

Rushen Parochial Church Council

Report and Accounts for the year ended 31st December 2021

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Report of the Rushen Parochial Church Council

for the year ended 31st December 2021

Overview

Rushen Parochial Church Council (the “PCC”) has the responsibility of cooperating with the incumbent, the Reverend Joe Heaton, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Parish Church, Kirk Christ and its three chapels of ease, namely St. Catherine’s, St. Mary’s and St Peter’s plus St Catherine’s Hall and St Mary’s Hall.

The Vicar & Wardens was the body responsible for running the parish’s affairs prior to the establishment of the Parochial Church Council. Today the Vicar & Wardens’ activities are two-fold and held entirely separate from each other and the PCC.

Firstly, under Manx law, the Vicar & Wardens are responsible for the burial grounds attached to Kirk Christ. They are administered under statute by the Vicar & Wardens of Kirk Christ, also known as the Rushen Burial Grounds Authority. This authority operates its own bank accounts and produces its own set of audited accounts in respect of all Rushen burial grounds matters only.

Secondly, the Vicar & Wardens are responsible for the receiving and holding of legacies where it is a named beneficiary and making grants to the PCC where expenditures qualify under the terms of those legacies. The assets of the Vicar & Wardens are held in bank accounts administered by the PCC. Such activities are set out and reported on in the accounts of the Vicar & Wardens of Rushen Parish. These accounts are presented to the annual parish church meeting along with those of the PCC.

The parish files annual returns to the diocese covering membership and finance. The parish return for finance covers PCC activity only and excludes all Vicar & Wardens business, except where the PCC receives a grant from the Vicar & Wardens.

Objectives and activities

The PCC is committed to enabling as many people as possible to take part in Anglican worship in the parish of Rushen and to become part of the Rushen parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, we have considered public benefit. In particular, we try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the gospel; and developing their knowledge and trust in Jesus.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

To facilitate this work it is important that we maintain the fabric of all our church buildings and halls.

Financial review

There was a deficit on ordinary activities in 2021 of £15,375 (2020 - deficit £7,321). After taking exceptional items into account, there was a net surplus of income over expenditure of £944,787 (2020 - surplus £1,985). Total collections and giving were £82,907 (2020 - £86,290) of which £376 was restricted (i.e., given for a specific purpose). This figure includes £58,670 (2020 £62,142) planned voluntary giving. The finances of the PCC were adversely affected by the Covid-19 pandemic for the second year running, which necessitated the closure of all the churches and halls during the early part of the year. During the year the PCC received a legacy of £926,020 from the estate of Mr Arthur Cregeen, formerly a Church Warden of Kirk Christ.

Administrative information

Rushen parish is the southernmost parish on the Isle of Man. It is part of the Diocese of Sodor and Man within the Church of England. The correspondence address is Rushen Vicarage, Barracks Road, Port St Mary IM9 5LP, Isle of Man.

Rushen Parish website is: www.rushenparish.org.uk

Copies of this Rushen PCC Report and Accounts are available at this website under Publications.

INDEPENDENT EXAMINER'S REPORT

Independent examiner's report to the Rushen Parochial Church Council ("Rushen PCC").

I hereby report on the accounts of the Rushen PCC for the year ended 31st December 2021 which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts for the charity. The trustees consider that an audit is not required for this year under section 5 of the Charity Registration Act 1989 ("the Act") and that an independent examination is appropriate.

It is my responsibility to:

- Examine the accounts; and
- State whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out taking into consideration general guidance given by the General Registry. An examination includes a review of the accounting records kept by the Rushen PCC and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as Rushen PCC Members 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 accounts.

