

THE ANNUAL REPORT

Guidance on the preparation of the Annual Report and Accounts of the Parochial Church Council is contained in the booklet 'The Charities Act 1993 and the PCC' 3rd edition, published in 2006 by Church House Publishing. It gives specific guidance on how to follow the Charity Commission's Statement of Recommended Practice issued in March 2005 (SORP 2005).

The preparation of a written annual report, like the preparation of the accounts, is the joint responsibility of the whole PCC. It puts all the PCC's financial statements into perspective and relates them to the wider life of the Church. The report will review the past year and link financial plans to the vision for the future. For this reason, while it is legally a separate document from the accounts, it provides important accompanying information to the accounts and SORP therefore requires that it should be attached to the accounts whenever a full set of accounts is distributed.

The Church Representation Rules (Rule 9 (1)(b)) require 'an annual report on the proceedings of the parochial church council and the activities of the parish generally' to be received by the Annual Parochial Church Meeting (APCM). The meeting is then free to discuss it.

This report is the only report required by law. It is quite separate from the statement or address that the incumbent may wish to make to the APCM and is distinct from the reports of church organizations which are a normal feature of APCMs and are often produced as a separate report. The Annual Report will usually be drafted by the secretary and the treasurer of the PCC, but some PCCs may wish to involve others in the drafting. It is a significant document in the life of the Church and should be prepared in that light rather than as a chore to be completed.

The PCC must adopt the report before it is presented to the APCM and it must be dated and signed by the chairman of the PCC meeting at which it was adopted. Ideally an early draft should be shown to the PCC, but beware attempting to draft by committee.

The independent examiner or the auditor will need to see at least a draft of the report as a part of their scrutiny of the accounts. The report should be attached to the accounts whenever a full set of accounts is distributed, together with a copy of the audit or independent examination report.

Because the report must be written for the general public as well as for Church members, it has to include information that Church members might take for granted, such as identification of the parish church, how the PCC operates and the names of its members.

The whole report should be wider than this and deal with the main activities of the Church and new developments planned. It will give a flavour of the Church at worship, 'being' as well as 'doing', in pastoral and mission modes, and how it relates to those outside and on the fringes as well as in the congregation.

It is in no one's interest to make the report long and complicated. It is much more likely to be read if it is succinct and to the point.

Detailed guidance on how to prepare an annual report for PCCs over the audit threshold of income of £100,000 is given in a 'dark blue' booklet, 'The Charities Act 1993 and the PCC, 2006: A guide to the SORP 2005 revisions' (3rd edition). The relevant section is Chapter 9, pages 53-59.

Guidance for PCCs under the audit threshold of income of £100,000 is given in the 'light blue' booklet, 'The Charities Act 1993 and the PCC, 2006: Preparing Receipts and Payment Accounts (SORP 2005). The relevant section is Chapter 6, pages 31-36. Your PCC Treasurer will have a copy of one of these booklets

An example of an annual report in the 'simpler' version for PCCs under the audit threshold is included in both booklets. If you wish to use this format (but not the content!), you can download a copy as a Word document from the Church of England website www.parishresources.org.uk/treasurers/annual_report.htm

Example of a 'simpler' version of the Annual Report

ST EMILION'S CHURCH, BARCHESTER ANNUAL REPORT AND ACCOUNTS OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2006

Administrative information

St. Emilion's Church is situated in The Green, Barchester. It is part of the Diocese of Salisbury within the Church of England. The correspondence address is The Vicarage, Church Street, Barchester.

The Parochial Church Council (PCC) is a charity excepted from registration with the Charity Commission

PCC members who have served from 1st January 2006 until the date this report was approved are:

Incumbent: The Revd Onesimus Og Chairman

Reader: Mr Adam Agrippa

Wardens: Mrs Bathsheba Babylon
Mr Caleb Cornelius Vice chairman

Representatives on the Deanery Synod:

Mr David Dathan

Mr Eli Emmaus Secretary

Mr Felix Festus

Elected members:

Miss Gomer Goliath (From APCM 2006 – 5th April 2006)

Mrs Hannah Hosea Treasurer

Mr Ishmael Isaiah

Miss Jemima Joshua

Mrs Kezia Korah

Miss Leah Lot (Until APCM 2006 – 5th April 2006)

Mr Mark Moses

Miss Naomi Noah

Mr Paul Potiphar (Until APCM 2006 – 5th April 2006)

Miss Ruth Reuben

Mr Timothy Thomas (From APCM 2006 – 5th April 2006)

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

Objectives and Activities

St Emilion's PCC has the responsibility of co-operating with the incumbent, the Revd Onesimus Og, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church Centre complex of St Emilion's, The Green, Barchester.

