

# ST MARGARET'S CHURCH, IPSWICH

## Financial Review

2025 has been a relatively quiet year for the Church, in terms of large project expenditure. No major capital projects were started though some grant income was received for the projects finished in 2024. Day to day expenditure rose slightly and this was balanced by a welcome increase in regular giving. Initiatives in establishing new worshipping communities and other community-centred activities were started and these were largely funded by grants which were received from a variety of funders. Overall the Church's finances were reasonably healthy for the year with a surplus of income over expenditure of £22,946. However most of this surplus was due to the £12,225 grant income from 2024 building work and the £10,000 3-year grant for "Together" new worshipping communities. In terms of day to day income and expenditure the funds were finely balanced as described below. A new accounting package has started to be used and consequently this year's accounts have a slightly different format from previous years.

### Church day to day income and expenditure

The Church's unrestricted income for day to day expenses was £121,364 including Gift Aid tax recovery. This figure is encouragingly higher than last year (£113k). Of this total, planned giving was £79,787 which again is higher than last year (£77k). In addition to this planned income, £5,419 was received as one-off donations into the General Fund for specific appeals or in memory of loved ones. A further £3,327 was received in wedding and funeral fees. With other smaller items, this totals an income of £125,978 for the General Fund.

The total costs for day to day running of the Church were £124,891 which means that for day to day costs, income exceeded expenditure by £1,087 (0.9%). It should be noted, however, that there is currently no transfer of money into the funds for building repairs and other projects. 61% of the expenditure was on the Parish Share, 11% on administration, 7% on music and 5% each on utilities, insurance and maintenance. This leaves just 6% of the unrestricted income for mission / outreach / service expenses etc. However in 2025 this income was supplemented by external grants as described below.

The above income was for general expenditure but the church also received £15,395 into its designated funds. The largest item (£12,225) was grant money received after the previous QI repairs had been completed and is now available for future building repairs. No major capital works were undertaken during the year so these funds were not used, but major repairs are planned for 2026 which will use the capital funds.

Further grants of £11,540 were received into four Restricted Funds. This money can only be used for the specific purposes given by the granter. £10,000 of this money was associated with the setting up of Other Worshipping Communities led by Revd Helen Prior-Townsend and is funding to cover three years of this work. Other, smaller grants were for various one-off activities in the church and allowed different community activities to be expanded in the church's life. Of the Restricted Funds, £6,469 was spent in the year. All the funds of the smaller grants were used and the balance in the remaining Restricted Funds is to fund Revd Helen's work for the next two years.

### Church Centre day to day income and expenditure

Once again the church centre lettings income held up well in view of the loss, the previous year, of a major renter. The total rental income of £22,065 was again slightly better than last year, which was a notable achievement. The total expenditure on running costs of the church centre, including repairs, was £21,207, which means that on running costs alone the church centre was in credit by £858. This is a good result for the year, however next year may be more difficult as not only has a major renter now left, but also there will be a full year of cleaning / caretaking costs and some major work is needed on the structure.

### Investments and other activities

The church has made no major changes to its banking and investment arrangements. The current account has been re-classified by the Bank of Scotland from a Treasurer's Account to a Charity Account. The only difference is that they now charge bank charges. The Deposit Account with the CCLA has returned an income of £5,612 over the year. The CCLA announced that it would be acquired by Jupiter Investment Management Group. The Chair of the Archbishops' Council's Finance Committee welcomed the new arrangement as being positive for churches so we have continued with our investment with CCLA.

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During the year the church held some fund-raising activities. The expenditure on these slightly exceeded the income (by £173), though this is largely due to buying a lot of glasses and some stocks of refreshments which will be used in future. However the aim was also to generate a presence in the community and the events were successful in achieving this.

With no major capital works during the year and no other large expenditures, most of the other Funds had no income and only a small expenditure. For the "building" Funds the expenditure was largely preparatory survey and planning work for significant building works planned for 2026/7.

