



The Parochial Church Council of the Ecclesiastical
Parish of St Matthew with St Sidwell, Exeter

Registered Charity Number 1169445

Annual Report and
Financial Statements
For the year ended 31st December 2023

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST MATTHEW WITH ST SIDWELL, EXETER

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Aim and Purpose

The Parochial Church Council of the Ecclesiastical Parish of St Matthew with St Sidwell Exeter has the responsibility to co-operate with the incumbent to promote, within the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC confirms that it has given due regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, and in planning future activities.

Objectives and Activities

We believe this involves:

- Inviting those outside the church to encounter Jesus and explore faith;
- Creating community and developing a deep experience of belonging;
- Equipping our members to live effective Christian lives in every sphere of society; and
- Sending out our members to transform society and proclaim hope.

To fulfil this vision, our aims are:

- To build a worshipping, praying and spirit filled community;
- To strengthen community and deepen relationships throughout the church and community;
- To equip every member to live a distinctively Christian life which brings God's Kingdom into homes, schools, universities and workplaces;
- To evangelise and spread the gospel;
- To engage children and young people in the Christian faith; and

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- To offer pastoral care and support to those living in Newtown and beyond.

2023 has been a year of change and growth for St Matt's. As we approach the end of the initial funding period for the work we are doing in partnership with the Diocese of Exeter and supported by Strategic Development Funding (SDF), our focus has been on future sustainability, consolidating growth, restructuring our staff team and facilities and developing future church plants. As a result, 2023 has seen significant change to the way we deliver our core objectives by making greater use of volunteers and streamlining the operational needs of the church.

The work of the last four years will continue when the SDF funding finishes in August 2024. With this in mind, the PCC and senior management team have been working on a comprehensive financial plan to ensure continuation of our core activities. This plan depends on much greater volunteer engagement and careful financial planning.

Alongside this we have focused upon the consolidation of growth in church activities throughout the week. The number of people engaged by St Matt's has grown significantly. A primary focus of 2023 has been to deepen this community and help those new to faith to be actively involved in the life of the church. With the exception of our Student and Younger Youth ministries, all areas of church life have grown numerically. We see the consolidation of this growth to be crucial to enable future planting and help the church to be sustainable into the future.

To enable further growth, we have also been restructuring our staff team and facilities to better meet the needs of our current activities. All ministry areas rely upon strong teams of volunteers to deliver their groups. Rev Matt Clayton left the staff team and PCC in December 2022 to lead another church in the city. He had primarily been responsible for the leadership of our Students (18-30s) and Youth (11-18s) ministry areas. Given the proportionately lower numbers attending these activities, the PCC decided to consolidate his role and the role of Youth Pastor into a new Ministry Head position to encompass both ministries. Therefore, the Youth Pastor role was made redundant in July 2023. The PCC continues to recruit for this senior role and hopes to appoint a suitable candidate in 2024 who will develop Youth and Student activities across our services.

Our volunteers include some 'Super Volunteers' who play a key part in the delivery of our activity and maintenance of our buildings.

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In 2023, preparatory works to begin construction of an extension on the church to house six toilets and a small break-out room continued with the expectation that works will be completed in 2024. This will be the final piece of a 3 phase project to upgrade St Matthew's church to meet the needs of our activities.

Finally, a significant project undertaken by St Matt's in 2023 has been the establishment of a 'church planting' project in St Andrew's Exwick. At the invitation of the Bishops of Exeter and Crediton, St Matt's was invited to propose a plan for a strategic partnership between our churches to enable church growth in Exwick. In August 2023, Rev Ed Hodges was licensed as Priest in Charge of Exwick parish and Rev Mack Deptula was appointed Curate at both St Andrew's and St Matthew with St Sidwell. We intend to continue building these strategic links and look to streamline the governance of both parishes to reflect this relationship. In the meantime, the PCC has agreed to support the revitalisation of activities at St Andrew's by providing equipment and staff resource.

Overall, we aspire for St Matt's to become fully self-sustaining in the longer term by building a growing community of active Christians who embody the Diocesan vision to grow in prayer, make new disciples and serve the people of Devon with joy.

Achievements and performance

Worship and Prayer

The largest gathering of people at St Matt's continue to be our services of worship, encouragement and prayer. There have been 3 weekly services held throughout the year including:

- A midweek traditional Eucharist; and
- 2 contemporary and accessible Sunday services at 10am and 6pm.

Collectively these services attract up to 400 worshippers each week, including over 60 children. Services are supported by a variety of volunteer teams including cafe, hosting, kids, worship and production and overseen by employed members of staff. These teams offer opportunities to serve the wider work of the church and encourage hands-on engagement in our worship and mission.

