

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF BUSBRIDGE**

**AUDITED TRUSTEES ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

BUSBRIDGE PAROCHIAL CHURCH COUNCIL

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SOLICITORS: Charles Russell Speechlys LLP
One London Square, Cross Lanes

**BUSBRIDGE PAROCHIAL CHURCH COUNCIL REPORT
OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2021**

Introduction

The PCC members, who are also the charity's trustees, submit their annual report and the audited financial statements for the year ended 31 December 2021. The trustees have adopted the Church Accounting Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland, FRS102 second edition, and the Charities Act 2011.

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of Busbridge (PCC) was registered with the Charity Commission on 27th February 2009 and its governing document is the Parochial Church Council (Powers) Measure (1956) and under this measure the PCC has the responsibility of "co-operation with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical". It is also responsible for the maintenance of Busbridge Church and other parish buildings.

Objectives, Activities and Public Benefit

The mission of Busbridge Church is expressed as "Loving God", "Making Disciples" and "Transforming Communities". Specific objectives in support to that mission are:

- To build a worshipping and praying community
- To evangelise and spread the gospel of Jesus Christ
- To provide excellent youth and children's work
- To support our church school
- To provide a care network for the bereaved, elderly and lonely
- To develop and empower church and lay leaders
- To provide facilities at the centre of our community

The PCC is aware of the Charity Commission's guidance on public benefit in "The advancement of religion for the Public Benefit" and has regard to it in their administration of the church.

The PCC believes that by promoting the Christian faith it provides a benefit to the public by:

1. Providing facilities for public worship, pastoral care and spiritual development, both for existing church members and for anyone who wishes to benefit from what the church offers.
2. Promoting Christian values, and service by members of the church in and to their community, to the benefit of individuals and society as a whole.

Achievements and Performance

The number of people on the electoral roll as at 31 December 2021 was 231 (2020: 223). Covid-19, with associated church closures and restrictions on gathering in person, had an impact on regular attendance in 2020 and 2021. For 2021, average weekly attendance was 90 adults and 35 children (under 16). Numbers were not reported in 2020, but in 2019 were 166 adults and 50 children. In addition in 2021, online services were viewed by around 100 devices each week.

**BUSBRIDGE PAROCHIAL CHURCH COUNCIL REPORT
OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2021 (continued)**

Achievements and Performance (continued)

On account of continuing lockdowns, no in-person services took place in the first months of 2021, with weekly online services livestreamed from the church building. From Easter 2021 onwards, in person services started to resume, albeit with continuing disruption from successive waves of Covid, including many services at Christmas 2021 being either online or outside as the Omicron variant spread through the population.

Similarly, Youth and Children's work continued online at the start of the year, with increasing in person activities later in the year. ABC toddler groups resumed during the week, and Sunday children's groups restarted. Pathfinders and Ichthus met regularly and some trips away took place.

The Older Person's Ministry continued to provide very valuable pastoral support to people who might otherwise have been very lonely as a result of Covid restrictions. Later in the year, in person gatherings resumed with several very successful tea parties and a well-attended carol service just before the start of Omicron restrictions at Christmas.

The church continued to use volunteers to support activities as much as possible, although this ability was more constrained than usual by Covid restrictions. In particular, volunteers continued to be active in providing pastoral support, organising small group and children's activities, leading worship and providing technical support.

In June 2021 we welcomed a new training curate, Patrick Samuels, replacing David Preece who had left to take up his first parish in Suffolk at the start of the year.

The church supported various organisations with grants during the year as detailed in Note 11. Total grants to organisations in 2021 totalled £21,352 (2020: £16,644). On account of Covid-19, the remit of the Church Family Support Fund had been expanded to provide support to those experiencing hardship as a result of the pandemic. Total CFSF grants to individuals in 2021 totalled £4,870 (2020: £7,850).

**BUSBRIDGE PAROCHIAL CHURCH COUNCIL REPORT
OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2021 (continued)**

Structure, Governance and Management

The PCC lay members are elected from the individuals registered on the parish electoral roll. The members holding office during the year 2021, and up to the date of this report, were as follows:

Ex Officio

Incumbent	The Rev Simon Taylor	
Associate Minister	The Rev Simon Willetts	
Curate (in training)	The Rev David Preece (until January 2021)	
	The Rev Patrick Samuels (from June 2021)	
Churchwardens	Dr Frances Shaw (until May 2021)	
	Mr Keith Harper	
	Mrs Susan Hardy (from May 2021)	
Treasurer	Mr Martin Lambert	
Licensed Lay Ministers	Mr Dudley Hilton	LLM Representative on PCC
	(Other LLMs: Dr Peter Shaw, Mrs Clare Haddad, Mr Keith Harper and Mrs Philippa Baker)	

Elected Lay Members

Mr Guy Cookes (until March 2022)	Mrs Penny Harris (from May 2021)
Mr Christopher Garner (from May 2021)	Mrs Jill Mace
Mrs Shelagh Godwin	Mr Graham Sopp
Mr Michael Hawkey (until May 2021)	Mr Mark Williams
Dr Karen Hart	

Co-opted Members

Curate	The Rev Andrew Spencer
Curate	The Rev David Jenkins (until May 2021)

All PCC members are commissioned each year and agree to fulfil their responsibilities as they are best able. An annual declaration of conflicts of interest is completed by each member.

