

**Accounts**  
**for the year ending 31 December 2012**

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## Parish of St James, Sutton, near Macclesfield, Cheshire

### Annual Report for 2012

#### Background

The Parochial Church Council of the Parish of St James, Sutton, near Macclesfield Cheshire ("the PCC") has the responsibility of co-operating with the incumbent, the Revd Edward W L Davies, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelical, social and ecumenical. It also has maintenance responsibilities for the Church of St James and the adjoining Church Hall.

#### The Duties of the PCC

The PCC is responsible for all parish finance, its management and control, including the appointment of a Treasurer and in particular

- Keeping 'proper accounting records', which must be sufficient to show and explain all the PCC's transactions.
- Ensuring that the finances of the PCC are under its control and only delegated if the PCC can ensure that its wishes will be followed.
- preparing an annual account (financial statements) and report, which shall be presented to the Annual Parochial Church Meeting in accordance with the requirements of the Church Representation Rules.
- Arranging for a suitable independent examination or audit of the financial statements.

#### Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

During the year the following served as members of the PCC:

*Incumbent:* The Rev'd Edward W L Davies (Chairman January – July 2012)

*Associate Vicar:* The Rev'd Vivien Gisby (Chairman September – December 2012 during Incumbent's secondment)

*Reader:* Mrs Jenny Kendal

*Wardens:* Mr Roger Fenton (*until 22.4.12*)  
Mr John Evans (*from 22.4.12 previously an elected member of the PCC*)  
Miss Audrey Fernyhough

*Lay Chairman* Vacant

*Secretary* Mrs Gwen Newman

*Treasurer* Mr Timothy Kendal

*Representatives on the Deanery Synod* Mrs Margaret Nield, Mrs Janet Parkinson & Mrs Jenny Kendal (with Mr David Marriott – ex officio)

*Elected members (not being office holders named above):*

Gill Barber	Christine Bullock	Elizabeth Davis
David Marriott	Margaret Nield	Janet Parkinson
Martin Rossiter ( <i>until 22.4.12</i> )	Jane Sinclair-Smith ( <i>until 22.4.12</i> )	Christine Smith
Hayley Roberts	Matthew Self ( <i>until 5.7.12</i> )	Judith Whomsley

## **Committees**

The PCC operates through a number of committees, which meet between full meetings of the PCC:

### *Standing Committee:*

This 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 Council.

### *Finance Committee:*

Oversees the general financial dimension of the work of the Church by monitoring income and expenditure, budgeting, maintaining appropriate financial controls and co-ordinating the annual review of the Christian Stewardship of money through planned giving and otherwise.

### *Worship Committee:*

Attends to matters relating to ministry to the local Church, such as aspects of worship, mid-week groups and the work with children and young people.

### *Mission and Unity Committee:*

Attends to matters relating to ministry of the local Church to the community and the world, such as ecumenical links, evangelism and the support of mission and relief agencies.

### *Premises Committee:*

Attends to matters relating to the stewardship of plant, such as the church buildings and fabric, and the Hall

### *Church Hall*

Attends to matters relating to the day to day running of the Hall, bookings, caretaking, minor repairs, decoration etc.

### *Churchyard*

Attends to matters relating to the Churchyard, maintenance including grasscutting, health and safety (especially in relation to upright gravestones)

### *Child Protection*

Attends to matters relating to the Church's Child Protection Policy, including CRB certification for all relevant persons

### *Magazine*

Attends to the editing, production and distribution of the monthly Parish News

## **Church attendance**

There are 212 (223 in 2011) parishioners on the Church Electoral Roll, 58 (60 in 2011) of whom are not resident within the parish. The average weekly attendance at our normal 3 Sunday services, counted during 6 weeks in October / November, was 129 (up from 124.4 in 2010, an increase of 3.7%, reversing a decline of 11.7% between 2009 and 2010). These numbers are always larger at festivals. (Tim – I have not updated these attendance figures as I was not sure which Sundays you chose – sorry.)(The figure of 129 for 2011 is the average of 2 October to 6 November (cells H44 to H49 in the attendance spreadsheet. I imagine you can extract the average for the equivalent dates in 2012. I expect you know that if you highlight the cells, Excel gives you the average as well as count and total at the bottom of the screen automatically.)

## **Review of the year**

The full PCC met 8 times during the year with an average attendance of 13. Committees met between meetings and reports of their deliberations were received by the full PCC and discussed where necessary.

All matters having a financial element affecting the Church, including our grant-making policies in relation to charitable donations, are the subject of full discussion as occasion requires by the full PCC though recommendations are from time to time made by the Finance Committee.

It is our policy to invest our cash funds not required in the short term with the CCLA Church of England Deposit Fund. In general a sum representing between one and two months expenditure is held on Current Account with our bankers, National Westminster Bank plc.

The Friends of St James Church initiative had 55 members at the end of the year (53 members at the end of last year). All make donations by bank standing order, and we are delighted and relieved to have this continuing additional source of income, which we hope will be enhanced in future years

Efforts to enhance our income and contain expenditure in other ways have continued, and the attached Accounts show considerable improvement in various areas as a result of this.

During the year we have continued to identify and manage appropriately the major risks which impact the work of the Church in the parish. An analysis of existing controls in place to deal with these risks is still being developed by identifying further actions required to mitigate these risks.

A programme of maintaining the fabric of the Church building has continued. Further reserves remain for ongoing maintenance and repair

A Gift Day was held as usual during the year as part of the St James' Day weekend. On this occasion it was decided to use the Appeal to assist with the church roof repair work. The amount raised included not only the actual gifts received (and Gift Aid tax recovered thereon) but also some of the net proceeds from the afternoon fête that took place the same weekend.

Apart from this, our fund-raising activities have continued in much the same way as in previous years.

