

**Charity registered number 1130729**

**The Parochial Church Council of the  
Ecclesiastical Parish of  
Verwood**

**St. Michael and All Angels and All Saints**

**Accounts for the year ended  
31<sup>st</sup> December 2020**

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Contents**

	<b>Page</b>
Reference and administrative information	2
Statement of Financial Activities	3
Balance Sheet	4
Notes to the Accounts	5
Report of the Independent Examiner	15

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Board of Trustees**

The elected Trustees and Honorary Officers at the date of this report and holding office during the year were:

Rev D Matthews	(Chairman)
Mrs J Palmer	(Secretary)
Mr N Gibson	(Treasurer)
Mrs A Bale	
Mrs J Baxendale	(from October 2020)
Mr N Beacham	
Mr C Buswell	(to October 2020)
Mrs R Green	
Mrs B A Greenhalgh	
Mr S Greenhalgh	(Vice Chair)
Mrs S Hancock	
Mrs E Ingram	
Mr R Morgan	
Mr D Moss	
Mr B Seymour	
Mrs A Stephens	
Mr R Turvil	
Mr A Tyler	(full member from October 2020)
Mrs B Walton	
Mr S Walton	
Mr J Weaver	
Mrs B White	

<b>Registered Charity Number</b>	1130729
<b>Charity Address</b>	Potterne Farm Cottage Potterne Way Three Legged Cross Wimborne BH21 6RS
<b>Independent Examiners</b>	Grant Sellers Bank Court 12 Manor Road Verwood Dorset BH31 6DY
<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Statement of financial activities for the year ended 31 December 2020**

	Note	Unrestricted Funds	Restricted* Funds	Total Funds	
				2020	2019
<b>Incoming Resources</b>					
		£	£		£
Incoming resources from donors	2a	119,483	13,030	132,513	105,170
Other voluntary incoming					
Resources	2b	504	10	514	19,142
Investment Income	2c	343	3,432	3,775	5,090
Incoming resources from					
operating activities	2d	12,060	-	12,060	22,150
Activities for generating funds	2e	2,917	-	2,917	5,453
<b>TOTAL INCOMING RESOURCES</b>					
		135,307	16,472	151,779	157,005
<b>Resources Used</b>					
Grants and charitable giving	3a	5,055	1,538	6,593	6,818
Activities directly relating to the					
work of the church	3b	119,822	30,011	149,833	178,635
Cost of raising funds	3c	-	-	-	-
<b>TOTAL RESOURCES USED</b>					
		124,877	31,549	156,426	185,453
NET OUTGOING RESOURCES		10,430	-15,077	-4,647	-28,488
UNREALISED LOSS/GAIN ON					
INVESTMENT ASSETS	6	-684	5,614	4,930	27,369
REVALUATION OF		-	-	-	18,670
HERITAGE ASSETS					
<b>NET MOVEMENTS IN FUNDS</b>					
		8,855	-8,572	283	17,591
Restricted Fund in Cafbank		-891	891		
Balances brought forward at					
1st January 2020		421,768	127,640	549,408	531,817
Balances carried forward					
as at 31st December 2020		430,623	119,068	549,691	549,408

## **Statement of financial activities for the year ended 31 December 2020**

The Charity has no recognised gains or losses, other than those dealt with in the statement of financial activities. The notes to the financial statements provide information on movements in the Charity's funds during the year. All incoming and outgoing resources derive from continuing activities during the current and previous period.

\* A listing of all Restricted Funds is at Note 13 together with a Statement of Financial Activity for each. The notes on pages 5 to 15 form part of these accounts.

**The Parochial Church Council of the  
Ecclesiastical Parish of Verwood**

**Balance Sheet as at 31st December 2020**

	Note	Unrestricted Funds	Restricted Funds	TOTAL FUNDS	
		£	£	2020 £	2019 £
<b>FIXED ASSETS</b>					
Tangible assets	7	350,911	-	<b>350,911</b>	352,111
Heritage assets	7	32,120	-	<b>32,120</b>	32,120
Investments	8	8,495	117,419	<b>125,914</b>	157,740
<b>Total Fixed Assets</b>		<u>391,526</u>	<u>117,419</u>	<u><b>508,945</b></u>	<u>541,971</u>
<b>CURRENT ASSETS</b>					
Debtors	10	4,323	758	<b>5,081</b>	4,450
Cash at bank and in hand	9	37,445	991	<b>38,436</b>	7,185
<b>Total Current Assets</b>		<u>41,768</u>	<u>1,749</u>	<u><b>43,517</b></u>	<u>11,635</u>
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	11	-2,671	-100	<b>-2,771</b>	-4,198
<b>Net current assets</b>		<u>39,097</u>	<u>1,649</u>	<u><b>40,746</b></u>	<u>7,437</u>
<b>TOTAL NET ASSETS</b>		<u>430,623</u>	<u>119,068</u>	<u><b>549,691</b></u>	<u>549,408</u>
<b>PARISH FUNDS</b>					
Unrestricted	14	430,623	-	<b>430,623</b>	421,768
Restricted	14	-	119,068	<b>119,068</b>	127,640
		<u>430,623</u>	<u>119,068</u>	<u><b>549,691</b></u>	<u>549,408</u>

Approved by

18 March 2021



Rev D Matthews  
Chairman, Verwood Parochial Church Council  
Charity number 1130729

The notes on pages 5 to 15 form part of these accounts

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts**

### ***1. Accounting Policies***

#### **1.a General**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Charities Statement of Recommended Practice 2019 (FRS102), "Accounting and Reporting by Charities", applicable UK accounting standards and the Charities Act 2011.

The Charity has taken advantage of the exemption in Financial Reporting Standard 1 from the requirement to produce a cash flow statement on the grounds that it qualifies as a small Charity.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets and heritage assets, which are shown at market value.

The presentation currency of the financial statements is the Pound Sterling.

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

#### **1.b Funds**

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of Church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor and/or within restricted purposes included in the objects of the Charity.

#### **1.c Incoming Resources**

##### *Voluntary income and capital sources*

- Collections are recognised when received by or on behalf of the PCC.
- Planned giving receivable under covenant or standing order is recognised only when received.
- Income tax recovered on covenants or gift aid donations is recognised in the same year as the income to which it relates.
- Grants and legacies to the PCC are accounted for as soon as the money is received.
- Funds received by festivals and similar events are, where ever possible accounted for gross.

##### *Other ordinary income*

- Rental income from the letting of Church premises is recognised when monies are received.

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***1. Accounting Policies (continued)***

#### *Income from investments*

- Dividends and interest are accounted for when received.

#### *Gains and losses on investments*

- Realised gains or losses are recognised when investments are sold.
- Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

### **1.d Resources Used**

#### *Grants*

- Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

#### *Activities directly relating to the work of the Church*

- The diocesan quota or Parish Share is accounted for when payable. Any quota unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet. (2020 was paid in full.)

#### *Governance costs*

- Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to accountancy services.