Busbridge and Hambledon churches are a United Benefice and members of Busbridge PCC and Hambledon PCC meet as one group in a joint PCC. Six regular meetings were held in the year, plus two special meetings, one to consider plans for opening the Yew Tree Café and one to consider a proposal from the bishop to investigate possible merger with Godalming Parish. All PCC members are encouraged to take an active part in their sub-committee. The Governance group of Hambledon and Busbridge meets to set the agenda for each regular PCC meeting and to consider issues pertaining to management and finances. Day to Day management of the charity is delegated to the Rector, the Reverend Simon Taylor.

**BUSBRIDGE PAROCHIAL CHURCH COUNCIL REPORT
OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2021 (continued)**

Recruitment and Appointment of Trustees

Lay church members are encouraged to stand for election to the PCC. They are proposed and seconded by anyone on the electoral roll prior to election at the Annual Parochial Church Meeting. Elected lay members of the PCC hold office for three years and are eligible to stand for a second three-year term after which they are required to take a one year break before standing again.

Training of Trustees Policy

New PCC members receive written information on the work of the PCC and their responsibilities as members. Training is tailored to individual needs depending on the experience of the individual involved.

Summary of Results, Achievements and Financial Review

INCOMING RESOURCES

Total income for the year was £487,104 (2020: £503,465).

Total unrestricted income amounted to £425,189 (2020: £399,835), the majority of which related to planned giving, which including gift aid was £270,457 (2020: £280,814).

RESOURCES USED

Total resources expended for the year was £572,672 (2020: £569,577), of which £452,889 (2020: £450,754) was from unrestricted funds, with parish share, £108,111 (2020: £108,111) being the highest single cost.

Total employment costs, including social security and pension contributions totalled £151,406 (2020: £151,628). The slight decrease from 2020 was on account of two members of staff leaving and their replacements being employed for fewer hours. One member of staff was furloughed part-time for part of the year by mutual agreement under the Government's Covid-19 job retention scheme.

UNRESTRICTED FUNDS

At year end unrestricted funds were £312,542 (2020: £303,567) which includes a designated operational reserve fund of £152,794 (2020: £130,076).

RESTRICTED FUNDS

At the year end restricted funds were £3,440,973 (2020: £3,485,953). The slight decrease was largely on account of depreciation of previously capitalised expenditure on the Old Rectory. The Word and Worship Fund showed a net expenditure of £14,517 during the year, with a balance of £29,498 at the year end (2020: £44,015)

Further details of all Restricted Funds can be found in note 22 on page 30.

**BUSBRIDGE PAROCHIAL CHURCH COUNCIL REPORT
OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2021 (continued)**

FUTURE PLANS

During 2022, the church intends to continue with plans to recover from the significant effects of the Covid-19 pandemic, taking the opportunity to review the overall “product offering” of the church. As the impact of Covid-19 is expected to continue to decline, it is intended to maintain a combination of in-person worship and activities with some continuing online presence for the time being. Two significant new initiatives will evolve during 2022. Firstly, the Yew Tree Café is scheduled to open in the upgraded Church Centre in March 2022, to offer outreach into the wider community. Net revenue from the café is expected to cover operating costs, but this will be reviewed by PCC after 6 months of operation. Secondly, following a request by the bishop in September 2021, consideration will be given to a potential merger of the three parishes of Godalming, Hambledon and Busbridge. This consideration involves several working groups of representatives from the 3 parishes and the Diocese of Guildford. In view of this request, earlier plans for a potential merger of Busbridge and Hambledon parishes have been put on hold pending the outcome of the wider review.

RISK POLICY

The PCC recognises its responsibilities for managing risk. There are risk assessment protocols in place for all church activities on and off site. The PCC maintains a formal Risk Register, which is reviewed on an annual basis. The principal risks and uncertainties identified relate to (a) loss of income if voluntary giving were to fall substantially and (b) dissatisfaction of key employees or volunteers. These risks are actively managed in line with the risk register, and despite the major disruption of Covid, voluntary giving and engagement of people has held up remarkably well.

RESERVES POLICY

It is the policy of the charity and the trustees to maintain unrestricted funds, some of which are designated for specific purposes. The aim is to hold sufficient unrestricted funds to meet the unrestricted expenses of the PCC for at least six months in case of a substantial fall in income - this is felt to be approximately £200,000 on an ongoing basis. The status of unrestricted reserves and decisions regarding those designated for specific purposes are reviewed annually by PCC, normally as part of the budget setting process for the following year.

INVESTMENT POLICY

The PCC has a policy of holding shares in the CBF Church of England Investment Fund to obtain a higher long-term return than available from a standard deposit account, provided that at least £150,000 is retained in immediate access accounts paying little or no interest. In addition, the PCC holds the Investment Properties as detailed in Note 15.

