

PENARTH MINISTRY AREA
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS

31 DECEMBER 2023

Registered Charity: 1134711



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PENARTH
MINISTRY AREA

CONTENTS	Page
1. Annual Report from the Board of Trustees of Penarth Ministry Area	4
2. Report from the Independent Examiner to Penarth Ministry Area	9
3. Statement of Financial Activities	9
4. Balance Sheet	11
5. Notes to the accounts	12

1. Annual Report from the Board of Trustees of Penarth Ministry Area

The Board of Trustees of Penarth Ministry Area presents its report with the unaudited financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered office:

Penarth Ministry Area
All Saints Church
Victoria Square
Penarth
CF64 3EL

Phone: 029 2070 3170

Email: admin@allsaintспенarth.org.uk

Websites: allsaintспенarth.org.uk / parishofpenarthandllandough.co.uk

Trustees:

The Trustees of Penarth Ministry Area at 31 December 2023 were:

Janet Akers
Hugh Bryant
Robert Court
Jan Cullen
Reverend Mark Jones
Melanie Tuke Griffin
Patricia Ann Humphrey
Jane McLaughlin
Reverend Bethany Pearson
Neil Pugh
Len Smart
Christian Salisbury
Huw Williams
Reverend Jimmy Young

Objectives and activities

Penarth Ministry Area (PMA) is a benefice of the Church in Wales. The charitable object of PMA is the promotion of the whole mission of the Church, pastoral, evangelistic, social and ecumenical, within the ministry area. It is a Christian Church comprising the former parishes of:

- All Saints, Penarth;
- Holy Nativity, Penarth;
- Saint Augustine, Penarth;
- Saint Dochdwy, Llandough; and
- Saint Peter Old Cogan.

Additionally, PMA is responsible for churchyards associated with closed churches at Leckwith and at St Lawrence, Lavernock. We facilitate services at our church buildings and community activities in our church halls. We also provide pastoral care to the local community in Penarth.

When planning activities for the year, the trustees have considered the Charity Commission's guidance on public benefit. All charitable activities are undertaken to further the company's charitable purposes for the public benefit.

Our Mission

We exist as a Ministry Area, as part of the Diocese of Llandaff within the Church in Wales, to:

- Proclaim the Good News of the Kingdom
- Teach, baptise and nurture new believers
- Respond to human need by loving service
- Transform unjust structures of society, challenge violence of every kind and pursue peace and reconciliation
- Strive to safeguard the integrity of creation, and sustain and renew the life of the earth

Our Vision

In 5 years' time we want our Ministry Area to be:

- A. Visible and known
- B. Flourishing, inclusive and outward looking
- C. Making best use of our resources
- D. Proactive in serving our community
- E. Active in stewardship of our environment and challenging injustice

Structure, governance and management

PMA is an unincorporated association and is registered with the Charity Commission for England and Wales as charity number 1134711. PMA was established by a Decree from the Bishop of Llandaff on 1 January 2022, which merged the former parochial church councils of the Parish of All Saints and the Parish of Penarth and Llandough.

PMA is governed by a Ministry Area Council (MAC) consisting of 14 Trustees, both Lay and Clerical. Lay Trustees are appointed by vote of members of the electoral roll at the Annual Vestry Meeting. The MAC is supported by sub-committees which deal with: Mission; Children and Young People; Finance; Fundraising; Buildings; Pastoral matters; and Fellowship.

Achievements and performance – review of the year

2023 was our second full year as a Ministry Area (following the merger of the former Parochial Church Councils of the Parish of All Saints and the Parish of Penarth & Llandough on 1 January 2022.)

During the year, we formulated and began implementing a new 5-year strategy, designed to achieve our Vision. We created five Steering Groups, consisting of Trustees and volunteers, charged with delivering strategic initiatives and quick wins under the various components of our strategy. Immediate priorities include (i) fundraising to support the employment of a full-time youth worker; and (ii) improvements to St Augustine's using the Earl of Plymouth's donation.

Whilst developing and implementing our longer-term strategy, we continued to deliver our varied programme of community based activities throughout the year, aligned with our Mission. In addition to ongoing church services, our activities during the year included baptisms, weddings and funerals, musical events, a programme of events for children and young people, a monthly breakfast club for young families, work with local schools, first aid courses, Quiet Days, Lent courses, plant and cake sales and various other faith-based groups and activities. Mindful of the challenges faced by many people during the current economic climate, we also provided community support by collecting foodbank items throughout the year and offering community warm spaces in our church buildings during the colder months.

