

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF THE GOOD SHEPHERD, FARNBOROUGH

England & Wales - Charity number 1127829

Details

Other names	PCC OF FARNBOROUGH, THE CHURCH OF THE GOOD SHEPHERD, FARNBOROUGH
Status	Registered
Legal form	Previously excepted
Registered	2009-02-02
Register	View on the Charity Commission register

Contact

Address	45 Sand Hill Farnborough GU14 8ER
Phone	01252645486
Email	office@goodshepherdchurch.org.uk
Website	www.goodshepherdchurch.org.uk

Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: Regular public worship open to all. Pastoral work, including visiting the sick and the bereaved. Teaching of Christianity through sermons, courses and small groups. Promoting the whole mission of the Church through provision of activities for youth, senior citizens, parents and toddlers and other special need groups. Supporting other charities in the UK and overseas.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE LOCAL
- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£254,044	£258,143	-	-
2023-12-31	£243,365	£226,151	-	-
2022-12-31	£224,674	£239,547	-	-
2021-12-31	£209,689	£222,938	-	-
2020-12-31	£195,107	£190,647	-	-

Trustees

Name	Role	Appointed
Rev DOROTHEA VIOLET EDWARDS	Chair	2023-10-05
Beverley Marchment		2018-04-26
David John Riddlestone		2014-04-10
Iris Sita McKee RMN, MSC		2024-05-21
Jacqueline Dorothy Ward		2025-05-25
Jeremy John Lake		2026-04-26
Kshitiz Sharma		2025-05-25
Lance Ralph Nevill		2014-04-10
MARIAN SIMONE CAROLE RUDALL		2011-06-13
Michelle Minchin		2024-05-21
Mrs J Hillary		2017-09-27
Paul Mwambi Maina		2025-05-25
Rev Thomas David Wilcox		2025-06-30
Richard Troughton		2022-05-25
Sarah Elizabeth Rachel Reid		2026-04-26
Steve Robinson		2017-04-27

Accounts

The Parish Church of the Good Shepherd
Sand Hill Farnborough GU14 8ER

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

for the year ended 31 December 2024

Incumbent

Revd Thea Edwards
The Vicarage
45, Sand Hill
Farnborough
GU14 8ER

Banks

National Westminster Bank plc CAF (Charities Aid Foundation)

CCLA Investment Management Ltd (CBF Church of England Fund)

Cambridge and Counties Bank Charity Bank Ltd

Independent Examiner:

Mr Zachary Ramsden FCA

Registered Charity No 1127829

Administrative information

The Parish Church of the Good Shepherd is situated in Sand Hill, Farnborough, Hampshire. Together with the Parish of St. Peter's it forms the North Farnborough Group Ministry as part of the Diocese of Guildford within the Church of England. The church's patron is the Church Pastoral Aid Society.

The Parochial Church Council (PCC) of the Church of the Good Shepherd is a charity, registered with the Charity Commission as Registered Charity Number 1127829.

PCC members who have served from 1 January 2024 until the date this report was approved are:

<i>Incumbent:</i>	Rev'd Thea Edwards	Chair
<i>Wardens:</i>	Lance Nevill Karen Dawson	Lay Chair
<i>Representatives on the Deanery Synod:</i>	Malcolm Bardsley Alison Lake	
<i>Elected Members:</i>	Kay Bademosi Iris McKee Bev Marchment Michelle Minchin Derick Musonda Dianne Pickford Steve Reid David Riddlestone Steven Robinson Marian Rudall Doris Rudd Carole Speller Richard Troughton	(from 21.5.2024) (from 21.5.2024) Secretary (from 21.5.2024) (to 21.5.2024) Treasurer (to 21.5.2024)
<i>Co-opted Members</i>	Judith Hillary	(from Deaf church)

Structure governance and management

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 method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding on how the funds of the PCC are to be spent. New members receive initial training into the workings of the PCC. The PCC operates through a small number of committees, which meet between full meetings of the PCC.

The Standing Committee 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. The Standing Committee consists of the Vicar, Wardens, Secretary and Treasurer.

The full PCC met six times during 2024, with the Standing Committee meeting eleven times.

Safeguarding

The PCC has a safeguarding policy and appoints a Safeguarding Officer who acts as a focal point for concerns. All key staff and volunteers working with children and vulnerable adults are recruited using Safer Recruitment principles and, where appropriate, are checked with the Disclosure and Barring Service. Clergy receive regular safeguarding training through the Diocese of Guildford and training is undertaken by other staff and volunteers as required. The PCC receives an annual report on safeguarding and reviews the safeguarding policy. Additionally, safeguarding is an item on the agenda of every PCC meeting.

Objectives and activities

The PCC of the Church of the Good Shepherd has the responsibility of co-operating with the Incumbent, the Revd Thea Edwards, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church of the Good Shepherd, Sand Hill, Farnborough and its grounds. The incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Church attendance

There are 151 parishioners on the Church Electoral Roll, 29% of whom are resident within the parish. The average Sunday attendance at services across the year was 110 (2023-83). The October measure of 'usual Sunday attendance' was 98. These figures are for those attending in person but we also live stream on YouTube.

Review of the year

2024 has seen a year of gentle growth both in number of people joining our congregation from across the demographics, and growth in discipleship, as our preaching, prayer and organisational life look to be more defined by God's nature and mission in the world.

2024 included the introduction of new church values to frame and eventually steer our discernment and resourcing processes as we explore who God is calling us to be and what God is calling us to do as the Church of the Good Shepherd in this next season.

Review of the year (contd)

Follow Daily: we are devoted to following Jesus, becoming more like him and doing the things he did.

Care Deeply: we believe in Jesus' power to transform our lives and those around us in body, mind and spirit.

Share Boldly: we are committed to speaking about God's love and grace and enabling everyone to encounter Jesus for themselves.

Grow Courageously: we pray that God will increase our faith for the future, as we seek to build a joyful, intergenerational, diverse and safe church community that will thrive beyond our time.

Our outreach activities continue to provide help to those in our parish who are most in need, with the Olive Branch clothing exchange and Food Larder both faithfully available weekly, and No Questions Asked bags of food, on a monthly pattern.

Ministry to senior citizens is more popular than ever and the monthly 'Thursday Service' continues alongside other important outreaches such as 'Toddler Music Time', Messy Church, Deaf church, Youth Club and POD - a small group with a focus on discipleship for young people. With the increase in teenagers coming to church on Sunday morning too, we have introduced a new group for teens which is more discussion based and starts with toast!

We have baptised 4 young people and admitted 6 young people to communion as part of them taking their next step in discipleship.

All our mission and ministry is facilitated by a dedicated group of church members, many of whom hold multiple roles and have been serving for many years, complemented by our staff team.

We continue to pray that God will increase our faith and go ahead of us, as our good and gracious shepherd, and that his kingdom would come a little closer in the communities of Sandhill and Prospect through his power at work in us.

Financial review

During 2024, total donations to the Church of the Good Shepherd, increased by 4% to £232,727. Expenditure increased from £226,151 to £258,143 – a sign of increased ministry. Our Vicar was in post for the full year and our Community Worker returned from maternity leave. Inflationary costs also had an impact, especially on the cost of gas and electricity, as we reached the end of four year fixed term contracts in November 2023. Demand for our Larder increased, with fewer donations of food being received, leading to a substantial draw down on the Larder restricted Fund. The Church's 2024 contribution to Parish Share of £74,367 was met in full. At the end of the year the general reserves had decreased by £1,366. We transferred £10,000 into the Major Repairs designated fund as it has become apparent that we will need to replace the church boilers in 2025.

Reserves policy

The PCC's policy is to maintain a minimum balance on unrestricted funds of three months' expenditure. It is held to smooth out fluctuations in cash flow and to meet emergencies. The balance held at 31 December 2024 was £54,207 which equates to just under three months' budgeted expenditure for 2025.

Missions Policy

The church aims to give 10% of its donated and investment income to other local, national, and overseas mission organisations.

Independent Examiner's Report to the Parochial Church Council of The Church of the Good Shepherd, Farnborough

I report on the accounts for the year ended 31 December 2024 which are set out on pages 5 to 13.

Respective responsibilities of the PCC and Independent Examiner

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 charity's accounts carried out under section 145 of the 2011 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

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) 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.

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.

Zachary Ramsden FCA
Chartered Accountant
63 Deakin Leas, Tonbridge, Kent TN9 2JT

25 March 2025

Statement of Financial Activities

For the year ending 31 December 2024

		Unrestricted	Restricted	Total 2024	Unrestricted	Restricted	Total 2023
	Notes	£	£	£	£	£	£
INCOME FROM:							
Donations	2a	188,421	44,306	232,727	175,183	48,608	223,791
Investments	2b	8,549	-	8,549	5,587	-	5,587
Church activities	2c	12,768	-	12,768	13,987	-	13,987
Total income		209,738	44,306	254,044	194,757	48,608	243,365
EXPENDITURE ON:							
Church activities	3	200,904	57,239	258,143	184,493	41,658	226,151
Total expenditure		200,904	57,239	258,143	184,493	41,658	226,151
Net income/(expenditure) before transfers		8,834	(12,933)	(4,099)	10,264	6,950	17,214
Transfers between funds	11	1,600	(1,600)	-	-	-	-
Net movement in funds		10,434	(14,533)	(4,099)	10,264	6,950	17,214
Fund balances brought forward at 1 January 2024		190,573	31,936	222,509	180,309	24,986	205,295
Fund balances carried forward at 31 December 2024		201,007	17,403	218,410	190,573	31,936	222,509

The notes on pages 7 to 13 form part of these accounts.

Balance Sheet

At 31 December 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible fixed assets	7	5,422	4,368
CURRENT ASSETS			
Debtors	8	7,584	5,530
Cash at bank and in hand	9	209,854	220,355
		<u>217,438</u>	<u>225,885</u>
LIABILITIES			
Creditors - amounts falling due within one year	10	(4,450)	(7,744)
NET CURRENT ASSETS		<u>212,988</u>	<u>218,141</u>
TOTAL NET ASSETS		<u>218,410</u>	<u>222,509</u>
PARISH FUNDS			
Restricted	11	17,403	31,936
Unrestricted:			
Designated funds		146,800	135,000
General funds (free reserves)		54,207	55,573
	12	<u>218,410</u>	<u>222,509</u>

The notes on pages 7 to 13 form part of these accounts.

Approved by the Parochial Church Council on 25 March 2025
and signed on its behalf by:

Revd Thea Edwards
Incumbent

Bev Marchment
PCC Secretary

Notes to the Financial Statements

For the year ended 31 December 2024

1 Accounting policies

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP (FRS102)).

