

Finance Report

This report is a short introduction to the Annual Accounts of the parish, with the associated Notes, which provide the relevant facts and figures.

With an operating surplus of over £3,000 in the General Fund, and the Parrish Share assessment paid in full during the year, the finances of the parish in 2022 were in a generally satisfactory state. Congregational giving, which held steady during the pandemic period, increased only marginally, but there was a healthy increase in hall hire receipts. By the end of the year the inflationary pressures in the wider economy were being felt, notably in a more than 50% increase in the cost of printing *The Bridge*. The effect of rising utility costs was, however, not seen in 2022, but will be very evident in 2023.

Challenges remain. Generally, they are the financial effects of the more general challenges, many resulting from changes in wider society and the economy, facing the Church as a whole. So far, we have been able to weather those challenges rather better than many parishes on the Island, but we must not be complacent about the need to grow our generous but largely aging congregation, to develop our ministry to our village in the coming years.

A comparison over time is instructive. In 2006 (the earliest year for which I have comparable data), the operating turnover of the Parish of Wootton was just over £48,500, with an additional £4,130 raised for Restricted purposes. The Parish Share Assessment was just over £25,500. In 2022, the comparable figures were just under £51,000, £2,655 and £26,000 respectively. The parish did not stand still during the intervening 16 years, but, when inflation (in aggregate about 50% over the period) is taken into account, it is clear from the financial numbers that the decline in our level of activity, and therefore, arguably, in the effectiveness of our ministry, was quite significant.

David Bennison

Parish of Wootton IW
Statement of Financial Activities
For the period from 1 January 2022 to 31 December 2022

(See Note 1)

	Unrestricted funds	Restricted funds	Total funds	Last year total funds
Incoming resources				
Incoming resources from donors	31,440.76	232.00	31,672.76	31,258.33
Other voluntary incoming resources	1,500.00	1,952.76	3,452.76	108.30
Activities in furtherance of the PCC's objects	16,918.52	321.50	17,240.02	9,616.25
Activities for generating funds	934.39	—	934.39	62.09
Income from investments	—	—	0.00	0.01
Total income	50,793.67	2,506.26	53,299.93	41,044.98
Resources used				
Grants	—	2,274.29	2,274.29	93.30
Activities relating to the work of the Church	46,194.92	380.90	46,575.82	41,599.56
Church management and administration	1,456.87	—	1,456.87	524.50
Total expenditure	47,651.79	2,655.19	50,306.98	42,217.36
Net income before transfer	3,141.88	(148.93)	2,992.95	(1,172.38)
Transfers				
Gross transfers between funds - in	—	1,147.42	1,147.42	1,189.75
Gross transfers between funds - out	—	(1,147.42)	(1,147.42)	(1,189.75)
Other recognised gains / losses				
Gains on revaluation, fixed assets, charity's own use	151.00	0.00	151.00	4,459.20
Net movement in funds	3,292.88	(148.93)	3,143.95	3,286.82
Reconciliation of funds				
Total funds brought forward	3,505.75	1,758.66	5,264.41	1,977.59
Total funds carried forward	6,798.63	1,609.73	8,408.36	5,264.41
Represented by				
Unrestricted				
General fund (Note 1.1)	6,437.59	—	6,437.59	3,144.71
Designated				
PCC funds for choir support (Note 1.2)	361.04	—	361.04	361.04
Restricted				
Accessibility (Note 1.3)	—	—	0.00	1,177.42
Graveyard maintenance (Note 1.4)	—	(155.60)	(155.60)	(208.20)
Raised for specific charities (Note 1.5)	—	(321.53)	(321.53)	0.00
St Edmund's Fabric Fund	—	365.38	365.38	245.38
St Mark's Hall/Redevelopment (Note 1.6)	—	1,721.48	1,721.48	544.06
St Mark's Heating Fund	—	—	0.00	0.00
Vacancy Sequestration (Note 1.7)	—	—	0.00	0.00
Total funds	6,798.63	1,609.73	8,408.36	5,264.41

(Figures in brackets are negative)

22/04/2023

Page 1

Parish of Wootton IW
Analysis of income and expenditure
1 January 2022 to 31 December 2022

