

Accounting Policies

The Financial Statements have been prepared in accordance with the Charity SORP FRS 102. The financial statements have been prepared on the accruals basis and on the basis of historical cost.

• **Restricted and Unrestricted funds.** All funds are treated as unrestricted with the following exceptions:

- Specific donations to the Organ Fund and John Cochrane Mission Fund
- Specific donations made to Church Funds for onward distribution to specific charities
- Rector's Discretionary Fund

The Trustees are operating a Reserves policy whereby unrestricted funds held by the charity will cover ten weeks of unrestricted resources expended. For this purpose, unrestricted funds exclude fixed assets and unrestricted resources expended excludes depreciation. The Trustees believe that this level of reserves would be sufficient to continue operating the charity should there be a significant drop in funding. As at the end of December 2022, unrestricted funds covered 25.7 weeks of unrestricted resources expended and exceed the policy above by 15.7 weeks.

• **Accounting for Income.**

- Donations are booked to income statement based on the date received.
- Gift aid associated with income is accrued based on the period to which it relates.

• **Accounting for Church related organisations.** In line with guidance from the NI Charities commission the accounts for 2022 and 2021 include the financial results of the following Church related activities:

- Bellringers
- Bowling club
- Catering committee
- Choir

• **Accounts for independent Charities** are excluded from the Church accounts.

Going Concern

These accounts have been prepared on a "Going Concern" basis and there are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

Statement of Financial Activity

The accounts for 2022 show a surplus in the period of £44.8k, which compares to a deficit of £(49.7)k in 2021. This improvement of £94.5k year on year is driven by an increase in income of £133.1k, partially offset by an increase in overall expenditure of £(36.8)k and a loss in investments of £(0.7)k.

Annual Accounts for Hillsborough Parish Church
Charity Commission of Northern Ireland No. 101674
Notes to the Financial Statements for the year ended 31st December 2022

Statement of Financial Activity for the year ended 31 December 2022

	Note:	Unrestricted	World Mission & other Charities	Romania Trip	Rectors Discretionary	JC Mission Fund	Organ Fund	2022 Total	2021 Total
		£	£	£	£	£	£	£	£
Income									
Voluntary Income	(1)	406,744	5,894	0	1,115	0	0	413,753	276,688
Church Activities	(1)	15,015	0	0	0	0	0	15,015	9,473
Activities for Generating income	(1)	19,351	0	0	0	0	0	19,351	29,153
Income from Investments	(1)	1,310	0	0	0	0	0	1,310	1,054
Total Income		442,420	5,894	0	1,115	0	0	449,429	316,368
Expenditure									
Donations	(3)	34,745	5,894	0	0	1,500	0	42,139	33,330
Church Activities	(2)	354,094	0	0	1,737	0	0	355,831	329,671
Support costs	(2)	6,021	0	0	0	0	0	6,021	4,162
Total Expenditure		394,860	5,894	0	1,737	1,500	0	403,991	367,162
Net Income/(Expenditure)		47,560	0	0	-622	-1,500	0	45,438	-50,794
Gains/(Loss on Investments)		-674						-674	1,078
Net Movement in Funds		46,886	0	0	-622	-1,500	0	44,764	-49,716
Prior year adj to Investments		0						0	0
Organ fund reallocation		0						0	0
Transfer of funds		-14,920			1,500	13,420		0	
Total Funds brought forward 1 Jan		1,801,875	0	616	500	0	17,309	1,820,300	1,870,016
Total Funds carried forward 31 Dec		1,833,841	0	616	1,378	11,920	17,309	1,865,064	1,820,300

Notes to the Accounts:

1. Incoming Resources

Total Income was £449.4k during the year, which is an increase of £133.1k on 2021. The increase is explained as follows:

- Voluntary income has increased by £137.1k to £413.8k, primarily due to the receipt of a legacy of £122.0k from the late John Cochrane. Standing orders have increased by £8.9k, offset by donations by annual cheque, down £(1.6)k, and Harvest Appeal down £(4.4)k. However, the net of all other donations is up £12.2k.
- Church activities have increased by £5.5k, largely due to Youth and Children's Church activities, including Family and Youth weekends.
- Activities for generating income are down £(9.8)k, driven by the end of the Job Retention Scheme and there being no insurance claims in 2022.
- Bank interest/fees is up £0.3k.