The financial statements have been prepared under the historical cost convention. The financial statements 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.

Funds

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Designated funds are unrestricted funds which the PCC has earmarked for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

Income: Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is receivable. All incoming resources are accounted for gross. The value of gifts donated for the Larder is calculated by valuing the parcels given out and deducting the costs of items purchased.

Expenditure: This includes all expenditure incurred in meeting the church's main objectives and includes all costs in support of those objectives. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s96(2)(a) of the Charities Act 1993.

Moveable church furnishings held by the Incumbent and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are inalienable property, listed in the Church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment used within the church premises is depreciated on a straight line basis over 5 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 Income	Unrestricted funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
a Donations				
Planned giving:				
Gift aid donations	126,719	8,914	135,633	122,551
Income tax recoverable	33,126	2,200	35,326	31,520
Other planned giving	20,101	2,203	22,304	17,889
Legacy	1,000	-	1,000	-
Collections at services	2,196	-	2,196	1,655
Grants	-	500	500	7,250
Donations/appeals etc	5,279	14,644	19,923	21,394
Value of food given for Larder	-	15,845	15,845	21,532
	188,421	44,306	232,727	223,791
b Investments				
Bank and other interest	8,549	-	8,549	5,587
	8,549	-	8,549	5,587
c Church activities				
Bookstall	232	-	232	245
Church hall lettings	8,959	-	8,959	10,969
Fees	925	-	925	402
Miscellaneous	2,652	-	2,652	2,371
	12,768	-	12,768	13,987
TOTAL INCOME	209,738	44,306	254,044	243,365

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 Expenditure

	Unrestricted funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Missionary and charitable giving:				
Overseas				
Mission organisations	10,973	1,127	12,100	10,273
Relief and development agencies	3,500	-	3,500	2,950
Home mission	3,350	-	3,350	3,000
Secular charities	750	-	750	650
	18,573	1,127	19,700	16,873
Ministry:				
Diocesan parish share	74,367	-	74,367	71,679
Other ministry costs	20,756	211	20,967	14,023
Larder	-	41,651	41,651	36,887
Office expenses	1,185	-	1,185	1,398
Church and hall running expenses	16,615	-	16,615	14,135
Church and grounds maintenance	9,502	-	9,502	8,724
Bookstall	218	-	218	324
Salaries and pension	58,300	14,250	72,550	60,786
Training costs	1,135	-	1,135	164
Special events	253	-	253	1,158
	182,331	56,112	238,443	209,278
Total expenditure	200,904	57,239	258,143	226,151

4 Staff costs

	2024	2023
	£	£
Salaries	68,605	54,973
National Insurance	-	780
Pension costs	3,945	5,033
	72,550	60,786

During 2024 the PCC employed a parish secretary, a Pioneer Community Worker and a Youth and Children's Minister, none of whom earned £60,000 or more. The Pioneer Community Worker, the Youth and Children's Minister and the parish secretary were reimbursed for expenses incurred in carrying out their duties.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

5 Pension Scheme

The Church of the Good Shepherd participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has two sections - the Defined Benefits Scheme and the Pension Builder Scheme which has two subsections - a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. The Church of the Good Shepherd participates in the latter section.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable (2024: £3,945; 2023: £5,033).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2022. For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Church of the Good Shepherd could become responsible for paying a share of that employer's pension liabilities.

6 Trustees

None of the PCC members was paid any remuneration or received any benefit from an employment with the charity but, where appropriate, were reimbursed out-of-pocket expenses. 10 (2023 – 11) trustees were reimbursed a total of £9,263 (2023 - £4,323) during the year for expenses incurred on behalf of the church. Donations received from members of the PCC and their related parties amounted to £65,752 (2023 - £57,190) in the year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

7 Fixed assets for use by the PCC

		Church Equipment £	Total £
Actual / deemed cost	At 1 January 2024	28,339	28,339
	Additions	4,270	4,270
	Disposals	(575)	(575)
	At 31 December 2024	32,034	32,034
Depreciation	At 1 January 2024	23,971	23,971
	Disposals	(575)	(575)
	Charge for the year	3,216	3,216
	At 31 December 2024	26,612	26,612
Net Book Value	At 31 December 2024	5,422	5,422
	At 31 December 2023	4,368	4,368

Church equipment comprises office equipment, two video projectors, a sound desk, hybrid services equipment, worship area chairs and kitchen equipment.

8 Debtors

	2024 £	2023 £
Income tax recoverable	4,620	3,461
Prepayments and accrued income	2,293	136
Other debtors	671	1,933
	7,584	5,530

9 Cash and bank accounts

	2024 £	2023 £
Charities Aid Foundation current account	14,797	33,322
Nat West current account	675	28,047
Cambridge and Counties Bank 95 day access	68,294	65,345
Cambridge and Counties Bank 60 day access	14,055	13,507
CBF Deposit Fund	61,981	29,474
Charity Bank 1 year fixed term account	50,000	50,000
Cash in hand	52	660
	209,854	220,355

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

10 Creditors

	2024	2023
	£	£
Amounts falling due within one year:	<u>4,450</u>	<u>7,744</u>

11 Statement of funds

Restricted funds

	Balance at 1 Jan 2024	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2024
	£	£	£	£	£
Larder	14,440	28,929	41,651	-	1,718
Banner workshop	454	-	-	-	454
Youth and Children’s Minister	15,000	14,250	14,250	-	15,000
Church for deaf people	306	-	75	-	231
Mission Fund	1,600	1,127	1,127	(1,600)	-
Spring Harvest	136	-	136	-	-
	31,936	44,306	57,239	(1,600)	17,403

The Larder Fund is for the provision of food and essential household items to people within the local community.

Unrestricted funds

	Balance at 1 Jan 2024	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2024
	£	£	£	£	£
Designated funds:					
Development fund	95,000	-	-	-	95,000
Major repairs fund	40,000	-	-	10,000	50,000
Mission fund	-	-	18,473	20,273	1,800
	<u>135,000</u>	<u>-</u>	<u>-</u>	<u>30,273</u>	<u>146,800</u>
General funds:					
Free reserves	55,573	209,738	182,431	(28,673)	54,207
	190,573	209,738	200,904	1,600	201,007

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

11 Statement of funds (continued)

Funds are held in the Development Fund to provide for the future development of the church's ministry and it is anticipated that these will be used up over the next five years as we build up our regular giving to meet the cost of employing a Youth and Children's Minister.

The Major Repairs Fund is being built up so that funds are available when major repairs are required to our buildings.

12 Analysis of net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£
Fixed assets for church use	5,422	-	5,422
Current assets	199,979	17,459	217,438
Current liabilities	(4,394)	(56)	(4,450)
Fund balance	<u>201,007</u>	<u>17,403</u>	<u>218,410</u>

13 Mission and charitable giving

Overseas mission

Crosslinks / Arise - Debbie and Alan Burt	6,050
Operation Mobilisation (OM) - Jenny and Nihad Shihadi	6,050

Relief and development agencies

Giving Hope to Turkey	1,700
Open Doors	900
Tearfund	900

Home mission

BSL Translation	350
Christian Deaflink	50
Church Pastoral Aid Society (CPAS)	900
Connect Christian Counselling	650
Signs of God	300
The Triangle	1,100

Secular charities

Step-By-Step	750
	<u>19,700</u>

Additionally, special offerings have been taken up for Children's Society, National Deaf Children's Society and Step by Step.

Accounts

The Parish Church of the Good Shepherd
Sand Hill Farnborough GU14 8ER

**Annual Report
and
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Parochial Church Council**

for the year ended 31 December 2023

Incumbent (to 15 March 2023)

Revd Russell M Smart

Incumbent (from 5 October 2023)

Revd Thea Edwards

The Vicarage

45, Sand Hill

Farnborough

GU14 8ER

Banks

National Westminster Bank plc

CAF (Charities Aid Foundation)

CCLA Investment Management Ltd (CBF Church of England Fund)

Cambridge and Counties Bank Charity Bank Ltd

Independent Examiner:

Mr Stephen Marriott

Pennines. Guildown Road, Guildford GU2 4EU

Registered Charity No 1127829

Administrative information

The Parish Church of the Good Shepherd is situated in Sand Hill, Farnborough, Hampshire. Together with the Parish of St. Peter's it forms the North Farnborough Group Ministry as part of the Diocese of Guildford within the Church of England. The church's patron is the Church Pastoral Aid Society.

The Parochial Church Council (PCC) of the Church of the Good Shepherd is a charity, registered with the Charity Commission as Registered Charity Number 1127829.

PCC members who have served from 1 January 2023 until the date this report was approved are:

<i>Incumbent:</i>	Revd Russell Smart	(to 15.3.2023) Chair
	Revd Thea Edwards	(from 5 October 2023) Chair

<i>Wardens:</i>	Lance Nevill	Lay Chair
	Jacqui Ward	(to 24.5.2023)
	Karen Dawson	(from 24.5.2023)

<i>Representatives on the Deanery Synod:</i>	Malc Bardsley	
	Alison Lake	
	Sarah Smart	(to 12.2.2023)

<i>Elected Members:</i>	Ben Edwards	(to 9.12.2023)
	Bev Marchment	Secretary
	Derick Musonda	
	Dianne Pickford	
	Steve Reid	
	David Riddlestone	
	Steven Robinson	
	Marian Rudall	Treasurer
	Doris Rudd	
	Carole Speller	
	Richard Troughton	
	Peter Webb	(to 7.2.2023)

<i>Co-opted Members</i>	Judith Hillary	(from Deaf church)
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Structure governance and management

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 method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding on how the funds of the PCC are to be spent. New members receive initial training into the workings of the PCC. The PCC operates through a small number of committees, which meet between full meetings of the PCC.

The Standing Committee 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. The Standing Committee consists of the Vicar, Wardens, Secretary and Treasurer.

The full PCC met eight times during 2023, with the Standing Committee meeting thirteen times.

Safeguarding

The PCC has a safeguarding policy and appoints a Safeguarding Officer who acts as a focal point for concerns. All key staff and volunteers working with children and vulnerable adults are recruited using Safer Recruitment principles and, where appropriate, are checked with the Disclosure and Barring Service. Clergy receive regular safeguarding training through the Diocese of Guildford and training is undertaken by other staff and volunteers as required. The PCC receives an annual report on safeguarding and reviews the safeguarding policy. Additionally, safeguarding is an item on the agenda of every PCC meeting.