One legacy of £2,652 was received. This was left to be used at the discretion of the PCC who are currently considering various projects for its use

## **Accounting package and presentation of results.**

For several years the church accounts had been managed using a set of spreadsheets constructed by a previous treasurer. These had worked very well, but it was realised in late 2024 that the management and presentation did not meet the latest recommendations of the Charity Commission and the Church of England. Although it would have been possible to modify the spreadsheets, a survey of the options available indicated that a switch to a commercial package would have numerous advantages in terms of security, easy of use, upgrades, compatibility etc. After reviewing the market it was decided to migrate to the "MyFundaccounting" online, cloud-based package. Considerable work was involved in migrating the data and modifying the existing codes, Funds etc to fit the new package, and more importantly to fit the latest recommendations. At the end of the 2025 the two packages are being used in parallel (so all data has to be entered twice) but the main results are coming from the new package. It is hoped that the remaining features of the new package will be brought into use in 2026 and the old spreadsheets can be discontinued.

The result of this is that the 2025 accounts look rather different from the previous years. In particular there is a new category of "Designated" Funds which are where funds are "designated" by the PCC but can still be used for any purpose if the PCC wishes to change the designation. To cope with this, some Funds have been renamed and several new categories of income and expenditure introduced. For this reason whilst the comparison with last year can be made at a top level, at a lower level of detail it is not always possible.

## **Reserves Policy**

The PCC, as the church's trustees, are required to establish a general reserve within the heading of "unrestricted funds" sufficient to meet any potential shortfall caused by the uneven nature of our receipts and expenditure. In order to be prudent the PCC consider that a sum representing six weeks of average expenditure should be maintained as a cash or bank balance. In addition the PCC will endeavour to maintain a similar reserve for capital expenditure.

## **Risk Assessment**

In common with other churches and charities, the PCC faces risks, be they operational, financial or reputational. The PCC will consider the major areas of risk to which it is exposed, measuring both the likelihood and impact of a particular event or action and will establish systems to mitigate those risks. This will involve regular reviews in identification, assessment and monitoring. Having reviewed the risks faced by the church, the PCC can state that at the date of approving the report, the PCC knows of no reason to doubt the ability of the church to continue as a going concern.

## **Summary and the Future**

At the end of 2025 St Margaret's had a very healthy bank balance and had managed to balance its income and expenditure for normal running costs over the year. This is a significant achievement and means that the church can go forward into 2026, confident in its finances. This state of affairs is entirely due to the generous support of everyone who gives regularly to St Margaret's. The PCC is deeply appreciative and wholeheartedly thanks all the generous supporters.

## **ST MARGARET'S CHURCH, IPSWICH**

For the future there is enough money in the Funds to pay for some of the major repair works needed for the Church and Church Centre in 2026. However this money is limited and the concern is that whilst the General Fund broke even in 2025, nothing was put into the reserves for future major projects either in building or mission. A further issue is that the government has ceased the Listed Places of Worship Grant Scheme which used to pay the VAT on all our repair and renovation works. This action will thus increase all our future repair and renovation costs by 20%. It is therefore necessary to ask everyone to look at their giving to the church, to consider when they last reviewed it and prayerfully ask themselves whether their existing giving can now be increased to meet the future needs of their church.