Our Community Cinema increased its activities during the year, and provided regular showings of both new blockbuster and classical movies during the year. The cinema now has around 250 regular members, with over 1,700 attendances during the year. Film nights were frequently sold-out, providing an opportunity for fellowship and entertainment, whilst also raising valuable funds for the Ministry Area.

Throughout the year, we continued our support of the charity Christian Aid, which does remarkable work in some of the most deprived areas of the world. In March, we held our traditional Lent Lunches, in conjunction with the Salvation Army, with proceeds being donated to Christian Aid. We also held a concert with the Canna Ladies Choir, held collections in some of our church services to raise further funds for Christian Aid, and organised volunteers to help with the annual Christian Aid collection in Penarth town centre.

In April, we began a programme of six monthly cream tea events, offering refreshments and live musical entertainment, providing a further opportunity for fellowship whilst also raising funds for the Ministry Area. In May, we held our annual Summer Celebration at All Saints; timing the celebration this year with the coronation of His Majesty, King Charles III, providing an opportunity for people to celebrate the coronation together.

In June, we ran our 'Churches Unlocked' event at St Augustine's, which offered a week of events including talks, concerts, exhibits, demonstrations of flower arranging and bellringing, and tours of the church (inside and out), supported by an art exhibition at St Augustine's church hall. Also in June, we supported the annual Llandough village fête with a tea and cake stall run by St Dochdwy's.

Bishop Mary Stallard, the new Bishop of Llandaff, visited the Ministry Area in September, as the first stop in her tour of the Diocese's 28 Ministry Areas. The Bishop met with the clergy and the Lay Chair and visited our 6 churches. We thank Bishop Mary for her visit and the positive feedback received from her regarding our progress in the Ministry Area.

Also in September, we began the process of creating a Charitable Incorporated Organisation (CIO) for Penarth Ministry Area, in line with guidance issued by the Church in Wales. We anticipate registering our CIO with the Charities Commission early in 2024. The CIO will then become the underlying legal entity which delivers most of our activity. Whilst this represents an important structural change in our establishment, it should be largely invisible and inconsequential to the way in which we conduct the activities of the Ministry Area.

In October we held a welcome event at All Saints, for people who have joined any of our churches during the last few years. This event provided an opportunity for people to learn more about the Ministry Area and the range of activities it provides, whilst also providing an opportunity to meet the clergy and learn about our plans for the future.

In November, we held our annual 'All Souls' services in both St Augustine's and All Saints, dedicated to the more recently bereaved, but open (of course) to all. In December, we held our annual Christmas Tree Festival at St Augustine's, which has grown in popularity and attendance every year. This year, we welcomed approximately 2,800 people into St Augustine's during the three day event, and raised almost £4,000 for three local charities. We would like to thank all those who organised, supported and attended the event.

We continued our extensive programme of building maintenance throughout the year. Across the Ministry Area, we are responsible for five church buildings, three church halls and two parsonages, creating a substantial maintenance requirement every year. In particular, during 2023 we completed major groundwork at Holy Nativity including the restoration of the Plassey St and Windsor Road junction walls, and we are in the process of completing major repairs and renewals to Church House and the louvres in St Augustine's bell tower. Our quinquennial inspections took place during the year, and the Ministry Area Council will soon be prioritising the inevitable maintenance obligations that arise from these important inspections.

The Ministry Area Council wishes to thank all who support its mission. In particular, we offer thanks to the Clergy, whose tireless work guides our activity, and to our employees for their hard work and dedication throughout the year. We also wish to recognise and thank all those who provided financial contributions which are so vital to our mission and our continued existence as a Ministry Area. The Ministry Area Council also expresses its thanks to all church wardens and volunteers who give their time freely and, without whom, the Ministry Area would not be able to function.

Financial review

During the year, PMA received unrestricted income of c£394,000 (2022: £292,000), and incurred operating costs of c£350,000 (2022: c£319,000), resulting in an operating surplus on unrestricted funds of c£44,000 (2022: operating deficit c£27,000). Additionally, PMA recorded depreciation in its property values of £17,000 appreciation in its Church in Wales investment of c£1,000, and a transfer from unrestricted funds to restricted funds of £12,000, to reflect the wishes of the donor. As such, PMA reports a net surplus for the year on unrestricted funds of c£16,000 (2022: net deficit c£28,000).


Primary sources of unrestricted income during the year included Planned Giving of c£131,000; Money Raising of c£117,000; and other donations of c£38,000. Primary expenditure from unrestricted funds included the Parish Share of c£139,000; Maintenance of Churches of c£122,000 and General Parish expenses of c£52,000.

