

Charity Registration Number - 1130762

ST KEA PAROCHIAL CHURCH COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2021

ST KEA PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31 DECEMBER 2021

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ST KEA PAROCHIAL CHURCH COUNCIL
ANNUAL REPORT
FOR THE YEAR ENDING 31 DECEMBER 2021

Reference and Administrative Details

Church Address:	The Church Office Churchtown Killiow Truro TR3 6AE
Telephone:	01872 262868
Email:	office@stkea.org.uk
Website:	www.stkea.org.uk
Charity Registration No:	1130762
Bankers:	Lloyds Bank plc 7 Boscawen Street Truro TR1 2QT Nationwide Building Society Kings Park Road Moulton Park Northampton NN3 6NW
Independent Examiner:	D M Batten BSc. FCPFA DMS Kingfisher House 14 Truro Road Lanivet PL30 5HF

The following served as members of the PCC during the 2021 calendar year:

Chair – Vicar:	Rev. Marc Baker
Church Wardens:	Martin Handford Neil Bridle
Titular Warden of Old Kea*	Jan Argall
Assistant Curate:	Rev. Will Harwood
Associate minister – All Hallows, Youth & families:	Rev. Hugh Barne
Trustees:	Heather Alford (Retired at APCM on 28 April 2021) Stephen Baird Joanna Craze (Retired at APCM) Peter Emms Ben Goddard (Deanery Synod Representative) Jonathan Larkin (Retired at APCM) Julie Le Masurier Claudia Loveland (Deanery Synod Representative) Graham Loveland (PCC Secretary) Natalie Russell Dr. Alan Stanhope (Deanery Synod Representative) Richard Stovin-Bradford (PCC Treasurer)
Ex-officio (without voting rights):	Siân Goddard (Strategic Operations Manager) Steve Murray (Associate minister to July)

* The Titular Warden of Old Kea is regarded as an honorary member of the PCC but does not normally attend PCC meetings and is not a trustee.

ST KEA PAROCHIAL CHURCH COUNCIL
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PCC members' report

The PCC members (trustees) present the annual report together with the financial statements of the Charity for the year ended 31 December 2021.

Overview of Kea Parish & PCC operations for 2021

St Kea's vision is "Seeing God transform lives". As a church, we are committed to helping everyone join in this great adventure as God transforms us into the people we were made to be. We seek to be engaged with the world around us and committed to evangelism, sharing the good news of Jesus with those who do not know him. We want to see all Christians established in - and deepening - their faith as they seek to live for Jesus. We also want to equip everyone for the unique life God calls them to live, and long for everyone who lives and works in Truro and beyond to have the opportunity to receive the gospel from someone who loves them.

In practical terms, we seek to provide high-quality Christian worship and teaching and provide a pastoral support network for the church family and those living in the communities around us. We also engage in outreach to promote the Christian faith with youth and children in the church family and in local schools and through our work with Christians Against Poverty (CAP). We support gospel partners locally and, through UK-registered charities, further afield.

Parish

The Parish of St Kea covers an area that includes Killiow, Playing Place, Calenick, Porth Kea and Coombe.

The parish has four centres of worship – the Parish Church of All Hallows (commonly known as "Kea Church"), Old Kea Church, Archbishop Benson School in Truro and CAP Lanterns congregation that normally meets at Truro Baptist Church on Tuesdays.

There were 179 people on the electoral roll of the Parish of St Kea as at the 2021 Annual Parochial Church Meeting on 28 April.

Worship & Ministry

The incumbent is The Rev. Marc Baker, who was inducted into the parish on 2 May 2013, and became Vicar on 18 October 2016. He was appointed Rural Dean of the Powder Deanery in July 2020. The Rev. Will Harwood, who joined the ministry team as Assistant Curate in July 2019, leads the congregation at Archbishop Benson School in Truro. He was ordained Deacon in June 2020 and Priest on September 20 2021. Steve Murray, who joined the staff in November 2018 as lay Associate Minister responsible for Youth and families, led the congregation at All Hallows until July. In August he returned to New Zealand as Pastor of Welcome Bay Baptist Church in Tauranga. The Rev. Hugh Barne joined the ministry team as Associate Minister responsible for All Hallows and Youth and families in his place. He was ordained Deacon in July 2017 and Priest in June 2018 and was inducted into the parish on September 15 2021. Hannah Green continued to serve as an intern during the year, assisting the church leadership across a range of activities, while studying at South West Youth Ministries.

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Sunday worship:

The Coronavirus Covid-19 pandemic continued to disrupt church family meetings in person in the early part of the year, but whole-church worship and ministry continued via livestream broadcast on YouTube and Zoom with services at 10.15 a.m. every Sunday and, where possible, a monthly prayer and worship meeting once a month on Sunday evenings. Normal in-person meetings resumed as soon as restrictions were lifted, while observing applicable protocols. The information below reflects the normal pattern of worship when the church family was able to meet in person.

