

# POWICK PAROCHIAL CHURCH COUNCIL

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020





## Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
<b>Income and endowments from:</b>					
Donations and legacies	£31031	£21286		£52316	£58085
Income from charitable activities	£7100			£7100	£12448
Other trading activities	£1882			£1882	£4014
Investments	£78	£202	£4451	£4731	£4913
<b>Total income</b>	<b>£40090</b>	<b>£21488</b>	<b>£4451</b>	<b>£66029</b>	<b>£79460</b>
<b>Expenditure on:</b>					
Raising funds					£74
Expenditure on charitable activities	£43390	£13787	£3622	£60799	£87321
<b>Total expenditure</b>	<b>£43390</b>	<b>£13787</b>	<b>£3622</b>	<b>£60799</b>	<b>£87394</b>
<b>Net income / (expenditure) resources before transfer</b>	<b>(£3300)</b>	<b>£7701</b>	<b>£829</b>	<b>£5230</b>	<b>(£7934)</b>
<b>Transfers</b>					
Gross transfers between funds - in	£740	£100		£840	£6171
Gross transfers between funds - out	(£100)		(£740)	(£840)	(£6171)
<b>Other recognized gains / losses</b>					
Gains / losses on investment assets			£9278	£9278	£20440
<b>Net movement in funds</b>	<b>(£2659)</b>	<b>£7801</b>	<b>£9366</b>	<b>£14507</b>	<b>£12506</b>
<b>Total funds brought forward</b>	<b>£27285</b>	<b>£48541</b>	<b>£158450</b>	<b>£234277</b>	<b>£221771</b>
<b>Total funds carried forward</b>	<b>£24626</b>	<b>£56342</b>	<b>£167816</b>	<b>£248784</b>	<b>£234277</b>
<b>Represented by</b>					
<b>Unrestricted</b>					
General fund	£20710			£22791	£22791
<b>Designated</b>					
St Peter's Designated	£3916			£3916	£4495
<b>Restricted</b>					
Choir		£237		£237	£236
Churchyard		£310		£310	£424
Churchyard Upkeep Reserve Fund		£5445		£5445	£5885
Coffee Shop		£196		£196	£164
Mission		£15		£15	£157
Powick Parish Heritage Fund		£6716		£6716	£10620
St James' Improvement		£17719		£17719	£6850
St Peter's Improvement		£2474		£2474	£1917
St Peter's Restoration		£23230		£23230	£22287
<b>Endowment</b>					
Chancel Repair			£16001	£16001	£15401
Churchyard Endowment			£113332	£113332	£106428
Maginnes			£26429	£26429	£24728
St Peter's Fabric (Ex Refectory Table)			£10106	£10106	£10000
Upkeep of Services at St James			£1591	£1591	£1537
Wheley Lee Tomb			£358	£358	£357

**Balance sheet**

	<b>Total funds</b>	<b>Prior year funds</b>
<b>Fixed assets</b>		
Tangible assets (Note 7(a))	£5748	£7830
Investments (Note 7(b))	£150961	£141684
	<b>£156709</b>	<b>£149513</b>
<b>Current assets</b>		
Debtors (Note 8)	£2773	£5580
Cash at bank and in hand (Note 6)	£97405	£81955
	<b>£100177</b>	<b>£87535</b>
<b>Liabilities</b>		
Creditors: Amounts falling due in one year (Note 9)	£8103	£2771
	<b>£8103</b>	<b>£2771</b>
<b>Net current assets less current liabilities</b>	<b>£92075</b>	<b>£85764</b>
<b>Total assets less current liabilities</b>	<b>£248784</b>	<b>£234277</b>
<b>Total net assets less liabilities</b>	<b>£248784</b>	<b>£234277</b>
<b>Represented by (Note 6)</b>		
<b>Unrestricted</b>		
General fund	£20710	£22791
<b>Designated</b>		
St Peter's Designated	£3916	£4495
<b>Restricted</b>	£56342	£48541
<b>Endowment</b>	£167816	£158450
<b>Funds of the church</b>	<b>£248784</b>	<b>£234277</b>

Approved by Powick Parochial Church Council on 23<sup>rd</sup> March 2021 and signed on its behalf by

.....(Chairman)

.....(Member)

**The notes on pages 5 to 11 form part of these Financial Statements.**

.....P.R. Betts, Interim Treasurer

## NOTES TO THE FINANCIAL STATEMENT For the year ended 31 December 2020

### 1. Accounting Policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the current Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2015 FRSE). The financial statements have been prepared on the accruals basis under the historical cost convention except for the valuation of investment assets which are shown at market value.