At 31 December 2023, PMA held unrestricted net assets (reserves) of c£770,000, (2022: c£755,000) consisting of property valued at £563,000; investments of c£21,000; cash of c£199,000; and unrestricted creditors of c£12,000.

In addition to its unrestricted funds, PMA received c£13,000 in restricted donations and income, and spent £8,000 of restricted funds, primarily on maintenance of church buildings and construction/ground works at Holy Nativity. At 31 December 2023, PMA held Restricted funds of c£81,000, the majority of which was donated to PMA and/or its predecessor PCCs, for maintenance and development of church buildings.

The above report has been prepared in accordance with the Charities SORP 2019 (FRS 102).

Signed on behalf of the board:



Reverend Mark Jones
Ministry Area Leader and Trustee

8 March 2024

2. Report from the Independent Examiner

Independent Examiner's Report to the Trustees of Penarth Ministry Area

I report to the charity trustees on my examination of the accounts of **Penarth Ministry Area** (Registered charity 1134711) for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility:

- to examine the accounts under section 145 of the Charities Act
- to follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

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 130 of the Charities Act,
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met;

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

Signed:



Caroline Candy

Fellow, Association of Chartered Certified Accountants
Naunton Jones Le Masurier Accountants, 24 St Andrews Crescent, Cardiff, CF10 3DD

11 March 2024

3. Statement of Financial Activities

For the Year Ended 31 December 2023

		CURRENT YEAR - 2023			PRIOR YEAR - 2022			
		Notes	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
			£	£	£	£	£	£
INCOME								
Voluntary income	Planned giving	2	130,878		130,878	123,877	211	124,088
	Loose collections		10,106		10,106	7,974		7,974
	Donations	3	37,999	10,639	48,639	6,202	4,541	10,743
	For Mission		3,805	501	4,305	2,503		2,503
	Tax refunds		18,749	550	19,299	5,288		5,288
	Legacies	4	37,834		37,834	33,390		33,390
	Grants	5	5,663		5,663	11,532		11,532
Generated income	Money raising	6	116,552		116,552	79,877	120	79,997
	Fees		13,048	1,496	14,544	10,258	352	10,610
Investment income	Interest	7	5,759		5,759	858	157	1,015
	Rental income	8	9,300		9,300	9,300		9,300
Other incoming resources	Gas & Electricity refunds		1,711		1,711	1,129		1,129
	Other income		2,124		2,124	271	303	574
TOTAL INCOME			393,527	13,186	406,713	292,458	5,684	298,142
EXPENDITURE								
Support for Ministry	Parish share	9	138,694		138,694	132,470		132,470
	Parochial expenses of cleric	20	6,883		6,883	8,612		8,612
	Support for Ministry Other		1,928		1,928	3,982		3,982
Parish Activities	Maintenance of services		17,739	560	18,299	14,026		14,026
	General Parish expenses	10	51,836	87	51,923	63,216	66	63,282
Church Property	Maintenance of churches	11	121,989	6,490	128,479	94,398	22,087	116,485
	Maintenance of other property		1,701	374	2,075	1,907	3,498	5,405
Grants/Financial Support	Missions: Parish		389		389	521		521
	Missions: Home		4,491	501	4,992	259	3,021	3,280
	Missions: International		1,267		1,267		958	958
Other Resources Expended	Cost of Money Raising		2,966		2,966		1,652	1,652
TOTAL EXPENDITURE			349,883	8,012	357,896	319,391	31,282	350,673
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR			43,643	5,174	48,817	(26,933)	(25,598)	(52,531)
Asset revaluations	Common Investment Fund	12	1,093		1,093	(1,396)		(1,396)
Asset revaluations	Property	13	(17,000)		(17,000)			
Transfers between funds		24	(12,000)	12,000	0			
NET SURPLUS / (DEFICIT) FOR THE YEAR			15,736	17,174	32,910	(28,329)	(25,598)	(53,927)
BALANCE OF TOTAL FUNDS								
		Notes						
Brought forward 1st January 2023			754,547	63,802	818,349	413,095	4,873	417,968
Net surplus / (deficit) for the year			15,736	17,174	32,910	(28,329)	(25,598)	(53,927)
Carried forward			770,283	80,976	851,260	384,766	(20,725)	364,041

The above information is presented in Appendix 1 in a larger font (pages 20-21).