All Hallows: An informal, family-friendly service is held at 10.15 a.m. Holy Communion is celebrated once a month. A prayer and worship meeting is normally held one Sunday evening a month.

Old Kea: Holy Communion is celebrated at 8.30 a.m. on the first Sunday in the month; Evensong is held at 6.30 p.m. on the third Sunday in the month. Services at Old Kea follow the Book of Common Prayer (1662).

Archbishop Benson School, Truro: An informal, family-friendly service is held at 9.30 a.m. Holy Communion is celebrated once a month.

In 2021, eight funerals and five weddings were conducted in the parish.

PCC

The statutory role of the Parochial Church Council is to co-operate with the incumbent “in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social, and ecumenical”. The PCC is, by law, a body corporate and is a registered charity (Charity number 1130762). The PCC is responsible for maintaining the fabric of the churches and churchyard and other property held in trust by the parish, and for the financial affairs of the parish.

Members are elected to the PCC at the APCM (usually held in March or April) and can serve in office for a period of up to three years. Members of the St Kea electoral roll can stand again for PCC or Deanery Synod membership at the end of a three-year term.

Standing Committee

The Standing Committee has been authorised to transact items of business on behalf of the whole PCC and to develop major proposals to the point at which they are ready for discussion by the PCC meeting.

The members of the Standing Committee comprise: The Incumbent, Churchwardens, PCC Secretary, PCC Treasurer, Strategic Operations Manager and two other PCC members.

Fabric

The fabric includes the two churches - All Hallows and Old Kea - and associated churchyards, and the church hall and church cottage on the All Hallows site.

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Staff

The PCC employs four members of staff:

Administrator/Leadership assistant: Kay Mumford (Part-time 25 hours per week);
Associate minister responsible for Youth & Families: Steve Murray (full-time until July)
Associate minister responsible for All Hallows, Youth & Families: The Rev. Hugh Barne (full-time from July);
CAP Truro Centre manager: Natalie Gavan (Part-time 22.5 hours per week); and
Strategic operations manager: Siân Goddard (Part-time 10 hours per week until end-November).

In addition to paid staff, St Kea offers an internship training scheme. Hannah Green undertook our internship programme during the year. This is not a paid role; interns are instead entitled to apply for bursary support funding from St Kea to support their living costs, although this is not guaranteed

Review of 2021

A year of recovery and preparing for renewal

The generous and sustained regular giving of the church family enabled us to maintain our focus on seeing God transform lives both within our church family, as individuals have grown in the Christian faith, and outside our church family, as we served our local communities and offered the good news of Jesus to others. In 2021, we concentrated on re-establishing and rebuilding the majority of our ministries after the pandemic-related disruptions of 2020.

At the start of the year many of our activities that serve the local community remained on hold because of the pandemic, while others took place online. Stay & Play, our toddler group, restarted during the year, and we resumed our ministry in local schools, including organising school visits to our church at Christmas. Sky Riders, our after-school club, was also able to restart fully after the disruptions of the pandemic. We welcomed back uniformed organisations for their children's and youth activities, including gathering in person for our Remembrance Sunday service. Our outreach activities also resumed, including the Christianity Explored course in September, as did our Connect Group, which meets in Truro and serves those suffering from loneliness and isolation.

One of the main ways we serve our local communities is through the work of Christians Against Poverty (CAP). Much of this ministry had to be moved online during 2020 but, from late 2021, we were delighted that Lanterns, our midweek congregation, could once again meet in person - and in increased numbers. CAP also resumed in-person meetings with potential clients, and began to rebuild its client base.

In terms of ministry towards church members themselves, experience gained in the first year of the pandemic meant that, despite further interruptions in 2021, St Kea was well prepared to resume regular worship as soon as conditions allowed. Even so, we continued our livestream broadcasts on YouTube to reach those unable to attend in person and others, in Truro and beyond, wanting to explore the Christian message of hope.

Our small groups grew in size during the year, so three new groups started in the autumn. Most groups have returned to meeting in person. The pandemic has taught us about new ways to minister, so some small groups will remain permanently online, ensuring greater access for those who cannot attend in person. Throughout the year our leadership and pastoral teams maintained regular contact with the lonely and vulnerable.

Our Sunday Club activities and youth groups, including individual small groups for sixth-form students on Tuesdays and a group for girls on Mondays, also gathered again in person. We strive to equip our team leaders at all levels, so were pleased to be able to restart leadership training for our small group leaders. We also put in place plans to resume leadership training for those who lead and preach at our Sunday gatherings and those who work in our Youth and Children's ministry.

