



**THE PAROCHIAL CHURCH COUNCIL  
OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**CHARITY NUMBER: 1130875**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

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# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JAMES, SHIRLEY, SOUTHAMPTON

## TRUSTEES' ANNUAL REPORT

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton (the PCC) for the year ended 31 December 2022.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### REFERENCE AND ADMINISTRATIVE INFORMATION

The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton encompasses two churches, these being St James' Church, St James' Road, Shirley, Southampton and St John's Church Centre, St James' Road, Shirley, Southampton.

**Charity Name:** The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton

**Charity Registration Number:** 1130875

**Correspondence Address:** 133 Church Street, Southampton, Hampshire, SO15 5LW

The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton was granted charitable status on 30 July 2009.

### Parochial Church Council Trustees

PCC Members, who are the charity's trustees, who served during 2022 were:

**Incumbent:** Reverend Daniel Clark Chairman Appointed 26.06.12

**Wardens:** Jacqueline Dowdell Appointed 26.04.21  
Nicholas Smith Appointed 26.04.21

**Elected Members:** Laura Borthwick Appointed 12.10.20  
Nicola Caveney Appointed 26.04.21  
Marie Gray Appointed 26.04.21; Treasurer from 01.01.23  
Geoffrey Payne Appointed 26.04.21  
Aimee Whitfield Appointed 12.10.20  
Rachael Young Appointed 26.04.21  
Tracy King Appointed 26.04.21  
David Snape Appointed 04.04.22  
David Arbery Appointed 04.04.22  
John Thomas Appointed 08.06.20; resigned 04.04.22  
Tara Watson Appointed 03.04.19; resigned 04.04.22  
Tamsyn Langton Appointed 03.04.19; resigned 04.04.22

**Co-opted Members:** Ugochi Okoli Appointed 04.04.22

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)**

<b>Clergy:</b>	Reverend Georgia Condell Reverend Lena Phillips	Appointed 04.10.20; resigned 31.12.22 Appointed 05.07.15; resigned 31.05.22
<b>General Synod:</b>	Simon Clift	Appointed 01.10.15
<b>Diocesan Synod:</b>	Esther Clift	Appointed 01.08.15
<b>Deanery Synod:</b>	David Bates Rosemary Brooks David Wagstaff	Appointed 23.03.14 Appointed 03.04.19 Appointed 23.03.14
<b>Advisors to PCC in Attendance:</b>	Theresa Bowen David Phillips Katy Barnes	Secretary Treasurer (to 31.12.22) (to 01.06.22)
<b>Paid Staff:</b>	Theresa Bowen Josh Cook Angel Itzstein Paul Lambert	(to 31.08.22)
<b>Our Advisors:</b>		
<b>Bankers:</b>	National Westminster Bank Plc 1 Romsey Road, Shirley, Southampton, SO16 4GT	
	Nationwide Building Society Kings Park Road, Moulton Park, Northampton, NN3 6NW	
<b>Independent Examiner:</b>	Abraham & Dobell 230 Shirley Road, Southampton, SO15 3HR	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**OUR PURPOSES AND ACTIVITIES**

The purpose of the PCC is:

1. to co-operate with the incumbent (vicar) in promoting, in the parish, the whole mission of the church; and
2. to raise appropriate matters for debate at diocesan or deanery synod level.

In practice, that means that the **role of the PCC** is to confer on all matters relating to the life, ministry, worship, service, evangelism and buildings of the parish, to discuss and decide on (within its statutory powers) the strategy and policy of the church. In order to achieve this, members will need both to canvass opinions within the church and initiate discussion in areas needing fresh attention.

