**Presbyteries and Congregations should note that no significant changes have been made to the Annual Statistical Return for 2023.**

**GENERAL INFORMATION ON COMPLETION OF THE RETURN**

* 1. If completing this form manually it should be completed using BLUE biro pen.
  2. Please ensure each query is answered; where no answer can be given please put a 0 (i.e. zero) to indicate the query has not been overlooked.
  3. Before completing questions, please check if there is a relevant note.
  4. Please note items marked "GA" will be recorded in the Statistics published in the Minutes and Directory of the General Assembly.
  5. Completed sheets should be forwarded to Presbytery on or before the date notified by Presbytery Finance Committee.
  6. If using the spreadsheet version of this return there is no need in Section 3 to enter payment/expenditure amounts as minuses as this is taken into account in the relevant formulas in the spreadsheet. Losses, transfers out or overdrawn opening fund balances should be entered as minuses and will appear with brackets.
  7. Amounts, where applicable, should be entered to the nearest £ or €. Do not enter pence/cents.

**GIFT AID**

Gift Aid **MUST BE** allocated to the same fund as the original donation.

**GUIDANCE NOTES TO THE SECTIONS ON THE ANNUAL STATISTICAL RETURN**

**SECTION 1 - MINISTERIAL INFORMATION (PAID LOCALLY)**

This section should be used to record amounts paid directly by a congregation to its minister.

1. **Box 1.10 to 1.15** – record in the relevant box any amounts the congregation has paid directly to its minister. Please note that in most cases presbytery clerkship fees (Box 1.10) are paid through the central “Church House” minsters payroll and such amounts **should not** be recorded in Box 1.10. However, if a payment is made by the presbytery directly to its minister this should be record in Box 1.10 – the minister should record this amount.
2. **Boxes 1.20** - Include the total amount the congregation has paid to its minister for mileage (i.e. 15p/22c per mile). Do not include either the taxable car or duties allowances that are paid through the “Church House” ministers’ payroll and which are recovered via the quarterly direct debit.

**SECTION 2 - GENERAL CONGREGATIONAL INFORMATION**

1. **Box 2.10** - Include here all families who are likely to look to the congregation and minister for pastoral care (e.g. in sickness or bereavement). To prevent a family being included twice, it is suggested that where a family is known to have closer connections with another congregation, it should be included there. **The General Assembly in June 2014 agreed that a family should be regarded as the members of a household**.
2. **Boxes 2.11** **to 2.14** - Please provide as accurate an estimate as possible.
3. **Box 2.20** - Only these families are reckoned in the strength of a congregation for the purposes of United Appeal targets *(United Appeal Targets of Honour are allocated to Presbyteries based on 50% Assessable Income and 50% Contributing Families)*.
4. **Boxes 2.30** **to 2.31** - Please provide as accurate an estimate as possible *(this should include the “maximum” number in attendance at any point during the service i.e. including all children and even “late arrivals”)*.
5. **Boxes 2.60 to 2.61** - Where there are no Ruling Elders and an Interim Session, please tick the Box where indicated. Where there is one Ruling Elder and an Interim Session, enter the Figure "1" in Box 2.60 or 2.61 and tick the Box where indicated.

**SECTION 3 - SUMMARY OF FUNDS**

This section is in two parts – General/Unrestricted Funds and then Restricted/Endowment Funds.

The term “Fund” is sometimes confused with the use of “Account” as in “Bank Account”. A Fund is created when a sum of money has been collected or given for a specific purpose e.g. for property, for the general work of the congregation, a bequest for a specific purpose, money collected for United Appeal, or for some other PCI fund or external charity. While some of the amounts received may be lodged to the same bank account a record should be kept of each separate Fund i.e. the amount received, how it has been used and any balance still to be spent.

The various types of funds are as follows

**Unrestricted Funds** – The only fund, which is likely to be included, is a congregation's General Fund where there is no restriction on how the income received can be applied. If a Congregational Committee earmarks some of its unrestricted income for a specific purpose such amounts strictly become “designated funds” and not “restricted funds”. Under no circumstances should income be recorded against a designated fund, as the only source of funds will be a transfer in from the general fund. If a donation is received for the purposes of a designated fund it would in fact be a restricted donation and should therefore be included as a separate restricted fund.