Independent examiner's statement

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

- which gives me reasonable cause to believe that in all material respects the requirements:
 - to keep accounting records in accordance with regulations made under section 11(1)(a) of the Act;
 - to prepare accounts in accordance with regulations made under section 11(1)(b) of the Act;have not been met; and
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Date:

Rushen PCC Accounts for the year ended 31st December 2021

Note	RECEIPTS	2021 (£)		2020 (£)
4	Collections and Giving	82,907		86,290
5	Donations	16,937		5,474
5	Legacies received	926,020		2,500
5	Grants	22,129		840
5	Grants from Vicar & Wardens	12,513		37,471
6	Fundraising Activities	5,755		7,209
	Income from Investments	383		414
7	Wedding & Funeral Fees	5,795		4,326
8	Trading Income	11,993		6,233
	Receipts for the year	1,084,432		150,757
	ASSETS at	01/01/21		01/01/20
	Cash	302		327
	Isle of Man Bank	94,137		92,127
	Investments (at cost)	5,176		5,176
	Total Assets	99,615		97,630
	TOTAL RECEIPTS	1,184,047		248,387

	DISBURSEMENTS	2021 (£)		2020 (£)
9	Fundraising Costs	782		1,162
10	Charitable Donations	15,846		4,932
	Diocesan Parish Share	69,092		66,434
11	Salaries, Wages and Honoraria	11,935		11,009
12	Vicar's Expenses	2,778		788
13	Mission and Evangelism	566		989
14	Total Church Running Expenses	28,831		19,026
	Church Electricity & Oil	5,389		6,132
15	Hall Costs	4,426		7,635
	Major Work – Churches	0		4,626
	Major Work – Halls	0		26,039
	Disbursements for the year	139,645		148,772
	ASSETS at	31/12/21		31/12/20
	Cash	431		302
	Isle of Man Bank	238,795		94,137
16	Investments (at Cost)	805,176		5,176
	Total Assets	1,044,402		99,615
	TOTAL DISBURSEMENTS	1,184,047		248,387

Rushen PCC Accounts for the year ended 31st December 2021

Note	Cash Flow Statement	2021 (£)		2020 (£)
	Receipts for the year	1,084,432		150,757
	Disbursements for the year	-139,645		-148,772
	Net Cash Flow	944,787		1,985
	Exceptional receipts removed:			
	Grant from Vicar & Wardens			
	- towards major work	0		-26,039
	- towards repairs, maintenance & general costs	-12,513		-11,432
	Legacies received	-926,020		-2,500
	Restricted grants & donations	-21,629		0
	Exceptional disbursements removed:			
	Major Work – Churches	0		4,626
	Major Work – Halls	0		26,039
	Net Cash Flow without exceptional items	-15,375		-7,321

Note	Reserve Analysis for 2021	31/12/21 (£)	Net Movement for year	31/12/20 (£)
	Assets	1,044,402		99,615
	Represented by:			
17	Restricted Reserves:	947,649	947,649	0
	PCC Designated Reserves:			
	Kirk Christ	1,302	0	1,302
	St Catherine	9,886	0	9,886
	St Mary	2,240	1,000	1,240
	St Peter	0	0	0
	St Mary's Ladies Working Party	570	-303	873
	Vicar's Discretionary Fund	1,500	0	1,500
17	PCC Designated Reserves	15,498	697	14,801
17	General Reserve	81,255	-3,559	84,814
	Total Reserves	1,044,402	944,787	99,615

These accounts were approved by Rushen Parochial Church Council on 22nd March 2022

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Chairperson

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Treasurer

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Date

Rushen Parochial Church Council

Notes to the accounts for the year ended 31st December 2021

1 - Purpose of Accounts

These accounts are prepared by the Rushen Parochial Church Council ("Rushen PCC" or "the PCC") to present to the Annual Church Meeting the financial affairs of the Parish of Rushen in the Diocese of Sodor and Man.

2 - Accounting Policies

The accounts have been prepared on a receipts and disbursements basis. This is a cash method of accounting and no accruals are included. The conventions used in the preparation of the accounts are set out by the Church of England in the notes for Returns of Parish Finance for 2021.

The guidance notes on preparation of parish returns are available at:

<https://parishreturns.churchofengland.org/UserGuides/2021FinanceForm.pdf>

Receipts:

Receipts are normally recorded at the time of banking. Cash from offertory boxes are included at date of counting and posted to the PCC cash position. Certain other offertory box cash is recorded at date of banking. Cash activity by subgroups are recorded at the date they are entered in the respective cash books.

Disbursements:

Cheques are recorded at the time they are written. Direct debits and standing orders are posted to the cash book at the date they appear on the bank statements.

