

**ROWLEDGE PAROCHIAL CHURCH COUNCIL**  
**FINANCIAL REVIEW**  
**2020**

**OVERVIEW**

1. The church funds were in credit throughout 2020 and at the end of the year.

Following several years of Income & Expenditure deficits that had reduced the General Fund to near zero at the end of 2019, the 2020 accounts showed a surplus of £27,737.

Total Income was £259,858, a rise of £8,043 (3%) relative to 2019, whilst Total Expenditure was £232,122, a £22,463 (9%) drop.

This result was very much better than expected at the start and during the early months of the year; and the Covid19 pandemic did not have the devastating effect that was feared initially. This was thanks to a total of approximately £50k of one-off income, or expense rebates.

The total of all Voluntary Giving (including Gift Aid and Legacies) rose by £8k to £137,311, though approximately £37k of this was one-off – including £21.5k in legacies, and £12k from an appeal in May. This increase was partially offset by reduced income from fundraising events and reduced fees for weddings, the result of Covid restrictions.

Surprisingly, Little Fishes Nursery income for 2020 was £3k higher than in 2019, despite its closure to all but children of keyworkers for part of the Spring Term and the Summer Term. Although much of the income for parent-funded children was lost during these partial closures, the Councils continued to pay for all government-funded care as if all children were attending, plus more for further keyworker children who joined while their own pre-school was closed. LF income also included £2,168 of government CJRS payments for nursery workers who were furloughed during the pandemic lockdown. This claim was in respect of the work not required for care of privately-funded children. A further £3,582 CJRS payment was received for furlough of the Parish Administrator.

The £22k drop in total expenditure relative to 2019 was mainly due to:

- A decision by the PCC in late 2019 to move to an essential-spend-only regime for the immediate future, because it was clear that the underlying finances were in serious deficit, with predictable regular costs significantly exceeding predictable income. As a result little was spent on Church Maintenance and Repairs in 2020, a £15k reduction, amongst other savings.
- A £7k rebate in the Parish Share Fee charged by Guildford Diocese. This was to help with expected reductions in service collections, wedding fees and other income ( - though much of this rebate just offset a planned 2020 increase in this Parish Share fee).

## RESERVES

2. The policy of the PCC is to hold sufficient unrestricted funds to ensure that costs for the following six months can be paid, to have a reserve for major church fabric repairs, a reserve for repairs to the vicarage and ideally a development fund to assist with seeding new growth in activities.  
All current funds are unrestricted. The level of net current assets/liabilities (£130,846) at the end of 2020 did exceed six months' expenditure (£116,061), though much of this net assets total is notionally allocated to the various named funds.

## MOVEMENT IN RESERVES

3. During 2020 total funds increased from £239,185 to £266,922. Of this amount, £136,076 is tied up in the book value of the house (25 Broad Ha'penny), which is used as accommodation for the Children's Minister. The house is depreciated at 2% per annum (£3,776).

## FUNDS

- 4.1 **The Church Fabric Sinking Fund.** This is in theory to enable any major work to be carried out when needed, in conjunction with associated fundraising. A Quinquennial Inspection report in early 2019 recommended that £8,000 should ideally be spent on works over 18 months and a further £35,000 over 5 years. In fact none of this work was carried out in 2019 or 2020 because of the significant deficit that was forecast for the full year finances early in the year, and the PCC were reluctant to spend on maintenance.  
At the end of 2020 the Fund stood unchanged at £30,000.
- 4.2 **The Little Fishes Fund.** This is to cover expenditure for the nursery school and is normally set to a value equivalent to six months' of LF expenditure.  
£78 was transferred from the Little Fishes Fund to the General Fund at the end of 2020 to reduce it to £38,952 (50% of 2020 costs).
- 4.3 **The Vicarage Redecoration Fund.** This is to cover costs for redecorating the vicarage as and when they arise. The balance remained unchanged at £3,000.
- 4.4 **The Russell Harvey Organ Fund.** This fund derives from a legacy left by the late organist. While the funds are not restricted, the PCC has so far only used it for costs that are related to the organ, though there was no such expenditure in 2020. The very small increase over the year came from interest earned on the cash on one of the deposit accounts. The balance is £24,840 at end-2020.