Objectives and activities

The PCC of the Church of the Good Shepherd has the responsibility of co-operating with the Incumbent, the Revd Thea Edwards, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church of the Good Shepherd, Sand Hill, Farnborough and its grounds. The incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Church attendance

There are 146 parishioners on the Church Electoral Roll, 29% of whom are resident within the parish. The average Sunday attendance at services across the year was 83 (2022-70). The October measure of 'usual Sunday attendance' was 95. These figures are for those attending in person but we also live stream on YouTube.

Review of the year

2023 was marked by major change and considerable 'forward movement'.

The ministry of the Revd Russ Smart came to an end in March, launching the church into a period of vacancy which lasted just six months when our new Vicar, the Revd Thea Edwards arrived. She was licensed on Thursday 5 October.

Review of the year (contd)

Vacancies are always challenging, but over those months there was a gentle influx of families with children: this is now a highly positive continuing trend with its roots in the work of our Children and Families Minister, Mandy Watts. Our services continue to be available on YouTube but numbers on line have dwindled as physical attendance has increased.

Despite the absence on maternity leave, until late October, of our Licensed Lay Pioneer Minister and Community Worker, Abbie Edwards, Good Shepherd's outreach ministries continued in 2023 with faithful volunteer support. 'The Larder', our long established food bank, saw demand growing markedly in the wake of cost of living increases. A weekly availability of 'no questions asked' bags of basic foods had to be reined back to monthly only because of heavy demand, but the number of delivered food parcels increased 25% over 2022 to 763. Olive Branch, providing clothing for children, also faced strong demand for the same reason.

Ministry to senior citizens and the popular monthly 'Thursday Service' has continued along with other important outreaches such as 'Toddler Music Time', Messy Church, Youth Club and POD - a small group with a focus on discipleship for young people.

The deaths of significant senior members involved at Good Shepherd since its earliest days meant that a series of major funerals were held in 2023. However, over the same period more infant Baptisms than usual highlighted that Good Shepherd continues to make an impact on the consciousness of the area. The year ended with well-attended Christmas services and a pervasive sense of warm vibrancy, perhaps summed up in the striking replacement sign on the face of the church building bearing our name and new logo, announcing to all what we stand for.

Our new vicar's first sermon was on Micah 6.8: 'He has shown you what is good. And what does the Lord require of you? To act justly, love mercy and walk humbly with your God.' This encapsulates our call to follow Jesus and keep everything we do in reference to who God is and what God does. It will be important for us to evaluate and review our activities and ministry to build strategy and see transformed lives into the future. We look forward to 2024 and all that God will do in and through us here in Sandhill.

Financial review

During 2023, total donations to the Church of the Good Shepherd, increased by 8.1% to £223,791. Expenditure decreased from £239,547 to £226,151, mainly because a member of staff was on maternity leave and was not replaced full time. The Church's 2023 contribution to Parish Share of £71,679 was met in full. At the end of the year the general reserves had increased by £10,264, in part due to the receipt of a substantial donation. We drew down £5,000 from the Youth and Children's Minister fund, less than budgeted for.

Reserves policy

The PCC's policy is to maintain a minimum balance on unrestricted funds of three months' expenditure. It is held to smooth out fluctuations in cash flow and to meet emergencies. The balance held at 31 December 2023 was £55,573 which equates to just over three months' budgeted expenditure for 2024.

Missions Policy

The church aims to give 10% of its donated and investment income to other local, national, and overseas mission organisations.

Independent Examiner's Report to the Parochial Church Council of The Church of the Good Shepherd, Farnborough

I report on the accounts for the year ended 31 December 2023 which are set out on pages 5 to 13.

Respective responsibilities of the PCC and Independent Examiner

The PCC considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

- (1) which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s.130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Stephen Marriott MA FRSA
Pennines, Guildown Road, Guildford GU2 4EU
19 March 2024

Statement of Financial Activities

For the year ending 31 December 2023

		Unrestricted	Restricted	Total 2023	Unrestricted	Restricted	Total 2022
	Notes	£	£	£	£	£	£
INCOME FROM:							
Donations	2a	175,183	48,608	223,791	163,924	43,172	207,096
Investments	2b	5,587	-	5,587	2,348	-	2,348
Church activities	2c	13,987	-	13,987	15,202	28	15,230
Total income		194,757	48,608	243,365	181,474	43,200	224,674
EXPENDITURE ON:							
Church activities	3	172,476	53,675	226,151	192,870	46,677	239,547
Total expenditure		172,476	53,675	226,151	192,870	46,677	239,547
Net income/(expenditure) before transfers		22,281	(5,067)	17,214	(11,396)	(3,477)	(14,873)
Transfers between funds	11	(12,017)	12,017	-	10,217	(10,217)	-
Net movement in funds		10,264	6,950	17,214	(1,179)	(13,694)	(14,873)
Fund balances brought forward at 1 January 2023		180,309	24,986	205,295	181,488	38,680	220,168
Fund balances carried forward at 31 December 2023		190,573	31,936	222,509	180,309	24,986	205,295

The notes on pages 7 to 13 form part of these accounts.

Balance Sheet

At 31 December 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	7	4,368	7,999
CURRENT ASSETS			
Debtors	8	5,530	3,974
Cash at bank and in hand	9	220,355	196,615
		<u>225,885</u>	<u>200,589</u>
LIABILITIES			
Creditors - amounts falling due within one year	10	(7,744)	(3,293)
NET CURRENT ASSETS		<u>218,141</u>	<u>197,296</u>
TOTAL NET ASSETS		<u>222,509</u>	<u>205,295</u>
PARISH FUNDS			
	11		
Restricted		31,936	24,986
Unrestricted:			
Designated funds		135,000	135,000
General funds (free reserves)		55,573	45,309
	12	<u>222,509</u>	<u>205,295</u>

The notes on pages 7 to 13 form part of these accounts.

Approved by the Parochial Church Council on 19 March 2024
and signed on its behalf by:

Revd Thea Edwards
Incumbent

B Marchment
PCC Secretary

Notes to the Financial Statements

For the year ended 31 December 2023

1 Accounting policies

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP (FRS102)).

The financial statements have been prepared under the historical cost convention. The financial statements 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.

Funds

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Designated funds are unrestricted funds which the PCC has earmarked for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

Income: Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is receivable. All incoming resources are accounted for gross. The value of gifts donated for the Larder is calculated by valuing the parcels given out and deducting the costs of items purchased.

Expenditure: This includes all expenditure incurred in meeting the church's main objectives and includes all costs in support of those objectives. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s96(2)(a) of the Charities Act 1993.

Moveable church furnishings held by the Incumbent and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are inalienable property, listed in the Church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment used within the church premises is depreciated on a straight line basis over 5 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Notes to the Financial Statements (continued)

For the year ended 31 December 2023

2 Income	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
a Donations				
Planned giving:				
Gift aid donations	115,552	6,999	122,551	116,643
Income tax recoverable	29,770	1,750	31,520	30,397
Other planned giving	15,836	2,053	17,889	16,147
Collections at services	1,655	-	1,655	1,585
Grants	1,000	6,250	7,250	8,844
Donations/appeals etc	11,370	10,024	21,394	13,994
Value of food given for Larder	-	21,532	21,532	19,486
	175,183	48,608	223,791	207,096
b Investments				
Bank and other interest	5,587	-	5,587	2,348
	5,587	-	5,587	2,348
c Church activities				
Bookstall	245	-	245	368
Church hall lettings	10,969	-	10,969	12,510
Fees	402	-	402	552
Miscellaneous	2,371	-	2,371	1,800
	13,987	-	13,987	15,230
TOTAL INCOME	194,757	48,608	243,365	224,674

Notes to the Financial Statements (continued)

For the year ended 31 December 2023

3 Expenditure

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Missionary and charitable giving:				
Overseas				
Mission organisations	-	10,273	10,273	10,230
Relief and development agencies	-	2,950	2,950	3,010
Home mission	100	2,900	3,000	2,460
Secular charities	-	650	650	960
	<u>100</u>	<u>16,773</u>	<u>16,873</u>	<u>16,660</u>
Ministry:				
Diocesan parish share	71,679	-	71,679	70,620
Other ministry costs	14,008	15	14,023	14,927
Larder	-	36,887	36,887	30,099
Office expenses	1,398	-	1,398	1,081
Church and hall running expenses	14,135	-	14,135	11,979
Church and grounds maintenance	8,724	-	8,724	19,135
Bookstall	324	-	324	192
Salaries and pension	60,786	-	60,786	73,679
Training costs	164	-	164	573
Special events	1,158	-	1,158	602
	<u>172,376</u>	<u>36,902</u>	<u>209,278</u>	<u>222,887</u>
Total expenditure	<u>172,476</u>	<u>53,675</u>	<u>226,151</u>	<u>239,547</u>

4 Staff costs

	2023	2022
	£	£
Salaries	54,973	68,316
National Insurance	780	1,407
Pension costs	5,033	3,956
	<u>60,786</u>	<u>73,679</u>

During 2023 the PCC employed a parish secretary, a Pioneer Community Worker, a Youth and Children's Minister and a church cleaner (to the end of January), none of whom earned £60,000 or more. The Pioneer Community Worker, Mrs A Edwards is closely connected to a member of the PCC and was paid £12,127 during the year (2022 - £27,176). The PCC contributed £2,224 (2022 - £1,591) in pension costs for Mrs Edwards. The Pioneer Community Worker, the Youth and Children's Minister and the parish secretary were reimbursed for expenses incurred in carrying out their duties.

Notes to the Financial Statements (continued)

For the year ended 31 December 2023

5 Pension Scheme

The Church of the Good Shepherd participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has two sections - the Defined Benefits Scheme and the Pension Builder Scheme which has two subsections - a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. The Church of the Good Shepherd participates in the latter section.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable (2023: £5,033; 2022: £3,956).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time. The next valuation is due as at 31 December 2022.

The legal structure of the scheme is such that if another employer fails, Church of the Good Shepherd could become responsible for paying a share of that employer's pension liabilities.

6 Trustees

None of the PCC members was paid any remuneration or received any benefit from an employment with the charity but, where appropriate, were reimbursed out-of-pocket expenses. 11 (2022 – 10) trustees were reimbursed a total of £4,323 (2022 - £5,401) during the year for expenses incurred on behalf of the church. Donations received from members of the PCC and their related parties amounted to £57,190 (2022 - £58,805) in the year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2023

7 Fixed assets for use by the PCC

		Church Equipment £	Total £
Actual / deemed cost	At 1 January 2023	28,339	28,339
	Additions	-	-
	At 31 December 2023	28,339	28,339
Depreciation	At 1 January 2023	20,340	20,340
	Charge for the year	3,631	3,631
	At 31 December 2023	23,971	23,971
Net Book Value	At 31 December 2023	4,368	4,368
	At 31 December 2022	7,999	7,999

Church equipment comprises office equipment, two video projectors, a sound desk, hybrid services equipment, worship area chairs and kitchen equipment.

