

# St Peter's

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## Farnborough



### **Annual Report and Financial Statements of the Parochial Church Council**

**for the year ended 31st December 2020**

## ANNUAL REPORT

**Background**

The PCC of St Peter's Church is an official, predominantly elected team that shares leadership responsibility with its Incumbent, in promoting within the ecclesiastical parish the whole mission of the Church - pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the St Peter's Church complex and associated properties. The Reverend Elizabeth (Libby) Etherington was appointed as Rector in May 2019.

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The Parish of St Peter's and the Parish of the Good Shepherd are a two-parish Group Ministry within the Aldershot Deanery of the Guildford Diocese. This is a commitment to support and co-operate in mission and has no financial obligations. The Church Pastoral Aid Society is the sole patron of both Parishes.

The PCC is registered with the Charity Commission. Its charity registration number is 1127534.

**Membership**

Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. In 2020 the Parish elected 5 of the 15 PCC representatives and all 6 Deanery Synod representatives. The PCC chose to co-opt the Treasurer as an additional member. In the light of the national situation relating to Coronavirus (COVID-19) the Bishop of Guildford used the powers contained in the Churchwardens Measure 2001 and the Church Representation Rules to extend the deadline for parish meetings to 31st October 2020. Consequently existing role holders continued in office for an extended period. With continuing constraints on meeting in person, on 20<sup>th</sup> July Bishop Andrew signed an instrument temporarily to permit these meetings to take place remotely if required. The APCM was held on 14th October using Zoom, with some 100 'logons' and approximately 125 parishioners attending.

During the year the following served as members of the PCC:

*Incumbent:*

Revd Elizabeth Etherington

*Clergy:*

Revd Richard Cobbold

Revd Sarah Norbron

Revd Matthew Swires-Hennessy Associate Minister  
(to 30th June 2020)

Revd Ben Perkins Curate  
(ordained Deacon 11th Oct 2020)

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<i>Youth Minister:</i>	Mrs Chloe Pollington	Licensed Lay Worker
<i>Licensed Lay Ministers</i>		
<i>Representative:</i>	Mr Andrew Linn	(re-elected at APCM)
<i>Wardens:</i>	Mr Graham Hudson	(to APCM 2020)
	Mrs Mary Bolton	(re-elected APCM 2020)
	Mr Simon Martin	(from APCM 2020)
<i>Representatives on the Deanery Synod:</i>	Mrs Catherine Fewings	(re-elected APCM 2020)
	Dr David Rowell	(re-elected APCM 2020)
	Mr Neil Seagrave	(re-elected APCM 2020)
	Mrs Margaret Taylor	(to APCM 2020)
	Mrs Kate Bricknell	(from APCM 2020)
	Mrs Juliet Davis	(from APCM 2020)
	Mr Nick Hayward	(from APCM 2020)
<i>Representatives:</i>	Mr David Barnes (Treasurer)	(to APCM 2020)
	Mrs Andrea Birkett	(from APCM 2019)
	Mrs Kate Bricknell	(to APCM 2020)
	Mr Jonathan Coppock	(from APCM 2020)
	Ms Heather Dee	(to APCM 2020)
	Mr Rob Hooper	(from APCM 2018)
	Mr Anthony Gilbert	(from APCM 2019)
	Mrs Anne Hudson	(from APCM 2019)
	Mr Jonathan Kelly	(from APCM 2020)
	Mr Simon Martin	(to APCM 2020)
	Mr Tony Milway	(to APCM 2020)
	Mrs Catherine Morganti	(from APCM 2018)
	Mr Tom Norbron	(from APCM 2018)
	Mr Colin Price	(from APCM 2019)
	Mr Alan Rees	(from APCM 2018)
	Mr James Rogers	(from APCM 2018)
	Mrs Margaret Taylor	(from APCM 2020)
	Mrs Alison Welch	(from APCM 2020)
	Mrs Tina West	(from APCM 2019)
	Mrs Hannah Witt	(from APCM 2020)
<i>Co-Opted Member:</i>	Mr David Barnes (Treasurer)	(PCC 14th Oct 2020)

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**Structure, Governance and Management**

The method of election of the PCC members is as set out in the Church Representation Rules. All church attendees are encouraged to register on the Electoral Roll and the church leadership team endeavours to ensure that all congregations are represented on the PCC.

**Committees**

The PCC operates through a number of committees that meet between full meetings of the PCC:

***Standing Committee***

This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. It also keeps under review all PCC business matters and non-financial administration practices that are not the responsibility of any other subcommittee, agrees the agenda for PCC meetings, and prepares and administers contracts of employment for PCC employees for ratification by the PCC. It has authority for up to £1,000 on any individual item of expenditure, subject to reporting at the next PCC meeting.

