



**2020 REPORT AND ACCOUNTS
FOR
THE PAROCHIAL CHURCH COUNCIL
OF
ST. JAMES THE GREAT
THORLEY**

REGISTERED CHARITY NO. 1130506

Thorley Parochial Church Council
Annual Report and Accounts for the year ended
31st December 2020

Registered Charity No:	1130506
Parochial Church Council ("PCC") Members (Trustees):	Gaz Tracey (Rector) (from July 2020) Ruth Atkinson (Curate until January 2020) Sue Carr (Churchwarden) Chris Carr (Reader) Katharine Roper (Reader) Kirsty Pettinger (PCC until 2022 and Treasurer) Paul Martin (PCC until 2021 and PCC Secretary) John Wiseman (PCC until 2020) Mary Bramley (PCC until 2021) Robbie Ward-Booth (PCC until 2021) Clive Weir (PCC until 2022) Alison Somers (PCC until 2022) Gill Blair-Park (PCC until 2023) Debbie Hoy (PCC until 2023) Philippa Roy-Chowdhury (PCC until 2023) Becky Miles (Deanery until 2020) Clive Hayball (Deanery until 2023) Sylvia Barrows (PCC until 2020) (Deanery until 2023)
PCC Secretary	Paul Martin
Principal Office:	Church Office The St Barnabas Centre Church Lane Thorley Bishop's Stortford CM23 4BE
Bankers:	Barclays Bank Plc. 10 North Street Bishop's Stortford CM23 2LH
Independent Examiners:	Helena Wilkinson Price Bailey LLP Causeway House 1 Dane Street Bishop's Stortford CM23 3BT
Insurers:	EIO (Ecclesiastical Insurance Office) Plc

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Aims and Purposes of the PCC

Thorley Parochial Church Council (PCC) works with the incumbent in promoting the ecclesiastical parish in association with the mission of the Church as laid down in the church's Mission Action Plan, which embraces pastoral, evangelistic, social and ecumenical initiatives. The PCC is responsible for the maintenance and use of the buildings with which we are blessed.

- The PCC's vision is that people come to know and follow Jesus and lives are changed by the transforming power of God's Spirit.
- The PCC's mission is to be Jesus to our community, the disadvantaged and the developing world.
- Our values are Praying, Caring, Giving and Serving (all currently under review)

Overview, Objectives and Activities

The PCC is committed to reaching as many people as possible through worship at St. James and via its outreach opportunities throughout the year.

2020 has been a year like no other in recent memory at St James. The global COVID-19 pandemic changed the face of "normal" life in the parish, meaning that difficult decisions had to be made in light of the national and diocesan restrictions imposed on the opening and use of church buildings not only for worship services, occasional offices and private prayer, but also for all other aspects of the life of the church including maintenance, office/administrative provision, social events and the letting of our buildings to local organisations. etc.

In January 2020, we said "farewell" to Revd. Ruth Atkinson (Curate), who had held the fort during the illness and following the subsequent resignation, of our former Rector (Revd. Chris Orme). Then in February 2020, after a third round of interviews, we were pleased to announce to the church family that the Revd. Gaz Tracey had accepted the post of Rector of St. James and he was inducted at the end of July 2020 as we welcomed him and his family to Bishop's Stortford. This has heralded the start of a new era in the parish and we are grateful for the injection of new enthusiasm and energy not only into the day-to-day life of St. James, but also into the teaching and prayer life of the church. Having lived through unsettling times since July 2017, we are looking forward to his stabilising influence as we move forward together.

For the first half of 2020, the workload was as outlined in last year's report, with the administrative and premises staff, plus the Churchwardens and an army of volunteers, stepping up to the plate and making sure that everyday matters related to the running of the church, were upheld. During the months from January to July, services continued initially in person, but then online from the end of March and were led by our lay ministers (Readers) plus clergy from across the deanery. The advent of "lockdown" from the latter part of March 2020, meant that the church buildings had to be closed and all services were then streamed online. Thanks to our excellent technical team, services have continued to be offered every week, with the re-appearance over the late summer and autumn, of a face-to-face 9am service (in addition to the 10.30am online service), before, once again, lockdown in November forced this to be abandoned for the time being, returning to online services only.

From July 2020, once the initial restrictions had been lifted a little, the church has been opened twice a week reducing to once per week from November) for private prayer with stewards in attendance to ensure that all protective measures remained in place and were adhered to by those using the building. This has continued and has been a source of solace for people in need of peace and spiritual comfort. All church meetings have been conducted using Zoom or GoToMeetings and attendance and participation has been healthy.

Throughout the year we have continued to engage with the community through a variety of online activities and as we approached the end of the year, determined to get across the message that Christmas had not been cancelled, numerous innovative events were planned by Revd. Tracey which were carried out to the delight of the church family, parish residents and those from further afield – while maintaining a minimum COVID-19 risk.