In spite of the continuing shortfall of our regular income against our regular expenditure, the PCC resolved in November 2012, to continue making donations to charities, and this was done using the same formulae as in 2011.

The Reports from the numerous groups that contribute to the life of the Church are presented annually to the APCM and should be read in conjunction with this Report.

On behalf of the PCC            March 2013

..... Gwen Newman - Hon. Secretary

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING  
31 December 2012**

2011 £	INCOME	Codes	2012		Total
			Unrestricted	Restricted	
16,255	Regular Giving by S/Order (incl Gift Aiding Friends)	1	16,357.00		
15,665	Envelope Scheme	2	15,861.25		
9,053	Tax recovered	3	8,899.75		
8,571	Collections at Services (cash)	43	9,738.25		
49,544			50,856.25		
5,634	Incumbent's Assigned Fees received (paid to Diocese - see code 154)	54	6,401.00		
	Unclassified receipts (none this year)	57			
520	Wallsafe & Pennies Jar (including sales of St James History)	4	377.95		
3,134	In Memoriam Donations	5	1,870.00		
3,611	Other Donations (see Note 5.K)	6	5,053.74		
62,442				64,558.94	
4,766	Magazine Subscriptions & Advertising (see Note 5 A)	40 41		5,098.39	
1,365	Bellringers Fees etc (paid out to them Code 115 below) (Note 5 C)	38 39		1,925.00	
	Church Fees from services etc				
3,198	Weddings	8	3,971.00		
4,342	Funerals	9	6,214.00		
1,023	Monuments	10	903.00		
8,563			11,088.00		
2,630	Organist Verger & Sexton fees (paid out to them)	48-50	3,235.00		
11,193	Special Efforts – now on separate sheet (page 6)			14,323.00	
79,766	<b>Total Non-Investment Income</b>			85,905.33	
	Bank & Other Interest				
	Restricted Funds	19			
481	General Funds	20	715.74		
7,311	Investment Income & Rent	22	7,240.10		
7,792				7,955.84	
87,558	<b>TOTAL INCOME</b>			93,861.17	93,861.17
	<b>EXPENDITURE</b>				
	The Ministry				
52,043	Parish Share (see Note 5.O)	101	53,604.60		
3,547	Housing (Council Tax, Repairs Maintenance)	102	3,466.22		
280	Clergy & other Conferences	104			
4,035	Incumbent's Expenses (incl Curate in January) Garden, Motor, Office, Secretary	151-3 + 155	4,914.02		
5,634	Incumbent's Assigned fees remitted to Diocese (Weddings, Funerals)	154	6,401.00		
3,000	Fees to Clergy & Organists (Sundays)	156	3,147.00		
2,585	Organist Verger Sexton (Weddings & Funerals)	158-60	2,810.00		
1,365	Bellringers – wedding fees paid out (Note 5 C)	115	1,925.00		
	Handbell Ringers – see Note 5 C	116			
5,300	Parish Magazine expenses (see Note 5 A)	117	5,392.00		
150	Deanery Synod & professional Fees	103			
77,938				81,659.84	
	The Church, Services & Mission				
2,066	Heat and Light incl Boiler Service	106	4,004.70		
804	less Heat & Light charges for weddings & funerals	11	1,300.00		
1,262			2,704.70		
2,692	Insurance	107	2,766.24		
348	Organ Tuning & Maintenance	108	237.60		
	Cleaning materials & sundries	109			
477	Upkeep of Services	110	272.70		
162	Minor Repairs & Renewals (incl clock service)	111	534.71		
2,162	Miscellaneous (see Note 5.L)	112	981.61		
7,103				7,497.56	

Churchyard					
3,565	Contractor	120	2,980.00		
132	Materials	121			
	Waste Disposal	122			
440	Machinery Maintenance	124	210.00		
79	Other Churchyard Expenditure (repairs to stone walls)	125	310.00		
655	Headstone Repairs, Plaques & Monuments	123	1,241.91		
-883	less cost of plaques & monuments recovered	52	-824.10		
-228			417.81	3,917.81	
3,988					
-3,988	less 2010 Gift Day donations allocated to Churchyard				
	Net Cost against this year's Income				
		143			
		45			
Charitable Payments outside the Parish (excluding Special Efforts)					
580	Overseas Church	146	900.00		
955	Home Missions	147	360.00		
795	Secular Charities	148	575.00		
2,330				1,835.00	
	(Special Efforts now shown on separate sheet)				
87,371	Total Normal annual Expenditure			94,910.21	
87,558	Total Income as above		93,861.17		
87,372	less normal annual expenditure as above		94,910.21		
186	Net surplus (deficit) of normal income / expenditure to Funds & Activities		-1,049.04		
Non-annual expenses					
	Decoration (Parish Room & vicarage study)	134	1,480.00		
	Clock repairs	135			
1,679	Building Repair / Maintenance	136	145.15		
2,524	Heating & Lighting equipment repair / replacement / improvement	137			
	Office Equipment purchases	138			
	<i>See Note 5.J</i>				
4,203			1,625.15		
				1,625.15	
91,574	<b>TOTAL EXPENDITURE</b>			96,535.36	96,535.36
-4,016	<b>Deficit including Non-annual Expenditure</b>			-2,674.19	-2,674.19