### **1.e Fixed Assets**

#### *Consecrated land and buildings and moveable Church furnishings*

- Consecrated and beneficed property is excluded from the accounts by s.96(2)(a) of the Charities Act 1993.
- Moveable Church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal are considered to be inalienable property. SORP 2019 recommends that such property be taken into the annual accounts as assets of the PCC. The PCC follows this recommendation for long term assets, known as "heritage assets", which were professionally valued and are now included at the assessed current market valuation, Sept 2019. Since in general they retain their value or appreciate, no depreciation is charged. The cost of other furnishings has been written off as it was incurred.
- All expenditure incurred during the year on consecrated or benefice buildings and movable Church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities (SOFA) and separately disclosed.

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***1. Accounting Policies (continued)***

#### **Fixed Assets (continued)**

##### *Other fixtures, fittings and equipment*

- Equipment used and repairs within the Parish Centre are written off in the year of expenditure.

##### *Property vested in Salisbury Diocese*

- SORP 2019 recommends that property procured by the PCC but vested in the Diocesan Board of Finance of the Salisbury Diocese, which therefore has sole title to it, should be shown as an asset in the PCC accounts. There are two properties which fall under this heading
  - The land on which the Parish Centre was built. The PCC resolved to bring this into the accounts in 2003. It is valued at cost and is not depreciated.
  - All Saints Church, which the PCC resolved to bring into the accounts in 2006, is a freehold property comprising the building and the land on which it is built. It is valued in the accounts at cost and is not depreciated. All repairs and minor improvements are written off in the year of expenditure.
  - The Parish Centre building, which is a property which is built on land owned by Salisbury Diocese but which rights pertaining to that property rest with the PCC (excluding consecrated land and buildings as detailed above), is shown as an asset at cost, less annual depreciation of £1,200.

##### *Investments*

- Investments are valued at market value as at 31 December 2020

#### **1.f Current assets**

- Amounts owing to the PCC at 31 December are shown as debtors less provision for amounts that may prove uncollectable.
- Short term deposits include cash held at the bank.

#### **1.g Volunteers and donated services**

- The value of services provided by volunteers is not incorporated into these financial statements.
- There were no related party transactions during the year. (This means no Trustees received any remuneration from the Charity.)



# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### **2. Incoming Resources**

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2020 £	2019 £
<b>2(a) Incoming resources from donors</b>				
Planned giving:	77,165	-	77,165	76,658
Income tax refunds	20,078	-	20,078	18,840
Collections	1,036	-	1,036	4,195
Special collections		1,538	1,538	1,921
Donations	20,085	1,878	21,963	3,556
HMRC Job Retention Scheme	1,119	9,614	10,733	-
<b>Total</b>	<b>119,483</b>	<b>13,030</b>	<b>132,513</b>	<b>105,170</b>
<b>2(b) Other voluntary incoming resources</b>				
Grants	-	-	-	15,000
Choir and organ income/donations	-	10	10	-
Parish centre donation	-	-	-	250
Income from Maton	404	-	404	392
Legacies	100	-	100	3,500
<b>Total</b>	<b>504</b>	<b>10</b>	<b>514</b>	<b>19,142</b>
<b>2(c) Income from investments</b>				
Interest received	-	-	-	-
Dividends received	343	3,432	3,775	5,090
<b>Total</b>	<b>343</b>	<b>3,432</b>	<b>3,775</b>	<b>5,090</b>
<b>2(d) Incoming resources from operating activities</b>				
Parish Centre hire	8,249	-	8,249	15,848
Fees	3,204	-	3,204	4,260
Other	607	-	607	2,042
<b>Total</b>	<b>12,060</b>	<b>-</b>	<b>12,060</b>	<b>22,150</b>
<b>2(e) Activities for generating funds</b>				
Talents Challenge	-	-	-	-
Fundraising activities	2,917	-	2,917	5,453
<b>Total</b>	<b>2,917</b>	<b>-</b>	<b>2,917</b>	<b>5,453</b>
<b>Total Incoming Resources</b>	<b>£</b>	<b>135,307</b>	<b>16,472</b>	<b>151,779</b>
			<b>157,005</b>	

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### **3. Resources Used**

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2020 £	2019 £
<b>3(a) Grants and Charitable giving</b>				
Outreach (5% of income)	4,740	-	4,740	4,660
Restricted giving	-	1,538	1,538	1,921
Other	315	-	315	182
Barry Martin Discretionary Fund	-	-	-	55
<b>Total</b>	<b>5,055</b>	<b>1,538</b>	<b>6,593</b>	<b>6,818</b>

### **3(b) Activities directly relating to the work of the Church**

Parish share	79,034	-	79,034	84,319
Clergy expenses	2,421	-	2,421	4,660
Church running costs	7,273	3,568	10,841	14,473
Parish Centre running costs	8,690	1,918	10,608	10,694
Parish Centre improvements	-	-	-	27,708
Services choir and organ	1,929	279	2,208	7,123
Support costs (see note 4)	19,183	24,146	43,329	26,680
Church activities – other	92	100	192	1,778
Depreciation	1,200	-	1,200	1,200
<b>Total</b>	<b>119,822</b>	<b>30,011</b>	<b>149,833</b>	<b>178,635</b>

### **Total Resources**

**Used**                      £      124,877              31,549              156,426              185,453

### **4. Support Costs**

	2020 £	2019 £
Office costs	41,836	24,574
Audit fees	960	990
Sundries	<u>533</u>	<u>1,116</u>
	<b>43,329</b>	<b>26,680</b>

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### **5. Staff Costs**

	2020	2019
	£	£
Wages and salaries	38,852	19,448

- During the year the PCC employed one part time staff member at the Parish Office and one part time cleaner for the Parish Centre. A full time Youth Minister was in post for the year. No one earned in excess of £60,000 per annum.
- Employers National Insurance contributions were £1,765.
- Our contribution to our employees defined pension scheme was £1,878
- Expenditure of £23,011 came from Restricted Funds and £15,841 from General Funds.

### **6. Gains or losses on investments**

Dividends received from investments are shown within income from investments. As recommended in SORP 2019, gains both from the movement in the market value of the shares that have not been sold, unrealised gains, and on shares that have been sold, realised gains, are now shown as losses on our investment assets.

### **7. Fixed assets**

	<u>Property Vested in DBF</u>					
	Parish Centre					
	Land	Building	All Saints	Fixtures	Heritage	Total Assets
<b>Cost or Valuation</b>						
As at 1 January 2020	46,000	270,017	91,704	3,054	32,120	442,895
As at 31 December 2020	46,000	270,017	91,704	3,054	32,120	442,895
	.....	.....	.....	.....	.....	.....
<b>Depreciation</b>						
As at 1 January 2020	-	55,610	-	3,054	-	58,664
Charged in year	-	1,200	-	-	-	1,200
As at 31 December 2020	-	56,810	-	3,054	-	59,864
	.....	.....	.....	.....	.....	.....
<b>Net Book Value</b>						
As at 31 December 2020	46,000	213,207	91,704	-	32,120	383,031
	.....	.....	.....	.....	.....	.....
As at 31 December 2019	46,000	214,407	91,704	-	32,120	384,231

In 2003 the cost of the freehold land upon which the Parish Centre is built was entered at cost into the accounts. Title to the land, and therefore the building on it, rests solely with Salisbury. However, the proceeds of any sale would become part of the PCC's general funds and they are therefore shown as assets of the PCC vested in the Diocesan Board of Finance of the Salisbury Diocese.