**BUSBRIDGE PAROCHIAL CHURCH COUNCIL REPORT
OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2021 (continued)**

TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102) second edition;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Parochial Church Council on

2022

Martin Lambert, Treasurer

Simon Taylor, Rector

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE**

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Busbridge (the 'charity') for the year ended 31 December 2021 which comprise Statement of Financial Activities, Balance Sheet, Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE
(continued)**

other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE
(continued)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- The engagement partner selected staff for the audit led by persons who had sufficient experience, along with the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including due to fraud, management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls and disclosure requirements.
- Some income received is restricted in its use and a significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered the most significant to be Charities Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council, Church Accounting Regulations and Gift Aid compliance. We considered how the charity complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of internal controls in place to mitigate the significant risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls testing, where appropriate, analytical review and substantive procedures, involving tests of transactions and balances. Any irregularities were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the Charity and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- reviewed sensitive nominal ledger codes,
- reviewed the disclosures within the financial statements to ensure that they meet the requirements of the accounting standards and relevant legislation; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE
(continued)**

In response to the classification of income and expenditure between restricted and unrestricted we:

- completed analytical work, compared to prior year and budget;
- agreed a sample of income recorded in the nominal ledger to source documentation to ensure any restrictions were correctly identified;
- agreed a sample of expenditure per the nominal ledger to supporting documentation, confirming any restriction applied met the purpose for which the income was given; and
- reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

**For and on behalf of Moore (South) LLP,
Statutory Auditor**

Moore (South) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX**

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES
AT 31 DECEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income					
Donations and legacies	3	294,803	61,915	356,718	392,364
Charitable activities	4	9,786	-	9,786	10,726
Other trading activities	5	11,421	-	11,421	6,483
Investments	6	50,700	-	50,700	28,963
Other	7	58,479	-	58,479	64,929
		425,189	61,915	487,104	503,465
Expenditure					
Raising funds	8	25,006	-	25,006	43,468
Charitable activities	9	407,231	119,783	527,014	502,891
Other costs	10	20,652	-	20,652	23,218
		452,889	119,783	572,672	569,577
Net income before investment gains		(27,700)	(57,868)	(85,568)	(66,112)
Gains on investments	15 / 17	36,775	12,788	49,563	480,003
Net income		9,075	(45,080)	(36,005)	413,891
Transfers between funds	22 / 23	(100)	100	-	-
Net movement in funds		8,975	(44,980)	(36,005)	413,891
Reconciliation of Funds:					
Total funds brought forward		303,567	3,485,953	3,789,520	3,375,629
Total funds carried forward		312,542	3,440,973	3,753,515	3,789,520

Notes 1 - 28 on pages 15 - 35 form an integral part of these accounts

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
BALANCE SHEET
AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Fixed Assets			
Tangible assets	14	2,386,346	2,421,775
Investments	15	1,210,000	1,210,000
		<u>3,596,346</u>	<u>3,631,775</u>
Current Assets			
Debtors	16	30,680	33,105
Investments	17	303,020	303,457
Cash at bank and in hand		385,368	396,727
		<u>719,068</u>	<u>733,289</u>
Current Liabilities			
Creditors: amounts due within one year	18	(34,399)	(40,544)
Net Current Assets		<u>684,669</u>	<u>692,745</u>
Total Assets less Current Liabilities		<u>4,281,015</u>	<u>4,324,520</u>
Creditors: amounts due after one year	19	(527,500)	(535,000)
Total Net Assets		<u>3,753,515</u>	<u>3,789,520</u>
The Funds of the Charity			
Restricted	22	3,440,973	3,485,953
Unrestricted	23	312,542	303,567
Total Funds		<u>3,753,515</u>	<u>3,789,520</u>

Approved by the Parochial Church Council on:

2022

and signed on its behalf by:

Reverend S Taylor
Incumbent

Mr M Lambert
Treasurer

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
CASH FLOW STATEMENT
AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash from operating activities	27	(100,163)	(16,207)
Cash flows from investing activities			
Interest & rents from investments	42,202	23,854	
Sale / (purchase) of investments	50,000	(25,000)	
Purchase of fixed assets	(3,398)	(4,514)	
Net cash used in investing activities		88,804	(5,660)
Cash flows from financing activities			
Repayments of borrowing	-	(5,000)	
Net cash used in financing activities		-	(5,000)
Change in cash and cash equivalents		(11,359)	(26,867)
Cash and cash equivalents at 1 Jan 2021		396,727	423,594
Cash and cash equivalents at 31 Dec 2021		385,368	396,727

**BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

1.1 Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition 2020, and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, with the exception of investment properties and current asset investments which are included at market value.

The financial statements are prepared in sterling which is the functional currency, and have been rounded to the nearest pound.

The charity is a public benefit entity as defined by FRS102 and is unincorporated.

1.2 Going Concern

The PCC has assessed whether the use of the going concern basis is appropriate and has considered possible events or circumstances including those as a result of the Covid pandemic that might cast significant doubt on the ability of the charity to continue as a going concern. Particularly on account of voluntary giving having continued largely unchanged despite the pandemic, the going concern basis is still considered appropriate.

1.3 Income

- Planned giving, sundry and other donations, and collections are recognised when received by the PCC.
- Income tax recoverable on donations eligible for Gift Aid is recognised when the donation is received and when eligibility (a valid Gift Aid declaration) is established.
- Legacies are accounted for at the earlier of:
 - the date on which the charity is aware that probate has been granted;
 - the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or
 - when a distribution is made from the estate.

Receipt of a legacy, in whole or part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

- Grant Income is recognised when the PCC is notified of its legal entitlement and the amount due.
- Other trading activities include parochial fees from weddings and funerals, and use of the centre. Along with income from fundraising, these are recognised in the period in which the event takes place.
- Investment income, including rental income, is accounted for in the period in which the charity is entitled to the receipt.
- Other income includes fees from Hambledon PCC and is accounted for in the period in which the charity is entitled to receipt.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

1.4 Resources Expended

All expenditure is accounted for on the accruals basis inclusive of VAT.