Prayer and worship provide an important foundation for the wider activities of the church. In response to feedback from members of the community, our patterns of weekly prayer changed in Summer 2022. We designated 2023 as a 'Year of Prayer'

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with weekly lunchtime prayer meetings and increasing our 'Kingdom Come' events to every month. These provide an opportunity for worship and to pray for the needs of the church and city. St Matt's has a growing worship team, resourced by approximately 50 volunteers who lead worship at our services and events like Kingdom Come and Alpha.

Creating and Strengthening Community

St Matt's exists to create and strengthen community through belonging. One of the ways this is achieved is through midweek groups. In response to strategic analysis by our staff team, we restructured groups to make them more easily accessible in 2023. At present there are 19 groups meeting fortnightly across Exeter and beyond. These groups are led by trained volunteers who organise, teach and pastor their attendees. Groups provide the environment for deep, long-lasting relationships and support for pastoral needs. They create opportunities for spiritual growth and seek to find ways they can impact their local communities. We actively encourage groups to play their part in the transformation of their locality.

Equipping the Church

St Matt's seeks to be a church that equips every member to influence the world around them. Our intention is to deploy equipped and motivated Christians into a variety of areas, supported by the church to reduce poverty and isolation and transform society in Exeter. We also continue to support and encourage members of our community to play an active role in outreach and social action through partner organisations. These have included organisations supporting those leaving the care system, adoption, fostering and homeless feeding programmes.

In September 2023, we started River Café, a women only space where women on probation can come and meet their Probation Officers and Support Workers. The vision for River Café is to create a welcoming space where the women who come feel seen, valued and respected.

We also seek to invest in leaders and future leaders of the Church of England. St Matt's is responsible for the training and development of Rev Vanessa Petridge who will serve her Curacy in the parish until 2024. She is involved in a number of areas including leading volunteer teams, training small group leaders, midweek services and pastoral visiting. In 2023, she was joined by Rev Mack Deptula who is currently serving a hybrid curacy between St Matt's and St Andrew's Exwick. We continue to identify potential candidates for ministry within the Church of England

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and support their training and development. There are currently 3 ordinands training for ministry at St Mellitus South West and serving their placement at St Matt's.

Evangelism

St Matt's continues to be a church which attracts and engages those outside the church. We are committed to running the Alpha course from Holy Trinity Brompton as an accessible and replicable model of evangelism. Each term, we promote the upcoming course and encourage our members to invite family, friends and colleagues to try Alpha and explore the big questions of life, faith and meaning. In 2023, two courses have been offered in person attracting a peak attendance of 30 guests. We also continue to offer other courses and events which provide easy opportunities for those attending to explore faith and find out about Christianity.

Children and Young People

St Matt's is an intentionally multigenerational church with an emphasis upon reaching those groups who are least likely to attend church. Namely, families with young children, students and young adults. St Matt's designation as a Diocesan Resource Church places special emphasis upon engaging children, families and university students and these continue to be top priorities for St Matt's. Despite the lack of a designated Student or Youth Pastor for much of 2023, we have continued to offer these groups and events. The student ministry is now attended by around 30 students. We intend to focus on this area further once a new Ministry Head has been appointed as it remains an under-reached area of the city's demography.

A crucial area of engagement with children and young people is at our Sunday services. Our Sunday Kids groups regularly attract over 50 children and their parents and are led and facilitated by a volunteer team in the church hall. In addition there are Sunday groups for 11-14 year olds and midweek groups for young people aged 15-18.

To support families of younger children, we offer POLO (Parents of Little Ones), a mid-week group for parents and toddlers with a particular emphasis on supporting parents in the early stages of their children's lives. This has been a great group to invite local families to who might otherwise not attend church as it has a wider appeal to those who value the support of other parents with young children. We regularly see over 50 kids and 50 adults attending. In addition to this throughout 2023, we have offered POLO Tinies (for children aged 1 and under). This group has

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grown and developed significantly and currently has between 15–20 regular attendees.

St Matt's also plays an active role in its designated parish school, St Sidwell's. Our Kids and Families Pastor is supported by key volunteers in delivery of collective worship and providing pastoral care to the school staff team.

Other Activities (inc. Ecumenical Relationships)

As a Resource Church, St Matt's is committed to fruitful partnerships with other churches and faith-based organisations. This is partially achieved by the involvement of clergy and lay-leaders in ecumenical groups, and we are also members of Churches Together in Exeter. We continue to offer consultancy and training to local organisations and churches seeking to enhance their own services and activities using our models.

Additionally a number of other faith based and community organisations make use of our premises. This has included hosting regional strategic events on behalf of the Diocese of Exeter, regional Alpha UK events, local school performances and charity fundraisers.

