



## Representative Church Body

### The Church of Ireland – Best Parish Church – Pro-forma Accounts Explanatory Notes to Receipts & Payments

#### Trustee's Annual Report

Outstanding details on contents of trustees annual report – to be provided at a later stage

#### Receipts & Payments

The detail provided is a summary of all incoming receipts and all outgoing payments for the financial year, normally 1<sup>st</sup> January to 31<sup>st</sup> December.

Receipts and Payments form of accounts is based on money received and paid through the Parish bank and cash accounts, during the financial year along with a statement of assets and liabilities. A parish may use this type of accounts if its gross income is **less than TBC – (suggested threshold is expected to be €250,000, however, this is not enacted by legislation yet)**.

The headings / categories included on the receipts and payments accounts will vary from parish to parish and should be amended as required.

Accrual Accounts can be prepared where the Parish income is less than **to be confirmed** if:

- The parish's governing document requires accrual accounts.
- Another enactment says the parish must prepare accruals accounts.
- A decision has been made by the Select Vestry to prepare accrual accounts.

An individual Parish administered by a Select Vestry should produce receipts & payment accounts where its income is less **than € TBC**.

In the case of a Group of Parishes, where each Parish within the Group is administered by individual Select Vestries, then each Parish will produce receipts & payments accounts where its income is less than **€ TCB**.

In the case of a Union of Parishes, which will be administered by one Select Vestry, the Union will produce receipts & payments accounts where the consolidated income of the Union of Parishes is less than **€ TBC**.

Parish Organisations income and expenses should be included within receipts under receipts from Parish Organisations and payment from Parish Organisations. The type of Parish Organisations which might be included as a Parish Organisation would be Parish Bowling Club, Parish Flower Club, Parish Active Age Group; where the organisation is part of the Parish. The Parish treasurer would include all receipts & payments for such Parish Organisations and any bank accounts held by the Parish Organisation in the annual accounts. Organisations with national headquarters and separate governing documents from the Church of Ireland such as Girls Friendly Society & Boys Brigade would not be included in Parish accounts. Organisations that rent rooms in a Parish Hall/Centre and are not considered part of the Parish should not be incorporated within the Parish accounts, but any rental income generated will be included under Rental of premises.

Wages & Salaries should include payments to people who are employees or office holders of the Parish. Where the incumbent is paid centrally by the RCB then the Parish will not have wages & salaries relating to the incumbent but will instead show payments to the Diocese as Diocesan costs/assessments. If payments are made to other persons on a self-employed basis these

payments should be included in the appropriate expense category. Each Parish may need to take specific advice in relation to wages & salaries.

#### **Statement of Assets & Liabilities**

The detail provided is a summary of the parish's main assets and liabilities. There is no need to list all individual assets (not every chair or table or list every investment) but rather group similar assets or liabilities together.

The categories included in the statement of assets and liabilities will vary from parish to parish and should be amended as required.

#### **Notes to the Accounts – Note 1 Accounting Policies**

Particular attention is drawn to the policy dealing with assets retained for the Parishes own use.

Parish Church and Graveyard are deemed to be Heritage Assets and therefore can be excluded from the statement of assets and liabilities.

There are three suggested options for dealing with parish hall/centre under note 1 (b) (i) and the Parish should review with the independent examiner which option is most appropriate.

The Glebe House or Curate House may be recognised at cost of acquisition, cost of construction, at a value independently arrived at or at the value of the property for local property tax/rate. A detailed guidance note has been produced for Church Property which should be referred to.

A 'Heritage asset' is defined as a tangible or intangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture. This definition covers cathedrals and historical Churches and monuments where their preservation and contribution to culture are ancillary to faith and other purposes. Similarly, the artefacts contained within, or associated with, such assets may also be heritage assets. Therefore, religious artefacts contained within a cathedral or historic church will be included under 'Heritage asset'.

#### **Notes to the Accounts – Note 1 Accounting Policies**

Some parishes may own investment properties. These are properties which are held, unrelated to main parish activities, to earn rental income or for capital appreciation, or both.

Investments in equities or investments in the RCB / CIT Unit Trust should be included as an asset in the statement of assets and liabilities.

#### **Notes to the Accounts - Note 3 Movement in Funds**

Details need to be given in respect of MATERIAL amounts only. The information required for such funds include:-

- Purpose of the Fund
- Movements in the Fund

#### **Notes to the Accounts - Note 5 Transactions with Trustees**

Details need to be given in respect of payments made to trustees of the Parish. The Parish trustees are the members of the Select Vestry. Types of payment might include payment for professional services provided even if at a reduced rate, payment for the supply of goods, payment of certain rectory/glebe utilities.