8 Debtors

	2023 £	2022 £
Income tax recoverable	3,461	3,240
Prepayments and accrued income	136	590
Other debtors	1,933	144
	5,530	3,974

9 Cash and bank accounts

	2023 £	2022 £
Charities Aid Foundation current account	33,322	10,845
Nat West current account	28,047	9,625
Cambridge and Counties Bank 95 day access	65,345	62,956
Cambridge and Counties Bank 60 day access	13,507	27,848
CBF Deposit Fund	29,474	28,773
Charities Aid Foundation 90 day access	-	6,568
Charity Bank 1 year fixed term account	50,000	50,000
Cash in hand	660	-
	220,355	196,615

Notes to the Financial Statements (continued)

For the year ended 31 December 2023

10 Creditors

	2023	2022
	£	£
Amounts falling due within one year:	<u>7,744</u>	<u>3,293</u>

11 Statement of funds

Restricted funds

	Balance at 1 Jan 2023	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
Larder	8,773	42,552	36,885	-	14,440
Banner workshop	454	-	-	-	454
Youth and Children's Minister	15,000	5,000	-	(5,000)	15,000
Flower stand	17	-	17	-	-
Church for deaf people	306	-	-	-	306
Mission Fund	300	1,056	16,773	17,017	1,600
Spring Harvest	136	-	-	-	136
	<u>24,986</u>	<u>48,608</u>	<u>53,675</u>	<u>12,017</u>	<u>31,936</u>

The Larder Fund is for the provision of food and essential household items to people within the local community. The transfer to the Mission Fund is from general funds to cover the shortfall of income over expenditure for that fund. The transfer from the Youth and Children's Minister Funds is to the General Fund to cover expenditure on that item during the year.

Unrestricted funds

	Balance at 1 Jan 2023	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
Designated funds:					
Development fund	95,000	-	-	-	95,000
Major repairs fund	40,000	-	-	-	40,000
	<u>135,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,000</u>
General funds:					
Free reserves	45,309	194,757	172,476	(12,017)	55,573
	<u>180,309</u>	<u>194,757</u>	<u>172,476</u>	<u>(12,017)</u>	<u>190,573</u>

Notes to the Financial Statements (continued)

For the year ended 31 December 2023

11 Statement of funds (continued)

Funds are held in the Development Fund to provide for the future development of the church’s ministry and it is anticipated that these will be used up over the next five years as we build up our regular giving to meet the cost of employing a Youth and Children’s Minister.

The Major Repairs Fund is being built up so that funds are available when major repairs are required to our buildings.

12 Analysis of net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
Fixed assets for church use	4,368	-	4,368
Current assets	192,247	33,638	225,885
Current liabilities	(6,042)	(1,702)	(7,744)
Fund balance	190,573	31,936	222,509

13 Mission and charitable giving

Overseas mission

Crosslinks / Arise - Debbie and Alan Burt	5,123
Operation Mobilisation (OM) - Jenny and Nihad Shihadi	5,150

Relief and development agencies

Giving Hope to Turkey	1,450
Open Doors	750
Tearfund	750

Home mission

BSL Translation	350
Christian Deaflink	50
Church Pastoral Aid Society (CPAS)	850
Connect Christian Counselling	650
Signs of God	300
The Triangle	800

Secular charities

Step-By-Step	650
	<u>16,873</u>

Additionally, special offerings have been taken up for Bishop of Guildford’s Fund, Children’s Society, National Deaf Children’s Society and Step by Step.

Accounts

The Parish Church of the Good Shepherd
Sand Hill Farnborough GU14 8ER

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

for the year ended 31 December 2022

Incumbent (to 15 March 2023)

Revd Russell M Smart
The Vicarage
45, Sand Hill
Farnborough
GU14 8ER

Banks

National Westminster Bank plc CAF (Charities Aid Foundation)

CCLA Investment Management Ltd (CBF Church of England Fund)

Cambridge and Counties Bank Charity Bank Ltd

Independent Examiner:

Mr Stephen Marriott
Pennines. Guildown Road, Guildford GU2 4EU

Registered Charity No 1127829

Administrative information

The Parish Church of the Good Shepherd is situated in Sand Hill, Farnborough, Hampshire. Together with the Parish of St. Peter's it forms the North Farnborough Group Ministry as part of the Diocese of Guildford within the Church of England. The church's patron is the Church Pastoral Aid Society.

The Parochial Church Council (PCC) of the Church of the Good Shepherd is a charity, registered with the Charity Commission as Registered Charity Number 1127829.

PCC members who have served from 1 January 2022 until the date this report was approved are:

Incumbent: Revd Russell Smart (to 15.3.2023) Chairman

Wardens: Lance Nevill Lay Chair
Jacqui Ward

Representatives on the Deanery Synod:
Malc Bardsley
Alison Lake
Sarah Smart (to 12.2.2023)

Elected Members: Ben Edwards
Robert McKee (to 25.5.2022)
Bev Marchment Secretary
Derick Musonda
Dianne Pickford
Steve Reid (from 25.5.2022)
David Riddlestone
Steven Robinson
Marian Rudall Treasurer
Doris Rudd
Carole Speller
Terence Thomson (to 25.5.2022)
Richard Troughton (from 25.5.2022)
Sue Troughton (to 25.5.2022)
Peter Webb (from 25.5.2022)

Co-opted Members Judith Hillary (from Deaf church)

Structure governance and management

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 method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC operates through a small number of committees, which meet between full meetings of the PCC.

The Standing Committee 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. The Standing Committee consists of the Vicar, Wardens, Secretary and Treasurer.

Safeguarding

The PCC has a safeguarding policy and appoints a Safeguarding Officer who acts as a focal point for concerns. All key staff and volunteers working with children and vulnerable adults are recruited using Safer Recruitment principles and, where appropriate, are checked with the Disclosure and Barring Service. Clergy receive regular safeguarding training through the Diocese of Guildford and training is undertaken by other staff and volunteers as required. The PCC receives an annual report on safeguarding and reviews the safeguarding policy. Additionally, safeguarding is an item on the agenda of every PCC meeting.

Objectives and activities

The PCC of the Church of the Good Shepherd has the responsibility of co-operating with the Vicar in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church of the Good Shepherd, Sand Hill, Farnborough and its grounds. The incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Church attendance

There are 145 parishioners on the Church Electoral Roll, 30% of whom are resident within the parish. The average Sunday attendance at services across the year was 70 (2021-74). The October measure of 'usual Sunday attendance' was 73. These figures are for those attending in person but we also we live stream on YouTube.

Review of the year

The full PCC met seven times during 2022, with the Standing Committee meeting eleven times.

2022 was a much more positive year following the challenges of the last two years which were so deeply affected by Covid. Early in the year we were able to resume all our normal activities and services and get back to a new kind of 'normal'. Most people had already returned to church by this time, but a few continued to stay at home and watch our hybrid services online.

We began the year by working on a new vision process for the church. The PCC spent a number of months working on this together and the vision and a new logo were launched in the autumn.

Our services during Holy Week and Easter are always a highlight and were well attended. The Walk of Witness on

Review of the year (contd)

Good Friday up Sand Hill with the Nepali Church worked well again and was a positive visual sign of Christian unity in the area. The Deaf Church also had their service on Easter Sunday.

As well as running our usual groups and activities throughout the year, we also ran a new Pattern discipleship course for the first time. This was aimed at helping people in the church to explore joining small groups and discover more about the benefits of spiritual disciplines. It was a successful course and as a result of it a few Pattern groups have started meeting together regularly. We also ran a Kintsugi Hope wellbeing group for the first time which people found very helpful.

Over the summer we were able to join the country in celebrating the Queen's Jubilee celebrations. Then in August we had our annual cream tea event for the local community which also went very well. Sadly, the Queen suddenly passed away in September and so we quickly organised a time of prayer and reflection and changed our Sunday service to respect this. Many appreciated what we had done.

In November our pioneer community worker went on maternity leave and we had to prepare for the year ahead without her. Our church administrator found a new job around the same time, so we had to start the recruitment process for that position too. Then in December the vicar announced he had a new job and would be moving on soon, so we had to start preparing for a vacancy. Our youth and children's minister continues to do great work with the children, families, young people, and schools. We have seen numbers of under 18s increase on a Sunday morning and mid-week thanks to her hard work.

As always, Christmas was a wonderful time, and it was lovely to have all of our regular Christmas services again without any Covid restrictions. Good numbers attended and it felt like we were back to normal. On reflection, it was a good year and we have seen the church grow in many ways.

Demand for our Larder foodbank is at unprecedented levels with nearly 900 No Questions Asked bags provided during the year, more than double the 400 given in 2021.

We wait, with expectation, to see what lies ahead for us a church, serving our community, as we wait for a new Vicar.

Financial review

During 2022, total donations to the Church of the Good Shepherd, increased by 3.5% to £207,096. Expenditure increased from £222,938 to £239,547. The Church's 2022 contribution to Parish Share of £70,620 was met in full. At the end of the year £5,000 was transferred from general reserves to a designated fund to meet the costs of major repairs to our buildings and the general reserves decreased by £6,179. We drew down £25,625 from the Youth and Children's Minister fund, slightly less than budgeted for.

Reserves policy

The PCC's policy is to maintain a minimum balance on unrestricted funds of three months' expenditure. The balance held at 31 December 2022 was £45,309 which equates to just over three months' budgeted expenditure for 2023.

Missions Policy

The church aims to give 10% of its donated and investment income to other local, national, and overseas mission organisations.

Independent Examiner's Report to the Parochial Church Council of The Church of the Good Shepherd, Farnborough

I report on the accounts for the year ended 31 December 2022 which are set out on pages 5 to 13.

Respective responsibilities of the PCC and Independent Examiner

The PCC considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

- (1) which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s.130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Stephen Marriott MA FRSA
Pennines, Guildown Road, Guildford GU2 4EU
14 April 2023

Statement of Financial Activities

For the year ending 31 December 2022

		Unrestricted	Restricted	Total 2022	Unrestricted	Restricted	Total 2021
	Notes	£	£	£	£	£	£
INCOME FROM:							
Donations	2a	163,924	43,172	207,096	162,276	37,781	200,057
Investments	2b	2,348	-	2,348	1,209	-	1,209
Church activities	2c	15,202	28	15,230	8,423	-	8,423
Total income		181,474	43,200	224,674	171,908	37,781	209,689
EXPENDITURE ON:							
Church activities	3	192,870	46,677	239,547	173,514	49,424	222,938
Total expenditure		192,870	46,677	239,547	173,514	49,424	222,938
Net expenditure before transfers		(11,396)	(3,477)	(14,873)	(1,606)	(11,643)	(13,249)
Transfers between funds	11	10,217	(10,217)	-	9,082	(9,082)	-
Net movement in funds		(1,179)	(13,694)	(14,873)	7,476	(20,725)	(13,249)
Fund balances brought forward at 1 January 2022		181,488	38,680	220,168	174,012	59,405	233,417
Fund balances carried forward at 31 December 2022		180,309	24,986	205,295	181,488	38,680	220,168

The notes on pages 7 to 13 form part of these accounts.