Financial Review

The total unrestricted income for the year was £270,917 (2022: £220,333) of which £222,499 (2022: £172,547) was donations. The £348,120 (2022: £210,509) of restricted income includes £338,289 (2022: £171,784) of SDF income. £346,103 (2022: £335,005) was spent to provide Christian ministry at St Matt's and St Sidwell's Churches, including the contribution to the Diocesan Common Fund which largely provides stipends and housing for the clergy. This is the amount that the churches in the diocese are asked to contribute to cover these costs. It is calculated by a formula based mainly on the head count of the congregation. The expenditure also includes £69,052 (2022: £54,669) spent on major improvements to the church building.

The net result for the year was a surplus of £272,934 (2022: £95,837) before gains/losses on investments. After adjusting for gains on investments, the net surplus for the year was £278,132 (2022: £88,466).

The PCC receives rental income from renting the church hall, hall car park and some spaces in the church car park.

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The PCC has designated approximately 10% of the year's generated income and investment dividends to charities of their choice. This designated fund is called "Charitable Giving" in the accounts. The PCC have agreed that the amount designated to be spent in 2024 is £10,000.

Reserves Policy

The Finance Team has built on the established budget monitoring process to develop more detailed reporting and analysis to support the decision making of the PCC as it leads the church through a period of growth and recovery from the impact of Covid-19. The PCC aims to hold free reserves broadly equivalent to 3 months' expenditure (£91,000) for the following reasons:

1. To manage cash flow and contractual obligations;
2. In case of significant building maintenance being required; and
3. Against loss of income whilst buildings are not available for rental.

The PCC has approved a budget for 2024 with a deficit of £20,000. This deficit is predominantly due to the PCC approaching the end of our SDF funding and needing to partially fund some of the staff salaries. The PCC was willing to approve a deficit budget as expenditure will be reviewed throughout the year against projected and actual income and spending can be reduced if deemed necessary. The PCC have also been anticipating this need to bridge the gap between SDF funding and ongoing financial sustainability and as such, have reserves available to cover the deficit if necessary.

The total net assets as at the year end were £1,601,237, and of these, £346,886 are restricted reserves. Of the remaining £1,254,351 unrestricted general funds, £589,252 is held as tangible fixed assets, and £330,000 in investment property. The remaining free reserves held by the PCC are £335,099.

This is in excess of the reserves policy by £244,099. We are continuing to hold reserves in excess of the policy as we work towards establishing financial sustainability at the end of the external SDF funding period. The funding period ends in August 2024. Detailed forecasting has been carried out to build a clear financial picture of the next 6 years. We are anticipating deficit budgets until 2030 so the reserves are being held to cover these deficits.

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Risk Management

The policies with Ecclesiastical Insurance Group provide adequate insurance cover for all the activities in which the PCC is involved, including employers' and public liability.

We have in place a resilient safeguarding procedure for the recruitment of staff and new volunteers particularly for the Kids and Youth team.

The PCC holds a Risk Register that is reviewed on a regular basis by the senior staff team and is presented to the PCC each year.

Our investments have stabilised having dropped in value earlier in the year.

Income and expenditure is being actively monitored by the Finance Team. We currently have reserves that would be able to support activity should the need arise toward the end of 2024. The PCC will continue to monitor the situation.

Structure, Governance and Management

The method of appointment of PCC members is set out in the Church Representation Rules 2022. The Council comprises the Incumbent, the Associate Vicar, the Church Wardens, those elected to the Deanery Synod, and other members who are elected at the Annual Parochial Church meeting, by those on the Electoral Roll. Members of the congregation are always encouraged to join the Electoral Roll and to consider standing for election to the PCC. There were 109 members in 2023.

The PCC supports the incumbent in promoting the ministry and mission of the Church. The powers conferred on the Council by the Parochial Church Councils (Powers) Measure 1956 include the power to acquire, manage, and administer property for Ecclesiastical purposes, and the power to frame an annual budget of monies required for Church work.

The Council is also given power, jointly with the incumbent, to appoint and dismiss Church staff members and to determine the salaries and conditions of service of these officers.

The PCC met 7 times during 2023. During these meetings, reports from various ministry areas are reviewed. Our Annual Parochial Church Meeting was held on 23rd May 2023.

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The Standing Committee consists of the Incumbent, the Associate Vicar, Churchwardens, the PCC Secretary, the Treasurer and two other PCC members. This is the only committee required by law and has the power to transact business of the PCC between its meetings, subject to any direction of the Council.

A Finance Team has been established to work towards the PCC being self-sustainable at the end of the SDF income and to review the quarterly management accounts and other financial papers.

