



Church of Saint Mary the Virgin, Iffley

Annual Report and Financial Statements of the Parochial Church Council

for the year ended 31 December 2007

Incumbent

The Revd Andrew McKearney
The Rectory
Mill Lane
Iffley
Oxford
OX4 4HN

Bank

Barclays
PO Box 333
Oxford
OX1 3EJ

Independent examiner

Alan Stone
27 Long Close
Botley
Oxford
OX2 9SG

Church of Saint Mary the Virgin, Iffley
Annual Report and Financial Statements
of the
Parochial Church Council
for the year ended 31 December 2007

	Page
Contents	1
Parochial Church Council purpose	2
Membership	2
Committees	2
Electoral Roll	2
Review of 2005 – Vicar’s Report	3
Committee and Working Group Reports	5
1. Secretary’s Report – Proceedings of the PCC	5
2. Standing Committee	5
3. Charities Committee	5
4. Church Hall Committee	6
5. Fabric Committee	6
6. Finance Committee	7
7. Magazine	7
8. Young St Mary’s and St Mary’s Youth	7
Treasurer’s Report	9
Independent Examiner’s report	11
Statement of Financial Activities	12
Balance Sheet	13
Summary Statement of Funds	13
Notes to the Financial Statements	14
1. Accounting policies	14
2. Incoming resources	15
3. Resources expended	15
4. Fund Reports	16
(a) General	16
(b) Fabric	18
(c) Hall	18
(d) Mission	19
5. Staff costs	20
6. Assets for use by the PCC	20
7. Debtors	20
8. Liabilities	20
9. Statement of Assets and Liabilities	20

St Mary's Parochial Church Council – Annual Report for 2007

Parochial Church Council purpose

St Mary's Parochial Church Council (the PCC) has the responsibility of co-operating with the incumbent in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has responsibility for the management of the Church property in the parish – St Mary's Church, the Church Hall and Church House.

Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with Church Representation Rules.

<i>Incumbent:</i>	The Revd Andrew McKearney	Chair
<i>Curate:</i>	The Revd Gill Hancock	
<i>LLM:</i>	Sarah McKearney	
<i>Wardens:</i>	Barbara Alderson	<i>Until April 2007</i>
	Pat Alexander	
	Lorna Bourdeaux	<i>From April 2007</i>
<i>Representatives on the Deanery Synod:</i>	Jeff Alderson	
	Patricia Michael	
	Caroline Zvegintzov	
<i>Elected PCC members:</i>	Julia Davies	
	Ruth Dixon	Secretary
	Karen May	
	Stephen Michael	
	Dougall Morrison	
	Helen Powell	
	Dick Richards	
	Jonathan Stockland	
	Roger Wagner	
	John Whitaker	Treasurer & Electoral Roll Officer
	Giles Williams	<i>From April 2007</i>
<i>Other Offices:</i>	Lorna Bourdeaux	Child Protection Representative
	Godfrey Townsend	Deputy Treasurer
	John Whitaker	Giving Officer
	The Revd Gill Hancock	Health & Safety Officer
	Dougall Morrison	Data Protection Officer

Committees

The PCC operates through committees and groups, which meet between full PCC meetings.

Standing Committee
Charities Committee
Church Hall Committee
Fabric Committee
Finance Committee
Magazine
Young St Mary's and St Mary's Youth

Electoral Roll

There are 152 persons on the Church Electoral Roll. 35 are not resident within the parish. This compares with 143 on the Church Electoral Roll a year ago. Average attendance at Sunday services is 110.

Review of 2007

Vicar's Report

Ministry

There were significant changes in the ministry at St Mary's in the course of 2007; during the summer Darrell Hannah, a house for duty priest, left and Gill Hancock, a stipendiary deacon, came; Barbara Alderson's term of office as churchwarden was completed and Lorna Bourdeaux was elected to join Pat Alexander as churchwarden; Sarah McKearney was licensed as a lay minister; the Ministry Team expanded to include Andrew McKearney, David Barton, Gill Hancock, Pat Alexander, Lorna Bourdeaux and Sarah McKearney with Michael Bourdeaux a willing and very welcome additional helper. In the course of the year the parish played its part in training two ordinands, Max Diaz and Timon Singh.

Worship & Prayer

There was an extensive consultation exercise in the autumn to discuss proposed changes primarily to the main Sunday Parish Communion Service. The refurbished organ was rededicated in March when Philip Bullock, a former organist at St Mary's, returned to give an organ recital; our team of organists, musicians, cantors and St Mary's choir, provide a wonderful richness to the worship at St Mary's under Geoffrey Tyack, our Director of Music, with the assistance of others, especially Michael Bourdeaux. Towards the end of the year Giles Williams, one of our organists, moved to Paris after making a significant contribution both to our worship and, in his brief time, to the PCC. Taize Services have clearly met a need for a more contemplative style of worship and we are grateful to the group who take responsibility for that under Sarah McKearney. A large number of people play a significant part in our worship, often in quite unseen ways, and we are very grateful to all of them, Servers, Sacristans, those who care for the altar linen, the silverware and keep an eye on the candles, Chalice Bearers, Lesson Readers, Intercessors, Ushers, Sidespersons and Deputy Churchwardens.

