

Example Accrual Accounts

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

STATEMENT OF FINANCIAL ACTIVITIES

For the year ending 31 December 2012

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2012 £	TOTAL 2011 £
INCOMING RESOURCES						
Voluntary income	2(a)	160,400	216,750	-	377,150	148,750
Activities for generating funds	2(b)	10,000	-	-	10,000	4,250
Income from investments	2(c)	7,450	2,500	-	9,950	8,800
Church activities	2(d)	15,800	-	-	15,800	13,150
TOTAL INCOMING RESOURCES		193,650	219,250	-	412,900	174,950
RESOURCES EXPENDED						
Church activities	3(a)	154,300	244,275	-	398,575	161,275
Cost of generating voluntary income	3(b)	550	1,250	-	1,800	500
Governance Costs	3(c)	950	-	-	950	675
TOTAL RESOURCES EXPENDED		155,800	245,525	-	401,325	162,450
NET INCOMING RESOURCES BEFORE TRANSFERS		37,850	(26,275)	-	11,575	12,500
GROSS TRANSFERS BETWEEN FUNDS	5	(19,000)	19,000	-	-	-
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		18,850	(7,275)	-	11,575	12,500
OTHER RECOGNISED GAINS						
Gains on investment assets:	6(b) & 7(a)	5,455	1,050	245	6,750	500
NET MOVEMENT IN FUNDS		24,305	(6,225)	245	18,325	13,000
Balances b/fwd 1 January 2012	9	58,935	14,000	2,250	75,185	62,185
Balances c/fwd 31 December 2012	10	83,240	7,775	2,495	93,510	75,185

The notes on pages 3 to 7 form part of this account.

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

BALANCE SHEET AT 31 DECEMBER 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible	6(a)	34,000	37,000
Investments	6(b)	13,625	14,500
		<u>47,625</u>	<u>51,500</u>
CURRENT ASSETS			
Stock		150	150
Investments	7(a)	24,060	15,000
Debtors and prepayments	7(b)	9,675	4,000
Short term deposits		11,000	8,000
Cash at bank and in hand		4,200	1,985
		<u>49,085</u>	<u>29,135</u>
LIABILITIES			
Creditors – amounts falling due within one year	8	2,700	4,450
NET CURRENT ASSETS / (LIABILITIES)		<u>46,385</u>	<u>24,685</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		94,010	76,185
Creditors – amounts falling due after one year		500	1,000
TOTAL NET ASSETS		<u>93,510</u>	<u>75,185</u>
PARISH FUNDS			
Unrestricted	10	83,240	58,935
Restricted	10	7,775	14,000
Endowment	10	2,495	2,250
		<u>93,510</u>	<u>75,185</u>

Approved by the Parochial Church Council on 1 March 2013 and signed on its behalf by: The Revd James Colossae (PCC chairman), Mr David Jones (Vice Chairman and Church Warden)

The notes on pages 3 to 7 form part of these accounts.

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2012**1. ACCOUNTING POLICIES****Basis of financial statements**

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice Accounting and Reporting by Charities (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.

Fund accounting

Endowment funds are funds, the capital of which must be retained either permanently or at the PCC's discretion; the income derived from the endowment is to be used either as restricted or unrestricted income funds depending upon the purpose for which the endowment was established in the first place.

Restricted funds comprise (a) income from endowments which is to be expended only on the restricted purposes intended by the donor and (b) revenue donations or grants for a specific PCC activity intended by the donor. Where these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on an average balance basis.

Unrestricted funds are income funds which are to be spent on the PCC's general purposes.

Designated funds are general funds set aside by the PCC for use in the future. Project funds are designated for particular projects for administration purposes only. Funds designated as invested in fixed assets for the PCC's own use abated in line with assets' annual depreciation charges in the SOFA. Designated funds remain unrestricted and the PCC will move any surplus to other general funds.

Incoming resources

Planned giving, collections and similar donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are reliably quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All incoming resources are accounted for gross.

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

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 expected to be paid over is accounted for when due.

All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011.

Movable 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 so all such expenditure has been written off when incurred.

No cost information is available for the curate's house so it is included at a deemed cost being its 1994 valuation of £65,000 (including £15,000 estimated freehold land value). The building is being depreciated at £1,000 per annum with effect from 2003 on the basis of its expected useful life of 50 years.

Equipment used within the church premises is depreciated on a straight-line basis over four years. Individual items of equipment with a purchase price of £500 or less are written off when the asset is acquired.

Investments are valued at market value at 31 December.