We are also developing a wider pool of volunteers and raising up volunteer team leads who support the Incumbent and staff team to deliver on Sundays and activities throughout the week that seek to meet our aims and objectives.

The staff team comprises an Operations Director, Worship Pastor, Kids & Families Pastor and Operations & Leadership Administrator. It has previously also included a Youth Pastor but this role was made redundant in July 2023. Each staff member will have an annual Personal Development Review which will set out personal aims and objectives for the following year and identify which strategic priorities they are responsible for.

We also have a volunteer Parish & Teams Administrator in post who supports the staff team by completing various administrative tasks and a Facilities Co-ordinator who helps to oversee the maintenance and cleaning of the buildings. We have also more recently recruited a volunteer DBS Administrator who processes all our DBS checks and references.

Every staff team member meets regularly with their line manager and the staff members responsible for the various volunteer teams meet regularly with those team leads. We are committed to ongoing training and development for both staff and volunteers.

Safeguarding

Parish safeguarding is supported by Andrea Pethick and Janet Spencer.

The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have regard to House of Bishops' guidance on safeguarding children and vulnerable adults) which has been incorporated into the Church Safeguarding Policy and embedded through our safeguarding practices.

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The PCC has adopted the Diocesan Dashboard for monitoring compliance with safeguarding best practice.

Reference and administrative Information

The Parochial Church Council of the Ecclesiastical Parish of St Matthew with St Sidwell, Exeter has pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2023.

Church Addresses

St Matthew's Parish Church, Lower Summerlands, Exeter EX1 2LJ
St Matthew's Church Office, St Matthew's Church Hall, Clifton Road, Exeter EX1 2BS
Charity Registration Number: 1169445
Tel: 01392 248322 Email: hello@stmattsexeter.org Web: www.stmattsexeter.org

St Sidwell's Chapel, Sidwell Street, Exeter, EX4 6NN

Membership of the Parochial Church Council (PCC)

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

Ex Officio members

Clergy

Rev Edward Hodges (Chair)	Incumbent
Rev Maciej Stanislaw Deptula (from July 2023)	Vicar
Rev Vanessa Pestridge	Curate

Church Wardens

Mark Hobson
Rebecca Barratt

Elected Members

Chloe Christine	
Jade Faulkner-Lloyd	
John Kow	
Kim Wilding	
Neil Williams	Treasurer
Adam Westaway	
Frank Ford (from May 2023)	

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Co-opted Members

Mike Cleveland
(with PTO)

Retired Clergy

Key management personnel include all members of the PCC as well as the Operations Director (Sophie Giles), the Kids & Families Pastor (Jessica Hodges) and the Worship Pastor (Josh Chesworth until September 2023).

Investment Managers

CCLA Senator House, 85 Queen Victoria Street, LONDON EC4V 4ET

Bankers

Lloyds Bank, 234 High Street, EXETER EX4 3NL

Independent Examiner

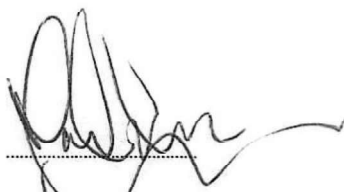
Mrs S Truran FCCA, FCA
Bush & Co Chartered Accountants,
2 Barnfield Crescent, Exeter, Devon, EX1 1QT

This report was approved by the PCC on 22nd April 2024 and signed on their behalf by:



Rev Edward Hodges

PCC Chair



Mark Hobson

PCC Church Warden

On behalf of the Parochial Church Council

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INDEPENDENT EXAMINER'S REPORT
Year Ending 31 December 2023

I report to the PCC on my examination of the accounts of The Ecclesiastical Parish of St Matthew with St Sidwell (the church) for the year ended 31 December 2023, which are set out on pages 13 to 29.

Responsibilities and basis of report

As the church's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the gross income for the year exceeds the amount provided in section 145(3) of the Act, I confirm that I am qualified to act as Independent Examiner under the provisions of that section of the Act and that my qualification is as shown below.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mrs S Truran FCCA, FCA
Bush & Co Limited
Chartered Accountants
2 Barnfield Crescent
Exeter EX1 1QT
Dated:

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
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STATEMENT OF FINANCIAL ACTIVITIES
Year Ending 31 December 2023