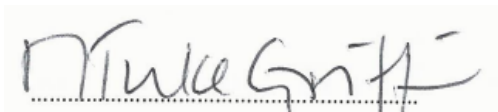
4. Balance sheet

As at 31 December 2023

	Notes	Current year			Previous year		
		Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
		£	£	£	£	£	£
Fixed Assets: Property	13	563,000		563,000	580,000		580,000
Investment: Church in Wales Common Investment Fund	12	21,114		21,114	20,021		20,021
Total long term assets		584,114		584,114	600,021		600,021
Cash Funds							
Current accounts: Unrestricted funds		32,513		32,513	96,499		96,499
Current accounts: Designated funds		5,000		5,000			
Current account: Norman and Freda Jones Trust	14	7,818		7,818	57,460		57,460
Investment account: Norman and Freda Jones Trust	14	85,000		85,000			
Investment account: Unrestricted	15	68,282		68,282	5,282		5,282
Investment account: Restricted	16		68,899	68,899		61,040	61,040
Current account: Friends of St Peter's Restricted	17		4,720	4,720			
Current account: Other Restricted	18		7,358	7,358		2,763	2,763
Creditors falling due within one year	19	(12,444)		(12,444)	(4,716)		(4,716)
Total current assets		186,169	80,976	267,145	154,526	63,802	218,328
TOTAL ASSETS		770,283	80,976	851,260	754,547	63,802	818,349
Represented by:							
Unrestricted Fund		770,283		770,283	754,547		754,547
Other restricted funds			80,976	80,976		63,802	63,802
TOTAL RESERVES		770,283	80,976	851,260	754,547	63,802	818,349

The above information is presented in Appendix 2 in a larger font (page 22).

The accounts were approved by the Board of Trustees on 8 March 2024.



Mel Griffin
Chair



Chris Salisbury
Treasurer

NOTES TO THE ACCOUNTS

1. Accounting policies

These Financial Statements have been prepared in accordance with applicable United Kingdom accounting standards; the Statement of Recommended Practice, SORP 2019 (FRS102) issued by The Charity Commission; and the Church in Wales Accounting Regulations, which specify the Standard Form of Accounts to be adopted by parishes within the Church in Wales.

The historical cost convention is used except for the valuation of certain fixed assets, whose valuation basis is detailed in the note below. The principal accounting policies are applied consistently.

Fixed assets

Churches, Churchyards and Vicarages are vested in the Representative Body of the Church in Wales and any such property forms no part of the assets of the Parish. Moveable Church contents are inalienable property and require a faculty for disposal. Many are historic for which no reliable cost or valuation bases exist. They are not recognised on the Balance Sheet nor listed, to reduce the risk of theft and vandalism. Expenditure on Churches (including contents), Churchyards and Vicarages is written off when incurred. Other freehold land and buildings are held in trust for the Parish by either the Representative Body, or the Llandaff Diocesan Board of Finance.

Income

- **Recognition of income:** Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
- **Income with related expenditure:** Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
- **Donations and legacies:** Voluntary income received by way of grants, donations and gifts is included in the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
- **Tax reclaims on donations and gifts:** Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
- **Donated services and facilities:** These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
- **Volunteer help:** The value of any volunteer help received is not included in the accounts.
- **Investment income:** This is included in the accounts when receivable.
- **Gains/(losses) on revaluation of fixed assets:** This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
- **Gains/(losses) on investment assets:** This includes any gain or loss on the sale of investments.

Expenditure

- **Recognition of expenditure:** Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
- **Expenditure on raising funds:** These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
- **Expenditure on charitable activities:** These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
- **Grants payable:** All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
- **Governance costs:** These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
- **Other expenditure:** These are support costs not allocated to a particular activity.

Funds

- **Restricted funds:** represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the Ministry Area for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.
- **Unrestricted funds:** are general funds which can be used for ordinary purposes by the Ministry Area.
- **Designated funds:** are unrestricted funds set aside by the Ministry Area Council for a specific purpose.

Investments

Investments held as fixed assets are stated at cost less any provisions for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments are calculated such that the carrying value of the fixed asset investment is the lower of its cost or recoverable amount. Recoverable amount is the higher of its net realisable value and its value in use.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Operating leases

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

2. Planned giving

Planned and occasional donations received during the year via Standing Orders, the Church in Wales Gift Direct Scheme, envelopes and other sources:

	Unrestricted £	Restricted £	Total £	Prior year £
Standing Order Planned Giving	9,678		9,678	9,960
Occasional Giving via Bank	700		700	741
Gift Aid Envelopes - Occasional	5,202		5,202	4,240
Gift Direct	115,298		115,298	108,300
Other planned giving				847
Total	130,878		130,878	124,088

3. Donations

	Unrestricted £	Restricted £	Total £	Prior year £
Gift day appeal	17,193		17,193	-
Contactless donations	4,831		4,831	2,636
Other	15,975	10,639	26,614	8,107
Total	37,999	10,639	48,638	10,743

4. Legacies

During the year, PMA benefited from higher interest rates and improved investment returns on the Norman and Freda Jones Trust legacy, resulting in legacy income from the Trust of £37,534 (2022: £29,890). (This investment is held by the Representative Body of the Church in Wales, with only the income from the investment being made available to PMA – note 14.)