Teaching & Fellowship

Young St Mary's & St Mary's Youth have continued throughout the year thanks to the small but dedicated team of adult leaders; Penny Powell after many years faithful and loving service, handed on the responsibility for coordinating the younger children's work to Lisa Hynes. Coffee after church at 10am has continued to be provided by all those on the coffee rota. The Magazine Team have provided the church and the wider parish with an excellent monthly magazine throughout the year. During Lent we held a parish discussion group at the Rectory for 18 people who looked at 'Power & Passion' by Sam Wells and there was a series of four Lent Concerts held in the chapel of the Queen's College to which members of St Mary's gave significant support and received great spiritual benefit. A new Bible Study Group, meeting fortnightly in the afternoon, was added to the existing two that have run in the parish in the evenings. Social events have included a Parish Breakfast & Lunch, a Harvest Supper and an Advent Lunch.

Mission & Service.

The Mission Fund of the church, under the direction of the Charities Committee, has played a vital part in the mission of this church and further details are provided in the Charities Committee report and the accounts of the Mission Fund. The website plays an increasingly significant role in both promoting the work of St Mary's and in serving the wider community and its concerns; we are very grateful to Rhys Hedges for the work he has done on the parish website. The Fairtrade Stall held in the church hall over coffee on a monthly basis has provided a valuable opportunity for the promotion and purchasing of fair traded goods and the Gatehouse has continued to receive regular support from the congregation.

Local Inter Church Groups

A particularly warm and fruitful relationship began during the year between St Mary's and Rose Hill Methodist Church with the aim of serving the community of Rose Hill more effectively; a Methodist deacon will be coming to live and work in Rose Hill in the autumn of 2008. The Church has continued to play its part in the Cowley Area Deanery Synod and the ecumenical grouping, Churches Together in Cowley.

Church Building

The Church building is normally open during the day and there have been many visitors to the church including a number of organised groups. A meeting was held with Ruth Nineham to enable a number of church guides to take people round the building. We are grateful to the team of flower arrangers coordinated by Ariane Dickson for doing such an excellent job for both weddings and Sundays and the church was filled with garden flowers for the open gardens weekend with a team of volunteers to welcome visitors. We are grateful to the bell ringers who ring on Sundays, both in the morning and evening, and for weddings and special occasions. In addition to the cleaning done weekly by Malva Reaney, Sylvia Bolton and Joan Loveridge have regularly polished the brasses and there was the annual spring clean before Easter headed up by Lorna Bourdeaux. We are particularly grateful to Peter Wace, Godfrey Townsend and Jeff Alderson, who ensure that the church shop and associated publicity is well stocked and available to visitors. The replacement pulpit microphone has only occasionally caused problems. In the course of the year the Easter candle had to be replaced because it was stolen. Other than routine matters (as for instance a small amount of electrical work and the painting of the external doors to the church) there was no work done on the church building. The next Quinquennial inspection is due in 2008.

Churchyard

The churchyard is closed and responsibility for its care including the safety of the headstones (last inspected in 2005) has been accepted by Oxford City Council. They cut the grass monthly, leaving some areas picturesquely long, and once a year in midsummer they cut the whole churchyard, brambles and all. In the year the PCC paid for cutting the West lawn, since the Council do this very badly and leave the cut grass to be walked into the church, and the associated hedge; in the light of budget constraints the PCC may have to review this decision. In addition we are grateful to the team of volunteers who look after the borders. One tree was blown down during the year without causing any further damage. We are particularly grateful to Sheila Fairfield for overseeing much of this work. Interment of Ashes has continued to take place in the designated area at the foot of the cross on a number of occasions throughout the year and the Book of Remembrance kept in church has been updated by Margrit Bates.

Inner & Outer Vestry

An audit was undertaken during the year by Barbara Alderson of the contents of the outer vestry. Pat Alexander headed up sorting out the contents of the filing cabinets and metal cupboards to make better use of the limited space available for storage. This work is ongoing.

Church Office

A new photocopier was leased and installed in the church office during the year. Considerable reorganisation of the church office was undertaken by Andrew McKearney, after consultation with Alma Brown and Barbara Parker, former secretaries for previous incumbents. Some of the contents of the filing cabinets in the vestry were transferred to the church office to form an archive, and a financial archive was stored there by John Whitaker. A complete set of parish magazines is being actively sought. This work is ongoing.

Church Hall

A description of the work undertaken is given in the Church Hall Committee report.

Church House

A description of the work undertaken is given in the Fabric Committee report.

Andrew McKearney
Vicar and Chair of the PCC

the year's end it had mapped out the task and hoped to present its findings in the first quarter of the New Year.

Mission of the Month. The causes and exact sums are listed in the accounts. They raised a total of £3490.

Christian Aid. The house-to-house collection was organised by Heather Henderson raising £1424.

Harvest Appeal. Wendy Tyndale's work in Guatemala was the subject of this year's appeal and supported throughout by letters and photos from Wendy about the project. The sum raised was £5435 plus £190 raised by the sale of their own produce by Young St Mary's - The Piggy Appeal. This made a grand total of £5625.

Other giving. The Christmas Market was particularly successful raising £1379 for the Rose Hill & Donnington Advice Centre. Youth St Mary's and Young St Mary's raised £599 for Sightsavers by putting on a dramatic reading written and directed by Jan Stockland in the Hall and rehearsed and cooperatively put together by the children throughout the summer.