## **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

### **Notes to the Accounts (continued)**

For the same reasons, in 2006 All Saints Church, a freehold property, was brought into the accounts at cost, of £91,704, as an asset vested in the Diocesan Board of Finance of the Salisbury Diocese. Heritage assets were entered into the accounts in 2005 at market valuation. These assets were revalued in September 2019 by an independent valuer.

The PCC decided in 2004 that, with an expected life of the Parish Centre building well in excess of 50 years, an annual depreciation of £1,200 would be more appropriate at this time: it has also decided that the rate of depreciation should be reviewed at five-yearly intervals, at the same time as the quinquennial inspection. The latest review was conducted in February 2019 and the existing policy re-approved at the PCC meeting that month. All repairs and minor improvements are written off in the year of expenditure.

### **8. *Investment Assets***

These are investments held in CBF Church of England Fund Income Shares. They have been valued on 31 December 2020 at mid-market price of 2,048.73p per share (2019 at 1,912.60p per share).

	2020		2019	
	No of shares	£	No of shares	£
<b>Unrestricted</b>				
General account	414.64	8,495	1,225.12	23,432
<b>Restricted</b>				
Bequest and other restricted funds account	5,731.31	117,419	7,022.30	134,308
<b>Total</b>		<u>125,914</u>		<u>157,740</u>

There was one withdrawal from the General Fund, totalling £15,000 – to support our Current Account. One withdrawal of £20,000.00 was made from the Bequest Fund to pay for Parish Centre works and our Youth Minister.

There was an excess of Share Value over actual value within the Restricted Funds of £5,936. This amount should have been found within our Cafbank account. A transfer was made January 2020 to correct this situation. The Balance Sheet shows the adjusted values.

Excluded from our accounts are restricted funds that are held in a related "Incumbent and Churchwardens Trust for ecclesiastical purposes" by the Salisbury Diocesan Board of Finance as follows:

	2020	2019
	£	£
Maton Investments	<u>14,423</u>	<u>13,465</u>

**The Parochial Church Council of the  
Ecclesiastical Parish of Verwood**

**Notes to the Accounts (continued)**

**9. Cash at Bank and in hand**

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2020 £	2019 £
Cash at Bank	36,554	991	37,545	6,291
Cash in Hand	891	-	891	894
Totals	37,445	991	38,436	7,185

**10. Debtors**

	2020 £	2019 £
HMRC Income Tax refund	4,323	3,264
Other	-	1,186
HMRC December JRS	758	-
Total	5,081	4,450

**11. Creditors due within one year**

	2020 £	2019 £
General creditors	2,771	4,198
Total	2,771	4,198

**12. Transfers between Funds**

There was a Gross Transfer of £5,936.00 from the Bequest Fund shareholding to the Bank, to correct a shortfall of Restricted Funds in the 2019 Accounts.

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***13. Funds within the accounts***

#### **Restricted funds**

Where monies have been donated or bequeathed for specific purposes a restricted fund is set up within the accounts. Our current restricted funds are as follows:

<b>Special</b>	Collections for distinct and specific cause, usually not the Church
<b>Bequest</b>	For bequests with a specific purpose, generally the improvement or maintenance of the Church
<b>Choir</b>	For choir earnings and expenditure
<b>Organ</b>	To control monies specific to the organ and its maintenance
<b>Youth</b>	For youth ministry
<b>Barry Martin</b>	For those in financial hardship. Exercised at the discretion of the Vicar.

#### **Designated Funds**

These are funds set up by the PCC for specific purposes. However, the monies within them can be re-allocated, or returned to the General Fund, by the PCC, if an appropriate authorisation is made. Some donated funds are subject to recall, if the designated purpose is not pursued.

### ***14. Analysis of net assets between funds***

	General Fund £	Restricted Funds £	Total Funds £
Fixed assets	350,911	-	350,911
Heritage assets	32,120	-	32,120
Investments	8,495	117,419	125,914
Debtors	4,323	758	5,081
Cash at bank	37,445	991	38,436
Creditors	-2,671	-100	-2,771
Balance at 31 December 2020	430,623	119,068	549,691

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***15. Reconciliation of movements between funds - Restricted***

A statement of financial activity for each of the restricted funds for the year ended 31 December 2020.

	Special	Bequest	Choir	Organ	Youth	Discretion	Total
	£	£	£	£	£	£	£
<b>Incoming resources</b>							
From donors	1,538	-	10	-	1,000	388	2,936
Other voluntary resources	-	-	-	-	10,103	-	10,103
Income from investments	-	895	28	124	2,369	16	3,432
	-----	-----	-----	-----	-----	-----	-----
Total incoming resources	1,538	895	38	124	13,472	404	16,471
	-----	-----	-----	-----	-----	-----	-----
<b>Resources used</b>							
Donations	1,538	-	-	-	100	-	1,638
Church work	-	5,486	143	136	24,146	-	29,911
	-----	-----	-----	-----	-----	-----	-----
Total resources used	1,538	5,486	143	136	24,246	-	31,549
	-----	-----	-----	-----	-----	-----	-----
Net resources	-	-4,591	-105	-12	-10,774	404	-15,078
Investment gains	-	1,481	45	222	3,820	47	5,615
	-----	-----	-----	-----	-----	-----	-----
<b>Net movement in funds</b>	-	-3,110	-60	210	-6,954	451	-9,463
	-----	-----	-----	-----	-----	-----	-----
Balance at 1 January 2020	-	33,086	1,027	4,514	88,426	587	127,640
	-----	-----	-----	-----	-----	-----	-----
Balance at 31 December 2020	-	29,976	967	4,724	81,472	1,038	118,177
	-----	-----	-----	-----	-----	-----	-----
Held in CafBank	-	-	-	-	891	-	891
<b>Total of Restricted Funds -</b>	-	-	-	-	<b>82,104</b>	-	<b>119,068</b>

### **Fund Assets – Restricted and Designated**

All Restricted Funds are held as investments within one CBF Church of England Fund, known as our Bequest Fund.

## **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

### **Independent Examiners' report to the trustees of the Parochial Church Council of the Ecclesiastical Parish of Verwood**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages three to fourteen.

