

**St. Nicholas' Church,
Blundellsands**

Financial Statements of the
Parochial Church Council
for the year ended 31 December 2023

Registered charity number 1158819

Parochial Church Council of St. Nicholas' Church, Blundellsands

Annual Accounts for the year ended 31 December 2023

Financial Review

2023 was a year of financial struggle but also good fortune. Our profit of just over £3,000 masks deeper financial problems as this was achieved only with the help of grant income. We received a one-off grant of £10,000 due to parish boundary changes, £1,600 from the Diocese for Christmas and heating grants, and a warm space grant of £1,336. In addition, we received £2,000 in legacies. Without these grants our regular income would have produced a shortfall for the year of £10,000. Hall income has been shoring up our finances for many years, and it rose again from almost £30,000 in 2022 to over £32,000 in 2023.

In 2023 we faced a rise in our Parish Share of over £800 per month and soaring energy costs. Current budget projections for 2024 even with a projected freeze in Parish Share show a projected £20,000 loss. With our rainy-day reserves now at £10,500 such losses are not sustainable.

Reserves policy

The church maintains a number of reserves some of which are restricted in nature where the PCC needs to use the funds as laid down by the donor of the funds, and some of which are unrestricted where the PCC has full discretion over their use. Attached in notes 9 (church restricted fund), notes 5 & 10 (church endowment fund) and notes 11 (school endowment fund) are full details of the funds, their history and some indication of the purpose for which they are held. This policy sets out the four reasons for the PCC holding the level of unrestricted reserves shown in the financial statements:

- (i) To assist with the maintenance of the church and hall which is a Grade II listed building. The 2019 quinquennial inspection report of the Church and hall identified expenditure requirements well beyond the PCC's reserves. The PCC's response to the inspection report is to undertake the urgent repairs identified and continue to seek other sources of funds to assist with the major ongoing restoration needs. The next such report is due in 2024.
- (ii) Therefore, the first call on unrestricted reserves is to undertake such urgent repairs as they arise.
- (iii) To undertake periodic refurbishments and upgrades to the internal fabric of both the church and the hall, such as redecoration, electrical maintenance or furniture replacements which are too large to be undertaken from the church's income.
- (iv) To be available for any major school projects where the church has a legal responsibility to contribute to the cost.

To be available should a deficit occur, a target figure of £15,000 has been set for the Special Maintenance Reserve as a contingency to cover deficits. For many years during the last two decades deficits have been incurred. Currently the total deposited in this account stands at just over £10,500.

Agent Transactions

The PCC acted as a financial agent for the following people and organizations:-

- £1,795 was received as Assigned Fees for weddings and funerals. £830 was received in respect of organists and vergers and passed on to the appropriate individuals.

Performance of Investments

In 2022 the Mellor Bequest was drawn down and used towards the cost of the church heating. The performance of the remaining endowment investment has been static this year, with the church's endowment fund increasing in value slightly from £994 to £1049.

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Fundraising and Giving

Overall income from giving before tax recovery increased by 3.5%, matching the same drop the previous year. In view of continued inflationary pressures in 2024 the ability of our giving to match our needs is now brought into sharp focus. Loose plate did, however, increase from £1,700 to £3,200 as the collection plate comes more fully back into use post-covid. Legacies of £2,000 were gratefully received.

Parish giving from unrestricted income continued to support the Church Missionary Society work by the increased amount of £125 per month, with an increased sum of £450 given to Christian Aid. A further £1,028 was distributed to charitable causes from special collection giving. £1,810 was raised during the year from our music festival for organ restoration.

Insurance recoveries this year totalled over £4,464.

Approved by the PCC on 18th March 2024 and signed on its behalf by:

Lesley Utley (Churchwarden)

Parochial Church Council of St. Nicholas' Church, Blundellsands

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Statement of responsibilities of PCC members and Governors as Trustees of a charity

The Parochial Church Council, is a charity. As a charity, its members are trustees, its property is charitable and it is bound by charity law.