- Raising funds includes those costs related to the management and repair of the investment properties and direct costs associated with fundraising activities.
- Charitable expenditure includes the costs related to the production and sale of The Bridge and all other expenses including grants relating to relevant projects undertaken. The charity allocates specific costs to the various activities that they undertake and determine those that can be treated as restricted in the accounts.
- Grants are charged in the year that they are approved for payment. No grants are deferred.
- Other costs include all expenditure not related to raising funds or the charitable activities undertaken.

1.5 Corporation Tax

The charity is exempt from corporation tax according to schedule 3 of the Charities Act 2011.

1.6 Support Costs

Support costs are those functions that assist the work of the charity but do not directly relate to raising funds or charitable activities. These costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whilst others are apportioned on an appropriate basis.

1.7 Donated Services and Goods

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

In accordance with the Charities SORP, the services of volunteers are not reflected in the Statement of Financial Activities as their donated time is not quantifiable.

1.8 Fixed Assets

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is not reported within these financial statements in accordance with the Charities Act 2011. No cost or value is placed on movable church furnishings held by the stewards on trust for the PCC and which require a faculty for disposal since the PCC considers them to be inalienable property. All expenditure on consecrated buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities.

Freehold properties

Freehold properties held for use by the PCC with a value linked loan are stated at valuation by the trustees on a reasonable estimate of the current value. The trustees review the value on an annual basis to consider the residual value, which they deem to be at least equal to cost. Therefore, no depreciation is charged.

Other freehold properties held for use by the PCC are stated at cost. The non-land cost is depreciated over 10 years on a straight line basis.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

1.8 Fixed Assets (cont.)

Office equipment and fixtures and fittings

Individual items with a purchase price of £1,000 or less are written off on purchase.

Office equipment used by the PCC, and fixtures and fittings in its properties, are depreciated so as to spread the cost of each asset, less its estimated residual value, over its expected useful life of 4 years.

1.9 Investment Properties

All Investment properties are included in the accounts on an open market basis as estimated by the trustees.

Unrealised gains and losses are taken to the Statement of Financial Activities.

1.10 Debtors

Other debtors are recorded at settlement amount. Prepayments are valued at the amounts prepaid at the balance sheet date.

1.11 Current Asset Investments

Investments are recognised initially at cost, which is the transaction price less transaction costs. Subsequently, the investments are included at closing mid-market value at the balance sheet date. Any gain or loss is taken to the Statement of Financial Activities.

1.12 Cash at Bank and in Hand

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

1.13 Creditors

Trade and other creditors are recognised when the charity has a present obligation resulting from past events and can be measured or estimated reliably. Creditors are recognised at their settlement amounts.

1.14 Public Benefit Concessionary Loans

Interest free loans were generously provided by some church members to facilitate the Old Rectory project. These loans have not been discounted per FRS 102 section 13 and 14.

1.15 Financial Instruments

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

1.16 Pensions

The PCC operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities in the year they are payable. The assets of the scheme are held separately from those of the PCC in an independently administered fund. The pension charge represents the amounts payable to the scheme in respect of that year.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

1.17 Funds

Unrestricted Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and that are available for application on the general purposes of the PCC. They include Designated Funds earmarked by the PCC for a particular purpose. The PCC has three Designated Funds (2020 – three); the Operational Reserve Fund, The Bridge (magazine) Fund and the Nexus Fund. Note 23 describes the funds and their purposes.

Restricted Funds

Restricted funds are funds of the PCC that are subject to restrictions on their use imposed by the donor, that is, they are funds given for a specific purpose and the PCC cannot use them to meet its general purposes. Note 22 describes the funds and their purposes. The balance on the restricted funds for capital items at the year end is at least equal to the net book value in the accounts.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Determination of values of investment property

The trustees review the valuation of each of the investment properties at the end of each year based on their knowledge of the market and house sales in and around the year from internet research. If the trustees' valuation is inaccurate then the valuation of investment property in the financial statements will be misstated. The valuation basis of each property is described in Note 15.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

3. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Incoming resources from donors				
Planned giving Gift Aid	183,527	-	183,527	192,347
Tax recoverable - Planned	45,929	-	45,929	48,111
Planned giving non Gift Aid	41,001	-	41,001	40,357
Sundry donations	16,356	-	16,356	4,789
Tax recoverable - Sundry	3,139	-	3,139	1,068
Collections	453	-	453	563
Special Collections	-	4,880	4,880	2,603
Tax recoverable - Collections	19	878	897	625
Directed gifts	4,380	-	4,380	1,250
Word and Worship	-	11,390	11,390	9,165
Old Rectory	-	21,305	21,305	19,263
Reordering	-	8,708	8,708	9,711
Church Family Support Fund	-	7,039	7,039	19,458
Centre / Yew Tree Café	-	7,715	7,715	40,998
Livestream	-	-	-	2,058
	294,803	61,915	356,718	392,364
Legacy income	-	-	-	-
	294,803	61,915	356,718	392,364

Included in 2020 was £103,630 of restricted income

4. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Older Persons Work	272	-	272	148
Youth & Children activities	1,554	-	1,554	801
The Bridge magazine	6,602	-	6,602	7,773
Nexus	1,238	-	1,238	2,004
Other parish activities	120	-	120	-
	9,786	-	9,786	10,726

All income from charitable activities was unrestricted in 2020

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

5. Other Trading Activities

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2021 £	2020 £
PCC fees and services	11,421	-	11,421	6,238
Centre use	-	-	-	245
	11,421	-	11,421	6,483

All income from other trading activities was unrestricted in 2020

6. Income from Investments

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2021 £	2020 £
Bank interest:				
Short term deposit accounts	766	-	766	1,189
Rents:				
34 High Ridge	13,500	-	13,500	13,500
Church Cottage	16,000	-	16,000	14,274
School House	20,434	-	20,434	-
	50,700	-	50,700	28,963

All investment income in 2020 was unrestricted.

