



St James Church Centre
Kingfisher Drive
Woodley
Reading
RG5 3LH

Trustees' Annual Report

for year ended 31 December 2021

The Parochial Church Council of the Ecclesiastical Parish of Southlake St James

Charity Registration Number: 1128770

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

CHARITY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2021

Members of the Parochial Church Council	See PCC Annual Report appended to these accounts for member details
Charity Registration Number	1128770
Principal Address	St James' Church Centre Kingfisher Drive Woodley Reading RG5 3LH
Independent Examiner	Jacob Farley Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	Santander Bootle Merseyside L30 4GB Barclays Leicester LE87 2BB

Contents	Page
Charity Information	2
Annual Report of the Members of the Parochial Church Council	3-7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Accounts	11-20
Detailed Statement of Financial Activities with Comparatives	21

Church Administration & Records

The key functions of the PCC include:

- consulting with the minister on matters of general concern and importance to the parish
- co-operation with the minister in promoting in the parish the whole mission of the Church, including pastoral, evangelistic, social and ecumenical matters.

(Summarised from Synodical Government Measure 1969.)

These are the guiding principles under which the PCC operates.

The PCC also has a responsibility to:

- maintain the building,
- set an appropriate budget,
- present independently examined accounts to the church.

Membership

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

Members of the PCC are elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. During 2021 the following people served as members of the PCC:

Ex officio members

Rev. Laurence Smith Vicar and Chair
Dr David Fulford Licensed Lay Minister
Mr Pete Clarke Licensed Lay Minister

Church Wardens

Mrs Alison Mullens
Mr Pete Clarke

Elected lay members

Mr John Aked
Mrs Folake Olatunji - Treasurer
Mr Ian Johnson - Gift Aid Secretary
Mrs Nicola Tivey - Pre-School link
Mr Merrick Winsor (until June 2021)
Mrs Mary Holmes
Mr Chris Rimmer
Mr Frank Box (until June 2021)
Mr Bob Hansford (until June 2021)
Dr Janet Penny
Mrs Elaine Hawkes
Miss Catharine Turton - PCC Secretary
Mr Douglas Findlay (from June 2021)
Ms Yvonne le Croisette (from June 2021)

Elected Deanery Synod members

Mrs Jane Fulford Safeguarding Officer & CTW rep
Mr Douglas Findlay (from November 2021)

Standing Committee

This is the only committee required by law. It has the power to transact the business of the PCC between meetings, subject to directions given by the PCC. The members were: the two Church Wardens, the Treasurer, the Gift Aid Secretary, the PCC Secretary and Laurence our vicar as chairperson.

The Mission Support Group (MSG)

This group, chaired by Jane Fulford, is appointed by the PCC and is responsible for advising the PCC on the distribution of the mission giving from St James' to mission partners.

Summary of PCC business

January (conducted via Zoom)

- Update on youth work
- Planning for the APCM
- Risk Assessment review
- Adequacy of our insurance cover
- Annual staff pay review

February (conducted via email)

- Approval of replacement of pre-school and lounge doors

March (conducted via Zoom)

- Plans to resume in-person services
- Pre-school update
- Health and Safety update
- Youth work update

April (conducted via Zoom)

- Approval for purchase of live-streaming equipment
- Review and adoption of budget for 2021
- Approval of risk assessment allowing toddlers to resume

May (conducted via Zoom)

- Review and adoption of Trustees Annual Report 2020
- Review of church terrier and log book
- REInspired update

July (conducted via Zoom)

- Plans for services following the end of legal Covid restrictions
- Approval of changes to pattern of worship
- PCC officers appointed and roles assigned
- Deanery Synod update
- REInspired update
- Approval of final 2020 accounts

September (in person)

- Start of discussions around our future vision, using the Disciples Together report
- Approval for employment of church cleaner

October (conducted via Zoom)

- Continuation of Disciples Together report discussions
- Overview of accounts for Q1-3 2021

November (conducted via Zoom)

- Time of prayer for Disciples Together report/future vision
- Review of Mission Partners and approval of top-up payments
- Approval and adoption of Safeguarding policy and report
- Election of new Deanery Synod representative

All PCC meetings start and end with prayer.