***Campus Development Committee***

The Campus Development Committee manages campus development projects. The committee develops draft proposals for requirements, investigates and recommends the appointment of professional practices and liaises with professional practices when appointed. The committee has not met for several years.

***Mission Committee***

The Mission Committee manages mission activities (outside the parish), encouraging members of St Peter's to consider God's call to support mission, assisting in the selection of those called, supporting them throughout their training, missionary career and eventual resettlement. It encourages an interest in Mission(outside the parish) within the church family, keeping them informed. It manages the St Peter's Mission Fund, which supports mission links and organisations financially.

***Maintenance Committee***

The Maintenance Committee manages the repair and maintenance of church property comprising St Peter's Church and grounds, the Parish Centre, St Peter's House and 14 Wilton Court.

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***Finance Committee***

The Finance Committee assists the PCC and Treasurer by managing the General Fund finances, including the preparation of annual audited accounts, preparation of the Annual Finance Report and presentation at the Annual Parish Meeting. The Finance Committee oversees all the other subcommittees' financial transactions.

***Parish Centre Management Committee***

The Parish Centre Management Committee manages all aspects of usage and day-to-day maintenance of the Parish Centre and its facilities.

**Risk Management Policy**

A Risk Management policy is in place. The identification of risks and their management are devolved to the sub-committees and other groups who are most familiar with the detail of activities at their events (e.g. children's groups, catering team). Risks are identified together with an owner, severity is assessed and the necessary Countermeasures identified (often with reference to Diocesan documentation). A Consolidated Risk Register is maintained to collate the risks associated with our 'regular activities'.

During the year the PCC reviewed a number of detailed Risk Assessments relating to Covid 19 prevention. These included Assessments relating to; use of Zoom/other internet tools for Youth and Children's work, Protocols for safe outdoor services, restricted use of the Parish Centre for youth and children's activities, Protocols for use of the Church with restricted numbers of worshippers, measures to accommodate restricted Christmas Services etc. There were no instances of any Covid infection or required isolations.

The principal risks are in the areas of:

- Safety and safeguarding of children, young people and vulnerable adults
- General public safety including Covid-19 prevention.
- Financial risks (e.g. solvency & fraud)
- Accidents (e.g. sports and other activities)
- Damage to property (including fire)
- Catering activities
- Website and social media
- Specific risks for activities, particularly off-site children and youth activities.

The PCC has continued with the practice of a member appointed as the Parish Safeguarding Officer, additionally we have a second Officer to share the role and also as a focus for vulnerable adults. All of the lay PCC members have completed the on-

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line safeguarding course required by the Diocese. The PCC has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have regard to House of Bishops' guidance on safeguarding children and vulnerable adults).

**Objectives and Activities**

St Peter's PCC has the responsibility of supporting the Rector and staff team in promoting the whole mission of the church within the ecclesiastical parish - pastoral, evangelistic, social and ecumenical. It also has responsibility for the Parish Centre, which is on the campus.

***Major Objectives for the Year***

The PCC has continued to support and resource the ministry of the church in fulfilling its objectives, expressed in the three-fold Vision Statement, to 'Love God, Love the Church, Love the World.'

2020 was a challenging year in the life of the church due to the Covid-19 pandemic. Significant restrictions and frequent changes to operational guidelines, applied by the Government and Diocese of Guildford, resulted in considerable prohibitions to our usual worship and ministry. However, despite these reductions to our normal pattern of activities, the church has continued to function.

Thanks to the additional effort of staff, volunteers and Wardens, church life has been creatively sustained through the time of the pandemic, seeing worship services and group activities utilize a variety of online technology and social media facilities. These have undoubtedly been less effective and more challenging than we would expect during normal circumstances, but even so, the three vision objectives of the church have continued to inform and motivate all church activity.

The early (pre-Covid) months of the year, saw the church responding to its call to 'Love the World', specifically through its attendance and community service at the Farnborough Winter Half Marathon. This event involved a team of approximately 180 church members running a hospitality tent at this key event for our town.

Other similar 'in person' ventures during the year were forced to cancel due to the Covid-19 restrictions, with the exception of an outdoor event run as an alternative to Halloween throughout the parish. The Light Trail was creatively designed to ensure Covid-secure social distancing was adhered to, whilst offering our 300 guests and 80-strong church team a fantastic community event.

Where possible, other main events in the life of the church had to be reimagined and go on-line, including the significant ministry of the summer Holiday Club for primary school aged children.

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Considering the extraordinary circumstances of the pandemic, the church has managed well to adapt and respond sensitively to the exceptional and unexpected challenges experienced by its members and neighbours in the parish. Care of the needy (including significant support of the food charity run by the Church of the Good Shepherd) and communal prayer became more significant during this time.

When planning our activities for the year, the PCC has considered and taken account of the Charity Commission guidance on public benefit.