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

2. INCOMING RESOURCES

	Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL 2012	TOTAL 2011
	£	£	£	£	£
2(a) Voluntary income					
Planned giving:					
Gift Aid donations	107,900	2,600	-	110,500	101,300
Tax recoverable	24,050	1,500	-	25,550	23,300
Other	3,900	-	-	3,900	-
Collections: (open plate)	9,900	1,600	-	11,500	10,600
Gift days	900	-	-	900	800
Grants: Major structural renewal	-	162,000	-	162,000	-
Donations, appeals, etc.	2,750	46,800	-	49,550	7,050
Legacies	11,000	2,250	-	13,250	5,700
	<u>160,400</u>	<u>216,750</u>	<u>-</u>	<u>377,150</u>	<u>148,750</u>
2(b) Activities for generating funds					
Parish Magazine (advertising)	1,100	-	-	1,100	1,050
Summer fete and Christmas bazaar	2,900	-	-	2,900	2,500
Fund-raising	6,000	-	-	6,000	700
	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>4,250</u>
2(c) Income from investments					
Dividends on CBF Investment Fund	2,850	1,550	-	4,400	4,000
Bank and CBF Deposit Fund Interest	400	950	-	1,350	1,100
Rent – temporary let on curate's house	4,200	-	-	4,200	3,700
	<u>7,450</u>	<u>2,500</u>	<u>-</u>	<u>9,950</u>	<u>8,800</u>
2(d) Income from church activities					
Fees for weddings and funerals	9,200	-	-	9,200	8,300
Parish Magazine (sales)	2,100	-	-	2,100	1,050
Church Centre lettings – local community use	4,500	-	-	4,500	3,800
	<u>15,800</u>	<u>-</u>	<u>-</u>	<u>15,800</u>	<u>13,150</u>
Total incoming resources	<u>193,650</u>	<u>219,250</u>	<u>-</u>	<u>412,900</u>	<u>174,950</u>

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

3. RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2012 £	TOTAL 2011 £
3(a) Church activities					
Missionary and charitable giving					
Overseas: CMS	11,200	-	-	11,200	11,000
South Africa Famine appeal 1,500	1,350	-	2,850	-	-
Earthquake appeal	-	-	-	-	1,350
Support of Moses Cain and Grace Cross	-	38,650	-	38,650	-
Home: Ambridge Pensioners Club	3,500	-	-	3,500	3,000
	<u>16,200</u>	<u>40,000</u>	<u>-</u>	<u>56,200</u>	<u>15,350</u>
Ministry: Diocesan parish share	91,500	-	-	91,500	87,050
Other ministry costs	9,000	-	-	9,000	8,800
Church running and maintenance	14,800	10,250	-	25,050	24,550
Major repairs – structural renewal	-	189,000	-	189,000	-
Depreciation on curate's house and church equipment	3,000	-	-	3,000	3,000
Sunday school leader training	2,000	-	-	2,000	2,000
Parish magazine costs	2,200	-	-	2,200	1,800
Churchyard upkeep	5,750	-	-	5,750	5,000
Church hall running costs	8,300	5,000	-	13,300	12,525
Printing and stationery	1,500	25	-	1,525	1,200
Bank charges	50	-	-	50	-
	<u>154,300</u>	<u>244,275</u>	<u>-</u>	<u>398,575</u>	<u>161,275</u>
3(b) Generation of voluntary income					
Stewardship costs	500	-	-	500	500
Costs of appeals	-	1,250	-	1,250	-
Coffee morning costs	50	-	-	50	-
	<u>550</u>	<u>1,250</u>	<u>-</u>	<u>1,800</u>	<u>500</u>
3(c) Governance Costs					
PCC members induction training	450	-	-	450	200
Independent examiner's remuneration*	500	-	-	500	475
* (fees payable to the PCC's examiner for the examination of the financial statements)	<u>950</u>	<u>-</u>	<u>-</u>	<u>950</u>	<u>675</u>
TOTAL RESOURCES EXPENDED	<u>155,800</u>	<u>245,525</u>	<u>-</u>	<u>401,325</u>	<u>162,450</u>

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

4(a) STAFF COSTS

	2012	2011
	£	£
Wages and salaries	<u>4,000</u>	<u>3,750</u>

During the year the PCC employed an organist, gardener and church cleaner (all part-time) but no payments were large enough to attract social security costs.

4(b) PAYMENTS TO PCC MEMBERS

As the parish organist, Miss M. Joshua, who is a member of the PCC, was paid £1,000 during the year. A small immaterial portion of the expenses paid to the incumbent may have related to his services as chairman of the PCC.

No other payments or expenses were paid to any other PCC member, persons closely connected to them or related parties.