#### Funds

General funds represent the funds of the PCC which are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those which are informal gatherings of church members.

#### Incoming Resources

##### Voluntary income and capital sources.

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income to which it relates is received.

Outright grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due. Conditional grants are accounted for as soon as the condition is fulfilled.

Funds raised by fetes and similar events are accounted for gross.

##### Income from investments

Dividends and interest are accounted for when received.

##### Gains and losses on investments

Realised gains and losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

##### Reserves

The PCC's reserves policy for unrestricted funds is to hold usable reserves of £15000 to cover 3 months running costs together with "working capital" to be able to make necessary payments each month, and provision for the replacement of the printer and repair or replacement of other items of essential equipment. The usable reserves at 31.12.2020 are £18109 (2019 £19623). Increased reserves are being held to fund a budget deficit of £3109 approved for 2021.

#### Resources Used

Grants and donations are accounted for when paid over or when awarded, if that award creates a binding obligation on the PCC.

The Parish Share is normally accounted for when payable. Since 2000 the PCC has been unable to pay in full the share. Prior to the COVID-19 19 Pandemic, the PCC budgeted to pay Parish Share of £27600, the same as in 2019. The Diocese had requested Parishes who were unable to meet their full Parish Share to pay 5% more than in 2019 but the PCC decided that they were unable to do this. Despite the problems of the Pandemic which reduced both income and expenditure compared to budget the PCC has been able to pay the full Parish Share of £27600 included in its 020 budget. Parish Share not paid since 2000 is not shown as a liability as it is unlikely that these sums will ever be paid.

#### Fixed Assets

##### Consecrated land and buildings and movable church furnishings.

Consecrated and beneficed property is excluded from the accounts by s.10(2) (a) and (c) of the Charities Act 2011. Moveable church furnishings held by the churchwardens on special trust for the PCC which require a faculty for disposal, are considered to be inalienable property unless consecrated. They are listed in the church's Inventory. Insufficient cost information is available for such property and therefore it is not capitalised in the accounts.

##### Other fixtures, fittings and office equipment.

Equipment used within the church premises with a purchase price of £1000 or more is depreciated on a straight-line basis over the likely working life of the asset. Individual items which cost less than £1000 are written off at the time of acquisition.

##### Investments

The investments in funds held by the Diocese as custodian trustee on behalf of the PCC are included in the PCC's Financial Statement. See Note 5 (c)(i). Investments are valued at market value on 31 December.

##### Current Assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable. Short term deposits are fixed term deposits at the bank. Cash at bank is either with the bank or in CBF Church of England Funds which can be withdrawn without notice.

## 2. Analysis of income and expenditure

### Donations and legacies

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	
					<u>This Year</u>	<u>Last year</u>
Gift Aid Planned	£16989		£360		£17349	£16790
Other planned giving	£2748		£120		£2868	£3006
Other planned giving - Powick	£34				£34	£448
Other planned giving - Callow End	£57				£57	£175
Loose plate collections						£55
Loose collections - Powick	£989		£117		£1106	£4479
Loose collections - Callow End	£611				£611	£1255
One-off Gift Aid gifts	£3305		£2269		£5574	£9458
Donations appeals etc	£809	£65	£15399		£16273	£2886
Tax recoverable on Gift Aid	£5074		£657		£5731	£6562
Legacies			£1950		£1950	£1000
Recurring grants	£350		£71		£422	£1631
Non-recurring one-off grants			£342		£342	£8536
Other funds generated						£1805
<b>Total</b>	<b>£30965</b>	<b>£65</b>	<b>£21286</b>		<b>£52316</b>	<b>£58085</b>

### Income from charitable activities

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	
					<u>This Year</u>	<u>Last year</u>
Fees for weddings and funerals	£3956				£3956	£9516
Parish magazine sales	£3144				£3144	£2933
<b>Total</b>	<b>£7100</b>				<b>£7100</b>	<b>£12448</b>

### Other trading activities

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	
					<u>This Year</u>	<u>Last year</u>
Magazine income - advertising	£1882				£1882	£2435
Annual Fete						£1579
<b>Total</b>	<b>£1882</b>				<b>£1882</b>	<b>£4014</b>

