

**THE PARISH OF
ST LAWRENCE
WITH
ST SWITHUN-UPON-KINGSGATE
WINCHESTER**

**TRUSTEES' ANNUAL REPORT AND
FINANCIAL STATEMENTS
2023**

ST LAWRENCE WITH ST SWITHUN-UPON-KINGSGATE WINCHESTER

ANNUAL REPORT 2023

Introduction

This is the annual report of the charity whose full name is “The Parochial Church Council of the Ecclesiastical Parish of St Lawrence with St Swithun-upon-Kingsgate, Winchester”, registered with the Charity Commission, number 1130543. The parish calls itself “St Lawrence with St Swithun” for short, and the charity’s working name is “St Lawrence with St Swithun PCC”. The word “with” in our name signifies that we are one parish comprising two churches.

The parish of St Lawrence with St Swithun-upon-Kingsgate is joined in a united benefice, called the “Three Saints Benefice”, with the parish of St Bartholomew, Hyde, Winchester; however, the two parishes’ PCCs are distinct charities.

Aim and Purposes

The general functions of every Church of England parochial church council (PCC) are prescribed by law:

- (1) *It shall be the duty of the minister and the parochial church council to consult together on matters of general concern and importance to the parish.*
- (2) *The functions of parochial church councils shall include -*
 - (a) *co-operation with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical;*
 - (b) *the consideration and discussions of matters concerning the Church of England or any other matters of religious or public interest, but not the declaration of the doctrine of the Church on any question;*
 - (c) *making known and putting into effect any provision made by the diocesan synod or the deanery synod, but without prejudice to the powers of the council on any particular matter;*
 - (d) *giving advice to the diocesan synod and the deanery synod on any matter referred to the council;*
 - (e) *raising such matters as the council consider appropriate with the diocesan synod or deanery synod;*
 - (f) *appointing sidesmen (who are also known as assistants to the churchwardens).*
- (3) *In the exercise of its functions the parochial church council shall take into consideration any expression of opinion by any parochial church meeting.*¹

St Lawrence with St Swithun PCC is also specifically responsible for the maintenance of St Lawrence Church (a Grade II listed building), St Swithun-upon-Kingsgate Church (Grade I listed), and St Lawrence Parish Room and Parish Office, which are on a different site from the churches.

¹ Parochial Church Councils (Powers) Measure 1956, as amended, section 2.

Objectives and Activities

When planning our activities, the Rector and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. Our parish's services and worship put faith into practice through prayer and scripture, music and sacrament. We try to enable ordinary people to encounter the transformational love of God through:

- Worship and prayer: learning about living the Gospel; and developing our knowledge and trust in Jesus.
- Provision of pastoral care for people living in the parish and for our gathered members living elsewhere.
- Missionary and outreach work.
- Offering space for peace and prayer in the busy city centre, by opening both our historic churches to all who wish to enter, free of charge, every day of the year (except for special events and unavoidable closures for maintenance).
- Facilitating social, educational and support activities in the community throughout the week, by making the Parish Room available for hire.
- Contributing to the cultural life of the city by hosting concerts and other events.

To facilitate this work it is important that we maintain the fabric of our two churches and the Parish Room.

Our benefice Vision, formulated in 2019, focuses our work around three objectives:

- Reaching out in the communities we serve;
- Sharing our benefice life and news;
- Making the most of our buildings.

Achievements and Performance

The commitment and contributions, both voluntary and financial, of the many members of our congregations of St Lawrence and St Swithun continue to underpin all we do. This includes supporting mission across the Diocese through the Common Mission Fund, maintaining our buildings, funding our own mission and ministry (including Messy Church), and providing administrative support for benefice activity.

We have continued to support the Ministry Team in their work across the benefice's parishes and community, its nursing homes and church school (St Bede's), and other social and voluntary groups.

Revd. Amanda Goulding (Assistant Priest) and Meriel Walton (LLM) both reached the age at which their licences to the benefice came to a natural end, and we are most grateful to them both for continuing their ministry with the Bishop's "Permission To Officiate" (PTO). In March we said a final farewell to the Revd Eluned Phipps, who completed her curacy following her placement in North Stoneham, and we welcomed Jamie Cann on a short placement prior to ordination in June. Nicholas Goulding was admitted to the year-long course for the Bishop's Permission to Preach (BPP), and Malcolm Bruce embarked on the new one-year Caleb course,²

² The Caleb Stream is a discernment and training pathway towards ordination for mature lay leaders with leadership experience, enabling them to train for the diaconate within one year. [Caleb was strong and vigorous in exercising his ministry well into his mature years (Joshua 14).]

aiming for ordination in 2024. With Chris Pilgrim, Edmund and Jane Jessop, Jane Bessey and Clare Talks, the benefice is blessed to have a team of people to lead our worship, giving it richness as well as sustainability.