### **Achievements and Performance**

#### ***Church Attendance***

The number of parishioners on the Church Electoral Roll at the 2020 APCM was 406. The average 'normal time' Sunday attendance prior to the Covid-19 pandemic (up until 23 March 2020) was 361 adults plus 69 children under the age of 16. Easter 2020 was restricted to online pre-recorded services only, for which accurate viewing data is not available. Christmas services were held with a significantly restricted capacity due to social distancing requirements. We welcomed 600 guests to worship services over Christmas Eve and Christmas Day. Other Christmas Services saw 261 people join us 'in person' on our church campus, including two outdoor 'Carols by Lamplight' services organized to allow greater attendance and liberty considering the significant restrictions in place for worship. In addition to these statistics, many more joined our worship via our new 'live stream' on YouTube (accurate viewing data is not available).

As well as our regular services, we enable our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the gift of life, in marriage public vows are exchanged with God's blessing and through funeral services friends and family express their grief and give thanks for the life which is now complete in this world, and to commend the person into God's keeping.

Over the year we have had 2 infant baptisms, (we have been unable to celebrate baptisms under Covid-19 restrictions since 23 March 2020). We have had 4 marriages in church (all with significant restrictions to attendance), 3 funeral services have been held in church, and a further 16 funeral services were conducted by our clergy at local crematoria or cemeteries.

### **Review of the Year**

The full PCC met eight times for general business during the year. Overall attendance was over 85%. In between these meetings the subcommittees listed above met and their minutes were circulated to the PCC. Discussion took place on these minutes

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where necessary.

Sunday services covering a range of styles of worship continued until 23 March, following the existing pattern of worship with anyone being welcome to attend:

8.00 AM - Holy Communion service from the 1662 Book of Common Prayer.

9.30 AM - An informal service welcoming all ages, with age appropriate groups for children up to the age of 11 years. Refreshments are served after the service.

11.00 AM – A classical liturgical service with traditional organ-led hymns.

3.00 PM – A smaller service, welcoming and gently traditional where friendship and post service refreshments and prayer are key components of the gathering.

5.30 PM – A very informal and contemporary service, especially suitable for youth and young adults (although all ages are welcome and greatly enjoy it!) Music is led by a band and refreshments are served immediately after the worship has ended. During the service, various groups enjoy age specific fun and teaching (Pioneers for ages 7-11yrs and Pathfinders for ages 11-13yrs). Discovery, a vibrant group for those 14-18yrs, attend the service and meet socially afterwards.

During Covid-19 restrictions when 'in person' services have been permitted in the church (with restricted attendance), we have merged our range of services to cover the two options for worship covered by our previous pattern (detailed above): A 9am Classical service followed by a 10.30am Contemporary service (repeated at 12pm until November 2020 when the repeat service moved to 5pm). The second Contemporary service is a repeat of the 10.30am (due to limited attendance, both styles of worship have been live streamed since September 2020, and are also available to be viewed later at home if preferred). Prior to live streaming, both styles of service were pre-recorded and available to watch on YouTube. We also provided 'Youth Online', 'PJ Church' (for primary school aged children) and 'Purple Bucket' (for toddlers) weekly worship and teaching videos for our under 18's. Since September, we have held alternate 'Kingdom Kids' and 'Kingdom Tots' services 'in person' in the Parish Centre – these have taken place simultaneously to our 10.30am service. During the summer of 2020, outdoor services were held on 3 Sundays (with a repeat of each service later that day).

We have 25 Home Groups running, either weekly or fortnightly within which some 280 people participate. Since March 23 2020, most of these have been meeting remotely via Zoom or Whatsapp.

A number of maintenance and improvement tasks have been undertaken this year, including the installation of live streaming technology, replacement of video cameras

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and new screens throughout the church.

The majority of our mid-week ministries have been cancelled since March due to the Covid-19 restrictions. We continue to remotely support these group members as much as possible, including our senior group members and young families.

Children's Ministry: Our Children's and Schools' Minister has been able to support work in five local primary schools delivering collective worship, lessons and lunchtime clubs until the end of March and some assemblies and acts of worship during Covid-19, including providing video resources.

Youth Ministry: Our Youth Minister has maintained significant contact with our young people throughout this year, continuing mentoring, and some mid-week gatherings (online and 'in person').

Prayer: Gatherings have moved online and increased significantly in regularity during this Covid-19 period. Two 24 hour periods of consecutive prayer were mobilized using both Zoom and enabling increased personal prayer at home.

### **Financial Review**

The continuing generosity of church members enabled the PCC to meet its normal commitments of running and maintaining the Church and associated activities.

The PCC has made plans for a significant increase in commitments in 2021. This has been shared with the church membership, seeking a giving increase of £38,000 in order to match these planned commitments. The Finance Committee will monitor the response from the church members and make recommendations to the PCC.

