		
Rwanda	7,674	5,796
2b Activities relating to work of Church Ministry		
Diocesan Contribution/Common Mission Fund	45,130	42,691
Clergy Honoraria and Benefice Secretary	13,050	11,300
Church- running expenses		
Electricity		
Telecoms		
Flowers	14,575	10,861
Travel		
Purchases		
	72,755	64,852
2c Church Maintenance & Projects		
St John's Church (including church tower repairs)	47,574	10,054
St Nicholas's Chapel	5,304	2,138
	52,878	12,192
2d Organist's salary & music expenses	4,780	5,950
2e Church Management & Administration		
Benefice office expenses (stationery, telephone & other purchases)	8,077	3,451
Professional fees incl. Bookkeeper	6,084	6,323
Bank charges	582	488
Insurance	3,086	3,677
	17,829	14,731
Total Expenditure	155,917	104,160

Investment Values		2022 £	2021 £
Restricted			
	10,623 shares in CBF Fixed Interest Securities Fund (3 holdings, 4 in 2021)	14,562**	21,866
	14,797 shares (Warburton Davis) in CBF Fixed Interest Securities Fund	20,286	23,430
Unrestricted			
	7155.43 shares in CBF Investment Fund.	183,358	207,822
Investments 31 December		218,353	253,118
(Loss)/Increase			
Unrestricted		(24,264)	61,518*
Restricted		(5,920)	(3,642)
Total unrealised (loss)/increase		(30,184)	57,856

* of which £37,682 is additional investment in the CBF Investment Fund during the year.

** of which £4,528 is a realisation in the CBF Fixed Income Fund during the year.

Accounting Policies

a) Financial Statements

The Financial Statements have been prepared under:

- (a) The Charities Act 2011 and in accordance with the Church Accounting regulations 2006 governing the individual accounts of PCCs, together with applicable accounting standards and the Statement of Recommended Practice, accounting and reporting by Charities SORP 2015 (FRS 102 Section 1A), and
- (b) The historical cost convention except for investment assets which are shown at market value. They include all transactions, assets and liabilities for which the PCC is responsible in law.

b) Funds

Unrestricted Funds represent those that are not subject to any restrictions regarding their use and which are available for the general purposes of the PCC. Restricted Funds represent those that are subject to restrictions regarding their use and which may only be applied for specific purposes.

c) Income

Planned Giving/Gift Aid whether under the PGS or by standing order, other than collections at services, is accounted for in the Gift Aid account on behalf of the PCC from which it is transferred to the current account each quarter when it is recorded in that account. Income tax recoverable is also accounted for in the Gift Aid account on behalf of the PCC and transferred to the current account each quarter. Grants and legacies are accounted for when the PCC receives the money into its account. The Bridge magazine is accounted for because of the surplus received less the deduction of 27.5% paid to South Baddesley PCC in regard of their circulation. Income from fetes, etc. is accounted for after deduction of the outgoings. Dividends and interest are accounted for when received. The split of income between the Restricted and Unrestricted Funds is recorded per the wishes of the donors and the requirements of the trusts administered by the Winchester Diocese.

d) Designated Collections

During the year designated collections on behalf of HMS Hood and The Royal British Legion were possible. No funds were retained by the PCC. The receipts and payments of all designated collections are not reported in the PCC accounts in line with Church Accounting Regulations.

e) Expenditure

Grants and donations are recognised when paid. The parish share of the Diocesan Quota is accounted for when paid. In 2022 £45,130 in Diocesan Quota was paid, in line with the amount requested by the Diocese of Winchester.

f) Fixed Assets

Consecrated and benefice property is excluded from the accounts by section 10(2) (a) of the Charities Act 2011. Movable church fittings are also excluded from the accounts. All expenditure incurred during the year on these fixed assets is charged to expenditure. Investments are stated at market value as at 31 December 2022.

g) Trustees' expenses and related party transactions

One Trustee, also a Churchwarden was paid for secretarial duties provided during the year. Otherwise, none of the Trustees were paid any remuneration or received any other benefits from an employment with the PCC. One Trustee was provided with funds in carrying out the duties of the PCC in relation to its missionary work overseas. The figure was [£3,623] in the year ending 31st December 2022. During the year, there have been no related third-party transactions that require disclosure (2021: £0)

h) Staff Costs

Total staff costs and honoraria paid	<u>18,215</u>
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The average number of staff throughout the year was 3 (2021:3).

i) Costs of Independent Examination and other Financial Services

As in prior years, the independent examination of the 2021 accounts has been provided on a pro bono basis.

j) Charity Commission's Public Benefit Guidance

The trustees are aware of the Charity Commission's public benefit guidance and have taken it into account when making decisions to which the guidance is relevant.

Financial Review Year Ended 31 December 2022

Total income was £149,585 of which £76,968 was from normal donations, collections and green envelopes, plus a further £15,220 from Gift Aid recoverable tax. Net Benefice Fee income was £7,940 (2021 £9,593) and Bridge Magazine contributed £1,200 (2021 £1,200). The Annual Summer Fete raised £9,494. Dividend income and interest earned amounted to £6,576. An exceptional grant of £23,250 was received from the Boldre Church Trust, to help meet the costs of the church tower repairs.

We would like to encourage parishioners to support St John's wherever possible through the Parish Giving Scheme, leaflets for which are at the entry to the Church and details online on the website. The associated Gift Aid recoverable tax increases the value of donations received by 25%; the administration is provided centrally at no cost to St John's.

