



## Diocese of Bath & Wells

*Changing Lives, Changing Churches for Changing Communities*

31 October 2006

Dear PCC Treasurer

### **Changes in the way your PCC presents its Report and Accounts**

As you may know, all charities (including PCCs) will have to make some small changes to the way they present their 2006 Report and Accounts at Annual Meetings in 2007.

Put simply, the Charity Commission has amended the Statement of Recommended Practice (SORP) requirements for all charities, under regulations which are known as SORP 2005. The enclosed booklet gives an overview of what changes are required. You will see that although some of them are things your Treasurer will need to take note of in the Accounts, others affect the Report, and are probably in the Secretary's domain.

Because PCCs are not like other charities, and are subject to the Church Accounting Regulations, a new version of the 'Green Book' (*The Charities Act and the PCC*) has been prepared to help PCCs understand the new rules. The new books contain sample sets of PCC accounts set out in the correct SORP 2005 fashion.

In fact, there will be two books: a full one (dealing with Accruals accounts for the larger PCCs) and a smaller one (which deals with Receipts and Payments accounts for smaller PCCs, and which will meet most PCCs needs). The diocese has undertaken to supply each PCC with a free copy of the book they need (see below). They are being published on November 24th.

For many PCCs, the changes will not be a major burden. However, we intend to offer some short 'workshop' training sessions in early January for those Treasurers and Secretaries who would like to attend them before they finally 'make up the 2006 books' and write up the Report. It would help us to gauge demand if you could let us know if you would want to attend such a workshop – see the attached form.

This is not simply a matter of conforming to the law of the land. A properly-set out PCC Report and Accounts demonstrates how the church is being a steward of the financial resources entrusted to it and raised by it. We therefore encourage you to take these changes seriously, as every charity has to, and perhaps see them as part of the church's mission to be clear – both to its members and to others in the community – about what we do and how we do it.

**Please share the booklet with your PCC Secretary when you have read it.** Further copies will be available on the 'Financial Information' section of the diocesan website from November 1<sup>st</sup>.

Mike Coombs, Finance Director

Revd Stephen Lynas, Parish Resources Adviser

**How can I get another copy of the book?**

The books are published on November 24<sup>th</sup> and will be available through your usual bookseller, or by mail order from the Church House Bookshop [www.chbookshop.co.uk](http://www.chbookshop.co.uk) tel: 020 7898 1300. Details are:

**The full guide**

*The Charities Act and the PCC: A complete guide to the SORP2005 revisions, 3<sup>rd</sup> edition*

ISBN: 0 7151 1021 7

Price £8.99

**The shorter guide**

*The Charities Act and the PCC: preparing Receipts and Payments Accounts*

ISBN: 0 7151 1023 3

Price £5.99

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