**Public Benefit Statement**

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

**St James' by the Park – who we are and what makes us tick**

God is calling us to **become** (our vision)

*God is calling us to become a community who embrace  
Different expressions of church in order to make  
Disciple-making disciples who increasingly reflect the  
Diversity of our local area*

To achieve this vision, God is calling us to **be**

*Courageous, Whole-hearted, Expectant*

What do disciples **do**? (our discipleship triangle)

*Up: Go deeper with God  
In: grow closer to each other  
Out: reach further with the good news of Jesus*

God calls us to **believe** (our foundations)

*God (loving Father, saviour Son, empowering Spirit),  
Bible (God's inspired word, essential for life and faith),  
Church (ordinary people following the extraordinary Jesus together)*

**Our mission focus areas** (priorities)

*mental wellbeing; environment; older people; financial hardship  
children, teenagers and families; inter-cultural relations*

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**ACHIEVEMENTS AND PERFORMANCE**

**Sunday Service Attendance**

The average weekly attendance at Sunday services was 124 adults.

**Vicar's Review of the Year**

2022 was a time of **continuing to rebuild** in the light of the pandemic. More people were confident to return to gathered worship in St James – a quick snapshot of attendance suggests we had 10% more people in January 2023 than January 2022. There has been a gradual tailing off of online attendance, but that is still proving a vital ministry to many of our housebound sisters and brothers.

Equally significantly, we were able to restart **The Ark** in 2022 and welcome in many parents, carers, babies and toddlers from the local community. Many of these parents and toddlers have missed out on much social interaction because of the pandemic and it is wonderful to be able to provide this service to the local community.

**Discipleship** is our core task as a church and we began the year focusing on what we mean by discipleship – apprenticeship to Jesus. During Lent, we had a season of 'fasting and feasting' as we explored how this spiritual discipline can help our discipleship. Later on, we used the **SHAPE** material to explore how God calls each one of us to serve him using the unique blend of spiritual gifts, heart passions, abilities, personality and experiences that he has given us. Service is one of the key hallmarks of a disciple, and I am so grateful to all who are consciously and actively serving God using their SHAPE – at work, in school, in church, in the community. How we are growing as disciples is a far more important indicator to the Lord than numbers attending on a Sunday morning!

That said, our **Sunday gatherings** are vital for helping us grow as disciples as well, because we grow best as disciples in community. We conducted a survey about our Sunday services as we've grappled with the question of how to develop our Sunday offering. We haven't returned to our pre-pandemic pattern of a 9 a.m. and a 10.30 a.m. service, nor of Superstars once a month. I know that is a sadness to some. But I'm delighted that many are engaging with God and each other through the Wonder Walks (a gentle wander on Southampton Common to experience God in the beauty around us) and Explore Together (a service with lots of participation and creativity). It was clear from the results of the survey that there's no easy way forward. Trying to balance the different worship-style preferences of our congregation is tricky – and I'm grateful that so many put aside their personal preferences on a regular basis to join with the rest of God's family here to give him the glory he is due.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON

TRUSTEES' ANNUAL REPORT  
(CONTINUED)

FOR THE YEAR ENDED  
31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Just as important to discipleship are our smaller **midweek groups**. I'm delighted that more of our cell groups are now meeting in person again than they were a year ago, and several have grown in size. I'm also encouraged that some are continuing to experiment with mixed-modes of gathering – sometimes using WhatsApp to support each other in prayer through the week; sometimes meeting online to help with childcare; sometimes splitting into smaller single-sex groups to enable a deeper level of sharing; sometimes meeting up socially to deepen friendship. It's particularly encouraging that two of the newer cell groups are much more intergenerational in nature, which is so important for ongoing discipleship. We still have much work to do to help more under 50s (especially those with younger children) access small groups or prayer triplets or other ways for them to grow as disciples-in-community.

Our Church Council continued to take a lead on reviewing our vision and values, with input from the congregation and small groups. We felt God calling us to adopt **3 words** that need to be hallmarks of our discipleship in this season: courageous, whole-hearted and expectant. These words will apply to us individually and collectively; at home, at work and at church. They are words that we will need to revisit over the next year, too.