An Asset List has been established for the purposes of financial planning. We are continuing to make provision for the replacement and repair of items that are not annual expenses.

### ***Reserves***

The PCC does not hold significant financial reserves on the grounds that our church members give their money to be used, not held. We do, though, monitor our cash position very closely and it is our policy to maintain a 'cash-at-bank' balance of unrestricted funds in excess of £40,000.

At 31st December 2020 the reserves comprised:

- fixed assets : £1.677M
- restricted Funds: Net current assets of £62,300 (including £26,700 Mission Fund and £32,500 Building Fund)

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- unrestricted Funds: Net current assets of £138,900. This equates to around 15 weeks of normal expenditure at current levels and is in line with our policy.

***Fundraising***

Fundraising at St Peter's is purely in the form of receiving free-will offerings and donations, some of which are gift-aided, from members of our congregations. We have not contracted the service of any professional fundraisers as defined by section 58 of the Charities Act 1992.

Collection boxes are available at all services, the contents of which are brought forward at the end of, and as part of, the service. All congregations are given a summary of the financial needs of the Church as part of the termly Vision and Giving presentations.

We do not engage in persistent or intrusive fundraising practices with any of our donors, including vulnerable people, and we do not have private or coercive discussions with individuals about their giving. Our fundraising practices are ethical and in accordance with Biblical principles. No complaints were received about our fundraising practices.

***Pay & remuneration***

The Key Management Personnel are considered to be the members of the PCC, who are the trustees of the charity, and the Operations Manager. The arrangements for the pay and remuneration of Key Management Personnel are as follows.

- The Rector is paid a stipend and provided with housing by the Diocese of Guildford.
- The Curate is paid a stipend by the Diocese of Guildford and provided with housing by the PCC.
- The Associate Minister is paid a stipend by the PCC via the Diocese of Guildford and is provided with a house by the PCC.
- The Youth Minister is paid a salary and is provided with a house by the PCC. This salary is reviewed annually as described in the Pay and Expenses Policy.
- The Worship Pastor is paid a salary by the PCC. This salary is reviewed annually as described in the Pay and Expenses Policy.
- The Children's Minister is paid a salary by the PCC. This salary is reviewed annually as described in the Pay and Expenses Policy.
- The Operations Manager is paid a salary by the PCC. This salary is reviewed annually as described in the Pay and Expenses Policy.

No other member of the Key Management Personnel is paid.

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### *Pension*

With regard to our Pensions policy we make pension contributions for non-stipendiary ministry staff of 10% of salary, and for non-ministry staff we pay a contribution of 8%, rising to 9% in 2021. The contributions are charged to expenditure in the period they are due.

### *Mission Fund*

The Mission Fund is a restricted fund (it cannot be spent on just anything) for giving to individuals and organisations in the mission field. During 2020 the reserves of this fund decreased slightly and these reserves will be applied as decided by the Mission Committee on behalf of the PCC. During 2020 we supported 24 individuals and organisations both at home and abroad, notably our link missionaries who we encourage you to read about on our website.

### *Professional Advisors*

Our bankers are National Westminster Bank PLC. 31-37 Victoria Road, Farnborough, Hants. GU14 7NR

Our independent examiners are Jacob Cavenagh & Skeet. 5 Robin Hood Lane, Sutton, Surrey. SM1 2SW.

### *Responsibilities of PCC members*

The PCC members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the PCC members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the church and of its financial activities for that period.

In preparing those financial statements, the PCC members are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the church will continue.

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The PCC members are responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any time, the financial position of the church and enables them to ensure that the financial statements comply with the Charities Act 2011 and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements that follow have been prepared in accordance with the Charities Statement of Recommended Practice 2015, Financial Reporting Standard 102.

15 March 2021

A handwritten signature in black ink, appearing to read 'Rev Libby Etherington', written in a cursive style.

ON BEHALF OF THE PCC  
Rev Libby Etherington  
PCC Chair

## REPORT OF THE INDEPENDENT EXAMINERS

***INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
ST PETER'S CHURCH FARNBOROUGH PAROCHIAL CHURCH COUNCIL***

I report to the charity trustees on my examination of the accounts of the St Peter's Church Farnborough Parochial Church Council (the Church) for the year ended 31 December 2020 set out on pages 15 to 28.

**Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Church's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since the Church's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Church as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

## REPORT OF THE INDEPENDENT EXAMINERS

(continued)

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A handwritten signature in black ink, appearing to read 'Miriam Hickson', is centered on the page. The signature is written in a cursive, flowing style.

