

Charity Registration Number - 1130762

**ST KEA PAROCHIAL CHURCH COUNCIL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

**ST KEA PAROCHIAL CHURCH COUNCIL**

**YEAR ENDED 31 DECEMBER 2022**

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**ST KEA PAROCHIAL CHURCH COUNCIL**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**Reference and Administrative Details**

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

The following served as members of the PCC during the 2022 calendar year:

<b>Chair – Vicar:</b>	Rev. Marc Baker
<b>Church Wardens:</b>	Martin Handford Neil Bridle
<b>Titular Warden of Old Kea*</b>	Jan Argall (until APCM on 27 April 2022) Alison Brown (from APCM)
<b>Associate minister St Kea – All Halls, Youth &amp; families:</b>	Rev. Hugh Barne
<b>Assistant minister St Kea – Priest-in-charge St John the Evangelist:</b>	Rev. Will Harwood
<b>Trustees:</b>	Jonny Alford (Elected to Deanery Synod by PCC in July) Stephen Baird Peter Emms Ben Goddard (Deanery Synod Representative) Siân Goddard 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 until December)
<b>Ex-officio (without voting rights):</b>	Vicki Cooper, Church Manager (Appointed in February)

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

**ST KEA PAROCHIAL CHURCH COUNCIL**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**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 2022.

**Overview of Kea Parish & PCC operations for 2022**

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 City Life Church on Tuesdays.

There were 171 people on the electoral roll of the Parish of St Kea as at the 2022 Annual Parochial Church Meeting on 27 April.

**Worship & Ministry**

The incumbent is The Rev. Marc Baker, who was inducted into the parish in May 2013, and became Vicar in October 2016. He was appointed Rural Dean of the Powder Deanery in July 2020.

The Rev. Hugh Barne, who was ordained Deacon in July 2017 and Priest in June 2018, joined the ministry team as Associate Minister responsible for All Hallows and Youth and families in July 2021. He was inducted into the parish in September 2021.

The Rev. Will Harwood, who joined the ministry team as Assistant Curate in July 2019, was ordained Deacon in June 2020 and Priest in September 2021, led the congregation at Archbishop Benson School in Truro until August. He was then appointed Priest-in-Charge of St John the Evangelist church in Truro and inducted in October 2022. He remains an Associate Minister at St Kea.

Hannah Green continued to serve as an intern until July, assisting the church leadership across a range of activities, while studying at South West Youth Ministries.

Sam Payne joined as a part-time youth worker in September in the absence of intern candidates.

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Sunday worship:

Whole-church worship and ministry occurred throughout the year, with livestream broadcast of the All Hallows services on YouTube on most Sundays. Where possible, a monthly prayer and worship meeting was held once a month on Sunday evenings. The information below reflects the normal pattern of worship.

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: Services at Old Kea follow the Book of Common Prayer (1662) and their times were changed in July. Services are held on the third Sunday of the month at 3.30pm in daylight saving time and at 6.30 p.m during the rest of the year, with an 8.30 a.m. service on Easter Sunday and Christmas Day.

Archbishop Benson School, Truro: An informal, family-friendly service is held at 9.30 a.m. Holy Communion is celebrated once a month. A prayer meeting is normally held one Thursday evening a month.

In 2022, seven funerals and three 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, Church Manager, HR representative and a further PCC representative.

## **Fabric**

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

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**Staff**

The PCC employed the following seven members of staff in seven roles during the year:

Associate minister responsible for All Hallows, Youth & Families: The Rev. Hugh Barne (full-time)  
Christians Against Poverty Centre Manager: Natalie Gavan (Part-time 22.5 hours per week)  
Christians Against Poverty Debt Coach: Steve Worts (Part-time 8 hours per week from March)  
Church Administrator: Sue Sharp (Part-time 15 hours per week);  
Church Manager: Vicki Cooper (Part-time 12 hours per week from March)  
Leadership Assistant: Vicki Cooper (Part-time 10 hours per week from June)  
Leadership Assistant: Kay Mumford (Part-time 10 hours per week until May)  
Youth Worker: Sam Payne (Part-time 10 hours per week from September)

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 can apply for bursary support funding from St Kea to support their living costs, although this is not guaranteed.