We also renewed our church vision and launched it in early 2023. It's a **3-D vision**: that as a church community we would embrace **Different** expressions of church, in order to make **Disciple-making disciples**, who better reflect the increasing **Diversity** of our local area. We will need to do work on this throughout the coming years, but it's been heartening and enriching to see our church community increase in cultural diversity over the last year. We have welcomed many from Hong Kong, and at the time of writing, five households are hosting Ukrainian refugees – with others supporting them. A huge thank you to everyone who has helped with that welcome. It is an exciting but difficult journey to become a more intercultural church, but it is so important for our own discipleship and for our mission to our local area.

We have had what seems like more than our fair share of illness and difficulties in 2022. We called a special **prayer** evening in the summer to pray for and anoint dear sisters and brothers who were facing serious illness – and for anyone else who wanted to bring their own needs before God. It was a rich and powerful evening. It's been good to gather since then for some other prayer and worship evenings. (The online prayer meetings during the pandemic were well attended – maybe because there was increased recognition of our need to pray together; maybe simply because there was little else we could do! One of the challenges now is continuing to prioritise prayer in our personal and corporate discipleship.)

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**ACHIEVEMENTS AND PERFORMANCE (CONTINUED)**

There have been several big shifts on the **staff team**: Lena Phillips and Katy Barnes both retired from the staff team. Georgia Condell finished her curacy, started as chaplain at St Mark's School and moved to St Mark's church at the beginning of 2023. And Paul Lambert finished his paid role as Assistant Leader and began training for ordination in September. In addition, I took on the role of Assistant Area Dean and started visiting Shirley Infant and Junior Schools once a week to support the staff there. The combined effect of all that has been a significant decrease in the staff team's capacity. The PCC began looking at developing a wider team of shared leadership in response to this – something that will need continued work in 2023 and beyond.

Despite the challenges we face, we **remain confident in God's goodness, love and faithfulness** (Psalm 100.5)! We are his people, the sheep of his pasture (Psalm 100.3) and he will continue to look after us. So, as we look to the future, let us be courageous – knowing that he promises to be with us; let us be whole-hearted – knowing that Jesus gave everything for us; and let us be expectant – knowing that God is able to do immeasurably more than all we ask or imagine, according to his power that is at work in us. Hallelujah!

**FINANCIAL REVIEW**

The PCC's total income for 2022 was £709,232 (2021 - £272,240). Of this, £276,195 were unrestricted funds and £433,037 were restricted funds from the sale of the St John's Church building in July 2022. Net expenditure was £284,283 (2021 - £267,203). This resulted in a net deficit in unrestricted funds for the year of £8,088 and an overall net surplus of £424,949 (2021 – net surplus £5,037).

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Unrestricted income	276,195	272,240
Expenditure	284,283	267,203
Net surplus/(deficit) on unrestricted funds	(8,088)	5,037
Restricted income	433,037	–
Net surplus/(deficit) on all funds	<u>424,949</u>	<u>5,037</u>

The balance sheet shows that the overall funds of the PCC, including fixed assets, at the end of 2022 was £694,700 (2021 - £269,751). Of this, £157,578 was free cash reserves (2021 - £165,374) and £433,037 was restricted funds (2021 – none).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**FINANCIAL REVIEW (CONTINUED)**

**Income**

The PCC's unrestricted income increased by £3,955 (2021 – decreased by £6,087) in the year. This is mostly due to an increase in rent received from the hire of the church buildings.

Total donations were £211,619 (2021 - £216,807), which represents a decrease of £5,188 (2%) compared to the previous year. Gift aid recovered was £49,056 (2021 - £44,508), which is an increase of £4,548 (10%).

Additional restricted income of £433,037 was received from the sale of the St John's Church building in July 2022; these funds are restricted to use locally within the parish. This sum represents 79% of the net proceeds of the sale. It is being held by the Diocese of Winchester on our behalf and can only be spent with our authorisation. The remaining 21% (£115,111) of the proceeds are the subject of a reverter clause that was put in place when the money to buy the land was gifted to the PCC. Our entitlement to this portion of the sale proceeds is awaiting clarification and it cannot yet be recognised as income. This portion is also being held by the Diocese of Winchester whilst this process takes place.