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING

31 December 2012

2011				2012	
£	INCOME	Codes			
3,784	Pre-School	28		4,250.00	
1,085	Yoga & Pilates (Monday)	29		840.00	
1,491	Whist (Tuesday & Saturday)	30		1,746.00	
90	Hobnob Club	31		180.00	
325	Parish Council	32		347.00	
519	Women's Institute	33		387.00	
3,301	Other Lettings	34		3,028.50	
					10,778.50
10,595	<b>TOTAL INCOME</b>				10,778.50
	<b>EXPENDITURE</b>				
1,951	Caretaker	127	2,105.00		
979	Insurance	128	959.81		
3,229	Heat and Light, & Water incl Boiler Service	129	4,023.71		
951	Waste disposal & sundries	130	1,125.10		
1,064	Minor Repairs & Renewals	131	268.95		
99	Outside Cleaners	132	117.00		
8,273					8,599.57
2,322	Surplus (deficit if negative), excluding non-annual expenditure				2,178.93
	Non-annual expenses				
4,564	Decoration	139			
4,345	less Gift Day donations & Gift Aid refund				
220	net cost				
23	Building Repair / Maintenance / Improvement	140	720.00		
	see Note 5.J.5				
243	Boiler & oil tank repair / replacement	141			720.00
8,516	<b>TOTAL EXPENDITURE</b>				9,319.57
2,079	<b>Surplus to Summary of Funds and Activities</b>				1,458.93

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING

31 December 2012

2011			2012	
£		Codes		
4,991	<b>Balance at start of year</b>			4,174.23
1,495	<b>INCOME</b>	36	1,476.10	
2,311	<b>Deduct EXPENDITURE</b>	113	1,045.99	
-817	<b>NET INCOME</b>			430.11
4,174	<b>Balance at end of Year</b>			4,604.34

RECEIPTS AND PAYMENTS FOR THE YEAR ENDING

31 December 2012

2011 RECEIPTS

	Income from Special Efforts less Expenses			
1,030	Christmas Fair	13	£1,093 in 2010	774.18
	Advent Hotpot Supper	14		
172	Lent Lunches	15		188.60
295	Harvest Supper	16		
941	Book Sale	17		
820	Other Events	18		
	Sunday Coffee	18m	***	390.67
	Men's Breakfasts	18m		205.45
	Christmas Card box in Church	18m		83.50

3,258	Total raised by Special Efforts this year			1,642.40
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Special Efforts balances brought forward from last year

	Sunday Coffee			53.07
	Book Sale			940.80
	Harvest Supper			295.20

	Total Receipts to Special Efforts Fund (including b/f from 2011)			2,931.47
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PAYMENTS

Payments out of Special Effort Money to Beneficiaries & for Expenses

1,030	Christmas Fair	163		774.18
	<i>Rossendale Trust</i>			
	<i>Advent Hotpot Supper</i>	164		
172	Lent Lunches	165		188.60
	<i>Christian Aid</i>			
	Harvest Supper (2011, paid out Jan 2012)	166		295.20
	<i>Christian Aid</i>			
	Book Sale ( <i>retained for Luncheon Club expenses</i> )	167		940.80
817	Other Events	168		638.95
	Namely:			
	Men's Breakfasts 2012		205.45	
	<i>Horn of Africa Famine appeal - July 2011</i>			
	<i>Lubwe Wells Appeal - Barn Dance</i>			
	<i>Christian Aid - Quiz Night</i>			
	Sunday Coffee	***	350.00	
	<i>Donation to Scouts</i>			
	Christmas Card box in Church			
	2011 <i>Children's Society</i>			
	2012 <i>Francis House Children's Hospice</i>			83.50

2,020	Total given from Other Events		638.95	2,837.73
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Balance raised this year & brought forward, not yet paid out	93.74
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**FOR THE YEAR ENDING**

**31 December 2012**

2011 £		2012
<u>55,064</u>	<b>Balance of one third of Legacy, resolved to be made available for Grants</b>	<u>55,063.56</u>
	<b>Deduct</b>	
	Grants of Capital to Charitable Organisations	149                      9,400.00
<u>55,064</u>	<b>Balance at end of Year</b>	<u>45,663.56</u>

The total given during the year shown above is made up of the following amounts:

East Cheshire Hospice	3 Patient Hoists	3,000.00
Macclesfield & Wildboardclough Charity	Hearing Loop for meeting room	600.00
Rossendale Trust	Sensory Room refurbishment	1,000.00
East Cheshire Advocay	Support for Woodlands residents moving	2,000.00
Citizens Advice Bureau, Macclesfield	Enquiry Console for Clients	2,000.00
Langley Methodist Chapel	Food Hygiene Certs for Lunch Club	800.00
Total		<u>9,400.00</u>

*Parish of St. James, Sutton*

**OUTSIDE PAYMENTS FOR THE YEAR ENDING**

**31 December 2012**

**Calculation of Charitable Giving Amount**

This is 10% of total income less Parish Share – see PCC Resolution 17 January 2007  
For convenience, the figures for 12 months ending 31 October in the current year are used

This enables payment to be made to the selected Charities before Christmas.

<b>Total Income</b>		<b>Entire Year</b>	<b>Period to 31/10/12</b>
Church Account		93,861.17	72,255.92
Less Parish Share		53,604.60	44,670.50
		<u>40,256.57</u>	<u>27,585.42</u>
Less items to be excluded	Code		
Incumbent's Fees	54	6,401.00	5,223.50
Bellringers Fees	38	1,925.00	1,750.00
Magazine Receipts	40	5,098.39	3,537.00
Organist, Verger Sexton	48-50	3,235.00	2,775.00
Heat & Light charges	11	1,300.00	1,037.50
Plaque & Monument cost recovery	52	-824.10	-694.10
		<u>17,135.29</u>	<u>13,628.90</u>
		23,121.28	13,956.52

<b>Income for November &amp; December 2011</b>	
Church Account, reduced as above 2011	4,126.48
	<b>18,083.00</b>

<b>10% to be given away</b>	1,808.30
<b>Gifts made earlier in year (Special Efforts excluded)</b> <i>(Sutton Diamond Jubilee Committee for Banner)</i>	35.00
<b>Balance to be given (if positive)</b>	<b>1,773.30</b>