Jonathan Stockland
Chair

3. Church Hall Committee

<i>Members:</i>	Barbara Alderson	John Dean (from May)	Sheila Fairfield	Chris Griffiths (to November)
	John Harris (to May)	Elizabeth Leigh	Karen May	Andrew McKearney
	Caroline Millard (to March)	Dougall Morrison	John Whitaker	

The committee met in February, May and October. The great achievement of the year was the new bell turret; the old, rotting structure was removed and a fine replica installed. We are grateful to Richard Ward (Oxford) Limited who have done a fine job for us.

Inside the Hall we replaced the wall lights, which had become very fragile (and therefore dangerous) with uplighters using low energy bulbs. We also accepted a quote from Lindars to bring the emergency lighting system into line with current regulations, subject to listed building consent.

In March Caroline Millard retired as liaison with Montessori staff and Barbara Alderson took her place. The nursery uses teachers in the morning, art activity supervisors in the afternoon and "Holiday Club" leaders out of term time. Our liaison person has to know separate teams of staff and also encourage them to communicate with each other on matters of Hall housekeeping. Refuse collection was a matter for concern when the nursery used one big double bin, permanently blocking the pavement. Staff agreed to use two standard bins instead and to keep them in the yard. The neighbourhood has repaid them for this helpful cooperation by stealing the second bin.

The main issue with Montessori's management was the use (now ended) of our kitchen to cater for its nurseries elsewhere; this practise was not compatible with the terms of the lease nor with Environmental Health requirements.

To make the Hall compliant with the Disability Discrimination Act we obtained PCC approval for minor expenses on door handles, grab rails and a portable ramp. In October we decided to obtain quotes on two approaches to our proposed major DDA work – one to achieve what is legally necessary and the other to incorporate significant expansion of the lavatory and storage facilities. We await the figures.

Sheila Fairfield
Secretary

4. Fabric Committee

<i>Members:</i>	Andrew McKearney	Pat Alexander	Lorna Bourdeaux	John Whitaker
	Dougall Morrison			

The Fabric Committee met once in September at Church House to decide with Gill Hancock the work needed on Church House. Subsequently the PCC approved expenditure of up to £7,000, £5,000 from the Fabric Fund for repairs and maintenance, and £2,000 from the General Fund for fittings and fixtures. Estimates were obtained for the work and much of the work was completed by the end of 2007. This included maintenance of the central heating system, replacement of ball valve in upstairs toilet, replacement linoleum in the toilets, bathroom and kitchen, tiling in the bathroom, internal

painting of the entrance lobby, kitchen, staircase, hall, landing, toilets and bathroom, putting up a TV aerial in the loft, replacement of external light at front door, replacement of fascia and soffit boards and guttering, external paintwork and varnish, pruning of trees, bushes and hedges. We are particular grateful to Gill Hancock for overseeing this work.

Andrew McKearney
Chair

5. Finance Committee

Members: Jeff Alderson (to Apr) Pat Alexander (toApr) Lorna Bourdeaux Andrew McKearney
Jonathan Stockland Godfrey Townsend John Whitaker

The Finance Committee met twice in 2007 to consider the accounts, financial reports and budgets in advance of PCC meetings. Other matters discussed included

- o Parochial fees were increased
- o Ethical policy was discussed but not agreed
- o Funding from the Friends of St Mary's was considered
- o Changes in HMR&C regulations led to some system changes

Review of assets held and change in banking arrangements have been held until 2008 in light of a new Treasurer being appointed.

John Whitaker
Chair

6. Magazine Committee

Members: Pat Alexander Julia Davies Sheila Fairfield Rhys Hedges
Andrew McKearney Patricia Michael Edwin Pritchard Jackie Pritchard
Peter Wace Caroline Zvegintzov

The magazine committee met twelve times and its main business related to the regular production of and promotion of the magazine. We decided to increase magazine cover price to 50p (£5 subscription) from January 2008.

Magazine sales were £1,465 (2006 - £1,341). Costs were £1,470 (2006 - £1,541).

Jackie Pritchard
Chair

7. Young St Mary's and St Mary's Youth

Team: Barbara Alderson Julia Davies Ruth Dixon Rosemary Lea (to April)
Patricia Michael Penny Powell Jan Stockland Jonathan Stockland
Anne Wagner Roger Wagner

Young St Mary's

It has been a year with a lot of change for Young St Mary's. The most dramatic change is that Penny Powell stepped down from her role as Leader of Young St Mary's. She has led YSM with inspiration, creativity and huge commitment for many years and will be much missed. Thankfully she has agreed to still guide and advise the new leaders as required. Liz Marshall has also decided to step down and we will all miss her music, thoughtful worship sessions and lively groups. Sally Anderson, Lisa Hynes and Tabitha Stannard have agreed to lead Young St Mary's between them. We welcomed Julia Hollander and Will Stockland as new leaders.

The usual format is that the children arrive at 10.00. We have a short worship session, with a hymn if musicians are around. We then set up activities. The other big change was that we no longer have 2 groups for the under 9s. The numbers of children are too unpredictable – sometimes 14 or 15 children and at other times just 2 or 3. Now 3 to 9 year olds meet together with 2 leaders who have both prepared an activity so that the children can get involved in either or both activities. This seems to be working well and siblings enjoy being together. When the children rejoin the church they all really look forward to their moment to shine as the vicar asks to see what they have been up to. Answers are often unpredictable and creative but the children love to share what they have been up to.