In 2020 the school caretaker vacated School House which was refurbished for letting from January 2021.

7. Other Ordinary Incoming Resources

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2021 £	2020 £
Other income	1,199	-	1,199	1,950
Hambleton	57,280	-	57,280	62,978
	58,479	-	58,479	64,928

All Other Ordinary Incoming Resources in 2020 was unrestricted

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

8. Raising Funds	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Investment property costs	25,006	-	25,006	43,468
	25,006	-	25,006	43,468

All costs for raising funds in 2020 were unrestricted.

2020 investment property costs include the following in respect of School House:

An ex gratia payment of £15,000 to Busbridge Junior School following which School House was returned to PCC and available for commercial letting.

9. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Grants				
Outward giving	15,873	-	15,873	11,430
Church Family Support Fund grants	-	4,870	4,870	7,850
Special collections	-	5,479	5,479	3,964
	15,873	10,349	26,222	23,244
Directed gifts	4,144	-	4,144	1,250
	20,017	10,349	30,366	24,494

Included in 2020 are grants from restricted funds of £11,814.

Details of grants made to institutions in the year are set out in Note 11.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Ministry				
Parish share	108,111	-	108,111	108,111
Churches Together	960	-	960	960
Clergy expenses	1,700	-	1,700	4,063
Rectory costs	3,359	-	3,359	1,060
Clergy fees	5,147	-	5,147	2,994
Hambledon clergy	39,507	-	39,507	39,060
Service costs	23,566	-	23,566	6,389
Word & Worship	-	28,750	28,750	36,216
Youth & children work	65,760	-	65,760	68,696
Older persons & befriending work	16,907	-	16,907	17,426
Pastoral	510	-	510	1,760
Evangelism	180	-	180	1,458
Other	1,484	-	1,484	2,548
	<u>267,191</u>	<u>28,750</u>	<u>295,941</u>	<u>290,741</u>

Included in 2020 are payments from restricted funds of £36,216

Training

Training	334	-	334	881
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Parish Activities

Youth & children activities	2,183	-	2,183	656
The Bridge magazine	7,222	-	7,222	8,415
Nexus	304	-	304	372
	<u>9,709</u>	<u>-</u>	<u>9,709</u>	<u>9,443</u>

All payments for training and parish activities in 2020 were from unrestricted funds

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Property Costs				
Re-ordering	-	2,797	2,797	16,547
Church running costs	9,195	-	9,195	8,908
Church maintenance	4,704	-	4,704	3,912
Upkeep of churchyard	3,492	-	3,492	2,987
Centre / Yew Tree Café	-	39,554	39,554	1,158
Centre running costs	897	-	897	1,124
Old Rectory project	-	-	-	8,064
Old Rectory running costs	8,076	-	8,076	-
Depreciation Old Rectory	-	38,333	38,333	38,206
Loan interest	6,924	-	6,924	6,842
Clergy property rental	1,458	-	1,458	6,850
Other property running costs	4,772	-	4,772	4,471
Livestream	-	-	-	2,058
	39,518	80,684	120,202	101,127

Included in 2020 are payments from restricted funds of £70,793

Support Costs

General administrative costs	22,294	-	22,294	28,929
Administration salaries	47,674	-	47,674	47,030
Depreciation / write backs	494	-	494	247
	70,462	-	70,462	76,206

All support costs relate to charitable activities (2020 - all relate to charitable activities)

Total Charitable Activities Expenditure	407,231	119,783	527,014	502,891
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BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

10. Other Costs

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2021 £	2020 £
Audit fees	10,000	-	10,000	10,000
Audit fees - prior year underaccrual	500	-	500	1,233
Accountancy & payroll	9,000	-	9,000	10,788
Bank charges	1,152	-	1,152	1,197
	20,652	-	20,652	23,218

All 'other costs' for 2020 were from unrestricted funds.
Other costs relate to the governance costs of the charity.

11. Grants in Year

	Total
	2021
	£
Grants to organisations in Year	
Busbridge Junior School	4,500
Tearfund	2,880
Trinity Trust	2,631
A Rocha UK	1,992
Phyllis Tuckwell	1,143
Elam Ministries	1,000
Five Talents UK	1,000
Guildford Besom	1,000
Nazareth Way	1,000
Open Door	1,000
Salvador Children's Trust	1,000
Warehouse Christian Trust	1,000
CPAS	960
Small grants	246
	21,352
CFSF grants to Individuals	4,870
	26,222

Included in the grant to Trinity Trust is £631 from the 2020 Christmas Appeal.
The grant to Phyllis Tuckwell was raised by Nexus.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

12. Staff Costs

	2021	2020
	£	£
Wages and Salaries	141,763	142,005
Employer National Insurance costs	5,756	5,718
Employer pension costs	3,887	3,905
	151,406	151,628

The costs above include payments for the youth minister, children's workers, older persons and befriending leader, word and worship minister and administrative staff.