# ST MARGARET'S CHURCH, IPSWICH

## Statement of Financial Activities For the year ended 31 December 2025

|  | Notes | Unrestricted funds<br>£ | Designated funds<br>£ | Restricted funds<br>£ | Total 2025<br>£ | Total 2024<br>£ |
|--|-------|-------------------------|-----------------------|-----------------------|-----------------|-----------------|
| <b>Income from:</b>                                |       |                         |                       |                       |                 |                 |
| Donations and legacies                             | 2a    | 121364                  | 15395                 | 11540                 | 148299          | 175087          |
| Income from charitable activities                  | 2b    | 3385                    | 19602                 |                       | 22987           | 20958           |
| Other trading activities                           | 2c    |                         | 2405                  |                       | 2405            |                 |
| Investments  | 2d    |                         | 5612                  |                       | 5612            | 12529           |
| Other income                                       | 2e    | 1229                    |                       |                       | 1229            | 1272            |
| <b>Total income</b>                                |       | <b>125978</b>           | <b>43014</b>          | <b>11540</b>          | <b>180532</b>   | <b>209846</b>   |
| <b>Expenditure on:</b>                             |       |                         |                       |                       |                 |                 |
| Raising funds                                      | 3c    | 1352                    |                       |                       | 1352            |                 |
| Expenditure on charitable activities               | 3     | 123539                  | 26226                 | 6469                  | 156234          | 410429          |
| <b>Total expenditure</b>                           |       | <b>124891</b>           | <b>26226</b>          | <b>6469</b>           | <b>157586</b>   | <b>410429</b>   |
| <b>Net income / (expenditure) before transfers</b> |       | <b>1087</b>             | <b>16788</b>          | <b>5071</b>           | <b>22946</b>    | <b>-200583</b>  |
| <b>Transfers:</b>                                  |       |                         |                       |                       |                 |                 |
| Gross transfers between funds - in                 |       |                         | 1293                  | 3000                  | 4293            |                 |
| Gross transfers between funds - out                |       | -843                    |                       | -3450                 | -4293           |                 |
| Write-offs   |       |                         | -394                  |                       | -394            |                 |
| <b>Net movement in funds</b>                       |       | <b>244</b>              | <b>17688</b>          | <b>4621</b>           | <b>22553</b>    | <b>-200583</b>  |
| <b>Reconciliation of funds</b>                     |       |                         |                       |                       |                 |                 |
| <b>Total funds brought forward</b>                 |       | <b>26172</b>            | <b>129422</b>         | <b>8633</b>           | <b>164227</b>   | <b>364810</b>   |
| <b>Total funds carried forward</b>                 |       | <b>26416</b>            | <b>147110</b>         | <b>13254</b>          | <b>186780</b>   | <b>164227</b>   |

# ST MARGARET'S CHURCH, IPSWICH

## Balance Sheet at 31st December 2025

|  | Notes | 2025<br>£     | 2024<br>£     |
|--|-------|---------------|---------------|
| <b>Fixed assets</b>                      |       |               |               |
| Tangible fixed Assets (Church Centre)    | 4     | 100000        | 100000        |
| <b>Total Fixed assets</b>                |       | <b>100000</b> | <b>100000</b> |
| <b>Current assets</b>                    |       |               |               |
| Bank current account                     |       | 46496         | 27852         |
| CCLA (CBF) deposit account               | 6     | 131206        | 125595        |
| Accounts Receivable                      | 7     | 13785         | 15119         |
| <b>Total Current assets</b>              |       | <b>191487</b> | <b>168566</b> |
| <b>Liabilities</b>                       |       |               |               |
| Accounts Payable                         | 8     | 4707          | 4339          |
| <b>Total Liabilities</b>                 |       | <b>4707</b>   | <b>4339</b>   |
| <b>Total Assets</b>                      |       | <b>286780</b> | <b>264227</b> |
| <b>Reserves</b>                          |       |               |               |
| End of Year excess                       |       | 22949         | -200585       |
| Starting balances (including write-offs) | 5     | 263831        | 464810        |
| <b>Total Reserves</b>                    |       | <b>286780</b> | <b>264227</b> |

## Represented by Funds (Note 9)

|                        | 2025<br>£     | 2024<br>£     |
|------------------------|---------------|---------------|
| General (Unrestricted) | 26417         | 26172         |
| Designated             | 147109        | 129422        |
| Restricted             | 13254         | 8633          |
| Fixed Assets           | 100000        | 100000        |
| <b>Total</b>           | <b>286780</b> | <b>264227</b> |

# ST MARGARET'S CHURCH, IPSWICH

The notes on the following pages form part of these financial statements

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2025

### General

The format and categories of the statements for 2025 have been modified significantly from previous years in order to fit with the recommendations of the Charities Commission and the Church of England. Several account codes have been renamed but the main differences are in the listing of the Funds. The previous two types of Fund (Unrestricted and Restricted) have been expanded to add Designated Funds. This has led to some renaming of Funds which in turn will lead to some difficulty in comparison with the previous year.