	Notes	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted funds	Restricted Funds	Total 2022
		£	£	£	£	£	£
INCOME FROM							
Donations and legacies	2a)	222,499	347,920	570,419	172,547	209,722	382,269
Charitable activities	2b)	2,114	200	2,314	6,281	787	7,068
Other trading activities	2c)	21,253	-	21,253	19,818	-	19,818
Investments	2d)	25,051	-	25,051	21,687	-	21,687
TOTAL INCOME		<u>270,917</u>	<u>348,120</u>	<u>619,037</u>	<u>220,333</u>	<u>210,509</u>	<u>430,842</u>
EXPENDITURE ON							
Charitable activities	3a)	176,132	169,971	346,103	164,951	170,054	335,005
TOTAL EXPENDITURE		<u>176,132</u>	<u>169,971</u>	<u>346,103</u>	<u>164,951</u>	<u>170,054</u>	<u>335,005</u>
Net income/(expenditure) before investment gains/(losses)	9	94,785	178,149	272,934	55,382	40,455	95,837
Net gains/(losses) on investments		5,198	-	5,198	(7,371)	-	(7,371)
NET INCOME/(EXPENDITURE)		<u>99,983</u>	<u>178,149</u>	<u>278,132</u>	<u>48,011</u>	<u>40,455</u>	<u>88,466</u>
Transfers	13	27,741	(27,741)	-	(492)	492	-
Reserves brought forward	13	1,126,627	196,478	1,323,105	1,079,108	155,531	1,234,639
Reserves carried forward	14	<u>1,254,351</u>	<u>346,886</u>	<u>1,601,237</u>	<u>1,126,627</u>	<u>196,478</u>	<u>1,323,105</u>

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BALANCE SHEET
As at 31 December 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible fixed assets	7		589,252		585,177
Investment property	8		330,000		330,000
Investments	9		60,441		55,243
			<u>979,693</u>		<u>970,420</u>
CURRENT ASSETS					
Stock		-		1,000	
Debtors and prepayments	10	20,137		94,716	
Cash at bank and in hand		624,363		272,437	
		<u>644,500</u>		<u>368,153</u>	
LIABILITIES					
Creditors - amounts falling due within one year	11		22,956		15,468
Net current assets			621,544		352,685
Total assets less current liabilities			<u>1,601,237</u>		<u>1,323,105</u>
NET ASSETS			<u>1,601,237</u>		<u>1,323,105</u>
PARISH FUNDS					
Unrestricted reserves					
General			1,254,351		1,126,627
	13		<u>1,254,351</u>		<u>1,126,627</u>
Restricted reserves	13		346,886		196,478
			<u>1,601,237</u>		<u>1,323,105</u>

These financial statements were approved by the PCC on **22nd April** 2024 and were signed on its behalf by:



Rev Edward Hodges
PCC Chair

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STATEMENT OF CASHFLOWS
Year Ending 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
<i>Net cash provided by/(used in) operating activities</i>	1	376,794	112,824
Cash flows from investing activities			
Purchase of tangible fixed assets		(24,868)	-
<i>Net cash provided by/(used in) investing activities</i>		(24,868)	-
<i>Change in cash and cash equivalents in the reporting period</i>		351,926	112,824
Cash and cash equivalents at the beginning of the reporting period		<u>272,437</u>	<u>159,613</u>
<i>Total cash and cash equivalents at the year end</i>	2	<u><u>624,363</u></u>	<u><u>272,437</u></u>

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NOTES TO THE STATEMENT OF CASHFLOWS
Year Ending 31 December 2023

	2023	2022
	£	£
1 Reconciliation of net income/(expenditure) to net cash flows from operating activities		
<i>Net income for the reporting period (as per the Statement of Financial Activities)</i>	278,132	88,466
Adjustments for:		
Depreciation	20,793	17,868
Gain on investments	(5,198)	7,371
(Increase)/decrease in stocks	1,000	773
(Increase)/decrease in debtors	74,579	9,273
Increase/(decrease) in creditors	7,488	(10,927)
<i>Net cash provided by/(used in) operating activities</i>	376,794	112,824
2 Analysis of cash and cash equivalents		
Cash at bank and in hand	613,700	261,774
Notice deposits (less than 3 months)	10,663	10,663
	624,363	272,437

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NOTES TO THE FINANCIAL STATEMENTS
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1. **Accounting policies**

Basis of preparation

The financial statements have been prepared under the Charities Act 2011 and in accordance with Church Accounting Regulations 2006 together with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

The financial statements have been prepared under the historic cost convention except for the valuation of investment assets, which are shown at fair value.

The PCC meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in sterling, which is the functional currency of the PCC.

Going concern

The financial statements have been prepared on the going concern basis. There are no material uncertainties related to events or conditions that may cast significant doubts upon the PCC's ability to continue as a going concern.

Funds

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. Funds designated for a particular purpose by the PCC are also not restricted.

Restricted funds are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are shown in the notes to the accounts.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of the church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

Income

Donations and legacies

Planned giving, collections and general donations are recognised only when received.

Gift aid recoverable on donations is recognised when the donation is received.

Grants and legacies to the PCC are recognised as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is probable.