**Expenditure**

Total expenditure in the year was £284,283, an increase of £17,080 (6%) compared to the previous year but lower than the predicted expenditure which was set in the annual budget at £298,620.

The main areas of cost were:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Common Mission Fund	86,020	102,000
Lay staff salaries	102,437	83,489
Buildings (maintenance, insurance and utilities)	42,904	35,131
Giving away (UK and overseas missions)	13,046	14,520

The payment of £86,020 to the Common Mission Fund was as requested by the Diocese, and represented a decrease of £15,980 from 2021.

Annual salary costs increased by £18,948, predominantly due to the full year impact of the Children and Families Team Leader appointed during 2021.

Annual expenditure on buildings increased by £7,773 overall. This expenditure included £7,072 spent on lightning protection and £4,307 for boiler repairs for the main church building. There was also a 66% increase in the cost of utilities of £5,014 to £12,581 (2021 - £7,567), reflecting the general increase in the cost of energy during the year. Expenditure on the planned redevelopment of the church buildings was £2,706, a decrease of £6,175 compared to the previous year (2021 - £8,881).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**FINANCIAL REVIEW (CONTINUED)**

**Summary and Outlook**

The deficit difference of £8,088 between unrestricted income and expenditure in 2022 is encouraging in the light of the operating budget set for the year, which predicted a deficit of £28,470. This was due to income that was £6,045 higher than anticipated (actual of £276,195 versus budget of £270,150) and expenditure that was £14,337 lower than expected (actual of £284,283 versus budget of £298,620). The lower expenditure was primarily due to an underspend of around £14,000 on budgeted works relating to repointing and clock repairs for St James; these items have been carried forward to the budget for 2023.

This outcome reflects the resilience and generosity of our donors, to whom we are very grateful. As we look to the future we are mindful of the increased cost of living that impacts both the day to day running costs of the church and the lives of our staff and donors. Our healthy cash reserves allow us to be bold in our plans for our ministry and buildings, whilst continuing to be good stewards of what has been entrusted to us. In the light of this the PCC has agreed a deficit budget of £34,000 for 2023. The PCC has also begun looking at investing some of our reserves to obtain a higher interest rate.

**Reserves Policy and Going Concern**

Unrestricted funds are held at a level to enable the PCC to meet the costs of its ongoing activities. Budgets are set in the light of this and actual financial performance and reserve levels are monitored by the PCC throughout the year. The members of the PCC are of the view that the PCC is a going concern.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton is a body established by the Church of England. The PCC operates under the PCC Powers Measure. The PCC is a charity registered with the Charity Commission on 30 July 2009, number 1130875.

**Recruitment and Appointment of PCC Members, Induction and Training**

The method of appointment of PCC members is that PCC members must be on the Electoral Roll. They are elected at the Annual Parochial Church Meeting for a three-year term of office. New members are given induction into the responsibilities and methods of procedure of the PCC. All church attendees are encouraged to register on the Electoral Roll and can stand for election to the PCC.

**Risk Management**

The major risks to which the PCC is exposed, as identified by the members, have been reviewed and systems or procedures have been established to manage those risks.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**RESPONSIBILITIES OF THE TRUSTEES**

The trustees are responsible for preparing the Trustees' Annual Report and the 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 trustees to prepare Financial Statements for each financial 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 those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 trustees are responsible for maintaining proper accounting records, which 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, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT EXAMINER**

A resolution to re-appoint Abraham & Dobell as Independent Examiner for the ensuing year will be proposed at the Annual Church Meeting.

**Approved by the trustees on 23 April 2023 and signed on their behalf by:**

.....  
**REVEREND D CLARK**  
**CHAIRMAN**

.....  
**M GRAY**  
**TREASURER**

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF**  
**ST JAMES, SHIRLEY, SOUTHAMPTON**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2022**

I report to the charity trustees on my examination of the accounts of the Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton, (the Trust) for the year ended 31 December 2022.