As well as the normal Sunday School sessions, Young St Mary's have been involved in a number of other activities throughout the year. One of the highlights was Jan and Jonathan Stockland's wonderful production of "Who do you say I am". The children loved putting on the play and we thank the congregation for accepting a radical change to their usual Sunday worship to watch the extravaganza. The children have enjoyed the "new

look” family services with the rug and being more involved in readings, drama, music and prayers than previously. The annual parish breakfast was great fun as usual and the children love serving the congregation. A “bake for piglets” for Guatemala was a great success; thanks to the wide array of baking and the generosity of the congregation, we raised enough to buy 10 piglets. It was a great practical demonstration of what the children could do for others that they understood and enjoyed.

We are trying to increase the numbers of children who attend YSM, and reach further into the local community, with publicity at the always popular Christingle service, and special events such as a St Valentine’s event. We are also inviting other members of the congregation to contribute to our sessions informally where appropriate, by sharing their experiences, etc.

Lisa Hynes
Leader

St Mary’s Youth

We started the year with six teenagers, and with Roger and Annie Wagner and Jonathan and Jan Stockland as the team leaders. For part of the time we included children from the 9-12 group when no leader was available for them. As in previous years, we have based the teaching on the Bible, and placed it in a context of everyday life.

Probably the major event of the year was that during the summer holidays, several of the group did not go away, and the thought evolved together of creating a play. Over the ensuing Sundays ‘*The Healing of the Man Born Blind*’ took shape: with Jan writing the bulk of the script, the group suggesting costumes and make-up, scenery, dramatic scenes, and the roles to fill them, it all came into being. We decided to perform in aid of the very appropriate charity Sight Savers. When school term started again, other children, and parents, joined in, from all the age groups, so the cast took in whosoever put their hand up. On one memorable and rumbustious, autumn evening, the Hynes family generously opened their costume box to the cast. Finally, we assembled the hall stage, put in some safety measures and with Andrew devoting the Family Service to the play, we were all set. All played their parts admirably and the final curtain closed to a thunderous reception, with the congregation showing their appreciation by raising the huge total of £600. It was a delightful, participatory and worthwhile occasion and has led to an ongoing suggestion of providing funds for some of our children to go to summer camps.

For the more regular items, we started the year with a series called ‘My Father’s Business’, and then, after Easter, by an imaginative and lively pattern of talks on ‘The People who meet Jesus’ raising questions of what it is we look for in others or that they look for in us. The last third of the year our theme was ‘Basic Christianity’ in which the fundamentals of our faith were set down and discussed. These have been regularly attended by all the teenagers, who respond well to the challenges presented to them. The main purpose is to provide the basic foundation with which to withstand the more insidious cultural influences of today, and to progress along the Christian path together and apart in the teenagers’ various situations.

This year’s traditional summer punting party had to be cancelled because of the river flooding, so we all came together in the Stockland’s house for a ‘social’. The highlight, after the food, was one-to-one, in-depth interviews carried out by all. Everyone thoroughly enjoyed themselves as well as seriously undertaking the task, and with remarkably honest and frank exchanges.

We are delighted to report that at the time of writing five members of the group have put themselves forward for confirmation in the New Year.

Jonathan and Jan Stockland
Leaders

Treasurer's Report

2007 was a tight financial year for St Mary's PCC, particularly in terms of its General Funds. There were income pressures and its costs exceeded both the budget and the income. As a result there were big reductions in general reserves, a pattern which is not sustainable.

Summary

Overall **income and expenditure** shows

- Income fell to £108,644 (2006 - £124,920). The £16,276 reduction was substantially influenced by a low legacy income of £1,610 (2006 - £22,300). There was also much pressure on giving.
- Expenditure was £118,247 (2006 - £162,526). In 2006 there had been costs of the Quinquennial work, the organ refurbishment and costs from the interregnum; these did not recur, but other costs continued to rise.

Total **assets** decreased in the year by £5,267 (2006 - decreased by £16,403), made up by

- A net deficit of £1,501 on the General Fund, in spite of property values increasing. There was an operating deficit of £872 before charity transfers.
- A net deficit of £1,476 on the Fabric Fund. This was as a result of work on Church House.
- A net deficit of £3,140 on the Hall Fund. This was as a result of planned maintenance.
- A surplus of £850 on the Mission Fund being funds given too late for dispersal in 2007.

PCC transfers were £5,000 to the Mission Fund in 2007 (2006 - £5,000). These were for Missions of the Month (£3000) and the East Oxford Interfaith Project (£2000).

General Fund

The General Fund moved from an operating surplus of £84 in 2006 to an operating deficit £872 in 2007. This was worse than the budgeted expectation of a small surplus.

General Fund income declined in spite of a one-off benefit being the net proceeds from the disposal of some paintings (£1,610). Throughout the year the PCC has been aware that there were pressures on giving, but successes in recruiting some new givers were offset by the loss of some generous givers.

Costs rose significantly in a number of areas. The decline in overall general costs was as a result of not having to incur the costs of stipends that were incurred during the interregnum in 2006. If the impact of this is removed, the remaining costs rose from 2006 to 2007 by 8% with particular influences from

- The Parish Share, which contributes to the costs of the priesthood and diocesan costs, increased to £38,312 (2006 - £37,900). We may expect continued increases ahead of inflation for some years.
- Burial Ground fees and Diocesan fee remissions have risen – but this is a function of our receiving higher income from more services.
- Young St Mary's costs have increased but remain a relatively modest level – they had underspent their budgets in the last few years.
- Office costs and clergy expenses have risen, and will increase more as the PCC has to contribute to the rental for the parish office.