It has been a time of unity and spiritual growth, with people being added to our number and friends from overseas able to join us by the use of technology. Online social events have taken place such as a concert, quiz nights, games evenings etc. All have been well attended and we hope that these have helped to address the needs of the church

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family and those in the wider community to “meet”, albeit virtually, and re-connect with friends who we may not have seen for many months.

Small groups have continued to take responsibility for strategic planning and management. Our Mission Action Planning Group has continued to meet regularly and to maintain progress with our mission to ‘be Jesus to our community, the disadvantaged and the developing world.’. We are very grateful to all those who carry out voluntary duties, both within worship services and in the day-to-day maintenance of our Church and its building.

The fabric of the church and our other buildings has been well-maintained by our premises staff and volunteers. As mentioned in last year’s report, local woodpeckers had caused damage to the church tower and work has now begun to rectify this damage. We are grateful to the Friends of St. James for their support in raising the funds to undertake the work. Other minor works have been carried out including remedial work to the lightning protection system and we are awaiting the repair of 2 worn steps in the tower. Unfortunately, the current lockdown has inevitably delayed the completion of such work.

A structural survey of the church building carried out in the spring of 2020, revealed nothing untoward, only highlighted the need to make good some external wear and tear and cracks, but these cannot be done until after a period of dry weather to minimise the likelihood of further opening of the cracks. Thus, the work is scheduled to take place in the autumn of 2021.

Our monthly Café has now evolved into a weekly online coffee morning which continues to flourish and is well attended. Other activities have included weekly online home group meetings, a 3-day summer outdoor flower festival; a 2-day Christmas tree festival; online youth event; online Mothers Union meetings and prayer meetings, plus a new initiative – Fill the Gap – designed to meet the nutritional needs of impoverished children during the school holidays, when their school meals are not provided.

Buildings

The PCC has responsibility for five buildings:

The Church Centre Complex, Church Lane, Thorley

- St. James the Great Church which dates from the 13th century
- The Church Room, originally the old Thorley schoolroom, rebuilt in 1994
- The St Barnabas Centre (SBC), a restored 16th century tithe barn, opened in April 1996
- The Emmaus Centre, a former Dutch barn, rebuilt then opened in 2003

The Thorley Christian Centre (TCC), Vicerons Place, Thorley

- Originally a 'Local Ecumenical Project', it was taken over by the PCC in 2001 at the request of the other churches.

In addition, the PCC has joint responsibility with the Diocese of St Albans for a further 2 buildings:

- The Rectory, Vicerons Place, Thorley Park.
- The Curate’s house, 7 Elmbrook Drive, Thorley Park. Currently let.

Ensuring our work delivers our aims

We review our aims, objectives and outcomes each year. This review looks at the success of each key activity and the benefits they have brought to those groups of people we help and support. The review also enables us to ensure our aim, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the PCC considers how planned activities will contribute to aims and objectives they have set.

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Structure, governance and management

At the Annual Meeting of Parishioners (AMP), usually held in April/May but held in October this year as part of our response to the Covid-19 pandemic, all those living in the parish or who are on the Electoral Roll of St James the Great, are entitled to elect two Churchwardens who are elected annually and can hold office for six successive years, following which they must step down for a period of 2 years in accordance with the *Churchwardens Measure (2001, No. 1)* and agreed by resolution of the AMP in 2020.

The PCC of St James the Great is a registered charity and all members, including ex-officio and co-opted members are Trustees named on the Charity Commission register.

The structure and governance of the PCC is laid out in the *Church Representation Rules (2020)* and is made up of several categories of members as follows:

- The Rector (Chair)
- The curate (if in post)
- Up to three Readers (by resolution of the APCM in 2017)
- 2 elected Churchwardens
- 3 elected Deanery Synod representatives
- 9 elected lay representatives (by a resolution passed at the APCM in 2016)

Other members of the congregation may be co-opted as required, but not exceeding in number one fifth of the elected lay members, or two persons whichever shall be the greater.

The Annual Parochial Church Meeting (APCM) elects the lay and deanery representatives. Voting at the APCM is restricted to members on the Electoral Roll only. Elected lay representatives serve for a three-year term with one-third standing down each year and one third being elected or re-elected. Members must stand down after two consecutive 3-year terms and cannot be re-elected for at least one year. Deanery Synod representatives are elected every three years and remain in office for the whole term, but should any representative relinquish their position, a replacement will be elected at the next APCM for the remainder of the three-year term.

The Rector (as Chair) is responsible for the induction of new members explaining their responsibilities and duties, as well as the administrative procedures and philosophical and theological approach of the PCC. All new members receive copies of the previous year's annual report and accounts. The PCC Secretary advises members of their duties as charity Trustees. In the absence of the Rector, this responsibility falls to the Churchwardens.

At the first meeting of the PCC following the APCM, the lay Chair (acting in the absence of the Rector) and PCC representatives for the Standing Committee, are appointed. Two members are also appointed to the Friends of St James' Committee as required by the Friends' constitution.

The PCC Treasurer together with the Chair of the Finance Committee, produce the quarterly and annual accounts and budgets.