Summary of Standing Committee business

Standing Committee met monthly to agree business to be raised at the next PCC meeting and progress any urgent business. Business was also conducted via email.

The Standing Committee:

- Approved items of expenditure that fall within the spending limit set by PCC.
- Assessed and prioritised our expenditure
- Progressed a number of building maintenance tasks
- Reviewed staff contracts and made recommendations to PCC on staff pay
- Made recommendations to PCC on key items of expenditure
- Discussed future options for REInspired Woodley
- Discussed impact of Covid-19 on services, activities and income
- Approved continued support for our mission partners
- Discussed future vision/mission plan

Church finance

During the year January – December 2021, the total income to the church was £219,009, of which £121,233 relate to unrestricted funds. St James Preschool earned £84,987 in funding and fees, whilst the balance of the restricted funds of £12,790 was primarily to fund employment of a part-time Children and Families Worker. With the exception of Preschool funds, the charity's funds were raised through voluntary donations, associated Gift Aid claims, and other activities such as hall lettings and running the CAFÉ (although these have been partly impacted by the closure of the church building for some months in the year). The Preschool funds were primarily from the Wokingham Borough Council for early

years and 2 year old funding, in addition to fees received directly for students attending lunch club.

Expenditure in 2021 amounted to £247,128. The largest single item of expenditure was the Parish Share followed by major works on the building amounting to £39,154. Preschool expenses amounted to £74,490, mostly covering employee costs.

Authorised grant payments amounted to £13,492 for the year. Generous financial support was given to a range of projects and external bodies like CMS, JAC, Congo Children Trust, the Fletcher family, Lamb Hospital, and Yeldall Manor to name our key mission partners.

The net result for the year was a net expense of £28,118.

The PCC reserve policy states that the charity should aim to hold unrestricted cash of no less than 6 months employment costs plus 3 months of other unrestricted costs, which at the end of 2021 equate to about £50,000; and with a ceiling of the higher of £20,000 or 20% of the lower limit. The amount of General funds carried forward at the end of the year, £106,714, is well above the parameters set out in the reserve policy. PCC believe that these funds will be needed in the medium-term to finance core projects such as employing another member of staff or additional facilities works currently being considered.

Church Maintenance

Our Church Wardens oversaw much of the maintenance work completed during 2021. This included:

- replacement of lounge and Preschool doors
- Refurbishment of the worship area, including the installation of live-streaming equipment
- Regular clearing of the guttering

The majority of issues identified in the 2019 Quinquennial Review have now been addressed, and those remaining will be dealt with in advance of the next review in 2024.

Risk Management

The operational, financial and reputational risks were reviewed in January 2021. Measures to manage the outstanding risks were identified and procedures put in place. The next review will take place in January 2022.

Safeguarding

The PCC promotes a safer church for all in the church community, and ensures that there is a plan in place to raise awareness of, promote training, and ensure that safeguarding is taken

seriously by all those in the church community. The church's safeguarding policy is reviewed on a regular basis, and updates are provided at each PCC meeting. The members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

Sermon Themes

The following sermon themes were preached on during the year:

- Daniel (February to March)
- Journey Through Acts part 3 (May to June)
- Lectionary (January, April, July and November)
- Psalms (August)
- Joshua (September to October)
- Joseph, John the Baptist and Mary (December)

Electoral roll

There were 128 people on the electoral roll at St James as at June 2021.

Average weekly attendance

January to May 2021

An average of 50 devices per week.

May 2021 onwards

10:30/10:00am – 55 adults
- 6 children under 16
- 15 devices

Average Messy Church attendance

January to June 2021

An average of 14 families collected "Messy Church in a Bag" resources and joined an online session held at 5pm.

July 2021

July's Messy Church was held outside, with 13 adults and 13 children under the age of 16 attending.

September to December 2021

Normal pattern of meeting on the 2nd Sunday at 4pm in the church building.

Average of 36 adults and 34 children under the age of 16.

