

Return of Parish Finance

Accompanying Notes



- i. Any **new** income or expenditure to or from any fund that is under the control of the PCC must be accounted for on the *Return of Parish Finance* form.
- ii. Do **NOT** include money that has been transferred from one fund to another, nor money that has been moved from one church bank account to another.
- iii. Do **NOT** include the diocesan portion of fees for marriages, funerals, etc., or other transactions where the PCC is simply acting as the *Agent* of a third party.
- iv. **Do** include all *Designated* funds within the *Unrestricted* column. The *Restricted* column must only be used for *Restricted* funds.

Code

INCOMING RESOURCES (Receipts)

- 01 Tax Efficient Planned giving:** Money given under a Gift Aid declaration in weekly or monthly envelopes, through the *Parish Giving Scheme*, by bank standing order, or by cheque, on a committed and regular basis.

Additionally, include all donations received through *Payroll Giving* (Payroll Giving is a specific system for giving to charities and should not be confused with regular bank standing orders), CAF vouchers and from Stewardship Giving accounts, etc.

- Please exclude one-off Gift Aid donations from here and record them within Code 03 below.

- 02 Other Planned giving:** Money given in weekly or monthly envelopes, through the *Parish Giving Scheme*, by bank standing order, or by cheque, on a committed and regular basis, that is not given under Gift Aid.

In your working sheets, summate separately under this code gifts that can be used as part of your GASDS (*Gift Aid Small Donations Scheme*) claim and those that cannot.

- 03 Other collections at services (loose cash, etc.):** Income by cash, cheque or contactless methods received during any service (Sunday, midweek, wedding, or funeral, etc.), including Sunday School, on which no tax is recovered and was not given as part of planned giving.

In your working sheets, summate separately under this code gifts that can be used as part of your GASDS (*Gift Aid Small Donations Scheme*) claim and those that cannot.

- Include any special one-off collections for a specific purpose or charity (e.g. Harvest collection, or a disaster appeal) as *Restricted income*.
- Include one-off donations given in envelopes that have a Gift Aid declaration printed on them (e.g. from a visitor after a baptism).
- Include contactless and chip&pin donations given as part of a service of worship whether under a Gift Aid declaration or not.
Where known, contactless and chip&pin gifts should be recorded gross; any system provider admin charges being recorded as expenditure (Code 17).

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Code INCOMING RESOURCES (Receipts)

04 All other RECURRING and NON-RECURRING giving / donations (including Special Appeals):

Any one-off gifts and donations from individuals, including those from websites, church collection boxes, wall safes, etc. not given as part of a church service. Additionally include all other one-off donations not already included under Code 03 above.

Also include money received as part of a *Gift Day*, whether a regular annual feature of the church's financial life (e.g. at the patronal festival), or one-off appeal. Gift Day donations given under Gift Aid, should be included here too.

In your working sheets, summate separately under this code gifts that can be used as part of your GASDS claim and those that cannot.

- A one-off Gift Day or appeal for a special project, like a fabric appeal that will be completed within 12 months
- If the Gift Day or Special Appeal is used as part of a specific and focused fund raising programme (e.g. building repairs or a youth worker) spread over a number of years, many of the gifts will be part of ongoing pledges and are thus regular giving. Please treat these regular gifts as *restricted funds* and enter as tax efficient giving (Code 01), or other regular planned giving (Code 02), as appropriate.
- For special *after service collections* (e.g. for famine relief), please use Code 03.
- Include contactless and chip&pin donations, SMS Text giving and direct website/Internet donations given separately to a service of worship. Where known, such donations should be recorded gross; any system provider admin charges should be recorded as expenditure (Code 17).

06 All tax recovered: The amount of tax actually recovered from HM Revenue & Customs (HMRC) on all money given to the PCC under Gift Aid. Also include all Gift Aid repaid to the PCC from the *Parish Giving Scheme*. Remember to split the total appropriately between any unrestricted and restricted funds.

06a Gift Aid Small Donations Scheme: The amount of *Gift Aid Small Donations Scheme* (GASDS) money reclaimed from HMRC.

07 Legacies: the capital sum of any legacy received by the church. Depending upon any restrictions defined within the donor's will, the legacy may be unrestricted or restricted funds.