As a church we wish to support the work of the gospel, locally, nationally and internationally. Our Gospel Partnerships team resumed its rhythm of regular giving through UK-based charities. We were especially excited, alongside our regular giving, to be able to make a substantial contribution to the work of Compassion UK in Embu, Kenya. We also supported a wider variety of gospel partners in 2021.

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As part of the Church of England, St Kea is also keen to work in constructive partnership with other churches where this will advance our vision to see lives transformed by God. To that end, a significant moment in 2021 was the introduction of the long-heralded Bishop's Mission Order (BMO), with the full involvement of St Kea. The BMO was signed on 18th November at a service led by Bishop Philip at Truro Cathedral for all the Church of England churches in Truro. It established two teams and St Kea is a member of the 'Truro Renew' team. Led by our Vicar, this team will work with other Church of England churches across Truro towards the renewal of those churches. This will mean working in collaboration, sharing resources and also receiving support in our ministries.

At St Kea itself, the continued support of church members and our ability to draw on funding set aside in prior years meant that 2021 could be another year of upgrading the fabric and fittings of our meeting spaces. This included equipping All Hallows with lighter, more-easily-stackable chairs to increase the flexibility of this, our largest, community space. We carried out further work on the disabled access ramp and composting WC at Old Kea, with completion expected in early 2022 and drawdown of the related grant funding. We also updated and transformed the upper room in the church hall to create a much more useful meeting room for the whole church family, with a special focus on our work amongst young people. We are fortunate to have such meeting spaces.

Financial review

Income and expenditure

In financial terms, the church had a deficit for the year of £31,536 (2020 surplus £32,606), compared with a projected budget deficit of £8,417. Although our income of £223,670 was almost the same as in 2020, expenditure rose to £255,143 (excluding a £63 loss on investments), an increase of 25 per cent.

To be clear, when we report a 'deficit', we mean the excess of expenditure in a given year over actual income in that year. In St Kea's case, this expenditure was funded by a combination of income received in 2021 and funds set aside from income received in prior years and held as either designated or restricted funds. Similarly, if income in a given year exceeds expenditure that year, we report a 'surplus', as we did in 2020. Deficits reduce our overall available bank balances (but not designated or restricted funds, which are ring-fenced in our accounts). Conversely, surpluses increase our overall available bank balances.

Turning first to our unrestricted income, planned regular giving without any restrictions on its use rose to £155,528, up 9 per cent from a year ago. We are grateful that almost 99 per cent of the church family now gives regularly online to St Kea, primarily through the Parish Giving Scheme, which reclaims Gift Aid on our behalf. Gift Aid reclaimed boosted our income by more than £31,800.

Restricted income – funds provided by generous donors with restrictions on how it may be used - of almost £20,000 will, among other things, enable us to cover the cost of appointing a part-time Debt Coach at CAP on a two-year contract and provide vital support for the work of CAP in Truro as the need for its services increases. We are so grateful for the generous and gracious backing of our donors.

During the year, we encashed all of our endowments in order to be able to make more efficient use of the capital and accumulated income and reduce our administrative burden, while respecting applicable restrictions.

Turning to expenditure, items that contributed to our deficit in 2021 included some £17,300 of new chairs for All Hallows (using funds set aside previously); Some £23,500 of expenditure on the access ramp at Old Kea; higher-than-expected staff costs as the Rev. Hugh Barne took over from Steve Murray as Associate Minister in July; and the disbursement of £12,500 of Gospel Partnerships funds unspent in 2020 in support of the Compassion UK initiative in Embu, Kenya. In total, we disbursed £26,196 to gospel partners during 2021. We seek to remain a generous church in response to God's goodness to us.

Taken in the round, our expenditure was in fact lower than expected in the revised budget approved by the PCC in July 2021, mainly because of variances in the timing of expected expenditure.

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FOR THE YEAR ENDING 31 DECEMBER 2021

Balance sheet

Our balance sheet remains strong, with net current assets of £174,641, of which £46,472 is held in restricted funds and £22,446 in designated funds to cover specific expenditure in the years to come. Further details on these funds can be found on pages 11 and 15.

Reserves

At the balance sheet date, the church's free reserves totalled £105,723, which is the unrestricted portion of net current assets. On the basis of average monthly normal operating expenditure*, this represents six months' cover.

The PCC's policy is to hold sufficient reserves to cover at least three months' normal operating expenditure to cushion the church in the event that income declines sharply. The minimum reserve agreed by the PCC is currently £60,000.

The PCC has approved a budget for 2022 that could result in a deficit of £80,646. If the budget is achieved, amounts held in reserve would still exceed the minimum reserve agreed.

