

The Parochial Church Council of the Ecclesiastical Parish of St. Peter & St. Paul, Aldeburgh

**Annual Financial Statements
of the
Parochial Church Council
for the year ended 31 December 2020**

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

Statement of Financial Activities
for the year ended 31 December 2020

		UNRESTRICTED FUNDS	RESTRICTED FUNDS	ENDOWMENT FUNDS	TOTAL FUNDS	
					2020	2019
Notes		£	£	£	£	£
Income and Endowments						
Grants, donations and legacies	2(a)	90,342			90,342	107,868
Fund raising activities	2(b)	261			261	9,060
Church activities	2(c)	29,216			29,216	48,995
Investment income	2(d)	709	5,579	606	6,894	6,828
Other	2(e)	3,668	-		3,668	5,888
Total Income		<u>124,196</u>	<u>5,579</u>	<u>606</u>	<u>130,381</u>	<u>178,639</u>
Expenditure						
Expenditure on church activities	3(a)	112,029			112,029	152,434
Support costs	8	90			90	-
Total expenditure		<u>112,119</u>	<u>-</u>	<u>-</u>	<u>112,119</u>	<u>152,434</u>
Net incoming/(outgoing) resources before transfers between funds		<u>12,077</u>	<u>5,579</u>	<u>606</u>	<u>18,263</u>	<u>26,205</u>
Transfers between funds		586	20	(606)	-	-
Net incoming/(outgoing) resources before gains/(losses) on investments		<u>12,663</u>	<u>5,599</u>	<u>-</u>	<u>18,263</u>	<u>26,205</u>
Unrealised gains/(losses) on investments	7	916	12,168	1,395	14,479	33,123
Net movement in funds		<u>13,579</u>	<u>17,767</u>	<u>1,395</u>	<u>32,741</u>	<u>59,328</u>
Total funds brought forward		212,175	252,002	20,197	484,374	452,036
Adj. re change of accounting basis	9					(26,990)
Total funds carried forward		<u><u>225,754</u></u>	<u><u>269,769</u></u>	<u><u>21,592</u></u>	<u><u>517,115</u></u>	<u><u>484,374</u></u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

Balance Sheet as at 31 December 2020

		UNRESTRICTED FUNDS	RESTRICTED FUNDS	ENDOWMENT FUNDS	TOTAL FUNDS	
Notes					2020	2019*
<i>The assets and liabilities of the charity</i>						
		£	£	£	£	£
Fixed assets						
Tangible fixed assets	4a	124,495			124,495	134,360
Investment assets	4b	14,234	189,102	21,592	224,928	210,450
Total fixed assets		138,729	189,102	21,592	349,423	344,810
Current assets						
Debtors		-				
Short term deposits		53,284	48,256		101,540	100,948
Cash at bank		33,741	32,411		66,152	38,617
Total current assets		87,025	80,667	-	167,692	139,565
Current liabilities						
Creditors due within one year					-	-
Net current assets		87,025	80,667	-	167,692	139,565
TOTAL ASSETS LESS LIABILITIES		225,754	269,769	21,592	517,115	484,374
<i>The funds of the charity</i>						
Unrestricted funds						
Unrestricted		197,168			197,168	184,325
Designated (Fairfield Centre)		28,586			28,586	27,849
Total unrestricted funds		225,754	-	-	225,754	212,175
Restricted funds		-	269,769	-	269,769	252,002
Endowment funds		-	-	21,592	21,592	20,197
TOTAL FUNDS		225,754	269,769	21,592	517,115	484,374

*The figures for 2019 have been restated to reflect a change in accounting for Gift Aid

These accounts were adopted at the Annual Parochial Church Meeting on 16th May 2021 and signed by the Chairman, the Revd. M Lowther:



THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

Notes to financial statements for year ended 31 December 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with the Statement of Recommended Practice applicable to charities preparing their accounts under the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. They have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The presentation currency is £ (pound) sterling.