#### **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').

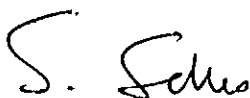
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

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.



date 8 April 2021

Stephen Sellers  
Institute of Chartered Accountants in England and Wales  
Grant Sellers, Chartered Accountants  
Bank Court, 12 Manor Road, Verwood, Dorset, BH31 6DY



VERWOOD PAROCHIAL CHURCH COUNCIL (the PCC)

Registered with the Charities Commission as a Charity under number 1130729

*To know Jesus Christ and to make Him known.*



**St. Michael's, Verwood**  
& All Saints, Three Legged Cross

## ANNUAL REPORT

for the year 1 January 2020 to 31 December 2020

The PCC is the Charity Trustee body which covers two churches :

**St Michael and All Angels**, Church Hill, Verwood and

**All Saints**, Church Road, Three Legged Cross.

Correspondence address for the PCC is The Parish Office, Manor Road, Verwood, BH31 6DZ

Email [stmichaelsverwood@gmail.com](mailto:stmichaelsverwood@gmail.com)

### Report of the Trustees

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 published in October 2019.

### Aim, Purpose and Objectives

The mission statement of our church is '*to know Jesus Christ and to make Him known*'. We have subscribed to 10 equal values to achieve our aims : 1) Worship and mission that is rooted in scripture; 2) An open and supportive church community; 3) Christian formation and education; 4) Reaching out; 5) Shared and understood aims and objectives; 6) Working with other Christian churches; 7) Prayer and spirituality; 8) The development of leaders; 9) Christian stewardship and 10) Effective and holistic communication. The Vision Days instigated by Reverend Deborah during the year encouraged all church members to identify their aspirations for the future of the churches and their mission, and several of the results have already been achieved and others continue to be worked towards. The main outcomes are displayed in the meeting room. Church has also embraced the Bishop's 'Pray, Serve, Grow' initiative, and supports the aims and objectives of Deanery synod.

The contents of this Report show the steps taken during the year, where and as possible in the prevailing COVID-19 restrictions, and the benefits which have accrued to church membership and wider community as a result.

### Public Benefit

The Charity's reason for existence, as enshrined in its original objects, is for the benefit of the inhabitants of Verwood and the neighbourhood. In all the Charity's activities, therefore, the Trustees have been able to pay due regard to the Charity Commission guidance on public benefit.

### Structure, Governance and Management

#### PCC responsibilities and membership

The PCC has the responsibility of co-operating with the Vicar in promoting in the parish the whole mission of the church. It also has maintenance responsibilities for the church buildings, and the Parish Centre.

The method of appointment of PCC members is set out in the Church Representation Rules. All church attendees are encouraged to register on the Electoral Roll, and stand for election to the PCC.

Reverend Deborah Matthews has continued to be very proactive in pastoral work and in her quest to bridge the gap between community and church - in particular to have a far closer relationship with the schools in Verwood and Three Legged Cross. She has worked closely with Helen Jackson (now Helen Anderson) who is our dedicated Youth Worker to promote this aim. Helen has been very successful in her interaction with youth groups and schools, and in particular has been liaising with All Saints First School to be involved in Prayer Space activities etc in church. The Vicar's continuing tea and chat meetings for those recently bereaved on a quarterly basis, and Dementia Friendly services, were well received when church was permitted to be open to allow such events. There were no meetings from the start of the first lockdown.

Examples of furtherance of our aims and objectives included member's support, including financial, of projects to improve communications. This proved vital following the closure of the churches, either fully or with restricted numbers, due to the COVID-19 restrictions. With grateful thanks to the key church members who stepped in very swiftly to enable the recording and broadcast of services (initially from the Vicar's home and then, when permitted, from church) church members with access have been able to watch services via a live link and YouTube. This has been enhanced and upgraded during the year, allowing a very high class of viewing. Viewing figures suggest that non-church members have also been watching. The group usually associated with the 11.15 Networks service set up a most welcome and very successful Together on Zoom service, which has been held every fortnight since lockdown restrictions came into force. It has enabled those shielding and other church members, as well as attracting some non-church members, to have what has been described as a 'lifeline'.

Several of the Home Groups had adapted so that they could maintain contact and Bible studies etc during the lockdown, which was welcomed by existing attendees and which also attracted some new attendees.

Members of the church are kept up to date with weekly newssheets, and a monthly publication (Angels & Saints) with amplified information. These, together with additional material including prayers, talks and thoughts, have been published on the church website, which also continues to advise about all church activities and services. Some members do not have access to the internet, and hard copies of the newssheet and Angels & Saints, together with some other items appearing on the website and seasonal encouragements and information, have been delivered to those members weekly.

The 8 authorised Lay Pastoral Assistants (LPAs), continued with pastoral support. They ensured that all persons on the church Electoral Roll, and others notified to them, were contacted, and contact with many of them has continued throughout the year. They are supported by clergy in this ministry. Church was delighted to see our first Lay Pioneer, 'Hank' Hancock commissioned by Bishop Karen at a service which was the first of its kind, and at which church members were well represented.

PCC members continued to undertake their functions to ensure that the objectives were fulfilled including maintenance of their excellent recorded in Safeguarding training undertaken. Updates on Safeguarding are given to PCC members at each PCC meeting. Martyn Hancock continued the work towards achievement of the Silver Award for Eco-Friendly church.

Another important duty of the PCC is to encourage suitable candidates for the Governors of the Church of England Schools in the parish, and to nominate and re-nominate such candidates accordingly. Finding and assessing suitable candidates is increasingly difficult. The work has reduced due to several schools becoming Academy Trusts, and the alteration of the system which is now primarily administered by the Diocese.

It was with sad resolution that church was unable to welcome congregations on special occasions such as Remembrance Sunday, although the church opened for prayer and some services when permitted, and Christmas services continued with limited congregations under COVID-19 measures. Grateful thanks go to the churchwardens and those who assisted them in the time consuming tasks of ensuring all measures were complied with any time that the church was open. The initiatives of Big Brunch and Creative Church

The Parish Centre Management Committee, a sub Committee of the HFC, met several times over the year in socially distanced conditions. This has been a particularly difficult time for Ellen, our administrator. The Parish Centre has been closed and re-opened several times with each lockdown. Each time it opened, we have had to re-assess and then implement the risk assessment and terms and conditions of hire. Each time it closed, we had to furlough Tom, our cleaner. Extra sanitising equipment has been installed as well.

With the furloughing and then part furloughing of Helen, our Youth Minister, plans to demolish the old sheds in the car park have been put on hold. Routine maintenance has been carried out in line with legal requirements for boiler servicing, fire extinguisher, and alarm systems checks. Electrical certification was also carried out.

During the year, John Burns, a much valued member of our committee, resigned due to his ill health. We would like to minute our thanks for all the work he has done over the years.

Fundraising during the year has been affected by the Stay At Home rules, but three successful events were held: the Curry night in February raised £512, and two virtual events, The Armchair Oktoberfest raised £1,220, and the Not the Christmas Fayre raised £1,098.

Life in the busy Parish Office has evolved as necessary with Ellen working from home during lockdown, and visiting the office as necessary. She has been helped by a small band of trained volunteers who have all developed new computer skills during this time.. Ellen's untiring efforts and efficiency in the Office makes all our lives easier. We record our thanks to her and our volunteers who have worked so hard in a climate of change to make the office so efficient.