Our team of Pastoral Visitors continue their greatly appreciated visits to the housebound, and we continue to live-stream most services. This enables us to maintain contact with parishioners who are unable to attend church and also with some people who have moved away but are able to join remotely. In normal times we keep both of our historic church buildings open daily. This is a significant witness and service to the thousands of visitors and to residents in the city, and the visitors' books reveal just how much it is appreciated.

Deanery Synod

Two parishioners were elected by the 2023 annual parochial church meeting to be lay members of the Winchester Deanery Synod for a three-year term. As members of the Deanery Synod they are *ex-officio* members of the PCC, providing an important link between the parish and the wider structures of the Church of England.

Financial Review

Overview:

Although the 2023 financial results indicate a significant operating deficit of £27,909 which was a complete reversal of the surplus of £22,522 achieved in 2022, this was due to significant levels of expenditure on a number of repair and maintenance projects which had been delayed by the pandemic. The 2023 budget had anticipated expenditure matching income but the need to progress projects and the adequacy of deposit funds available to finance them resulted in the bringing forward of expenditure which in turn led to the deficit shown. Other areas of operating income and expenditure were broadly at budgeted levels. 2023 also provided a partial recovery of the significant unrealised investment deficit arising in 2022 and demonstrated once again how valuations can move by large amounts over a 12 month period. It was pleasing that the income from these investments continued to increase and represent an essential component of total parish income.

Unrestricted (General) Fund:

The General Fund deficit for 2023 of £18,063 is a significant change from the 2022 surplus of £23,212 largely due to the substantial increase in repairs and maintenance expenditure (as reported elsewhere in this Trustees' report).

The total income received in 2023 of £151,170 represented a small increase over the 2022 level of £147,496. Giving and donation levels in 2023 were comparable to the 2022 levels excluding legacy income which in 2022 had enhanced that year's result. Income from church activities increased by around 25% due to higher parish room and church hire bookings and also from rents. Income from investments produced a significant increase although in part the effect of deferred receipt of 2022 income.

Expenditure of £169,233 was substantially higher than in 2022 (£124,284) due to increases in most cost areas mainly due to inflationary increases including energy and salary costs but in large part due to the significant expenditure on maintenance projects as separately reported. Charitable giving levels also increased by £1,200.

Restricted Funds:

These comprise funds raised for Special Appeals/Projects available solely to meet expenditure on the specific appeals/projects for which they were donated. The total amount received was £1,441 (2022 - £1,689). Total expenditure amounted to £11,287 (2022 - £ 2,379) leaving a closing balance of £7,698 (2022 - £17,544) available for future restricted expenditure. The individual appeals, projects and remaining year end balances are listed in the Financial statements (Note 8).

Designated Funds:

The positive movement of £41,748 shown in the Designated fund reflects the increase in Investment values due to market movements in 2023. Adverse market movements of £60,333 which occurred in 2022 have therefore been partially recovered. Short term volatility is expected on investment funds held for the long term to produce regular and increasing annual income required to meet current expenditure. A proportion of these investments can be realised if necessary to meet significant maintenance and other exceptional expenditure although future investment income is reduced.

Parish Funds:

The net assets at 31 December 2023 reflect an increase of around 4.4% (2022 - 7.5% decrease) due largely to the increased market value of investments. Although the total asset position continues to be very satisfactory, it is primarily represented by investments which include unrealised gains dependent upon the continuing strength of financial markets. The Parish funds also include endowment fund investments held in trust by the Diocese which are not realisable by the PCC which continues to receive the related income. The assets in the General Fund of the Parish (represented mainly by cash balances and deposits) decreased from £66,019 at December 2022 to £47,906 at December 2023 as a result of the operating deficit for the year.

Charitable Giving:

The 2023 budget included a modestly increased level of expenditure on Parish charitable giving to reflect the anticipated break-even financial position expected. An aggregate £10,456 (2022 - £9,246) was paid to a number of local, national and overseas charities. In addition, a total of £2,675 (2022 - £2,440) was paid as annual contributions to the Winchester City Centre Chaplaincy and the Winchester Street Pastors. A contribution of £5,000 (2022 - £5,000) was again made within the United Benefice to St Bartholomew, Hyde PCC's fund raising initiative to replace their old heating system. The total charitable and grant payments therefore amounted to £18,131 (2022 - £16,686). These financial statements do not include amounts raised and paid direct to specific charities: the respective amounts were £6,435 in 2023 and £5,529 in 2022.