Elsewhere, members of the Church remain prudent in their use of funds, and there have been some good savings. It is hard to pick individuals when prudence is often apparent, but a few examples illustrate the care with funds

- The generous gift of his services by Alan Stone removed fees for inspection.
- Magazine costs have been kept under budget by the Pritchard's committee.

The PCC has struggled to establish a balanced budget for 2008 and continued prudence will remain essential.

Fabric Fund

The Fabric Fund income returned to a normal year's level after the benefits of the generous Hewitt bequests.

Costs were higher than normal, largely as a result of the need to spend on repairs and refurbishments in Church House.

The balance in the fund is £80,602 (2006 - £82,078). In combination with the generous commitments from the Friends of St Mary's this remains a healthy cushion against unexpected or urgent buildings works. A new Quinquennial inspection in the coming year will inevitably call on these resources.

Hall Fund

The Hall Fund had another good year. Vigorous promotion of lettings led to an increase in income to a record £25,147. There was also the benefit of gaining a grant towards the cots of the bell turret restoration, which contributed £800 of the income.

The bell turret restoration and works on the upgrading of lighting led to high total costs of £28,252 (2006 - £13,065). For the first time in years the Hall Fund was in deficit as the costs of these works more than accounted for the year's operating surplus. However these were planned works and within the capital plans of the Hall Committee. Other costs were maintained at similar levels to 2006.

The balance of £63,710 (2006 - £66,850) will help to fund the capital plan.

Mission Fund

Giving to the Mission Fund remains generous.

- The Harvest Appeal raised £5,435 (including Gift Aid) for the Guatemala Appeal following gifts to the Guatemala Appeal of £1,181 earlier in the year.
- Young St Mary's helped the Guatemala efforts with their £190 for the Piggy Appeal. They raised £599 for SightSavers at a special Sunday service.
- Christian Aid received £1,572 from cash collections in Christian Aid Week and proceeds of monthly lunches – all dependent on the hard work of members of the Church.
- Flood Appeals in the summer raised £629 each for the Bishop's appeal for people suffering in Britain and the Christian Aid appeal for people suffering in Asia.
- Members raised £793 from the Summer Market (2006 - £900) for Iffley Mead School.
- Members raised £1,379 from the Christmas Market (2006 - £476) for the Rose Hill and Donnington Advice Centre.
- Missions of the Month totalled £3,490 (2006 - £3,808) of which £3,000 came from PCC funds.
- The Christmas collections raised £686 (2006 - £722).

Thank you all for your contribution.

John Whitaker
Treasurer

Independent Examiner's report

Report to the PCC of Saint Mary the Virgin, Iffley

This report on the accounts of the PCC for the year ended 31 December 2007, which are set out on pages 12 to 20, is in respect of an examination carried out the Church Accounting Regulations 2006 ('the Regulations') and s.43 of the Charities Act 1993 ('the Act').

Respective responsibilities of the PCC and the examiners

As members of the PCC you are responsible for the preparation of the accounts; you consider that the audit requirement of the Regulations and section 43(2) of the Act do not apply.

It is my responsibility to issue this report on those accounts in accordance with the terms of the Regulations.

Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 43(7)(b) of the Act and to be found in the Church guidance, 2006 edition.

The examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as trustees 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 view given by the accounts.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with Section 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the requirements of the Act and the Regulations



have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Alan Stone
27 Long Close
Botley
Oxford
OX2 9SG

Parochial Church Council of Saint Mary the Virgin, Iffley

Statement of Financial Activities

For the year ending 31 December 2007

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	TOTAL 2007 £	TOTAL 2006 £
Incoming resources	2					
Incoming resources from donors		47,827	14,353		62,180	87,617
Activities to further the PCC objects		8,624	2,373		10,997	8,128
Activities for generating funds		25,058			25,058	21,706
Investment income		3,922	5,617		9,539	7,382
Other incoming resources		870			870	87
Total incoming resources		86,301	22,343		108,644	124,920
Resources expended	3					
Costs of generating funds		29,855			29,855	15,244
Grants	4 (d)		19,554		19,554	16,900
Activities to further Church work	4 (a)	54,335	4,684		59,019	125,067
Support costs	4 (a)	4,552	3,731		8,283	4,354
Management & administration costs	4 (a)	1,536			1,536	961
Total resources used		90,278	27,969		118,247	162,526
Net incoming (outgoing) resources		(3,977)	(5,626)		(9,603)	(37,606)
Gains and losses						
On assets for own use	6 (a)					
On investment assets	6 (b)	4,336			4,336	21,203
Gross transfers	4 (e)	(5,000)	5,000			
Net movements in funds		(4,641)	(626)		(5,267)	(16,403)
Balances brought forward		292,773	82,078		374,851	391,254
Balances carried forward		288,132	81,452		369,584	374,851

Parochial Church Council of Saint Mary the Virgin, Iffley

Balance Sheet

For the year ending 31 December 2007

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
					2007 £	2006 £
Fixed Assets						
Tangible fixed assets	6 (a)	191,635			191,635	183,133
Total fixed assets		191,635			191,635	183,133
Current Assets						
Debtors	7	3,346	1,442		4,788	5,247
Investments (short term)	6 (b)	77,032	77,046		154,078	182,012
Cash at bank and in hand		16,119	2,964		19,083	6,349
Total current assets		96,497	81,452		177,949	193,608
Liabilities						
Creditors falling due within 1 year	8					1,890
Net Current Assets or Liabilities		96,497	81,452		177,949	191,752
Total assets less current liabilities		288,132	81,452		369,584	374,851
Net assets or liabilities		288,132	81,452		369,584	374,851
The funds of the PCC						
Restricted funds	4		81,452		81,452	82,078
Unrestricted funds		288,132			288,132	292,773
Total PCC funds		288,132	81,452		369,584	374,851