5. Grants

During 2023, PMA received grants totalling £5,663 (2022: £11,532) of which £5,000 was from Llandaff Diocese, to help with the costs of Ministry Area administration and £663 was from Vale of Glamorgan under their Community Warm Spaces Scheme.

6. Money raising

Hall and Church rentals continue to provide a steady source of income for PMA. Additionally, Cinema receipts increased significantly compared to 2022, due to more frequent showings and higher attendances.

At the start of the year, Llandaff Diocese announced that Parish Share rebates would be paid quarterly in arrears, rather than in January each year. Consequently, PMA benefitted in 2023 by receiving both the 2022 and 2023 rebates, resulting in a substantially increased total rebate compared to the prior year.

	Unrestricted £	Restricted £	Total £	Prior year £
Fund raising	8,669		8,669	3,555
Other funds generated			-	1,144
Hall Rental Income	60,844		60,844	52,845
Magazine/other publication sales	4,594		4,594	2,932
Sundry income	5,940		5,940	9,352
Cinema income	13,420		13,420	1,342
Hire of Church	6,059		6,059	2,408
MA/Parish share rebate	17,026		17,026	6,419
Total	116,552		116,552	79,997

7. Bank account interest

During the year, Penarth Ministry Area benefitted from increases in interest rates on its holdings with CCLA Investment Management Limited, and increased the sums on deposit with that organisation by £160,000.

Interest received during the year was £5,759 (2022: £1,015)

8. Rental income

PMA received rental income of £9,300 (2022: £9,300) from one of the properties in which the Ministry Area retains a beneficial financial interest.

9. Operating leases

The company has entered into a non-cancellable operating leases as lessee for which the total of future minimum lease payments are as follows:

	2023	2022
	£	£
Within 1 year	1,200	3,600
2 – 5 years	nil	1,200
More than 5 years	nil	nil

10. Parish Share

Penarth Ministry Area paid Parish Share of £138,694 (2022: £132,470) to Llandaff Diocese, as a contribution towards the costs of Ministry and Mission across the Diocese. The Parish Share covers (inter alia):

- Education, children, young people and safeguarding
- Ministry and discipleship and training
- Clergy housing repairs and maintenance
- Care of churches
- Grants to support mission and ministry projects
- Communication and Engagement
- Governance & compliance, stewardship

(Source: https://llandaff.contentfiles.net/media/documents/Fairer_Share_Guide_2021.pdf)

11. General parish expenses

	Unrestricted	Restricted	Total	Prior year
	£	£	£	£
Costs of meetings				420
Bank charges	1,550	87	1,637	630
Telephone/mobile/internet	254		254	303
Office and general expenditure	9,998		9,998	18,165
Administrative staff salaries	24,983		24,983	33,695
Employer's pension contributions	297		297	410
Professional Fees	3,750		3,750	4,500
Independent examination fees	1,950		1,950	2,675
Trustee Training and development	793		793	720
Cinema expenses	7,027		7,027	
Admin/Staff HMRC payments	1,234		1,234	1,405
Admin/Staff Expenses				359
Total	51,836	87	51,923	63,282

12. Maintenance of Churches

	Unrestricted £	Restricted £	Total £	Prior year £
Insurance	11,626		11,626	10,355
Gas and electricity	46,055		46,055	26,622
Water	2,940		2,940	2,970
Church repairs and maintenance	42,168	6,490	48,658	64,513
Church cleaning	11,385		11,385	8,820
Church operating costs - general	7,814		7,814	3,205
Total	121,988	6,490	128,478	116,485

13. Common Investment Fund

Penarth Ministry Area holds 9,554 shares in the Church in Wales Common Investment Fund. At year end, the shares were valued at £2.21, resulting in a total holding of £21,114 (2022: £20,021) and an unrealised gain of £1,093 for the year.