Each year the PCC reviews the risks that the Church faces. To date these have mainly related to the maintenance of St. James church, which English Heritage has classified as a Grade One listed building, the SBC, which is a Grade Two listed building, as well as the other buildings managed by the PCC. These risks have been ameliorated by a regular programme of inspection and maintenance as well as compliance with any recommendations made by the Diocesan Architect at his Quinquennial Inspections. There are also minor areas of risk relating to employing staff, which have been covered by appropriate procedures, policies and insurance. For all activities where it is required, Disclosure and Barring Service (DBS) checks have been carried out on each responsible person and others working with children, young people and vulnerable adults, in accordance with the recommendations of the House of Bishops and diocesan policy. The PCC is also aware of the risks associated with making charitable grants and generally controls this by detailed local knowledge of possible beneficiaries. Payments to other charities represent a relatively small part of the PCC's annual expenditure.

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The PCC operates in association with a number of sub-committees that report to the PCC. These include:

- **The Standing Committee** is the only committee required by law and has the power to transact the business of the PCC between its meetings, subject to any directions and limits given by the PCC.
- **The Finance Committee** presents proposals, reports, procedures, accounts and budgets for PCC approval.
- **The Premises Group** attends to all matters relating to land and buildings including the church, the churchyard, the church room, the SBC, the Emmaus Centre, car parks, the TCC, and the parish house.
- **The Worship Planning Group** meet at least four times a year to plan our corporate worship.
- **The Mission Action Planning Group** steers our mission in local, national and international areas

Achievements and performance

Worship & Prayer

Total Sunday services since lockdown in March 2020	52
Weddings and blessings	0
Funerals and interments	13
On a usual Sunday attendance - adults	143
On a usual Sunday attendance - children	19
Electoral roll	151

Further regular worship has taken place in our homegroups (including through lockdown), whereas Little Worship and a Fresh Expression of church continued until lockdown prevented face-to-face meeting. These have now been suspended until government and diocesan COVID-19 restrictions are lifted.

Since lockdown other groups including the music fellowship, Mothers Union, Home Group leaders' meetings have continued to take place via online platforms. With the temporary suspension of face-to-face church services in lockdown, our monthly Sunday evening service is currently not being offered.

Regular Home Group leaders' meetings have taken place, convened and led by the two Home Group co-ordinators. Many church members are now either full members or allocated as associate members to a homegroup. They are invited to social events and the homegroups keep in touch with them. This maintains contact, aids communication and pastoral care in the church.

Children and Youth ministry

The early stages of 2020 proved a challenging time for our youth and children's work. It took a number of months for leaders, families and children/young people to come to terms with virtual forms of meeting.

Since August, upon the arrival of our new Rector, we included more provision for children and families in our weekly virtual services. We also relaunched both our youth ministry and children's ministry at the end of August – before continuing with in-person meetings (according to strict COVID-19 measure) in September.

Our Sunday morning children's ministry, PowerHouse, has gained encouraging momentum and has managed to innovate and adapt to forge a course through the lockdowns and restrictions at the end of 2020.

Our youthwork received fresh drive with renewed leadership in the latter half of 2020. Like many, it was difficult to maintain with the changeable restrictions on meeting in person that we faced, but we are hopeful of further development in 2021.

Our youth and children, and their leaders, planned and delivered our virtual Crib Service on Christmas Eve that was seen online over 700 times.

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Parish Breakfast

The Parish Breakfast, popular with church family members from both congregations and co-ordinated by the Mothers' Union, has had to be suspended during the lockdown, but it is anticipated that when we are able to reconvene in person once the current pandemic has been brought under control, these "get togethers" on a Sunday morning, will be resumed.

A Warm Welcome for All

When the church and St. Barnabas Centre are open for public worship, the Welcoming team has a pastoral responsibility on a Sunday morning to offer a warm welcome to all who come through our doors and offers a listening ear, especially to newcomers.

Pastoral Care and Prayer Ministry

The members of Pastoral Care team continue to liaise with each other in order to identify the needs of specific parishioners, however home visiting cannot currently be undertaken due to COVID-19 restrictions. The Prayer Ministry team remained available for personal prayer after every 10:30 am service until the closure of churches was introduced in lockdown. However, this is still available via a confidential online facility for anyone seeking prayer support during the online Sunday morning service.

Use and Development of Buildings

In the early part of 2020, the church building was open seven days a week to the general public as a quiet place for prayer and reflection. The Thorley Christian Centre (TCC), the St. Barnabas Centre (SBC) and the Emmaus Centre (EC) continued to be used by a wide variety of people, from Pre-School and Rainbows groups to a senior citizens club and the Isabel Hospice, as well as by the parish family, Associated Board music exams and charities, until lockdown when all church buildings were closed.

However, over the summer of 2020, we were able to start welcoming regular lessees back to our buildings but in November we were required to close them again due to the 2nd and subsequent 3rd lockdowns. The TCC currently remains open to the Pre-school.