**Review of 2022**

At the heart of our ministry at St Kea is a deep desire to see God transforming lives. We are convinced that the good news of Jesus is good news for everyone. God meets us where we are and invites us to know more of Him. We are committed to helping everyone join in this great adventure as He transforms us together to be the people we were made to be.

We seek to be very honest and real as a church *Engaged* with the world all around us. We are committed to *Evangelism*, sharing the good news of Jesus with those who do not know him. We want to see all Christians *Established* in their faith, growing deeper as they seek to live for Jesus. Finally, we want to help everyone be fully *Equipped* for the unique life God calls them to live.

If 2021 was concerned with rebuilding the life of our church following the Coronavirus Pandemic, 2022 focused on building plans for future growth. Throughout 2022 we continued to welcome new people to our different congregations and our congregation at St Kea particularly saw significant growth. We held numbers of congregational events through the year to help new people integrate into the life of our church. We continued to welcome new people into the life of our small groups.

We maintained our focus on ministry amongst children, young people and those who are most disadvantaged in our local communities. We were able to fully open up our ministry to schools, following the pandemic. This has included the return of class visits to the church. We were also able to consolidate our children's and youth groups. We now host a regular Sunday Night Youth Group for older teenagers and Tuesday Night Youth Group for younger teenagers. We have had to pause our club for junior children (SkyRiders) and that ministry is currently under review. In 2022 we also saw a return in our client numbers in our debt relief work through Christians Against Poverty, adding an additional Debt Coach who is fully funded by donations from Churches Together in Truro and others.

Maybe the most significant development in the life of our church came through our engagement with On The Way. On The Way is an initiative by the Diocese of Truro to reshape the nature of ministry across the diocese focused on making ministry sustainable and fruitful. It involved each deanery constructing development plans.

The first half of the year included consultations across all the churches in our deanery, including our congregations at St Kea. The plans that emerged through the consultation involved significant changes for the ministry of the deanery and for the churches in the Truro Mission Area. The heart of the plan includes the partnering of five churches across Truro and the formation of a new Benefice for Truro which will be called Trinity Church. These proposals were developed in partnership with the Episcopal College of the Diocese and with the Deanery Synod. These plans will allow us to share resources and enable ministry activities across the whole of Truro, working to see the revitalisation and growth of all the churches.

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Since the plan was agreed in the summer, we have now begun the process of implementation. Whilst there have not yet been any legal changes, significant progress has been made in a number of areas. We saw Revd Will Harwood change his role on our Staff Team, becoming the Priest in Charge at St John's and Associate Minister at St Kea (following competitive interview). We saw Andy Boorne going to take on the role of Local Minister at Kenwyn Parish Church (and Andy will become a curate in the Benefice in 2023). We have also begun some work on the new brand for Trinity, including re-naming our congregation that meets in Truro as Christ Church. We have also started to hold termly fellowship evenings where members from across Trinity can gather to pray together.

At St Kea itself, the continued support of church members, our ability to draw on funding set aside in prior years and a grant for Old Kea meant that 2022 could be another year of essential upgrades to the fabric and fittings of our meeting spaces. This included replacing the leaking flat roofs on the church hall and church cottage in January, upgrading the bathroom in the church cottage in May and commissioning a replacement for the leaking large window in the church hall in August, although completion of the latter was delayed until early 2023. Delays and material cost increases meant that the large window came in above the budgeted cost. The same was true of the erection of a kitchen and composting WC at Old Kea, using a combination of a generous £10,000 grant from the Joseph Rank Trust and funds set aside previously. This leaves repairs to the pillars as the final project on the fabric at Old Kea, a meeting space treasured by church members and visitors alike. At year-end, the restricted Old Kea Development Fund balance stood at just over £15,000, meaning that additional funding will need to be sought from grant providers and other sources.