Summary Statement of Funds

Fund name	Notes	Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains & Losses	Fund balances carried forward
General Fund	9	225,923	61,154	62,026	(5,000)	4,371	224,422
Fabric Fund	9	82,078	6,916	8,392			80,602
Hall Fund	9	66,850	25,147	28,252		(35)	63,710
Mission Fund	9		15,427	19,577	5,000		850
Total PCC funds		374,851	108,644	118,247		4,336	369,584

Approved by the Annual Parochial Church Meeting on 22 April 2008 and signed on its behalf by:

The Revd Andrew McKearney – Chair of the PCC

John Whitaker – Honorary Treasurer

The notes on pages 14-20 form part of these accounts.

Parochial Church Council of Saint Mary the Virgin, Iffley

Notes to the Financial Statements for the year ending 31 December 2007

1. Accounting Policies

Financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001 together with applicable accounting standards and the Charities SORP.

Funds

The PCC has four funds

- The General Fund, which has no restrictions on use.
- The Fabric Fund, restricted to management, repair and upkeep of the fabric of the Church and Church House.
- The Hall Fund, designated for management, repair and upkeep of the Church Hall.
- The Mission Fund restricted to the funding of charitable mission work.

Incoming resources

Voluntary income and capital sources

- Collections are recognised when received by the PCC.
- Planned Giving received under Gift Aid is recognised only when received.
- Tax recoverable is sought on all Gift Aid donations, irrespective of their size.
- Tax recoverable on Gift Aid donations is recognised when income is recognised.
- Grants and legacies to the PCC are accounted for when received.
- Funds raised by fund raising events may be accounted for net.
- Sales of the magazine and postcards and leaflets are accounted for gross.
- Lettings income is recognised in the period to which it relates.

Income from investments

- Dividends and interest entitlements are accounted for when received.

Gains and losses on investments

- Gains or losses on Church House are accounted for on revaluation at reinsurance.
- Unrealised gains or losses are accounted for on revaluation at year end.

Activities directly relating to the work of the Church

- The Diocesan Parish Share is accounted for when paid.

Outgoing resources

- Expenditure is accounted for on a prepayments and accruals basis.
- Costs of church supplies, postcards and leaflets are recognised when paid.

Fixed assets

Consecrated property and movable Church furnishings

- Consecrated and beneficed property of any kind is excluded from the accounts by s.96 (2) (a) of the Charities Act 1993.
- Movable Church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a Faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the Church's Terrier and Inventory which can be inspected at a reasonable time.
- There are no items in the accounts subject to depreciation over any period of time.

Other fixtures, fittings and office equipment

- Equipment used within the Church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £2,000 or less are written off when acquired.
- There are no items in the accounts subject to depreciation over any period of time.

Current assets

Debtors

- Amounts owing to the PCC at December 31st in respect of fees or other income are shown as debtors less provision for amounts that may prove uncollectable.

Investments

- Investments are valued at market value on December 31st.

2. Incoming Resources

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
				2007 £	2006 £
Incoming resources from donors					
Committed Giving	28,446			28,446	30,377
Cash collections	6,864			6,864	4,416
General Donations	2,370	12,677		15,047	14,302
Legacies & bequests	1,610			1,610	22,300
Tax recovered	8,537	1,676		10,213	16,222
Total	47,287	14,353		62,180	87,617
Activities to further the PCC objects					
Fees for services	8,366			8,366	6,567
Functions income	258	2,373		2,631	1,561
Total	8,624	2,373		10,997	8,128
Activities for generating funds					
Lettings	21,216			21,216	18,182
Magazines	1,465			1,465	1,341
Postcards & Leaflets	2,377			2,377	2,183
Total	25,058			25,058	21,706
Investment income					
Total	3,922	5,617		9,539	7,382
Other incoming resources					
Total	870			870	87
Total incoming resources	86,301	22,343		108,644	124,920

3. Resources expended

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
				2007 £	2006 £
Costs of generating funds					
Postcard & leaflet costs	95			95	638
Magazine costs	1,508			1,508	1,541
Hall costs	28,252			28,252	13,065
Total	29,855			29,855	15,244
Grants					
Christian Aid		1,572		1,572	1,633
Disasters		2,439		2,439	
Harvest Appeals		5,437		5,437	6,886
Mission of the Month		3,490		3,490	3,809
Others		6,616		6,616	4,572
Total		19,554		19,554	16,900
Activities to further Church work					
Parish share	38,312			38,312	37,900
Burial Ground Fund	1,253			1,253	681
Diocesan fee remission	3,636			3,636	2,407
Fees and Wages	3,107	1,080		4,187	12,426
Clergy expenses	1,752			1,752	515
Church supplies	1,927			1,927	1,720
Church fabric costs		3,604		3,604	69,055
Other costs	4,348			4,348	363
Total	54,335	4,684		59,019	125,067
Support costs					
Total	4,552	3,731		8,283	4,354
Management and administration costs					
Total	1,536			1,536	961
Total resources used	90,278	27,969		118,247	162,526

4. Fund Reports

4 (a) General Fund

The General Fund had an operating deficit of £872 in 2007 (2006 – surplus of £84), and underlying patterns were of income under pressure while some costs were rising ahead of inflation..