Church Activities

In planning the activities, the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Focus on Mission

Mission Links

The Church continues to maintain links with mission partners and organisations both at home and overseas:

- LAMB hospital in Bangladesh
- Just around the Corner (JAC) in Woodley
- Ben & Katy Ray working at Neema Craft in Tanzania for Church Mission Society
- Jon and Elise Fletcher working in the slums of Bangkok, Thailand
- Jean Bosco working with street children in the Congo. Jean Bosco passed away in July 2021, and we transferred our giving to Kimbilio as a whole.
- Yeldall Manor, a local charity helping men with addictions.

Home Mission and Outreach

As restrictions lifted over the year, we were able to restart several of our community outreach initiatives. This included St James' Toddlers (from the end of April), St James Cafe and Rendezvous (both from mid-June). Toddlers added an additional weekly session on a Monday in the summer term due to demand.

Work with children and young people continued with our Children and Families Worker running Messy Church (both online and in person), Toddlers, and connecting with local schools through her role with REInspired Woodley. A Light Trail was held around the parish on 31 October. Youth groups were run by Laurie-Ann at Emmanuel Church – meeting online for the first term, and then in person after Easter (outside when possible).

St James Pre-school continues to serve local families and is a much valued and respected service. Learning through play following the 'Early Years Foundation Stage' curriculum is provided for children from the age of 2 years up to school age. Our service runs on four days a week in term time, offering 8 sessions each week, a lunch club and an early drop-off option. Pre-school was able to operate for the whole year, with no significant Covid disruption.

Baptism Preparation

Although no group baptism preparation sessions were held due to Covid, we were able to resume our normal baptism visits and preparation in families' homes.

Three episodes of "St James Radio" were released as a podcast during 2021.

Church family events - worship and social

Regular Sunday Services (until May 2021):

10:30am – pre-recorded services streamed online
8:00pm – Compline via Zoom

Regular Sunday Services (from May 2021):

10:30am – in person services which were also streamed online
8:15pm – Compline via Zoom

Regular Sunday Services (from September 2021):

10:00am
1st Sunday - Holy Communion
2nd Sunday - Morning Worship
3rd Sunday - Morning Worship (may include Baptism)
4th Sunday – Oasis Service (may include Baptism)
5th Sunday - Morning Worship

4pm on 2nd Sunday - Messy Church

8:15pm each Sunday – Compline via Zoom

Other

A service of Holy Communion was held at 10am every Wednesday with an average weekly attendance of 15.

Thank You

Thanks go to all those who have lead and preached at St James: members of St James clergy and staff and members of St James congregation.

Thanks also go to:

- the music group and singers for their part in leading our worship.
- those on the flower rota and the prayer ministry team
- those who run our children's groups
- those on the sound team and the laptop operators team
- those who have learned and now run our live stream
- our church wardens and deputy church wardens who do so much both on a Sunday morning and also behind the scenes throughout the week
- our sidepeople who support the church wardens to ensure our services run smoothly
- our verger
- those who count, verify and bank the offering each week

- those who serve the refreshments.

Regular opportunities for Prayer and Reflection

Prayer and Compline – a weekly gathering to pray for our community and the wider world, and say Compline together. Meetings are held on Zoom every Sunday at 8:15pm.

Morning Prayer was held each Monday during Advent in the church.

Homegroups continued to meet both online and in person during 2021.

Messy Church

An expression of Church for people of all ages, who are at any stage in their faith journey. It is held monthly on the 2nd Sunday 4pm - 6pm and includes creativity, celebration and hospitality. During the first part of 2021 (January to June) the Messy Church team produced "Messy Church in a Bag" – resources for families to collect from church before joining in live online at 5pm.

Advent and Christmas Services

We were able to hold all of our normal Christmas services in 2021. Most services, including one of the two Christingle services and Carols by Candlelight, were also live-streamed to enable people to join from home.