The 2024 budget includes a planned level of charitable giving and grants slightly higher than the 2023 level; in view of present financial uncertainties, the PCC will decide in late 2024 whether it can increase the budget amount.

2024 Outlook:

The 2024 Budget anticipates a deficit broadly similar in amount to the 2023 result. Recurring operating costs are expected to exceed 2023 levels due to the continuing inflationary environment, with expected increases in office and maintenance costs. The increased level of energy costs in 2023 continues in 2024 with the fixed price

contract maintaining these levels for most of 2024. The budget includes provision for a new sound system in St Lawrence as well as for some expenditure on various remaining repair works to the Churches required as a result of the quinquennial inspections carried out in late 2019. It is recognised that additional repairs and maintenance expenditure may be required in 2024 and subsequently following the next quinquennial inspection due in late 2024. It is intended that any major expenditure will be met from existing cash flow, fund raising and from reserves.

Reserves Policy

The 2019 APCM concluded the reserves policy should be fully reconsidered and rewritten. Previously, the policy had been the retention of adequate funds in cash and deposits to meet costs as they arose together with an investment portfolio to generate sufficient income to meet ongoing costs and to finance the uncertain cost of major repairs to the two churches, ensuring their continuing good state of repair over the longer term. As there had been reducing parishioner numbers, potential income and cost levels were projected forward over a 10-15 year term to assess the consequences. This suggested an annual and growing deficit was likely to arise each year due primarily to static or declining parishioner income coupled with inflationary cost increases. Growing parishioner numbers continues to remain a primary objective whilst recognising that additional expenditure will be necessary as increased Common Mission Fund payments may not be matched by increased giving. Income from investments and hire fees can be expected to become an increasing proportion of total income and in time may exceed parishioner income. As parishioner income broadly covers the Common Mission Fund payments, the running costs of the parish need to be financed largely from investment income and church/parish room hire fees. This requires retention of the investments to provide the parish with adequate income to run itself. The level of free reserves required by the Parish is largely dependent on cash flow and current balances as well as the impact of future plans and commitments and the risk environment. The reserves policy adopted by the PCC as at 31 December 2019 has been reviewed annually, most recently in March 2024 and is as follows:

The Reserves Policy of the PCC is to maintain adequate funds on deposit to cover at least three months average running costs and to enable unanticipated major maintenance at either or both of the historic listed churches to be carried out expeditiously so as to ensure regular parish services can be maintained without extended periods of closure. Currently three months expenditure is some £35,000 and allowing for major maintenance and other unspecified costs of £40,000 would require reserves of £75,000. Currently the free reserves amount to £57,000 which is a little under the target amount of £75,000 but within an acceptable band. It is intended that the reserves policy will be reviewed annually and the adequacy of existing reserves recalculated whenever circumstances dictate. It is anticipated that in due course investment capital will need to be liquidated to help fund our mission activities.

At 31 December 2023, Total Funds amounted to £840,283 (2020 - £805,130). These comprise the General (Unrestricted) Fund of £47,906 (2022 - £66,019), the Designated (Unrestricted) Investment Fund of £556,177 (2022 - £514,429), the Restricted Funds of £7,698 (2022 - £17,544) and the Endowment Fund of £228,502 (2022 - £207,138). The Unrestricted Funds are available for the general purposes of the PCC whilst the Restricted Funds are limited to the purposes for which the individual funds were given. The Endowment Fund is required to be held in perpetuity although the income is made available to the PCC. The Unrestricted

Designated investment Fund is represented by listed pooled investment funds which are treated as non distributable (unless necessary to finance major repairs or to fund the costs of major mission initiatives). The continuing suitability of the individual investment funds, including adequacy of income distribution levels, risk and ESG profile is monitored during the year and adjustments made as necessary.

The free reserves of £25,000 (comprising the unrestricted reserves of £47,906 as reduced by working capital requirements and functional assets) have reduced to levels significantly below the target amount of £75,000 but will be increased if necessary by investment realisations.

In setting the reserves policy, the PCC recognises that adequate funds must be maintained to ensure that the Parish can meet its contractual liabilities for salaries, rent and utilities together with pledges for Diocesan Common Mission Fund contributions and other recurring payments. The combined total is some £90-£100,000 annually. It is recognised that the uncertainty over longer term income levels, together with the expected additional costs of maintenance and implementing development plans, will necessitate a combination of fund raising activities and realisation of a proportion of reserves.