**Normal operating expenditure includes the costs of the church's outreach and discipleship activities, its staff team, clergy, buildings, online ministry, youth and children's ministry, its work with Christians Against Poverty and Gospel Partnerships initiatives locally and internationally.*

Looking ahead

2022 is set to be a significant year in the life of the Deanery of Powder, the Church of England deanery to which St Kea belongs. Under the Diocese of Truro's 'On The Way' process, a root-and-branch review of the ministry of every Church of England church in the deanery has been ordered. This could involve pastoral reorganisation across the deanery and a change in the way resources are redeployed across it. Consultations about what this might mean for St Kea will take place early in the new year with plans developed in March and April leading to a vote in the Deanery Synod by June. At that stage we will know how the new plans might change the nature of our ministry.

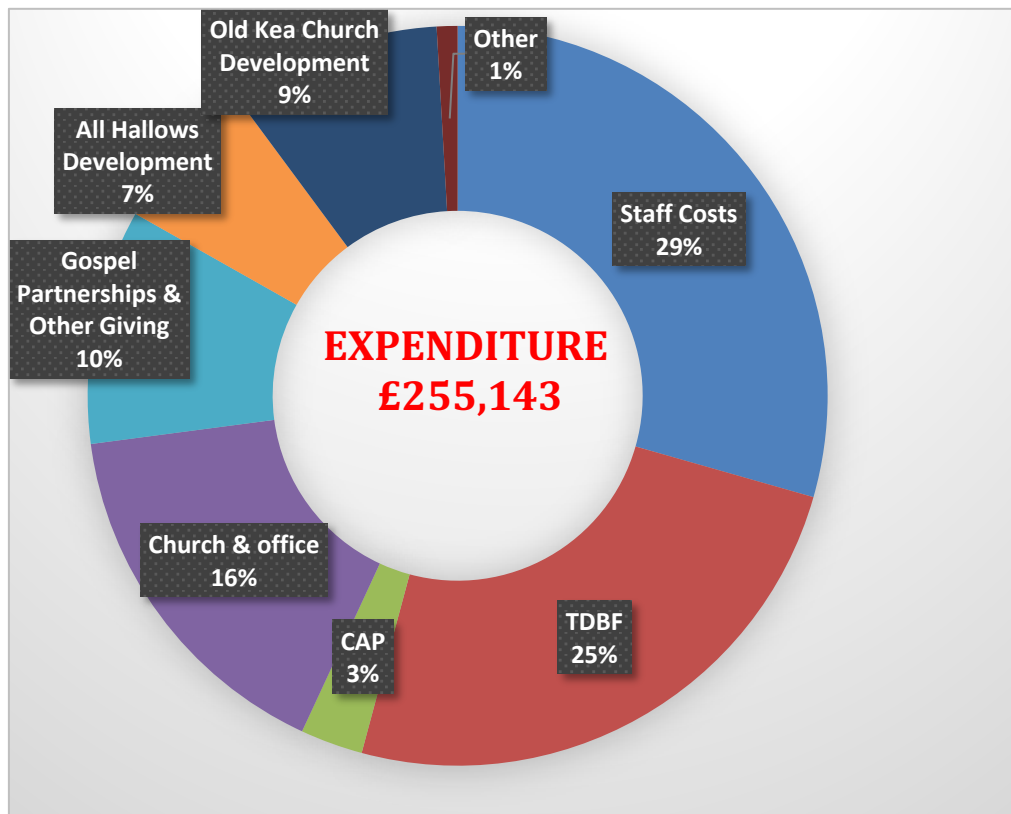
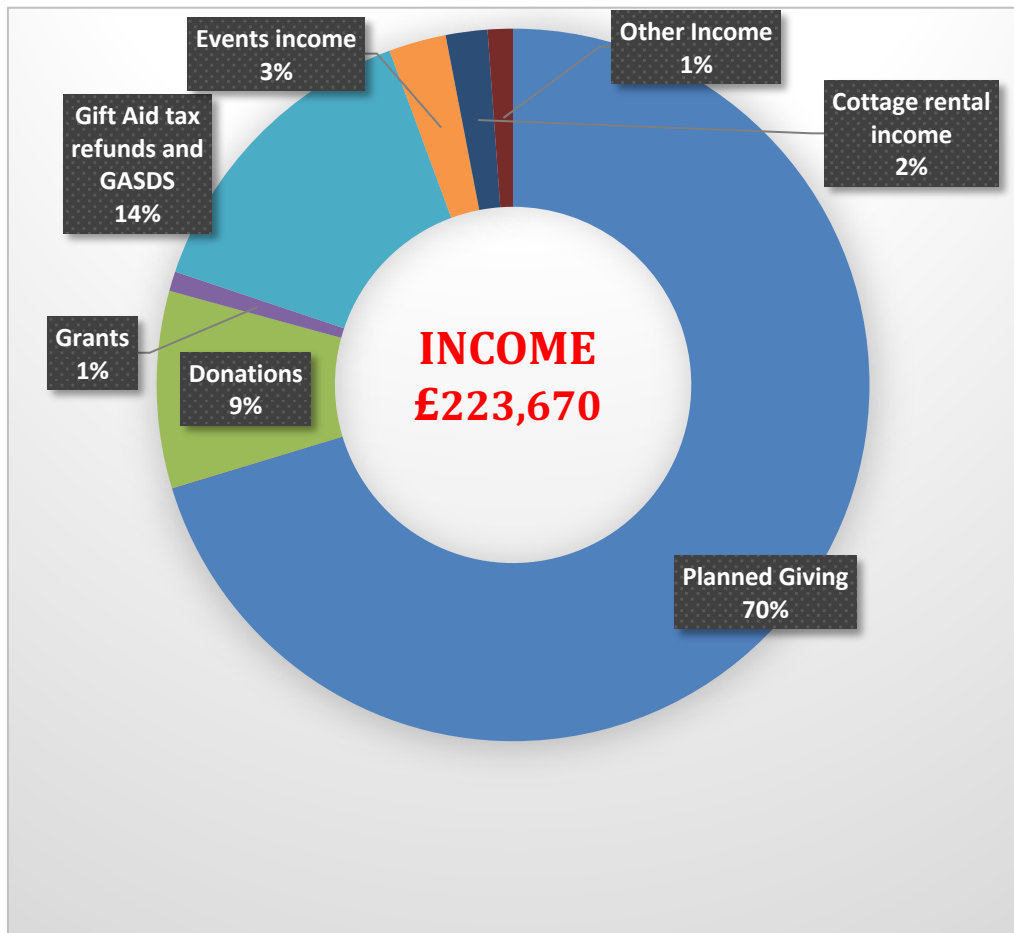
In changing times, St Kea retains its outward-looking vision and mission to see God transform lives in Truro and beyond. As the projected budget deficit suggests, we expect activity-based expenditure and planned maintenance costs to increase, much of them funded by drawing down designated and restricted funds. Additionally, in 2021 the PCC committed to provide £60,000 over a three-year period towards the cost of funding a combined Associate Minister at St Kea and priest-in-charge at St John the Evangelist church, Truro in terms of the BMO. To this end, the PCC designated £5,000 of this amount in 2021.

