

FAQS ON ST JAMES BY THE PARK ANNUAL ACCOUNTS 2025

Why do we need to produce formal annual accounts?

The church operates as a charity and by law has to produce accounts and reports each year to provide a clear picture of our activities and financial position. They include a report from the trustees (the PCC members), a report from the Independent Examiner who has checked the accounts are correct, a Statement of Financial Activities (SOFA), a Balance Sheet, and notes that give more details behind the figures.

What is a SOFA?

The Statement of Financial Activities, or SOFA, is a summary of the income and expenditure during the year. It also shows the amount of money we had at the end of 2024 and how that had changed by the end of 2025.

What is a Balance Sheet?

The Balance Sheet is a snapshot of where we were financially on the 31 December 2025. It is in two halves – the top half shows where the money was held, and the bottom half shows which funds the money belonged to.

There are 'debtors' shown in the accounts. Are these people who owe us money, and how are we going to get the money back? Who are they, why haven't they paid?

Debtors can be seen on the Balance Sheet, with more detail in Note 13. Yes, debtors are individuals or organisations who owe us money. Our main debtors are gift aid that has been claimed on gifts given towards the end of 2025 and interest for the last few months of 2025 on various savings accounts. This money was all received at the beginning of 2026.

If 'Debtors' are people who owe us money, then 'Creditors' must be people the Church owes money to. How did that happen, don't we pay our bills?

Creditors can be seen on the Balance Sheet, with more detail in Note 15. Yes, creditors are people who we are going to have to pay. But this doesn't mean we are not paying on time. If we get a utility bill there is a period before it becomes due and so until we make the payment the bill shows as a creditor in our accounts. And when we pay the staff salaries at the end of each month, we have to pay HMRC the PAYE and National Insurance, but not straight away.

What are fixed assets, and why have they increased this year?

Fixed assets are property or equipment that belongs to the church. They appear in Note 12. In the past, 133 Church Street and the Parish Hall have appeared at values that are from many years ago. Because these buildings are not owned by us primarily as an investment but are regularly used as part of our day to day activities, we are not required by law to constantly update these figures. However, this year the money we have spent so far on the Parish Hall has been added to the value of the hall as a fixed asset. This reflects the fact that, once renovated, it will be worth a lot more.