Balance Sheet

At 31 December 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	7	7,999	11,268
CURRENT ASSETS			
Debtors	8	3,974	3,944
Cash at bank and in hand	9	196,615	207,598
		<u>200,589</u>	<u>211,542</u>
LIABILITIES			
Creditors - amounts falling due within one year	10	(3,293)	(2,642)
NET CURRENT ASSETS		<u>197,296</u>	<u>208,900</u>
TOTAL NET ASSETS		<u>205,295</u>	<u>220,168</u>
PARISH FUNDS			
	11		
Restricted		24,986	38,680
Unrestricted:			
Designated funds		135,000	130,000
General funds (free reserves)		45,309	51,488
	12	<u>205,295</u>	<u>220,168</u>

The notes on pages 7 to 13 form part of these accounts.

Approved by the Parochial Church Council on 14 April 2023
and signed on its behalf by:

L Nevill
Lay Chair

B Marchment
PCC Secretary

Notes to the Financial Statements

For the year ended 31 December 2022

1 Accounting policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Charities SORP FRS102.

The financial statements have been prepared under the historical cost convention. The financial statements 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.

Funds

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Designated funds are unrestricted funds which the PCC has earmarked for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

Income: Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is receivable. All incoming resources are accounted for gross. The value of gifts donated for the Larder is calculated by valuing the parcels given out and deducting the costs of items purchased.

Expenditure: This includes all expenditure incurred in meeting the church's main objectives and includes all costs in support of those objectives. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s96(2)(a) of the Charities Act 1993.

Moveable church furnishings held by the Incumbent and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are inalienable property, listed in the Church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment used within the church premises is depreciated on a straight line basis over 5 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

2 Income	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
a Donations				
Planned giving:				
Gift aid donations	112,481	4,162	116,643	116,941
Income tax recoverable	29,394	1,003	30,397	30,581
Other planned giving	14,588	1,559	16,147	16,791
Legacy	-	-	-	100
Collections at services	1,585	-	1,585	354
Grants	2,844	6,000	8,844	5,000
Donations/appeals etc	3,032	10,962	13,994	5,595
Value of food given for Larder	-	19,486	19,486	24,695
	163,924	43,172	207,096	200,057
b Investments				
Bank and other interest	2,348	-	2,348	1,209
	2,348	-	2,348	1,209
c Church activities				
Bookstall	368	-	368	367
Church hall lettings	12,510	-	12,510	7,093
Fees	552	-	552	518
Miscellaneous	1,772	28	1,800	445
	15,202	28	15,230	8,423
TOTAL INCOME	181,474	43,200	224,674	209,689

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

3 Expenditure

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Missionary and charitable giving:				
Overseas				
Mission organisations	-	10,230	10,230	11,500
Relief and development agencies	-	3,010	3,010	1,500
Home mission	100	2,360	2,460	2,580
Secular charities	-	960	960	1,105
	<u>100</u>	<u>16,560</u>	<u>16,660</u>	<u>16,685</u>
Ministry:				
Diocesan parish share	70,620	-	70,620	69,236
Other ministry costs	14,909	18	14,927	10,709
Larder	-	30,099	30,099	32,692
Office expenses	1,081	-	1,081	541
Church and hall running expenses	11,979	-	11,979	10,104
Church and grounds maintenance	19,135	-	19,135	10,469
Bookstall	192	-	192	339
Salaries and pension	73,679	-	73,679	71,482
Training costs	573	-	573	523
Special events	602	-	602	158
	<u>192,770</u>	<u>30,117</u>	<u>222,887</u>	<u>206,253</u>
Total expenditure	<u>192,870</u>	<u>46,677</u>	<u>239,547</u>	<u>222,938</u>

4 Staff costs

	2022	2021
	£	£
Salaries	68,316	67,704
National Insurance	1,407	19
Pension costs	3,956	3,759
	<u>73,679</u>	<u>71,482</u>

During 2022 the PCC employed a parish secretary, a Pioneer Community Worker, a Youth and Children's Minister and a church cleaner, none of whom earned £60,000 or more. The Pioneer Community Worker, Mrs A Edwards is closely connected to a member of the PCC and was paid £27,176 during the year (2021 - £26,520). The PCC contributed £1,591 (2021 - £1,525) in pension costs for Mrs Edwards. The Pioneer Community Worker, the Youth and Children's Minister and the parish secretary were reimbursed for expenses incurred in carrying out their duties.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

5 Pension Scheme

The Church of the Good Shepherd participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. The Church of the Good Shepherd participates in the latter section.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable (2022: £3,956; 2021: £3,759).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. The next valuation is due at 31 December 2022. For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Church of the Good Shepherd could become responsible for paying a share of that employer's pension liabilities.

6 Trustees

None of the PCC members was paid any remuneration or received any benefit from an employment with the charity but, where appropriate, were reimbursed out-of-pocket expenses. 10 (2021 – 11) trustees were reimbursed a total of £5,401 (2021 - £2,408) during the year for expenses incurred on behalf of the church. Donations received from members of the PCC and their related parties amounted to £58,805 (2021 - £58,101) in the year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

7 Fixed assets for use by the PCC

		Church Equipment £	Total £
Actual / deemed cost	At 1 January 2022	27,974	27,974
	Additions	365	365
	At 31 December 2022	28,339	28,339
Depreciation	At 1 January 2022	16,706	16,706
	Charge for the year	3,634	3,634
	At 31 December 2022	20,340	20,340
Net Book Value	At 31 December 2022	7,999	7,999
	At 31 December 2021	11,268	11,268

Church equipment comprises office equipment, two video projectors, a sound desk, hybrid services equipment, worship area chairs and kitchen equipment.

8 Debtors

	2022 £	2021 £
Income tax recoverable	3,240	3,251
Prepayments and accrued income	590	290
Other debtors	144	403
	3,974	3,944

9 Cash and bank accounts

	2022 £	2021 £
Charities Aid Foundation current account	10,845	9,198
Nat West current account	9,625	16,048
Cambridge and Counties Bank 95 day access	62,956	61,942
Cambridge and Counties Bank 60 day access	27,848	27,470
CBF Deposit Fund	28,773	36,381
Charities Aid Foundation	6,568	6,559
Charity Bank 1 year fixed term account	50,000	50,000
	196,615	207,598

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

10 Creditors

	2022	2021
	£	£
Amounts falling due within one year:	<u>3,293</u>	<u>2,642</u>

11 Statement of funds

Restricted funds

	Balance at 1 Jan 2022	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
Larder	2,349	36,523	30,099	-	8,773
Banner workshop	454	-	-	-	454
Youth and Children's Minister	35,000	5,625	-	(25,625)	15,000
Flower stand	21	-	4	-	17
Church for deaf people	306	-	-	-	306
Mission Fund	400	1,052	16,560	15,408	300
Spring Harvest	150	-	14	-	136
	<u>38,680</u>	<u>43,200</u>	<u>46,677</u>	<u>(10,217)</u>	<u>24,986</u>

The Larder Fund is for the provision of food and essential household items to people within the local community. The transfer to the Mission Fund is from general funds to cover the shortfall of income over expenditure for that fund. The transfer from the Youth and Children's Minister Funds is to the General Fund to cover expenditure on that item during the year.

Unrestricted funds

	Balance at 1 Jan 2022	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
Designated funds:					
Development fund	95,000	-	-	-	95,000
Major repairs fund	35,000	-	-	5,000	40,000
	<u>130,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>135,000</u>
General funds:					
Free reserves	51,488	181,474	192,870	5,217	45,309
	<u>181,488</u>	<u>181,474</u>	<u>192,870</u>	<u>10,217</u>	<u>180,309</u>

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

11 Statement of funds (continued)

Funds are held in the Development Fund to provide for the future development of the church’s ministry and it is anticipated that these will be used up over the next four years as we build up our regular giving to meet the cost of employing a Youth and Children’s Minister.

The Major Repairs Fund is being built up so that funds are available when major repairs are required to our buildings.

12 Analysis of net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Fixed assets for church use	7,999	-	7,999
Current assets	175,603	24,986	200,589
Current liabilities	(3,293)	-	(3,293)
Fund balance	<u>180,309</u>	<u>24,986</u>	<u>205,295</u>

13 Mission and charitable giving

Overseas mission

Crosslinks / Arise - Debbie and Alan Burt	5,110
Operation Mobilisation (OM) - Jenny and Nihad Shihadi	5,120

Relief and development agencies

Open Doors	1,430
Tearfund	1,580

Home mission

BSL Translation	290
Christian Deaflink	50
Church Pastoral Aid Society (CPAS)	740
Connect Christian Counselling	550
Signs of God	240
The Triangle	590

Secular charities

Disaster Emergencies Committee (for Ukraine)	400
Step-By-Step	560
	<u>16,660</u>

Additionally, special offerings have been taken up for Children’s Society, Citizens Advice Farnborough, National Deaf Children’s Society, Step by Step and Tearfund.

Accounts

The Parish Church of the Good Shepherd
Sand Hill Farnborough GU14 8ER

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

for the year ended 31 December 2021

Incumbent

Revd Russell M Smart
The Vicarage
45, Sand Hill
Farnborough
GU14 8ER

Banks

National Westminster Bank plc CAF (Charities Aid Foundation)

CCLA Investment Management Ltd (CBF Church of England Fund)

Cambridge and Counties Bank Charity Bank Ltd

Independent Examiner:

Mr Stephen Marriott
Pennines. Guildown Road, Guildford GU2 4EU

Registered Charity No 1127829

Administrative information

The Parish Church of the Good Shepherd is situated in Sand Hill, Farnborough, Hampshire. Together with the Parish of St. Peter's it forms the North Farnborough Group Ministry as part of the Diocese of Guildford within the Church of England. The church's patron is the Church Pastoral Aid Society.

The Parochial Church Council (PCC) of the Church of the Good Shepherd is a charity, registered with the Charity Commission as Registered Charity Number 1127829.