- 4.5 **The House Reserve.** This represents the accounting value of the house in Broad Ha'penny - £136,076 at end-2020.
- 4.6 **The General Fund.** This is the retained income fund for running the church operations on a day-to-day basis. The aim is to build this up as a buffer against future deficits on the Income and Expenditure account, to a level such that further funds could be allocated elsewhere. The 2020 surplus has caused this Fund to rise to £34,054.
- 4.7 **The Development Fund.** This has had a zero balance for some years, but it is intended to build it up again if and when the General Fund has a steady surplus.

## FUNDING SOURCES AND THE USE OF FUNDS

5. 41% of income came from voluntary giving (*incl Gift Aid but excl Donations and Legacies*) and a further 41% came from Little Fishes.  
33% of total expenditure was for the Parish Share Fee which is paid to the Diocese, and 34% was spent on Little Fishes costs; with the balance used to run the church and develop its outreach to the village, particularly in Children's activities.  
Surplus cash is held in the CCLA Church of England Deposit Fund to ensure that social, environmental and ethical considerations are taken into account when investing.

## THE COMING YEAR

6. In late 2019 the PCC cut out all but essential expenditure; this included postponing work recommended in the Quinquennial Inspection report and suspending Mission and Charity Giving, though Children's Work was preserved. This regime continued for 2020.  
The 2020 surplus was unexpected, achieved only by receipt of legacies, other one-off income, and Covid-related cost rebates.
- The underlying financial situation is that regular, predictable expenditure continues to exceed predictable income so the 2021 Budget shows a deficit: and that is while continuing with the essential-expenditure-only regime which delays recommended repairs to Church fabric.

Andrew Fewster  
PCC Treasurer

**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	TOTAL FUNDS			
		2019		2020	
		£	£	£	£
<b>INCOME</b>					
Voluntary income	2a	129,464		137,311	
Activities generating funds	2b	4,711		644	
Income from investments	2c	588		333	
Other incoming resources	2d	117,052		121,569	
<b>Total Income</b>			251,815		259,858
<b>EXPENDITURE</b>					
Church activities	3a	251,885		232,005	
Cost of generating voluntary income	3b	2,700		116	
<b>Total Expenditure</b>			254,585		232,122
<b>NET INCOME/(EXP.) before investment gains</b>			(2,769)		27,737
<b>NET GAINS ON INVESTMENTS</b>			-		-
<b>NET INCOME/(EXPENDITURE)</b>			(2,769)		27,737
<b>NET MOVEMENT IN TOTAL FUNDS</b>					
<b>Opening Balance</b>			241,954		239,185
<b>Movement</b>			(2,769)		27,737
<b>Closing Balance</b>			239,185		266,922

**All Funds are Unrestricted**

*All values are shown as as the underlying accurate ££.pp value rounded to the nearest £1.  
Totals may therefore appear not to add up exactly because of the rounding.*

**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**BALANCE SHEET AT 31 DECEMBER 2020**

	Notes	2019		2020	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible	5		139,852		136,076
<b>CURRENT ASSETS</b>					
Debtors and Prepayments	6	10,117		7,517	
Short term deposits		77,347		77,675	
Cash at bank and in hand		18,284		55,514	
		<u>105,748</u>		<u>140,706</u>	
<b>LIABILITIES</b>					
Creditors: amounts falling due in one year	7a	4,083		6,465	
Vicar's Discretionary Fund	7b	1,705		1,455	
Deferred Income	7c	626		1,941	
		<u>6,414</u>		<u>9,861</u>	
<b>NET CURRENT ASSETS/LIABILITIES</b>			<u>99,333</u>		<u>130,846</u>
<b>TOTAL ASSETS</b>					
<b>LESS CURRENT LIABILITIES</b>			239,185		266,922
Creditors: amounts falling due after one year			<u>-</u>		<u>-</u>
<b>TOTAL NET ASSETS</b>			<u>239,185</u>		<u>266,922</u>
<b>PARISH FUNDS</b>					
<b>Unrestricted</b>					
Church Fabric Sinking Fund		30,000		30,000	
Little Fishes		39,030		38,952	
Vicarage Redecoration Fund		3,000		3,000	
R Harvey Organ Fund		24,729		24,840	
House Reserve		139,852		136,076	
General Fund		<u>2,574</u>		<u>34,054</u>	
<b>TOTAL RESERVES</b>			<u>239,185</u>		<u>266,922</u>

*All Funds are Unrestricted*

**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES**

**Basis of financial statements**

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. They have been prepared under 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.