The average number of full and part-time staff during the year was 9 (2020 - 9).

No employees received emoluments in excess of £60,000 (2020 - None).

13. PCC Members' Remuneration

The PCC members did not receive any remuneration in the year (2020 - None).

Clergy expenses of £4,341 (2020 - £6,686) were reimbursed in the year.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

14. Tangible Fixed Assets

	Freehold Properties	Office/Other	Fixtures &	
	Properties	equipment	Fittings	Total
	£	£	£	£
Cost or valuation				
At 1 January 2021	2,514,590	71,395	32,280	2,618,265
Additions	-	-	3,398	3,398
At 31 December 2021	2,514,590	71,395	35,678	2,621,663
Depreciation				
At 1 January 2021	94,544	69,666	32,280	196,490
Charge in year	38,333	494		38,827
At 31 December 2021	132,877	70,160	32,280	235,317
Net Book Values				
At 31 December 2020	2,420,046	1,729	-	2,421,776
At 31 December 2021	2,381,713	1,235	3,398	2,386,346

Freehold Properties

The property at 14 Phillips Close was purchased in 1991 for occupation by assistant clergy for £102,000 plus incidental costs with assistance of a value linked loan of £102,000 from the Church Commissioners. The value linked loan is repayable either when the house is sold or ceases to be occupied by a licensed person. The terms of the value linked loan are such that the amount due to the Church Commissioners represents a fixed percentage of 100% of the value of the property. Any adjustment to this liability, as a result of a change in the carrying value of the property, is offset against the gain or loss on revaluation in the Statement of Financial Activities. Interest is charged by the Church Commissioners at 3% per annum on the amount originally borrowed, the rate rising annually in line with increases in the retail price index and in 2021 was 6.79%. For 2021 the total interest paid on this value linked loan was £6,924. The value of the house is shown as £440,000 which is the estimated sale value as at 31 December 2021 and 2020 and is considered to be a fair estimate of its current "value in use".

The freehold properties are held within the Restricted Property Fund.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

15. Investment Properties

	2021	2020
Cost or valuation	£	£
At 1 January 2021	1,210,000	760,000
Transfers in	-	-
Revaluation in year	-	450,000
At 31 December 2021	1,210,000	1,210,000

The property at 34 High Ridge was valued at £360,000 in December 2021 by the Trustees based on current market conditions. The historic cost of this property is £83,950.

School House was revalued at £500,000 in December 2021 by the Trustees based on current market conditions. This followed the return of School House from Busbridge Junior School to PCC in 2020. The property was refurbished in preparation for commercial letting from January 2021. The historic cost of this property is £400.

Church Cottage was valued at £350,000 in December 2021 by the Trustees based on current market conditions. The historic cost of this property is £75,492.

The investment properties are held within the Restricted Property Fund.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

16. Debtors

	2021	2020
	£	£
Amounts receivable within one year		
Gift Aid recoverable	14,812	14,421
Prepayments & accrued income	1,178	1,125
Other debtors	14,691	17,560
	30,680	33,105

17. Current Asset Investments

	2021	2020
	£	£
Market value at 1 January 2021	303,457	248,453
Additions / (Disposals)	(50,000)	25,000
Gain in year	49,563	30,004
At 31 December 2021	303,020	303,457

The cost of investments is £191,028 (2020 - £226,000)

18. Creditors Falling Due Within One Year

	2021	2020
	£	£
Trade creditors	-	9,797
Accruals	21,655	25,398
Taxation and Social Security	1,795	2,431
Other creditors	3,449	2,917
Old Rectory Project loan	7,500	-
At 31 December 2021	34,399	40,544

The Old Rectory Project loan is held within the Old Rectory Restricted fund

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

19. Creditors Falling Due After More than One Year

	2021	2020
	£	£
Church Commissioners Equity Loan	440,000	440,000
Old Rectory Project loan	87,500	95,000
At 31 December 2021	527,500	535,000

The Church Commissioners loan is not due until 14 Phillips Close is sold and matches the asset value. Interest is payable at 3% per annum on the amount originally borrowed, this rate rising annually in line with increases in the retail price index and is currently 6.79%.

20. Old Rectory Project Loan

	2021	2020
	£	£
Due within one year	7,500	-
Due between two and five years	87,500	95,000
Due after five years	-	-
At 31 December 2021	95,000	95,000

The loans have been provided on an interest free basis.
£80,000 of the long-term loan is due for repayment in December 2024.
The Old Rectory Project loan is held within the Old Rectory Restricted fund.

21. Retirement Benefit Schemes**Defined Contribution Schemes**

The charge to the SOFA during the year in respect of defined contribution schemes was £9,070 (2020 - £9,112).

At the year end, contributions of £672 were outstanding (2020 - £773).