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Year Ending 31 December 2023

1. **Accounting policies (continued)**

Charitable activities

Income from church fee income is recognised when the fee is due. Income from activities is accounted for gross.

Other trading activities

Rental income is recognised when the rent is due. Where income is received in advance, it is recognised in the year in which the event takes place that it relates to.

Investments

Interest entitlements are accounted for as they accrue. Dividends are accounted for when due and payable.

Expenditure

Raising funds

Expenditure on raising funds is accounted for on the accruals basis. Raising funds includes the costs of the investment property.

Charitable activities

Expenditure on charitable activities is accounted for on the accruals basis. The diocesan common fund is accounted for when payable. Any unpaid amount at 31 December is provided for in these accounts as an operational (although not legal) liability and is shown as a creditor in the Balance Sheet.

Grants are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Taxation

The charity is exempt from tax on its charitable activities.

Tangible fixed assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

No value is placed on moveable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

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1. **Accounting policies (continued)**

Freehold property

Freehold property is valued at purchase price. The PCC does not depreciate its freehold properties as it judges any depreciation charge to be immaterial on the basis of the long life and high residual value on the basis of the PCC's policy of regular maintenance. The PCC carries out periodic impairment reviews.

Other fixed assets

Other fixed assets are recognised at cost. Individual assets with a purchase price less than £1,000 are written off when the asset is acquired.

Depreciation has been provided on other fixed assets on a straight line basis in order to write off the cost of the assets over the following estimated useful lives:

Fixtures and fittings – 10 years

Computers and equipment – 5 years

Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with FRS 102 and are not depreciated.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The SOFA includes net gains and losses arising on revaluations and disposals throughout the year.

Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for any amounts that may prove uncollectable. These are recognised initially at the settlement amount. Prepayments are valued at the amount prepaid, net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
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1. Accounting policies (continued)

Creditors

Creditors are recognised when the PCC has an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount that the PCC anticipates it will pay to settle the debt or the amount it has received as advanced payment for the goods or services it must provide.

Financial instruments

The church only has financial assets and liabilities of a kind that qualify as basic financial instruments. All (including debtors and creditors) are initially recognised at transaction value and subsequently measured at their settlement value.

2 Income from:

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
2a) Donations and legacies				
Planned giving	137,946	-	137,946	125,474
Gift aid recoverable	31,228	1,256	32,484	26,593
Collections	6,693	-	6,693	3,568
General donations and appeals	46,632	6,225	52,857	52,850
SDF grants	-	338,289	338,289	171,784
Other grants	-	2,150	2,150	2,000
	222,499	347,920	570,419	382,269
2b) Charitable activities				
Weddings and funerals	518	-	518	1,180
Student weekend away	1,541	200	1,741	5,763
Youth Events	55	-	55	125
	2,114	200	2,314	7,068
2c) Other trading activities				
St Matthew's Church Hall rental	11,770	-	11,770	13,154
St Matthew's parking	9,483	-	9,483	6,664
	21,253	-	21,253	19,818

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	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
2d Investments				
Dividends and interest	4,728	-	4,728	1,687
Crown House rental	20,323	-	20,323	20,000
	<u>25,051</u>	<u>-</u>	<u>25,051</u>	<u>21,687</u>
Total income	<u>270,917</u>	<u>348,120</u>	<u>619,037</u>	<u>430,842</u>
3 Expenditure on:				
	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
3a) Charitable activities				
Missionary and charitable giving (Note 6)	7,378	1,000	8,378	11,278
LYN food bank (Note 13)	-	568	568	2,371
Diocesan common fund	56,326	-	56,326	51,821
Ministry costs	2,194	-	2,194	2,006
Cost of services	17,878	689	18,567	13,893
Worship & production costs	2,018	-	2,018	3,276
Youth, students & children's work	11,196	-	11,196	15,255
Staff costs (Note 4)	11,626	98,662	110,288	121,344
Maintenance and repairs	4,594	-	4,594	6,882
Major improvements	-	69,052	69,052	54,669
Church running costs	22,043	-	22,043	18,078
Church hall running costs	2,631	-	2,631	2,082
Administrative costs	13,163	-	13,163	11,491
Depreciation	20,793	-	20,793	17,868
<i>Support and governance costs</i>				
Legal and professional fees	1,472	-	1,472	576
Independent examiner's fee	2,820	-	2,820	2,115
	<u>176,132</u>	<u>169,971</u>	<u>346,103</u>	<u>335,005</u>

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4 Staff costs

	2023	2022
	£	£
Wages and salaries	104,573	114,265
Social security costs	3,591	4,748
Employer's pension contributions	2,124	2,331
	110,288	121,344
	2023	2022
Average number of employees	5	6
Average number of full-time equivalent employees	4	4

During the year the PCC did not employ anyone who earned £60,000 per annum or more (2022: none).