### Investments

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	
					<u>This Year</u>	<u>Last year</u>
Dividends and interest	£59	£19	£202	£4451	£4731	£4913
<b>Total</b>	<b>£59</b>	<b>£19</b>	<b>£202</b>	<b>£4451</b>	<b>£4731</b>	<b>£4913</b>

<b>INCOME TOTAL</b>	<b>£40006</b>	<b>£85</b>	<b>£21488</b>	<b>£4451</b>	<b>£66029</b>	<b>£79460</b>
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**Raising funds**

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>This Year</u>	<u>Last year</u>
Costs of stewardship campaign						£74
Total						£74

**Expenditure on charitable activities**

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>This Year</u>	<u>Last year</u>
Secular charities			£150		£150	£150
Ministry parish share etc.	£27600				£27600	£27600
Wages salaries and honoraria	£545				£545	£1527
Working expenses of incumbent	£1718				£1718	£1691
Parish training and mission Junior Church			£8		£8	£168
Church running - insurance	£3319			£335	£3654	£3542
Church maintenance	£1367	£529	£3859		£5756	£10385
Upkeep of services	£927		£119	£52	£1097	£1354
Upkeep of churchyard	£1344		£1380	£3235	£5959	£5804
Administration	£2007				£2007	£789
Miscellaneous	£616	£134	£2656		£3405	£9369
Church running - heating and lighting	£1814				£1814	£3295
Magazine and printing expenses	£1472		200		£1672	£2441
Governance costs examination/audit fee						£90
Church major repairs – structure						£19116
Church interior and exterior decorating			£5415		£5415	
Total	£42727	£663	£13787	£3622	£60799	£87321
<b>EXPENDITURE TOTAL</b>	<b>£42727</b>	<b>£663</b>	<b>£13787</b>	<b>£3622</b>	<b>£60799</b>	<b>£87394</b>
<b>GRAND TOTAL</b>	<b>(£2721)</b>	<b>(£578)</b>	<b>£7701</b>	<b>£829</b>	<b>£5230</b>	<b>(£7934)</b>

**3a) Employee Costs**

During the year, the PCC employed 2 part-time organists. Employee costs in 2020 were £545 (2019 £1385). The large reduction in this figure is due to the impact of the COVID-19 19 Pandemic.

**3(b) Payments to PCC Members**

In 2020, the following sums were paid to PCC members. £2980 was paid to Rev Gary Crellin in respect of ministry expenses for the benefice, of which sum £1043 was recharged to Guarlford and Madresfield PCC. £1261 (2019 £1037) was paid to 4 PCC members as re-imburement of routine expenses incurred on behalf of the PCC. A total of £140 was paid to 1 PCC member and 1 person connected with a PCC member as agency fees in respect of funerals. Mrs L Brown, whilst a PCC member, received £355 (2019 £1125) as organist fees from the PCC and a further £260 (2019 £938) in respect of agency fees for funerals. £253 was paid to and an accrual has been made for debts of £953

owing to a company connected with a PCC member. There were no other disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

#### **4. Charitable Giving**

During 2020 a grant of £150 was given to Callow End Village Hall who assist with the provision of the Coffee Shop.

#### **5. Funds**

##### **5(a) The Designated Funds**

###### St. Peter's

This fund contains monies to be used for works at St Peter's only. The money currently in this fund is intended to help finance a new drainage system for the toilet at St Peter's during 2021. This work has been deferred from 2020 due to the Pandemic.

##### **5(b) The Restricted Funds**

###### St Peter's Restoration

To be used only for the purpose of repairs and restoration of St Peter's Church (including repairs to the bells). This fund contains £20,000 derived from a legacy received in earlier years.

###### St Peters Improvement

To be used towards improving the facilities available at St Peter's Church. Apart from £691 given for choir furnishing the monies in this fund have been given for improvements to the sound system at St Peters and the provision of a hearing loop.

###### St. James Maintenance

To be used for maintenance of the fabric of St James Church. This fund which derived from a legacy in 1997 has been exhausted following the repairs to the floor at St James.

###### St James Improvement

To be used only for the purpose of repairs, maintenance, and improvements at St James' Church. 2 sizeable donations for improvements at St James' were received in 2020.

###### Churchyard

To be used only for the purpose of churchyard maintenance.

###### Churchyard Upkeep Reserve

Fund derived from donations following burials in the churchyard with income to be used for maintenance of the Churchyard with capital not normally used with a view to maintaining long term sustainability of churchyard maintenance. £440 (2019 £500) of this capital was used during the year.