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

22. Restricted Funds

	1 January 2021	Incoming resources	Outgoing resources	Transfers In / (Out)	Unrealised gains	31 December 2021
	£	£	£	£	£	£
Property Fund	3,190,046	-	(38,333)	-	-	3,151,713
Church Family Support Fund	62,819	7,039	(4,870)	100	7,563	72,651
Prime Time Fund	2,105	-	-	-	-	2,105
Word and Worship	44,015	11,390	(28,750)	-	2,843	29,498
Youth and Children	25,249	-	-	-	-	25,249
Old Rectory Project	66,656	21,305	-	-	-	87,961
Re-ordering Project	41,583	8,708	(2,797)	-	-	47,494
Staniford Children Fund	13,640	-	-	-	2,382	16,022
Special Collections Fund	-	5,758	(5,479)	-	-	279
Centre / Yew Tree Café	39,840	7,715	(39,554)	-	-	8,001
Total Restricted Funds	3,485,953	61,915	(119,783)	100	12,788	3,440,973

Restricted funds for the year ended 31 December 2020

	1 January 2020	Incoming resources	Outgoing resources	Transfers In / (Out)	Unrealised gains	31 December 2020
	£	£	£	£	£	£
Property Fund	2,775,715	-	(38,206)	2,538	450,000	3,190,046
Church Family Support Fund	47,114	19,458	(7,850)	-	4,097	62,819
Prime Time Fund	2,105	-	-	-	-	2,105
Word and Worship	67,302	9,165	(36,216)	2,143	1,621	44,015
Youth and Children	27,473	-	314	(2,538)	-	25,249
Other restricted income	4,761	-	(4,761)	-	-	-
Old Rectory Project	55,771	19,263	(8,378)	-	-	66,656
Re-ordering Project	48,419	9,711	(16,547)	-	-	41,583
Staniford Children Fund	10,486	-	-	1,796	1,358	13,640
Special Collections Fund	985	2,979	(3,964)	-	-	0
Centre / Yew Tree Café	-	40,998	(1,158)	-	-	39,840
Livestream Project	-	2,058	(2,058)	-	-	-
Total Restricted Funds	3,040,131	103,629	(118,823)	3,939	457,076	3,485,953

Funds held for the Staniford children were allocated to the investment account and unrealised gains attributed to it

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

22. RESTRICTED FUNDS (continued)

1. The Property Fund - the PCC's properties are held by this fund. 34 High Ridge, Church Cottage and School House are currently let. The income from the properties, when let, is not restricted. The Old Rectory was purchased in 2018 and transferred into the Property Fund.
2. The Church Family Support Fund holds funds received to support those in need, as agreed by the Stewards.
3. The Special Collections Fund holds funds raised for specific purposes, and are paid out as grants to the nominated organisations (see Note 11)
4. The Prime Time Fund holds funds received for the activities of Prime Time, the older persons ministry.
5. The Staniford Children Fund holds funds received for the children of the late Lisa Staniford to provide financial support and assistance for their education and wellbeing.
6. The Word and Worship Ministry Fund holds donations specifically provided to fund the cost of a worship leader, along with contributions towards the word and worship ministry costs.
7. The Old Rectory Fund relates to monies raised for the purchase of the former church rectory, its conversion for use as an office / community centre, and related projects. The related projects are principally conversion of Church Cottage (the former office) to residential use as an Investment Property and refurbishment of the Church Centre. Purchase of the Old Rectory was completed in 2018 and the asset transferred to Tangible Fixed Assets.
8. The Re-Ordering Project holds funds given for the removal of pews from, installation of a wooden floor, and related upgrading work in the main church. Phase 1 of this project was completed in 2019, and further work was done in 2020, although somewhat delayed on account of Covid-19. The balance of the work is expected to be completed during 2022.
9. The Youth and Children Work Fund holds monies given specifically for projects to support work with young people.
10. The Centre Refurbishment Fund holds funds given specifically for the refurbishment of the Centre as a Café serving the congregation and local community. The Yew Tree Café is due to open in March 2022.
11. The Livestream Project Fund was used in 2020 to enhance service streaming capabilities.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

23. Unrestricted Funds

	1 January 2021 £	Incoming resources £	Outgoing resources £	Transfers In / (Out) £	Investment Gains £	31 December 2021 £
Designated Funds						
Operational Reserve	130,076	-	-	-	22,718	152,794
The Bridge magazine	1,783	6,602	(7,222)	-	-	1,164
Nexus	1,708	1,238	(1,677)	(100)	-	1,168
	133,567	7,840	(8,899)	(100)	22,718	155,126
General Unrestricted Fund	170,000	417,350	(443,991)	-	14,057	157,416
Total Unrestricted Funds	303,567	425,189	(452,889)	(100)	36,775	312,542

Unrestricted funds for the year ended 31 December 2020

	1 January 2020 £	Incoming resources £	Outgoing resources £	Transfers In / (Out) £	Unrealised gains £	31 December 2020 £
Designated Funds						
Operational Reserve	80,000	-	-	37,123	12,953	130,076
Quinquennial Sinking Fund	23,394	-	-	(23,394)	-	-
The Bridge magazine	2,426	7,773	(8,415)	-	-	1,783
Nexus	-	2,004	(1,802)	1,506	-	1,708
Working with elderly	203	-	(203)	-	-	-
Old Rectory Project	72,000	-	-	(72,000)	-	-
	178,023	9,777	(10,420)	(56,765)	12,953	133,567
General Unrestricted Fund	157,475	390,058	(440,334)	52,827	9,974	170,000
Total Unrestricted Funds	335,498	399,835	(450,754)	(3,939)	22,927	303,567

The Quinquennial and Rectory Project designated funds were reassigned to the Operational Reserve and General funds.