## **Financial review**

### *Income and expenditure*

In financial terms, St Kea was able to report a surplus for the year of £162,946 (2021 deficit £31,536), compared with a projected budget deficit of £80,646. Our income of £415,937 was 86 per cent higher than the £223,670 reported in 2021. We shall explain the significant increase in income - and the resulting swing from deficit to surplus - in greater detail below. Our expenditure of £252,991 was slightly lower than our outlay of £255,143 in 2021.

It is worth bearing in mind how we report surpluses or deficits each year to comply with Charity Commission requirements. We record a 'surplus' when the income received in any given year – in this case 2022 – exceeds our actual expenditure of funds drawn from all sources in that year. Similarly, we would record a 'deficit' if our expenditure of funds – whether they are received in that year or in earlier years and set aside - exceeded the income actually received in that year.

In St Kea's case, thanks to the generosity of the church family, donations from supporters, grants and legacies, income can vary quite dramatically from year to year, even if underlying giving does not. It helps that much of this income is unrestricted, which means there are no restrictions on its use and PCC trustees are, in effect, 'trusted' to spend it on regular running costs, such as clergy, staff, church office and support costs, meeting spaces and the ministries we operate. Some income is, however, restricted, meaning that donors have specified how it is to be used – whether in response to a specific appeal for funds, or because they wish to provide funding for a particular purpose. PCC trustees are obliged to adhere to these restrictions. Sometimes, as is the case at St Kea, a sizeable proportion of our total funds is restricted, and these are ring-fenced in our bank accounts, along with other funds designated for specific purposes by the PCC.

Turning now to the 2022 financial year, our **unrestricted income** climbed sharply to £382,751, primarily because we received the sale proceeds of a bungalow left to the PCC by a former church member in August 2020 and sold for £181,010 in December 2022. We treat the sale proceeds as income in the year they were received, in this case 2022. After deduction of professional fees and holding costs, the PCC received net proceeds of just over £169,000. The PCC has designated this amount to cover ministers' accommodation costs, to honour the wishes of the former church member. We also received a £5,015 contribution from the Truro Diocesan Board of Finance (TDBF) towards energy costs. This was particularly welcome after our combined electricity and oil outlay in 2022 exceeded even our pre-emptively increased budget by about 17 per cent.

It is worth noting that in the absence of these significant unrestricted income items, our underlying unrestricted income would have been £196,726, or 3.4 per cent lower than in 2021 (£203,741). This decline reflects declining planned regular giving and related Gift Aid receipts towards the end of the year, as church members left or reduced their giving, that was only partially cushioned by a small increase in underlying other income (that is, excluding the bungalow proceeds and TDBF contributions).

As ever, we are grateful – even as economic conditions deteriorated – that in 2022 almost 97 per cent of the church family continued to give regularly online to St Kea, primarily through the easy-to-use Parish Giving Scheme, which reclaims Gift Aid on our behalf and is simpler to administer than other giving methods and helps the PCC in its planning. Gift Aid boosted planned giving of £149,164 by more than £30,000.

**Restricted income** – funds provided by generous donors with restrictions on how they may be used – tends to vary more from year to year than unrestricted income. In 2022, we received £33,186, compared with £19,929 a year earlier. Included in this figure is the first quarterly payment of £8,313 from the TDBF to cover the full salary and other costs of two staff members as part of the Church of England's Lowest Income Communities Funding scheme. Also included in restricted income were two generous grants totalling £10,000 that will help fund our work with Christians Against Poverty (CAP), and another for the upkeep of the churchyard at All Hallows. We are so grateful for – and humbled by – the continuing gracious support of our donors and backers.

Turning to expenditure, we curbed non-committed and non-essential spending as inflation accelerated during the year and planned giving began to decline. In April, we made the final planned payment of almost £8,500 (versus a budgeted figure of some £7,900) from the Old Kea Development Fund on the WC and kitchen project. This was more than covered by a munificent grant from Joseph Rank Trust that also covered some prior outlay on the disabled access ramp at Old Kea. Elsewhere, a Kea Parish Council grant and a portion of a legacy for churchyard upkeep enabled the gardening team to replace equipment used at All Hallows. We also had to pay more than £9,500 in holding costs relating to the bungalow legacy, but these – and prior-year costs – were recovered in full from the sale proceeds.