08 ALL grants: Grants received from any source, both regular and one-off. Many of these grants may be restricted funds.

- Diocesan grants (e.g. Area Dean expenses, curate's housing, etc.)
- Local Authority grants for any purpose.
- Trust fund grants towards salaries (e.g. youth worker or centre manager).
- Listed Places of Worship (LPWGS) or English Heritage repair grants.
- Trust fund grants towards refurbishment of Church Hall as Community Centre.

09 Gross income from fundraising activities: Money raised for the PCC's general or restricted funds, as appropriate, where the primary purpose is fundraising.

- Christmas and Summer fairs, etc.
- Coffee mornings, sales of mugs or tea towels, etc.
- Sponsored events.
- Internet fundraising (e.g. *click through* websites), including eBay sales, etc.

Note: All income reported must be stated as gross and any expenses incurred reported within the appropriate payments Code (e.g. code 17).

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Code INCOMING RESOURCES (Receipts)

- 10 Dividends, Interest, Income from property:** Interest earned on Bank accounts, Building Society deposits (including any reclaimed tax on investment income) and funds held by the Central Board of Finance. Also include rent from land or buildings owned by the PCC (but NOT the church hall).
- Please be careful to enter interest from restricted funds in the restricted column.
 - Rental income from a PCC owned house.
 - Please exclude the church hall income from here and enter it under Code 12.
- 11 Statutory Fees:** Fees retained by the PCC for weddings, funerals, etc.
- Do NOT include Diocesan (DBF) fees. Although all Diocesan fees should be recorded within the church cash book, they must not be included within the Church's published accounts Receipts/Income, or Payments/Expenditure.
 - Disbursements payable to a sexton, vergers, organist, etc. from related wedding/funeral fees should only be included if they are an employee of the PCC. If they are included, they must be reported as restricted funds.
 - Sequestration Fund income is restricted and must be entered gross in the restricted column. See separate diocesan guidance for the management of Sequestration Funds.
- 12 Gross income from trading and other church activities:** includes,
- Bookstall:** gross income from the sale of all items.
- Bibles and religious books, Bible reading notes,
 - Prayer cards, greeting cards and religious gifts, etc
 - Secular books and magazines, Stationery, etc.
- Income from the use of church buildings or other property:** gross income from,
- Church building or Hall hire/rent/lease, or donations from Boys' Brigade, Church Brownie pack, Mothers' Union, etc.
 - Local authority contribution to rental for church run pensioners' lunch club, etc.
 - Building hire from secular businesses, Slimming World, Zumba, etc.
 - Local Councillors surgeries.
 - Minibus hire, etc.
 - Private parties
- Church Magazine income:** gross income from advertising and sales.
- Non-charitable trading:** Fund raising where PCC funds were not put at risk.
- Webb Ivory type materials,
 - Photographs, paper weights, souvenirs, etc.
- Branch Organisations:** income received by semi-autonomous groups and organisations that operate under the authority of PCC (e.g. Boys' Brigade and 'Friends of' groups) as their Charity Trustees.
- 13 Other incoming resources:** any other PCC income, e.g.
- Insurance claims:** Any money received from an insurance claim (May be restricted funds), if not 'netted off' against current expenditure.
- Sale of fixed assets:** Sale of church chairs/pews, piano, minibus, land, etc.

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Reimbursements: Money received from other churches within the same benefice as a reimbursement for shared costs.

PLEASE NOTE, reimbursements from churches within the same parish must be recorded as negative payments against the relevant expenditure code or codes.

Code

PLANNED GIVERS AND LEGACIES

- 14** **Number of Regular Tax Efficient Planned Givers:** The number of people who gave the donations reported under Code 01. Please also include *Parish Giving Scheme* givers who Gift Aid. Each person must only be counted **once**.
- 15** **Number of Other Regular Planned Givers:** The number of people who gave the donations reported under Code 02. Please also include *Parish Giving Scheme* givers who do not Gift Aid. Each person must only be counted **once**.
- 16** **Number of New Legacies:** Each legacy should only be counted in the first year that money from it is received within the accounts. Thus, each legacy is only counted **once**, even if receipts from the donor's estate are spread over several years.