Volunteers

We would like to thank all the many volunteers who work so hard for our parish. In particular we want to thank our churchwardens Beauman Chong and John Stanning who have continued to work tirelessly on our behalf; our Treasurer Nick Goulding who has kept our finances in order, assisted by Bethany Milward, Assistant Treasurer, and Tom Nell, Gift Aid Officer; and Lis Wicks who is Secretary to the PCC. Sincere thanks also to our invaluable Parish Administrator Sara Gangai, and to our organists Christopher Tolley and Luke Fowler.

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules,³ which provide that the PCC consists of *ex-officio* members - the ordained clergy and lay workers licensed to the parish, the churchwardens, and parishioners who are members of the Deanery Synod, Diocesan Synod or General Synod - and members elected by those members of the congregation who are on the electoral roll of the parish. All those who attend our services are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC is responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The PCC met five times in 2023 with average attendance of 13.

The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults).

³ The Church Representation Rules are contained in Schedule 3 to the Synodical Government Measure 1969, as amended in 2020.

Administrative information

The parish of St Lawrence with St Swithun-upon-Kingsgate is located in the centre of Winchester, Hampshire. It is part of the deanery of Winchester and the diocese of Winchester within the Church of England. The correspondence address is St Lawrence Parish Office, Colebrook Street, Winchester, SO23 9LH.

The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2020) and a charity registered with the Charity Commission, number 1130543.

PCC members who have served from 1st January 2023 until the date this report was approved were:

<i>Rector:</i>	The Reverend Karen Kousseff (<i>chair</i>)
<i>Assistant Priest:</i>	The Reverend Amanda Goulding (<i>Hon. Associate Priest from December 2023</i>)
<i>Curate:</i>	The Reverend Eluned Phipps (<i>to August 2023</i>)
<i>Licensed Lay Minister:</i>	Mrs Meriel Walton
<i>Churchwardens:</i>	Mr Beauman Chong Mr John Stanning
<i>Deanery Synod Members:</i>	Mr Geoffrey Bennetts (<i>to April 2023</i>) Mr Nicholas Goulding Mr Tom Nell
<i>Elected members:</i>	Miss Elizabeth Baron Mrs Anna Bennetts Mr Geoffrey Bennetts (<i>from April 2023</i>) Mr Chris Higgins Mrs Louise Kerr Mrs Clare Kilroy Mrs Rosalind Nell Mr Richard Stead (<i>from April 2023</i>) Miss Elisabeth Wicks
<i>Co-opted member:</i>	Mr Richard Stead (<i>to April 2023</i>)
<i>Honorary Treasurer:</i>	Mr Nicholas Goulding
<i>Hon. Secretary to the PCC:</i>	Miss Elisabeth Wicks

Statistics

At 31 December 2023, 108 people were on the parish's electoral roll, of whom 33 were resident within the geographical parish and 75 were resident in other parishes.

The average Sunday attendance at our churches, counted in October, was 66 in the churches plus 12 online. 143 people attended our services on Christmas Eve and Christmas Day. The Ministry Team conducted 6 baptisms, 1 marriage, 0 services of prayer & dedication following a civil marriage, 5 funerals in church or at crematoria, and 0 burials of ashes.

Approved by the PCC on 19th March 2024 and signed on their behalf by the Reverend Karen Kousseff (chair)

Examination Statement

Independent Examiner's Report to the members of the Parochial Church Council of the Parish of St Lawrence with St Swithun-upon-Kingsgate, Winchester

I report on the accounts for the year ended 31 December 2022 which are set out on pages **9 to 18**.

Respective responsibilities of the Parochial Church Council and Independent Examiner

The Parochial Church Council considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity 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 management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

1. which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s.130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records 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.

Tim Light FMAAT
Licence Number 8057
Lightatouch
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Chandlers Ford
Hants
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PAROCHIAL CHURCH COUNCIL OF WINCHESTER ST LAWRENCE WITH ST SWITHUN-UPON-KINGSGATE (registered charity number 1130543)
BALANCE SHEET as at 31st DECEMBER 2023

Note	2023			2022			
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Unrestricted Funds £	Designated Funds £	Endowment Funds £
FIXED ASSETS							
Tangible assets:							
5.1	718	-	-	-	1,077	-	1,077
5.2	-	556,177	-	228,502	-	207,138	721,567
	718	556,177	-	228,502	1,077	207,138	722,644
CURRENT ASSETS							
Debtors and prepayments	2,856	-	27	-	1,620	-	1,620
6	48,430	-	7,671	-	61,145	17,544	78,689
6	1,323	-	-	-	4,929	-	4,929
6	52,609	-	7,698	-	67,694	17,544	85,238
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR							
Creditors and Accruals	-5,421	-	-	-	-2,752	-	-2,752
NET CURRENT ASSETS	47,188	-	7,698	-	64,942	17,544	82,486
TOTAL ASSETS LESS LIABILITIES	47,906	556,177	7,698	228,502	66,019	17,544	805,130
FUNDS at 31st DECEMBER 2023							
8-11	47,906	-	-	-	66,019	-	66,019
Unrestricted	-	556,177	-	-	-	514,429	514,429
Designated	-	-	7,698	-	-	17,544	17,544
Restricted	-	-	-	228,502	-	-	207,138
Endowment	47,906	556,177	7,698	228,502	66,019	17,544	805,130