Income fell to £61,154 (2006 - £64,254) with the main influences on this pattern being

1. Decreases in planned giving to £28,446 (2006 - £30,173). This change was exaggerated by a change in accounting practise to separate ad hoc tax-effective gifts from planned giving; there was, nevertheless, a reduction in planned giving.
2. Decreases in General Donations to £2,370 (2006 - £3,980). These are a volatile source and can fluctuate.
3. Decreases in Gift Aid to £8,537 (2006 - £14,750). This was inflated in 2006 by claims for prior years that had been under claimed.

Some offset to these income reductions came from

1. Increases in fees (which had fallen during the interregnum) to £8,366 (2006 - £6,567).
2. The one-off benefit of £1,610 which resulted from the PCC decision to allocate to the General Fund the net proceeds of the sales of pictures left by Richard Hewitt.

There were increases in the costs of the day-to-day work, including

1. Increases in the Parish Share to £38,312 (2006 - £37,900).
2. Increases in Burial Ground remissions to £1,253 (2006 - £681) and Diocesan remissions to £3,636 (2006 - £2,407) – both reflecting higher fee income.
3. Church supplies at £1,927 (2006 - £1,720) remained high compared with previous years.
4. Clergy expenses at £1,752 (2006 - £515) were partly a reflection of a larger ministry team.
5. Office costs rose to £1,536 (2006 - £961).

Net cost increases would have been greater if it were not for the fact that the £7,505 paid for stipends in 2006 did not recur.

	2007 £	2006 £
Incoming resources		
Activities for generating funds		
Postcard & leaflet sales	2,377	2,183
Lettings income	90	60
Magazine income	1,465	1,341
	3,932	3,584
Activities relating to the work of the Church		
Fees for services	8,366	6,567
Functions income	258	193
	8,624	6,760
Donations legacies and similar incoming resources		
Planned Giving	28,446	30,173
Cash Giving	6,864	4,303
General Donations	2,370	3,980
Legacies and Bequests	1,610	
Tax recovered	8,537	14,750
	47,827	53,206
Investment income		
Dividends and interest	701	617
	701	617
Other incoming resources		
Miscellaneous income	70	87
	70	87
Total incoming resources	61,154	64,254

	2007 £	2006 £
Resources expended		
Activities relating to the work of the Church		
Parish share	38,312	37,900
Burial Ground Fund	1,253	681
Diocesan fee remission	3,636	2,407
Organists fees	3,107	3,008
Church supplies	1,927	1,720
Training and Development	15	
Website	74	29
Young Saint Mary's	549	277
Electricity	2,332	2,833
Church maintenance		234
Wages		7,505
Water and sewerage	173	209
Miscellaneous Church costs	765	447
Clergy expenses	1,752	515
Function costs	440	420
	54,335	58,185
Costs of generating funds		
Postcard and leaflet costs	94	
Magazine costs	1,508	1,540
	1,602	1,540
Expenditure on managing and administering		
Fees for accounts examination		
Office costs	1,536	961
	1,536	961
Support costs		
Church House costs	3,421	1,961
Miscellaneous costs	1,132	1,523
	4,553	3,484
Total resources expended	62,026	64,170
Excess of receipts over payments	(872)	84
Transfers between funds	(5,000)	(5,000)
Adjustments – revaluation of assets	4,371	21,306
Balance brought forward	225,923	209,533
Balance carried forward	224,422	225,923

General Fund balances of £224,422 (2006 - £225,923) are significantly influenced by the value placed on Church House of £191,635 (2005 - £183,133).

The remaining balances are £32,787 (2006 - £42,790). They protect against short term fluctuations in income or expenditure. The 23% reduction from 2006 to 2007 was foreseen in the budget process for 2008 and led to a tight budget being set for 2008.

Since there was little operating surplus, the remaining balances reflect the market value of current assets – which can go up or down; £21,000 (2006 - £26,670) of the remaining balances is in current assets.

4 (b) Fabric Fund

The Fabric Fund benefited investment income and donations through the Fabric Box.

Resources expended were routine, with the exception of £3,364 spent on maintenance of the fabric of Church House to return it to standard; an additional £1,145 was spent on Church House decoration from the General Fund.

	2007 £	2006 £
Incoming resources		
Donations	1,280	1,208
Legacies & bequests		22,300
Tax recovered	20	3
Investment income	5,616	4,232
Total incoming resources	6,916	27,743
Resources expended		
Insurance	2,593	2,624
Maintenance	4,719	64,024
Wages	1,080	1,067
Total resources expended	8,392	67,715
Excess of receipts over payments	(1,476)	(39,972)
Balance brought forward	82,078	122,050
Balance carried forward	80,602	82,078

Balances stand at £80,602 (2006 - £82,078) and, with the additional commitments of support from the Friends of St Mary's, will support anticipated work.

4 (c) Hall Fund

The fund benefited from increased lettings of £21,126 (2006 - £18,122). Investment income increased as balances increased.

Operational expenditure was closely managed. Maintenance costs included major works on the restoration of the bell turret and electrical improvements; also an annual deep clean was instituted.