BUSBRIDGE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2021

23. UNRESTRICTED FUNDS (continued)

1. The Operational Reserve Fund holds funds to ensure that unrestricted expenditure can be met if there is a fall in income. This was increased in 2020 by funds reallocated from the Rectory Designated funds.
2. The Quinquennial Sinking Fund was returned to General Funds in 2020. The Trustees believe the enhanced Operational Reserve is sufficient to meet the cost of repairs identified from quinquennial reviews.
3. The Bridge Fund holds funds received for the publication of "The Bridge" magazine, published 6 times per year. Income and expenses for The Bridge are shown separately in notes 4 and 9 respectively.
4. The Nexus Fund was previously included in General Funds. However, it was separately designated in 2020.
5. The Old Rectory Fund designated monies were reallocated to the Operational Reserve and General Funds in 2020, as the remaining money held in the restricted fund is believed sufficient to cover remaining project requirements, mainly related to upgrading of the Church Centre.

24. Analysis of Net Assets between Funds

	Fixed assets	Net current assets	Liabilities over one year	Total 31 December 2021
	£	£	£	£
Restricted Funds				
Property Fund	3,591,713		(440,000)	3,151,713
Church Family Support Fund		72,651		72,651
Prime Time Fund		2,105		2,105
Word and Worship		29,498		29,498
Youth and Children Work		25,249		25,249
Old Rectory Project		175,461	(87,500)	87,961
Re-ordering Project		47,494		47,494
Staniford Children Fund		16,022		16,022
Special Collections Fund		279		279
Centre / Yew Tree Café Project	3,398	4,603		8,001
Total Restricted Funds	3,595,111	373,362	(527,500)	3,440,973
Unrestricted Funds	1,235	311,307		312,542
Total Funds	3,596,346	684,669	(527,500)	3,753,515

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24. Analysis of Net Assets between Funds - 2020

	Fixed assets £	Net current assets £	Liabilities over one year £	Total 31 December 2020 £
Restricted Funds				
Property Fund	3,630,046		(440,000)	3,190,046
Church Family Support Fund		62,819		62,819
Prime Time Fund		2,105		2,105
Word and Worship		44,015		44,015
Youth and Children Work		25,249		25,249
Other restricted income		-		-
Old Rectory Project		161,656	(95,000)	66,656
Re-ordering Project		41,583		41,583
Staniford Children Fund		13,640		13,640
Special Collections Fund		-		-
Centre Refurbishment Project		39,840		39,840
Livestream Project		-		-
Total Restricted Funds	3,630,046	390,906	(535,000)	3,485,953
Unrestricted Funds	1,729	301,838		303,567
Total Funds	3,631,775	692,745	(535,000)	3,789,520

25. Operating Leases

Lessee

The charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Due within one year	1,321	1,321
Due between two and five years	3,302	4,623
	<u>4,623</u>	<u>5,944</u>

Lessor

The charity was due minimum lease payments under non-cancellable leases of investment properties, which fall due as follows:

	2021 £	2020 £
Due within one year	11,950	10,413
	<u>11,950</u>	<u>10,413</u>

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26. Related Party Transactions

During the year 14 (2020 - 13) Trustees gave a total of £51,260 (2020 - £56,855) in donations to the church. Jacob Taylor, son of Simon Taylor (Rector), continued to provide online broadcasting to the charity in 2021 under a contract for services.

Judith Hawkey, wife of Michael Hawkey (trustee to May 2021), was employed by the charity as Children's Worker from February 2020 to August 2021.

Catherine Garner, wife of Christopher Garner (trustee from May 2021), has been employed by the charity as Administrator since 2019.

Amounts paid under these contracts during the relevant months of 2021 amounted to £20,656.

None of the key management personnel is remunerated by the charity: the Rector and Associate Minister are remunerated by the Guildford Diocesan Board of Finance.

27. Net Cash Provided by Operating Activities

Reconciliation of net income / expenditure to net cash flow from operating activities

	2021	2020
	£	£
Net income for the reporting period	(36,005)	413,891
Adjustments for:		
Depreciation charges	38,827	38,454
(Gains) on investments	(49,563)	(480,003)
Interest & rents from investments	(42,202)	(23,854)
Decrease / (increase) in debtors	2,425	38,966
(Decrease) / increase in creditors	(13,645)	(3,659)
Net cash provided by operating activities	<u>(100,163)</u>	<u>(16,207)</u>

28. Analysis of change in Net Cash

	As at 1 Jan 2021	Cashflow	As at 31 Dec2021
	£	£	£
Cash at bank and in hand	396,727	(11,359)	385,368
Loans falling due within one year	-	(7,500)	(7,500)
Loans falling due after one year *	(95,000)	7,500	(87,500)
	<u>301,727</u>	<u>(11,359)</u>	<u>290,368</u>

* Excludes Church Commissioners loan linked to potential asset sale at estimated value of £440,000

	As at 1 Jan 2020	Cashflow	As at 31 Dec2020
	£	£	£
Cash at bank and in hand	423,594	(26,867)	396,727
Loans falling due within one year	(5,000)	5,000	-
Loans falling due after one year *	(95,000)	-	(95,000)
	<u>323,594</u>	<u>(21,867)</u>	<u>301,727</u>

* Excludes Church Commissioners loan linked to potential asset sale at estimated value of £440,000