Approved by the Parochial Church Council on 19th March 2024
and signed on its behalf by:

The Reverend Karen Kousseff
Chair of the PCC

Nicholas Goulding
Hon. Treasurer

Parochial Church Council of Winchester St Lawrence with St Swithun-upon-Kingsgate

Notes to the Financial Statements for the year ended 31st December 2023

1. Accounting Policies

Basis of preparation. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s). The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, second edition, October 2019) and in accordance with FRS 102, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Church Accounting Regulations 2006 governing the individual accounts of PCCs.

The PCC constitutes a public benefit entity as defined by FRS 102.

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

1.1. Funds

Unrestricted (General) Funds represent the funds of the PCC that are not subject to any restrictions regarding their use, and are available for application on the general purposes of the PCC.

Designated Funds are unrestricted funds which the PCC have designated for particular purposes or objectives.

Restricted Funds represent donations received which were intended by the donor to be applied for a specific purpose, and may therefore be spent only on that purpose. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. Details of the funds held and restrictions provided are shown in note 8.

Endowment Funds are funds, the capital of which must be retained; only income arising from investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose for which the endowment was established. At 31st December 2023 the endowment fund was the St Maurice Church Hall Fund (see note 9).

1.2. Income and Endowments

All incoming resources are accounted for gross.

Voluntary income and capital sources

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

Planned Giving under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised: tax refunds claimed are therefore recognised when the donations are received, outstanding refunds receivable being included in debtors.

Grants and legacies are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable, and its ultimate receipt by the PCC is reasonably certain.

Funds raised through special fund-raising activities, and sales of Parish Magazines, postcards, etc. are accounted for gross, with costs arising charged under the appropriate expense heading and included under Expenditure.

Other income

Rental income from lettings of the Parish Room, and amounts charged for the use of the churches for rehearsals, concerts and similar events, are recognised when the rental and charges fall due.

Income from investments

Dividends, and interest on fixed interest securities are accounted for when declared payable.

Interest on short term deposits and bank accounts is accounted for as it accrues.

Gains and losses on investments

This includes any realised gains or losses on sale of investments and any unrealised gains or losses resulting from revaluing investments to fair value at the end of the year.

Volunteer Help

The value of any volunteer help received is not included in the Financial Statements but is described in the Trustees' Annual Report.

1.3. Expenditure

Expenditure on church activities:

Missionary and Charitable Giving

Grants and donations made to charitable organisations are accounted for when approved by the PCC or as subsequently agreed to be accrued.

Ministry – Common Mission Fund

Contributions made to the Diocesan Common Mission Fund are accounted for when due. Any amount unpaid at the end of the accounting period is accrued and included in the balance sheet in creditors. (2023 and 2022 £nil).

Other Expenditure

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

1.4. Fixed assets

Consecrated property and moveable church furniture

Consecrated and benefice property of any kind is excluded from the financial statements in accordance with s 10(2)(a) and (c) of the Charities Act 2011.

Moveable church furnishings are capitalised at cost and depreciated over their useful economic life on a straight-line basis other than where insufficient cost information is available. In this case the item is not capitalised, but all items are included in the Churches' inventories.

Expenditure on individual items costing under £1,500 or on the repair or replacement of movable church furnishings is written off as incurred.

Tangible fixed assets for use by charity

Individual items of equipment used within the churches and the Parish Room at a cost of £1,500 or more are capitalised and depreciated in the financial statements over their useful economic life on a straight line basis. Items costing less than £1,500 or the repair or replacement of existing assets are written off when the expenditure is incurred. No depreciation is provided until an asset is brought into use.

Depreciation rates applied

Improvements to Parish Room buildings	10% p.a.
Computer equipment	33% p.a.
Inalienable property in the churches	10% p.a.
Other fixtures, fittings and equipment	20% p.a.

1.5. Investments

Investments listed on a recognised stock exchange or whose value derives from them (Common Investments Funds, Unitised Funds etc) are included at the yearend published market value (or bid price where dual pricing applies).

1.6. Current assets and liabilities

Amounts owing to the PCC at 31st December in respect of fees, rent or other income and Gift Aid claims are included in debtors (net of provision for amounts that may prove uncollectable).