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011.

**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2019		2020	
		£	£	£	£
<b>2 INCOME</b>					
<b>2a Voluntary Giving</b>					
Voluntary Giving					
Voluntary Giving		97,150		87,101	
Gift-Aid Tax Recovered		<u>24,272</u>		<u>20,678</u>	
			121,422		107,779
Donations		3,042		8,027	
Legacies		<u>5,000</u>		<u>21,505</u>	
			8,042		29,532
			<u><b>129,464</b></u>		<u><b>137,311</b></u>
<b>2b ACTIVITIES FOR GENERATING FUNDS</b>					
Village Fayre		1,210		-	
R Waight Church History Talk		1,971		-	
Photojournal sales		810		150	
Cyclathon		365		-	
Easyfundraising		20		72	
Christmas Raffle		335		-	
Christmas Tree Festival (2019)		-		43	
Christmas Card sales		-		345	
Other Fundraising		<u>-</u>		<u>35</u>	
			<u><b>4,711</b></u>		<u><b>644</b></u>
<b>2c INCOME FROM INVESTMENTS</b>					
Interest			<u><b>588</b></u>		<u><b>333</b></u>
<b>2d OTHER INCOME SOURCES</b>					
Fees for Weddings and Funerals			7,390		3,476
Youth Activity fees			-		330
Little Fishes Income	<b>9</b>				
Fees & Deposits		100,882		101,892	
Merchandising		355		238	
Outings		378		131	
CJRS (Furlough) payments		-		2,168	
Other		<u>310</u>		<u>948</u>	
			101,924		105,376
Magazine Income					
Subscriptions		2,283		3,295	
Advertisements		<u>5,435</u>		<u>5,439</u>	
			7,718		8,734
Parish Room			20		-
CJRS (Furlough) payments, excl LF			-		3,582
Miscellaneous Income			<u>-</u>		<u>71</u>
			<u><b>117,052</b></u>		<u><b>121,569</b></u>
<b>TOTAL INCOME</b>			<u><b>251,815</b></u>		<u><b>259,858</b></u>

**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2019		2020	
		£	£	£	£
<b>3 EXPENDITURE</b>					
<b>3a CHURCH ACTIVITIES</b>					
<b>General Expenditure</b>					
Music		2,220		155	
Heat Light and Water		4,743		4,372	
Broadband and Telephone		1,031		1,354	
Insurance		1,502		1,680	
Printing and Stationery		4,094		5,721	
Churchyard and Drive		7,849		8,177	
Church Repairs and Maintenance		18,750		3,998	
Service costs		446		1,348	
Miscellaneous		543		-	
			41,179		26,807
<b>Parochial Expenses</b>					
Administration		7,277		8,839	
Vicar's Costs		1,658		427	
Mission, Ministry Costs		-		282	
Vicarage Costs		1,254		1,407	
			10,189		10,955
<b>Youth Costs</b>			28,209		28,175
<b>Little Fishes</b>	9		78,060		77,904
<b>House Costs</b>	(incl. £3776 depreciation each year)		5,496		8,759
<b>Magazine Production Costs</b>			6,441		2,309
<b>Guildford Diocesan Parish Share Fee</b>			80,811		77,096
<b>Missions and Charities</b>	8		1,500		-
			<b>251,885</b>		<b>232,005</b>
<b>3b FUND RAISING COSTS</b>					
Photojournal printing cost		2,338		-	
R Waight Church History Talk costs		342		-	
Christmas cards for sale		-		116	
Christmas Draw		20		-	
			<b>2,700</b>		<b>116</b>
<b>TOTAL COSTS</b>			<b>254,585</b>		<b>232,122</b>



**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>4</b>	<b>2019</b>	<b>2020</b>
<b>4a STAFF COSTS</b>	<b>£</b>	<b>£</b>
Wages and Salaries (inc social security)		
Church Staff	27,679	28,836
Little Fishes Staff	71,166	73,166
	<u>98,845</u>	<u>102,002</u>

During the year the PCC employed a Youth and Children's Minister, and an administrator.

It also employed staff to run the Little Fishes pre-school.

During 2020 the PCC received £5,750.45 from HMRC as Coronavirus Job Retention Scheme payments, for furloughed Church and LF staff.