Easter Events

Once again, our Easter activities were limited due to the Covid restrictions in place at the time, with most of the Easter services being held online. We were able to be part of a pre-recorded Good Friday service with other churches in Woodley, and hold a prayer walk as our dawn act of worship on Easter Sunday. An Easter Egg hunt was also run around Woodley, in conjunction with the other churches.

Social Events

A "Strawberry Tea" afternoon was held in the vicarage garden in late June to celebrate being able to meet together again.

Rendezvous ended by celebrating its 40th Anniversary in July with a tea party in the vicarage garden.

Harvest was marked with a bring and share lunch after the service.

Eco Church

St James is continuing to work towards the Silver Eco-Church award.

During the Autumn of 2021, the church installed LED lighting and new loft insulation as part of the

refurbishment of the worship area, thus further reducing its carbon footprint.

A small bug hotel has been made by a member of the congregation and installed on the outside wall of the church to further encourage insects and pollinators in the flower meadows.

One of the flower meadows has been dug-up and the grass turned over, with a view to re-seeding it in Spring 2022.

Two litter picks were held in the church grounds and surround roads, with several more planned for 2022.

Special services

Baptisms

Two children were baptised as part of Morning Worship on a Sunday morning.

Thanksgivings for the birth of a child

None

Confirmations

None

Weddings

1

Renewal of Marriage Vows

None

Funerals

Funerals held in church: 3

Funerals held at a crematorium or cemetery: 7

Other activities in church

The church was also used by the following groups/activities from May 2021:

- Guides
- Brownies
- Rainbows
- Rangers
- The church was used for local elections in May 2021

Statement of Responsibilities of the Members of the Parochial Church Council

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC are required to:

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

The PCC is 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 and the Charity (Accounts and Reports) Regulations 2008. 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.

Rev Laurence Smith
Chair of PCC
May 2022

INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF
THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY
('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2021 on pages 9 to 21 following, which have been prepared on the basis of the accounting policies set out on pages 11 to 13.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Jacob Farley
ICAEW
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

2022

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	114,804	12,569	127,373	132,575
Charitable activities	4	1,987	-	1,987	1,519
Preschool income		-	84,987	84,987	84,884
Investments	5	1,602	-	1,602	2,595
Other income		2,840	221	3,061	1,534
Total income and endowments		121,233	97,776	219,009	223,108
EXPENDITURE ON:					
Charitable activities	6	109,034	63,604	172,638	133,618
Preschool costs		-	74,490	74,490	76,378
Total expenditure		109,034	138,094	247,128	209,995
Net income/(expenditure)		12,199	(40,318)	(28,118)	13,112
Transfers between funds	16	(11,981)	11,981	-	-
Net movement in funds		218	(28,336)	(28,118)	13,112
Reconciliation of funds:					
Total funds brought forward		111,011	139,507	250,518	237,406
Total funds carried forward	16	111,229	111,171	222,400	250,518

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on page 11-21 form part of these accounts.

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
FIXED ASSETS					
Tangible assets	9	3,201	-	3,201	5,260
		<u>3,201</u>	<u>-</u>	<u>3,201</u>	<u>5,260</u>
CURRENT ASSETS					
Debtors	10	1,567	103	1,670	1,435
Investments	11	85,000	-	85,000	85,000
Cash at bank and in hand	12	24,730	132,722	157,452	187,441
		<u>111,297</u>	<u>132,825</u>	<u>244,123</u>	<u>273,876</u>
CREDITORS: Amounts falling due within one year	13	(3,269)	(21,654)	(24,923)	(28,618)
Net current assets / (liabilities)		<u>108,028</u>	<u>111,171</u>	<u>219,199</u>	<u>245,258</u>
Total assets less current liabilities		<u>111,229</u>	<u>111,171</u>	<u>222,400</u>	<u>250,518</u>
Net assets / (liabilities) excluding pension asset / (liability)		<u>111,229</u>	<u>111,171</u>	<u>222,400</u>	<u>250,518</u>
TOTAL NET ASSETS		<u>111,229</u>	<u>111,171</u>	<u>222,400</u>	<u>250,518</u>
FUND BALANCES					
Unrestricted Funds	16				
General funds		106,714	-	106,714	106,784
Designated funds		4,515	-	4,515	4,228
		<u>111,229</u>	<u>-</u>	<u>111,229</u>	<u>111,011</u>
Restricted Funds		-	111,171	111,171	139,507
		<u>111,229</u>	<u>111,171</u>	<u>222,400</u>	<u>250,518</u>

The financial statements were approved by the members of the PCC on 1st May 2022 and were signed on its behalf by:

Laurence Smith, Vicar and Trustee

Charity number: 1128770

The notes on page 11-21 form part of these accounts.