**Restricted Funds** – where a congregation receives money for its own use on which a restriction has been attached or which has been collected for a specific purpose it should be included as a separate restricted fund. Please include all organisations run with the authority of the Kirk Session as separate restricted funds e.g. Girls' Brigade, Boys' Brigade, Sunday School etc. (see separate note on organisations)

**Endowment Funds** – where a congregation receives an amount, which is to be treated as “capital” because it has to be invested, it is known as a permanent endowment. Please note it is the terms of the gift which determine whether it is an endowment not a decision of the Congregational Committee. Income received from the Endowments should be shown either in the General Fund or in Restricted Funds if there is a restriction on how the income should be applied. Income received from Endowment funds would not normally be shown in Endowment Funds, as this would imply that it could never be used and therefore should be included in unrestricted or restricted funds as appropriate.

**DONATIONS TO PCI AND EXTERNAL AGENCIES (Section 3)**

Where possible congregations should ensure that amounts received for PCI central agencies (e.g. United Appeal, World Development, Special Appeals etc.) are paid over before 31 December so that no balance is held at the year end.

**Please note that the closing date for the receipt of contributions to the 2022 United Appeal is 31 January 2023. Amounts received after this date will not be recorded against the 2022 appeal but will be recorded in 2023 as “late contributions” towards the previous year’s appeal.**

A congregational committee may agree to ‘top up’ the amount donated to their United Appeal “Target of Honour” (e.g. if a congregations United Appeal Target was, say, £7,000 and collections amounted to, say, £5,000 the Congregation Committee may decide to meet the target in full by a ‘top up’ of £2,000 from the General Fund). As United Appeal is a separate “Restricted Fund”, the “top-up” should be shown as a “transfer” out from the General Fund (Box 3.32) and a “transfer” in (Box 3.62) to the Restricted Fund. If a separate bank account is maintained for the United Appeal Fund this ‘top up’ transaction should be accompanied by a cheque to move funds from the General Fund bank account to the appropriate Restricted Fund bank account.

It should be noted that, due to the nature of all Restricted Funds, there will not normally be a transfer out e.g. to the General Fund or other Restricted Funds.

Normally the "Fund Balances at the start" of year should agree to the previous years “Fund Balances at end " of year but if not an explanation for any differences should be provided.

1. **Box 3.10 –** Record the total income in the General Fund (and any other unrestricted funds)
2. **Box 3.20 Assessments** - The amount shown for assessments **MUST AGREE** to the Notices issued by Assembly Buildings (Church House). Include the “sub-total” amount on the assessment notice plus the minister’s pension assessment. **Do not include** any other amounts such as stipend, national insurance (incl. the Apprenticeship levy) on your minister’s stipend which should be included in Box 3.21.
3. **Box 3.21 Stipend, Salary & Allowances** – Include your ministers’ stipend and national insurance (incl. the Apprenticeship levy). The pension cost on your minister’s stipend is an “assessment” and should be included in Box 3.20. Also include any staff cost re Associates, Licentiates, Deaconesses and locally paid employees (i.e. gross pay and employer’s national insurance and pension) and any expenses allowances where appropriate.
4. **Box 3.22 Other Congregational Expenses** - The amount shown under “Other Congregational Expenses” should be the balancing figure to ensure that the Total in Box 3.23 agrees to the total payments/expenses in your general fund (and any other unrestricted funds).
5. **Box 3.31 Gains / (Losses) –** this box should be used by those congregations preparing accounts on an accruals basis to record any gains or losses on the sale or market value of unrestricted investments or other assets**.**
6. **Boxes 3.32 and 3.33 Funds at start and end of year:** It is expected that these balances will agree to the balance on your congregation’s general fund (and any other unrestricted funds).
7. **Boxes 3.40 to 3.44 and Boxes 3.50 to 3.54.** These boxes should be used to record the total income and total expenditure (excluding any transfers) on the indicated restricted funds.
8. **Box 3.61 Gains / (Losses) –** this box should be used by those congregations preparing accounts on an accruals basis to record any gains or losses on the sale or market value restricted investments or other assets**.**
9. **Boxes 3.62 and 3.63 Fund at start and end of year:** It is expected that these balances will agree to the balance on your congregation’s restricted funds.
10. **Boxes 3.43 and 3.53** Include all organisations under the authority of the Kirk Session. Exclude external organisations that rent the premises.
11. **Boxes 3.32 and 3.62 “Transfers”.** The total “Transfers” recorded against General or Unrestricted Funds and the total of “Transfers” recorded against Restricted/ Endowments Funds should total to zero.