Miriam Hickson CTA FCA  
Jacob Cavenagh & Skeet  
5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

Date

## FINANCIAL STATEMENTS

Statement of Financial Activities for the Year Ended 31st December 2020							
	Note	Unrestricted Funds £	Restricted Funds £	2020 Total £	Unrestricted Funds £	Restricted Funds £	2019 Total £
<b>Income and endowments from</b>							
Donations and legacies	2(a)	458,281	72,208	530,489	386,255	84,112	470,367
Other trading activities		-	-	-	-	-	-
Investments	2(b)	104	63	166	441	152	593
Charitable activities	2(c)	20,593	375	20,968	72,515	2,078	74,593
Other income	2(d)	11,270	-	11,270	-	-	-
<b>Total income and endowments</b>		<u>490,248</u>	<u>72,646</u>	<u>562,894</u>	<u>459,211</u>	<u>86,342</u>	<u>545,553</u>
<b>Expenditure on</b>							
Raising funds		-	-	-	-	-	-
Charitable activities	3,4,5	443,368	73,987	517,355	463,799	81,566	545,366
<b>Total expenditure</b>		<u>443,368</u>	<u>73,987</u>	<u>517,355</u>	<u>463,799</u>	<u>81,566</u>	<u>545,366</u>
<b>Net income/(expenditure)</b>		46,880	(1,341)	45,539	(4,588)	4,776	187
Transfers between funds	10	-	-	-	2,578	(2,578)	-
Gains (losses) on revaluation of fixed assets	6	40,000	-	40,000	(75,000)	-	(75,000)
<b>Net Movement in Funds</b>		<u>86,880</u>	<u>(1,341)</u>	<u>85,539</u>	<u>(77,011)</u>	<u>2,198</u>	<u>(74,813)</u>
Balances brought forward		<u>1,729,218</u>	<u>63,673</u>	<u>1,792,890</u>	<u>1,806,228</u>	<u>61,475</u>	<u>1,867,703</u>
Balances carried forward		<u>1,816,097</u>	<u>62,332</u>	<u>1,878,429</u>	<u>1,729,218</u>	<u>63,673</u>	<u>1,792,890</u>

FINANCIAL STATEMENTS  
(continued)  
Balance Sheet at 31st December 2020

	Note	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
<b>Fixed Assets</b>					
Tangible fixed assets	7	1,677,213	-	1,677,213	1,639,904
Investments		-	-	-	-
		<u>1,677,213</u>	<u>-</u>	<u>1,677,213</u>	<u>1,639,904</u>
<b>Current Assets</b>					
Debtors	8	19,033	3,092	22,125	21,983
Short term deposits		-	-	-	-
Cash at bank and in hand		127,342	65,593	192,935	142,118
		<u>146,374</u>	<u>68,685</u>	<u>215,060</u>	<u>164,101</u>
<b>Liabilities: Amounts falling due within one year</b>	9	7,490	6,353	13,843	11,115
<b>Net Current Assets</b>		<u>138,885</u>	<u>62,332</u>	<u>201,217</u>	<u>152,986</u>
<b>Total Assets less Current Liabilities</b>		1,816,097	62,332	1,878,429	1,792,890
<b>Liabilities: Amounts falling due after one year</b>		-	-	-	-
<b>Net Assets</b>		<u>1,816,097</u>	<u>62,332</u>	<u>1,878,429</u>	<u>1,792,890</u>
<b>Funds</b>					
Unrestricted		1,816,097		1,816,097	1,729,218
Restricted	10		62,332	62,332	63,673
		<u>1,816,097</u>	<u>62,332</u>	<u>1,878,429</u>	<u>1,792,890</u>

Approved by the Parochial Church Council on 15<sup>th</sup> March 2021 and signed on its behalf by:



E A Etherington  
(Chairman)



D J Barnes  
(Member)

FINANCIAL STATEMENTS  
(continued)  
**Statement of Cash Flows**  
**for the Year Ended 31st December 2020**

		2020 Total Funds	2019 Total Funds
	Note	£	£
<b>Net cash provided by (used in) operating activities</b>	<b>11</b>	<b>52,268</b>	<b>11,690</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		(166)	(593)
Purchase of property, plant and equipment		(1,285)	(2,692)
<b><i>Net cash provided by (used in) investing activities</i></b>		<b>(1,451)</b>	<b>(3,285)</b>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		-	-
<b><i>Net cash provided by (used in) financing activities</i></b>		<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>		<b>50,817</b>	<b>8,405</b>
Cash and cash equivalents brought forward		142,118	133,713
Cash and cash equivalents carried forward		192,935	142,118

## FINANCIAL STATEMENTS

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**Notes to the Financial Statements  
for the Year Ended 31st December 2020****1 Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**Basis of preparation**

The financial statements are prepared in sterling, which is the functional currency of the church. Monetary amounts in these financial statements are rounded to the nearest £.

The Parochial Church Council of the Ecclesiastical Parish of Saint Peter Farnborough is UK Registered Charity No. 1127534 and meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared under the Church Accounting Regulations 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), applicable accounting standards and the Charities Act 2011. The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of tangible fixed asset properties.