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Notes to the Financial Statements for the year ended 31st December 2022

Note (1) Incoming Resources

	Unrestricted	World Mission & other Charities	RT	RDF	JCMF	OF	2022 Total	2021 Total
Voluntary Income								
Annuals Cheque	7,750						7,750	9,365
Annuals SO	175,629						175,629	166,729
Appeals	12,935						12,935	17,357
Church Collections	2,013						2,013	1,890
Donation Station	654						654	
Donations	10,290			1,115			11,405	7,087
FWO	13,891						13,891	14,417
Gifted fixed asset	5,260						5,260	0
Gift Aid Income	53,174						53,174	53,894
Legacy	121,998						121,998	0
Miscellaneous / Contra	2,879	5,894					8,773	5,580
Wall Slot / Bottle	271						271	369
Total	406,744	5,894	0	1,115	0	0	413,753	276,688
Church Activities								
Badminton Ladies & Men	425						425	0
Bowling club	80						80	0
Churchyard	9,775						9,775	9,223
Events	340						340	0
Guides	100						100	50
Youth	455						455	200
Youth / Children's Church	200						200	0
Youth / Children's Church weeker	3,640						3,640	0
Total	15,015	0	0	0	0	0	15,015	9,473
Activities for Generating income								
Car Park Rental	3,500						3,500	3,500
Dance Class - Amber	7,882						7,882	3,740
Other Hall income	930						930	408
Grant	1,510						1,510	1,097
Job Retention Scheme	0						0	6,639
Jubilee Grant	500						500	
Fuel Grant	2,194						2,194	2,714
Insurance claims	0						0	10,200
Pilates - Yvonne	2,835						2,835	855
Rent Sextons house	0						0	0
Total	19,351	0	0	0	0	0	19,351	29,153
Income from Investments								
Bank fees & int	1,310						1,310	1,054
Total	1,310	0	0	0	0	0	1,310	1,054
Total Income	442,420	5,894	0	1,115	0	0	449,429	316,368

RT: Romania Trip RDF: Rector's Discretionary Fund JCMF: John Cochrane Mission Fund OF: Organ Fund

2. Resources Expended

Overall expenditure at £404.0k has increased by £36.8k compared to the previous year:

- Charitable donations up by £8.8k to £42.1k, due to increase in incoming resources and increase in tithe from 10% to 11%.
- Energy costs have increased by £12.8k.
- Salary and associated costs at £183.1k have increased by £7.9k, driven mainly by annual salary increase and staff turnover. There was no annual salary increase in 2021.
- Diocesan costs have decreased by £2.8k.
- Maintenance costs at £18.9k have decreased by £2.9k.
- Other total of all other costs has increased by £13.0k, largely due to increase in Church activities following COVID restrictions, increase in insurance and introduction of Family and Youth weekends.

Annual Accounts for Hillsborough Parish Church
Charity Commission of Northern Ireland No. 101674
Notes to the Financial Statements for the year ended 31st December 2022

Note (2) Resources Expended

	Unrestricted	World Mission & other Charities	RT	Rectors Discretionary	JC Mission Fund	Organ Fund	2022 Total	2021 Total
Donations								
Charitable Donations	34,745	5,894			1,500		42,139	33,330
							0	0
Total	34,745	5,894	0	0	1,500	0	42,139	33,330
Church Activities								
Diocesan Contribution	20,652						20,652	23,436
Staff Salaries	162,309						162,309	152,951
Staff Pensions	17,421						17,421	20,438
Staff other expenses	3,422						3,422	1,880
Electricity	6,753						6,753	5,032
Events	1,564						1,564	0
Fuel	25,879						25,879	14,757
Maintenance	18,885						18,885	21,739
Rates / Water Rates	2,880						2,880	2,611
Cleaning & Hygiene	1,378						1,378	227
Books & Scriptures	1,718						1,718	2,224
Bellringers	142						142	536
Children's Church	576						576	
Choir, Music and Praise Band	546						546	
Communion Wine & FWO envelopes	139						139	-89
Insurance	12,045						12,045	11,085
Lawnmower fuel	672						672	601
Licences	962						962	871
Equipment	0						0	1,208
Organ	300						300	790
Pastoral support	270						270	813
Rectors discretionary	0			1,737			1,737	1,727
Sunday School	0						0	22
Tea Coffee Morning Service	488						488	0
Training	72						72	
Visiting Organists	840						840	710
Visiting Preachers	964						964	580
Youth	1,278						1,278	1,489
Youth / Children's Church	1,613						1,613	
Youth / Children's Church weekend	4,976						4,976	
Depreciation of Fixed Assets	60,807						60,807	60,807
Telephone / Internet / Mobiles	3,323						3,323	2,863
Other	1,220						1,220	363
Total	354,094	0	0	1,737	0	0	355,831	329,671
Support costs								
Office equip & software	2,670						2,670	983
Postage	824						824	1,486
Stationery etc	1,530						1,530	1,087
Bank fees & int	997						997	607
Total	6,021	0	0	0	0	0	6,021	4,162
Total Expenditure	394,860	5,894	0	1,737	1,500	0	403,991	367,162