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Statutory Information

The Parochial Church Council of the Parish of Southlake, St James, Woodley is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: 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)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements. [In making this assessment the trustees have considered how Covid-19 might affect projections].

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) The charity relies on volunteers to carry out many of its activities, particularly XX [activities]. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from running the St James CAFE.

Investment income represents income generated by the charity's assets and includes income from letting the charity's property and bank interest.

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

The church building and certain clergy accommodation are held in trust by the Diocese on behalf of the PCC. These properties are essential for the mission of the church and have been in use for many years but they have not been included in these financial statements as there is insufficient cost information and their depreciated cost is unlikely to be material.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £5,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	15% per annum

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The charity contributes to the Church Workers Pension Fund, which is a multi-employer defined benefits pension scheme as described in Section 28 of FRS 102. The charity is not able to identify its share of the Scheme's assets and liabilities and, therefore, as permitted by FRS 102, the Scheme is accounted for as if it were a defined contribution pension scheme. Contributions to the Scheme are charged to the Statement of Financial Activities as they become payable. Further information about the Scheme is disclosed in note 15 'Pension Commitments'.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Foreign currency translation

These financial statements are presented in sterling, which is the charity's functional currency.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the exchange rate prevailing on the date of the transaction.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations

	2021	2020
	£	£
Donations of cash and similar	100,367	106,127
Other grants receivable	6,350	6,272
Income tax recoverable	20,656	20,177
	<u>127,373</u>	<u>132,575</u>

4 Income from charitable activities

	2021	2020
	£	£
Community outreach programs	1,987	1,519
	<u>1,987</u>	<u>1,519</u>

5 Investment income

	2021	2020
	£	£
Property letting	747	1,011
Bank interest	856	1,584
	<u>1,602</u>	<u>2,595</u>

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable expenditure

	2021 £	2020 £
a Costs incurred directly on specific activities		
Ministry expenses:		
Parish share	58,960	64,293
Ministry staff employment costs	24,838	21,076
Clergy expenses	333	508
Other ministry expenses	1,477	1,975
Upkeep of services	2,902	3,530
Training costs	-	-
	<u>88,510</u>	<u>91,381</u>
Property expenses:		
Operational costs for church	8,350	5,449
Major repairs to church	39,052	2,210
Major repairs to churchyard	-	-
	<u>47,402</u>	<u>7,659</u>
Grants payable (note 6c)	13,492	13,349
	<u>149,404</u>	<u>112,388</u>
b Costs incurred on support & administration		
Governance costs		
Independent examiner's fee	1,680	1,200
Other	-	-
	<u>1,680</u>	<u>1,200</u>
Administrative staff employment costs	10,359	9,509
Printing, postage and stationery	3,467	3,524
Depreciation of tangible fixed assets	2,059	2,195
Insurance	1,824	1,972
Other resources expended	3,844	2,830
	<u>23,234</u>	<u>21,229</u>
Total expenditure	<u>172,638</u>	<u>133,618</u>

The fee payable to the independent examiner for examining the accounts was £1,440 (2020: £1,200)

c Grants payable

	Institutions £	Individuals £	2021 £
Grants for UK and overseas mission	11,692	1,800	13,492
	<u>11,692</u>	<u>1,800</u>	<u>13,492</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2020 £
Grants for UK and overseas mission	11,549	1,800	13,349
	<u>11,549</u>	<u>1,800</u>	<u>13,349</u>

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The charity's principal grants to institutions comprised:

	2021 £	2020 £
CMS	2,700	2,700
Just Around the Corner 'JAC'	1,800	1,800
Lamb Hospital	1,800	1,800
Yeldall Manor	1,800	1,800
Churches Together in Woodley	1,200	1,200
Grants to institutions for less than £1,000 each	2,392	2,249
	<u>11,692</u>	<u>11,549</u>

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

The average monthly number of employees during the year was 9 (2020: 8). Most of the charity's activities are carried out by volunteers.