Short term deposits include deposits held with the CCLA CBF Church of England Deposit Fund and CAF Bank.

Prepayments include amounts paid in advance. Creditors include accrued expenses which relate to the financial year.

1.7. Fund balances

The net assets of the PCC at 31st December 2023 amounting to £840,283 are represented by the combined balances on the Unrestricted Fund of £47,906, the Designated Fund of £556,177, the Restricted Fund of £7,698 and the Endowment Fund of £228,502 as shown in the balance sheet.

2. Income and Endowments

	Total Funds			
	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
2a Donations and Legacies				
Planned Giving:				
Tax Efficient donations	76,339	1,085	77,424	76,993
Income Tax recoverable	3,386	125	3,511	3,702
Other	1,515	-	1,515	3,250
	<u>81,240</u>	<u>1,210</u>	<u>82,450</u>	<u>83,945</u>
Collections at services	2,990	-	2,990	2,565
Church boxes	1,992	-	1,992	1,862
Other donations	4,733	231	4,964	4,688
Legacies	1,000	-	1,000	8,000
	<u>91,955</u>	<u>1,441</u>	<u>93,396</u>	<u>101,060</u>
2b Other trading activities				
Magazine advertising revenue and subscriptions	2,046	-	2,046	2,159
Sundry Sales	-	-	-	-
Fund raising	955	-	955	1,037
	<u>3,001</u>	<u>-</u>	<u>3,001</u>	<u>3,196</u>
2c Investments				
Dividends	24,459	-	24,459	17,613
Interest	1,698	-	1,698	583
	<u>26,157</u>	<u>-</u>	<u>26,157</u>	<u>18,196</u>
2d Church activities				
Parish room letting	21,196	-	21,196	19,808
Use of churches for rehearsals/concerts	1,229	-	1,229	289
St Thomas churchyard rent	5,719	-	5,719	3,619
Parochial fees	1,913	-	1,913	1,192
	<u>30,057</u>	<u>-</u>	<u>30,057</u>	<u>24,908</u>
2e Other				
Parish Energy Grant	-	-	-	1,825
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,825</u>
Total Income	<u>151,170</u>	<u>1,441</u>	<u>152,611</u>	<u>149,185</u>

All 2022 Income was unrestricted except planned giving (£1,393) and donations (£196) together with related gift aid claims (£100).

3. Expenditure

	Note	Total Funds			
		Unrestricted Funds	Restricted Funds	2023	2022
		£	£	£	£
3a Church activities					
Missionary and charitable giving:					
Overseas Missionary Societies		580	-	580	660
Relief and development agencies		3,020	-	3,020	2,040
Home mission and other		11,765	91	11,856	11,546
		<u>15,365</u>	<u>91</u>	<u>15,456</u>	<u>14,246</u>
Winchester City Centre Chaplaincy and Street Pastors		2,675	-	2,675	2,440
Total amounts given to charities		<u>18,040</u>	<u>91</u>	<u>18,131</u>	<u>16,686</u>

Ministry – Diocesan Common Mission Fund		59,267	-	59,267	62,127
– Other ministry costs		656	-	656	308
Church running expenses		17,247	240	17,487	15,140
Depreciation of fixed assets	5.1	359	-	359	410
Children's & Families Worker		-	-	-	6,924
Parish room running expenses & major repairs		45,359	-	45,359	4,780
Churches major repairs		750	3,291	4,041	1,493
Printing, photocopying, stationery, postage, telephone	4	4,435	-	4,435	3,823
Staff salaries	4	18,069	-	18,069	10,501
Other costs		2,889	-	2,889	2,862
Legal and professional		230	7,665	7,895	682
Independent Examiner's fee		810	-	810	800
Total resources expended on church activities		168,111	11,287	179,398	126,536
3b Fund raising trading costs		1,122	-	1,122	127
Total Expenditure		169,233	11,287	180,520	126,663

All 2022 expenditure was unrestricted except major repairs (£1,493), charitable giving (£136), restricted projects (£562) and messy church (£188).

4. Staff Costs etc.

During the year the PCC employed a parish administrator, two organists and a cleaner (all part time). Expenses incurred by the Rector, the Associate Priest, Curate and the Licenced Lay Ministers, reimbursed or paid on their behalf during the year, are included in other ministry costs (see 3a). No members of the PCC received any payments from the Parish in the year other than in respect of the reimbursement of minor expenses incurred by them wholly or exclusively in connection with the work of the churches and no disclosable transactions were made in respect of PCC members, persons connected with them or other related parties.

A small immaterial portion of the expenses paid to the Rector may have related to their services as chair of the PCC.