#### 1. Accounting Policies

- a. The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair" provisions. Other than investments, which have been included at market value, the accounts have been prepared on the historic cost basis and as a going concern.

- a. Funds  
The General Fund 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. The General Fund is an Unrestricted Fund.

Designated Funds are funds that have been designated by the PCC for a particular purpose. However these funds are unrestricted and can be used for any purpose if agreed by the PCC.

Restricted funds are only to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body or those that are informal gatherings of church members.

- b. Incoming resources  
Collections and planned giving are recognised when received by the PCC.  
Income tax recoverable on Gift Aid donations is recognised when the donation is received.  
Interest, rental and similar income is accounted for when due.
- c. Resources expended  
The diocesan parish share is accounted for when due.  
Grants payable are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.  
All other expenditure is accounted for on the accruals basis and includes recoverable VAT.
- d. Fixed Assets  
Consecrated and beneficed properties are excluded from the accounts as are any moveable church furnishings which require a faculty for disposal.  
As the church is unlikely to dispose of any bought assets within four years and as most bought assets are purchased with the assistance of external grants, all assets are written off on purchase and not depreciated.

# ST MARGARET'S CHURCH, IPSWICH

## NOTES

|  | 2025          |              |              |               | 2024           |
|--|---------------|--------------|--------------|---------------|----------------|
|  | £             | £            | £            | £             | £              |
|  | Unrestricted  | Designated   | Restricted   | Total         | Total          |
| <b>Income</b>  |               |              |              |               |                |
| Note 2a) Donations and Legacies  |               |              |              |               |                |
| Planned Giving   | 79787         | 0            | 0            | 79787         | 77224          |
| Collections at services  | 17255         | 57           | 0            | 17312         | 12492          |
| Donations (for General Fund and for specific projects)                             | 5419          | 66           | 0            | 5485          | 5019           |
| Tax recovered  | 18753         | 0            | 0            | 18753         | 18284          |
| Grants   | 150           | 12620        | 900          | 13670         | 62068          |
| 3-year grant for "Other worshipping Communities"<br>(Together) to cover 2025-2027  |               |              | 10000        |               |                |
| Other (including legacies)   | 0             | 2652         | 640          | 3292          |                |
| <b>Total</b>   | <b>121364</b> | <b>15395</b> | <b>11540</b> | <b>148299</b> | <b>175087</b>  |
| Note 2b) Income from Charitable Activities   |               |              |              |               |                |
| Wedding / funeral fees   | 3327          | 0            | 0            | 3327          | 1145           |
| Church Centre rent to General Fund   | 58            | 0            | 0            | 58            |                |
| Church Centre rents  | 0             | 19602        | 0            | 19602         | 19813          |
| <b>Total</b>   | <b>3385</b>   | <b>19602</b> | <b>0</b>     | <b>22987</b>  | <b>20958</b>   |
| Note 2c) Other trading activities  |               |              |              |               |                |
| Church Centre rents for fundraising purposes                                       | 0             | 2405         | 0            | 2405          |                |
| <b>Total</b>   | <b>0</b>      | <b>2405</b>  | <b>0</b>     | <b>2405</b>   | <b>0</b>       |
| Note 2d) Income from investments and deposits in 2025                              |               |              |              |               |                |
| Dividend from CCLA Investment Fund   | n/a           |              |              |               | 375            |