RT: Romania Trip RDF: Rector's Discretionary Fund JCMF: John Cochrane Mission Fund OF: Organ Fund

Note (3) Donations

	Unrestricted	World Mission & other Charities	John Cochrane Mission Fund	2022 Total	2021 Total
Donations					
Urban Saints	252			252	252
Compassion UK	336			336	336
CMSI (Egypt)	6,379		1,500	7,879	7,850
SAMS	3,190			3,190	5,650
Habitat for Humanity	3,190			3,190	2,825
ICS	3,190			3,190	2,825
Leprosy Mission	3,190			3,190	2,825
Willowfield Parish Community Assoc	6,379			6,379	5,650
Open Doors	6,379			6,379	0
Habitat for Humanity (Ukraine Appeal)	1,000	699		1,699	0
St Brendan's Church Mission	1,200	5,195		6,395	0
Bishops Fund	0			0	264
Salvation Army	0			0	465
Kingdom Voices	60			60	0
Boring Wells	0			0	1,388
Beechlawn School	0			0	1,000
Downshire School	0			0	2,000
Total	34,745	5,894	1,500	42,139	33,330

Balance Sheet at 31st December 2022

	Note	2,022 £	2021 £
Fixed Assets			
Tangible Fixed Assets	(4)	1,655,501	1,704,846
Investments	(8)	8,679	9,353
Total Fixed Assets		1,664,180	1,714,199
Current Assets			
Debtors	(5)	55,713	63,321
Prepayments			
Cash and Cash Equivalents	(7)	206,888	82,447
Total Current Assets		262,601	145,768
Current Liabilities			
Creditors		10,060	8,117
Accruals		51,657	31,550
Total Current Liabilities	(5)	61,717	39,667
Net Current Assets		200,884	106,101
Net Assets		1,865,064	1,820,300
Parish Funds			
Unrestricted Funds		1,833,841	1,801,875
Restricted Funds		31,223	18,425
Total Funds	(6)	1,865,064	1,820,300

Note (4) Reconciliation of Tangible Fixed Assets

	Land & Building	Plant	Fixtures & Fittings	Total
Cost				
At 1st January 22	2,278,961	101,477	42,844	2,423,282
Additions	0	3,564	7,898	11,462
Disposals				0
At 31st December 22	2,278,961	105,041	50,742	2,434,744
Accumulated Depreciation				
At 1st January 22	635,260	61,206	21,970	718,436
Charge for year	46,085	10,148	4,574	60,807
Disposals				0
At 31st December 22	681,345	71,354	26,544	779,243
Net Book Value				
At 31st December 21	1,643,701	40,271	20,874	1,704,846
At 31st December 22	1,597,616	33,687	24,198	1,655,501

• **Treatment of fixed assets**

- Heritage Assets: The following assets are treated as Heritage assets in line with the guidance of the SORP.
 - Church land and building and contents including the two organs
 - Parish Room
 - Maginnis Room

The original value of these assets is not valued or depreciated in the financial statements. However new investments in these assets post 2016 which increase the life of the assets have been capitalised.

- Assets to the value of less than £1,000 are not capitalised but are written off in the year of purchase.
- All remaining assets are capitalised and included in the Balance Sheet.
- In order to achieve this a one off exercise was undertaken in 2016 to create an asset register.
- Depreciation has been calculated using the straight-line method based on the following asset lives:
 - Buildings 50 years
 - Plant 10 years
 - Fixtures & Fittings 10 years

Investing Activities	2022	2021
Parish Rooms refurbishment	7,898	0
Sound desk	3,564	0
Total	11,462	0

Depreciation in the year was £60.8k, which is consistent with the trend in recent years. Over the last 5 years the total capital expenditure is £30.2k, which compares to depreciation of £300.0k .