**Giving as resolved by PCC November 2012**

	%	Calculated amount	Actual Amount
Secular			
East Cheshire Hospice	10	177.33	180.00
Just Drop In Centre	10	177.33	180.00
Rossendale	10	177.33	180.00
Home Missions			
Frances House (Children's Hospice)	10	177.33	180.00
Church Urban Fund	10	177.33	180.00
Overseas			
Christian Aid	10	177.33	180.00
Lubwe	10	177.33	180.00
Church Missionary Society	10	177.33	180.00
		<u>1,418.64</u>	
Vicar's Discretion	20	354.66	360.00
<i>Unseen (UK) - Human Trafficking</i>			
<b>Grand total given in year</b>		<b>1,773.30</b>	<b>1,800.00</b>

*Parish of St. James, Sutton*

**RESERVES ACCOUNT FOR THE YEAR ENDING 31 December 2012**

		See Note 5.H to the Accounts for more information						Totals for 2012		
2011		Findlow 1	Findlow 2	Repairs	Film Prize	Gift Day Appeals	Working Capital	Unrestricted Funds	Restricted Funds	Total
£	Category (see below)	1	2	3	4	5	6			
255,472	Total Funds at start of year (from last Accounts) <i>(Category 6 adjusted – see below)</i>	55,063.56	122,747.31	20,155.50	1,639.03	876.56	33,333.33	233,815.29	5,984.59	239,799.88
	<b>RECEIPTS</b>									
	<b>Codes</b>									
1,000	Legacies to General Funds									
	Legacies and Gifts to Restricted Funds									
4,345	Gift Day Appeal (St James Day) <i>includes Gift Aid Tax Refund</i>					5,694.06		5,929.06		5,929.06
	Donation for Churchyard Maintenance <i>CB row 799</i>					235.00				
-11,168	Increase (decrease) in value of Investments		18,284.93					18,284.93		
-5,824								24,213.99		24,213.99
2,687	Total surplus / deficit for year - Church & Hall (unrestricted) & Choir (restricted)						409.89	409.89	-765.22	-355.33
252,335								258,439.17	5,219.37	263,658.54
	<b>PAYMENTS &amp; TRANSFERS</b>									
	Capital Charitable Grants (see separate sheet)	-9,400.00						-9,400.00		
	<b>Non-annual expenses</b>									
	Decoration (Parish Room & vicarage study)		-1,480.00					-1,480.00		
	Clock repairs									
-1,679	Building Repair / Maintenance			-145.15				-145.15		
-2,524	Heating & Lighting equipment repair / replacement / improvement									
	Office Equipment purchases									
	<b>Other Payments from Reserves</b>									
	<i>None this year</i>									
-3,988	Transfer to Church Income & Expenditure account <i>To maintain working capital</i>		409.89				-409.89			
-4,345	Transfer to Hall Income & Expenditure account									
-12,535								-11,025.15		-11,025.15
239,800	Balance at end of year (see Summary of Funds and Activities)	45,663.56	139,962.13	20,010.35	1,639.03	6,805.62	33,333.33	247,414.02	5,219.37	252,633.39

See Category Descriptions and Notes on next page

**Category**

- 1 Balance of one-third of the Findlow legacy resolved in 2007 to be used for capital Grants to other charities (including churches) over a number of years, but not yet paid out (the PCC considers appeals periodically) – see Grants on Page 7
- 2 Two-thirds of the Findlow legacy, resolved by the PCC in 2007 to be retained as a permanent endowment, the income (but not the capital) being used for grants from time to time to other charities (including churches), and for the general purposes of St James Church. Holding these funds as a permanent endowment means that the investments representing them are to be invested and retained. In the light of the shortfalls on the Church Account in each of the last 4 years, the PCC has decided to fund the shortfall from these reserves. The funding of the shortfall from this category of reserves is shown by the transfer from Category 2 to Category 6
- 3 Provision for repairs to the fabric of the Church to be carried out over the next 5 years, as required by the Quinquennial Review in 2008, including also a reserve for repairs to the Hall
- 4 Film Prize Money, received December 2008, yet to be allocated for a particular purpose by the PCC
- 5 Gift Day appeal money, including Gift Aid thereon, received in July 2012, plus balance carried forward from 2011 (see Note 5.H)
- 6 Unallocated reserves at the Balance Sheet date, being approximately 4 months working expenses

Working expenses taken as	£	100,000	p.a
Actual in these accounts	£	96,535	

\*\* The amount transferred from Category 3 to Category 6 is calculated to give the required figure in Category 6

The above are all General (i.e. Unrestricted) Funds. For details of how Restricted Funds reserves are made up, see Balance Sheet