Changes will be made to our staff team following the resignations of both our Operations Manager and Administrator in late 2021; we will make new appointments to fill those posts. Further, we intend to appoint a new CAP Debt Coach to care for more clients in debt, so increasing the reach of our service at a critical time.

While remaining outward-looking, we must also continue with planned maintenance on the church cottage, the church hall and All Hallows. Once grant funding has been raised, we intend to commence work on repairing the pillars at Old Kea to secure the fabric of this precious worship space for generations to come.

Against the backdrop of so many significant changes, we also intend to resume our regular planning cycle. Inevitably, during the pandemic we have had to be nimble in adapting to rapidly-changing circumstances. In 2022, we will be asking our leadership teams to develop multi-year plans and present them to the PCC. We anticipate that these plans will move us from the recovery phase in 2021 towards a sustained growth phase in 2022, with a special focus on our ministry to children, young people and families.

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ST KEA PAROCHIAL CHURCH COUNCIL

ANNUAL REPORT

FOR THE YEAR ENDING 31 DECEMBER 2021

Statement of PCC members' Responsibilities

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

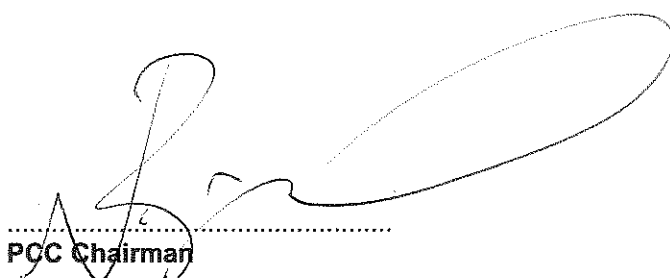
The law applicable to charities requires the PCC members to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the PCC members are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The PCC members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. The PCC members are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC confirms that the activities of the church meet the requirements of the Charity Commission in respect of Public Benefit. Details of how this is achieved are given in the section "Overview of Kea Parish & PCC Operations for 2021."

This report was agreed by the Parochial Church Council on the 14th March 2022 and signed on their behalf by:



PCC Chairman

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
ST KEA PAROCHIAL CHURCH COUNCIL**

I report to the members of the PCC on my examination of the accounts of St Kea PCC for the year ended 31st December 2021, which are set out on pages 10 to 18.

Responsibilities and basis of report

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

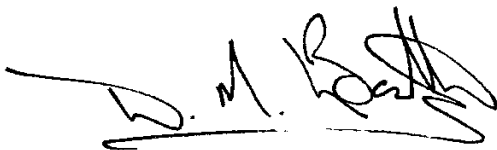
I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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 PCC 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 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.