| Income reinvestment from CBF CofE Deposit Fund                                     |               | 5612         |              | 5612          | 11773          |
| Net gain on investments  | n/a           |              |              |               | 381            |
| <b>Total income from investments</b>   | <b>0</b>      | <b>5612</b>  | <b>0</b>     | <b>5612</b>   | <b>12529</b>   |
| Notes for investment income:   |               |              |              |               |                |
| a) The CCLA Investment Fund was closed in 2024                                     |               |              |              |               |                |
| b) Interest from the CBF Deposit Fund is designated as income to the Legacies Fund |               |              |              |               |                |
| Note 2e) Other income  |               |              |              |               |                |
| Income from fundraising  | 1179          |              |              |               | 1272           |
| Sale of surplus assets   | 50            |              |              |               |                |
|  | 1229          | 0            | 0            | 1229          | 1272           |
| <b>Total Income</b>  | <b>125978</b> | <b>43014</b> | <b>11540</b> | <b>180532</b> | <b>209846</b>  |
| <b>Expenditure</b>   |               |              |              |               |                |
| Note 3a) Church Activities   |               |              |              |               |                |
| Diocesan Parish Share  | 76720         |              |              | 76720         | 74290          |
| Mission giving and donations   | 1500          |              |              | 1500          | 1600           |
| Salaries and wages, including self-employed staff                                  | 19278         | 4404         | 147          | 23829         | 17513          |
| Clergy and Staff Expenses  | 558           |              |              | 558           | 1008           |
|  | 98056         | 4404         | 147          | 102607        | 94411          |
| Note 3b) Church expenses   |               |              |              |               |                |
| Mission and Evangelism costs   | 445           | 3            | 4430         | 4878          | 510            |
| Church running and maintenance   | 18102         |              | 1892         | 19994         | 17973          |
| Church utility bills   | 6936          |              |              | 6936          | 7478           |
| Costs of trading (Church Centre)   |               | 13326        |              | 13326         | 23380          |
|  | 25483         | 13329        | 6322         | 45134         | 49341          |
| Note 3c) Other expenses  |               |              |              |               |                |
| Costs of raising funds   | 1352          |              |              | 1352          |                |
| Repairs to Church structure  |               | 5019         |              | 5019          | 266677         |
| Repairs to Church Centre   |               | 3474         |              | 3474          |                |
|  | 1352          | 8493         | 0            | 9845          | 266677         |
| <b>Total Expenditure</b>   | <b>124891</b> | <b>26226</b> | <b>6469</b>  | <b>157586</b> | <b>410429</b>  |
| <b>Net excess of total income over expenditure</b>                                 | <b>1087</b>   | <b>16788</b> | <b>5071</b>  | <b>22946</b>  | <b>-200583</b> |

# ST MARGARET'S CHURCH, IPSWICH

## NOTES

### Note 4. Tangible Fixed Assets

The value of £100,000 is an estimate of the value of the Church Centre for accounting purposes only. The Church Centre is an asset of the PCC. However it is vested in the Diocesan Board of Finance as Custodian Trustees for St Margaret's PCC in accordance with the Parochial Councils (Powers) Measure 1956. St Margaret's PCC are the Managing Trustees.

### Note 5. Write-offs

Two debtors of £185.60 and £208.25 which appeared in the Accounts receivable for 2024 could not be recovered after considerable efforts to do so. The PCC therefore decided to write off these two debts. This is reflected in the accounts by the starting balance for 2025 being £393.85 lower than the closing balance reported for 2024.