The Friends of St James continue to raise funds for work needed in the Church and curtilage area. The PCC is very grateful to the 'Friends' and all those who support it.

The St. Barnabas Centre has been well used by community groups such as Isabel Hospice, U3A etc. It is also hired privately for funeral receptions and small celebrations. We anticipate being able to resume offering this and all our buildings for hire again in the future

Mission and Evangelism

Several members of the St James church family remain actively involved as Street Pastors and in Stortford Healing on the Streets. Understandably, these outreach activities are currently suspended, but it is hoped that they will resume when restrictions are lifted. We also have our long-standing commitment as teachers or helpers for Holiday Bible Week, but the same applies to this town-wide event. The tradition of serving of refreshments from the Church Room on Sunday afternoons did not take place last summer however an outdoor Festival of Flowers & Music was organised by the PCC to raise funds and was highly successful.

Fairtrade is one of our core principles and the shop in the St Barnabas Centre continued to do well until the advent of lockdown, when sales had to be suspended. The shop is in effect a branch operation of the Mildmay Mission that provides quality HIV/AIDS care, treatment, training and education in Uganda and all profits go to support the Mission. We managed to open the shop in the run up to Advent and Christmas this year. We anticipate that the shop will re-open once restrictions are lifted.

Shared Ministry and Ecumenical Relationships

The PCC is committed to the very strong Churches Together in Bishop's Stortford and has three representatives on the forum.

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Where possible, our clergy attend the monthly ecumenical Bishop's Stortford Ministers' Fellowship meeting, monthly Bishop's Stortford Church of England Clergy lunchtime meeting and the monthly ecumenical ministers' prayer breakfast (although these meetings have not taken place since March 2020). The Rector also attends Deanery Chapter meetings and Deanery Synod meetings, albeit currently being convened online.

Three members of the PCC also sit on the Deanery Synod, providing the PCC with an important link between the parish and the wider structures of the church both locally and nationally.

We also maintain our association with All Nations Christian College where in the past we have had a number of students worshipping with us. It is hoped that we shall be able to welcome their students again in the future, but this has been deferred for the time being and will be considered by the Rector at the appropriate time.

Our Vision for 2021 and beyond

Our Mission Action Plan (MAP), approved at the end of 2017 is currently under review. Following the arrival of Revd. Tracey, the members of the Mission Action Plan group together with the Rector, have met regularly online and have been re-visiting the MAP to ensure that it reflects the thoughts and plans that Revd. Tracey has brought to Thorley. Our Mission is to be Jesus to our community, the disadvantaged and the developing world.

Financial review

God has been especially gracious this year. We finished the year with a surplus on unrestricted funds of over £4,000. Thank you, Lord! This is an amazing outcome, but is largely due to two one-off lump sums, without which we would have made a deficit on the year of just over £11,000.

Our planned giving and sundry donations held up well, thanks to the generosity of the church family, the tenacity of the office team and the hard work of those who organised our Flower Festival. Donations for use of our church premises were down by 60% causing a significant shortfall in our regular income. However, the running expenses for our buildings were also significantly reduced, through limited usage and careful management, whilst repairs to our church building were kindly funded by the Friends of St James. A generous legacy of £5,000, together with a large VAT rebate from the barn roof repairs of around £10,500 enabled a surplus on unrestricted funds for the year of over £4,000.

Our annual Parish Share of £87,865 has been paid in full and our cash giving to outreach and good causes has been maintained, although sadly local charities have been unable to take advantage of reduced rental for our church buildings, for much of the year.

We end 2020 in a strong position, but are mindful that 2021 will be equally challenging. As always, we depend on the faithful support of the church family and the abundant provision of God.

Reserves

The task of the PCC is to carefully manage the funds that are available to it. Historically, our reserves target has been to hold at least 2 months of annual expenditure in reserve in order to maintain the efficient running of the church and maintain our active mission and ministry, should income be delayed. However, given the uncertainties caused by the global pandemic at the current time, we have chosen to revise that target. We have adopted a new reserves policy with a target of holding three months of costs, based on an average of the unrestricted expenditure for the last three years, which this year amounts to £206,227.

At the end of the year, after transfers between funds, our unrestricted, undesignated funds amount to £76,260 (2019: £77,878). This means that our reserves represent just over 4.4 months' worth of annual expenditure. In addition, we hold £9,980 (2019: £12,162) of restricted funds and £25,000 (2019: £25,000) of funds designated for the repair and maintenance of our buildings.

Our budget for 2021 shows a deficit of about £12,000. If the results for 2021 are in line with the budget, our reserves after transfers between funds would fall to just over £61,000, which would represent about 3.5 months of annual expenditure.

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Covid-19

The Covid-19 outbreak in the early part of 2020 reached pandemic level in March and has significantly affected our income for the year. However, through careful management our costs have also been significantly reduced. With the continued closure of our buildings for public worship during the first months of 2021, and the fact that many community organisations are not able to utilise our premises during the pandemic, we are conscious that income for 2021 will also be affected. Nevertheless, with continued careful management, in financial terms, we are hopeful for the future. However, the work of the Church continues with worship and teaching on-line with over 100 people using this facility each week, and many more watching on other social media channels after the day. There is also a weekly newsletter and a closed Facebook page to keep people informed and encouraged. We are aware that advice and directions from both the Government and the Diocese are changing rapidly and on a regular basis. We will continue to keep all our members informed.