We increased our monthly payment to the TDBF by about 8 per cent to cover stipendiary clergy and deanery costs after it emerged that we had been underpaying this amount. The PCC committed in January 2020 to cover only the cost-of-clergy element of the TDBF's annual Mission & Ministry Fund (MMF) 'call'. This was in recognition of St Kea's many other mission commitments, such as a salaried Associate Minister at All Hallows and our work with CAP and through Gospel Partnerships. In October, we added to this list when we began our long-planned three-year commitment to contribute towards the cost to St John the Evangelist church in Truro (St John's) of our former curate, Rev. Will Harwood. He was inducted as priest in charge of St John's at the start of that month. Accordingly, in 2022, we covered some £68,000 of the annual MMF call of more than £104,000.

Our Gospel Partnerships team disbursed almost £18,700 of its budget of more than £25,200. Part of its budget was allocated to support St John's, but because this commitment began later than expected, the underspent balance has been carried forward to 2023. We seek to remain a generous church in response to God's goodness to us and to continue to disburse 10 per cent of total voluntary giving including associated Gift Aid received each year.

Taken in the round, our expenditure was once again lower than expected in the budget approved by the PCC in November 2021, mainly because of variances in the timing of expected expenditure.

### *Balance sheet*

Our balance sheet remains strong, with net current assets of £337,669, of which £46,187 is held in restricted funds and £180,844 in designated funds to cover specific expenditure in the years to come. Further details on these funds can be found on pages 12 and 16.



**ST KEA PAROCHIAL CHURCH COUNCIL**  
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**Reserves**

At the balance sheet date, the church's free reserves totalled £110,668, which is the unrestricted portion of net current assets. Based on average monthly normal operating expenditure\*, this represents just over 6 months' cover.

The PCC's policy is to hold sufficient reserves to cover at least three months' normal operating expenditure to cushion the church if income declines sharply. The minimum reserve agreed by the PCC for 2022 was £60,000.