### Note 6. Deposit Accounts

The CBF Church of England Deposit Fund

|   |         |
|---|---------|
| Value at 1 <sup>st</sup> January 2025   | £125594 |
| Income reinvestment                     | £5612   |
| Value at 31 <sup>st</sup> December 2025 | £131206 |

### Note 7. Debtors (Accounts receivable)

|  | 2025   | 2024   |
|--|--------|--------|
| Debtors for Goods and Services                                   | £5279  | £6147  |
| HMRC (Gift Aid tax pertaining to Giving income received in 2025) | £8505  | £8971  |
| Total  | £13784 | £15118 |

### Note 8. Creditors (Accounts payable)

|                                  | 2025  | 2024  |
|----------------------------------|-------|-------|
| Creditors for goods and Services | £4707 | £4339 |

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## St Margaret's Church, Ipswich

### Note 9

#### Fund movement summary for Year ending 31st December 2025

| Fund                         | Fund balances brought forward | Incoming Resources | Outgoing Resources | Transfers | Write-offs | Fund balances carried forward |
|------------------------------|-------------------------------|--------------------|--------------------|-----------|------------|-------------------------------|
|                              | £                             | £                  | £                  | £         |            | £                             |
| <b>Unrestricted</b>          |                               |                    |                    |           |            |                               |
| General Fund                 | 26171                         | 125978             | 124891             | -841      |            | 26417                         |
| <b>Designated</b>            |                               |                    |                    |           |            |                               |
| Bells Maintenance            | 6678                          | 60                 |                    |           |            | 6738                          |
| Capital Reserve              | 54518                         | 5612               | 3474               |           |            | 56656                         |
| Church Centre                | 23325                         | 22069              | 17730              | 200       | 394        | 27470                         |
| Clock                        | 117                           | 394                |                    |           |            | 511                           |
| Fabric                       | -1091                         |                    |                    | 1091      |            | 0                             |
| Legacies                     | 32517                         | 2654               |                    |           |            | 35171                         |
| QI Repairs                   | 13199                         | 12226              | 5019               |           |            | 20406                         |
| Vicar / Wardens              | 160                           |                    | 3                  |           |            | 157                           |
| <b>Restricted</b>            |                               |                    |                    |           |            |                               |
| Befrienders Fund             | 887                           |                    | 117                |           |            | 770                           |
| Bells Maintenance            | 3698                          |                    | 1892               |           |            | 1806                          |
| Blue Coat Foundation Grant   |                               | 150                | 150                |           |            | 0                             |
| The Choral Evensong Trust    |                               | 250                | 262                |           |            | -12                           |
| Church Centre                | 190                           |                    |                    |           |            | 190                           |
| Clock Fund                   | 146                           |                    |                    |           |            | 146                           |
| Fabric                       | 250                           |                    |                    | -250      |            | 0                             |
| Inspiring Ipswich - Together |                               | 10640              | 2241               |           |            | 8399                          |
| DBF Season Of Invitation     |                               | 500                | 494                |           |            | 6                             |
| Suffolk Community Fund       |                               |                    | 1313               | 2800      |            | 1487                          |
| Unspecified                  | 3462                          |                    |                    | -3000     |            | 462                           |
| <b>Totals</b>                | <b>164227</b>                 | <b>180533</b>      | <b>157586</b>      | <b>0</b>  | <b>394</b> | <b>186780</b>                 |

# ST MARGARET'S CHURCH, IPSWICH

## Notes

### Note 10 Staff Costs

St Margaret's Church is a "Real Living Wage" organisation, paying at least the Real Living Wage which is above the government's minimum wage.

Staff costs are the gross wages of payroll (contracted) staff plus the payroll administrative costs.

The staff include Administrator, Caretaker and Cleaner. They do not include musicians who are self-employed.

|             | 2025    | 2024    |              |
|-------------|---------|---------|--------------|
| Staff costs | £15,296 | £17,396 | 12% decrease |

The decrease in Staff costs is due to the absence of a Church Centre Caretaker for most of the year and the maternity leave for the Parish Administrator for the latter part of the year.

### Note 11 Trustees remuneration and expenses

No remuneration or other benefits from employment with the charity or a related charity were received by the Trustees for their role as Trustees. (Trustees may be employed in other roles)