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>This year</u>	<u>Last year</u>
<u>Incoming resources</u>					
<i>Incoming resources from donors</i> (Note 2.1)					
Gift Aid - Bank giving	5,350.00	—	—	5,350.00	5,925.00
Gift Aid - Parish Giving Scheme giving	14,428.46	—	—	14,428.46	13,440.72
Other planned giving	1,587.00	—	—	1,587.00	1,498.00
Loose plate Collections	2,497.57	—	—	2,497.57	1,813.49
Donations to Church Funds	1,786.00	—	232.00	2,018.00	3,550.15
Tax recoverable on Gift Aid (Note 4.3)	2,623.42	—	—	2,623.42	2,004.67
Tax recovered (Parish Giving Scheme)	3,168.31	—	—	3,168.31	3,026.30
Totals	31,440.76	—	232.00	31,672.76	31,258.33
<i>Other voluntary incoming resources</i>					
Donations/Collections (Causes)	—	—	1,952.76	1,952.76	93.30
One off Grants	1,500.00	—	—	1,500.00	15.00
Totals	1,500.00	—	1,952.76	3,452.76	108.30
<i>Activities in furtherance of the PCC's objects</i>					
PCC Fees for weddings and funerals	1,796.00	—	—	1,796.00	3,054.00
Diocesan Fees for weddings and funerals	—	—	321.50	321.50	—
Hall hire (Note 2.2)	9,154.50	—	—	9,154.50	6,022.50
Church Activity income	333.02	—	—	333.02	218.75
'Bridge' advertising (Note 2.3)	5,635.00	—	—	5,635.00	321.00
Totals	16,918.52	—	321.50	17,240.02	9,616.25
<i>Activities for generating funds</i>					
Fundraising Income (Note 2.4)	894.37	—	—	894.37	62.09
Other funds generated	40.02	—	—	40.02	0.00
Totals	934.39	—	0.00	934.39	62.09
<i>Income from investments</i>					
Bank Interest	—	—	—	0.00	0.01
Totals	0.00	—	0.00	0.00	0.01
Income Grand Totals	50,793.67	—	2,506.26	53,299.93	41,044.98
<i>(Figures in brackets are negative)</i>					

	Unrestricted	Designated	Restricted	This year	Last year
Resources used					
Costs of generating funds					
Cost of events (Note 2.4)	—	—	—	—	—
Totals	0.00	—	0.00	0.00	0.00
Grants					
Payments to charities (Note 3.1)	—	—	2,274.29	2,274.29	93.30
Totals	0.00	—	2,274.29	2,274.29	93.30
Activities relating to the work of the Church					
Parish Share (Note 3.2)	26,094.00	—	—	26,094.00	26,437.00
Incumbent's working expenses	—	—	—	0.00	—
Visiting clergy fees and expenses	—	—	321.50	321.50	—
Parish training and mission	1,068.36	—	—	1,068.36	1,024.19
Gifts to Individuals	100.00	—	—	100.00	—
Insurance	2,797.17	—	—	2,797.17	2,699.13
Church maintenance	3,167.83	—	—	3,167.83	1,856.98
Church music	2,637.20	—	—	2,637.20	2,806.80
Upkeep of services	879.59	—	—	879.59	252.28
Upkeep of churchyard	—	—	59.40	59.40	300.00
Hall running costs	2,140.45	—	—	2,140.45	2,239.42
Hall repairs	—	—	—	0.00	465.00
Utilities	2,542.40	—	—	2,542.40	1,399.32
'Bridge' costs (Note 2.3)	4,767.92	—	—	4,767.92	2,119.44
Major repairs Structure	—	—	—	—	—
Major repairs Hall	—	—	—	—	—
Totals	46,194.92	—	380.90	46,575.82	41,599.56
Church management and administration					
Administration	1,456.87	—	—	1,456.87	524.50
Totals	1,456.87	—	0.00	1,456.87	524.50
Expenditure Grand Totals	47,651.79	—	2,655.19	50,306.98	42,217.36
Net Incoming or Outgoing	3,141.88	—	(148.93)	2,992.95	(1,172.38)

(Figures in brackets are negative)

Parish of Wootton IW
Balance Sheet as at 31 December 2022

	As at 31/12/2022	As at 31/12/2021
Current assets		
Bank current account (Note 4.1)	7,859.44	5,789.62
CBF Deposit Fund - general	15.72	15.72
Cash in hand	-	-
Debtors (Note 4.2)	-	-
Accounts Receivable (Note 4.3)	1,697.99	1,048.07
Total Current assets	9,573.15	6,853.41
Liabilities		
Parish Share Unpaid	-	1,000.00
Accounts Payable (Note 4.4)	1,164.79	589.00
Total Liabilities	1,164.79	1,589.00
Net Asset surplus (deficit)	8,408.36	5,264.41
Reserves		
Excess / (deficit) to date	2,992.95	(1,172.38)
Starting balances	5,264.41	1,977.59
Gains and losses own use (note 4.4)	151.00	4,459.20
Total Reserves	8,408.36	5,264.41
Represented by Funds		
Unrestricted	6,437.59	3,144.71
Designated	361.04	361.04
Restricted	1,609.73	1,758.66
Total	8,408.36	5,264.41

(Figures in brackets are negative)

Parish of St Edmund with St Mark, Wootton, Isle of Wight
Financial Statements for the Year ended 31 December 2022

Notes to the Accounts

The Financial Statements of the PCC have been prepared using the Receipts and Payments basis. Numbers in brackets are negative.