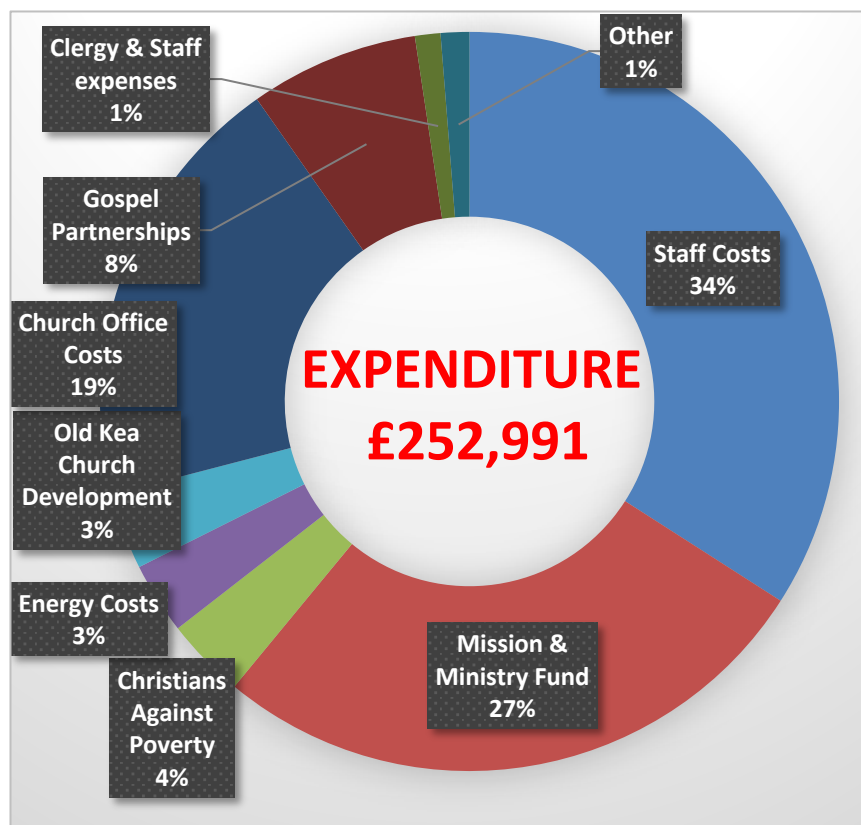
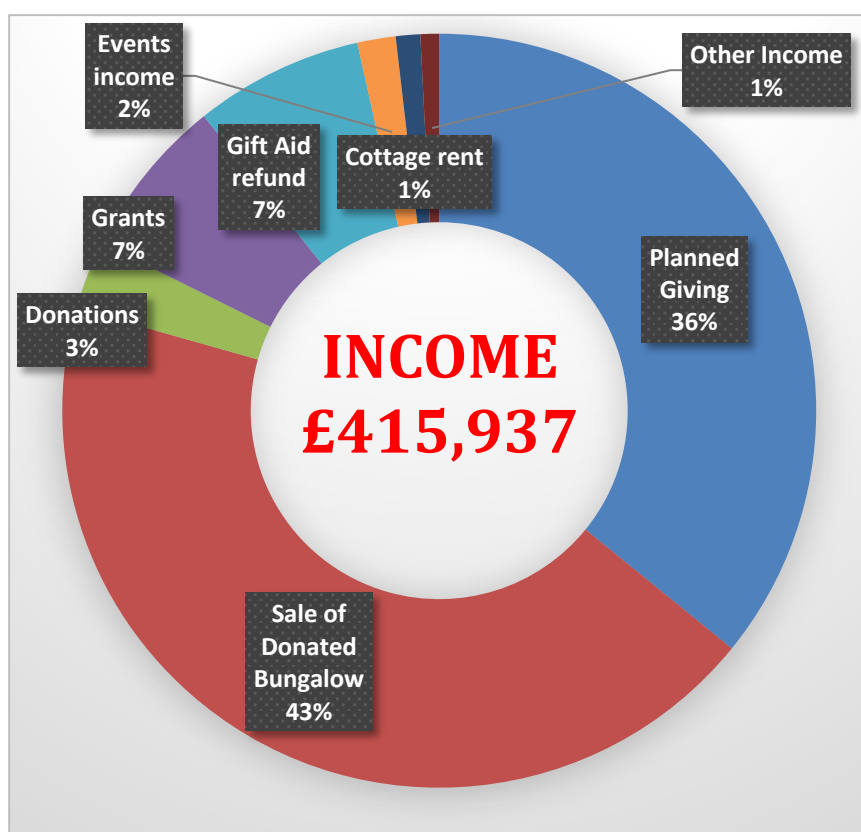
The PCC did not approve a budget for 2023 at its November meeting, but is expected to do so in the March 2023 PCC meeting.

\*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, Gospel Partnerships initiatives locally and internationally, and St John's.

**Looking ahead**

Looking ahead, 2023 will be a very significant year in the life of St Kea as we anticipate the formation of our new benefice. We will continue to focus on seeing growth in each of our church congregations. We will be maintaining our focus on children, young people and the most disadvantaged in our communities. We pray that the impact of all our ministries will increase as we work in partnership with others across the whole of our local area.

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**ST KEA PAROCHIAL CHURCH COUNCIL**  
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**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.

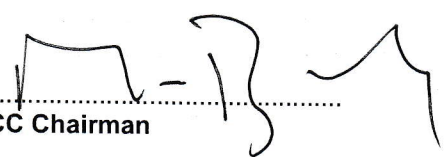
The law applicable to charities requires the PCC members to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial 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 2022."

This report was agreed by the Parochial Church Council on the 13<sup>th</sup> March 2023 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 31<sup>st</sup> December 2022, which are set out on pages 11 to 19.