**Minus amounts.** If using the spreadsheet version of this return there is no need to enter a minus before items of expenditure as this is taken into account in the relevant formulas in the spreadsheet. A minus may need to be entered in the case of “Transfers “or “Funds at start of year” if the fund is overdrawn.

**SECTION 4 - SUMMARY OF INCOME / RECEIPTS GENERAL FUND**

Please note that the top part of this section “General or Unrestricted Funds” asks for some additional information in relation to the income of such funds. It is also used to identify a congregation’s assessable income (gross).

1. **Boxes 4.10** – Assessable Income includes (The Code Para. 235(1)): -

(i) Weekly Freewill Offering.

(ii) Income for Stipend.

(iii) Income for the Central Ministry Fund.

1. Sunday and other collections for general congregational funds (include All Sunday collections and special collections for General Fund. Do not include collections for restricted funds incl. Missions, Building, Repairs, Organ Fund, Debt Clearance and Sunday School Collections etc.
2. Rental income retained for general purposes less related expenditure including financing costs on related loans.
3. Income on general bequests.
4. Ministerial Investment Income received except where the minister was called to the charge before 5th June 2020, or was written into an earlier call by the Linkage Commission (ref Assembly reports 2021, p 303)
5. Any other general income on which no restriction has been applied by the donor *(this includes events where the income is for the general purposes of the congregation less any related expenses*).

Please note *“Assessable income does not include: collections for building and repairs, repayment of debt and other designated objects, monies raised in Sunday School or Church organisations (other than for general congregational purposes), collections for the United Appeal, World Development, or other religious and charitable objects, bequests, grants, restricted endowment income”* (Assembly Reports 2011 page 69).

Congregations should note that they are not permitted to create designated funds (i.e. where general income is earmarked for a specific purpose) to exclude such income from “assessable income”. Designated Funds can only be excluded from Assessable Income if approved by Presbytery with reference to the Finance Panel of the Support Services Committee of the General Council.

Money received by way of repayment of Income Tax on a contribution shall be treated as part of that contribution.

1. **Section “Additional Information Required”**

Please note the primary purpose of the Boxes at the bottom of Section 4 under the Heading “Additional Information Required” is for the congregation to record

1. its “Assessable Income (net)” which is used for calculating a congregation’s assessments and also in the allocation of United Appeal Targets of Honour”
2. to provide an analysis on any amounts shown in Box 4.30 as Non -Assessable Income

In the majority of cases a congregation’s “net” amount will be the same as the “gross” amount. The only case where a deduction might be made against the gross amount is where a congregation has e.g. costs related to rental income or has run some activity where the income is available for general purposes and there are associated costs.

**Boxes 4.16, 4.51(a) and 4.52: Rental Income**

Rental income which is available for the general purposes of the congregation is regarded as assessable income and it should be included in the Unrestricted or General Fund and entered in Box 4.16. However, if rental income has been included in another fund (although strictly it should not be if available for general purposes) it will not be included in Box 4.16 and should be recorded in Box 4.51. Box 4.52 allows any expenditure (including financing costs on related loans) relating to rental income to be deducted. **The amount entered in Boxes 4.52 should not exceed the amount of income in Boxes 4.16 or 4.51(a).** This will ensure only

net rental income is treated as Assessable Income (net).