Ro Green Secretary to HFC and PCMC

#### Outreach Report

The 2020 budget allocated by the PCC for the purposes of outreach giving was the equivalent of £1185 per quarter, which equates to 5% of given income.

2020 was a year like no other. We were not able to meet together for a large part of the year and were unable to run our usual fundraising and social events. However, we were aware that other charities were also not able to carry out their usual fundraising activities and often their work to help others was in even greater demand due to the hardships and difficult circumstances caused by the Covid pandemic. Our outreach giving to support other charitable causes was more important than ever in 2020.

The donations were distributed to charities as follows:

Q1 Alabare Christian Care & Support £500, Ringwood Foodbank £500, Salisbury Diocese Sudan Medical Link £185.

Q2 Relate – Bournemouth (bursary fund) £500, Tearfund (for the Yemen appeal) £500, Scripture Union (for their work in Africa) £185.

Q3 St. Luke's Healthcare for Clergy £540, USPG (for their work in two hospitals in Palestine) £500.

Q4 Joy for Children & Communities (Uganda) £330, Salisbury Trust for the Homeless £500, Salisbury Women's Refuge £500.

Additionally, members of the congregation give regular donations of cash, food and other items to Ringwood Foodbank.

Christmas food items were generously donated and transported to Salisbury Women's Refuge.

If you wish to know more about the charities above, or have any other suggestions for us to consider, please contact myself or another member of the PCC.

*Beryl Greenhalgh (07803 678281)*

#### Worship

The Worship Committee met just the once prior to being disbanded. At that meeting it advised of the CTIV service that was arranged to take place on the Recreation Ground in the summer, and the Remembrance Day

The youth group began to meet once a week via Zoom where they would have bible study and fellowship. Young people are on Zoom for their school and college work therefore, there was a sharp decline in uptake of these sessions therefore, it was decided to postpone these until a later date. Helen is in continual contact with the youth and parents and offers formal 1-2-1 Zoom with the youth which occur every 3 weeks. The youth have been active in filming worship songs and talks for Lent and Together on Zoom services. The pandemic has been difficult for the youth and the gaps between contact periods are becoming longer therefore, we will review when it is appropriate and possible for the youth group to meet again in person.

Helen has been producing YouTube talks twice a week, she gives midweek bible study for the youth and then a children's and youth talk on a Sunday following the lectionary reading. A Sunday morning Zoom was set up for children and parents however there was no uptake for this. Helen is in contact with parents of the youth and children and regularly checks in and offers support and resources. School assemblies have continued in the form of YouTube videos, we have kept relations with all four schools and will monitor when it is safe to return to in person assemblies. As classes are still in bubbles this may not be possible until June at the earliest.

We helped create a Christmas Carol Service where Emmanuel, Verwood First, Trinity and Hillside sent in videos of poems, songs and readings. Helen and Deborah contributed prayers and a talk and then we used our YouTube channel to distribute, it has been seen by over 700 people.

We were also able to hold a Light Trail event in October, where we invited families to follow the light and find words from the bible. We had several new families from other churches attend the event. We also held a Harvest Festival workshop which young families attended. The one hour workshop consisted of crafts, prayer and a song. Our vision prior to lockdown was to have this on a monthly basis, feedback from parents was that they enjoyed this style of informal creative workshop in the Parish Centre and if we continued this they would attend.

Helen would like to thank everyone for their support and encouragement of these ministries.

#### Safeguarding Report

Well, 2020 has been a very strange year for all of us. It has not been necessary to make any reports concerning Safeguarding issues this year. Whilst there has been nothing to report we are not complacent, and all concerned have been reminded of the need to be particularly vigilant to protect vulnerable persons within our church.

The PCC is aware of the need to comply with the guidance issued by the House of Bishops on matters relating to the safeguarding of children and vulnerable adults, as set out in section 5 of the Safeguarding and Clergy Discipline Measure 2016. It is confirmed that regard has been had to this Guidance and in particular to paragraph 3 of the Key Roles and Responsibilities of Church office holders and bodies Practice Guidance and I further confirm that this Guidance has been complied with during this year.

The Churchwardens will continue to be kept up to date with safeguarding material and information received from the Diocesan office for onward transmission to the necessary recipients.

Details of our Safeguarding Policy are clearly signposted on our website, which has been even more important during a year when church attendance has been prevented for a great deal of the time.

Carol Weaver, Parish Safeguarding Officer

#### Financial Review and Report

2020 was a year quite unlike any other in my experience as Treasurer to Verwood PCC.

Our plans for the demolition of the sheds at the rear of the Parish Centre and replacement by a 'Youth Cabin' were abandoned. Our Youth Minister was diligently working from home, but the Outreach that we so desperately needed could not be achieved.

Choir/Organ	5,690	5,440	3%
Barry Martin Hardship Fund	1,038	587	90%

As a Charity we have a responsibility to declare what are our intentions with money in 'Reserves'.

The target figure for Unrestricted funds is £35,000, as this represents approximately three months operating expenses.

Within our Restricted Funds, the bulk of the money lies within the Family/Youth category. This is scheduled to be used over the coming year to allow employment and resources for our Youth Minister.

The Building/repairs/maintenance fund is relatively self-explanatory, to allow for general upkeep and improvement of our buildings as necessary. Within this fund there is an element for furnishings and silverware.

#### Deanery Synod

Wimborne Deanery Synod had one meeting at St Michael & All Angels Church Verwood, and then two by Zoom. The churches representatives were involved with each of those meetings.

As well as the usual updates on correspondence and finances, and the Rural Dean's matters, the speakers at meetings included Canon Richard Hancock, Rural Field Officer for Dorset, who talked about the outreach initiatives primarily to link schools and churches, with specific reference to the Prayer Space program. A Video was shown and Play Kits offered. This was taken up by Gill Clarke at the Zoom Meeting in September, with reference to the Archbishop of York's Youth Trust scheme. The Zoom meeting in November introduced Elizabeth Harvey from Church House who offered practical support to parishes, and fielded questions especially on assistance available to Treasurers and delays in Faculty application consideration. The Deanery next 5 year plan was rehearsed at the March Meeting, and some of the events planned were advised.

There was a call from clergy for practical and prayer support from churches during the difficulties caused worldwide by the pandemic.

