

# **The Parochial Church Council of St Michael The Archangel, Compton Martin**

## **Annual Report and Accounts**

Year ended 31 December 2010



## **Independent Examiner's report to the PCC of St Michael The Archangel, Compton Martin**

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This report on the financial statements of the PCC for the year ended 31 December 2010, which comprise the Statement of Financial Activities, the Balance Sheet and related notes, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("The Regulations") and s.43 of the Charities Act 1993 ("the Act").

This report is made solely to the PCC in accordance with section 43 of the Charities Act 1993. My work has been undertaken so that I might state to the PCC those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the PCC for my examination work, for this report, or for the opinions I have formed.

### **Respective responsibilities of the PCC and examiner**

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and section 43(2) of the Act do not apply.

It is my responsibility:

- To examine the financial statements (under section 43(3)(a) of the 1993 Act);
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); and
- To state whether particular matters have come to my attention.

### **Basis of this report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act and to be found in the Church guidance, 2006 edition, issued by the Finance Division of the Archbishops' Council. That examination includes a review of the accounting records kept by the PCC and a comparison of the financial statements presented with those records. It also includes a consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - To keep accounting records in accordance with section 41 of the 1993 Act; and
  - To prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 1993 Act and the Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Virginia Halling-Brown**

Priors Court  
Compton Martin  
Somerset

24<sup>th</sup> March 2011.

**Notes to the financial statements**  
for the year ended 31 December 2010

**1 Presentation of financial information**

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The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 using the Receipts and Payments basis.

**2 Accounting policies**

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The financial statements include monetary transactions, assets and liabilities for which the PCC can be held responsible. They do not include the accounts of other Church groups that owe an affiliation to another body (e.g. Benefice Choir), nor those that are informal gatherings of Church members.

Receipts are included as received and expenditure when irrevocably paid.

Restricted funds must be used for the purposes for which the money was given or donated.

General funds represent unrestricted money that can be used for the general charitable purposes of the PCC.

Designated funds represent unrestricted money that has been earmarked for a specific purpose by the PCC. This money may be undesignated by the PCC at anytime.

The origin and purpose of each fund within the fund classifications are given in note 15 below.

**3 Income tax recovered**

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Income tax recovered included in the 'receipts and payments account' represents the claim for the tax year 2009/10 £1,907.74. The claim for 20010/11 will be made during 2011, but an estimate of the amount of tax recoverable on planned giving included in the 'receipts and payments account' is shown in the 'statement of assets and liabilities'.

<b>4 Legacies</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Legacies from the estates of:		
Mr Reg & Mrs Mary Salmon		
Specifically for purchase of a Sound System	6000	
Mrs Veronica Samuel-Gibbon		
in memory of the late Liz Fellowes.	500	
Mr Ed Salmon		1000
	<b>6,500</b>	<b>1,000</b>

<b>5 Annual fete &amp; other events</b>	<b>2010</b>	<i>2009</i>
	<b>£</b>	<b>£</b>
Village Fete (net of costs £395.00 in 2010)	3510.20	<i>3247</i>
	<b>3510.20</b>	<i>3247</i>

## **6 Parochial fees**

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The PCC received parochial fees totalling £1,974 (£1,603) in the year. Of this £1,393 (£754) was made up of statutory fees due to the PCC, as prepared by the Archbishops' Council under the Ecclesiastical Fees Measure 1986. The remaining £286 (£156) makes up charges as fixed by the PCC, for extras such as flowers and special heating.

The PCC also received statutory fees of £793 (£693) payable towards the stipend of the incumbent, which were passed on in full to the Bath & Wells Diocesan Board of Finance. The fees do not appear within the above accounts.

<b>7 Sale of fixed assets</b>	<b>2010</b>	<i>2009</i>
	<b>£</b>	<b>£</b>
	<b>0</b>	<i>0</i>

<b>8 Donations &amp; grants to charities</b>	<b>2010</b>	<i>2009</i>
	<b>£</b>	<b>£</b>
Compton Martin Village Hall - Fete	1725.00	<i>1600</i>
Ubley School		<i>150</i>
Emmaus		<i>75</i>
Royal British Legion – Remembrance 2010	159.45	
Commonwealth War Graves – Remembrance 2009		<i>150</i>
	<b>1884.45</b>	<i>1975</i>

## 9 Clergy and Administration expenses

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Travelling expenses were reimbursed at the recommended Diocesan rate of 40p per mile. It is the policy of the PCC to reimburse all the out of pocket expenses in full.

General Clergy expenses	333.85	165
Rectors expenses	307.40	716
Administration (see Management & Administration)	777.83	619
Postage, Stationery etc	127.26	0
	<b>1500.38</b>	<b>1500</b>

### 10a Major expenditure

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	2010 £	2009 £
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The following major items of expenditure took place during the year:

Church repairs	0	1896
Quinquennial Survey	0	533
Bells refurbishment	1823.60	0
Organ Repairs	2185.50	0

### 10b Church Running Expenses

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	2010 £	2009 £
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The following major items of expenditure took place during the year:

Heating, Lighting, Cleaning	4679.99	4629
Insurance	1621.16	1313
Old School Expenses	652.95	1427
Organists Honoraria	350.00	300

### 11 Transfer between funds

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	2010 £	2009 £
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From general fund to the designated fund	0	0
From designated fund to the general fund	0	0
	<b>0</b>	<b>0</b>

	2010 £	2009 £
Santander Bank – Current Account	8133.32	8078
Santander Bank – Deposit Account	5386.34	5381
National Westminster Bank – Current Account	11758.19	7189
National Savings Investment Account	10524.10	10494
	<b>35801.95</b>	<b>37681</b>

<b>13 Investment assets</b>	<b>2010</b> £	<i>2009</i> £
Charles Vowles Bequest - endowment	<b>5000</b>	<i>5000</i>

Endowment funds represent money that must be retained and cannot be spent, although the income arising from the fund may be used for either restricted or unrestricted purposes as expressed in the governing document. The interest is included in the 'receipts and payments account'.

#### **14 Tangible assets**

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Assets recognised but not valued in the 'statement of assets and liabilities' include:

- nil

<b>15 Funds</b>	General Fund £	Designated Funds £	Restricted Funds £	<b>TOTAL</b> £
<b>Fund balances at 31 December 2010 were as follows:</b>				
General Fund	8711.22			8711.22
Fabric Fund			15392.85	15392.85
Tower Fund			1101.02	1101.02
Choir Fund		252.81		252.81
Inter-fund indebtedness				
<b>Monetary assets c/f</b>	<b>8711.22</b>	<b>252.81</b>	<b>16493.87</b>	<b>25457.90</b>

#### **Reconciliation of movements in funds:**

Monetary assets b/f  
Nets receipts/(payments) in year

#### **Monetary assets c/f**

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- Fabric Fund - Restricted Funds. Source: Sundry Donations
- Tower Fund - Restricted Funds. Source: Sundry Donations
- Choir Fund - Designated funds. This fund is closed to new receipts.