Pre-school expenses include £65,317 (2020: £66,566) in respect of employment costs

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the members of the PCC and the key staff named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Other employment benefits	Employer pension contributions	2021 £
Members of the PCC				
Elaine Hawkes	17,668	-	343	<u>18,011</u>
				<u>18,011</u>

The following amounts were payable in the previous year:

	Wages & salaries	Other employment benefits	Employer pension contributions	2020 £
Members of the PCC				
Elaine Hawkes	17,250	-	331	<u>17,581</u>
				<u>17,581</u>

Elaine Hawkes served as Preschool Manager and received the above payments for serving in that capacity, not for serving as a member of the PCC; these payments are permitted by the charity's governing document.

Laurence Smith (who is a clergy member of the PCC) receives a stipend from the Diocese and so is not an employee; some of the Parish Share paid to the Diocese is used to help meet the cost of this stipend. Laurence Smith was provided with accommodation (which is customary for clergy) and there is no cost to the PCC for this accommodation as the property is benefited. The charity also reimbursed expenses to Laurence Smith; these costs are disclosed in note 6 'Charitable Expenditure' under the heading 'Clergy expenses'.

8 Acting as agent

On occasion the charity receives money on behalf of other charities, which it banks and then pays out to these charities. This income is received as agent for these other charities and the income, and the related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year end is recognised as a creditor.

During the year the charity acted as agent for Emmanuel Church and, in that capacity:

- a) received £0 (2020: £10,000) and paid £4,500 (2020: £5,500)
- b) at the year end the charity owed £0 (2020: £4,500) to Emmanuel Church

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Tangible fixed assets

	Fixtures, fittings and equipment £	Total 2021 £
Cost		
At 1 January 2021	15,082	15,082
Additions	-	-
Gains / (losses) on revaluation	-	-
Disposals	-	-
At 31 December 2021	<u>15,082</u>	<u>15,082</u>
Accumulated depreciation		
At 1 January 2021	9,822	9,822
Charge for the year	2,059	2,059
Eliminated on disposal	-	-
At 31 December 2021	<u>11,881</u>	<u>11,881</u>
Net book value		
At 31 December 2021	<u>3,201</u>	<u>3,201</u>
At 31 december 2020	<u>5,260</u>	<u>5,260</u>

10 Debtors

	2021 £	2020 £
Falling due within one year:		
Tax recoverable	1,670	1,435
Total debtors	<u>1,670</u>	<u>1,435</u>

11 Current asset investments

	2021 £	2020 £
Short term deposit	85,000	85,000
	<u>85,000</u>	<u>85,000</u>

12 Cash at Bank and in Hand

	2021 £	2020 £
Cash at bank with immediate access	157,121	187,205
Petty cash	331	237
	<u>157,452</u>	<u>187,441</u>

13 Creditors: liabilities falling due within one year

	2021 £	2020 £
Taxation and social security	3,285	3,087
Other creditors	20	4,520
Accruals	3,793	3,492
Deferred income	17,825	17,520
	<u>24,923</u>	<u>28,618</u>

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Deferred income

Deferred income comprises the following:

	2021	2020
	£	£
Preschool Early Years Funding:		
Balance at the beginning of the reporting period	17,520	14,743
Amount released to income	(17,520)	(14,743)
Amount deferred in year	17,825	17,520
Balance at the end of the reporting period	<u>17,825</u>	<u>17,520</u>

The income deferred at the period end will be released to income within one year (2020: within one year).

Preschool Early Years Funding is received from Wokingham Borough Council in advance of the commencement of the school term for an estimated number of students. This is reconciled termly. An advance payment of 81% of the budgeted total based on a headcount day is paid in advance of each school term. The remaining 19% is based on a final headcount and any adjustments made, and paid with the following term's advance.