#### Statement of Trustees' responsibilities

The Charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the Charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, and the applicable Charities (Accounts and Reports) Regulations. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the PCC 18 March 2021 subject to finalising and signed on its behalf by

.....  
Julia Palmer Secretary

.....  
Neil Gibson Treasurer

**Charity registered number 1130729**

**The Parochial Church Council of the  
Ecclesiastical Parish of  
Verwood**

**St. Michael and All Angels and All Saints**

**Accounts for the year ended  
31<sup>st</sup> December 2020**

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Contents**

	<b>Page</b>
Reference and administrative information	2
Statement of Financial Activities	3
Balance Sheet	4
Notes to the Accounts	5
Report of the Independent Examiner	15

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Board of Trustees**

The elected Trustees and Honorary Officers at the date of this report and holding office during the year were:

Rev D Matthews	(Chairman)
Mrs J Palmer	(Secretary)
Mr N Gibson	(Treasurer)
Mrs A Bale	
Mrs J Baxendale	(from October 2020)
Mr N Beacham	
Mr C Buswell	(to October 2020)
Mrs R Green	
Mrs B A Greenhalgh	
Mr S Greenhalgh	(Vice Chair)
Mrs S Hancock	
Mrs E Ingram	
Mr R Morgan	
Mr D Moss	
Mr B Seymour	
Mrs A Stephens	
Mr R Turvil	
Mr A Tyler	(full member from October 2020)
Mrs B Walton	
Mr S Walton	
Mr J Weaver	
Mrs B White	

<b>Registered Charity Number</b>	1130729
<b>Charity Address</b>	Potterne Farm Cottage Potterne Way Three Legged Cross Wimborne BH21 6RS
<b>Independent Examiners</b>	Grant Sellers Bank Court 12 Manor Road Verwood Dorset BH31 6DY
<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ



# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Statement of financial activities for the year ended 31 December 2020**

	Note	Unrestricted Funds	Restricted* Funds	Total Funds	
				2020	2019
<b>Incoming Resources</b>					
		£	£		£
Incoming resources from donors	2a	119,483	13,030	132,513	105,170
Other voluntary incoming Resources	2b	504	10	514	19,142
Investment Income	2c	343	3,432	3,775	5,090
Incoming resources from operating activities	2d	12,060	-	12,060	22,150
Activities for generating funds	2e	2,917	-	2,917	5,453
<b>TOTAL INCOMING RESOURCES</b>		135,307	16,472	151,779	157,005
<b>Resources Used</b>					
Grants and charitable giving	3a	5,055	1,538	6,593	6,818
Activities directly relating to the work of the church	3b	119,822	30,011	149,833	178,635
Cost of raising funds	3c	-	-	-	-
<b>TOTAL RESOURCES USED</b>		124,877	31,549	156,426	185,453
NET OUTGOING RESOURCES		10,430	-15,077	-4,647	-28,488
UNREALISED LOSS/GAIN ON INVESTMENT ASSETS	6	-684	5,614	4,930	27,369
REVALUATION OF HERITAGE ASSETS		-	-	-	18,670
<b>NET MOVEMENTS IN FUNDS</b>		8,855	-8,572	283	17,591
Restricted Fund in Cafbank		-891	891		
Balances brought forward at 1st January 2020		421,768	127,640	549,408	531,817
Balances carried forward as at 31st December 2020		430,623	119,068	549,691	549,408

## **Statement of financial activities for the year ended 31 December 2020**

The Charity has no recognised gains or losses, other than those dealt with in the statement of financial activities. The notes to the financial statements provide information on movements in the Charity's funds during the year. All incoming and outgoing resources derive from continuing activities during the current and previous period.

\* A listing of all Restricted Funds is at Note 13 together with a Statement of Financial Activity for each. The notes on pages 5 to 15 form part of these accounts.

**The Parochial Church Council of the  
Ecclesiastical Parish of Verwood**

**Balance Sheet as at 31st December 2020**

	Note	Unrestricted Funds	Restricted Funds	TOTAL FUNDS	
		£	£	2020 £	2019 £
<b>FIXED ASSETS</b>					
Tangible assets	7	350,911	-	<b>350,911</b>	352,111
Heritage assets	7	32,120	-	<b>32,120</b>	32,120
Investments	8	8,495	117,419	<b>125,914</b>	157,740
<b>Total Fixed Assets</b>		<u>391,526</u>	<u>117,419</u>	<u><b>508,945</b></u>	<u>541,971</u>
<b>CURRENT ASSETS</b>					
Debtors	10	4,323	758	<b>5,081</b>	4,450
Cash at bank and in hand	9	37,445	991	<b>38,436</b>	7,185
<b>Total Current Assets</b>		<u>41,768</u>	<u>1,749</u>	<u><b>43,517</b></u>	<u>11,635</u>
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	11	-2,671	-100	<b>-2,771</b>	-4,198
<b>Net current assets</b>		<u>39,097</u>	<u>1,649</u>	<u><b>40,746</b></u>	<u>7,437</u>
<b>TOTAL NET ASSETS</b>		<u>430,623</u>	<u>119,068</u>	<u><b>549,691</b></u>	<u>549,408</u>
<b>PARISH FUNDS</b>					
Unrestricted	14	430,623	-	<b>430,623</b>	421,768
Restricted	14	-	119,068	<b>119,068</b>	127,640
		<u>430,623</u>	<u>119,068</u>	<u><b>549,691</b></u>	<u>549,408</u>

Approved by

18 March 2021



Rev D Matthews  
Chairman, Verwood Parochial Church Council  
Charity number 1130729

The notes on pages 5 to 15 form part of these accounts

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts**

### ***1. Accounting Policies***

#### **1.a General**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Charities Statement of Recommended Practice 2019 (FRS102), "Accounting and Reporting by Charities", applicable UK accounting standards and the Charities Act 2011.

The Charity has taken advantage of the exemption in Financial Reporting Standard 1 from the requirement to produce a cash flow statement on the grounds that it qualifies as a small Charity.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets and heritage assets, which are shown at market value.

The presentation currency of the financial statements is the Pound Sterling.

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

#### **1.b Funds**

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of Church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor and/or within restricted purposes included in the objects of the Charity.

#### **1.c Incoming Resources**

##### *Voluntary income and capital sources*

- Collections are recognised when received by or on behalf of the PCC.
- Planned giving receivable under covenant or standing order is recognised only when received.
- Income tax recovered on covenants or gift aid donations is recognised in the same year as the income to which it relates.
- Grants and legacies to the PCC are accounted for as soon as the money is received.
- Funds received by festivals and similar events are, where ever possible accounted for gross.

##### *Other ordinary income*

- Rental income from the letting of Church premises is recognised when monies are received.

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***1. Accounting Policies (continued)***

#### *Income from investments*

- Dividends and interest are accounted for when received.

#### *Gains and losses on investments*

- Realised gains or losses are recognised when investments are sold.
- Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

### **1.d Resources Used**

#### *Grants*

- Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

#### *Activities directly relating to the work of the Church*

- The diocesan quota or Parish Share is accounted for when payable. Any quota unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet. (2020 was paid in full.)

#### *Governance costs*

- Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to accountancy services.

### **1.e Fixed Assets**

#### *Consecrated land and buildings and moveable Church furnishings*

- Consecrated and beneficed property is excluded from the accounts by s.96(2)(a) of the Charities Act 1993.
- Moveable Church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal are considered to be inalienable property. SORP 2019 recommends that such property be taken into the annual accounts as assets of the PCC. The PCC follows this recommendation for long term assets, known as "heritage assets", which were professionally valued and are now included at the assessed current market valuation, Sept 2019. Since in general they retain their value or appreciate, no depreciation is charged. The cost of other furnishings has been written off as it was incurred.
- All expenditure incurred during the year on consecrated or benefice buildings and movable Church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities (SOFA) and separately disclosed.