Achievements and Performance

Church attendance

There are 273 parishioners on the Church Electoral Roll, 91 of whom are not resident within the parish. 18 names were added during the year and 9 were removed either through death or because they moved away from the parish. The average weekly attendance, counted during October, was 207, but this number increased at festivals and two Christmas carol services had to be held to seat all those who wished to attend.

Review of the year

The full PCC met six times during the year with an average level of attendance of 80%. Committees met between meetings and minutes of their deliberations were received by the full PCC and discussed where necessary.

A great deal of time and thought was spent during the year on making best use of the new services. Many have said how much easier it is to follow the services now that they are printed out in booklets. We also agreed the new style of Family Worship on the morning of the 3rd Sunday each month.

This has meant that special arrangements have had to be made for baptisms and for welcoming the families at corporate worship on the 1st Sunday of each month. It is pleasing to be able to report that the new arrangements have been well received since they came into operation during September. They will be reviewed by the PCC after 12 months.

The PCC has also focused its attention on the questions posed to parishes in the deanery about the most effective deployment of stipendiary and non-stipendiary clergy.

The kitchen in the Church Hall was refurbished during August and the new environment meets the stringent health and safety requirements and allows us to continue the old people's luncheon club on Saturdays. A new photocopier was purchased.

The Mission and Evangelism Committee is to be congratulated on their fund-raising efforts. £1,350 was raised for the Southern Africa Famine appeal. It is good that these efforts on behalf of others can be combined with opportunities for fellowship.

The planned giving through envelopes and banker's orders increased by 8% and it was good to see the use of Gift Aid envelopes increased. However the total income, including tax recovered but excluding the legacy, went up by only 2% due to a reduction in general donations and because no rummage sales were held. We were grateful for a pecuniary legacy of £1,000 from the estate of Mrs Esther Ruth. £2,000 was set aside towards the cost of the much needed cleaning of the organ. The work was completed in time for Christmas.

The state of the nave roof has been causing concern for some time. After many years, during which routine maintenance has been carried out, a detailed report on its condition will be prepared by the architect at the next routine inspection in April 2007. We have already anticipated the need for major structural renewal, and it is our policy to make provisions from general income in the hope that an urgent appeal can be avoided.

Financial Review

Total receipts on ordinary unrestricted funds were £63,450 and are detailed in the Financial Statements. The freehold house at 36 Church Road continues to be let temporarily, which provided a gross income of £3,700.

£60,850 was spent to provide the Christian ministry from St Emilion's Church, including the contribution to the diocesan parish share, which largely provides the stipends and housing for the clergy. It increased by 12%. The sum that the Churches in the deanery have to find is shared between the Churches according to a formula that is based mainly on a head count of the congregations. We have to find more of the sum at St Emilion's as the size of our congregation increased more compared with other churches.

The net result for the year was an excess of receipts over payments of £2,600. After transferring £2,000 to the designated Organ fund to cover expenditure incurred towards the end of the year (paid in 2007), and adding bank and deposit balances brought forward at the beginning of the year, the balances carried forward at 31st December for unrestricted funds totalled £4,900.

Reserves policy

It is PCC policy to maintain a balance on unrestricted funds (if possible), which equates to approximately six months unrestricted payments, to cover emergency situations that may arise from time to time. The balance of £4,900 on unrestricted funds at the year end did not match this target.

The balance of £17,050 in the Fabric restricted fund is retained towards meeting the cost of the nave roof repairs detailed above.

It is our policy to invest our funds balances with the CBF Church of England Deposit Fund

Approved by the PCC on 8th March 2007 and signed on their behalf by Revd Onesimus Og (PCC Chairman)