*Parish of St. James, Sutton*

**SUMMARY OF FUNDS AND ACTIVITIES – YEAR ENDING**

**31 December 2012**

**Opening Balances**

		£		
	Unrestricted Funds	Restricted Funds	Total	2011
From Accounts to 31 December 2011				
General Unrestricted Funds	233,815.29		233,815.29	249,910
Choir Fund		4,174.23	4,174.23	4,991
Youth Club		521.29	521.29	521
Special Efforts money not yet paid out		1,289.07	1,289.07	51
<b>Total Funds at Start of Year</b>	<b>233,815.29</b>	<b>5,984.59</b>	<b>239,799.88</b>	<b>255,472</b>
Add Reserves Account Receipts and Transfers	24,213.99			
Deduct Reserves Account Payments and Transfers	-11,025.15			
Net addition to Reserves	13,188.84		13,188.84	-18,359
<b>Reserves at End of Year (see Reserves Account)</b>	<b>247,004.13</b>	<b>5,984.59</b>	<b>252,988.72</b>	<b>237,113</b>
Add surplus (deficit if negative) for the year from Church Account	-1,049.04		-1,049.04	186
Add surplus (deficit if negative) for the year from Hall Account	1,458.93		1,458.93	2,079
Add surplus (deficit if negative) for the year from Choir Account		430.11	430.11	-817
Add increase (decrease if negative) in Special Efforts money not paid out at year end		-1,195.33	-1,195.33	1,238
	409.89	-765.22	-355.33	2,687
<b>Total Funds at End of Year</b>	<b>247,414.02</b>	<b>5,219.37</b>	<b>252,633.39</b>	<b>239,800</b>
<b>Held as follows:</b>				
<b>Reserves (see Note 5H and Reserves Account)</b>				
1 Findlow 1	45,663.56			55,064
2 Findlow 2	139,962.13			122,747
3 Repairs	20,010.35			20,156
4 Film Prize	1,639.03			1,639
5 Gift Day Appeals	6,805.62			877
6 Unallocated	33,333.33			33,333
Total of Unrestricted Reserves	247,414.02		247,414.02	233,815
Choir Fund		4,604.34	4,604.34	4,174
Youth Club Fund (dormant)		521.29	521.29	521
Other Restricted Reserves		93.74	93.74	1,289
	<b>247,414.02</b>	<b>5,219.37</b>	<b>252,633.39</b>	<b>239,800</b>
<b>Represented by</b>				
Ledger Balance of Bank	4,446.90		4,446.90	1,938
Balance of the C B F Deposit Account	77,794.14	5,219.37	83,013.51	90,974
14511.85 CBF Church of England Investment Fund Income Shares <i>Estimated value as at 31 December 2012 – see Note 4</i>	164,932.98		164,932.98	146,648
Balance of Petty Cash in Safe on Balance Sheet Date	240.00		240.00	240
	<b>247,414.02</b>	<b>5,219.37</b>	<b>252,633.39</b>	<b>239,800</b>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

Totals 2012
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Notes 1 to 4 are prescribed for Accounts prepared on an accruals basis, but do not provide information that is not included elsewhere in the published accounts and so are not printed

The following Notes provide additional information not required to be included in the Accounts

5 MISCELLANEOUS

A The Magazine. We are required to show Magazine receipts and payments in separate places in these Accounts  
For convenience, the figures are repeated here, so that the net cost of the Magazine to the Parish can be seen.

			2011
Subscriptions	40	2,625.50	2,926
Advertising	41	<u>2,472.89</u>	<u>1,841</u>
Total Income		5,098.39	4,766
Expenses (printing)	117	<u>5,392.00</u>	<u>5,300</u>
Net Cost to Parish		<u>-293.61</u>	<u>-534</u>

Note: Many of the Friends of St James (see Note M below) are entitled to a free magazine. In view of the small amounts involved, no part of donations received from Friends is treated as magazine income

B The Choir. The breakdown of this year's Income and Expenditure is:

Income			2011
Weddings 10 @ £90		900.00	720
Carol Singing (including £5 from 2011)		<u>576.10</u>	<u>3</u>
Total Income		1,476.10	<u>772</u>
			1,495
Expenditure			
Music, Folders etc	161.12		253
Training Courses, RSCM events & RSCM fee & donation incl. Travel	551.00		568
Social Events including Jubilee expenses	95.89		86
Payments to Junior Choir for Weddings	75.00		5
Replacement Cassocks & Surplices	127.00		1,381
Miscellaneous	35.98		<u>18</u>
Total Expenditure		<u>1,045.99</u>	<u>2,311</u>
Net income for year		<u>430.11</u>	<u>-817</u>

The value of choir robes and also music purchased this year and in the past by the Choir is not included in these accounts  
The cost of Choir robes has traditionally been funded by the choir out of its reserves,

C Bellringers and Handbell Ringers

Previously, all Income earned by the Bellringers has not been included in the Church's Accounts, because it did not belong to the PCC. This has been changed during the year, when bellringing fees for weddings were increased. Part of the amount now paid for bellringing at weddings is paid to the PCC and is included in these Accounts.

No part of fees paid to the Handbell Ringers belongs to the PCC

Any surplus is retained by the Bellringers and Handbell Ringers respectively (each is entirely separate from the other) for their own purposes or given to Charity

D Water Rates The Surface Water and Waste Water Drainage Charge is now payable at the rate of £10.71 per month - which is far less than the amount originally charged when this was first assessed a few years ago.

E Gift Aid This has been claimed for the 12 months to the end of August 2012, and the next claim, for the 4 months to the end of December, will be submitted early in 2013. In accordance with our Statement of Accounting Practices (see elsewhere in these accounts) this will be accounted for when received

F Organist's Fees For many years John Campbell-Kelly, our organist, has waived any fees for Sunday Services, though they have been offered from time to time over the years. Until 2008, this generosity was not recorded in the Accounts, but in 2008 and subsequently, in accordance with advice from the Church Accounting authorities, this has been changed, by including as an expense the fees which would have been paid to him had he wished to take them, and including the same amount in the total for Donations Received. The figure included in each of these categories is £1,800 (£1,950 last year), being the fees for a total of 60 services @ £30. No payment has been made for Choir Practices.

G Incumbent's Fees As noted last year, we now pay all Incumbent's fees received for weddings and funerals direct to the Diocese on a quartely basis.

H Total Funds (i.e. Reserves) The Total Funds at the End of the Year at the Balance Sheet date, after deducting the deficits for the year on the Church and Hall Accounts, are shown on Page 10, and are made up of the amounts shown in the Reserves Account (page 8)

The deficit on the Church Account has been funded by a transfer from Category 2 of our Reserves as shown in the Reserves Account, the amount being calculated to leave unallocated reserves of £33,333 at the end of the year. This figure is slightly more than 4 months expenditure at current rates, and the PCC regards this as an appropriate amount to have in current (i.e. unallocated) reserves.