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***1. Accounting Policies (continued)***

#### **Fixed Assets (continued)**

##### *Other fixtures, fittings and equipment*

- Equipment used and repairs within the Parish Centre are written off in the year of expenditure.

##### *Property vested in Salisbury Diocese*

- SORP 2019 recommends that property procured by the PCC but vested in the Diocesan Board of Finance of the Salisbury Diocese, which therefore has sole title to it, should be shown as an asset in the PCC accounts. There are two properties which fall under this heading
  - The land on which the Parish Centre was built. The PCC resolved to bring this into the accounts in 2003. It is valued at cost and is not depreciated.
  - All Saints Church, which the PCC resolved to bring into the accounts in 2006, is a freehold property comprising the building and the land on which it is built. It is valued in the accounts at cost and is not depreciated. All repairs and minor improvements are written off in the year of expenditure.
  - The Parish Centre building, which is a property which is built on land owned by Salisbury Diocese but which rights pertaining to that property rest with the PCC (excluding consecrated land and buildings as detailed above), is shown as an asset at cost, less annual depreciation of £1,200.

##### *Investments*

- Investments are valued at market value as at 31 December 2020

#### **1.f Current assets**

- Amounts owing to the PCC at 31 December are shown as debtors less provision for amounts that may prove uncollectable.
- Short term deposits include cash held at the bank.

#### **1.g Volunteers and donated services**

- The value of services provided by volunteers is not incorporated into these financial statements.
- There were no related party transactions during the year. (This means no Trustees received any remuneration from the Charity.)

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### **2. Incoming Resources**

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2020 £	2019 £
<b>2(a) Incoming resources from donors</b>				
Planned giving:	77,165	-	77,165	76,658
Income tax refunds	20,078	-	20,078	18,840
Collections	1,036	-	1,036	4,195
Special collections		1,538	1,538	1,921
Donations	20,085	1,878	21,963	3,556
HMRC Job Retention Scheme	1,119	9,614	10,733	-
<b>Total</b>	<b>119,483</b>	<b>13,030</b>	<b>132,513</b>	<b>105,170</b>
<b>2(b) Other voluntary incoming resources</b>				
Grants	-	-	-	15,000
Choir and organ income/donations	-	10	10	-
Parish centre donation	-	-	-	250
Income from Maton	404	-	404	392
Legacies	100	-	100	3,500
<b>Total</b>	<b>504</b>	<b>10</b>	<b>514</b>	<b>19,142</b>
<b>2(c) Income from investments</b>				
Interest received	-	-	-	-
Dividends received	343	3,432	3,775	5,090
<b>Total</b>	<b>343</b>	<b>3,432</b>	<b>3,775</b>	<b>5,090</b>
<b>2(d) Incoming resources from operating activities</b>				
Parish Centre hire	8,249	-	8,249	15,848
Fees	3,204	-	3,204	4,260
Other	607	-	607	2,042
<b>Total</b>	<b>12,060</b>	<b>-</b>	<b>12,060</b>	<b>22,150</b>
<b>2(e) Activities for generating funds</b>				
Talents Challenge	-	-	-	-
Fundraising activities	2,917	-	2,917	5,453
<b>Total</b>	<b>2,917</b>	<b>-</b>	<b>2,917</b>	<b>5,453</b>
<b>Total Incoming Resources</b>	<b>£</b>	<b>135,307</b>	<b>16,472</b>	<b>151,779</b>
			<b>157,005</b>	

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### **3. Resources Used**

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2020 £	2019 £
<b>3(a) Grants and Charitable giving</b>				
Outreach (5% of income)	4,740	-	4,740	4,660
Restricted giving	-	1,538	1,538	1,921
Other	315	-	315	182
Barry Martin Discretionary Fund	-	-	-	55
<b>Total</b>	<b>5,055</b>	<b>1,538</b>	<b>6,593</b>	<b>6,818</b>

### **3(b) Activities directly relating to the work of the Church**

Parish share	79,034	-	79,034	84,319
Clergy expenses	2,421	-	2,421	4,660
Church running costs	7,273	3,568	10,841	14,473
Parish Centre running costs	8,690	1,918	10,608	10,694
Parish Centre improvements	-	-	-	27,708
Services choir and organ	1,929	279	2,208	7,123
Support costs (see note 4)	19,183	24,146	43,329	26,680
Church activities – other	92	100	192	1,778
Depreciation	1,200	-	1,200	1,200
<b>Total</b>	<b>119,822</b>	<b>30,011</b>	<b>149,833</b>	<b>178,635</b>

### **Total Resources**

<b>Used</b>	<b>£</b>	<b><u>124,877</u></b>	<b><u>31,549</u></b>	<b><u>156,426</u></b>	<b><u>185,453</u></b>
-------------	----------	-----------------------	----------------------	-----------------------	-----------------------

### **4. Support Costs**

	2020 £	2019 £
Office costs	41,836	24,574
Audit fees	960	990
Sundries	<u>533</u>	<u>1,116</u>
	<b><u>43,329</u></b>	<b><u>26,680</u></b>

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### **5. Staff Costs**

	2020	2019
	£	£
Wages and salaries	38,852	19,448

- During the year the PCC employed one part time staff member at the Parish Office and one part time cleaner for the Parish Centre. A full time Youth Minister was in post for the year. No one earned in excess of £60,000 per annum.
- Employers National Insurance contributions were £1,765.
- Our contribution to our employees defined pension scheme was £1,878
- Expenditure of £23,011 came from Restricted Funds and £15,841 from General Funds.

### **6. Gains or losses on investments**

Dividends received from investments are shown within income from investments. As recommended in SORP 2019, gains both from the movement in the market value of the shares that have not been sold, unrealised gains, and on shares that have been sold, realised gains, are now shown as losses on our investment assets.

### **7. Fixed assets**

	<u>Property Vested in DBF</u>					
	Parish Centre					
	Land	Building	All Saints	Fixtures	Heritage	Total Assets
<b>Cost or Valuation</b>						
As at 1 January 2020	46,000	270,017	91,704	3,054	32,120	442,895
As at 31 December 2020	46,000	270,017	91,704	3,054	32,120	442,895
	.....	.....	.....	.....	.....	.....
<b>Depreciation</b>						
As at 1 January 2020	-	55,610	-	3,054	-	58,664
Charged in year	-	1,200	-	-	-	1,200
As at 31 December 2020	-	56,810	-	3,054	-	59,864
	.....	.....	.....	.....	.....	.....
<b>Net Book Value</b>						
As at 31 December 2020	46,000	213,207	91,704	-	32,120	383,031
	.....	.....	.....	.....	.....	.....
As at 31 December 2019	46,000	214,407	91,704	-	32,120	384,231

In 2003 the cost of the freehold land upon which the Parish Centre is built was entered at cost into the accounts. Title to the land, and therefore the building on it, rests solely with Salisbury. However, the proceeds of any sale would become part of the PCC's general funds and they are therefore shown as assets of the PCC vested in the Diocesan Board of Finance of the Salisbury Diocese.