14. Property

As required by accounting standards, PMA values its properties at a prudent net realisable value. At 31 December 2023, PMA revalued its properties as follows:

- Coleridge Avenue (known as 'The Curate's House'): value reduced from 2022 by 1% in accordance with the Halifax Bank of Scotland House Prices Index, resulting in a write-down of £3,000 on the carrying value of the property. An independent valuer was not used.
- Windsor Road (known as 'Church House'): value reduced from 2022 by 1% in accordance with the Halifax Bank of Scotland House Prices Index, plus a further 4% reflecting deterioration in the general condition of the property identified during the year, resulting in a write-down of £14,000 on the carrying value of the property. An independent valuer was not used.

<i>All values in £ sterling</i>	31-Dec-2022 Actual	Revaluation	31-Dec-2023 Actual	Historical cost note
Coleridge Avenue	300,000	(3,000)	297,000	300,000
Windsor Road	280,000	(14,000)	266,000	280,000
Total property value	580,000	(17,000)	563,000	580,000

15. Norman and Freda Jones Trust

In 2020, a Trust fund known as the '*Norman and Freda Jones Trust*' was established using proceeds from the estate of a former parishioner. The terms of the Trust direct that it shall be owned and retained by the Representative Body of the Church in Wales (RBCIW) as a permanent endowment (hence it does not appear in PMA's balance sheet), with income from the Trust being paid to All Saints PCC and any successor bodies (now Penarth Ministry Area) as beneficiary. The terms of the Trust further direct that income from the Trust should be used by the beneficiary for the benefit of the parish with preference being given to St Peter's Church. As this is a 'preference' rather than a requirement, the PMA Board of Trustees takes the view that income arising from the fund is unrestricted.

During 2023, PMA received £37,534 (2022: £29,890) from the Trust, and spent £2,176 (2022: £1,422) on maintenance work at St Peter's church. At 31 December 2023, the balance of income received from the Trust was held by PMA partly within CCLA Investment Management Limited (as a longer term deposit), and partly in a separate current account (to meet short term needs):

	Total £	Prior year £
Brought forward 1 January 2023	57,460	28,992
Receipts	37,534	29,890
Expenditure	(2,176)	(1,422)
Carried forward 31 December 2023	92,818	57,460
- Held as current account	7,818	
- Held as CCLA deposit	85,000	
Carried forward 31 December 2023	92,818	

16. Investment account: Unrestricted

PMA holds unrestricted funds on interest-bearing deposit with CCLA Investment Managers Limited.

	Unrestricted £	Prior year £
Norman and Freda Jones Trust (note 15)	85,000	
General funds	63,000	
St Dochdwy's	5,282	5,282
Totals	153,282	5,282

17. Investment account: Restricted

PMA holds restricted funds with CCLA Investment Management Limited for a variety of purposes, including maintenance of church buildings and churchyards. The opening balances, transactions and closing balances on these funds were:

<i>Fund (all amounts in £):</i>	<i>Brought F/wd 1 Jan 2023</i>	<i>Income</i>	<i>Transfers</i>	<i>Expenditure</i>	<i>Carried F/wd 31 Dec 2023</i>
CCLA: St Augustine's Churchyard	3,294				3,294
CCLA: St Augustine's Music Fund	2,533				2,533
CCLA: Earl of Plymouth Fund	51,495		12,000	(4,128)	59,367
CCLA: St Lawrence Churchyard	13			(13)	0
CCLA: St Dochdwy's Churchyard	3,705				3,705
TOTAL	61,040		12,000	(4,141)	68,899

- **St Augustine's Churchyard:** Fund held for the purpose of maintaining St Augustine's churchyard.
- **St Augustine's Music fund:** Fund for choir music, new robes, ad hoc singers and instrumentalists for services if/when required and, more recently, choral bursaries.
- **Earl of Plymouth Fund:** Fund donated for the maintenance and development of St Augustine's Church and Churchyard. Holy Nativity may also benefit from the fund for these purposes. Expenditure during the year related to groundworks at Holy Nativity. Expenditure during the year related to groundwork at Holy Nativity
- **St Dochdwy's Churchyard:** Fund held for the purpose of maintaining St Dochdwy's churchyard. Funds were used during the year for ground maintenance work.

18. Restricted: Friends of St Peter's

During November 2023, PMA received a donation of £4,720 from the Friends of St Peter's (FoSP). FoSP requested, and PMA agreed, that the donation is restricted, and is to be used in consultation with the Management Committee of FoSP, for the benefit of St Peter's church.