D M Batten BSc. FCPFA DMS
Kingfisher House
14 Truro Road
Lanivet
PL30 5HF

Date 14th March 2022

ST KEA PAROCHIAL CHURCH COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2021

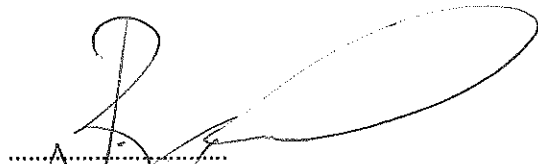
	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	7a	191,146	19,929	-	211,075	212,206
Other trading activities	7b	10,300	-	-	10,300	10,604
Investment income	7c	170	-	-	170	231
Other income		2,125	-	-	2,125	1,090
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		203,741	19,929	-	223,670	224,131
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:						
Charitable Activities	8	(224,414)	(30,729)	-	(255,143)	(191,725)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		(224,414)	(30,729)	-	(255,143)	(191,725)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET GAINS/(LOSSES) ON INVESTMENTS	6a	-	-	(63)	(63)	200
NET INCOME/(EXPENDITURE)		(20,673)	(10,800)	(63)	(31,536)	32,606
TRANSFERS BETWEEN FUNDS	6a	2,496	2,045	(4,541)	-	-
NET MOVEMENT IN FUNDS		(18,177)	(8,755)	(4,604)	(31,536)	32,606
RECONCILIATION OF FUNDS:						
TOTAL FUNDS BROUGHT FORWARD	6a	646,458	55,227	4,604	706,289	673,683
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		628,281	46,472	-	674,753	706,289
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

ST KEA PAROCHIAL CHURCH COUNCIL
BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS:					
Tangible Assets	2		500,112		500,440
Investments	3		-		4,604
			<hr/>		<hr/>
			500,112		505,044
CURRENT ASSETS:					
Debtors	4	1,217		15,492	
Cash at bank and in hand		178,095		188,597	
			<hr/>	<hr/>	
TOTAL CURRENT ASSETS		179,312		204,089	
LIABILITIES:					
Creditors: Amounts falling due within one year	5	(4,671)		(2,844)	
			<hr/>	<hr/>	
NET CURRENT ASSETS			174,641		201,245
			<hr/>		<hr/>
TOTAL NET ASSETS	6b		674,753		706,289
			<hr/>		<hr/>
THE FUNDS OF THE CHARITY:					
Endowment Funds	6a		-		4,604
Restricted Income Funds	6a		46,472		55,227
Unrestricted Funds	6a	605,835		608,655	
Designated Funds	6a	22,446		37,803	
			<hr/>	<hr/>	
			628,281		646,458
			<hr/>		<hr/>
TOTAL CHARITY FUNDS	6a		674,753		706,289
			<hr/>		<hr/>

The notes on pages 12-18 form an integral part of these accounts.

These accounts were approved by the PCC on 14th March 2022 and signed on their behalf by


 PCC Member

ST KEA PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

General

These financial statements have been prepared in accordance with the Church Accounting Regulations 2016 together with applicable accounting standards, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities Financial Reporting Standard 102 (FRS 102).

The financial statements have been prepared under the historical cost convention, except for the valuation of investment assets, which are shown at bid market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

INCOME AND ENDOWMENTS

Donations and Legacies

Planned giving receivable under Gift Aid is recognised only when received. Planned giving includes donations given and the resultant Gift Aid donated through the Parish Giving Scheme.

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

Gift Aid tax refunds and Gift Aid Small Donations Scheme (GASDS)

Income tax recoverable on Gift Aid donations and GASDS is recognised when the income is recognised.

Investment income

Income from investments is included in the year in which it is receivable.

EXPENDITURE

Expenditure is included on an accruals basis.

Charitable Activities

Comprises those costs incurred by the PCC in the delivery of its activities and services for its beneficiaries.

FIXED ASSETS

Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property is excluded from the accounts by s10 (2) (a) of the Charities Act 2011.

Movable church furnishings held by the vicar and Churchwardens on special trust for the PCC and which require faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2003 there is insufficient cost information and therefore such assets are not valued in the accounts. Items acquired since 1st January 2003 have been capitalised and depreciated in the accounts over the current anticipated useful economic life (initially over 4 years) on a straight line basis.

Depreciation

No depreciation is provided on the freehold properties. The PCC consider that the life of these assets is so long and their residual value is so high that their depreciation is insignificant.

Fixtures, fittings and equipment that exceed £1,000 are capitalised only if they are bought from unrestricted funds. Depreciation is provided on these tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	25% straight line basis
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Fixed asset investments

Investments held as fixed assets are revalued at bid market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

ST KEA PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Designated funds are earmarked by the trustees for specific purposes in the future. The trustees have the power to re-designate such funds within the unrestricted funds

Restricted funds represent the funds of the PCC where income has been raised for specific purposes, for individuals or special events.