PCC members have full responsibility for the Charity and must:

- act together and in person and not delegate control of the Charity to others;
 - act strictly in accordance with the charity's governing document;
 - act in the Charity's interest only;
 - manage the Charity's affairs prudently and take a long-term as well as a short-term view;
 - not derive any personal benefit or gain from the Charity of which they are trustees; and
 - take proper professional advice on matters on which they are not themselves competent.
- PCC members are responsible for all of the operations of the Charity, especially in:
- managing the Charity's finances;
 - applying the Charity's income for charitable purposes only;
 - managing land or buildings;
 - investing funds;
 - employing people;
 - appealing for funds;
 - ensuring that all the Charity's property is under the control of the trustees;
 - and collection of all money owed or due to the charity.

The PCC is responsible for all parish finance, its management and control, including the appointment of a treasurer. While it may delegate some of its duties, this does not remove its legal responsibilities. These include:

- a) Keeping 'proper accounting records', which must be sufficient to show and explain all the PCC's transactions. The records, together with the annual financial statements, must be preserved for at least six years from the end of the financial year to which they relate. These records must be sufficient to:
 - show and explain all the PCC's transactions;
 - disclose the PCC's financial position at any time with reasonable accuracy;
 - enable the required accounts to be prepared;
 - show on a day-to-day basis all receipts and payments and what they were for; and include a record of all assets and liabilities.
- b) 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.
- c) Preparing an annual account (financial statement) and report which shall be presented to the Annual Parochial Church Meeting in accordance with the requirements of the Church Representation Rules.
- d) Arranging for a suitable independent examination of the financial statements.

Parochial Church Council of St. Nicholas' Church, Blundellsands

Annual Accounts for the year ended 31 December 2023

Independent Examiner's Report to the PCC of St. Nicholas' Church, Blundellsands

Report to the Parochial Church Council (PCC) of St Nicholas Church Blundellsands on the accounts for the year ended 31st December 2023, as set out on pages 6 to 15 of your Annual Accounts.

Respective responsibilities of Trustees and Examiner

The PCC are responsible for the preparation of the accounts. They 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.

It is my responsibility to:

- 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.

Basis of independent Examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the PCC 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 PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no material matters have come to my attention which give me cause to believe that in, any material respect:

Accounting records were not kept in accordance with section 130 of the Charities Act

Or the accounts do not accord with the accounting records.

I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

L Marr ACA

9 Fewston Close
Bolton BL1 7BJ

23rd April 2024

Parochial Church Council of St. Nicholas' Church, Blundellsands

Annual Accounts for the year ended 31 December 2023

Statement of Financial Activities

For the year ended 31 December 2023

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	
					2023	2022
		£	£	£	£	£
INCOMING RESOURCES						
Voluntary income	1(a)	69664	2820	-	72484	82335
Activities for generating funds	1(b)	36334	-	-	36354	32029
Income from investments	1(c)	196	-	-	196	340
Other incoming resources	1(d)	22020	1657	-	23677	17726
		128234	4477		132711	132430
RESOURCES EXPENDED						
Cost of generation voluntary income	2(a)	-	-	-	-	-
Church activities	2(b)	121763	10932	-	132695	112246
Church management and administration	2(c)	3011	-	-	3011	5335
Church school	2(d)	320	-	-	320	254
Restricted funds - boiler expenditure	2(e)	-	2910	-	2910	12090
Restricted funds – organ restoration	2(e)	-	-	-	-	27758
Special Maintenance reserve	2(e)	-	-	-	-	-
TOTAL RESOURCES EXPENDED		125094	13842	-	138936	157683
NET INCOMING (OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		3140	(9365)	-	(6,2225)	(25253)
Unrealised gains/(losses) on investments		-	-	55	55	(153)
Transfer from Special Maintenance Reserve		4000	(4000)			
NET MOVEMENTS IN FUNDS		7140	(13365)	55	(6170)	(25,406)
BALANCES BROUGHT FORWARD AT 1 JANUARY 2023(2022)		6614	29517	994	37,125	62448
Variance		- 1			-1	-
BALANCES CARRIED FORWARD AT 31 DECEMBER 2023(2022)		13,753	16,152	1,049	30,954	62448

The notes on pages 8 to 15 form part of these financial statements.