The PCC meets the definition of a public benefit entity under FRS102.

Fixed assets

Church Hall & Fairfield Centre buildings

Commencing in 2000, depreciation is being provided on the buildings of the Church Hall and Fairfield Centre. The depreciation rates are: Church Hall 4% of valuation, Fairfield Centre 2%-5% of cost. The Car Park is being depreciated at 10% of cost. No revaluation of the buildings has taken place subsequently.

Investments

Investments are valued at their market value at 31st December in the applicable year.

Consecrated property and movable church furnishings

Consecrated and benefice property is excluded from the financial statements by s.10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated and listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in these accounts. Any items acquired since 1st January 2000 have been capitalised and depreciated in the accounts over their currently anticipated useful economic life, usually four years, on a straight-line basis.

Other fixtures, fitting and equipment

Individual items of equipment with a purchase price of £2000 or less are written off when the asset is acquired.

The Steinway Piano has been capitalised at its purchase price and was depreciated on a straight line basis, commencing from the first anniversary 2011. It is included in these accounts at the value the PCC believes to be its value in the current market of £20,000 so no further depreciation has been charged in the current year. The Projection system was depreciated on a straight line basis over 4 years and the Snooker Table on a straight line basis over 2 years and are thus included in these accounts at nil value.

All expenditure incurred in the year on consecrated or benefice buildings, any individual items under £2,000 or the cost of repairs to movable church furnishings acquired before 1 January 2001 is written off.

Other fixtures, fittings and equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items with a purchase price of £2,000 or less are written off when the asset is acquired.

Current assets

Amounts owing to the PCC at 31st December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with the Central Board of Finance or at the bank.

Current liabilities

Creditors are shown at their settlement amount.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

Notes to financial statements for year ended 31 December 2020

Funds

General funds are those which are not subject to any restrictions regarding their use and are available for the PCC's general purposes. Funds designated for a particular use by the PCC itself are also unrestricted.

Restricted funds are those which must be spent on restricted purposes and details of the funds & their restrictions are included in the notes to these accounts as are **Endowment funds**, where the capital must be retained.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members. They do not include certain minor funds each amounting to less than £350.

Income

Voluntary income and capital resources

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised when received. Tax recoverable on Gift Aid donations is recognised when the donation is recognised.

Grants and legacies are accounted for when the PCC is notified of its legal entitlement, its ultimate receipt is reasonably certain and the amount due is quantifiable.

Funds raised by fund raising events are accounted for gross. Sale of books and magazines from the church bookstall are accounted for gross.

Income from the hire of property

This is recognised when the hiring fee is received.

Income from Investments

Dividends and interest are accounted for when received.

Gains and losses on investments

Gains and losses are recognised when investments are sold. Unrealised gains and losses are accounted for on revaluation of the investments at 31st December.

Expenditure

Resources Expended

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. Amounts received specifically for missions are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

Value Added Tax is not generally recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities. However, for some capital assets included as part of the faculty, it is possible to reclaim the Value Added Tax charged.

Funds structure policy

General unrestricted funds are general funds which may be used for PCC ordinary purposes.

Designated funds are unrestricted funds set aside at the discretion of the PCC for specific purposes. 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. 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. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

Endowment funds are funds, the capital of which must be maintained only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above.

Any other proposed transfer between funds would be considered on the particular circumstances.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH
Notes to financial statements for year ended 31 December 2020

Accounting for Legacies

Legacies are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Debtors

Debtors are measured at the undiscounted amount due from the customer.