These payments were processed in the accounts as income (see Notes 2d and 9) so staff costs above are the gross costs, **not** net of CJRS.

**4b PAYMENTS TO PCC MEMBERS**

There were no payments to PCC members during the year.

**5 FIXED ASSETS**

<b>Land and Buildings</b>	<b>2019</b>		<b>2020</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Actual Cost</b>				
Starting Balance	188,810		188,810	
Disposal	-		-	
Additions at Cost	-		-	
Closing Balance	<u>188,810</u>	188,810	<u>188,810</u>	188,810
<b>Depreciation</b>				
Starting Balance	45,182		48,958	
Withdrawn on Disposal	-		-	
Charge for the Year	<u>3,776</u>		<u>3,776</u>	
Closing Balance		48,958		52,734
<b>Closing Written Down Value</b>	<u><u>139,852</u></u>		<u><u>136,076</u></u>	

*The Land and Buildings comprises the freehold house at 25 Broad Ha'penny, Farnham GU10 4TF*

**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2019</b>		<b>2020</b>	
	£	£	£	£
<b>6 DEBTORS</b>				
<b>Prepayments and accrued income</b>				
Prepayments (Lee Abbey)	1,500		1,500	
Tax Recovery (Gift Aid)	8,617		5,505	
Other Debtors	-		512	
	<u>          </u>	<b>10,117</b>	<u>          </u>	<b>7,517</b>
<b>7 LIABILITIES</b>				
<b>7a Amounts falling due in one year</b>				
Creditors		4,083		6,465
<b>7b Vicar's Discretionary Fund</b>		<b>1,705</b>		1,455
<b>7c Deferred Income</b>				
Deferred Magazine Subscription	135		-	
Deferred Advertising Income	491		340	
Deferred Little Fishes Deposits	-		250	
Deferred Wedding Income	-		1,351	
	<u>          </u>	626	<u>          </u>	1,941
		<b>6,414</b>		<b>9,861</b>
<b>8 CHARITABLE GIVING</b>				
<b>Local and National</b>				
FCCT	1,500		-	
	-		-	
		1,500		-
<b>International</b>				
	<u>          </u>	-	<u>          </u>	-
		<b>1,500</b>		<b>-</b>

2020 Creditors in 7a includes £114.15 of PCC cheques that were uncashed at year end.

This approach, with 'Cash at bank' in the Balance Sheet showing bank statement balances, was used because the accounting system does not hold separate 'book' values.

**PAROCHIAL CHURCH COUNCIL OF ST JAMES' ROWLEDGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**9 LITTLE FISHES NURSERY SCHOOL**

<b>INCOME</b>	<b>2019</b>		<b>2020</b>	
	£	£	£	£
Fees	100,332		101,892	
Deposit	550		<i>included above</i>	
Outings	378		131	
Activities for generating funds	664		238	
CJRS (Furlough scheme) payments	-		2,168	
Other	-		948	
<b>Total Income</b>		<b>101,924</b>		<b>105,376</b>
<b>EXPENDITURE</b>				
Staff Costs & Expenses	71,165		73,166	
Rent	-		-	
Insurance	1,119		1,183	
Stationery & Materials	1,487		1,349	
Food	516		394	
Equipment	1,194		357	
Training	900		538	
Outings	464		204	
Merchandising Costs	376		219	
Miscellaneous	839		494	
<b>Total Expenditure</b>		<b>78,060</b>		<b>77,904</b>
<b>Net Income/Expenditure</b>		<b>23,865</b>		<b>27,472</b>

*These financial statements do not include any crosscharge to Little Fishes for rent and utilities costs.*

# Independent Examiner's Report to the members/trustees of St James' Church Rowledge Parochial Church Council

I report on the accounts for the year ended 31st December 2020 which are set out in the 'Financial Review' and 'Financial Statements' sections of this Annual Report.

## Respective responsibilities of the Trustees and Independent Examiner

As trustees of the charity, the members of the PCC are responsible for the preparation of the accounts. They consider 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;
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- To 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 trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

## Independent Examiner's Statement

Since the gross income for the year exceeds the amount provided in section 145(3) of the 2011 Act, I confirm that I am qualified to act as an Independent Examiner under the provisions of that section of the Act and that my qualification is as shown below.

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave 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.



**Peter Handscomb FCA**

23 March 2021