**Going concern**

At the time of approving the financial statements, the PCC members have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the PCC members continue to adopt the going concern basis of accounting in preparing the financial statements.

**Funds**

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on 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 that are informal gatherings of Church members.

**Income*****Donations, legacies and church activities***

- All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be reliably measured.
- Grant income from the Coronavirus Job Retention Scheme is recognised in the period to which the underlying furloughed staff costs relate.
- Funds raised by the holiday club and similar events are accounted for gross.
- Sales of magazines are accounted for gross.

## FINANCIAL STATEMENTS (continued)

### *Other income*

- Rental income from the letting of premises is recognised when the rental is due.

### *Income from investments*

- Interest is accounted for when receivable.

### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a settlement will be required and the amount of the obligation can be measured reliably. Expenditure is discounted to present value for longer term liabilities. All expenditure is accounted for on an accruals basis.

### *Church Activities*

This includes all expenditure incurred in the meeting of the church's main objectives, and includes all costs in support of these objectives (including staffing and office costs). Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable. A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds for a similar time period offered in the year in which the grant award is made.

The diocesan parish share is accounted for when payable. Any share unpaid at 31st December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

Other monies expended are recognised in the period in which they are incurred and are inclusive of attributable VAT which can not be recovered.

Included in church activities are governance costs, which comprise all costs in allowing the church to meet its legal and statutory requirements.

### **Fixed assets**

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

Consecrated or beneficed property is excluded from the accounts by Section 96(2)(a) of the Charities Act 1993.

Movable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property

## FINANCIAL STATEMENTS

(continued)

unless consecrated. They are listed in the church's Inventory which can be inspected (at any reasonable time). Inalienable property acquired prior to 1 January 2000 is not valued in the accounts. Items acquired since 1 January 2000 have been capitalized and depreciated in the accounts over their currently anticipated useful economic life (initially over 4 or 5 years) on a straight-line basis.

All expenditure incurred in the year on consecrated or beneficed buildings, individual items under £500 or on the repair of movable church furnishings acquired before 1 January 2000 is written off.

***Other land and buildings***

No depreciation is provided on freehold land and buildings. The PCC adopts a policy of maintaining all properties to a high standard which prolongs their useful lives and enhances their residual values and accordingly the PCC considers any depreciation arising or accumulated depreciation to date to be insignificant and immaterial.

Housing properties are valued at their fair value. The Parish Centre is stated at cost. An annual review is carried out to consider the useful life and estimated residual value of all freehold properties.

***Other fixtures, fittings and office equipment***

Equipment used within the church premises is depreciated on a straight line basis over 4 or 5 years. Individual items of equipment with a purchase price of £500 or less are written off when the asset is acquired.

**Debtors**

Income tax recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

**Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

FINANCIAL STATEMENTS  
(continued)

**2 Income**

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>2020 Total £</i>	<i>2019 Total £</i>
<b>(a) Donations and legacies</b>				
Gift Aid	305,878	51,689	357,567	311,348
Income tax recoverable on gift aid	76,772	13,029	89,801	79,845
Collections (open plate) at all services	1,645	696	2,341	10,505
Sundry donations	61,519	6,684	68,203	47,746
Donations, appeals etc.	-	40	40	160
Legacies	2,000	70	2,070	20,012
Government Grants	10,003	-	10,003	751
Grants - Other	465	-	465	-
	<u>458,281</u>	<u>72,208</u>	<u>530,489</u>	<u>470,367</u>
<b>(b) Investment income</b>				
Interest and dividends (all UK)	104	63	166	593
	<u>104</u>	<u>63</u>	<u>166</u>	<u>593</u>
<b>(c) Charitable activities</b>				
Events and activities	5,240	165	5,405	30,316
Premises lettings etc.	13,216	-	13,216	33,873
Fees	2,137	210	2,347	10,403
	<u>20,593</u>	<u>375</u>	<u>20,968</u>	<u>74,593</u>
<b>(d) Other income</b>				
Insurance claims	11,270	-	11,270	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total income</b>	<u><u>490,248</u></u>	<u><u>72,646</u></u>	<u><u>562,894</u></u>	<u><u>545,553</u></u>

FINANCIAL STATEMENTS  
(continued)