	2007 £	2006 £
Incoming resources		
Lettings income	21,126	18,122
Investment income	3,221	2,533
Other income	800	10
Total incoming resources	25,147	20,664
Resources expended		
Insurance	1,200	1,751
Maintenance	22,734	7,030
Utilities	3,440	3,399
Wages	864	846
Other costs	14	39
Total resources expended	28,252	13,065
Excess of receipts over payments	(3,105)	7,599
Adjustments – revaluation of assets	(35)	(103)
Balance brought forward	66,850	59,354
Balance carried forward	63,710	66,850

Balances stand at £63,710 (2006 - £66,850). Much of these reserves will need to be built further to fund the PCC's capital plan for the hall.

4 (d) Mission Fund

The Mission Fund continues to benefit from the generosity of parishioners.

Most expenditure follows the policy of passing all funds and Gift Aid to the chosen organisations promptly. However, £850 (including Gift Aid) was received for the Harvest Appeal after the deadline for grant payments. The PCC had agreed in advance that any such gifts would be held over for the 2008 Harvest Appeal.

	2007 £	2006 £
Incoming resources		
Donations	11,399	9,422
Functions income	2,373	1,368
Tax recovered	1,655	1,469
Investment income		
Total incoming resources	15,427	12,259
Resources expended		
Function costs	23	38
Report costs		638
Grants made	19,554	16,900
Total resources expended	19,577	17,576
Excess of receipts over payments	(4,150)	(5,317)
Transfers between funds	5,000	5,000
Balance brought forward		317
Balance carried forward	850	

Grants of £19,553 (2006 - £16,900) included Gift Aid where it was recoverable. They were:

	2007 £		2007 £
Mission of the Month		Disasters	
Barnabas in Schools	255	Guatemala Appeal	1,181
Church Urban Fund	255	Christian Aid Flood Appeal	629
Quiet Garden Movement	250	Bishop's Flood Appeal	629
Oasis of Peace – in Israel	250		
Diocese of Raiwind	285	Summer Market – Iffley Mead School	793
Rose Hill & Donnington Advice	300		
Practical Action	516	Harvest Appeal	
Oxford Industrial Chaplaincy	260	San Marcos, Guatemala	5,435
Parents and Children Together	260	YSM Piggy Appeal	190
Church Mission Society	261		
St John's Home	250	Christmas	
Child Aid	348	Market – RH&D Advice Centre	1,379
Total	3,490	Carol Service – Shelter	473
		Christingle – Children's Society	213
Christian Aid		Other grants	
Monthly hunger lunches	509	East Oxford Interfaith Project	2,000
Christian Aid Week	1,063	In Memoriam John Leigh	302
Total	1,572	YSM Sightsavers Appeal	599

Christian Aid Week totals (incl. gifts made to them and Gift Aid) was £1,424 (2006 - £1,685).

4 (e) Transfers between funds

The PCC authorised transfers of £5,000 from the General Fund to the Mission Fund for

- Mission of the month, being monthly transfers of £250 per month.
- £2,000 for the East Oxford Interfaith Project.

5. Staff costs

	2007	2006
Payment for services	5,051	12,426

The PCC employed 5 organists and 2 cleaners. All were under contracts of service, and none earned more than £50,000 p.a. No deductions or payments were made for income tax or national insurance.

Clergy expenses were £1,752 (2006 - £515). PCC members did not receive expenses.

6. Assets for use by the PCC

6 (a) Fixed assets

The deeds for the freehold land and buildings located at Church House, The Oval, Rose Hill, Oxford are held at Diocesan Church House, Oxford. For accounting purposes this property is valued at its insurance value which is index linked at renewal.

Movements in 2007	£
Insured value – 1 January 2007	183,133
Net gains on annual revaluation	8,502
Insured value – 31 December 2007	<u>191,635</u>

6 (b) Investment assets

Movements in 2007	£
Market value – 1 January 2007	28,310
Less shares sold in 2007	(1,470)
Net loss on annual revaluation	(4,235)
Market value – 31 December 2007	<u>22,605</u>

7. Debtors

	2007	2006
	£	£
Gift Aid recoverable	25	3,469
Prepayments	2,171	1,777
Other debtors	2,592	
	<u>4,788</u>	<u>5,247</u>

8. Liabilities

	2007	2006
	£	£
Deferred income		70
Accruals		1,890
		<u>1,960</u>

9. Statement of Assets and Liabilities at 31 December 2007

	General Fund	Fabric Fund	Hall Fund	Mission Fund	Total Funds	
					2007	2006
	£	£	£	£	£	£
Fixed assets						
Church House	191,635				191,635	183,133
Total fixed assets	191,635				191,635	183,133
Current assets						
Barclays	8,634	1,550	7,485	850	18,519	(6,075)
Petty Cash						18
CofE Investment Fund						1,470
CBF Deposit Fund	3,128	77,046	51,298		131,472	153,702
JPMorgan Mercantile	21,000				21,000	25,200
Standard Life		564			564	12,407
3½% War Loan Stock			1,605		1,605	1,640
Prepayments		1,442	730		2,172	1,777
Accounts receivable			2,592		2,592	
Gift Aid due	25				25	3,469
Total current assets	32,787	80,602	63,710	850	177,949	189,758
Liabilities						
Accruals						1,890
Deferred income						70
Total liabilities						1,960
Net current assets	32,787	80,602	63,710	850	177,949	191,718
Total net assets	224,422	80,602	63,710	850	369,584	374,851