1. Statement of Financial Activities (SOFA)

The SOFA summarises all the transactions during the year and their effect on the Funds of the Parish. 'Restricted' and 'Unrestricted' receipts and payments are shown separately. 'Restricted' means that the money has been given or collected for a particular purpose, and may only be used for that purpose. 'Unrestricted' Funds may be used for any legitimate church purpose. Funds shown as 'Designated' are Unrestricted Funds set aside for particular purposes by the PCC; the PCC is able to change the designation at any time.

The deficit for the year before transfers is shown in the line "Net Income before transfer". The transfers in 2021 were routine accounting adjustments of Fund attributions..

Notes on individual Funds are as follows

1.1 General Fund. Activity in the General Fund reflects the progressive increase in activity after the pandemic, with most financial indicators returning to or exceeding pre-COVID levels.

1.2 Choir Fund. There was no activity in this Fund

1.3 Accessibility Fund. The PCC decided to merge this Fund, on which work was completed in 2021 with St St. Mark's Hall and Redevelopment Fund, reflecting the fact that provision for accessibility will be an essential part of any future project

1.4 Graveyard Fund. This Fund had a small surplus in 2022, but the accumulated deficit remains. No payment was made for grass cutting in 2022, but this cost has been made up in 2023.

1.5 Raised for Specific Charities (Causes) Fund. The large increase in activity in this fund reflects the generous support of the congregation for the Wootton School Hardship Fund.

1.6 St Mark's Hall/Redevelopment The balance in this fund continued to be used during 2021 to support the continuing work on the refurbishment of the hall building and Coffee Lounge. As noted in 1.3 above, this fund has now absorbed the Accessibility Fund.

1.7 Vacancy Sequestration. Following a change in Central Church policy, moneys falling due to, and expenses payable by, the Diocese during the vacancy no longer have to be held in a separate, temporary bank account, but are handled through the PCC bank account. The net amount due to the Diocese at the year end has been included in Accounts Payable, so that it is not shown as part of the parish assets.

2. Incoming Resources

2.1 Incoming resources from donors. Income from regular giving (including tax recovered) improved, and donations also increased, during 2022, while direct giving through collections (and the associated GASDS tax recovery) recovered somewhat in the post-COVID period. The PCC is most grateful for the continuing generosity shown by members of the congregation..

2.2 Hall Hire. The notable further improvement in hall hire income is a significant factor in the improvement in the General Fund during 2022.

2.3 *'Bridge' Income.* Normal publication of *The Bridge* resumed in 2022, but, as shown in the accounts, print costs increased very sharply. Advertising rates were held at pre-COVID levels. Even so, the magazine made a surplus of £867 during the year.

2.4 *Fund raising income.* When the costs of fund raising events are small and are incurred during or immediately prior to the event, only the net income is shown. Only costs that are more substantial or incurred well before or after the event are recorded separately; there were no such costs in 2022.

3. Resources Used

3.1 *Payments to charities* are all payments from the Causes Fund (Note 1.5).

3.2 *Parish Share.* It is good to report that the final £1,000 of Parish Share shortfall was paid in early 2022, and the 2022 Share was paid in full during the year.

4. Balance Sheet

This statement shows the assets and liabilities of the PCC at the end of the year, and how those assets represent the funds held by the Council.

4.1 *Bank Current Account.* The balance shown on this account includes cheques drawn before the year end but not reflected in the bank statement at that date.

4.2 *Debtors:* There were no outstanding long term debtors in 2022.

4.3 *Accounts Receivable:* These are short term debtors, and comprise the recoverable tax to the end of 2022 and the surplus in the Vacancy Sequestration Account at the year end.

4.4 *Accounts Payable.* The total is made up of the total of the amounts payable from the Causes Fund (Note 1.5) and Fee receipts due to the Diocese. The provision of £151 made for payments to Binstead Parish was removed, as this liability was settled separately in 2022.