**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").

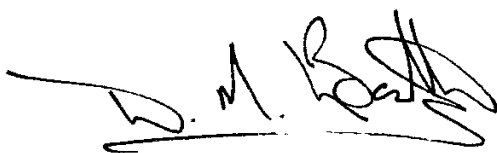
I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**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 13<sup>th</sup> March 2023**

**ST KEA PAROCHIAL CHURCH COUNCIL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2022**

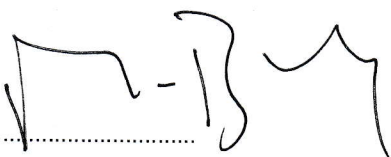
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	6a	368,230	33,186	<b>401,416</b>	211,075
Other trading activities	6b	11,946	-	<b>11,946</b>	10,300
Investment income	6c	663	-	<b>663</b>	170
Other income		1,912	-	<b>1,912</b>	2,125
<b>TOTAL</b>		<b>382,751</b>	<b>33,186</b>	<b>415,937</b>	<b>223,670</b>
<b>EXPENDITURE ON:</b>					
Charitable Activities	7	(209,846)	(43,145)	<b>(252,991)</b>	(255,143)
<b>TOTAL</b>		<b>(209,846)</b>	<b>(43,145)</b>	<b>(252,991)</b>	<b>(255,143))</b>
<b>NET GAINS/(LOSSES) ON INVESTMENTS</b>	5a	-	-		(63)
<b>NET INCOME/(EXPENDITURE)</b>		<b>172,905</b>	<b>(9,959)</b>	<b>162,946</b>	<b>(31,536)</b>
<b>TRANSFERS BETWEEN FUNDS</b>	5a	(9,674)	9,674	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>163,231</b>	<b>(285)</b>	<b>162,946</b>	<b>(31,536)</b>
<b>RECONCILIATION OF FUNDS:</b>					
<b>TOTAL FUNDS BROUGHT FORWARD</b>	5a	<b>628,281</b>	<b>46,472</b>	<b>674,753</b>	<b>706,289</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>791,512</b>	<b>46,187</b>	<b>837,699</b>	<b>674,753</b>

**ST KEA PAROCHIAL CHURCH COUNCIL**  
**BALANCE SHEET AS AT 31 DECEMBER 2022**

	Note	£	2022 £	£	2021 £
<b>FIXED ASSETS:</b>					
Tangible Assets	2		500,000		500,112
			<hr/>		<hr/>
			500,000		500,112
<b>CURRENT ASSETS:</b>					
Debtors	3	15,335		1,217	
Cash at bank and in hand		328,092		178,095	
		<hr/>		<hr/>	
<b>TOTAL CURRENT ASSETS</b>		343,427		179,312	
<b>LIABILITIES:</b>					
Creditors: Amounts falling due within one year	4	(5,728)		(4,671)	
		<hr/>		<hr/>	
<b>NET CURRENT ASSETS</b>			337,699		174,641
			<hr/>		<hr/>
<b>TOTAL NET ASSETS</b>	5b		837,699		674,753
			<hr/>		<hr/>
<b>THE FUNDS OF THE CHARITY:</b>					
Restricted Income Funds	5a		46,187		46,472
Unrestricted Funds	5a	610,668		605,835	
Designated Funds	5a	180,844		22,446	
		<hr/>	791,512	<hr/>	628,281
			<hr/>		<hr/>
<b>TOTAL CHARITY FUNDS</b>	5a		837,699		674,753
			<hr/>		<hr/>

The notes on pages 13-19 form an integral part of these accounts.

These accounts were approved by the PCC on 13<sup>th</sup> March 2023 and signed on their behalf by



PCC Member

## **ST KEA PAROCHIAL CHURCH COUNCIL**

### **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022**

#### **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 1<sup>st</sup> 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 2022

### 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.

#### 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 £
<b>COST</b>				
At 1 <sup>st</sup> Jan 2022	275,000	225,000	44,372	<b>544,372</b>
Additions	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 <sup>st</sup> Dec 2022	275,000	225,000	44,372	<b>544,372</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>				
At 1 <sup>st</sup> Jan 2022	-	-	44,260	<b>44,260</b>
Charge for the Year	-	-	112	<b>112</b>
	<hr/>	<hr/>	<hr/>	<hr/>
Carried forward 31 <sup>st</sup> Dec 2022	-	-	44,372	<b>44,372</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>				
As at 31 December 2022	275,000	225,000	-	<b>500,000</b>
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2021	275,000	225,000	112	<b>500,112</b>
	<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 2022**