19. Restricted: Other

PMA holds other restricted funds for a variety of purposes. The opening balances, transactions and closing balances on these funds were:

<i>Fund (all amounts in £):</i>	<i>Brought F/wd 1 Jan 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Carried F/wd 31 Dec 2023</i>
Walliach		501	(501)	
All Saints Audio Video Fund	515	3,000		3,515
All Saints Piano Fund	1,791		(560)	1,231
St Dochdwy's Restricted fund	187	1,287		1,474
St Augustine's Restricted Fund		494	(389)	105
Holy Nativity Restricted Fund		2,920	(2,047)	873
Llandough Community Council	180		(180)	
Other	89	457	(387)	159
TOTAL	2,762	8,659	(4,064)	7,357

- **Audio Video Fund:** Fund held for the purposes of upgrading the Audio and Video equipment within All Saints Church
- **All Saints Piano Fund:** Fund held for the purposes of maintaining All Saints' pianos and organs. Expenditure during the year relates to piano and organ tuning
- **St Dochdwy's Restricted Fund:** Fund held for the purposes of maintaining the church and churchyard. Expenditure during the year relates to groundworks in the Churchyard
- **St Augustine's Restricted Fund:** Fund held for the purposes of maintaining the church and churchyard. Expenditure during the year relates to churchyard management costs
- **Holy Nativity Restricted Fund:** Fund held for the purposes of maintaining the church and churchyard. Expenditure during the year relates to churchyard management costs

20. Creditors falling due within one year

Amounts due at year end included fees for groundwork at Holy Nativity (£6,692), the 2023 Independent Examination (£1,950) and payments to beneficiary charities from the Christmas Tree Festival (£3,800).

21. Trustees' remuneration, expenses and benefits

No trustee is employed by the charity. No trustees receive remuneration or other financial benefits from their roles as trustees.

22. Employee remuneration

The Charity had three part-time employees during the year. Compensation paid to these employees was in the following bands:

£0 - £10,000:	2 employees
£10,001 - £20,000:	1 employee

23. Payment to Independent Examiner

As at 31 December 2023 Independent Examination fees of £1,950 were accrued in respect of the examination of the 2023 accounts.

24. Reserves policy

The Ministry Area aims to maintain unrestricted current assets (cash minus creditors) of a minimum of £50,000. As at 31 December 2023, unrestricted current assets amounted to £198,171 (2022: £154,526).

25. Post balance sheet event

In March 2024, former members of the Board of Trustees of the Parish of Penarth and Llandough (PPL) reported their view that the St Augustine's Appeal Fund (also known as the 'Plymouth Fund'), when transferred to Penarth Ministry Area on 1 January 2022, contained two elements: an amount held on deposit of £72,962 and a further amount of £12,000 held in a current account, making a total of £84,962.

In approving the opening balance sheet in March 2022, it had not been apparent to the Board of PMA that the current account balance transferred from PPL included £12,000 relating to the Plymouth Fund. Following representations from former Trustees of PPL, and a review of relevant documentation, the Board of Trustees is satisfied that the representations made by former PPL trustees are correct, and has transferred £12,000 from its unrestricted reserves to its restricted reserves to address this matter.

26. Related party disclosures

During the year, the Board of Trustees entered into contract with one trustee (on a self-employed basis) for the provision of musical expertise, including playing the organ at church services, weddings and funerals. The payments made to this Trustee during the year amount to £5,721 (2022: £2,435).

Two trustees (members of the clergy) received expenses relating to their clerical duties totalling £6,883 during the year (2022: £8,612, three trustees).

27. Going concern assessment

On 29 January 2024, the PMA Board of Trustees assessed the financial position and prospects of Penarth Ministry Area and concluded that the charity remains a Going Concern.

In arriving at this conclusion, the Board:

- Noted its intention to transfer the activities of Penarth Ministry Area (the unincorporated association) to Penarth Ministry Area Charitable Incorporated Organisation (CIO) during 2024 and thereafter to apply to the Charity Commission to dissolve the unincorporated association's charitable registration. As the CIO replaces the unincorporated association in form but not in substance, the Board concludes that this transfer does not affect PMA's going concern assertion or the value of assets and liabilities presented in its balance sheet at 31 December 2023
- Considered both the general economic climate, and the specific operating environment for the Ministry Area, for a period of at least 12 months from the date on which the 2023 accounts were approved by the Trustees (29 January 2024)
- Noted that, at 31 December 2023, PMA had unrestricted (liquid) working capital of c£198,000 and (near-liquid) investments reserves of c£20,000.
- Noted the emerging strategic ambitions of the Ministry Area and, in particular, the need to ensure appropriate funding in place for all new activities (eg employment of a Youth Worker)
- Noted the net operating surplus on unrestricted funds for 2023 and considered the reasonable assumption that underlying income and expenditure patterns in 2024 will remain largely consistent with 2023
- Noted the ageing estate that falls within the responsibility of the Ministry Area (which includes both Grade I and Grade II Listed Buildings), the continuing maintenance and financial burden this creates and, in particular, the likely outcome of the 2023 Quinquennial Reviews
- Noted that PMA is the beneficial owner of properties presented at a prudent valuation of £563,000, that could be sold to provide further cash for normal activity if needed
- Estimated that PMA currently holds liquid reserves sufficient to sustain normal operating activity for a period of at least three years, plus property and investments which, if sold, would be sufficient to sustain normal operating activity for at least a further 10-15 years thereafter.