Final comment

With prayer and God's guidance, the PCC and the congregation look forward to the challenges we will face during 2021.

On behalf of the Parochial Church Council

G P Tracey (Chair)

Kirsty Pettinger (Lay member)

Date:

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Statement of financial activities

		Unrestricted Funds £	Restricted Funds £	Total Funds	
	Note			2020 £	2019 £
Income and endowments from:					
Donations and grants	2(a)	140,889	14,673	155,562	157,718
Other voluntary income	2(b)	29,013	-	29,013	68,067
Income from charitable and ancillary trading:	2(c)	4,006	-	4,006	6,082
Income from investments	2(d)	497	-	497	863
Total income and endowments		174,405	14,673	189,078	232,730
Expenditure on:					
Grants	3(a)	1,821	3,397	5,218	6,656
Charitable activities	3(b)	177,227	2,901	180,128	256,808
Fund-raising and publicity	3(c)	1,532	-	1,532	3,522
Total expenditure		180,580	6,298	186,878	266,986
Net expenditure/income for the year, being net movement in funds		(6,175)	8,375	2,200	(34,256)
Transfer between funds		10,557	(10,557)	-	-
Total funds brought forward at 1 January 2020		2,661,595	12,162	2,673,757	2,708,013
Total funds carried forward at 31 December 2020		2,665,977	9,980	2,675,957	2,673,757

All income and expenditure have arisen from continuing activities.

The notes to the accounts are shown on pages 11 to 20 and form part of these financial statements.

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Balance Sheet	Note	2020	2019
		£	£
Fixed Assets			
Tangible fixed assets	5	2,578,038	2,577,048
		2,578,038	2,577,048
Current Assets			
Debtors	6	9,522	9,262
Cash at bank and in hand		108,031	108,786
		117,553	118,048
Liabilities: Amounts Falling Due Within One Year	7	10,384	9,089
Net Current Assets		107,169	108,959
Total Assets Less Current Liabilities		2,685,207	2,686,007
Liabilities: Amounts Falling Due After More Than One Year	8	9,250	12,250
Net Assets		2,675,957	2,673,757
Funds	9		
Unrestricted			
Undesignated		76,260	77,878
Designated		2,484,776	2,478,776
Revaluation reserve		104,941	104,941
Total Unrestricted		2,665,977	2,661,595
Restricted		9,980	12,162
Total Funds		2,675,957	2,673,757

The financial statements were approved by the Parochial Church Council on

and signed on its behalf by:

G P Tracey

(Chair)

Kirsty Pettinger

(Lay member)

The notes on pages 11 to 20 form part of these accounts.

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1 Accounting policies

Thorley PCC is a Parochial Church Council in England. The address of the registered office is given in the charity information on page 1 of these financial statements.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The 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 the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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 financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Like many charities at this time the charity is dealing with the impacts of Covid-19. Although income has been impacted through the closure of church buildings in response to the pandemic, the trustees have considered the level of current reserves and believe reserves are sufficient for activities to be maintained for 12 months. A detailed commentary on its impact is detailed in the Trustees report on page 7.

Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The Trustees do not consider that there are any critical judgments or sources of estimation uncertainty in the financial statements.

Funds

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

Designated funds are unrestricted funds that due to their nature are not readily realisable and cannot therefore be considered to be general funds available for PCC ordinary purposes or have been designated for a particular purpose. The PCC's fixed assets are included in such designated funds.

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or

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invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. 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. The PCC's only Endowment Fund is the Patten Bequest, held by the St Albans Diocesan Board of Finance and provides an income to be used for the upkeep of the Church.

Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when receivable. Grants and Legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is receivable. All income is accounted for gross.

Expenditure recognition

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 mission are dealt with as restricted funds. All other expenditure, including support costs are generally recognised when incurred and accounted for gross.

Expenditure is stated gross of irrecoverable VAT and has been classified under headings that aggregate all costs related to the category.

Fixed assets

Consecrated and benefice property is not included in the accounts by section 10 of the Charities Act 2011.

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

Fixtures, fittings and equipment are capitalised at cost. Depreciation is calculated to write off the capitalised cost over an estimated useful life of 3 years.

The trustees have concluded that all land and buildings are held for the PCC's use and as such none are investment properties.

The PCC has applied the transitional arrangements of section 35 of FRS 102 and measured its freehold property at deemed cost at the date of transition, being 1 January 2015. No depreciation is provided on buildings as the currently estimated residual value of the properties is not less than their carrying value and the remaining useful life of these assets currently exceeds 50 years, so that any depreciation charges would be immaterial. An impairment review is carried out at each year end and any resultant loss identified included in expenditure for the year.

Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of the fixed asset land and buildings which are held at their revalued carrying amount. The value of land and buildings as well as their original cost is stated in note 5.

Financial assets include the bank balances, trade debtors and other debtors but exclude prepayments and taxation.

Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social

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security and other taxes due.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at bank and in hand

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

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due. Accrued expenditure is included at the best estimate of the amounts payable at the balance sheet date, after allowing for any trade discounts due.

Pensions

The Charity provides a defined contribution pension scheme, whereby the Charity and its staff each fund the scheme, managed by a third-party provider, the assets of which are held by the provider separately from the assets of the Charity. The pension charge in the financial statements represents the amounts payable by the Charity to the fund in respect of the year.

Taxation

The charity is exempt from corporation tax on its income applied for charitable activities.

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2 Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	2019 £
2(a) Donations and grants:				
Planned giving	101,516	-	101,516	104,211
Income tax recoverable	26,000	-	26,000	29,261
Legacy	5,000	-	5,000	-
CAF Vouchers	1,110	-	1,110	1,440
Friends of St James contributions to church repair	-	-	-	200
Listed places of worship grant scheme	-	10,668	10,668	2,071
Sundry donations/Stewardship campaign	7,263	4,005	11,268	20,535
	140,889	14,673	155,562	157,718
2(b) Other voluntary income:				
Donations for use of Church premises	25,261	-	25,261	59,598
Fetes, bazaars, other fund-raising events	3,752	-	3,572	8,469
	29,013	-	29,013	68,067
2(c) Income from charitable and ancillary trading:				
PCC and wedding fees	4,006	-	4,006	6,082
	4,006	-	4,006	6,082
2(d) Income from Investments:				
Bank interest	497	-	497	863
	497	-	497	863
TOTAL INCOME	174,405	14,673	189,078	232,730

2 2019 Income Comparative

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
2(a) Donations and grants:			
Planned giving	104,211	-	104,211
Income tax recoverable	29,261	-	29,261
Legacy	-	-	-
CAF Vouchers	1,440	-	1,440
Friends of St James contributions to church repair	-	200	200
Listed places of worship grant scheme	-	2,071	2,071
Sundry donations/Stewardship campaign	11,955	8,580	20,535
	146,867	10,851	157,718
2(b) Other voluntary income:			
Donations for use of Church premises	59,598	-	59,598
Fetes, bazaars, other fund-raising events	-	8,469	8,469
	59,598	8,469	68,067
2(c) Income from charitable and ancillary trading:			
PCC and wedding fees	6,082	-	6,082
	6,082	-	6,082
2(d) Income from Investments:			
Bank interest	863	-	863
	863	-	863
TOTAL INCOME	213,410	19,320	232,730

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3 Expenditure

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	2019 £
3(a) <u>Grants</u>				
Other giving	571	1,280	1,851	615
Outreach	1,250	2,117	3,367	6,041
	<u>1,821</u>	<u>3,397</u>	<u>5,218</u>	<u>6,656</u>
3(b) <u>Charitable activities</u>				
Ministry: diocesan quota	87,865	-	87,865	94,704
Clergy expenses	1,357	-	1,357	-
Ministry: curate expenses	997	-	997	1,484
Upkeep of Church Services	3,670	-	3,670	2,681
Powerhouse, youth groups & fellowship groups	417	-	417	557
Cost of the music fellowship	107	-	107	170
Rectory and Parish House repairs	1,152	-	1,152	2,082
Parish House – loan interest	237	-	237	295
Church running expenses and repairs	5,139	-	5,139	8,693
St Barnabas Centre running expenses	13,795	1,961	15,756	79,903
Emmaus Centre running expenses	3,061	-	3,061	4,991
Thorley Christian Centre running expenses & repairs	6,540	-	6,540	9,027
Elmbrook Drive running expenses	-	-	-	-
Support costs 3(d)	52,890	940	53,830	52,221
	<u>177,227</u>	<u>2,901</u>	<u>180,128</u>	<u>256,808</u>
3(c) <u>Fund-raising and publicity</u>				
Advertising for new Rector	-	-	-	1,210
Costs of fetes and other fund-raising events	1,532	-	1,532	2,312
	<u>1,532</u>	<u>-</u>	<u>1,532</u>	<u>3,522</u>
TOTAL EXPENDITURE	180,580	6,298	186,878	266,986
3(d) <u>Support costs</u>				
Staff costs (Note 4)	41,508	-	41,508	40,143
Administration and Office supplies	4,827	940	5,767	5,359
Accountancy	3,070	-	3,070	1,880
Website maintenance	1,041	-	1,041	1,025
Telephone and Miscellaneous	1,835	-	1,835	3,573
Depreciation	609	-	609	241
	<u>52,890</u>	<u>940</u>	<u>53,830</u>	<u>52,221</u>

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3 2019 Expenditure Comparative