**3. DEBTORS**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
HMRC – Gift Aid	<b>1,092</b>	1,132
Other Debtors	<b>14,243</b>	85
	<hr/>	<hr/>
	<b>15,335</b>	1,217
	<hr/>	<hr/>

**4. CREDITORS: Amounts falling due within one year:**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Taxation and Social Security	<b>224</b>	368
Trade Creditors	<b>2,413</b>	1,672
Other Creditors	<b>1,891</b>	947
Accruals	<b>1,200</b>	1,684
	<hr/>	<hr/>
	<b>5,728</b>	4,671
	<hr/>	<hr/>

# ST KEA PAROCHIAL CHURCH COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

### 5a. TOTAL FUNDS

	Fund Balances B/Forward £	Income £	Expenditure £	Transfers £	Other recognised gains/(losses) £	Fund Balances C/Forward £
<b>UNRESTRICTED FUND</b>						
Unrestricted Fund	<u>605,835</u>	<u>182,441</u>	<u>(181,617)</u>	<u>4,009</u>		<u>610,668</u>
<b>DESIGNATED FUNDS</b>						
All Hallows Development Fund	11,521	-	-	(11,521)		-
Associate Minister – St Johns	5,000	-	-	-		5,000
Gospel Partnerships	5,925	19,300	(18,696)	-		6,529
Ministers' Accommodation Fund	-	181,010	(9,533)	(2,162)		169,315
	<u>22,446</u>	<u>200,310</u>	<u>(28,229)</u>	<u>(13,683)</u>	-	<u>180,844</u>
<b>Total Unrestricted Funds</b>	<u>628,281</u>	<u>382,751</u>	<u>(209,846)</u>	<u>(9,674)</u>	-	<u>791,512</u>
<b>RESTRICTED FUNDS</b>						
Belling Trust Grant	1,917	-	(900)	-	-	1,017
CAP Debt Coach & Truro Centre	13,359	1,625	(3,475)	-	-	11,509
CAP Income	3,745	12,320	(24,439)	8,374	-	-
Intern & New Chairs Donation	3,700	-	(5,000)	1,300	-	-
Kea Parish Council Grant	-	500	(500)	-	-	-
Legacy 1	8,841	-	-	-	-	8,841
Legacy 2	1,784	-	(368)	-	-	1,416
Lowest Income Communities Funding	-	8,312	-	-	-	8,312
Old Kea Church Development	13,126	10,429	(8,463)	-	-	15,092
	<u>46,472</u>	<u>33,186</u>	<u>(43,145)</u>	<u>9,674</u>	-	<u>46,187</u>
	<u>674,753</u>	<u>415,937</u>	<u>(252,991)</u>	-	-	<u>837,699</u>

#### Belling Trust Grant

For Livestream and other technical equipment and improvements

#### Christians against Poverty Funds (CAP)

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

#### 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.

#### Kea Parish Council

An unexpected grant was kindly given by our local Parish Council. This has been fully utilised in contributing towards the ongoing maintenance of the All Hallows graveyard.

#### Legacies

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

#### Lowest Income Communities Funding

This funding comes from the Church of England to support two community workers. St Kea is administering this project on behalf of the Powder Deanery.

#### Old Kea Church Development Fund

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

**ST KEA PAROCHIAL CHURCH COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

**5b ANALYSIS OF FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Permanent Endowment Funds £</b>	<b>Total Funds £</b>
Tangible fixed Assets	500,000	-	-	500,000
Current Assets	297,241	46,186	-	343,427
Current Liabilities	(5,728)	-	-	(5,728)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL NET ASSETS</b>	<b>791,513</b>	<b>46,186</b>	<b>-</b>	<b>837,699</b>
	<hr/>	<hr/>	<hr/>	<hr/>