15 Pension commitments

The Church Workers Pension Fund (CWPF)

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

CWPF has two sections:

1. The Defined Benefits Scheme
2. The Pension Builder Scheme, which has two subsections;
 - a. A deferred annuity section known as Pension Builder Classic, and,
 - b. A cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2021: £769, 2020 revised: £764).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

Summary of pension contributions payable for year:

The charity's pension contributions were as follows

	2021 £	2020 Revised £
Church Worker's Pension Fund (see above)		
contributions payable for year	<u>769</u>	<u>764</u>
	<u>769</u>	<u>764</u>

There were no pension liabilities at the end of the year (2020: £0)

16 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Gains and losses 2021 £	Closing balance 2021 £
<i>Designated Fund: St James CAFE</i>	4,228	1,987	(1,700)	-	-	4,515
<i>General Unrestricted Funds</i>	106,784	119,247	(107,334)	(11,981)	-	106,715
	<u>111,011</u>	<u>121,233</u>	<u>(109,034)</u>	<u>(11,981)</u>	<u>-</u>	<u>111,229</u>
<i>Restricted Funds</i>						
Youth Work	11,371	4,445	-	-	-	15,816
Children & Families Work	0	8,345	(24,450)	16,105	-	-
Preschool	52,832	84,987	(74,490)	(6,533)	-	56,795
Building Fund	47,119	-	(39,154)	(3,474)	-	4,491
Sinking Fund	28,185	-	-	5,884	-	34,069
	<u>139,507</u>	<u>97,776</u>	<u>(138,094)</u>	<u>11,981</u>	<u>-</u>	<u>111,171</u>
 Aggregate of funds	<u>250,518</u>	<u>219,009</u>	<u>(247,128)</u>	<u>-</u>	<u>-</u>	<u>222,400</u>

The transfers referred to above were made for the following reasons:

- a) Insufficient funds within Children & Families Work to fulfill obligations
- b) Contribution from Building fund to Sinking fund towards future asset purchase
- c) Contribution from Preschool funds towards usage of Church premises

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			
	General funds	Designated funds	Restricted funds	2021
	£	£	£	£
Tangible fixed assets	3,201	-	-	3,201
Debtors	1,567	-	103	1,670
Investments held as current assets	85,000	-	-	85,000
Cash at bank and in hand	19,971	4,759	132,722	157,452
Creditors falling due within one year	(3,025)	(244)	(21,654)	(24,923)
	<u>106,714</u>	<u>4,515</u>	<u>111,171</u>	<u>222,400</u>

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Gains and losses 2020 £	Closing balance 2020 £
<i>Designated Fund: St James CAFE</i>	4,899	1,519	(2,190)	-	-	4,228
<i>General Unrestricted Funds</i>	100,165	124,386	(107,162)	(10,605)	-	106,784
	<u>105,064</u>	<u>125,905</u>	<u>(109,352)</u>	<u>(10,605)</u>	<u>-</u>	<u>111,011</u>
<i>Restricted Funds</i>						
Youth Work	6,689	4,682	-	-	-	11,371
Children & Families Work	-	7,637	(22,056)	14,419	-	0
Preschool	50,117	84,884	(76,378)	(5,792)	-	52,832
Building Fund	52,803	-	(2,210)	(3,474)	-	47,119
Sinking Fund	22,733	-	-	5,452	-	28,185
	<u>132,343</u>	<u>97,203</u>	<u>(100,643)</u>	<u>10,605</u>	<u>-</u>	<u>139,507</u>
Aggregate of funds	<u>237,406</u>	<u>223,108</u>	<u>(209,995)</u>	<u>-</u>	<u>-</u>	<u>250,518</u>