Overall, Income increased by £ 33,061 compared with 2021.

Expenditure increased by £51,757 compared with 2021.

There was an unrealised loss on investments of £30,841

Investment Reserves

The value of our net assets reduced to £273,603, of which £34,996 was restricted reserves held in investments.

Restricted reserves are retained towards the upkeep of the fabric of the church and the graveyard, in accordance with the PCC definition of Fabric and the terms of the under-lying legacy, given that legacies constitute the primary source of these reserves.

Financial and Reserves Policy

It has been agreed that the PCC should follow a policy of seeking at least to break even year by year, to seek to meet as fully as is prudent its requested Diocesan Contribution and to build up reserves to provide longer term financial stability, thus enabling St John's, Boldre to continue active worship long-term. Its annual budget before any exceptional items is set on this basis.

In addition, it is the policy of the PCC to seek to hold readily realisable reserves the equivalent of six months budgeted normal expenditure, including gross salaries and honoraria, and the Diocesan levy as approved by the PCC, which for 2023 is £45,000, in line with the amount discussed with the Diocese of Winchester. This will be reviewed during the year in the light of actual financial performance. It is our policy to hold £1,000 to cover grants received annually the continuation of which cannot be guaranteed, plus £6,000 in a mission reserve to enable us to meet our mission commitments irrespective of amounts identified in any year's budget. It is also our policy to hold an amount for likely non-fabric repair and maintenance expenses including the churchyard.

Last year we received the independently prepared Quinquennial Inspection report detailing the condition of the church, which is Grade 2 listed. In addition to recommended works on the church tower, which were carried out during 2022 at a cost of £46,500 to which the Boldre Church Trust made a grant of £23,250, the report recommended other works including to windows, the roof and louvres. Advice and quotations for these works are being obtained. The costs may be significant. We are therefore making a provision for exceptional work of £100,000 related to the report which it is intended should be drawn down or revised as the specific recommendation need is met or its likely cost revised.

We have also committed to fund a Children and Families' Worker in the amount of £9,000 per year for three years from 2023 This is part of a joint project with the Churches at Brockenhurst and South Baddesley. The cost of this post is now taken as a normal item in the budget.

We have during the first quarter of 2023 replaced the heating system at St John's at a cost of £36,000. This is an exceptional item.

We are actively seeking grants including from the Boldre Church Trust to cover the exceptional costs incurred in relation to replacing the heating system and Quinquennial. Review related works.

Free reserves, including restricted items amounting to £35,000 (some of which are usable on fabric expenditure), based on these policies and provisions and the budget adopted for 2023, including the costs of the new heating system, amount to approximately £75,000. This reserve amount is reviewed annually as part of the budgetary process.

The PCC also considers it prudent to seek over time to build up longer term reserves with the aim of securing worship at St John's for the foreseeable future. To this end, in 2019 a Stewardship Campaign was launched to increase planned giving, including legacies. Good progress has been made increasing the number of donors under the PGS- though this has now flattened- and the

amount donated, notwithstanding the disruption and uncertainty caused by the Covid pandemic since March 2020. The target long- term is to increase annual planned giving by 20% year on year. The progress made enabled St John's to meet in full its requested Diocesan Contribution for 2020,2021 and 2022. Additional available resources will be used to increase long term reserves and provide funds for additional mission work.

Our investment policy is to invest short-term investment fund balances with the CCLA Church of England Securities Fund- Income Shares, and the remainder in the CCLA Church of England Investment Fund-Income Shares, which attracts a better long- term return.

2023 Budget

Note this budget was prepared as of 6 March 2023. Our house for duty priest the Rev Andrew Neaum retired with effect from 31 January 2023. We are seeking a replacement. During the interregnum revenues may be reduced from 2022 levels. The Diocesan Contribution has been set at a monthly rate of £3,750, for an annual total of £45,000. This and other expenditure will be kept under close review as circumstances require.

	£		£
INCOME		EXPENDITURE	
Planned Giving (PGS & Regular)	50,000	Diocesan Contribution	45,000
Tax refund	12,500	Rwanda Mission	4,000
Collections & green envelopes	15,000	Churchyard	5,000
Wall box	500	Reps & Maintenance*	40,000
Fabric fund	800	Fabric Works	2,000
Good Box giving	2,250	Children Families Worker	9,000
Investment Income	6,000	Vicar & c/w expenses	1,000
Donations Rwanda	2,000	Secretarial	7,500
Benefice Income Fees	12,000	Insurance	3,600
Legacies	-	Telephone	2,000
		Utilities	10,000
Bridge	1,200	Bank, Good Box	600
Summer Fete	9,000	Book-keeping & Payroll	6,500
Other social activities, incl music evenings	3,000	Office expenses	3,000
Cards, Calendars, Jams etc.	2,500	Music salary & expenses	5,500
		Flowers	1,000
		Clergy honoraria (six months)	3,600
TOTALS	116,000		149,000

As can be seen from the above, the Budget for 2023 envisages a loss of £33,000 which reflects break even on normal activities and exceptional budgeted work costing £36,000 to replace the heating system at St John's. Efforts are being made to find external funding to meet a significant part of this cost, including a grant from the Boldre Church Trust, which is independent of the PCC. Any effects of a change in our house priest on income is uncertain and therefore not budgeted.

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