The Parish return requires that all lines are broken down between unrestricted and restricted funds. Restricted funds received are those received for a specific purpose designated by the donor or by PCC policy. Where disbursements are made from restricted funds received they are reported on the return as restricted. These accounts do not distinguish between restricted and unrestricted items but where appropriate the breakdown is shown in the notes to these accounts.

3 - Basis of Consolidation

The accounts are the consolidated activities of all the churches and chapels and their associated subsidiary church related groups under the auspices of the Rushen Parochial Church Council.

These accounts therefore cover the activities of Kirk Christ (Rushen, known as the Parish Church), St Catherine's (Port Erin), St Mary's (Port St Mary) and St Peter's (Cregneish). The legal position of Rushen Parish is that there is a parish Church (Kirk Christ) and three chapels of ease to the parish church, namely St. Catherine, St. Mary and St. Peter. For the sake of simplicity, and to reflect general usage, the three chapels of ease will be referred to as churches in these Notes.

The accounts for 2021 have been prepared on the same basis as 2020. The activities included in these accounts for 2021 are the same as for 2020.

Vicar & Wardens Reserves:

The Vicar & Wardens is a separate legal entity to the PCC whose sole remaining church-related financial activity is the receiving, holding and distribution of legacies donated to them. For information purposes a summary of the Vicar & Wardens accounts is presented in Note 21. The PCC manages all the assets of the Vicar & Wardens.

Note that the activities of the Vicar & Wardens with respect to the burial grounds forms no part of the Rushen PCC or Rushen Vicar & Wardens accounts. This activity is managed and accounted for separately under statutory regulation.

4 - Collections and Giving

All collections at services are treated as unplanned giving for Parish Return reporting, except where a known annual cheque is received through the plate. Only giving by covenant, standing order, bank transfer and annual cheque is treated as planned giving in the parish return. Retiring collections and those taken at weddings and funerals are treated as donations.

5 – Donations, Legacies and Grants received

A legacy of £926,020 was received during the year from the estate of Mr Arthur Cregeen. The legacy is for the general use of the Parish of Rushen, excluding St Peter’s Church.

Grants include £21,629 received from the Leigh Squire Trust to be used solely for the benefit of St Mary’s Church.

Grants from the Vicar & Wardens totalling £12,513 represented the funds released to cover PCC expenditures that met the restrictions on legacies held by the Vicar & Wardens.

6 - Fundraising Activities

The total amount of £5,755 comprised funds raised from the proceeds from concerts and various other activities.

7 - Weddings and Funeral Fees

These are shown after paying organist, vergers and clerk fees, and represent the statutory fees set by the diocese for use of the church together with heating charges.

8 – Trading Income

Trading Income	2021 (£)		2020 (£)
Books and magazine sales	180		91
Letting of halls	10,610		5,355
Fees for provision of a choir at weddings	150		150
Royalties for commemorative coins	350		0
Administration services	703		637
Total	11,993		6,233

9 - Fundraising Costs

These are the costs of the various groups who raise funds through concerts, coffee mornings, teas, rambling and weekly subscriptions.

10 - Charitable Donations

	Amount (£)
Charitable Donations for 2021	
Port St Mary SU Holiday Club	300
Scripture Union Ministries Trust	1,100
Leaving gift to Curate	550
Southern Food Bank	212
Diocese of Sodor & Man	10,000
1 st Rushen Scout Group	1,000
Crossroads	500
St Christopher's Fellowship	500
Royal British Legion Port Erin Branch	164
Leprosy Mission	670
Women's Refuge	750
Graih	100
Total	15,846

11 - Salaries and Fees Paid

These consist of the Parish Administrator's salary, the Director of Music's honorarium, substitute and extra organist's fees plus fees and expenses paid to the retired clergy.

12 - Vicar's Expenses

These represent sundry expenses incurred directly by the vicar and curate in the performance of their duties plus the Easter collection traditionally given to the vicar.

13 - Mission and Evangelism

This comprises the cost of supplies for St Mary's Sunday School, Messy Church, Soup Inn and other local outreach.

14 – Total Church Running Expenses

Church Running Expenses	2021 (£)		2020 (£)
Insurance	2,750		2,742
Cleaning	3,468		4,035
Church supplies	998		941
Copying, books, stationery	1,335		607
Telephone	573		554
Administration costs	1,251		1,594
Repairs & maintenance	18,456		8,553
Total	28,831		19,026

15 - Hall Costs

The total figure represents the costs of both St. Mary's and St Catherine's halls and includes insurance premium allocated to the halls, electricity and oil, repairs and maintenance, cleaning and various items for the kitchens.