PCC members who have served from 1 January 2021 until the date this report was approved are:

<i>Incumbent:</i>	Revd Russell Smart	Chairman
<i>Wardens:</i>	Lance Nevill	
	Steven Robinson	(to 26.5.2021)
	Jacqui Ward	(from 26.5.2021)
<i>Representatives on the Deanery Synod:</i>	Malc Bardsley	
	Alison Lake	
	Sarah Smart	(from 26.5.2021)
<i>Elected Members:</i>	Ben Edwards	
	Dianne Elsey	(to 26.5.2021)
	Robert McKee	
	Bev Marchment	Secretary
	Derick Musonda	
	Dianne Pickford	
	David Riddlestone	
	Steven Robinson	(from 26.5.2021)
	Marian Rudall	Treasurer
	Doris Rudd	
	Carole Speller	(from 26.5.2021)
	Terence Thomson	
	Sue Troughton	
	Jacqueline Ward	(to 26.5.2021)
<i>Co-opted Members</i>	Judith Hillary	(from Deaf church)

Structure governance and management

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 method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC operates through a small number of committees, which meet between full meetings of the PCC.

The Standing Committee 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. The Standing Committee consists of the Vicar, Wardens, Secretary and Treasurer.

Safeguarding

The PCC has a safeguarding policy and appoints a Safeguarding Officer who acts as a focal point for concerns. All key staff and volunteers working with children and vulnerable adults are recruited using Safer Recruitment principles and are checked with the Disclosure and Barring Service. Clergy receive regular safeguarding training through the Diocese of Guildford and training is undertaken by other staff and volunteers as required. The PCC receives an annual report on safeguarding and reviews the safeguarding policy. Additionally, safeguarding is an item on the agenda of every PCC meeting.

Objectives and activities

The PCC of the Church of the Good Shepherd has the responsibility of co-operating with the Vicar in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church of the Good Shepherd, Sand Hill, Farnborough and its grounds. The incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Church attendance

There are 144 parishioners on the Church Electoral Roll, 28% of whom are resident within the parish. The average Sunday attendance at services across the year was 74 (2020-75). This number continues to reflect the impact of Covid-19. Our services went online at the beginning of the pandemic and although we are now able to meet in person, several of our congregation have chosen to continue to participate in our services on line. Until the end of March 2020 when the church building was closed our average attendance had been around 100.

Review of the year

The full PCC met eight times during 2021, with the Standing Committee meeting twelve times.

We were hopeful that 2021 would see a return to normal life after the major disruption caused by COVID-19 in 2020. However, we were still subject to many restrictions which limited what we were able to do.

The good news for us was that our new youth and children's minister, Mandy Watts, just started her new role in December 2020 and she was able to meet people online and visit some people outdoors when dropping off 'Faith at Home' packs. This became a great way for people to get to know her during all the restrictions we faced during that time.

Review of the year (contd)

We continued to livestream services in church via Zoom and Facebook for people to participate in at home or watch later on YouTube. As time went on and limited numbers of people were allowed back in the church building, we were able to offer hybrid services.

We took the opportunity through Lent and Easter to produce many videos for schools, Messy Church, all age services, and a Lent course too. We aimed to provide something online for everyone who had internet access.

In April the diocese organised a big online PCC away day and we all gathered together to think about our church development plan and our priorities for the year ahead. It was a useful time and is something we plan to do each year to help focus us on our ministry and mission.

By the time we reached the summer many of the restrictions were being relaxed and more people were slowly returning to the church building. At the beginning of August we launched our CAP job club, which has been appreciated by those who have taken advantage of it.

With restrictions easing over the summer, we were able to enjoy the nice summer weather and the annual cream tea on the church field. It was lovely to gather people together again after what felt like such a long time. Then as we moved into autumn, we were full steam ahead with our regular programme of activities and events. That was until December when new restrictions were imposed following the spread of the new variant of the virus 'Omicron'. We were able to have most of our Christmas services and activities, but people were cautious and numbers attending were often reduced.

Our Larder food bank was heavily used again in 2021 with nearly 800 parcels being distributed to referred clients. We introduced 'No Questions Asked' bags in April and nearly 400 bags of essential food items were collected by anyone who wanted one.

Financial review

During 2021, total donations to the Church of the Good Shepherd, increased by nearly 7% to £200,057. Expenditure increased from £190,647 to £222,938, reflecting the return to activities following a long period where the church building was closed because of the Covid-19 pandemic. The Church's 2021 contribution to Parish Share of £69,236 was met in full. At the end of the year £5,000 was transferred from general reserves to a designated fund to meet the costs of major repairs to our buildings and the general reserves increased by £2,476. We drew down £10,000 from the Youth and Children's Minister fund, less than budgeted for, despite this being the first full year of employment.

Reserves policy

The PCC's policy is to maintain a minimum balance on unrestricted funds of three months' expenditure. The balance held at 31 December 2021 was £51,488 which equates to nearly three and a half months' budgeted expenditure for 2022. These additional reserves will be used to offset the approved negative budget for 2022.

Missions Policy

The church aims to give 10% of its donated and investment income to other local, national, and overseas mission organisations.

Independent Examiner's Report to the Parochial Church Council of The Church of the Good Shepherd, Farnborough

I report on the accounts for the year ended 31 December 2021 which are set out on pages 5 to 13.

Respective responsibilities of the PCC and Independent Examiner

The PCC considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

- (1) which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s.130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Stephen Marriott MA FRSA
Pennines. Guildown Road, Guildford GU2 4EU
30 March 2022

Statement of Financial Activities

For the year ending 31 December 2021

		Unrestricted	Restricted	Total 2021	Unrestricted	Restricted	Total 2020
	Notes	£	£	£	£	£	£
INCOME FROM:							
Donations	2a	162,276	37,781	200,057	159,831	27,275	187,106
Investments	2b	1,209	-	1,209	2,012	-	2,012
Church activities	2c	8,423	-	8,423	5,989	-	5,989
Total income		171,908	37,781	209,689	167,832	27,275	195,107
EXPENDITURE ON:							
Church activities	3	173,514	49,424	222,938	134,447	56,200	190,647
Total expenditure		173,514	49,424	222,938	134,447	56,200	190,647
Net income/(expenditure) before transfers		(1,606)	(11,643)	(13,249)	33,385	(28,925)	4,460
Transfers between funds	11	9,082	(9,082)	-	(14,926)	14,926	-
Net movement in funds		7,476	(20,725)	(13,249)	18,459	(13,999)	4,460
Fund balances brought forward at 1 January 2021		174,012	59,405	233,417	155,553	73,404	228,957
Fund balances carried forward at 31 December 2021		181,488	38,680	220,168	174,012	59,405	233,417

The notes on pages 7 to 13 form part of these accounts.

Balance Sheet

At 31 December 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	7	11,268	5,662
CURRENT ASSETS			
Debtors	8	3,944	6,709
Cash at bank and in hand	9	207,598	225,034
		<u>211,542</u>	<u>231,743</u>
LIABILITIES			
Creditors - amounts falling due within one year	10	(2,642)	(3,988)
NET CURRENT ASSETS		<u>208,900</u>	<u>227,755</u>
TOTAL NET ASSETS		<u>220,168</u>	<u>233,417</u>
PARISH FUNDS			
	11		
Restricted		38,680	59,405
Unrestricted:			
Designated funds		130,000	125,000
General funds (free reserves)		51,488	49,012
	12	<u>220,168</u>	<u>233,417</u>

The notes on pages 7 to 13 form part of these accounts.

Approved by the Parochial Church Council on 30 March 2022
and signed on its behalf by:

R Smart
Incumbent

B Marchment
PCC Secretary

Notes to the Financial Statements

For the year ended 31 December 2021

1 Accounting policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Charities SORP FRS102.

The financial statements have been prepared under the historical cost convention. The financial statements 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.

Funds

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Designated funds are unrestricted funds which the PCC has earmarked for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

Income: Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is receivable. All incoming resources are accounted for gross. The value of gifts donated for the Larder is calculated by valuing the parcels given out and deducting the costs of items purchased.

Expenditure: This includes all expenditure incurred in meeting the church's main objectives and includes all costs in support of those objectives. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s96(2)(a) of the Charities Act 1993.

Moveable church furnishings held by the Incumbent and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are inalienable property, listed in the Church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment used within the church premises is depreciated on a straight line basis over 5 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

2 Income	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
a Donations				
Planned giving:				
Gift aid donations	114,701	2,240	116,941	115,048
Income tax recoverable	30,036	545	30,581	28,166
Other planned giving	15,891	900	16,791	18,037
Legacy	100	-	100	
Collections at services	339	15	354	292
Grants	-	5,000	5,000	2,763
Donations/appeals etc	1,209	4,386	5,595	1,266
Value of food given for Larder	-	24,695	24,695	21,534
	162,276	37,781	200,057	187,106
b Investments				
Bank and other interest	1,209	-	1,209	2,012
	1,209	-	1,209	2,012
c Church activities				
Bookstall	367	-	367	378
Church hall lettings	7,093	-	7,093	4,062
Fees	518	-	518	834
Miscellaneous	445	-	445	715
	8,423	-	8,423	5,989
TOTAL INCOME	171,908	37,781	209,689	195,107

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

3 Expenditure

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Missionary and charitable giving:				
Overseas				
Mission organisations	-	11,500	11,500	10,660
Relief and development agencies	-	1,500	1,500	1,440
Home mission	100	2,480	2,580	2,980
Secular charities	-	1,105	1,105	540
	100	16,585	16,685	15,620
Ministry:				
Diocesan parish share	69,236	-	69,236	69,236
Other ministry costs	10,562	147	10,709	6,442
Larder	-	32,692	32,692	23,890
Office expenses	541	-	541	1,063
Church and hall running expenses	10,104	-	10,104	9,046
Church and grounds maintenance	10,469	-	10,469	20,555
Bookstall	339	-	339	411
Salaries and pension	71,482	-	71,482	44,262
Training costs	523	-	523	47
Special events	158	-	158	75
	173,414	32,839	206,253	175,027
Total expenditure	173,514	49,424	222,938	190,647

4 Staff costs

	2021	2020
	£	£
Salaries	67,704	42,021
National Insurance	19	-
Pension costs	3,759	2,241
	71,482	44,262

During 2021 the PCC employed a parish secretary, a Pioneer Community Worker, a Youth and Children's Minister and a church cleaner, none of whom earned £60,000 or more. The Pioneer Community Worker, Mrs A Edwards is closely connected to a member of the PCC and was paid £26,520 during the year (2020 - £26,000). The PCC contributed £1,525 (2020 - £1,495) in pension costs for Mrs Edwards. The Pioneer Community Worker and the Youth and Children's Minister were reimbursed for expenses incurred in carrying out their duties.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

5 Pension Scheme

The Church of the Good Shepherd participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. The Church of the Good Shepherd participates in the latter section.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable (2021: £3,759; 2020: £2,241).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. The next valuation is due at 31 December 2022. For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Church of the Good Shepherd could become responsible for paying a share of that employer's pension liabilities.