## **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

### **Notes to the Accounts (continued)**

For the same reasons, in 2006 All Saints Church, a freehold property, was brought into the accounts at cost, of £91,704, as an asset vested in the Diocesan Board of Finance of the Salisbury Diocese. Heritage assets were entered into the accounts in 2005 at market valuation. These assets were revalued in September 2019 by an independent valuer.

The PCC decided in 2004 that, with an expected life of the Parish Centre building well in excess of 50 years, an annual depreciation of £1,200 would be more appropriate at this time: it has also decided that the rate of depreciation should be reviewed at five-yearly intervals, at the same time as the quinquennial inspection. The latest review was conducted in February 2019 and the existing policy re-approved at the PCC meeting that month. All repairs and minor improvements are written off in the year of expenditure.

### **8. *Investment Assets***

These are investments held in CBF Church of England Fund Income Shares. They have been valued on 31 December 2020 at mid-market price of 2,048.73p per share (2019 at 1,912.60p per share).

	2020		2019	
	No of shares	£	No of shares	£
<b>Unrestricted</b>				
General account	414.64	8,495	1,225.12	23,432
<b>Restricted</b>				
Bequest and other restricted funds account	5,731.31	117,419	7,022.30	134,308
<b>Total</b>		<u>125,914</u>		<u>157,740</u>

There was one withdrawal from the General Fund, totalling £15,000 – to support our Current Account. One withdrawal of £20,000.00 was made from the Bequest Fund to pay for Parish Centre works and our Youth Minister.

There was an excess of Share Value over actual value within the Restricted Funds of £5,936. This amount should have been found within our Cafbank account. A transfer was made January 2020 to correct this situation. The Balance Sheet shows the adjusted values.

Excluded from our accounts are restricted funds that are held in a related "Incumbent and Churchwardens Trust for ecclesiastical purposes" by the Salisbury Diocesan Board of Finance as follows:

	2020	2019
	£	£
Maton Investments	<u>14,423</u>	<u>13,465</u>

**The Parochial Church Council of the  
Ecclesiastical Parish of Verwood**

**Notes to the Accounts (continued)**

**9. Cash at Bank and in hand**

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2020 £	2019 £
Cash at Bank	36,554	991	37,545	6,291
Cash in Hand	891	-	891	894
Totals	37,445	991	38,436	7,185

**10. Debtors**

	2020 £	2019 £
HMRC Income Tax refund	4,323	3,264
Other	-	1,186
HMRC December JRS	758	-
Total	5,081	4,450

**11. Creditors due within one year**

	2020 £	2019 £
General creditors	2,771	4,198
Total	2,771	4,198

**12. Transfers between Funds**

There was a Gross Transfer of £5,936.00 from the Bequest Fund shareholding to the Bank, to correct a shortfall of Restricted Funds in the 2019 Accounts.

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***13. Funds within the accounts***

#### **Restricted funds**

Where monies have been donated or bequeathed for specific purposes a restricted fund is set up within the accounts. Our current restricted funds are as follows:

<b>Special</b>	Collections for distinct and specific cause, usually not the Church
<b>Bequest</b>	For bequests with a specific purpose, generally the improvement or maintenance of the Church
<b>Choir</b>	For choir earnings and expenditure
<b>Organ</b>	To control monies specific to the organ and its maintenance
<b>Youth</b>	For youth ministry
<b>Barry Martin</b>	For those in financial hardship. Exercised at the discretion of the Vicar.

#### **Designated Funds**

These are funds set up by the PCC for specific purposes. However, the monies within them can be re-allocated, or returned to the General Fund, by the PCC, if an appropriate authorisation is made. Some donated funds are subject to recall, if the designated purpose is not pursued.

### ***14. Analysis of net assets between funds***

	General Fund £	Restricted Funds £	Total Funds £
Fixed assets	350,911	-	350,911
Heritage assets	32,120	-	32,120
Investments	8,495	117,419	125,914
Debtors	4,323	758	5,081
Cash at bank	37,445	991	38,436
Creditors	-2,671	-100	-2,771
Balance at 31 December 2020	430,623	119,068	549,691

# **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

## **Notes to the Accounts (continued)**

### ***15. Reconciliation of movements between funds - Restricted***

A statement of financial activity for each of the restricted funds for the year ended 31 December 2020.

	Special	Bequest	Choir	Organ	Youth	Discretion	Total
	£	£	£	£	£	£	£
<b>Incoming resources</b>							
From donors	1,538	-	10	-	1,000	388	2,936
Other voluntary resources	-	-	-	-	10,103	-	10,103
Income from investments	-	895	28	124	2,369	16	3,432
	-----	-----	-----	-----	-----	-----	-----
Total incoming resources	1,538	895	38	124	13,472	404	16,471
	-----	-----	-----	-----	-----	-----	-----
<b>Resources used</b>							
Donations	1,538	-	-	-	100	-	1,638
Church work	-	5,486	143	136	24,146	-	29,911
	-----	-----	-----	-----	-----	-----	-----
Total resources used	1,538	5,486	143	136	24,246	-	31,549
	-----	-----	-----	-----	-----	-----	-----
Net resources	-	-4,591	-105	-12	-10,774	404	-15,078
Investment gains	-	1,481	45	222	3,820	47	5,615
	-----	-----	-----	-----	-----	-----	-----
<b>Net movement in funds</b>	-	-3,110	-60	210	-6,954	451	-9,463
Balance at 1 January 2020	-	33,086	1,027	4,514	88,426	587	127,640
	-----	-----	-----	-----	-----	-----	-----
Balance at 31 December 2020	-	29,976	967	4,724	81,472	1,038	118,177
	-----	-----	-----	-----	-----	-----	-----
Held in CafBank	-	-	-	-	891	-	891
<b>Total of Restricted Funds -</b>	-	-	-	-	<b>82,104</b>	-	<b>119,068</b>

### **Fund Assets – Restricted and Designated**

All Restricted Funds are held as investments within one CBF Church of England Fund, known as our Bequest Fund.

## **The Parochial Church Council of the Ecclesiastical Parish of Verwood**

### **Independent Examiners' report to the trustees of the Parochial Church Council of the Ecclesiastical Parish of Verwood**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages three to fourteen.

#### **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').

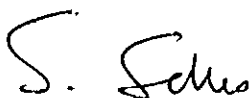
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

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.



date 8 April 2021

Stephen Sellers  
Institute of Chartered Accountants in England and Wales  
Grant Sellers, Chartered Accountants  
Bank Court, 12 Manor Road, Verwood, Dorset, BH31 6DY