16 – Investments

Investments are shown at cost or the best approximation thereto. Investments held at 31st December 2021 were as follows:

CBF Income Fund	No. of shares	Cost	Market Value
As at 31 st December 2020	642.84	£5,176	£13,170
Additions during the year	36,447.64	£800,000	
As at 31 st December 2021	37,090.48	£805,176	

Market value is at 31st December 2021 as supplied by CCLA, the investment management arm of the Central Board of Finance of the Church of England.

17 - Reserves

There are three types of reserves shown as follows:

Restricted reserves: those attributable to legacies or other donors who have stipulated specific purposes for their bequests and donations. It is the PCC's policy that where expenditure meets the restrictions of a particular reserve it will be set against that reserve before being set against other reserves. Legacies and donations will be used in the order in which they were received. This means that the oldest reserves will be used up before newer reserves covering the same type of expenditure.

PCC designated reserves: these are reserves established by order of the PCC for specific designated purposes. This includes reserves for specific purposes, where the donor's intent is not captured in a legal document such as a will. Such reserves are a means for the PCC to manage its financial affairs. Any reserve established by the PCC can be changed at the PCC's specific direction.

General reserves: these are reserves without any restriction or designation.

Changes in Reserves during 2021

Restricted Reserves:

The following restricted funds were received during the year and remained unspent at 31st December 2021:

Legacy from the estate of Mr Arthur Cregeen (see note 5)	£926,020
Grant from the Leigh Squire Trust (see note 5)	<u>£21,629</u>
Total restricted reserves at 31 st December 2021	£947,649

All other restricted funds received during the year were expended in 2021.

PCC Designated Reserves:

The net movements on the PCC designated reserves are shown on page 7 of these accounts. They comprise a donation of £1,000 where the donor has expressed a wish for the funds to be allocated to the re-ordering of St Mary's Church and £303 net expenditure by St Mary's Ladies Working Party. All other designated funds received during the year were expended in 2021.

General Reserves:

The PCC's general reserve decreased by £3,559 during 2021 (2020 – increase £3,613).

18 - Vicar & Wardens Accounts

A summary of the Vicar & Wardens accounts is shown below and is included for information only.

RECEIPTS	2021 (£)		2020 (£)
Legacies received	0		7,501
Income from Investments	3		87
Receipts for the year	3		7,588
ASSETS at	01/01/2021		01/01/2020
Assets held by the Vicar & Wardens	105,491		134,284
Assets held by PCC	0		1,090
Total Assets	105,491		135,374
TOTAL RECEIPTS	105,494		142,962

DISBURSEMENTS	2021 (£)		2020 (£)
Grants to the PCC	12,513		37,471
Disbursements for the year	12,513		37,471
ASSETS at	31/12/2021		31/12/2020
Assets held by the Vicar & Wardens	92,981		105,491
Total Assets	92,981		105,491
TOTAL DISBURSEMENTS	105,494		142,962

19 - Combined PCC and Vicar & Wardens Accounts

The following schedule combines summaries of the receipts and disbursements accounts for the PCC and Vicar & Wardens. It is included to give the reader a view of the overall affairs of the Parish.

RECEIPTS	2021 (£)		2020 (£)
PCC	1,084,432		150,757
Vicar & Wardens	3		7,588
Eliminations: Grants from Vicar & Wardens	-12,513		-37,471
Receipts for the year	1,071,922		120,874
ASSETS at	01/01/2021		01/01/2020
PCC	99,615		97,630
Vicar & Wardens	105,491		135,374
Total Assets	205,106		233,004
TOTAL RECEIPTS	1,277,028		353,878

DISBURSEMENTS	2021 (£)		2020 (£)
PCC only	139,645		148,772
Disbursements for the year	139,645		148,772
ASSETS at	31/12/2021		31/12/2020
PCC	1,044,402		99,615
Vicar & Wardens	92,981		105,491
Total Assets	1,137,383		205,106
TOTAL DISBURSEMENTS	1,277,028		353,878