6 Trustees

None of the PCC members was paid any remuneration or received any benefit from an employment with the charity but, where appropriate, were reimbursed out-of-pocket expenses. 11 (2020 – 8) trustees were reimbursed a total of £2,408 (2020 - £2,981) during the year for expenses incurred on behalf of the church. Donations received from members of the PCC and their related parties amounted to £58,101 (2020 - £52,930) in the year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

7 Fixed assets for use by the PCC

		Church Equipment £	Total £
Actual / deemed cost	At 1 January 2021	18,657	18,657
	Additions	9,317	9,317
	At 31 December 2021	27,974	27,974
Depreciation	At 1 January 2021	12,995	12,995
	Charge for the year	3,711	3,711
	At 31 December 2021	16,706	16,706
Net Book Value	At 31 December 2021	11,268	11,268
	At 31 December 2020	5,662	5,662

Church equipment comprises office equipment, two video projectors, a sound desk, hybrid services equipment, worship area chairs and kitchen equipment.

8 Debtors

	2021 £	2020 £
Income tax recoverable	3,251	5,266
Prepayments and accrued income	290	628
Other debtors	403	815
	3,944	6,709

9 Cash and bank accounts

	2021 £	2020 £
Charities Aid Foundation current account	9,198	32,155
Nat West current account	16,048	11,407
Cambridge and Counties Bank 95 day access	61,942	61,329
Cambridge and Counties Bank 60 day access	27,470	27,226
CBF Deposit Fund	36,381	36,362
Charities Aid Foundation	6,559	6,555
Charity Bank 1 year fixed term account	50,000	50,000
	207,598	225,034

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

10 Creditors

	2021	2020
	£	£
Amounts falling due within one year:	<u>2,642</u>	<u>3,988</u>

11 Statement of funds

Restricted funds

	Balance at 1 Jan 2021	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
Larder	3,320	31,721	32,692	-	2,349
Community	147	-	147	-	-
Banner workshop	454	-	-	-	454
Chairs and carpets replacement	4,457	-	-	(4,457)	-
Youth and Children's Minister	50,000	5,000	-	(20,000)	35,000
Flower stand	21	-	-	-	21
Church for deaf people	306	-	-	-	306
Mission Fund	550	1,060	16,585	15,375	400
Spring Harvest	150	-	-	-	150
	<u>59,405</u>	<u>37,781</u>	<u>49,424</u>	<u>(9,082)</u>	<u>38,680</u>

The Larder Fund is for the provision of food and essential household items to people within the local community. The transfer to the Mission Fund is from general funds to cover the shortfall of income over expenditure for that fund. The transfers from the Chairs and Carpets Replacement and Youth and Children's Minister Funds are to the General Fund to cover expenditure on those items during the year.

Unrestricted funds

	Balance at 1 Jan 2021	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
Designated funds:					
Development fund	95,000	-	-	-	95,000
Major repairs fund	30,000	-	-	5,000	35,000
	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>130,000</u>
General funds:					
Free reserves	49,012	171,908	173,514	4,082	51,488
	<u>174,012</u>	<u>171,908</u>	<u>173,514</u>	<u>9,082</u>	<u>181,488</u>

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

11 Statement of funds (continued)

Funds are held in the Development Fund to provide for the future development of the church's ministry and it is anticipated that these will be used up over the next five years as we build up our regular giving to meet the cost of employing a Youth and Children's Minister.

The Major Repairs Fund is being built up so that funds are available when major repairs are required to our buildings.

12 Analysis of net assets by fund

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Fixed assets for church use	11,268	-	11,268
Current assets	172,654	38,888	211,542
Current liabilities	(2,434)	(208)	(2,642)
Fund balance	<u>181,488</u>	<u>38,680</u>	<u>220,168</u>

13 Mission and charitable giving

Overseas mission

Church Mission Society	1,450
Crosslinks / Arise - Debbie and Alan Burt	5,020
Operation Mobilisation (OM) - Jenny and Nihad Shihadi	5,030

Relief and development agencies

Open Doors	750
Tearfund	750

Home mission

BSL Translation	320
Christian Deaflink	50
Church Pastoral Aid Society (CPAS)	750
Connect Christian Counselling	570
Interserve	50
Signs of God	270
The Triangle	570

Secular charities

Step-By-Step	<u>1,105</u>
	<u>16,685</u>

Additionally, special offerings have been taken up for Children's Society, Disaster Emergencies Committee for Afghanistan, National Deaf Children's Society, Tearfund and Vaccine Aid.

Accounts

The Parish Church of the Good Shepherd
Sand Hill Farnborough GU14 8ER

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

for the year ended 31 December 2020

Incumbent

Revd Russell M Smart
The Vicarage
45, Sand Hill
Farnborough
GU14 8ER

Banks

National Westminster Bank plc CAF (Charities Aid Foundation)

CCLA Investment Management Ltd (CBF Church of England Fund)

Cambridge and Counties Bank Charity Bank Ltd

Independent Examiner:

Mr Stephen Marriott
Pennines. Guildown Road, Guildford GU2 4EU

Registered Charity No 1127829

Administrative information

The Parish Church of the Good Shepherd is situated in Sand Hill, Farnborough, Hampshire. Together with the Parish of St. Peter's it forms the North Farnborough Group Ministry as part of the Diocese of Guildford within the Church of England. The church's patron is the Church Pastoral Aid Society.

The Parochial Church Council (PCC) of the Church of the Good Shepherd is a charity, registered with the Charity Commission as Registered Charity Number 1127829.

PCC members who have served from 1 January 2020 until the date this report was approved are:

<i>Incumbent:</i>	Revd Russell Smart	Chairman
<i>Wardens:</i>	Lance Nevill Steven Robinson	
<i>Representatives on the Deanery Synod:</i>	Malc Bardsley Michael Houghton Alison Lake	(to 28.10.2020)
<i>Elected Members:</i>	Ben Edwards Dianne Elsey Robert McKee Bev Marchment Derick Musonda Dianne Pickford David Riddlestone Marian Rudall Doris Rudd Terence Thomson Sue Troughton Jacqueline Ward	Secretary (from 28.10.2020) (from 28.10.2020) Treasurer
<i>Co-opted Members</i>	Judith Hillary	(from Deaf church)

Structure governance and management

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 method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC operates through a small number of committees, which meet between full meetings of the PCC.

The Standing Committee 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. The Standing Committee consists of the Vicar, Wardens, Secretary and Treasurer.

Safeguarding

The PCC has a safeguarding policy and appoints a Safeguarding Officer who acts as a focal point for concerns. All key staff and volunteers working with children and vulnerable adults are recruited using Safer Recruitment principles and are checked with the Disclosure and Barring Service. Clergy receive regular safeguarding training through the Diocese of Guildford and training is undertaken by other staff and volunteers as required. The PCC receives an annual report on safeguarding and reviews the safeguarding policy. Additionally, safeguarding is an item on the agenda of every PCC meeting.

Objectives and activities

The PCC of the Church of the Good Shepherd has the responsibility of co-operating with the Vicar in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church of the Good Shepherd, Sand Hill, Farnborough and its grounds. The incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Church attendance

There are 148 parishioners on the Church Electoral Roll, 30% of whom are resident within the parish. The average Sunday attendance at services across the year was 75 (2019 -111). The decrease reflects the fact that because of the Covid-19 pandemic our services went online from March 2020 and several of our older members do not have internet access. Until the end of March when the church building was closed our average attendance had been closer to 100.

Review of the year

The full PCC met seven times during 2020, with the Standing Committee meeting twelve times.

The first part of the year began well, and we hosted a licensing service for our pioneer community worker, celebrating of the birth of a new ministry within the church and community. Sadly, not long after that the Covid-19 pandemic struck, and we entered a new world of lockdown. Over 2020 we learnt a lot about our church family and leadership as we rallied together to provide support and encouragement to as many as we could. Our foodbank was blessed by amazing support and we were able to meet the hugely increased demand. In 2020 we delivered 640 parcels compared with 232 in 2019. In addition, we set up a community phone line to offer assistance to those who needed help with shopping or prescriptions.

Review of the year (contd)

Our church services rapidly developed to being on line, moving to interactive livestreamed services on Zoom, using breakout rooms for coffee time afterwards. We learnt how to operate this new technology in a short space of time and we are so grateful to our small team of volunteers who keep all this going. Our Deaf church also began recording services with contributions from their congregation, and their monthly 'Sip & Sign' group met on Zoom.

We started to run Messy Church online and had a great experience with an online holiday club too, with our Messy Church videos now being used by local schools. We offered an online youth club and videos, and more recently an online coffee morning. As the restrictions eased, we temporarily reopened our children's clothing exchange, socially distanced, in our church hall, so those in need of school uniform and children's clothing could receive assistance.

A real highlight for the church was interviewing and employing a youth and children's minister towards the end of 2020, a new post we had been seeking to fill for about 18 months. We are very excited to have someone with lots of experience join our team to develop and grow our ministry to children, families and young people. We look forward to life returning to some kind of new normal in 2021 so we can start all our services, groups and activities again in person.

It has been a challenging year for everyone, but we are so grateful to God for the continued support we've had during these difficult times. The congregation have supplied the funds and other resources we need to continue our mission and ministry in our community and beyond. We will no doubt learn many lessons from this pandemic and we certainly hope and pray we will come back stronger as a church family in 2021. We are so thankful to our faithful God for sustaining and encouraging us over this last year.

God is our refuge and strength, an ever-present help in times of trouble (Ps 46:1)

Financial review

During 2020, total donations to the Church of the Good Shepherd decreased by 18% to £187,106, reflecting a substantial gift received in 2019 towards the refurbishment of our worship area; gifts to our unrestricted funds showed a slight increase of 2.7%. We were grateful to receive a grant of £1,500 from All Churches Trust towards the equipment to provide hybrid services. Expenditure increased from £166,842 to £190,647, reflecting the purchase of carpeting for the worship area and increased costs for the Larder. The Church's 2020 contribution to Parish Share of £69,236 was met in full. At the end of the year £5,000 was transferred from general reserves to a designated fund to meet the costs of major repairs to our buildings and the general reserves increased by £3,459. Additionally, we were able to transfer £10,000 into our Parish Development Fund.

Reserves policy

The PCC's policy is to maintain a minimum balance on unrestricted funds of three months' expenditure. The balance held at 31 December 2020 was £49,012, which equates to just over three months' budgeted expenditure for 2021.