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
3(a) <u>Grants</u>			
Tithing	-	615	615
Outreach	2,075	3,966	6,041
	<u>2,075</u>	<u>4,581</u>	<u>6,656</u>
3(b) <u>Charitable activities</u>			
Ministry: diocesan quota	94,704	-	94,704
Clergy expenses	-	-	-
Ministry: curate expenses	1,484	-	1,484
Upkeep of Church Services	2,681	-	2,681
Powerhouse, youth groups & fellowship groups	557	-	557
Cost of the music fellowship	170	-	170
Rectory and Parish House repairs	2,082	-	2,082
Parish House – loan interest	295	-	295
Church running expenses and repairs	8,693	-	8,693
St Barnabas Centre running expenses	43,829	36,074	79,903
Emmaus Centre running expenses	4,991	-	4,991
Thorley Christian Centre running expenses & repairs	9,027	-	9,027
Elmbrook Drive running expenses	-	-	-
Support costs 3(d)	50,960	1,261	52,221
	<u>219,473</u>	<u>37,335</u>	<u>256,808</u>
3(c) <u>Fund-raising and publicity</u>			
Costs of fetes and other fund-raising events	1,210	-	1,210
	54	2,258	2,312
	<u>1,264</u>	<u>2,258</u>	<u>3,522</u>
TOTAL EXPENDITURE	222,812	44,174	266,986
3(d) <u>Support costs</u>			
Staff costs (Note 4)	40,143	-	40,143
Administration and Office supplies	4,098	1,261	5,359
Accountancy	1,880	-	1,880
Website maintenance	1,025	-	1,025
Telephone and Miscellaneous	3,573	-	3,573
Depreciation	241	-	241
	<u>50,960</u>	<u>1,261</u>	<u>52,221</u>

4 Staff Costs

	Unrestricted Funds £	Restricted Funds £	Total funds 2020 £	Total Funds 2019 £
Wages and salaries	40,711	-	40,711	39,622
Pension costs	797	-	797	521
	<u>41,508</u>	<u>-</u>	<u>41,508</u>	<u>40,143</u>

During the year the charity employed an average of 3 employees (2019 - 3).

No employees received total employee benefits in excess of £60,000 (2019 - Nil).

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5 Fixed Assets

Tangible fixed assets	Historical		
	Cost	2020	2019
	£	£	£
Freehold land and property owned by PCC			
The St Barnabas Centre	1,920,000	1,989,927	1,989,927
The Emmaus Centre	461,526	478,335	478,335
The Thorley Christian Centre (10% PCC interest)	48,000	49,748	49,748
7 Elmbrook Drive (15.04% PCC interest)	42,500	58,957	58,957
		<u>2,576,967</u>	<u>2,576,967</u>
Designated Funds		<u>2,576,967</u>	<u>2,576,967</u>
Fixtures, Fittings & Equipment (Unrestricted)			
Cost brought forward		762	2,151
Additions		1,599	-
Disposals		-	(1,389)
Cost carried forward		<u>2,361</u>	<u>762</u>
Accumulated depreciation brought forward		681	1,829
Depreciation charge for the year		609	241
Depreciation eliminated on disposal		-	(1,389)
Accumulated depreciation carried forward		<u>1,290</u>	<u>681</u>
Net book value brought forward		81	322
Net book value carried forward		<u>1,071</u>	<u>81</u>
Total fixed assets		<u>2,578,038</u>	<u>2,577,048</u>

The PCC owns two freehold buildings, the St Barnabas Centre and the Emmaus Centre both in Church Lane, Thorley. The Diocese owns the Thorley Christian Centre, Vicerons Place, Thorley Park, but would give 10% of the net proceeds of any sale to St James. The Parish House is a residential property owned with the Diocese. The PCC owns 15.04%.

The PCC has applied the transitional arrangements of section 35 of FRS 102 and measured its freehold property as noted above and used those valuations as its deemed cost at the date of transition, being 1 January 2015. Given the unique nature of the three Centres, the properties were valued based on the insurance value and their value in use. The Trustees resolved to adopt a market value for 7 Elmbrook Drive of £392,000 for the year ended 31 December 2015, meaning that the PCC's share of the valuation increased.

6 Debtors

	2020	2019
	£	£
Accounts receivable	-	90
Income tax recoverable	6,794	6,492
Prepayments and accrued income	2,728	2,680
	<u>9,522</u>	<u>9,262</u>

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7 Liabilities: Amounts Falling Due Within One Year

	2020 £	2019 £
DBF/Vacancy Liability	1,229	606
Deposits held	101	101
Accrued expenses	2,520	1,880
Creditors for goods and services	2,814	3,173
Wedding fee / Funeral fee disbursements	720	329
Diocesan loan re 7 Elmbrook Drive (see note 8)	3,000	3,000
	10,384	9,089

8 Liabilities: Amounts Falling Due After More Than One Year

	2020 £	2019 £
Diocesan loan re 7 Elmbrook Drive	9,250	12,250
	9,250	12,250

The loan is in relation to the Parish House. £3,000 is payable annually to the Diocese of St Albans.