Staff costs are stated after deduction of NIC Employment allowance and include pension scheme contributions of £804 (2022 £348). The Organists' salaries net of parochial fees and the Cleaner's salaries (£3,027 and £2,137 respectively) are included in Church running expenses.

The charge for staff salaries and stationery and photocopying in 2022 and prior years was included net of contributions from within the Benefice but is now included gross with Benefice contributions included in "other donations". These contributions amounted to £3,840 in 2023 and 2022.

5. Fixed Assets

5.1. Tangible Fixed Assets

	Office Equipment	Parish Room Improvements and Equipment	Total Assets
	£	£	£
Cost			
At 1 st January 2023	5,100	10,616	15,716
Additions/(disposals)	-	-	-
At 31 st December 2023	5,100	10,616	15,716
Depreciation			
At 1 st January 2023	5,100	9,539	14,639
Charge for the year	-	359	359
At 31 st December 2023	5,100	9,898	14,998
Net Book Value			
At 31 st December 2023	-	718	718
At 31 st December 2022	-	1,077	1,077

5.2. Investment Assets

	Units Held (number)	Designated £	Endowment £	Total Funds	
				2023 £	2022 £
Investments at market value at 31st December 2023:					
Designated:					
CCLA CBF Investment Fund	16,515.34	373,334	-	373,334	340,974
CCLA COIF Ethical Investment Fund	10,035.20	30,206	-	30,206	27,464
IFSL CAF UK Equity B Fund	-	-	-	-	102,060
IFSL CAF ESG Cautious Fund	111,392.12	106,936	-	106,936	-
CCLA CBF Investment Fund (St Thomas) *	652.00	14,739	-	14,739	13,461
CCLA COIF Ethical Investment	4,769.36	14,356	-	14,356	13,052
CCLA CBF Property Fund	13,555.07	16,606	-	16,606	17,418
Endowment – St Maurice Church Hall:					
CCLA CBF Investment Fund *	8,001.25	-	180,908	180,908	165,193
CCLA COIF Ethical Investment Fund	9,376.33	-	47,594	47,594	41,945
		556,177	228,502	784,679	721,567
Movements in investments during the year:					
Market value as at 1 st January 2023		514,429	207,138	721,567	808,281
Purchases at cost		104,040	50	104,090	50
Disposals Proceeds		-104,040	-	-104,040	-
Realised gain on disposals		1,980	-	1,980	-
Unrealised gain/(loss) on revaluation at 31 st December 2023		39,768	21,314	61,082	-86,764
Market value as at 31st December 2023		556,177	228,502	784,679	721,567

* Investments in the name of Winchester Diocesan Board of Finance and income mandated to the Parish

6. Current Assets

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
				2023 £	2022 £
Debtors and prepayments					
Debtors – tax recoverable on Gift Aid donations	451	-	-	451	349
– users of Parish Room & St Lawrence	1,309	-	-	1,309	627
– sundry debtors	1,096	27	-	1,123	644
Prepayments	-	-	-	-	-
	2,856	27	-	2,883	1,620
Short Term Deposits					
CBF deposit account	38,104	-	-	38,104	36,921
CAF Cash deposit account	10,326	7,671	-	17,997	41,768
	48,430	7,671	-	56,101	78,689
Cash at bank and in hand					
CAF Current account	100	-	-	100	100
Current account	1,223	-	-	1,223	4,829
	1,323	-	-	1,323	4,929
Total Current Assets	52,609	7,698	-	60,307	85,238

7. Liabilities – amounts falling due within one year

	Unrestricted	Restricted	Endowment	Total Funds	
	Funds	Funds	Funds	2023	2022
	£	£	£	£	
Creditors and Accruals					
Creditors and accruals	5,421	-	-	5,421	2,752
Total Liabilities	5,421	-	-	5,421	2,752

8. Restricted Funds

	1 st January 2023	Incoming Resources	Resources Expended	Transfers	31 st December 2023
	£	£	£	£	£
2023					
<i>Special Appeals Funds:</i>					
Christian Aid	-	-	-	-	-
DEC - Ukraine	-	-	-	-	-
	-	-	-	-	-
<i>Special Projects Funds:</i>					
Upkeep of St Swithun Fabric	7,601	-	7,365	-	236
Messy Church	7	231	-	-	238
St Lawrence Fabric	4,974	1,210	3,590	3,080	5,674
St Lawrence Organ	1,585	-	240	-	1,345
Covid-19 Support Projects	3,377	-	92	-3,080	205
	17,544	1,441	11,287	-	7,698
	17,544	1,441	11,287	-	7,698
2022					
<i>Special Appeals Funds:</i>					
Christian Aid	-	81	81	-	-
DEC - Ukraine	-	275	275	-	-
	-	356	356	-	-
<i>Special Projects Funds:</i>					
Upkeep of St Swithun Fabric	9,316	-	1,715	-	7,601
Messy Church	-	196	189	-	7
St Lawrence Fabric	3,751	1,493	270	-	4,974
St Lawrence Organ	1,655	-	70	-	1,585
Covid-19 Support Projects	3,512	-	135	-	3,377
	18,234	1,689	2,379	-	17,544
	18,234	2,045	2,735	-	17,544