Total employee benefits (including pension and employer's national insurance contributions) to key management personnel was £87,282 (2022: £93,170).

5 Related party transactions

Jessica Hodges is married to Edward Hodges, who is the incumbent and chair of the PCC. Jessica Hodges is employed as the kids and families pastor and received gross salary of £20,565 (2022: £19,584) and employer's pension contributions of £430 (2022: £400).

During the year to 31 December 2023, the charity received £41,273 (2022: £72,010) in donations from the PCC members, key management personnel and persons closely connected to them. The gifts did not have any conditions which required the charity to significantly alter the nature of its existing activities.

No other transactions or expenses were undertaken with any other PCC member, persons closely connected to them or related parties.

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6 Missionary and charitable giving

	2023	2022
	£	£
Bridge The Gap	-	1,820
CAP	-	250
Children's Society	-	28
CoLab Exeter	-	165
CTaX	35	35
Foodbank	1,200	1,200
Fusion	500	-
Home for Good	600	600
ICE Charitable Trust	150	150
Joyfest	416	-
Nayamba Trust	500	485
Peninsula Initiative - SW Community Chaplaincy	-	600
Open Doors	-	250
RD&E Neonatal ICU	250	257
St Petrock's	500	500
St Sidwell's School leaver's Bibles	279	450
Street Pastors	300	300
Tearfund	300	500
The Beehive Foundation	250	250
Ukraine Appeal	-	638
YMCA	2,800	2,800
Other Discretionary gifts	298	-
	<u>8,378</u>	<u>11,278</u>

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7 Tangible fixed assets

	Land and buildings	Fixtures and fittings	Computers and equipment	Total
	£	£	£	£
Cost				
Brought forward	514,066	78,043	50,316	642,425
Additions	-	20,485	4,383	24,868
Carried forward	<u>514,066</u>	<u>98,528</u>	<u>54,699</u>	<u>667,293</u>
Depreciation				
Brought forward	-	25,079	32,169	57,248
Charge for year	-	9,853	10,940	20,793
Carried forward	-	<u>34,932</u>	<u>43,109</u>	<u>78,041</u>
Net book value				
Carried forward	<u>514,066</u>	<u>63,596</u>	<u>11,590</u>	<u>589,252</u>
Brought forward	<u>514,066</u>	<u>52,964</u>	<u>18,147</u>	<u>585,177</u>

Land and buildings only contains the St Matthew's Church Hall at deemed cost.

8 Investment property

Brought forward and carried forward	<u>£</u> <u>330,000</u>
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The only investment property held by the PCC is Crown House. The PCC have valued the property based on the fact that market rent is being charged at a rate of £20,000 per annum. A 10 year lease was entered into in 2019 with the current tenant, so the PCC believe the value is unlikely to have changed materially given vacant possession would not be possible on a sale.

9 Investments

Market value brought forward	<u>£</u> 55,243
Disposal proceeds	-
Net gains on revaluation	5,198
Market value carried forward	<u>60,441</u>

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10 Debtors and prepayments

	2023	2022
	£	£
Tax recoverable	4,625	3,724
Prepayments	2,647	2,222
Other debtors	6,313	5,018
SDF income	6,552	83,752
	20,137	94,716
	20,137	94,716

11 Creditors and accruals

	2023	2022
	£	£
Trade creditors	11,948	3,750
Accruals	3,497	3,982
Deferred income	5,323	5,518
Other creditors	2,188	2,218
	22,956	15,468
	22,956	15,468

12 Contingent assets

During 2019, St Matt's was awarded a Strategic Development Funding (SDF) grant of £1,333,068 by the Archbishops' Council towards the cost of growing mission in the city of Exeter over 5.5 years. This grant was applied for by the Exeter Diocesan Board of Finance (EDBF), who was acting as an agent on behalf of St Matt's. The grant is claimed by filing expense claims in arrears, with all moneys going through the EDBF and being passed on to St Matt's. Each claim requires approval by administrators of the SDF to ensure it is in line with the original budget submitted. The Archbishops' Council reserves the right to terminate the award if it becomes substantially unlikely that St Matt's will be able to deliver its outcomes as set out in the original grant application. These performance related conditions prevent the full recognition of the grant. So far St Matt's have managed to meet the conditions, so there does not appear to be a reason why the SDF income will not be available for 2024. Of the total grant, £1,297,671 has been recognised, leaving £35,397 as a contingent asset.