Reserve Category The following notes duplicate (for convenience) some of the information in the Reserves Account on pages 8 and 9, and some additional notes are included here

1	Balance of one-third of the Findlow legacy resolved in 2007 to be used for capital Grants to other charities (including churches) over a number of years, but not yet paid out. As a result of the initiative by the PCC mentioned in the 2011 Accounts, grants have been made this year – see Grants on Page 7	45,663.56
2	Remainder of the Findlow legacy, originally resolved by the PCC to be retained as a permanent endowment, the income being used for grants from time to time to other charities (including churches) and for the general purposes of St James Church. In the light of the shortfalls on the Church Account in each of the 5 years up to and including 2012, the PCC decided to fund the shortfall from these reserves.  <i>This item originally consisted only of the entire holding of CBF Church of England Investment Fund Income Shares as shown on page 10, but the transfer of funds from this category of reserves means that is no longer the case</i>  <i>Note: the amount originally invested was £185,000 which was slightly less (by £3,529) than two-thirds of the legacy. For convenience however, this difference is ignored, and the holding is treated as being the two-thirds of the legacy resolved to be retained.</i>	139,962.13
3	Provision for repairs to be carried out over the following 5 years, as required by the Quinquennial Review in 2008	20,010.35

4	Film Prize Money, received December 2008, still retained by the PCC. No payments from these reserves have been made during the year.	1,639.03
5	Gift Day appeal money. Apart from the very small balance carried forward from last year, the balance shown is the result of the Gift Day appeal for help with the cost of necessary roof repairs. These repairs are expected to be done during 2013. Although the exact cost of the work is not yet known, it is likely to exceed the amount received from the Gift Day appeal, and any excess will be funded from Reserves Category 2	6,805.62
6	Unallocated reserves at the Balance Sheet date	33,333.33
	This represents approximately 4 months' expenditure. See Category 2 above.	
	Total funds at the end of the year (see page 10)	247,414.02

J Non-recurring Expenditure

- 1 Churchyard .  
All the expenditure on the Churchyard was maintenance and repair, so is not included here
- 2 Office Equipment  
No equipment has been purchased during the year
- 3 Church Heating & Lighting
- 4 Building Repair / Maintenance  
This includes the cost of replacing stolen lead roofing from both the Church and the Hall, but the cost has been reduced by payments received from our insurers. We have only had to pay the excess of £50 in respect of each building.
- 5 Hall expenditure  
In addition to the normal recurring expenditure, there are two items of non recurring expenditure, namely a Certificate of Compliance for the electrical installation, required by our Insurers, and repairs to part of the floor which had become unsafe. These two items make up the figure of £720 shown.

K Donations      The total of £4,961.74 comprises the Organist's gift of £1,800 (see Note 5.F above) and other gifts.  
Gift Aid has been or will be claimed on gifts of £50 or more where practicable. The figures do not include Gift Aid.

L Miscellaneous Expenses      The miscellaneous expenses (see page 2) comprised the following:

	£	£
Entries in Book of Remembrance <i>(payments received but entries not yet done)</i>	-63.00	
United Utilities Wastewater charge	91.47	Gift Aid & weekly envelopes 188.84
Other minor expenses	74.00	CCLI Licence 236.94
Rossendale - Harvest Festival Planters	250.00	Ministry & social expenses 203.36
Total	£ 981.61	

As envisaged at the time of purchase, the photocopier-printer has been used by a number of charitable organisations, and the cost to the Church plus a markup has been recovered in all cases. These receipts, which totalled £2,347, are not shown separately in these Accounts, but are set against office expenditure (code 153).

M Friends of St James Church

This group was founded in 2010. There are now 55 Friends (53 at the end of 2011), all of whom are committed to giving various amounts, either monthly, quarterly or annually, by bank standing order. The majority of Friends have gift-aided their gifts. No Friends have ceased making their gifts, apart from one who has died.

The total of these donations is currently £6,606 per annum (£5,506 at the end of 2011). This does not include the Gift Aid tax that has been or will be recovered.

The amounts received from Friends are for the General Funds of the Church and are accordingly not shown separately in these Accounts. The gift-aided totals are included in the existing standing orders (Code 1), and the non-Gift Aided amounts are included with other general donations (Code 6)

N Special Efforts

The sums raised and the donations made from these are shown on page 4. In most cases, the full amount received, less expenses claimed (many people donate to these events by not claiming expenses) is paid over straight away to the nominated charity. The balance carried forward at the end of the year is Sunday Coffee money that has been retained to cover anticipated expenditure on coffee

The balances brought forward from 2011 have all been dealt with as proposed in the 2011 Accounts.

O Parish Share

We have continued to pay the full monthly amount throughout the year, but part of this is expected to be paid back to us early in 2013, following the end of the secondment of the Vicar to Foxhill by the Diocese. This secondment is for a total of 6 months, and half of the Parish Share paid for those months is due to be refunded after the end of the secondment. This will appear on the 2013 Accounts.

*Parish of St. James, Sutton*

**BALANCE SHEET as at 31 December 2012**

**Current Assets**

Balance at Natwest Bank  
Balance of the C B F Investment Account  
14511.85 CBF Church of England Investment Fund Income Shares  
Balance of Petty Cash in Safe on Balance Sheet Date

Unrestricted Funds	Restricted Funds	Total	2011
4,446.90		4,446.90	1,938
77,794.14	5,219.37	83,013.51	90,974
164,932.98		164,932.98	146,648
240.00		240.00	240
<b>247,414.02</b>	<b>5,219.37</b>	<b>252,633.39</b>	<b>239,800</b>
247,414.02	93.74	247,507.76	235,104
	4,604.34	4,604.34	4,174
	521.29	521.29	521
<b>247,414.02</b>	<b>5,219.37</b>	<b>252,633.39</b>	<b>239,800</b>

**Funds**

General Unrestricted Funds  
Choir Fund  
Youth Club (dormant)

Approved by the Parochial Church Council on March 2013 and signed on its behalf by:

.....