###### Mission

To forward the mission of St Peter's and St James' churches

###### Coffee Shop

To be used only for the purposes of the Coffee Shop

###### Choir Fund

To be used for any purposes connected with the choir at St Peter's

###### Powick Parish Heritage Fund

To be used for the purposes of the Powick Parish Heritage Project. This Fund contains monies for promoting the Heritage Lottery Bid and also the display boards acquired during 2019.

##### **5(c) The Endowment Funds**

###### **(i) Investments held by the Diocesan Board of Finance**

The investments representing these funds are held by the Diocese as custodian trustee on behalf of the PCC and the income is paid to the PCC but may only be used for the purposes indicated: -

###### Churchyard Endowment

These comprise various legacies, the income from which can only be used for the maintenance of the churchyard at St Peter's.

###### Maginnes Endowment

The income can be used for the general purposes of the PCC and was transferred to the General Fund in 2020.

###### Upkeep of Services at St James' Church

The income can only be spent on the upkeep of services at St James'.

###### **(ii) Investments held by the PCC**



Chancel Repair

The income may be used to keep the chancel insured or to maintain and repair any part of the chancel. £335 (2019 £335) was used for the insurance of the Chancel in 2020.

St Peters Fabric (ex-Refectory Table)

The income may be used to repair the fabric of St Peter's Church. The investment is in a term deposit of £10000 at Lloyds Bank.

Wheeley Lea Tomb

The income is to be used for the repair and maintenance of the Wheeley Lea Tomb. The investment is in a term deposit at Lloyds Bank.

**6. Statement of assets and liabilities**

	General	Designated	Restricted	Endowment	This Year	Last year
<b>Fixed assets - Tangible assets</b>						
Equipment	£145		£5603		£5748	£7830
<b>Totals</b>	<b>£145</b>		<b>£5603</b>		<b>£5748</b>	<b>£7830</b>
<b>Fixed assets - Investments</b>						
Investments				£150961	£150961	£141684
<b>Totals</b>				<b>£150961</b>	<b>£150961</b>	<b>£141684</b>
<b>Current assets - Cash at bank and in hand</b>						
Bank current account	£13081	£5	£2846	£152	£16084	£12193
Bank deposit account	£10531		£1085	£700	£12316	£2326
CCLA (CBF) deposit account		£3912	£34962	£131	£39005	£28435
Lloyds Bank 12 Months Deposit						£20000
Lloyds Bank 6 months deposit						£19000
<b>Totals</b>	<b>£23612</b>	<b>£3916</b>	<b>£53035</b>	<b>£16841</b>	<b>£97405</b>	<b>£81955</b>
<b>Current assets - Debtors</b>						
Accounts Receivable	£2456		£295	£22	£2773	£5580
<b>Totals</b>	<b>£2456</b>		<b>£295</b>	<b>£22</b>	<b>£2773</b>	<b>£5580</b>
<b>Liabilities - Agency accounts</b>						
Agency collections			£2041		£2041	£144
<b>Totals</b>			<b>£2041</b>		<b>£2041</b>	<b>£144</b>
<b>Liabilities - Creditors: Amounts falling due in one year</b>						
Accounts Payable	£5503		£550	£8	£6061	£2627
<b>Totals</b>	<b>£5503</b>		<b>£550</b>		<b>£2627</b>	<b>£2627</b>
<b>Grand total</b>	<b>£20710</b>	<b>£3916</b>	<b>£56342</b>	<b>£167816</b>	<b>£248784</b>	<b>£234277</b>

**7. Fixed Assets**

7(a) Tangible Fixed Assets

The oil tank acquired in 2007 is being depreciated on a straight-line basis over 15 years, and at 31.12.20 is valued at £145. In 2013, new chairs were acquired for St James' Church at a cost of £3535. These are being depreciated over 10 years. Their value at 31.12.20 is £707. During 2019 new display boards were purchased for St Peter's Church at a cost of £8160. These are being depreciated over 5 years and their value at 31.12.20 is £4896.