Appendix 1: Annual Financial Return

The figures shown below and on the following page are identical to the figures shown in the AFR on page 10.

		CURRENT YEAR - 2023			PRIOR YEAR - 2022		
	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		£	£	£	£	£	£
INCOME							
Voluntary income							
	Planned giving	2	130,878		123,877	211	124,088
	Loose collections		10,106	10,106	7,974		7,974
	Donations	3	37,999	10,639	6,202	4,541	10,743
	For Mission		3,805	501	2,503		2,503
	Tax refunds		18,749	550	5,288		5,288
	Legacies	4	37,834		33,390		33,390
	Grants	5	5,663		11,532		11,532
Generated income	Money raising	6	116,552		79,877	120	79,997
	Fees		13,048	1,496	10,258	352	10,610
Investment income	Interest	7	5,759		858	157	1,015
	Rental income	8	9,300		9,300		9,300
Other incoming resources	Gas & Electricity refunds		1,711		1,129		1,129
	Other income		2,124		271	303	574
TOTAL INCOME			393,527	13,186	292,458	5,684	298,142

		CURRENT YEAR - 2023			PRIOR YEAR - 2022		
	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		£	£	£	£	£	£
EXPENDITURE							
Support for Ministry	Parish share	9	138,694		138,694		138,694
	Parochial expenses of cleric	20	6,883		6,883		6,883
	Support for Ministry Other		1,928		1,928		1,928
Parish Activities	Maintenance of services		17,739	560	18,299		18,299
	General Parish expenses	10	51,836	87	51,923		51,923
Church Property	Maintenance of churches	11	121,989	6,490	128,479		128,479
	Maintenance of other property		1,701	374	2,075		2,075
Grants/Financial Support	Missions: Parish		389		389		389
	Missions: Home		4,491	501	4,992		4,992
	Missions: International		1,267		1,267		1,267
Other Resources Expended	Cost of Money Raising		2,966		2,966		2,966
TOTAL EXPENDITURE			349,883	8,012	357,896		357,896
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR			43,643	5,174	48,817		(26,933)
Asset revaluations	Common Investment Fund	12	1,093		1,093		(1,396)
Asset revaluations	Property	13	(17,000)		(17,000)		
Transfers between funds		24	(12,000)	12,000			
NET SURPLUS / (DEFICIT) FOR THE YEAR			15,736	17,174	32,910		(28,329)

Appendix 2: Balance Sheet at 31 December 2023

	Notes	Current year			Previous year		
		Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
		£	£	£	£	£	£
Fixed Assets: Property	13	563,000		563,000	580,000		580,000
Investment: Church in Wales Common Investment Fund	12	21,114		21,114	20,021		20,021
Total long term assets		584,114		584,114	600,021		600,021
Cash Funds							
Current accounts: Unrestricted funds		32,513		32,513	96,499		96,499
Current accounts: Designated funds		5,000		5,000			
Current account: Norman and Freda Jones Trust	14	7,818		7,818	57,460		57,460
Investment account: Norman and Freda Jones Trust	14	85,000		85,000			
Investment account: Unrestricted	15	68,282		68,282	5,282		5,282
Investment account: Restricted	16		68,899	68,899		61,040	61,040
Current account: Friends of St Peter's Restricted	17		4,720	4,720			
Current account: Other Restricted	18		7,358	7,358		2,763	2,763
Creditors falling due within one year	19	(12,444)		(12,444)	(4,716)		(4,716)
Total current assets		186,169	80,976	267,145	154,526	63,802	218,328
TOTAL ASSETS		770,283	80,976	851,260	754,547	63,802	818,349
Represented by:							
Unrestricted Fund		770,283		770,283	754,547		754,547
Other restricted funds			80,976	80,976		63,802	63,802
TOTAL RESERVES		770,283	80,976	851,260	754,547	63,802	818,349