The Special Appeals Funds relate to individual appeals conducted during the year to raise funds for the charities or organisations specified. In general, income raised including related gift aid is remitted by the end of the year to each designated charity.

The Special Projects Funds comprise individual appeals or donations for specified purposes mainly connected with church maintenance projects and payments to local charities and organisations re Covid-19 support.

9. Endowment Fund

The Endowment Investments are held in trust for the Parish by Winchester Diocesan Board of Finance. Originally the proceeds of the sale of St Maurice Church Hall, the monies are invested with the CCLA CBF Church of England Investment Funds and the CCLA COIF Ethical Investment Fund. Although the capital is not expendable, there are no restrictions on expenditure of income from these funds.

10. Designated Fund

The carrying value of the Investments are held within the designated unrestricted investment fund. The fund is intended to be held for the long term as its investments provide both a regular income and, where necessary, can be used to finance significant major repair, maintenance and mission costs in future years.

11. Analysis of Net Assets by Fund

	General	Designated	Total Unrestricted	Restricted	Endowment	Total Funds	
						2023	2022
2023	£	£	£	£	£	£	
Fixed assets	718	-	718	-	-	718	1,077
Investments	-	556,177	556,177	-	228,502	784,679	721,567
Current assets	52,609	-	52,609	7,698	-	60,307	85,238
Current liabilities	-5,421	-	-5,421	-	-	-5,421	-2,752
	47,906	556,177	604,083	7,698	228,502	840,283	805,130

	General	Designated	Total Unrestricted	Restricted	Endowment	Total Funds	
						2022	2021
2022	£	£	£	£	£	£	
Fixed assets	1,077	-	1,077	-	-	1,077	1,486
Investments	-	514,429	514,429	-	207,138	721,567	808,281
Current assets	67,694	-	67,694	17,544	-	85,238	63,522
Current liabilities	-2,752	-	-2,752	-	-	-2,752	-3,917
	66,019	514,429	580,448	17,544	207,138	805,130	869,372

12. Transfer from Unrestricted Funds to Endowment Fund

The St Maurice Church Hall was sold in 1976. The Charity Commission sanctioned expenditure from the proceeds on the construction of the Parish Room at a maximum capital cost of £14,227 to be recouped from the unrestricted income of the PCC by means of a yearly sum of £49.80 to be invested in the Endowment Fund for a period of 60 years (to 2036). The Parish Room is held by the PCC on a 99 year lease expiring in June 2075.

13. Collections for Charities

Collection and donations made during the year on behalf of charities and paid directly over to those charities which do not form part of the incoming resources of the PCC and are not included in these financial statements. The amounts and beneficiary charities, listed below for information purposes only, are as follows:

	2023	2022
	£	£
Harvest – Basics Bank	2,800	920
Kisiizi Orphans - Ikona Hillside School	1,776	1,960
Christian Aid Week Collections *	1,359	972
DEC Turkey-Syria Appeal	500	-
DEC Ukraine Humanitarian Appeal	-	1,170
DEC Pakistan Flood Appeal	-	275
Basics Bank – Recycle Sunday	-	232
	<u>6,435</u>	<u>5,529</u>

*Christian Aid Week Collections were from the Benefice of St Bartholomew and St Lawrence with St Swithun-upon-Kingsgate. The amount from each Parish is unquantifiable.

The above amounts exclude any tax recoverable under Gift Aid by the charities concerned.

14. Capital Expenditure Commitments

Commitments for expenditure authorised by the PCC and entered into before 31st December 2023 amounted to £nil (2022 £nil) although a number of matters have been agreed subject to satisfactory quotations.

No provision has been made in these financial statements for the expenditure on repairs remaining to be carried out following the Quinquennial inspections made in each of the Churches in December 2019. The extent of expenditure required has not yet been fully evaluated but it is planned to carry out the works in stages in order to complete all repairs, if possible, before the next quinquennial inspection in late 2024. Subsequent to 31 December 2023, the PCC has contracted for the purchase and installation of new sound and CCTV systems in St Lawrence Church at a total cost of approximately £39k. The expenditure will be funded from current cash flow and reserves.