Note (5) Debtors & Creditors

	2022 £	2021 £
Debtors & Prepayments		
Gift aid recoverable	50,750	58,060
Other debtors	4,963	5,261
Total	55,713	63,321
Liabilities: Amounts falling due within 1 year		
Charitable donations outstanding	31,927	25,689
Other accruals	19,730	5,861
Creditors	10,060	8,117
Total	61,717	39,667

Note (6) Reconciliation of Funds

	Unrestricted £	World Mission & other Charities £	RT	Rectors Discretionary	JC Mission Fund	Organ Fund £	2022 Total £
Balance at 1st January	1,801,875	0	616	500	0	17,309	1,820,300
Incoming resources	442,420	5,894	0	1,115	0	0	449,429
Outgoing resources	394,860	5,894	0	1,737	1,500	0	403,991
Gains/(Loss on Investments)	-674	0	0	0	0	0	-674
Donated fixed asset	0	0	0	0	0	0	0
Prior year adj to Investments	0	0	0	0	0	0	0
Organ fund reallocation	0	0	0	0	0	0	0
Transfer of funds	-14,920	0	0	1,500	13,420	0	0
Balance at 31st December	1,833,841	0	616	1,378	11,920	17,309	1,865,064

Select Vestry agreed to transfer £13.4k from Unrestricted funds to set up John Cochrane Mission fund, and to transfer £1.5k to support Rector's Discretionary fund.

Note (7) Cash and Cash Equivalents

	2022 £	2021 £
Account		
BELLRINGERS A/C	468	610
BOWLING CLUB	218	138
BUILDING/PROPERTY	10,138	7,738
BusInvAcc	2,307	2,304
CHOIR CONCERT A/C	107	107
CHURCHYARD ACCOUNT	15,834	6,755
GENERAL ACCOUNT	156,573	45,082
MasterCard Corporate	-390	-371
RECTORY ACCOUNT	211	211
ZERO GRAVITY	709	709
Catering Account	227	227
Parish Centre	20,486	18,937
Total	206,888	82,447

Note (8) Investments

Investments at 31 December 2022 is made up of:

	£
• RB General Unit Trust	8,679

Note (9) Related Party Transactions

• Trustees remuneration and benefits

- Two trustees have received remuneration in the period for services provided to the Parish. These are: Canon Bryan Follis and Rev Jonathan Brown for the period January – December 2022.

- The total cost incurred is:

	£
▪ Stipend	48,951
▪ Locomotory allowance	9,386
▪ Expenses of office	951
▪ Pension	13,838
▪ Curates rent allowance	2,143
▪ Employers NI	6,533
▪ Total Cost	81,802

• Trustees expenses

- Two trustees have claimed expenses during the period, which relate to repayment of costs incurred in support of Church activities.
- The total cost incurred was £4,122

• Trustees other

- One trustee received a leaving gift of £100 in recognition of long term service, and the curate received a leaving gift of £2,500 from the Parish.

• Auditor's remuneration

- No payment was received by the Independent Examiner reviewing these accounts.

There were no other related party transactions during the year that required disclosure.

Note 10: Staff Costs

	2022	2021
Average numbers employed	8	7
	£	£
Wages and salaries	153,392	140,918
Employer's Pension	16,191	19,434
Employer's national Insurance	8,004	10,054
Other employee benefits	2,143	4,290 (Curate's rent allowance)
Total Cost	<u>179,730</u>	<u>174,696</u>

- No individual employee received benefits (excluding pension) of more than £60k during the period.

Cash Flow Statement for the year ended 31st December 2022

	2022	2021
Cash Flow from operating activities	135,589	4,461
Cash Flow from investing activities	-11,462	0
Cash Flow from Financing activities	314	447
Movement in Cash in the period	<u>124,441</u>	<u>4,908</u>
Opening balance cash & cash equivalents	82,447	77,539
Closing balance cash & cash equivalents	206,888	82,447

Reconciliation of net income & expenditure

Net income/(expenditure) Statement of Financial Activities	44,764	-49,716
Adjustments for:		
Depreciation charges	60,807	60,807
Interest	-314	-447
Gains /(Loss) on Investments	674	-1,078
Decrease in debtors	7,608	-7,465
Increase in creditors	22,050	2,360
Cash flow from operating activities	<u>135,589</u>	<u>4,461</u>