Parochial Church Council of St. Nicholas' Church, Blundellsands

Annual Accounts for the year ended 31 December 2023

BALANCE SHEET

As at 31 December 2023

	Note		2023		2022	
		£		£	£	£
FIXED ASSETS						
Investments (endowment funds)	5		1049			994
Debtors/ prepayments	7	1564		2465		
Short term deposits		18003		15831		
Cash at bank and in hand		12933		23785		
		32,500		42081		
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(2595)		(5950)		
		-----		-----		
		----		---		
NET CURRENT ASSETS			29,905			36131
TOTAL NET ASSETS			30,954			37125
 PARISH FUNDS						
Unrestricted			13753			6614
Restricted	9		16152			29517
Endowment	10		1049			994
			-----			-----
			30,954			37125

The notes on pages 8 to 14 form part of these financial statements.

Approved by the Parochial Church Council on 18th March 2024 and signed on its' behalf by:

Mrs Lesley Utley (Churchwarden)

Mrs E Sinker (Honorary Treasurer)

Parochial Church Council of St. Nicholas' Church, Blundellsands

Annual Accounts for the year ended 31 December 2023

Notes to the financial statements

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, together with applicable accounting standards and the Statement of Recommended Practice (SORP) 2005.

The financial statements have been prepared under the historical cost convention, except for investment assets, which are shown at market value. The financial statements 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 affiliation to another body, nor those that are informal gatherings of church members.

Funds

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

Restricted funds represent (a) income from trusts of endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Unrestricted funds are general funds which can be used for PCC ordinary purposes. The purpose of any restricted funds is noted in the accounts.

Incoming resources

Planned giving, collections and donations are recognised when received. Income tax recoverable on gift aid donations is recognised on a receivable basis. Revenue grants and legacies to the PCC are accounted for when the PCC is legally entitled to the amounts due. Capital grants are accounted for on a receipts basis but the capital commitment is disclosed by way of a note to the financial statements. All incoming resources are accounted for gross.

Resources expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and beneficed property is excluded from the accounts by S 96(2) (a) of the Charities Act 1993. Moveable church furnishings, held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal, are inalienable property listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Subsequently no individual item has cost more than £1,000 per annum so all such expenditure has been written off when incurred. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

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Notes to the financial statements

Likewise, all expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off.

Investments are valued at market value at 31st December.

Current assets

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

Short-term deposits include cash held on deposit either with the Central Board of Finance or at the bank.

Parochial Church Council of St. Nicholas' Church, Blundellsands

Annual Accounts for the year ended 31 December 2023

1. INCOMING RESOURCES

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	
				2023	2022
	£	£	£	£	£
1(a) Voluntary income					
Planned giving					
Gift aid	48767	-	-	48834	47161
Income tax recoverable on gift aid	12214	-	-	12214	13908
Pledges not subject to gift aid	212	-	-	212	612
Collections (open plate) at all services	3205	-	-	3205	1704
Gift day and special collections	-	2820	-	2820	14700
Sundry donations	1555	-	-	1555	4250
Soupa Thursday	1711	-	-	1711	-
Legacies	2000	-	-	2000	-
	69664	2820	-	72,551	82335
1(b) Activities for generating funds					
Fetes and fundraising events*	1810	-	-	1810	-
Church Hall use	32624	-	-	32624	29933
Fees	1302	-	-	1302	1689
Fellowship teas*	618	-	-	618	407
Children's activities	-	-	-	-	-
	36354	-	-	36354	32029
1(c) Income from investments					
Interest from deposits	84	-	-	84	108
Interest from endowments	112	-	-	112	232
1(d) Other incoming resources					
Organ fund income plus interest	-	1090	-	1090	10790
Restoration fund – interest	-	1	-	1	-
Boundary Change Grant from Diocese	10,000	-	-	10000	-
Restoration fund – sundry fundraising and donations	-	-	-	-	-
Grants –Diocese heating/Warm Spaces	2,936	-	-	2936	1000
Special maintenance reserve	-	566	-	771	205
Special Purposes Fund	-	-	-	-	-
Sequestration Fund	-	-	-	-	-
Insurance recoveries	4464	-	-	4464	5730
VAT recoveries	4620	-	-	4620	-
	22216	1,657	-	24,078	18066
Total incoming resources	128,234	4,477	-	132,711	132430