Creditors

Creditors and provisions for liabilities and charges are recognised at the undiscounted amount owed to the supplier.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

**Notes to financial statements
for year ended 31 December 2020**

Note	UNRESTRICTED FUNDS		RESTRICTED FUNDS	ENDOWMENT FUNDS	TOTAL	TOTAL
	General Fund	Designated (Fairfield)			2020	2019
2 INCOME from	£	£	£	£	£	£
2(a) Grants, donations and legacies						
Committed donations	34,108				34,108	40,532
Gift Aid received	3,786				3,786	37,394
Open plate collections	3,492				3,492	11,753
Other donations	9,346				9,346	15,190
Legacies	39,610				39,610	3,000
	<u>90,342</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,342</u>	<u>107,868</u>
2(b) Fund raising activities						
August Friday markets					-	6,654
Spring and Christmas Fayres					-	2,406
Other	261				261	-
	<u>261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>261</u>	<u>9,060</u>
					-	
2(c) Income from church activities						
Fees (weddings, funerals etc)	7,568				7,568	10,679
Fairfield Centre		3,879			3,879	12,556
Use of car park	12,620				12,620	16,241
Use of church hall	4,965				4,965	8,777
Youth Club	185				185	742
Other					-	
	<u>25,337</u>	<u>3,879</u>	<u>-</u>	<u>-</u>	<u>29,216</u>	<u>48,995</u>
2(d) Investment income						
Interest and dividends	413	296	5,579	606	6,894	6,828
2(e) Other income						
Other	3,668	-	-	-	3,668	5,888
TOTAL INCOME	<u>120,021</u>	<u>4,175</u>	<u>5,579</u>	<u>606</u>	<u>130,381</u>	<u>178,639</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

**Notes to financial statements
for year ended 31 December 2020**

Note

	TOTAL 2020	TOTAL 2019
3a EXPENDITURE on	£	£
Church activities		
Missionary and charitable giving	3,300	4,520
Outreach		
Ministry: Parish share	52,247	52,247
Clergy expenses	3,773	3,249
Church running costs (utilities)	8,622	9,755
-repairs & maintenance	4,371	4,566
Upkeep of services	3,595	7,552
Church administration	15,436	19,678
Children and Youth club	909	4,837
Bookstall	65	-
Upkeep of churchyard	500	1,380
Church Hall running costs (utilities)	1,914	1,922
-repairs & maintenance	2,193	4,240
Fees	868	2,046
Fairfield Centre	3,439	20,065
West porch refubishment	-	1,990
Sundry expenses less refunds	932	2,599
	<u>102,164</u>	<u>140,647</u>
Support costs		
Independent Examiner's fee	90	-
Depreciation (note 4a)	9,865	11,787
TOTAL EXPENDITURE	<u>112,119</u>	<u>152,434</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

Notes to financial statements for year ended 31 December 2020

FIXED ASSETS

Notes

4a Tangible fixed assets

	Church Hall and Land	Fairfield Centre	Plant and machinery	Total
Cost 01.01.2020	118,890	75,243	103,748	297,881
Additions				
Cost 31.12.2020	<u>118,890</u>	<u>75,243</u>	<u>103,748</u>	<u>297,881</u>
Depreciation 01.01.2020	46,066	33,707	83,748	163,521
Depreciation	<u>8,360</u>	<u>1,505</u>		<u>9,865</u>
Depreciation 31.12.2020	<u>54,426</u>	<u>35,212</u>	<u>83,748</u>	<u>173,386</u>
Net book value 31.12.19	<u>64,464</u>	<u>40,031</u>	<u>20,000</u>	<u>124,495</u>

4b Investment - shares

Unrestricted funds

Certain assets of the unrestricted funds are invested in the income shares of the Church of England Investment Fund see also note (7).
The market value as at the balance sheet date of these shares was £14,234.

Restricted funds

Certain assets of the restricted funds are invested in the income shares of the Church of England Investment Fund see also note (7).
The aggregate market value as at the balance sheet date of these shares was £189,102.
The income and capital may only be used for any expenses specified in the appropriate covenant.

Endowment fund

The Church House Trust fund is a permanent endowment invested in the income shares of the Church of England Investment Fund.
The market value as at the balance sheet date was £21,592.
Whilst the capital must be held as a permanent endowment the income can be used for any expense related to the Church Hall.