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RESOURCES USED (Payments)

- 17 Costs of Generating Funds:** All costs associated with *Voluntary Income* (Codes 01 to 08 inclusive) and *Fundraising* (Code 09).
- Voluntary Income:** Costs related to generating Voluntary Income.
- Fees paid to a professional fund-raiser.
 - Stewardship/Regular Giving envelopes.
 - Transaction or admin fees for Internet, contactless and chip&pin donations.
 - Costs of a Christian Stewardship campaign.
 - Costs relating to a grant application.
- Fundraising:** Costs related to fundraising.
- Publicity costs including printing, postage, expenses, etc.
 - Venue and/or equipment hire for an event, provision of food/refreshments, etc.
 - Costs of fairs, Car Boot sales, etc.
 - Cost relating to the receipt of Internet donations or Text giving, where known.
- 18 All Mission Giving and Charitable Grants & Donations:** All grants and donations given from the PCC's income. Donations to other charities where the PCC is simply an *agent* for the donor and the money was not part of the PCC's income, must not be included.
- Overseas mission societies:** Payments to recognised mission societies, other overseas missions, diocesan associations and missionary councils.
- Christian relief and development agencies:** Payments to Christian organisations concerned primarily with relief (Christian Aid, Tearfund, etc.) and development aid agencies.
Include donations to the UK's *Disasters Emergency Committee*.
- Home mission and other Church societies:** Payments to the Church Army, the Children's Society, Mothers' Union, CUF, etc.
- Secular charities:** Payments to Oxfam, Help the Aged, Children in Need and any other secular based charity.
Also include here any alms given to individuals.
- 19 Parish Share:** The local church's contribution to the cost of parish ministry across the diocese.
- 20 Salaries and Honoraria:** Include wages and honoraria paid to assistant staff, youth/lay worker, organist, choir, sexton, vergers or parish administrator only when they are paid directly by the PCC (include Tax and National Insurance contributions, where applicable).
- Disbursements payable to a sexton, vergers, organist, etc., from wedding and funeral fees (income Code 11), should only be included where they are an employee of the PCC. If the income has been included on this form, then the respective expenditure is reported here in the restricted column.
 - Payments for a 'small scale' secretarial post used only by the clergy, should be entered under Clergy working expenses (Code 21).

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Code RESOURCES USED (Payments)

- 21 Expenses of clergy, pastoral staff, youth workers, etc.:** Include all costs relating to those undertaking licensed ministry within the church.

Clergy:

- Telephone, postage, stationery.
- Teaching materials and resources
- Car and public transport expenses, maintenance of robes and hospitality.
- Visiting/locum speakers
(include clergy costs incurred during interregnum - Sequestration Fund).
- Purchase of office equipment for clergy.
- 'Small scale' secretarial assistance to the clergy only.

Housing costs: Include only those items paid for by the PCC.

- Repair and re-decorating costs.
- Water charges and council tax.
- Vicarage gas and electricity charges only apply to the PCC while in interregnum/vacancy and vicarage building is not occupied.

Assistant staff: Include costs, as for the incumbent, that are associated with assistant clergy, Readers, Church Army workers, lay pastoral staff, youth workers and locum clergy.

- Include Annual Readers' Association fees

- 22 Mission and evangelism costs:** Costs of the following if considered to be mission focused. If not mission focused, then record as running expenses (Code 23).

- Sunday School or Children/Youth work resources and support.
- Parish training days and costs of lay training,
- House group and other resource materials, etc.
- Costs relating to a Church Primary school or any other educational expenses.
- New or fresh expressions of church
- Social Justice/Missional activities like Food Banks/Pantries, etc.

- 23a Church Running Expenses:** All church building running expenses *excluding* any utility bills or building maintenance.

Upkeep of Services: Costs relating to the provision of public worship.

- Altar requisites such as wine, candles and bread/wafers.
- Repair or replacement of service books, hymn books, choir robes.
- Paper and printing costs for service leaflets/sheets.
- Palm crosses, baptism candles, Advent wreathes, etc.
- Baptism or confirmation certificates, etc.

Upkeep of Churchyard: All costs relating to the care of church grounds and graveyard.