**3 Expenditure**

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>2020 Total £</i>	<i>2019 Total £</i>
<b>Charitable activities</b>				
Grants (note 4):				
Missionary societies	-	7,606	7,606	15,724
Relief and development agencies	-	9,500	9,500	12,900
Home missions and other Church Societies	4,360	53,753	58,112	50,193
Other charitable societies	-	2,007	2,007	1,521
Ministry: Diocesan share	132,301	-	132,301	129,531
Staff costs (note 5)	79,626	-	79,626	97,897
Staff expenses	8,172	-	8,172	8,572
Church running costs	26,249	28	26,277	34,036
Church maintenance	47,752	-	47,752	46,064
Events	3,774	-	3,774	22,228
Group activities	7,977	1,093	9,070	22,732
Equipment depreciation	3,976	-	3,976	4,117
Capital & replacement projects	29,033	-	29,033	3,031
Salaries & pensions (note 5)	79,574	-	79,574	70,655
Training	5,785	-	5,785	6,284
Loan interest	-	-	-	-
Governance	3,542	-	3,542	2,670
Professional fees	2,160	-	2,160	3,180
Worship support costs	2,339	-	2,339	3,624
Office support costs	6,749	-	6,749	10,407
	<u>443,368</u>	<u>73,987</u>	<u>517,355</u>	545,366
<b>Total expenditure</b>	<u><u>443,368</u></u>	<u><u>73,987</u></u>	<u><u>517,355</u></u>	545,366

FINANCIAL STATEMENTS  
(continued)

**4 Grants**

The following grants over £1,000 were made in the year:

	<i><b>2020</b></i>	<i><b>2019</b></i>
	<i><b>£</b></i>	<i><b>£</b></i>
N A Pease (Stewardship)	11,400	10,300
India Africa Foundation	6,500	10,000
PAK7 (A Hart)	6,300	0
Crosslinks (J & J Miller)	4,950	0
Latin Link (M & H Frost)	4,400	6,500
Military Ministries International (G Stoevski)	4,400	6,500
The Triangle	4,000	4,000
Fusion (P Bolton)	3,850	0
Congo Church Association (Claudeline)	3,806	0
S Japitana (Wavemakers)	3,300	3,000
St Peter's School	2,544	2,828
Pioneers UK (H Antelo)	2,400	2,500
European Christian Mission (C & S Downing)	2,200	7,250
Serving in Mission (Banjo)	2,200	3,250
Emmanuel (General)	1,800	0
<b>Other Grants (£1,000 or less in 2020)</b>		
Institutions	12,715	13,959
Individuals	461	10,250
	<u>77,226</u>	<u>80,338</u>

# FINANCIAL STATEMENTS

(continued)

## 5 Staff Costs

	2020	2019
	£	£
Wages and salaries	133,704	140,743
Social security costs	1,870	869
Pension costs	12,075	8,939
	<u>147,650</u>	<u>150,552</u>

The Key Management Personnel (KMP) are considered to be the members of the PCC who are the trustees of the charity. The PCC consists of elected members, members of the ministry team ex officio and the Operations Manager.

During the year the PCC employed an Associate Minister, Youth Minister, Children's Minister, Worship Leader, Operations Manager and three Administration Assistants, two Organists, two Gardeners, Supervisory Caretaker, two Caretakers and two Cleaners, none of whom earned £60,000 per annum or more. The total number of staff employed was 17 (2019 - 19).

The Associate Minister was a member of the PCC and was paid a stipend until his departure in July 2020 and the PCC paid £23,801 (2019 - £42,300) to the Diocese of Guildford for his employment, housing and pension costs. The Youth Minister and Children's Minister were members of the PCC and were paid £20,103 (2019 - £19,709) and £18,317 (2019 - £15,766) respectively during the year. In addition the Youth Minister was provided with a house.

The PCC also made contributions to workplace pension plans for Chloe Pollington, Helen Smith and Yo Kim of 10% of salary and for Anna Prescott, Margaret Roberts, Robert Dowse and Sarah Jones of 8% of nominal salary.

During the year members of the PCC gave a total of £78,539 (2019: £47,561) in unrestricted offerings and donations and £13,740 (2019: £10,990) to the Mission Fund. The only expenses reimbursed to members of the PCC during the year and previous year were for expenses directly relating to the work of the Church.

During the year 6 PCC members were reimbursed a total of £7,140 for general expenses (2019: £3,429 for 6 members) and 3 members were reimbursed a total of £25 (2019: £89 for 3 members) for training costs.

Total remuneration of Key Management Personnel amounted to £23,680 (2019: £46,518). Members of the close family of the Key Management Personnel received salary of £2,255 (2019: £2,361) and no expenses (2019: £2,204).

Apart from as above there were no other disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

FINANCIAL STATEMENTS  
(continued)

**6 Unrealised Gains/Losses**

PCC assets include the Freehold land and buildings comprising the Parish Centre, Church Avenue, Farnborough, the Youth Minister's house - St Peter's House, Rectory Road, Farnborough, and the Curate's house - 14 Wilton Court, Farnborough. The houses are revalued at each year end and the Unrealised Gains are the uplift between the valuations from one year to the next.