7(b) Investments

Chancel Repair Fund

Shares in CBF's Investment Fund: Value at 31st December 2020 £9609 (2019 £8991)

Churchyard Endowment

Shares in CBF's Fixed Interest Securities Fund: Value at 31<sup>st</sup> December 2020 £12801 (2019 £12365)

Shares in CBF's Investment Fund: Value at 31st December 2020 £100531 (2020 £94063)

Maginnes Endowment

Shares in CBF's Investment Fund: Value at 31<sup>st</sup> December 2020 £26429 (2019 £24728)

Upkeep of Services at St James

Shares in CBF's Fixed Interest Securities Fund: Value at 31<sup>st</sup> December 2020 £1591 (2019 £1537)

**8. Analysis of Accounts Receivable at 31.12.2020**

- (i) £1038 for tax recoverable on Gift Aid (Nov – Dec 2020)
- (ii) £181 for grant under Gift Aid Small Donations Scheme (Apr – Dec 2020)
- (iii) £175 stock of oil
- (iv) £245 pre-payment of insurances for both churches
- (v) £152 stock of communion wine, wafers, candles
- (vi) £863 owed by Madresfield and Guarlford PCC for recharge of Benefice expenses (Oct – Dec 2020)
- (vii) £118 projector lamp in stock

**TOTAL £2773**

**9. Analysis of Liabilities falling due within one year**

- (i) £3179 for Parish Share
- (ii) £420 Vicar's expenses (Oct – Dec 2020)
- (iii) £697 advertising income paid in advance
- (iv) £60 magazine subscriptions paid in advance
- (v) £72 unbilled electricity at both churches
- (vi) £202 printing of service sheets
- (vii) £614 printing December magazine and other printing costs
- (viii) £348 printing Children's Activity Sheets
- (xi) £213 Churchyard maintenance December
- (x) £16 PAYE
- (xi) £213 Benefice Assistant
- (xii) £28 Printing of Headlines
- (xiii) £2041 agency collection of which the major item is £1314 owed to Worcester DBF for funeral fees (Oct – Dec 2020)

**TOTAL £8103**

**10. Fund movement by type**

	Opening	Incoming	Outgoing	Transfers	Gains/losses	Closing
<b>St Peter's Designated</b> Designated	£4495	£85	£663			£3916
<b>Powick Parish Heritage</b> Restricted	£10620	£7	£3912			£6716
<b>General - General fund</b> Unrestricted	£22791	£40006	£42727	£640		£20710
<b>St Peter's Restoration</b> Restricted	£22287	£943				£23230
<b>St Peter's Improvement</b> Restricted	£1917	£557				£2474
<b>St James' Maintenance</b> Restricted		£3	£3			
<b>St James' Improvement</b> Restricted	£6850	£19050	£8180			£17719
<b>Churchyard</b> Restricted	£424	£243	£457	£100		£310

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<b>Churchyard Endowment</b>					
Endowment	£106428	£3235	£3235	£6905	£113332
<b>Churchyard Upkeep Reserve</b>					
Restricted	£5885	£59	£500		£5445
<b>Mission</b>					
Restricted	£157	£376	£517		£15
<b>Coffee Shop</b>					
Restricted	£164	£249	£217		£196
<b>Choir</b>					
Restricted	£236	£1			£237
<b>Chancel Repair</b>					
Endowment	£15401	£316	£335	£618	£16001
<b>Maginnes</b>					
Endowment	£24728	£740		(£740)	£1700
<b>Upkeep of Services at St James</b>					
Endowment	£1537	£52	£52	£54	£1591
<b>St Peter's Fabric</b>					
Endowment	£10000	£106			£10106
<b>Wheeley Lee Tomb</b>					
Endowment	£357	£1			£358
<b>Grand total</b>	<b>£234277</b>	<b>£66029</b>	<b>£60799</b>	<b>£9278</b>	<b>£248784</b>

## 11. Risk Management

The PCC is aware that it is exposed to various risks and reviews its position periodically. In the past it has been considered that the main risks relate to the maintenance and upkeep of its buildings. A thorough inspection is carried out by the church architect every 5 years. The inspection in respect of St Peter's was carried out at the end of 2018 and the report received in January 2019. The inspection at St James was carried out in early 2020. Other significant risks are health and safety issues and ensuring that the PCC has adequate finance to meet its obligations. The Covid 19 Pandemic has shown that ensuring adequate finance is perhaps the greatest risk when both of the church buildings are closed at the same time. The Pandemic has re-emphasised that the PCC can meet its financial obligations but on occasions this will have to be at the expense of the amount of Parish Share which it can afford to pay. The PCC will be looking at its reserves policy in light of the experience of the pandemic to see whether this can be relaxed to meet other requirements.