*See note 2 for any corresponding expenditure

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2. RESOURCES EXPENDED

	Unrestricted funds	Restricted funds	Endowment funds	2023	2022
	£	£	£	£	£
2(a) Cost of generation voluntary income					
Costs of fetes and fundraising events*	-	-	-	-	-
2(b) Church activities Charitable giving					
<u>Missionary</u>					
Christian Aid	500	-	-	500	-
CMS Mission Partner	1200	-	-	1200	1200
Mission and Growth Fund	-	96	-	96	30
Soupa Thursday	-	684	-	737	76
<u>Relief & Development Agencies</u>					
Children's Society Boxes and Candles	-	925	-	925	241
Christian Aid donation	-	-	-	-	772
Salvation Army	-	103	-	103	107
Foodbank	-	-	-	-	252
Ukraine Appeal International Aid Trust	-	-	-	-	322
<u>Home missions & Other Church Societies</u>					
Sefton Tree Grant	-	72	-	72	-
Streaming Services Equipment	-	276	-	276	-
Vicarage Redecoration	-	-	-	-	3445
Memorial Gardens	-	200	-	200	-
Heritage Sefton for Good Grant	-	36	-	36	86
Christmas Decoration	-	-	-	-	20
Boiler replacement	-	8540	-	8540	500
	1700	10932	-	12685	7051
Other church activities					
Parish share	70966	-	-	70968	58840
Ministry:					
Vicar's expenses and phone	-	-	-	-	1668
Council tax and water rates	3741	-	-	3741	1421
Vicarage maintenance	-	-	-	-	205
Visiting preachers	67	-	-	67	-
PAYE	1592	-	-	1592	1770
Parish Assistant	1824	-	-	1824	1766
Reader and curate incl housing	-	-	-	-	50
Church:					
Heat and light	12758	-	-	12758	6614
Liturgy wine and wafers	426	-	-	426	1378
Other sundry expenses	239	-	-	239	11
Cleaning	575	-	-	575	1310
Maintenance	3614	-	-	3614	1727
Organ maintenance	450	-	-	450	882
Water rates	1040	-	-	1040	829
Fellowship teas*	71	-	-	71	5
Parish entertaining /events/gifts	462	-	-	462	203
Hall maintenance and broadband	2719	-	-	2719	8452
Caretaker and verger	5980	-	-	5980	5038
Choir and organist	1949	-	-	1949	2011
Insurance	9765	-	-	9765	6512
Hall secretary	1824	-	-	1824	1744
	120063	-	-	120064	105195
2 (c) Church management and administration					
Printing and stationery	2811	-	-	2811	5135
Independent examiner	200	-	-	200	200
	3011	-	-	3011	5335

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2 (d) St Nicholas' School

Leaver's gifts	320	-	-	320	254
	320	-	-	320	254

2(e) Restricted funds

Boiler expenditure	-	-	-	-	12090
Organ restoration	-	-	-	-	27758
Special Maintenance Reserve		2910		2910	-
	-	-	-	-	39848

Total resources expended

	125094	3842	-	138936	157683
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3. STAFF COSTS

During the year the PCC employed an Organist, two Caretakers, a Hall Secretary and a Parish Assistant whose net earnings, after payment of employers' national insurance, were as follows:

	2023 £	2022 £
Caretaker	5,980	5,038
Organist	1,949	1,896
Parish assistant	1,824	1,766
Hall secretary	1,824	1,744
	11,577	10,444

There were no other employees and therefore no employees earned £40,000 or more during the year. Together these employees equate to less than one full time employee.