9 Movement on Funds

	At 1 January 2020 £	Income £	Expenditure £	Transfers	At 31 December 2020 £
Unrestricted funds:					
General undesignated	77,878	174,405	180,580	4,557	76,260
Designated	2,478,776	-	-	6,000	2,484,776
Revaluation reserve	104,941	-	-	-	104,941
	2,661,595	174,405	180,580	10,557	2,665,977
Restricted funds:					
Church yard	486	150	-	-	636
Healing on the streets	314	-	-	-	314
Health & safety fund	106	-	-	-	106
Parish events	702	2,125	2,117	-	710
Other	18	-	-	-	18
Special collections	123	1,280	1,280	-	123
Windows fund	-	-	-	-	-
FOSJ church repair fund	79	-	-	-	79
Listed places of worship grant scheme	2,416	10,668	1,961	11,123	-
Beverley Cheeseman worship fund	1,135	450	-	-	1,585
Barn IT fund	1,137	-	940	-	197
Roof fund	(566)	-	-	(566)	-
Kitchen fund	6,212	-	-	-	6,212
	12,162	14,673	6,298	10,557	9,980
Total funds	2,673,757	189,078	186,878	-	2,675,957

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Movement on Funds comparative

	At 1 January 2019 £	Income £	Expenditure £	At 31 December 2019 £
Unrestricted funds:				
General undesignated	85,388	213,410	(220,920)	77,878
Designated	2,480,668	-	(1,892)	2,478,776
Revaluation reserve	104,941	-	-	104,941
	<u>2,670,997</u>	<u>213,410</u>	<u>(222,812)</u>	<u>2,661,595</u>
Restricted funds:				
Church yard	31	455	-	486
Healing on the streets	314	-	-	314
Health & safety fund	106	-	-	106
Parish events	702	-	-	702
Other	633	-	615	18
Special collections	-	4,089	3,966	123
Windows fund	-	1,500	1,500	-
FOSJ church repair fund	(121)	200	-	79
Listed places of worship grant scheme	346	2,070	-	2,416
Beverley Cheeseman worship fund	685	450	-	1,135
Barn IT fund	2,398	-	1,261	1,137
Roof fund	31,922	2,086	34,574	(566)
Kitchen fund	-	8,470	2,258	6,212
	<u>37,016</u>	<u>19,320</u>	<u>(44,174)</u>	<u>12,162</u>
Total funds	<u>2,708,013</u>	<u>232,730</u>	<u>(266,986)</u>	<u>2,673,757</u>

General unrestricted fund - The general unrestricted fund is used for PCC ordinary purposes.

Designated fund - The designated funds comprise the Freehold land and property, net of loans and the designated property repair fund (£25,000).

Restricted fund - The restricted funds represent donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

Revaluation reserve – The revaluation reserve is in relation to the property valuation undertaken on transition to FRS102.

10 Analysis of Net Assets by Fund

	Unrestricted Funds £	Designated Funds £	Revaluation Reserve £	Restricted Funds £	Total £
Fixed Assets	1,071	2,472,026	104,941	-	2,578,038
Net Current Assets	75,189	25,000	-	9,980	110,169
Long Term Liabilities	-	(12,250)	-	-	(12,250)
Fund balance	<u>76,260</u>	<u>2,484,776</u>	<u>104,941</u>	<u>9,980</u>	<u>2,675,957</u>

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Analysis of Net Assets by Fund (comparative)

	Unrestricted Funds £	Designated Funds £	Revaluation Reserve £	Restricted Funds £	Total £
Fixed Assets	3,081	2,469,026	104,941	-	2,577,048
Net Current Assets	74,797	25,000	-	12,162	111,959
Long Term Liabilities	-	(15,250)	-	-	(15,250)
Fund balance	77,878	2,478,776	104,941	12,162	2,673,757

11 Independent Examination Fees

Accountancy expenditure includes **£xxx** fees paid to the Independent Examiners for carrying out the Independent Examination (2019 - £1,880).

12 Trustees Remuneration and Expenses

The trustees neither received nor waived any remuneration or benefits during the year (2019 - £Nil).

During the year 2 trustees (2019 - 1 trustee) had the following expenses paid for by the charity:

	2020 £	2019 £
Travel	1,027	756
Training	-	200
Internet and communications	301	351
Other costs	1,026	177
	2,354	1,484

13 Related Party Transactions

During the year the charity paid £0 (2019: £899) to Safe UK, where trustee Paul Martin also acts as trustee. Safe UK supports rural communities in Malawi and was part of the church's outreach projects.

[Payment to Street Pastors]

There were no other related party transactions in the year.

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Independent Examiner's Report to the Trustees of The Parochial Church Council of St. James The Great Thorley.

I report on the accounts of the charity for the year ended 31 December 2020 which are set out on pages 9 to 20.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA and ICAEW, which are two of the listed bodies.

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

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.

Helena Wilkinson

Helena Wilkinson FCA
Price Bailey LLP
Causeway House
1 Dane Street
Bishops Stortford
Hertfordshire
CM23 3BT

Date: