

# GUIDANCE NOTES FOR COMPLETING ANNUAL PARISH FINANCE RETURN FOR CALENDAR YEAR 2009

These notes are to help you to complete the Return of Parish Finance. You will need to refer to your PCC's financial statements for the year to December 2009.

## INCOMING RESOURCES (Receipts)

- All **NEW** income to any fund which is under the control of the PCC needs to be accounted for on this form.
- Do **NOT** include money **TRANSFERRED** into one PCC fund from another in the total for Income. All **TRANSFERS** between funds should be recorded at the bottom of the Income page.
- Do **NOT** include incumbent's fees for marriages, funerals etc, as these are not PCC funds.

**RESTRICTED FUNDS:** income received by the PCC will only be restricted if it has been given or paid to the PCC for a specific purpose. PCC's cannot restrict funds.

## RECURRING INCOME

### Voluntary income

#### 1 Tax-efficient planned giving

Money that is given regularly under Gift Aid through a standing order, by envelope scheme, or by cheque. Figures should be **net**, i.e. excluding any tax recovered. Giving through CAF vouchers should also be included here.

#### 2 Planned non tax-efficient giving

Money given regularly through a standing order, by envelope scheme, or by cheque which has **not** been given by Gift Aid.

#### 3 Cash collections at services

Collections at Sunday, midweek, wedding and funeral services and Sunday schools, on which no tax is recovered. This should **exclude** money given through planned giving envelopes.

Collections that go directly to another charity and are not "Income" to the PCC should not be included here.

#### 4 All other donations

Proceeds of annual Gift Days, money given in church boxes and wall safes, and other ad-hoc donations from individuals which are likely to recur in future years.

#### 6 All tax recovered through gift aid

The amount of tax actually recovered from HMRC on all planned giving to the PCC under Gift Aid. This should be split between gift aid recovered on restricted income, and that on unrestricted income.

### Other voluntary income

#### 8 Recurring grants

External grants received from trusts and other funding bodies for the PCC's general fund or for a restricted

purpose. Include VAT recovered through the Listed Places of Worship scheme. Exclude transfers within the benefice.

## NON-RECURRING INCOME

#### 5 Non-recurring donations (inc. special appeals)

Include one-off donations given outside of services. Also include the proceeds of all special appeals (which are usually restricted), but also one off gift days for general funds. Gifts of shares at market value.

#### 7 Legacies Received

The capital amount of a legacy, together with interest from the probate process, should be recorded in the year(s) that it appears in the accounts. Income arising from the church's investment of the legacy is recorded under income from investments (Note 10).

#### 8a Non-recurring grants

External **non-recurring** grants received from trusts and other funding bodies for the PCC's general fund or for a restricted purpose. Include VAT recovered through the Listed Places of Worship scheme. Exclude transfers within the benefice.

## INCOME FROM INVESTMENTS

#### 10 Dividends, interest, rents

Bank and other Deposit interest including any reclaimed tax on investment income on the PCC's general fund. Include **dividends** from shareholdings. Include **rent** received from land or buildings owned by PCC.

## ACTIVITIES FOR GENERATING FUNDS/INCOME

#### 12 Bookstall, magazine sales etc.

All money received from trading activities, including bookstall, money received from the sale of books, periodicals etc. Gross income from sales and advertising of church magazines.

#### 12a Church hall lettings

All money received from the letting of the Church hall.

*In all cases income from trading (boxes 9, 12 and 12a) should be stated gross.*

## CHURCH ACTIVITIES

11 **Fees retained** by the PCC for weddings, funerals etc. **EXCLUDING** fees due to the clergy (remitted to Diocesan Board).

#### 13 Other incoming resources

Include all other incoming resources e.g. sale of fixed assets, insurance claims.

## TOTAL INCOMING RESOURCES

Please record the **TOTAL** incoming resources as shown on your examined/audited financial statements, excluding any revaluation of assets.

continued)

## RESOURCES USED (Payments)

All expenditure from any fund under the control of the PCC needs to be accounted for on this form. This does **NOT** include money **TRANSFERRED** out of one PCC fund into another - all such **TRANSFERS** should be recorded separately at the bottom of the Receipts page.

## FUNDRAISING COSTS

### **17 Fundraising Costs**

Include the costs of fundraising events, which have contributed to the income recorded in box 9 e.g. the cost of fetes, bazaars, other fund-raising events (provision of materials, advertising, hire of equipment and the venue etc.). Also include fees paid to a professional fund-raiser, the costs of a Christian Stewardship campaign (printing, postage, speakers' expenses etc.) and the costs of supporting regular giving e.g. envelopes.

## MISSION GIVING & CHARITABLE DONATIONS

### **18 Mission giving & charitable donations**

Include donations to missions and charities that come from the PCC's income. Collections that go directly to a charity and do not 'go through the PCC's books' should not be included.

## CHURCH ACTIVITIES

### **19 Diocesan Common Fund**

Include the total figure for the year from your accounts.

### **20 Salaries & wages**

Include sums payable to assistant staff, youth worker, vergers, administrator, sexton, organist and choir, including National Insurance where applicable.

### **21 Expenses (all clergy)**

#### **Clergy working expenses**

Include telephone, postage, stationery, car and public transport, secretarial assistance, office equipment, maintenance of robes and hospitality.

#### **Parsonage/clergy houses**

Where the PCC pays it, include repair costs, water rates, council tax, and interior redecoration.

### **21a Expenses (pastoral staff and youth workers)**

Include all expenses paid to pastoral staff and youth workers.

### **22 Mission and evangelism projects**

Include costs of outreach, courses and other costs incurred in ongoing or project work you would see as mission focused. Exclude staff salaries (box 20) and expenses (box 21a). Childrens/youth work costs may be included here or in box 23 depending on whether you see them as mission focused or as running expenses.

### **23 Church running costs**

Include cleaning, minor repairs, routine maintenance, Church/office costs such as phone and stationery, organ and piano tuning. Include costs associated with the **provision of services** such as altar requisites, the repair/replacement of service books, music, leaflets and choir robes. Also include costs associated with the **care of the church grounds**, including routine maintenance, ground contracts, repair of mower and other equipment, and grass cutting.

### **23a Insurance**

Cost of Church insurance.

### **24 Church utility Bills**

Total costs of gas, electricity, oil and water.

### **25 Mazazines/bookstall**

Include costs incurred in generating the income recorded in box 12. If you have a bookstall or similar function, include the costs of trading e.g. books and other materials. Include the printing costs for the magazine and other editorial costs.

### **25a Church hall maintenance**

Include the running and maintenance costs of the church hall, except for major repairs, when the costs should be put into Box 28.

### **26 Governance Costs**

Include costs relating to the governance of the PCC, including any fees for audit or independent examination, expenses of PCC members **AS TRUSTEES**, the production of the annual report, hire charges for any PCC meetings.

## NON-RECURRING EXPENDITURE (inc. Capital)

### **27 Major repairs to the Church building**

Major repairs that cannot be classified as routine maintenance. Include major repairs and replacements of items that are installed in the church buildings, and the cost of interior and exterior decoration.

### **28 Major repairs to hall/other PCC property**

Major repairs that cannot be classified as routine maintenance and redecoration of church hall and other PCC property.

### **29 New building work**

Expenditure on new buildings, major alterations and extensions to the church, the church hall, parsonage house, or any other PCC property. Include the cost of professional fees and other associated expenses.

## TOTAL RESOURCES EXPENDED

Please also record the TOTAL resources expended as shown on your financial statements. This should also be split between unrestricted and restricted resources.

## ADDITIONAL INFORMATION

**Number of tax-efficient planned givers and Number of other planned givers:** each person giving the money (either box 1 or box 2 Incoming Resources page) should be counted only once.

**Number of legacies received:** a legacy should be counted in the first year that money from it is received, even if payments from the estate are spread over several years.

**Accounting Basis:** were your accounts prepared using the "Receipts and Payments" method (permissible for PCCs with income under £250,000), or under the Income & Expenditure (Accruals) method?