	<i>2020</i> <i>Valuation</i> <i>£</i>	<i>2019</i> <i>Valuation</i> <i>£</i>	<i>Gain</i> <i>£</i>
St Peter's House	625,000	600,000	25,000
14 Wilton Court	365,000	350,000	15,000
	<u>990,000</u>	<u>950,000</u>	<u>40,000</u>

**7 Fixed Assets for Use by the PCC**

	<i>Freehold land and buildings</i> <i>£</i>	<i>Equipment</i> <i>£</i>	<i>Total</i> <i>£</i>
<b>Tangible fixed assets</b>			
<b>Gross book value</b>			
At 1st January 2020	1,631,863	167,776	1,799,639
Additions	-	1,285	1,285
Disposals	-	(2,229)	(2,229)
Revaluation (see Note 6)	40,000	-	40,000
At 31st December 2020	<u>1,671,863</u>	<u>166,832</u>	<u>1,838,695</u>
<b>Depreciation</b>			
At 1st January 2020	-	159,736	159,736
Charge for the year	-	3,976	3,976
Depreciation of disposals	-	(2,229)	(2,229)
At 31st December 2020	<u>-</u>	<u>161,483</u>	<u>161,483</u>
<b>Net book value</b>			
At 31st December 2020	<u>1,671,863</u>	<u>5,349</u>	<u>1,677,213</u>
At 31st December 2019	<u>1,631,863</u>	<u>8,041</u>	<u>1,639,904</u>

The gross book value of freehold land and buildings consists of the Parish Centre with a cost of £681,863 and St Peter's House and 14 Wilton Court with a combined valuation of £990,000. The two clergy houses were valued by Michael Usher Sales & Lettings, estate agents and valuers, on the basis of fair value at 31st December 2020.

## FINANCIAL STATEMENTS

(continued)

**8 Debtors**

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>2020 Total £</i>	<i>2019 Total £</i>
Income tax recoverable	18,039	2,916	20,955	19,937
Inter fund balances	-	173	173	1,680
Other debtors	994	3	997	365
	<u>19,033</u>	<u>3,092</u>	<u>22,125</u>	<u>21,983</u>

**9 Liabilities: Amounts falling due within one year**

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>2020 Total £</i>	<i>2019 Total £</i>
Inter fund balances	173	-	173	1,680
Accruals	4,002	-	4,002	3,160
Other creditors	3,315	6,353	9,668	6,274
	<u>7,490</u>	<u>6,353</u>	<u>13,843</u>	<u>11,115</u>

FINANCIAL STATEMENTS  
(continued)

**10 Restricted Funds  
2020**

	<i>Balance at 31st December 2019</i>	<i>Movements in Funds: Income</i>	<i>Expenditure, gains, losses and transfers</i>	<i>Balance at 31st December 2020</i>
	£	£	£	£
<b>Restricted Funds:</b>				
Bellringers	1,836	376	255	1,957
Charities Fund	1,784	231	2,007	8
Cricket Club	236	-	-	236
Flower Fund	1,370	398	838	930
Mission Fund	27,598	69,941	70,886	26,653
Parish Building Fund	30,849	1,699	-	32,548
	<u>63,673</u>	<u>72,646</u>	<u>73,987</u>	<u>62,332</u>

	<i>Balance at 31st December 2018</i>	<i>Movements in Funds: Income</i>	<i>Expenditure, gains, losses and transfers</i>	<i>Balance at 31st December 2019</i>
	£	£	£	£
<b>Restricted Funds:</b>				
Bellringers	1,722	1,273	1,159	1,836
Charities Fund	1,238	2,067	1,521	1,784
Cricket Club	238	343	345	236
Flower Fund	2,188	2,944	3,761	1,370
Mission Fund	29,771	72,607	74,780	27,598
Parish Building Fund	26,317	7,109	2,578	30,849
	<u>61,475</u>	<u>86,342</u>	<u>84,144</u>	<u>63,673</u>

The Restricted Funds consist of the following funds:

<i>Fund</i>	<i>Purpose</i>
Parish Building Fund	Funds raised for capital building projects costing £35,000 or more. It has been used for the construction of the Church of the Good Shepherd, construction of the Parish Centre, restoration of the Church Tower, the Church Reordering Project and the 2018 Church Lighting Project.
Mission Fund	Funds raised by parishioners for the express purpose of giving away to Mission.
Other Church Groups	These are funds held by the various Church Groups for the purposes specified.

## FINANCIAL STATEMENTS

(continued)

**11 Cash Flow from Operating Activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	85,539	(74,813)
Adjustments for:		
- Depreciation charges	3,976	4,117
- (Gains)/losses on fixed assets	(40,000)	75,000
- Dividends, interest and rents from investments	166	593
- (Increase)/decrease in debtors	(142)	2,746
- Increase/(decrease) in creditors	2,729	4,047
Net cash provided by (used in) operating activities	<u>52,268</u>	<u>11,690</u>