**Boxes 4.17, and 4.53: Other income generating activities**

Where a congregation undertakes an activity intended to raise funds for the general work of the congregation the income should be included under Box 4.17. However, if the activity has been established with the intention of raising funds for a particular purpose and those contributing are aware of this the income does not need to be included here and should be included in a separate restricted fund. Where the income is for general purposes the related costs should be entered in Box 4.53 so that only net income is assessable. **The amount entered in Boxes 4.53 should not exceed the amount of income in Boxes 4.17.** This will ensure onlynet general income from activities is treated as Assessable Income (net).

**Box 4.18: Income on General Bequest**

If a congregation receives a bequest on which there is no restriction as to its use e.g. it is to be used at discretion of the Committee, it **should not** be treated as Assessable Income and should be included in Box 4.30. If the bequest is invested, either because the Committee decide or the terms of the bequest require it, then any income received on the amount invested **should be** treated as Assessable Income and would be included in Box 4.18.

**Box 4.30: Non-Assessable Income**

The amount shown as “Non-Assessable Income” in Box 4.30 is the “balancing figure” to ensure that the total on this section (in Box 4.40) agrees to the amount shown under Unrestricted Income in Section 3 (Box 3.10). An analysis of “Non-Assessable” Income is required at the bottom of Section 4 in Boxes 4.60 to 4.64. Where an organisation makes a general donation to congregational funds it should be included under Box 4.30 “Non-Assessable Income “.

**SECTION - SUMMARY OF FUNDS (OPTIONAL)**

This section is **optional** and does not need to be completed or returned. It has been included as comments were received, during the discussion with presbyteries on the format of the revised return, that some congregations and presbyteries found it a helpful check when preparing their return to ensure everything was included. It is entirely up to each congregation to decide whether they wish to use it on not.

**ORGANISATIONS**

The Code provides in Para 240(1) that “A full statement of the congregational accounts, including those of organisations under the control of the Kirk Session, shall be prepared each year by the Congregational Committee ….” and in Para 240 (4) that “Copies of the independently examined or audited accounts, including those of congregational organisations…..shall each year be submitted to Presbytery….”

The type of organisation will vary from congregation to congregation and may include such groups as Sunday Schools, The Girls’ and Boys’ Brigades, Youth Groups, Bowling and Badminton Clubs, Mothers and Toddlers Group, Girl Guides etc.

In determining whether an organisation should be included in a congregation’s accounts the fundamental question is whether the organisation is part of the charitable activity of the congregation or is an independent body that “rents” space. If the latter position applies, the organisation cannot use the congregation’s charity number on Gift Aid Claims and should not refer to the congregation’s name in any way which might infer that it has a connection with the congregation. Clearly where an organisation’s name includes reference to the congregation it would normally imply that it has a strong connection and should be included as an organisation of the congregation.

**UNIFORMED ORGANISATIONS including The Girls’ and Boys’ Brigades, Girl Guides (including Rainbow, Brownies and Senior Section) and Scouts.**

The position regarding some uniformed organisations is that they operate under a separate constitution and the requirement of their governing body is that they must have their own charitable registration. In summary we understand the position is as follows;

The Girls’ and Boys’ Brigades are normally regarded as an integral part of a congregation’s charitable activity and the congregation will usually be responsible for the appointment of the captain and officers. Therefore, under normal circumstances they should be included as a congregational organisation. In some circumstances, a GB or BB company may be associated with more than one congregation and with possibly more than one denomination. Our understanding is that in such circumstances GB and BB district offices will seek to designate one congregation as the lead congregation.

We have been advised by GB and BB district offices that they do not expect individual companies to have their own charitable registration. Some GB or BB companies may already have their own charitable status with HM Revenue & Customs and consequently may appear on the Charity Commission “List of organisations previously known as charities”. BB and GB companies which have completed the documentation to be transferred to this list should consult with their congregations and consider whether it is appropriate to retain a separate registration bearing in mind the compliance issues which will arise under the Charities Act (Northern Ireland) 2008.

Girl Guides and Scouts operate under a separate constitution and we have been advised by their governing body that they should have their own charitable registration. The relevant branch or group normally appoints officers although in some circumstances there is an “informal” arrangement whereby the congregation is involved in such appointments.

In summary and as a general guide a congregation should not include uniformed organisations where the organisation has its own charitable registration.

**December 2023**