5. ANALYSIS OF TRANSFER BETWEEN FUNDS

	Unrestricted	Restricted	Total
	£	£	£
Major structural renewal	<u>(19,000)</u>	<u>19,000</u>	<u>-</u>

The major structural renewal appeal was started in January 2012 and completed in October 2012. The income received from grants, fundraising and appeal totalled £170,000. The expenditure was £189,000 resulting in a deficit on the restricted project of £19,000. The PCC had anticipated the need for the major repair and had designated £10,000 from general income in the previous year. The PCC approved a transfer of £19,000 from general funds to fund the deficit on the project.

6. FIXED ASSETS

6(a) Tangible (all unrestricted)		Curate's House (Freehold)	Church equipment	Total
		£	£	£
Actual/deemed cost	At 1 January 2012	65,000	8,000	73,000
	Disposal	-	(3,000)	(3,000)
	Additions at cost	-	2,000	2,000
	At 31 December 2012	<u>65,000</u>	<u>7,000</u>	<u>72,000</u>
Depreciation	At 1 January 2012	34,000	2,000	36,000
	Withdrawn on disposals	-	(1,000)	(1,000)
	Charge for the year	1,000	2,000	3,000
	At 31 December 2012	<u>35,000</u>	<u>3,000</u>	<u>38,000</u>
Net book value at 31 December 2012		<u>30,000</u>	<u>4,000</u>	<u>34,000</u>
Net book value at 31 December 2011		<u>31,000</u>	<u>6,000</u>	<u>37,000</u>

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

The curate's house is shown at cost (£65,000) which is the deemed cost under FRS15 transitional provisions, under which the property's 1994 valuation has not been updated.

Church equipment comprises office equipment. A photocopier was sold during the year for £2,000; its written-down value was £2,000. It was replaced by a smaller machine, cheaper to run.

6(b) Investments

	£
Market value at 1 January 2012	14,500
Disposal	(9,170)
Purchases at cost	2,000
Net gains	<u>6,295</u>
Market value at 31 December 2012	<u>13,625</u>

At the beginning of the year, the ABC stock was sold at the carrying value for a nil gain. During the year new investments have been made at various times in the CBF Church of England Investment fund. The holding at 31 December 2012 was 3,359 shares which cost £22,105.

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

7. CURRENT ASSETS

7(a) Investments	£
Market value at 1 January 2012	15,000
Purchases at cost	8,605
Revaluation gain	455
Market value at 31 December 2012	<u>24,060</u>

	2012 £	2011 £
7(b) Debtors (Unrestricted funds)		
Tax recoverable	6,240	3,650
Prepayments and accrued interest	2,075	200
Other debtors	<u>1,360</u>	<u>150</u>
	<u>9,675</u>	<u>4,000</u>

	2012 £	2011 £
8. LIABILITIES		
Amounts falling due in one year (Unrestricted funds)		
Accruals for utility and other costs	1,000	1,500
Other creditors	1,700	1,950
Parish share	<u>-</u>	<u>1,000</u>
	<u>2,700</u>	<u>4,450</u>

Amounts falling due after one year (Unrestricted funds)		
Other creditors	<u>500</u>	<u>1,000</u>

9. FUNDS

The restricted funds comprise the Church Hall fund and the Mission fund. The latter represents funds raised for and grants received for the support of the mission work of Moses Cain and Grace Cross, members of the congregation working in the Far East.

The endowment fund is the Jericho bequest, which requires income to be spent on the running of the church hall.

In line with the PCC's policy, a £10,000 provision from the general income has been held in designated funds to part fund the major structural renewal project. The provision was transferred to restricted funds during 2012 upon completion of the project. At the end of 2012 the designated funds were nil.

PAROCHIAL CHURCH COUNCIL OF ST LEDGER, AMBRIDGE

Fund movements	Church hall	Mission	Church Structural Renewal	Total
	£	£	£	£
Balance at 1 January 2012	12,975	1,025	-	14,000
Incoming resources	11,325	37,925	170,000	219,250
Resources expended	(16,525)	(40,000)	(189,000)	(245,525)
Investment gains	-	1,050	-	1,050
Transfer	-	-	19,000	19,000
Balance at 31 December 2012	<u>7,775</u>	<u>-</u>	<u>-</u>	<u>7,775</u>

10. ANALYSIS OF NET ASSETS

BY FUND	Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL 2012
	£	£	£	£
Tangible fixed assets	34,000	-	-	34,000
Investment fixed assets	3,355	7,775	2,495	13,625
Current assets	49,085	-	-	49,085
Liabilities				
Amounts falling due in one year	(2,700)	-	-	(2,700)
Amounts falling due after one year	(500)	-	-	(500)
	<u>83,240</u>	<u>7,775</u>	<u>2,495</u>	<u>93,510</u>