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			
	General funds	Designated funds	Restricted funds	2020
	£	£	£	£
Tangible fixed assets	5,260	-	-	5,260
Debtors	1,339	-	96	1,435
Investments held as current assets	40,000	-	45,000	85,000
Cash at bank and in hand	67,205	4,228	116,008	187,441
Creditors falling due within one year	(7,021)	-	(21,597)	(28,618)
	<u>106,784</u>	<u>4,228</u>	<u>139,507</u>	<u>250,518</u>

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The St James CAFE fund is designated for cafe ministry in the community. The Youth Work fund is restricted to ensure the funds received for youth ministry are expended only on youth worker salary and other costs incurred specifically in that ministry. The same restriction applies to the Children and Families work. The Preschool fund is restricted to Preschool activities and cannot be spent on any other ministry activities. The Building Fund can only be spent on building works, including fixtures and equipment within the Church building. The Sinking Fund was created to set aside funds for the replacement of assets based on the expected useful life of the existing fixed assets (e.g. building and equipment).

17 Transactions with related parties

During the year the charity:

- a) received donations totalling £28,085 (2020: £35,446) from related parties (which includes members of the PCC, any other members of key management and anyone closely connected to them).
- b) No expenses (2020: £0) were paid to, or for, non-clergy members of the PCC.

During the year the charity also made the following payments to, or for, related parties:

- a) In addition to disclosure in note 7 'Analysis of staff costs', J & E Fletcher, who are closely related to Pete Clarke (a member of the PCC), received grants totalling £1,800 (2020: £1,800) for mission activities overseas; Lamb Hospital received grants totalling £1,800 (2020: £1,800) for mission activities overseas - Judith Hansford is a trustee and is related to Bob Hansford (a PCC member); and Yeldall Manor, who is employer of Merrick Winsor, (a member of the PCC), received grants totalling £1,800 (2020: £1,800) for UK mission activities.

At the balance sheet date no related party was owed (2020: £0) by the charity.

18 Events since the year end

Following the application by the St James Preschool to be a Charitable Incorporated Organisation (CIO), the transfer has been executed and all Preschool restricted funds transferred from this charity to the new CIO effective 1 April 2022. The financial impact can be estimated from the restricted Preschool funds within these accounts, which at the end of 2021 stood at £56,795.

THE PARISH OF SOUTHLAKE, St JAMES, WOODLEY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2021

		<u>Unrestricted funds</u>					<u>Unrestricted funds</u>			
		General	Designated	Restricted	Total		General	Designated	Restricted	Total
		2021	2021	2021	2021		2020	2020	2020	2020
Note		£	£	£	£		£	£	£	£
INCOME AND ENDOWMENTS FROM:										
Donations and legacies	3	114,804	-	12,569	127,373		120,257	-	12,319	132,575
Charitable activities	4	-	1,987	-	1,987		-	1,519	-	1,519
Preschool income		-	-	84,987	84,987		-	-	84,884	84,884
Investments	5	1,602	-	-	1,602		2,595	-	-	2,595
Other income		2,840	-	221	3,061		1,534	-	-	1,534
Total income and endowments		119,247	1,987	97,776	219,009		124,386	1,519	97,203	223,108
EXPENDITURE ON:										
Charitable activities:	6	107,334	1,700	63,604	172,638		107,162	2,190	24,266	133,618
Preschool costs		-	-	74,490	74,490		-	-	76,378	76,378
Total Expenditure		107,334	1,700	138,094	247,128		107,162	2,190	100,643	209,995
Net gains/(losses) on investments		-	-	-	-		-	-	-	-
Net income/(expenditure)		11,912	287	(40,318)	(28,118)		17,224	(671)	(3,441)	13,112
Transfers between funds	16	(11,981)	-	11,981	-		(10,605)	-	10,605	-
		(69)	287	(28,336)	(28,118)		6,619	(671)	7,164	13,112
Other recognised gains/(losses):										
Net movement in funds		(69)	287	(28,336)	(28,118)		6,619	(671)	7,164	13,112
Reconciliation of funds:										
Total funds brought forward		106,784	4,228	139,507	250,518		100,165	4,899	132,343	237,406
Total funds carried forward	16	106,715	4,515	111,171	222,400		106,784	4,228	139,507	250,518