Rev. E W L Davies - Vicar

.....

Timothy Kendal – Treasurer

*Parish of St. James, Sutton*

Short Version of Accounts for year to

31 December 2012

Current Account	Income	Expenditure	Surplus (deficit if negative)
Church Account (including Churchyard) normal annual income & expenditure	93,861	94,910	-1,049
Hall Account	10,779	9,320	1,459
Choir Account	1,476	1,046	430
Totals on Current Account	106,116	105,276	840

**Capital Account**

Reserves at end of 2011 brought forward	239,800
Additions	
Legacies	0
Gift Day	5,929
Change in value of Investments	18,285
Deduct Capital Grants etc made	-9,400
Deduct transfers from reserves to cover expenditure	-1,625
Reserves at end of 2012	252,989
Surplus / Deficit on Current Account as above	840
Other adjustments (see main accounts)	-1,195
<b>Overall Balance at 31 December 2012</b>	<b>252,633</b>

Allocated by the PCC as follows	Reserves Category	2011
Findlow Legacy - part available for capital grants	1	55,064
Findlow Legacy - permanent endowment	2	122,747
Building repair & maintenance fund	3	20,156
Film, Prize Money - unallocated at present	4	1,639
Heating & Lighting improvements (Balance not spent)	5	877
Unallocated Reserve - approx. 4 months' working expenses	6	33,333
Choir Funds etc. (Restricted Funds)	--	5,985
		<u>239,801</u>
		<u>252,633</u>

**Church Account – List of major items**

	2012		2011	
	Income	Expenses	Income	Expenses
Collections, Planned Giving & Donations, Gift Aid	50,856		49,544	
Other donations etc	7,302		7,265	
Church Fees (Weddings & Funerals)	11,088		8,563	
Parish Share		53,605		52,043
Office & Vicarage (house and garden)		8,380		7,582
Church Heat, Light & Insurance		5,471		3,954
Churchyard Contractor		2,980		3,565

# *Parish of St. James, Sutton*

## **STATEMENT OF ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001 together with applicable accounting standards and the Charities SORP.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value

### **Funds**

General funds represent the funds of the Parochial Church Council of the Parish ("the PCC") that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body or those that are informal gatherings of church members.

### **Incoming resources**

#### ***Voluntary income and capital sources***

Collections are recognized when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognized only when received.

Income tax recoverable on Gift Aid donations is recognized when the refund of tax is received.

Grants and legacies to the PCC are accounted for only when received.

Funds raised by the Special Efforts detailed in the Accounts and similar events are accounted for net of any expenses in running the events concerned.

#### **Other income**

Rental income from the letting of church premises (and in particular the Hall) is recognized when the rental is received.

#### ***Income from investments***

Dividends and Interest entitlements are accounted for on a receipts basis. Restricted and Unrestricted funds are not held in separate bank accounts or investments, so income from these sources is apportioned proportionately on receipt.

### ***Gains and losses on investments***

Realized gains or losses are recognized when investments are sold,

Unrealized gains or losses are accounted for on revaluation of investments at 30 June and 31 December in each year.

### **Resources used**

#### ***Grants***

Grants and donations, including those for which an advance commitment has been made, are accounted for when paid over.

#### ***Activities directly relating to the work of the Church***

The diocesan parish share is accounted for when paid. The whole of the Parish Share for the year has been paid, but if any part thereof was unpaid at 31 December it would be provided for in these accounts as an operational (though not a legal) liability and would be shown as a creditor in the Balance Sheet.

Other future liabilities such as (but not limited to)

- Council Tax on the Vicarage,
- Expenses to be paid to the Incumbent
- Incumbent's Fees to be paid over to the Chester Diocesan Board of Finance

are accounted for when paid, as the amounts involved are too small to justify inclusion in the Accounts as future liabilities

### **Fixed assets**

#### ***Consecrated property and movable church furnishings***

Consecrated and beneficed property of any kind is excluded from the accounts by s.96(2)(a) of the Charities Act 1993.

The Church Hall, and also the Glebe Fields, although not consecrated or beneficed, are regarded by the PCC as inalienable as if they were within these categories, and the PCC has accordingly resolved not to include either the Hall or the Glebe Fields as assets in the Financial Statements, as to do so would be misleading.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are treated as inalienable property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time. For inalienable property acquired prior to 2006 there is insufficient cost information available and therefore such assets are not valued in the inventory. If any items had been acquired since 1 January 2006 they would have been capitalized and depreciated in the accounts over their currently anticipated useful economic life on a straight-line basis. No such assets have in fact been acquired.

All expenditure incurred in the year on consecrated or beneficed buildings, individual items under £1,000 or on the repair of movable church furnishings acquired before 1 January 2006 is written off.

***Other fittings and office equipment***

Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired. No asset was acquired for more than £1,000 in the year covered by these Accounts

***Investments***

Investments are valued at market value at 31 December, though the figure shown for the December valuation is provisional and may have to be adjusted in future accounts

***Current assets***

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds (CCLA Investment Management Ltd) or at the bank.

*The PCC is legally required to include this document as part of the Accounts*

**Parish of St James, Sutton**  
**Treasurer's Annual Report for 2012**

Although I am not required by law to provide a written Report, I first did so in 2009 and gave my reasons for doing so. I do not propose to repeat them here. I will be happy to discuss this Report with anyone who wishes to raise matters on the Accounts, and of course to answer any questions that may arise.

You may remember that three years ago I had to report on a rather serious financial situation in that our normal recurring expenditure substantially exceeded our normal recurring income. At the end of 2010, I said that things had improved considerably, though I added that we were not entirely out of the wood. Then in 2011, our position deteriorated, but not so much as to bring us back to where we were at the end of 2009. At the end of yet another year, my general comment now is that in 2012 we have just about maintained our position on the Church and Hall Accounts together. Overall, however, our reserves have been improved by around £13,000, though as mentioned below this improvement is not all “real money”.