Endowment funds are funds, the capital of which must be maintained. Only income arising from investment of the endowment may be used.

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 settlement value.

Going Concern

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

2. TANGIBLE ASSETS

	Freehold Property Church Hall £	Freehold Property Cottage £	Fixtures, Fittings and Equipment £	Total £
COST				
At 1 st Jan 2021	275,000	225,000	44,372	544,372
Additions	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 st Dec 2021	275,000	225,000	44,372	544,372
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 st Jan 2021	-	-	43,932	43,932
Charge for the Year	-	-	328	328
	<hr/>	<hr/>	<hr/>	<hr/>
Carried forward 31 st Dec 2021	-	-	44,260	44,260
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
As at 31 December 2021	275,000	225,000	112	500,112
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2020	275,000	225,000	440	500,440
	<hr/>	<hr/>	<hr/>	<hr/>

The freehold properties, Church hall and church cottage were valued on 28th February 2017 by Philip Martin & Co, Truro, FRCS. The valuation was made at market value assuming vacant possession.

ST KEA PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

3. FIXED ASSET INVESTMENTS

	Listed Investments £
Cost or Valuation	
At 1 st January 2021	4,604
Revaluation	(63)
Encashment	(4,541)
	<hr/>
At 31 st December 2021	-
	<hr/>
Net Book Value	
At 31 st December 2021	-
	<hr/>
At 31 st December 2020	4,604
	<hr/>

Investments consist of J C Daubuz Trust Fund and Q F Tinney Trust Fund administered by the Diocese of Truro Board of Finance on behalf of the PCC as custodian trustee. In addition, investments also include Mitchell Churchyard and Nicholas and Maria Mitchells Bounty which are invested directly with CCLA.

All investments were redeemed during the year

The market value of the listed investments at 31st December 2021 was £Nil (2020 - £4,604).

4. DEBTORS

	2021 £	2020 £
HMRC – Gift Aid	1,132	2,287
Prepayments	-	4,085
CAP overpayments	-	9,120
Other Debtors	85	-
	<hr/>	<hr/>
	1,217	15,492
	<hr/>	<hr/>

5. CREDITORS: Amounts falling due within one year:

	2021 £	2020 £
Taxation and Social Security	368	712
Trade Creditors	1,672	864
Other Creditors	947	268
Accruals	1,684	1,000
	<hr/>	<hr/>
	4,671	2,844
	<hr/>	<hr/>

ST KEA PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

6a. TOTAL FUNDS

	Fund Balances B/Forward £	Income £	Expenditure £	Transfers £	Other recognised gains/(losses) £	Fund Balances C/Forward £
UNRESTRICTED FUND						
Unrestricted Fund	<u>608,655</u>	<u>184,423</u>	<u>(184,739)</u>	<u>(2,504)</u>		<u>605,835</u>
DESIGNATED FUNDS						
Gospel Partnerships	12,803	19,318	(26,196)	-		5,925
All Hallows Development Fund	25,000		(13,479)	-		11,521
Associate Minister – St Johns	-	-	-	5,000		5,000
	<u>37,803</u>	<u>19,318</u>	<u>(39,675)</u>	<u>5,000</u>	-	<u>22,446</u>
Total Unrestricted Funds	<u>646,458</u>	<u>203,741</u>	<u>(224,414)</u>	<u>2,496</u>	-	<u>628,281</u>
PERMANENT ENDOWMENT FUNDS						
JC Daubuz Trust Fund	27	-	-	(27)	-	-
Nicholas and Maria Mitchells Bounty	1,785	-	-	(1,741)	(44)	-
Mitchell Churchyard	747	-	-	(728)	(19)	-
QF Tinney	2,045	-	-	(2,045)	-	-
Total Endowment Funds	<u>4,604</u>	<u>-</u>	<u>-</u>	<u>(4,541)</u>	<u>(63)</u>	<u>-</u>
RESTRICTED FUNDS						
Legacy 1	9,200	-	(359)	-	-	8,841
Legacy 2	-	-	(261)	2,045	-	1,784
Intern & New Chairs Donation	5,200	-	(1,500)	-	-	3,700
Belling Trust Grant	3,412	-	(1,495)	-	-	1,917
All Hallows Development Fund	3,560	-	(3,560)	-	-	-
Old Kea Church Development	33,855	2,825	(23,554)	-	-	13,126
CAP Debt Coach & Truro Centre	-	13,359	-	-	-	13,359
CAP Income	-	3,745	-	-	-	3,745
	<u>55,227</u>	<u>19,929</u>	<u>(30,729)</u>	<u>2,045</u>	-	<u>46,472</u>
	<u>706,289</u>	<u>223,670</u>	<u>(255,143)</u>	<u>-</u>	<u>(63)</u>	<u>674,753</u>

Endowment Funds

Income is generated by the endowment investments held by the PCC. The encashments of the endowment funds were transferred to unrestricted or restricted funds as appropriate.