- Do **NOT** include the salary of a sexton, this should be recorded within Salaries (Code 20).
- **DO** include routine maintenance, grass cutting and repairs to machinery.
- Wages of groundsmen and maintenance contracts.

Administration Costs: Costs of general church administration and church office.

- Computer equipment, leasing or purchasing a photocopier/risograph.
- General printing, stationery, postage, bank charges and overdraft interest.
- Music and video copyright licences, etc.
- Website domain costs

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Code RESOURCES USED (Payments)

- 23a (cont.)** **Governance Costs:** Costs of Governing the PCC, including those incurred in connection with the management of the PCC's assets.
- Maintaining parish records, costs relating to PCC meetings and the APCM.
 - Legal fees, valuation fees, audit/examination fees,
 - Training fees were related to the role of being a Charity Trustee.
- 23b** **Church Maintenance:** Cost of minor repairs and routine maintenance to the church building and heating system, organ/piano tuning, fire alarm/extinguisher maintenance, etc.
Major church repairs (e.g. re-pointing the church tower, removal of dry rot, etc.) should be recorded as Major Capital Expenditure (Code 27).
- 23c** **Insurance Premiums:** all insurance premiums relating to the church building.
- 24** **Church Utility Bills:** Cost of gas, electricity, oil and water for the church building only. The utility bills for a church hall should be recorded under Code 25 where a separate supply meter has been installed.
- 25** **Costs of Trading:** All costs related to trading (cf. Code 12 recorded income).
- Magazine and bookstall:**
- Cost of books, seasonal greeting cards, Bibles, etc.
 - Cost of printing the church magazine and other editorial costs.
- Hall running costs:** Include all costs directly related to the running of the church hall.
- Gas, electricity, oil, water, insurance.
 - Routine maintenance and repair costs.
 - Replacement equipment for hall building.
 - Cleaning and wages of a cleaner specifically for church hall.
 - Building Manager or Caretaker wages.
- Major hall repairs (e.g. refitting kitchen, removal of dry rot, etc.) should be recorded as Major Capital Expenditure (Code 28).
- Other PCC property:** Include running costs for any other property owned by the PCC.
- Houses.
 - Garages (as for church Hall).
 - Minibus costs (fuel, insurance, etc.)
- Major repairs (e.g. refitting kitchen, etc.) should be recorded as Major Capital Expenditure (Code 28).
- Branch Organisations:** payments made by groups and organisations that operate under the authority of PCC (e.g. Boys' Brigade and 'Friends of' groups) as their Charity Trustees.
- 27** **Major repairs and redecoration:** Cost of major repairs to church building that can not be classified as routine maintenance. Also include the cost of replacing major items and all redecoration.
- 28** **Major repairs and redecoration:** Cost of major repairs to the church hall or other PCC property that can not be classified as routine maintenance. Also include the cost of replacing major items and all redecoration.
- 29** **New building work:** Expenditure on all new buildings and extensions. Include professional fees.

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- 99 Other Outgoings:** include any non-classified payments/expenditure (e.g. *depreciation* when operating accounts on an Accruals basis). Also include here money transferred to other churches within the same benefice as a reimbursement for shared costs, if not already included elsewhere.

Code

ACCOUNTING BASIS

- 30 Accounting Basis for your accounts:** indicate whether your accounts were prepared using the *Receipts and Payments* method, or the *Accruals* method. If your PCC's total income (unrestricted funds plus restricted funds) is £250,000 or more, you must prepare your accounts on an Accruals basis.

ASSETS

- 31 Total Current Assets:** include all money held in bank accounts, building society accounts, cash in hand, petty cash floats and on deposit (including CBF deposit accounts). If using an accruals account format, also include debtor totals. Designated fund totals must be included within the Unrestricted heading.
- 32 Total Investment Assets:** include all shares and any other non-cash investment assets (e.g. CBF Investment Funds) at their current market values as at 31st December. Designated fund totals must be included within the Unrestricted heading. Please do **NOT** include the value of any buildings, or other property.
- 33 Liabilities due within 1 year:** include the value of all liabilities that are due for payment during the next financial year.

*Last updated:
June 2025*