5 STAFF COSTS	2020	2019
Wages & salaries plus Social		
Security costs	12,992	18,046
Pension contributions	<u>174</u>	<u>261</u>
	<u>13,166</u>	<u>18,307</u>

6 PAYMENT TO TRUSTEES

Apart from reimbursement of expenses to Revd N Winter, Revd J Mabey and Revd J Marston, no remuneration was paid to the Trustees by the charity during the year (2019 £0).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST. PAUL, ALDEBURGH

Notes to financial statements for year ended 31 December 2020

Notes		£	£	£	£	£
7	RESTRICTED FUNDS	Opening balance	Transfer	Interest	Gain/(Loss)	Closing balance
	Art	439		6		445
	Charitable giving	6,019				6,019
	Church house trust (income)	2,715		75	172	2,962
	Fabric	6,344				6,344
	Fabrication	84,193		1,618	3,448	89,259
	Glass doors	448		6		454
	Church hall	250				250
	Hazell memorial	1,420				1,420
	Kagera	(20)	20			-
	Margaret Smith legacy	868		12		879
	Mildred Page legacy	105		1		106
	Pleasance Partridge legacy	132,224		3,721	8,548	144,493
	Projection system	507		7		514
	Roof fund	34		1		35
	Stacy	12,174		92		12,266
	Trinity chapel altar	2,911		40		2,951
	Vicars and Churchwardens Tst	108				108
	Youth club	1,263				1,263
		<u>252,002</u>		<u>5,579</u>	<u>12,168</u>	<u>269,769</u>
	ENDOWMENT FUND					
	Church House trust	20,197	(606)	606	1,395	21,592

8 INDEPENDENT EXAMINER

The accounts include the Independent Examiner's fees of £90

9 TRANSFERS

Qualifying expenditure from a restricted account is identified by recording it as a transfer to the PCC general unrestricted account and paying from that account.

There was a transfer of £606 being the income on the permanent endowment fund for expenses relating to the Church Hall.

10 OTHER

Gift Aid is recognised when received from HMRC

The financial statements do not incorporate the following charitable trusts administered by the Rector and Churchwardens:

Ecclesiastical Charity of the Reverend Thomas Emly

The Charity of John Edward Kemp

The insured value of the Church, Church Hall, Church Office and Fairfield Centre buildings and contents is £19,140,000

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PETER AND ST PAUL, ALDEBURGH

Independent Examiner's Report to the Trustees of the Charity

I report on the accounts of the church for the year ended 31st December 2020, which are annexed hereto.

Respective responsibilities of trustees and examiner.

The church's trustees are responsible for the preparation of the accounts. The church's trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 ("the Act") and that an independent examination is needed.

It is my responsibility:

- to examine accounts under Section 145 of the Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission pursuant to Section 145(5)(b) of the Act, and
- to state whether particular matters have come to my attention.

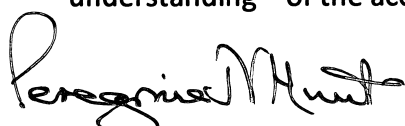
Basis of independent examiner's report.

My examination was carried out in accordance with the General Directions given by the Charity Commission. The examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented by 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

In connexion 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 within Section 130 of the Act: and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 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 .