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
<b>INCOME AND ENDOWMENTS FROM:</b>				
<b>6a Donations and Legacies</b>				
Planned Giving	147,942	1,222	<b>149,164</b>	157,268
Donations	4,410	418	<b>4,828</b>	3,942
Sale of Donated Bungalow	181,010		<b>181,010</b>	
Grants	5,015	23,813	<b>28,828</b>	2,000
Gift Aid tax refunds and GASDS	29,853	266	<b>30,119</b>	31,801
CAP donations	-	7,467	<b>7,467</b>	16,064
	<hr/>	<hr/>	<hr/>	<hr/>
	368,230	33,186	<b>401,416</b>	212,207
	<hr/>	<hr/>	<hr/>	<hr/>
<b>6b Other trading activities</b>				
Events income: Fees Weddings & Funerals	5,853	-	<b>5,853</b>	5,462
Events income: Other	990	-	<b>990</b>	352
Cottage rental income	4,346	-	<b>4,346</b>	4,226
Contributions for use of hall	757	-	<b>757</b>	260
	<hr/>	<hr/>	<hr/>	<hr/>
	11,946	-	<b>11,946</b>	10,300
	<hr/>	<hr/>	<hr/>	<hr/>
<b>6c Investment income</b>				
Bank interest	663	-	<b>663</b>	170
	<hr/>	<hr/>	<hr/>	<hr/>
	663	-	<b>663</b>	170
	<hr/>	<hr/>	<hr/>	<hr/>

# ST KEA PAROCHIAL CHURCH COUNCIL

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2022

### DETAILED STATEMENT OF FINANCIAL ACTIVITIES

#### EXPENDITURE

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>EXPENDITURE ON:</b>					
<b>7 Charitable activities</b>					
Mission & Ministry Fund		68,070	-	<b>68,070</b>	63,163
Salary and pension costs	9	58,928	17,730	<b>76,658</b>	74,120
Church Office Costs		42,089	6,719	<b>48,808</b>	34,855
Gospel Partnerships	8	18,696	-	<b>18,696</b>	26,196
Cost of Bungalow Sale (2022 only)		9,533	-	<b>9,533</b>	-
Energy Costs		7,909	-	<b>7,909</b>	4,496
Clergy & Staff expenses		2,354	468	<b>2,822</b>	945
Independent Examiner's fee		1,200	-	<b>1,200</b>	1,000
Other expenditure		955	-	<b>955</b>	985
Depreciation		112	-	<b>112</b>	328
Christians Against Poverty		-	8,865	<b>8,865</b>	6,967
Old Kea Church Development		-	8,463	<b>8,463</b>	23,554
Belling Trust funded IT Equipment		-	900	<b>900</b>	1,495
All Hallows Development		-	-	<b>-</b>	17,039
		<hr/>	<hr/>	<hr/>	<hr/>
		209,846	43,145	<b>252,991</b>	255,143
		<hr/>	<hr/>	<hr/>	<hr/>

#### 8. GOSPEL PARTNERSHIPS

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

	2022 £	2021 £
Associate Minister St Johns	<b>5,000</b>	-
Barnabas Fund (Reg. 1092935)	<b>2,000</b>	2,000
Christian Associates UK / Communitas (Reg. 1070351)	<b>2,000</b>	2,000
Churches Together in Truro	<b>300</b>	300
Compassion UK (Reg. 1077216)	<b>396</b>	12,896
Mercy Rescue Trust (Reg. 1121584)	<b>5,000</b>	5,000
Tear Fund (Reg. 265464)	<b>2,000</b>	2,000
Truro Foodbank (Reg. 1176281)	<b>2,000</b>	2,000
	<hr/>	<hr/>
	<b>18,696</b>	26,196
	<hr/>	<hr/>

## **ST KEA PAROCHIAL CHURCH COUNCIL**

### **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022**

#### **9. STAFF COSTS**

Total employees' remuneration for the year amounted to £76,658 for 5 employees – 1 full time and 4 part time (2021 - £74,120 for 4 employees 1 full time and 3 part time). Gross salaries amounted to £75,796. Employer's NIC was fully reimbursed by HMRC. Pension costs amounted to £862.

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.

#### **10. 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.