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13 Movement in funds
2023

	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
	£	£	£	£	£	£
Unrestricted reserves						
General	1,126,627	262,837	(168,052)	5,198	27,741	1,254,351
Charitable Giving	-	8,080	(8,080)	-	-	-
	<u>1,126,627</u>	<u>270,917</u>	<u>(176,132)</u>	<u>5,198</u>	<u>27,741</u>	<u>1,254,351</u>
Restricted reserves						
SDF (see below)	147,203	338,289	(151,469)	-	-	334,023
LYN (see below)	10,106	581	(568)	-	(7,256)	2,863
Extension	9,000	-	(9,000)	-	-	-
Capital Projects	19,480	8,250	(7,245)	-	(20,485)	-
BTG	689	-	(689)	-	-	-
Bequest	10,000	-	-	-	-	10,000
Donation	-	1,000	(1,000)	-	-	-
	<u>196,478</u>	<u>348,120</u>	<u>(169,971)</u>	<u>-</u>	<u>(27,741)</u>	<u>346,886</u>
	<u><u>1,323,105</u></u>	<u><u>619,037</u></u>	<u><u>(346,103)</u></u>	<u><u>5,198</u></u>	<u><u>-</u></u>	<u><u>1,601,237</u></u>

Unrestricted funds

Charitable Giving

This is made up of approximately 10% of the year's generated income and investment dividends. The PCC has agreed that the amount designated to be spent in 2023 was £8,000. It is to be paid to charities chosen by the PCC. The amount designated to be spent in 2024 is £10,000.

Restricted funds

Strategic Development Funding (SDF)

This fund contains the SDF income that has either been received or is receivable.

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13 Movement in funds (continued)

Restricted funds

Love Your Neighbour (LYN)

Love Your Neighbour is our social response to the Covid-19 crisis. A pop-up food bank was set up to help those in our local community.

Extension

This fund was spent in 2023 on the extension work to the church.

Capital Projects

This fund contains a restricted gift from members of the congregation to be used on the kitchen refurbishment in the hall and replacement of church carpets. Carpet and kitchen expenses totaled £7,245 and £20,485, respectively, with kitchen refurbishments being treated as capital expenditure.

BTG (Bridge the Gap)

This fund was used for an Exeter football tournament. Funds were received into the LYN fund in 2021 which have been transferred to the BTG fund in 2022 and 2023.

Bequest

This fund contains a bequest to be used on the plant at Exwick which will take place in 2024. The fund will be spent on building and staff costs.

Donation

This fund was used to pay for childrens toys from a donation of £1,000 during the year, which has been fully used up.

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13 Movement in funds (continued)
2022

	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
	£	£	£	£	£	£
<i>Unrestricted reserves</i>						
General	1,079,108	213,768	(158,386)	(7,371)	(492)	1,126,627
Charitable Giving	-	6,565	(6,565)	-	-	-
	<u>1,079,108</u>	<u>220,333</u>	<u>(164,951)</u>	<u>(7,371)</u>	<u>(492)</u>	<u>1,126,627</u>
<i>Restricted reserves</i>						
Charity collections	28	631	(1,151)	-	492	-
SDF	134,292	171,784	(158,873)	-	-	147,203
LYN	12,211	2,050	(2,371)	-	(1,784)	10,106
Extension	9,000	-	-	-	-	9,000
Capital Projects	-	25,000	(5,520)	-	-	19,480
NICU	-	257	(257)	-	-	-
BTG	-	787	(1,882)	-	1,784	689
Bequest	-	10,000	-	-	-	10,000
	<u>155,531</u>	<u>210,509</u>	<u>(170,054)</u>	<u>-</u>	<u>492</u>	<u>196,478</u>
	<u><u>1,234,639</u></u>	<u><u>430,842</u></u>	<u><u>(335,005)</u></u>	<u><u>(7,371)</u></u>	<u><u>-</u></u>	<u><u>1,323,105</u></u>

14 Analysis of Assets and liabilities between funds
2023

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets			
Tangible fixed assets	589,252	-	589,252
Investment property	330,000	-	330,000
Investments	60,441	-	60,441
Debtors and prepayments	13,585	6,552	20,137
Cash at bank and in hand	277,477	346,886	624,363
Current liabilities	(16,404)	(6,552)	(22,956)
Net assets	<u><u>1,254,351</u></u>	<u><u>346,886</u></u>	<u><u>1,601,237</u></u>

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14 Analysis of Assets and liabilities between funds (continued)

2022

Tangible fixed assets	585,177	-	585,177
Investment property	330,000	-	330,000
Investments	55,243	-	55,243
Stock	1,000	-	1,000
Debtors and prepayments	10,964	83,752	94,716
Cash at bank and in hand	159,711	112,726	272,437
Current liabilities	(15,468)	-	(15,468)
Net assets	----- 1,126,627	----- 196,478	----- 1,323,105