Peregrine Hunt

Date: 29 April 2021

Toad Hall
Stratford St Andrew
Suffolk IP17 1LJ

ST PETER & ST PAUL'S CHURCH
THE REVD MARK LOWTHER - RECTOR
REPORT TO 2021'S APCM

Following on from last year's rather odd and unusual report, here's another one! We last met for an APCM in October last year - and that was the delayed APCM for 2019. So we're now back on track as far as timing is concerned but, once again, looking back on a very unusual year. It began quite normally. There was a Lent Course. We held a special service in February themed around 'Time and Timelessness' at which we welcomed The Revd Malcolm Doney to preach. And then - lockdown. The first Sunday to be affected was Palm Sunday and then ... no service in church at Easter. No Festival Service. No Carnival Songs of Praise. No Lifeboat Service. No ecumenical services at the Fairfield Centre - which remained closed for most of the year. I could go on. But, though the church buildings were closed for much of the time, 'the church' certainly wasn't. We worshipped together, albeit online. We were able to share worship with the other churches in our benefice. Thanks to Claire's hard work we distributed a weekly online pew-sheet and Orders of Service for Sunday. Though weddings and baptisms seized up, funerals didn't - I took 35 altogether.

The Sunday online services began when the church buildings were closed and so my dining-room curtains became a familiar sight to one and all. And, technically, I have to say that some of my early attempts were pretty ropey. Talk about 'learning on the hoof'. But gradually things improved a bit and eventually we could go back into church to record services and, briefly in the autumn, even have a congregation. We managed a truncated Remembrance Day service and even services at Christmas - before lockdown 2 struck.

But let me end this part of the report on a hopeful note. Tomorrow things begin to relax just a little bit more. We plan to leave the church open during the week once again. We plan to reinstate weekday communion services on 'red letter' days in the church calendar.

And we plan to hold a special service here for the whole benefice on Sunday June 27th to mark not just our Patronal Festival but also, belatedly, James's priesting last year and Jo's casting off of her 'L'-plates and becoming a fully-formed Assistant Priest. Archdeacon Jeanette will be here to preside and preach - and there will be a lunch afterwards. It promises to be a very special day.

Back at that delayed APCM in October Ken Smith was elected churchwarden. He has taken to the role like the proverbial duck to water, from welcoming worshippers on a Sunday morning to playing a very important part in the masterminding of the work in the churchyard (more about that in a moment) and even (a first) digging a hole for an ashes casket to be buried a few days ago. Ken really cares and goes about his caring in a thoughtful, gentle and practical way and I owe him a huge debt of thanks already.

Dick Jeffery remains our 'Warden Emeritus'. After six years as warden there isn't much about church life in Aldeburgh that Dick doesn't know something about. During the last year here hasn't been much for a 'Warden Emeritus' to do but I'm sure that in the months to come his wisdom and his experience will be a huge asset to everyone and I know that that is known - if you see what I mean. Dick - thank-you.

[The churchyard continues to improve. Spurred on, and helped a huge amount, by Nigel Howcutt, a small team consisting of Nigel, Ken, Derek Cook, Adrian Brown and Karen Thackray have planned the long-overdue clearing and improvement of the closed churchyard. Much of the work needs permissions, from council and diocese and these have been sought and, for the most part, already received. Much has already been done but there is much left to do. Watch this (or that) space.]

A very important part of this report is thank-yous and they are due to lots of people. I've already mentioned Ken but my thanks are due to all of the members of the PCC, many of whom have continued to carry out important jobs during the lockdown. To Valerie who, despite having regular fights with her computer still manages to keep the PCC running and today well prepared-for. She's now handing over to Jenny and so won't have to battle with that computer for very much longer - thank-you Valerie for all that you've done and continue to do.

To all of those who keep this place looking so beautiful. We're not quite fully recovered from the lockdown but very soon will be and there has already been lots of cleaning, polishing, shifting, sorting and the like going on. Thank you all who have contributed so positively. To Richard for captaining our tower with such care and efficiency. It's a lot more than just turning up and ringing bells and Richard has climbed this tower more times than you could ever imagine - to sort out flags, to get into the bell-chamber for a bit of routine maintenance. And having been up there on Thursday for Ascension Day I can tell you that it's not a climb to be taken lightly or wantonly I suspect that Richard is very fit! To Adrian and Derek, who have both offered invaluable help in so many different ways. They and Ken form a glorious triumvirate and even though titles may change their loyalty and sheer hard work continue. Gents - thank you. To those who help to set up for and clear up after services, deal with audio-visual 'situations', deal with collections, decorate the church so beautifully - it's so good that we're doing all of these things again and thank-you for doing them so loyally and well.