Legacies

These funds consist of legacies given to pay for the maintenance of a family grave and the All Hallows churchyard.

Intern & New Chairs Donation

This fund consists of a donation towards a bursary for an intern and towards the cost of additional new chairs for All Hallows; any unspent balance may be used for general purposes thereafter.

Belling Trust Grant

For Livestream and other technical equipment and improvements

All Hallows Development Fund

This fund consists of donations given towards the work of developing All Hallows Church

Old Kea Church Development Fund

This fund consists of donations given towards the work of developing Old Kea Church.

Christians against Poverty Funds (CAP)

These funds consist of donations given towards the various works of Christians against Poverty.

ST KEA PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

6b ANALYSIS OF FUNDS

	Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total Funds £
Tangible fixed Assets	500,112	-	-	500,112
Investments	-	-	-	-
Current Assets	132,840	46,472	-	179,312
Current Liabilities	(4,671)	-	-	(4,671)
TOTAL NET ASSETS	628,281	46,472	-	674,753

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

INCOME

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
7a Donations and Legacies					
Planned Giving	155,528	1,740	-	157,268	144,109
Collections and other giving	-	-	-	-	2,579
Donations	3,817	125	-	3,942	22,760
Grants	-	2,000	-	2,000	10,500
Gift Aid tax refunds and GASDS	31,801	-	-	31,801	32,259
CAP donations	-	16,064	-	16,064	-
	191,146	19,929	-	211,075	212,207
7b Other trading activities					
Events income: Fees Weddings & Funerals	5,462	-	-	5,462	5,725
Events income: Other	352	-	-	352	297
Cottage rental income	4,226	-	-	4,226	4,085
Contributions for use of hall	260	-	-	260	496
	10,300	-	-	10,300	10,603
7c Investment income					
Bank interest	170	-	-	170	159
Dividends	-	-	-	-	72
	170	-	-	170	231

ST KEA PAROCHIAL CHURCH COUNCIL

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

EXPENDITURE

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
EXPENDITURE ON:					
8 Charitable activities					
Salary and pension costs	10	74,120	-	74,120	68,540
TDBF MMF contribution		63,163	-	63,163	63,163
TDBF and other fees		-	-	-	2,723
CAP fees		6,695	-	6,695	(780)
CAP office/other costs		272	-	272	996
Church running expenses		34,108	2,120	36,228	27,268
Printing, postage, stationery		1,848	-	1,848	1,638
Gospel Partnerships	9	26,196	-	26,196	10,737
Special Collection giving		-	-	-	30
Lease of photocopier		1,275	-	1,275	1,341
Other expenditure		985	-	985	2,598
Clergy & Staff expenses		945	-	945	1,089
Belling Trust funded IT Equipment		-	1,495	1,495	5,588
All Hallows Development		13,479	3,560	17,039	-
Old Kea Church Development		-	23,554	23,554	5,066
Depreciation		328	-	328	778
Independent Examiner's fee		1,000	-	1,000	950
		<hr/>	<hr/>	<hr/>	<hr/>
		224,414	30,729	255,143	191,725
		<hr/>	<hr/>	<hr/>	<hr/>

9. GOSPEL PARTNERSHIPS

The following gifts were made during the year to the organisations and individuals listed below.

	2021 £	2020 £
Christian Associates UK / Communitas (Reg. 1070351)	2,000	2,750
Discretionary Payments	-	300
Truro Foodbank	2,000	2,000
Mercy Rescue Trust (Reg. 1121584)	5,000	5,000
Churches Together in Truro	300	300
Compassion UK (Reg. 1077216)	12,896	370
Tear Fund (Reg. 265464)	2,000	-
Barnabas Fund (Reg. 1092935)	2,000	-
	<hr/>	<hr/>
	26,196	10,737
	<hr/>	<hr/>

ST KEA PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

10. STAFF COSTS

Total employees' remuneration for the year amounted to £74,120 for 4 employees – 1 full time and 3 part time (2020 - £68,540 for 4 employees 1 full time and 3 part time). Gross salaries amounted to £72,776. Employer's NIC amounted to £219. Pension costs amounted to £1,125.

There were no employees with remuneration above £60,000.

In addition to paid staff, St Kea offers an unpaid internship training scheme. Interns are entitled to apply for bursary support funding from St Kea to support their living costs, although this is not guaranteed.

11. TRUSTEES' REMUNERATION AND EXPENSES

No remuneration directly or indirectly out of the funds of the church was paid or payable for the year to any members of the Parochial Church Council or to any person or persons known to be connected with any of them. No PCC member has received reimbursement for services provided to the PCC during the year. The clergy are paid by the Diocese from the Mission and Ministry Fund (formerly Diocesan Common Fund) paid by each parish.