4. PAYMENTS TO PCC MEMBERS AND TRUSTEES DURING 2023

	2023 £	2022 £
Nicola Jeens – Parish assistant	1,824	1,766
Elizabeth Sinker: Hall Secretary	1,824	1,744
	3,648	3,510

5. FIXED ASSETS

	2023 £	2022 £
Investments (endowment funds)		
Treasury stock 5.5% 2008/12 – CR Taylor Bequest	1049	994
CBF Deposit funds – Mellor Bequest	-	-
	1049	994

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6. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
2023				
Fixed assets	-	-	1049	1049
Current assets	16348	16152	-	32500
Current liabilities	(2595)	-	-	(2595)
	13753	16152	1049	30954
2022				
Fixed assets	-	-	994	994
Current assets	15474	26607	-	42081
Current liabilities	(5950)	-	-	(5950)
	9524	26607	994	37125

7. DEBTORS

	2023 £	2022 £
Prepayments	-	-
Other debtors	1564	2466
	1564	2466

8. LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accruals	-	-
Other creditors	2595	5950
	2595	5950

9. RESTRICTED FUND

The restricted fund at 31st December comprises the following:

		2023 £	2022 £
Organ fund	-funds donated to refurbish the organ	1	(1,089)
Special maintenance reserve	-the original donor set down conditions that the fund could only be used at the discretion of the Treasurer and Finance Committee and with the formal approval of the PCC, for major unavoidable deficits and to assist with the PCC's contribution to major projects at St. Nicholas' School	10,609	14,042
Special purposes	-given by church organisations and individuals for special projects in the church	784	784
Mellor bequest	- funds transferred from endowment for expenditure on boiler	-	2,910
Memorial Thanksgiving	- funds given in memory of parishioners	771	771
Sequestration Fund	- fee for funerals and wedding during Interregnum	-	-
Restoration Fund	-funds collected for major restoration schemes	165	165
Special Collections	-funds donated during the year to specified charities	3,822	11,934
		16,152	29,517

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10. ENDOWMENT FUND

The endowment fund at each year-end comprises the balances listed in note 5 above.

The CR Taylor bequest was provided in order to generate some income for the benefit of the Parish and its curate, but the income can be used whether or not a curate is in place. The stock is held by Liverpool Diocesan Board of Finance (LDBF) as custodian trustee.

11. ENDOWMENT FUND – St Nicholas' School

The endowment fund represents the proceeds of the sale of the former school building at Warrenhouse Road. The investment in Treasury Stock is held by Liverpool Diocesan Board of Finance as Custodian Trustee.

	2023	2022
	£	£
Investment (endowment funds)		
Deposit fund – Control Board of Finance	1,189	1,189
Treasury stock % 2001 – Warrenhouse Road	5,902	5,590
	7,091	6,779

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Annex not forming part of the Financial Statements

Simplified income and expenditure account (unrestricted fund only) For the year ended 31 December 2023

	2023	2022
	£	£
Income		
Gift aid	48,767	47,161
Tax recovery	12,214	13,908
Pledges	212	612
Loose plate	3,205	1,704
Use of hall	32,624	29,933
Legacies	2,000	-
Fees	1,302	1,689
Just Giving donations	-	64
Fundraising events	1,810	-
Diocese Heating and Christmas Grants	1,600	1,000
Boundary Change Grant	10,000	-
Warm Spaces Grant	1,336	-
Soupa Thursday donations	1,711	-
Interest and other income	2,369	4,449
Insurance recoveries	4,464	5,730
VAT reclaim	4,620	484
Total income	128,234	106,734
Expenditure		
Missional giving (out of income)	1,700	1,576
Parish share	70,967	58,840
Clergy, curate and reader expenses	3,741	4,866
Heat and light, internet	13,327	7,195
Maintenance of Buildings	6,215	10,685
Insurance	9,765	6,512
Caretaker, organist and Parish admin	13,168	12,329
Visiting preachers	67	-
Other costs	6,144	10,357
Total expenditure	125,094	112,360
Surplus/(Deficit) for the year	3,140	(5,626)
Surplus brought forward	6,614	12,157
Add previous year adjustment	-1	83
Surplus carried forward	9,753	6,614