Thanks too to my clergy colleagues - we still manage to laugh quite a lot at our meetings as we'll as do serious things and that's a good sign, I think. And renewed thanks to Claire for keeping me looking much more organised than I really am, for all that she does quietly behind the scenes - and, yes, for the fun that we have too. We simply couldn't function without you.

And so to the future. I will be retiring at the end of August. The more I have thought and prayed about this the more I have realised that just as we speak of full-time ministry as a calling, there is eventually a call to stop too - and I believe I can hear it. I'm firmly convinced it's the right time, though I shall miss it a huge amount. But the parishes will be in excellent hands during the vacancy - James will be 'curate-in-charge' and will take on some more responsibilities from the beginning of September. I know that meetings have already begun to plan the appointment of my successor and the hope is that there will be a new Rector here before next summer.

There'll be time at a later date for me to say a proper goodbye - you're stuck with me for 3½ months yet! For now onward!

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. PETER & ST PAUL, ALDEBURGH

TREASURER'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

Financial Review

Total income for the year amounted to £130,381 (2019: £178,369) and expenditure £112,119 (2019: £152,434).

These sums are after allowing for depreciation of £9,865 (2019: £11,787) but are before an unrealised increase of £14,479 (2019: £33,123) in the value of investments over the year, most of the latter accruing to restricted funds.

Under government imposed lockdowns in the fight against COVID-19 the church was forced to close for much of 2020 including over Easter and even when open for services congregations were much reduced. Smaller congregations and the lack of visitors severely undermined income in the year; the reduction in income would have been even greater had it not been for legacies totalling £39,610 (2019: £3,000). Excluding legacies income almost halved. Expenditure was reduced wherever possible but the largest expense remains the Parish Share paid to the Diocese which, at £52,247 was the same as that paid in 2019.

Virtually no active fund raising was possible during the year resulting in a loss of nearly £9,000 of potential income. Income from both the car park and hire of the church hall was also substantially reduced.

The Parish Giving Scheme which was as launched at the start of 2018 as a more efficient alternative to envelope schemes and standing orders has continued to prove a stable source of income and one that eliminates the work associated with paying in cash and claiming Gift Aid. We receive, including Gift Aid, a little over £20,000 a year through this scheme.

£2,800 was received from the government's furlough scheme but, unfortunately, church halls were barred from claiming COVID-19 financial support available to many community halls. The two contactless terminals have come into their own in 2020 as they have allowed collections at services without the risks attaching to the use of cash. They also eliminate the time and cost of counting and banking any cash donations received.

Investment Policy

The PCC's policy is to place surplus working capital in interest-bearing deposit accounts and to hold longer term funds (including the permanent endowment fund) in the CBF Church of England Investment Fund managed by CCLA Investment Management Ltd. It is the PCC's policy that these investments should be reviewed periodically. CCLA Investment Management has warned that the income from funds held in its deposit account may become negative if interest rates remain under pressure. If this happens the funds held in this account will be withdrawn.

Reserves Policy

The PCC's policy is to maintain cash reserves equivalent to 6 months' expenditure in accordance with diocesan guidelines. The PCC is currently in compliance with this guidance.

Grants outward

The PCC supports a small number of charitable entities both at home and overseas including the Kagera Diocese in Tanzania. Additionally, special collections are held from time to time to support various other charities.

Summary

While the church's financial position remains sound with cash reserves covering in excess of 6 months expenditure there is a steady erosion of reserves which was fully offset in 2020 by income from legacies. Regular donations including Gift Aid recoverable together with income from the car park provide a relatively secure base of income but fund raising continues to be needed to assist in covering outgoings and reduce the dependence on uncertain legacy income.