I do not propose to comment in detail on every figure in the Accounts, but the following will I hope be helpful:

Pages 1 to 2 (the Church Account)

1. As already mentioned, the situation here is not as bad as it has been in the past – indeed, our income has increased by 7.2%, which one would think would be enough to cover increased expenses. In fact, recurring expenses also increased (by 8.6%) and there were also the usual crop of non-recurring items which are detailed in the Accounts. So overall, our shortfall this year carried to the balance sheet was £1,049 on recurring items and an additional £1,625 on non-recurring items. This contrasts with the small surplus of £186 last year). Details of which items have increase and which have not are shown.
2. One reason for the increase in normal expenditure is that last year (2011), the Gift Day money received in 2010 was been allocated by the PCC to churchyard maintenance, which distorted the 2011 figures by a significant amount. This year, this item has been paid in full out of income.
3. “Other Donations” once again include a substantial donation from our organist in respect of waived fees – see Note 5.F for more on this.
4. Bank Interest. Interest rates remain very low and so the bank interest received is very modest, given the size of our deposit reserves.
5. Investment Income and rent. This is slightly reduced from last year. Robert Snape continues to use the Glebe Fields for grazing.
6. Insurance premiums for the Church and Hall have increased slightly, but I fear we can expect more substantial increases in the future, because of the continuing problem of lead theft.
7. Churchyard contractor. The churchyard committee was able to negotiate the a lower rate, which should be appreciated by us all.
8. The magazine. Once again there has been a loss on the magazine this year,

though at £293, not as large as in 2011 (£533). Hopefully the Magazine Committee will be able to balance the books in 2013

9. We have once again had to take the whole of the income from the Investments in Category 2 of our Reserves for Church purposes, even though the 2007 decision of the PCC was to use this income “for grants from time to time to other charities (including churches) and for the general purposes of St James Church”. Unless we can find a way of increasing our income or reducing expenditure, it will not be possible to balance the books without using all this income and indeed some of the capital at some stage in the future.
10. Although the position is much the same as it was 12 months ago, the Finance Committee and the PCC need to keep everything under review, to ensure that we continue to have only a small, or perhaps even no, deficit each year.

#### Page 3 (the Hall Account)

It is good to see a surplus once again this year – it is slightly less than last year’s figure, but the members of the committee are nevertheless to be congratulated and thanked for all they do. They will no doubt try to increase the surplus in 2013, by reviewing rates and maximizing the use of the hall, whilst at the same time keeping a very close watch on expenditure.

#### Page 5 (Grants)

Following an initiative by the PCC early in the year, a number of applications for Grants for charitable purposes were received and as a result a total of £9,400 was distributed to various charities. Details are in the Accounts.

#### Page 6 (Outside Payments)

As in the past, 10% of our income (calculated, broadly, by taking the income shown in the accounts and deducting the parish share) has been given to outside charities, selected each year by the PCC and, as to part, by the vicar personally (on this occasion by Rev Vivien Gisby as Acting Vicar).

#### Pages 7 and 8 (Reserves)

The Reserves Account shows the effect of the increased value of our investments – the gain of £18,284 (2011: loss of £11,168) is of course a paper profit, and does us no immediate good – but it does mean that our reserves will last for that much longer than they would otherwise have done if not reversed by market values going down again in 2013. The future value of the investments is of course outside our control, and we just have to live with this uncertainty.

The investments continue to be professionally managed, and I have every confidence in the management team at CCLA who provide the same service to many Dioceses (including Chester) as well as numerous other charities.

The PCC has set aside funds for reserves categories 1 to 5 on the same basis as last year, leaving unallocated reserves as before, namely £33,333. See below for more on this.

#### Page 9 (Summary of Funds and Activities)

This is more commonly called the Balance Sheet, and provides a snapshot of our position on the accounting date, 31 December 2012. It is in substantially

the same form as last year.

#### Pages 10 to13 (Notes to the Accounts)

The Notes are I believe largely self explanatory, and I have once again excluded Notes 1 to 4, as they are not now required. I do however recommend that everyone looks at Note 5, and in particular Note 5.H relating to Reserves.

The figure for unallocated reserves of £33,333 is the same as in the 2011 Accounts (and also in 2010), i.e. roughly one third of our annual expenditure – this is really not ideal – I would regard unallocated reserves of between 4 and 6 months' expenditure as a more appropriate level. This can, however, only be achieved this year by drawing further on our reserves, and the PCC has decided that the lower level of unallocated reserves should be retained for the time being.

The donations received from the Friends of St James continue to be a very valuable contribution to our finances. As previously, all money received from Friends is treated in exactly the same way as our other normal sources of income, (i.e. standing order giving, envelopes, and the collection plate). There are therefore no separate figures in the accounts for the money given to us by the Friends.

#### Page 15

Although I have provided this Short Version of the Accounts as in previous years, I would like to stress once again that I do not consider it to be anything like an adequate substitute for the Accounts themselves. Although it is accurate as far as it goes, there is a great deal missing, and it does not present a complete view of our finances. If there is anyone who finds venturing into the full Accounts to be somewhat daunting, but would like a guided tour, I would be happy to provide that on request.

There are two further points which I would like to add in concluding this report:

1. I have once again been greatly assisted during the course of the year by Jo Loftus, who has been going into church each week to count up the weekly collections, and take this money to the bank. I'm particularly grateful to Jo for doing this now that Jenny and I have moved house and no longer live in the Parish, and it does reduce my workload considerably! Thank you.
2. I have also been greatly assisted by Gwen Newman in tidying up the layout of the Accounts, and production of the necessary printed copies. Thank you Gwen.

Tim Kendal

Hon Treasurer

March 2012