Missions Policy

The church aims to give 10% of its donated and investment income to other local, national, and overseas mission organisations.

Independent Examiner's Report to the Parochial Church Council of The Church of the Good Shepherd, Farnborough

I report on the accounts for the year ended 31 December 2020 which are set out on pages 5 to 13.

Respective responsibilities of the PCC and Independent Examiner

The PCC considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

- (1) which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s.130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Stephen Marriott MA FRSA
Pennines, Guildown Road, Guildford GU2 4EU
24 March 2021

Statement of Financial Activities

For the year ending 31 December 2020

		Unrestricted	Restricted	Total 2020	Unrestricted	Restricted	Total 2019
	Notes	£	£	£	£	£	£
INCOME FROM:							
Donations	2a	159,831	27,275	187,106	155,616	72,445	228,061
Investments	2b	2,012	-	2,012	2,216	-	2,216
Church activities	2c	5,989	-	5,989	16,221	-	16,221
Total income		167,832	27,275	195,107	174,053	72,445	246,498
EXPENDITURE ON:							
Church activities	3	134,447	56,200	190,647	141,868	24,974	166,842
Total expenditure		134,447	56,200	190,647	141,868	24,974	166,842
Net income/(expenditure) before transfers		33,385	(28,925)	4,460	32,185	47,471	79,656
Transfers between funds	11	(14,926)	14,926	-	(14,676)	14,676	-
Net movement in funds		18,459	(13,999)	4,460	17,509	62,147	79,656
Fund balances brought forward at 1 January 2020		155,553	73,404	228,957	138,044	11,257	149,301
Fund balances carried forward at 31 December 2020		174,012	59,405	233,417	155,553	73,404	228,957

The notes on pages 7 to 13 form part of these accounts.

Balance Sheet

At 31 December 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	7	5,662	5,395
CURRENT ASSETS			
Debtors	8	6,709	6,126
Cash at bank and in hand	9	225,034	226,420
		<u>231,743</u>	<u>232,546</u>
LIABILITIES			
Creditors - amounts falling due within one year	10	(3,988)	(8,984)
NET CURRENT ASSETS		<u>227,755</u>	<u>223,562</u>
TOTAL NET ASSETS		<u>233,417</u>	<u>228,957</u>
PARISH FUNDS			
	11		
Restricted		59,405	73,404
Unrestricted:			
Designated funds		125,000	110,000
General funds (free reserves)		49,012	45,553
	12	<u>233,417</u>	<u>228,957</u>

The notes on pages 7 to 13 form part of these accounts.

Approved by the Parochial Church Council on 24 March 2021
and signed on its behalf by:

R Smart
Incumbent



B Marchment
PCC Secretary



Notes to the Financial Statements

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 Charities SORP FRS102.

The financial statements have been prepared under the historical cost convention. The financial statements 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.

Funds

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Designated funds are unrestricted funds which the PCC has earmarked for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

Income: Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is receivable. All incoming resources are accounted for gross. The value of gifts donated for the Larder is calculated by valuing the parcels given out and deducting the costs of items purchased.

Expenditure: This includes all expenditure incurred in meeting the church's main objectives and includes all costs in support of those objectives. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s96(2)(a) of the Charities Act 1993.

Moveable church furnishings held by the Incumbent and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are inalienable property, listed in the Church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment used within the church premises is depreciated on a straight line basis over 5 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

2 Income	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
a Donations				
Planned giving:				
Gift aid donations	112,173	2,875	115,048	154,977
Income tax recoverable	27,447	719	28,166	39,242
Other planned giving	17,193	844	18,037	20,225
Collections at services	292	-	292	1,915
Grants	2,263	-	2,763	-
Donations/appeals etc	463	1,303	1,266	4,292
Value of food given for Larder	-	21,534	21,534	7,410
	159,831	27,275	187,106	228,061
b Investments				
Bank and other interest	2,012	-	2,012	2,216
	2,012	-	2,012	2,216
c Church activities				
Bookstall	378	-	378	495
Church hall lettings	4,062	-	4,062	13,203
Fees	834	-	834	706
Miscellaneous	715	-	715	1,817
	5,989	-	5,989	16,221
TOTAL INCOME	167,832	27,275	195,107	246,498

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

3 Expenditure

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Missionary and charitable giving:				
Overseas				
Mission organisations	-	10,660	10,660	11,690
Relief and development agencies	-	1,440	1,440	1,440
Home mission	100	2,880	2,980	2,890
Secular charities	-	540	540	540
	<u>100</u>	<u>15,520</u>	<u>15,620</u>	<u>16,560</u>
Ministry:				
Diocesan parish share	69,236	-	69,236	67,547
Other ministry costs	5,945	497	6,442	12,564
Larder	-	23,890	23,890	8,129
Office expenses	1,063	-	1,063	1,841
Church and hall running expenses	9,046	-	9,046	9,592
Church and grounds maintenance	4,262	16,293	20,555	6,952
Bookstall	411	-	411	399
Salaries and pension	44,262	-	44,262	40,585
Training costs	47	-	47	2,287
Special events	75	-	75	386
	<u>134,347</u>	<u>40,680</u>	<u>175,027</u>	<u>150,282</u>
Total expenditure	<u>134,447</u>	<u>56,200</u>	<u>190,647</u>	<u>166,842</u>

4 Staff costs

	2020 £	2019 £
Salaries	42,021	38,561
Pension costs	2,241	2,024
	<u>44,262</u>	<u>40,585</u>

During 2020 the PCC employed a parish secretary, a Pioneer Community Worker, a Youth and Children's Minister (from 1 December 2020) and a church cleaner, none of whom earned £60,000 or more. The Pioneer Community Worker, Mrs A Edwards is closely connected to a member of the PCC and was paid £26,000 during the year (2019 - £24,768). The PCC contributed £1,495 (2018 - £1,424) in pension costs for Mrs Edwards. The Pioneer Community Worker and the Youth and Children's Minister were reimbursed for expenses incurred in carrying out their duties.

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

5 Pension Scheme

The Church of the Good Shepherd participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. The Church of the Good Shepherd participates in the latter section.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable (2020: £2,241; 2019: £2,024).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020. For the Pension Builder 2014 section, the 2016 valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Church of the Good Shepherd could become responsible for paying a share of that employer's pension liabilities.

6 Trustees

None of the PCC members was paid any remuneration or received any benefit from an employment with the charity but, where appropriate, were reimbursed out-of-pocket expenses. 8 (2019 – 10) trustees were reimbursed a total of £2,981 (2019 - £5,312) during the year for expenses incurred on behalf of the church. Donations received from members of the PCC and their related parties amounted to £52,930 (2019 - £100,980) in the year.

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

7 Fixed assets for use by the PCC

		Church Equipment £	Total £
Actual / deemed cost	At 1 January 2020	21,166	21,166
	Disposals	(4,623)	(4,623)
	Additions	2,114	2,114
	At 31 December 2020	18,657	18,657
Depreciation	At 1 January 2020	15,771	15,771
	Disposals	(4,623)	(4,623)
	Charge for the year	1,847	1,847
	At 31 December 2020	12,995	12,995
Net Book Value	At 31 December 2020	5,662	5,662
	At 31 December 2019	5,395	5,395

Church equipment comprises office equipment, two video projectors, a sound desk, hybrid services equipment and kitchen equipment.

8 Debtors

	2020 £	2019 £
Income tax recoverable	5,266	3,104
Prepayments and accrued income	628	629
Other debtors	815	2,393
	6,709	6,126

9 Cash and bank accounts

	2020 £	2019 £
Charities Aid Foundation current account	32,155	-
Nat West current account	11,407	46,288
Cambridge and Counties Bank 95 day access	61,329	60,472
Cambridge and Counties Bank 60 day access	27,226	26,911
CBF Deposit Fund	36,362	36,208
Charities Aid Foundation	6,555	6,541
Charity Bank 1 year fixed term account	50,000	50,000
	225,034	226,420

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

10 Creditors

	2020	2019
	£	£
Amounts falling due within one year:	<u>3,988</u>	<u>8,984</u>

11 Statement of funds

Restricted funds

	Balance at 1 Jan 2020	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
Larder	1,849	25,361	23,890	-	3,320
Community	635	-	488	-	147
Banner workshop	454	-	-	-	454
Chairs and carpets replacement	20,000	750	16,293	-	4,457
Youth and Children's Minister	50,000	-	-	-	50,000
Flower stand	30	-	9	-	21
Church for deaf people	286	20	-	-	306
Mission Fund	-	1,144	15,520	14,926	550
Spring Harvest	150	-	-	-	150
	<u>73,404</u>	<u>27,275</u>	<u>56,200</u>	<u>14,926</u>	<u>59,405</u>

The Larder Fund is for the provision of food and essential household items to people within the local community. The transfer to the Mission Fund is from general funds to cover the shortfall of income over expenditure for that fund.

Unrestricted funds

	Balance at 1 Jan 2020	Incoming resources	Resources Expended	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
Designated funds:					
Development fund	85,000	-	-	10,000	95,000
Major repairs fund	25,000	-	-	5,000	30,000
	<u>110,000</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>125,000</u>
General funds:					
Free reserves	45,553	167,832	134,447	(29,926)	49,012
	<u>155,553</u>	<u>167,832</u>	<u>134,447</u>	<u>(14,926)</u>	<u>174,012</u>

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

11 Statement of funds (continued)

Funds are held in the Development Fund to provide for the future development of the church's ministry and it is anticipated that these will be used up over the next four years as we build up our regular giving to meet the cost of employing a Youth and Children's Minister.

The Major Repairs Fund is being built up so that funds are available when major repairs are required to our buildings.

12 Analysis of net assets by fund

	Unrestricted Funds £	Restricted funds £	Total 2020 £
Fixed assets for church use	5,662	-	5,662
Current assets	171,889	59,854	231,743
Current liabilities	(3,539)	(449)	(3,988)
Fund balance	174,012	59,405	233,417

13 Mission and charitable giving

Overseas mission

Church Mission Society	1,560
Crosslinks / Arise - Debbie and Alan Burt	4,600
Operation Mobilisation (OM) - Jenny and Nihad Shihadi	4,500

Relief and development agencies

Open Doors	720
Tearfund	720

Home mission

BSL Translation	290
Christian Deaflink	110
Church Pastoral Aid Society (CPAS)	720
Connect Christian Counselling	540
Interserve	600
Signs of God	180
The Triangle	540

Secular charities

Step-By-Step	540
	15,620

Additionally, special offerings have been taken up for Bishop of Guildford's Fund, Children's Society and Step by Step.