**RESPONSIBILITIES AND BASIS OF REPORT**

As the charity trustees of the Trust 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 Trust'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 Act.

**INDEPENDENT EXAMINER'S STATEMENT**

Since the charity's gross income exceeded £250,000 your examiner must be a member of the body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust 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 requirements that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

**INDEPENDENT EXAMINER'S REPORT  
(CONTINUED)**

**TO THE TRUSTEES OF  
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

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.

.....  
**DAVID J MANT FCA  
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES**

**230 Shirley Road  
Southampton  
SO15 3HR**

**23 April 2023**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

	Notes	Unrestricted Funds	Restricted Funds £	Total Funds 2022 £	2021 £
<b>INCOME</b>					
Donations and legacies	2	260,675	-	260,675	261,315
Charitable activities	3	13,468	-	13,468	10,910
Other income	4	2,052	433,037	435,089	15
<b>TOTAL INCOME</b>		<b>276,195</b>	<b>433,037</b>	<b>709,232</b>	<b>272,240</b>
<b>EXPENDITURE</b>					
Charitable activities	5	284,283	-	284,283	267,203
<b>TOTAL EXPENDITURE</b>		<b>284,283</b>	<b>-</b>	<b>284,283</b>	<b>267,203</b>
<b>NET INCOME FOR THE YEAR</b>		<b>(8,088)</b>	<b>433,037</b>	<b>424,949</b>	<b>5,037</b>
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(8,088)</b>	<b>433,037</b>	<b>424,949</b>	<b>5,037</b>
<b>RECONCILIATION OF FUNDS</b>					
Total Funds Brought Forward		269,751	-	269,751	264,714
Total Funds Carried Forward		£261,663	£433,037	£694,700	£269,751

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	8	104,084	104,377
		<hr/>	<hr/>
<b>TOTAL FIXED ASSETS</b>		104,084	104,377
<b>CURRENT ASSETS</b>			
Debtors	9	457,256	10,570
Cash at bank and in hand	10	151,144	168,775
		<hr/>	<hr/>
<b>TOTAL CURRENT ASSETS</b>		608,400	179,345
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	11	17,784	13,971
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		590,616	165,374
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS</b>	13	£694,700	£269,751
		<hr/>	<hr/>
<b>THE FUNDS OF THE CHARITY</b>	14		
Unrestricted income funds		261,663	269,751
Restricted funds		433,037	-
		<hr/>	<hr/>
<b>TOTAL CHARITY FUNDS</b>		£694,700	£269,751
		<hr/>	<hr/>

**Approved by the trustees on 23 April 2023 and signed on their behalf by:**

.....  
**REVEREND D CLARK**  
**CHAIRMAN**

.....  
**M GRAY**  
**TREASURER**

**The notes on pages 14 to 24 form part of these Financial Statements**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

**(a) Basis of Preparation**

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

**(b) Income Recognition Policies**

This section describes how the PCC will account for money and other assets received by them. The main headings are the accounting groups to comply with the requirements of the SOFA.

**(i) Donations and Legacies**

Grants and donations are recognised when any pre-conditions preventing their use have been met.

Collections are recognised when made.

Amounts promised under Gift Aid are recognised only when honoured by the donor.

Income Tax recoverable on Gift Aid donations is recognised when the donation is recognised.

Funds raised by Parish events are accounted for gross.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**1. ACCOUNTING POLICIES (CONTINUED)**

**(b) Income Recognition Policies (Continued)**

**(i) Donations and Legacies (Continued)**

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

Legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

**(ii) Income from Charitable Activities**

Parochial fees due to the PCC for weddings, funerals and other activities are accounted for on an event by event basis.

Income from sales of books, magazines, Traidcraft goods and all other items are accounted for gross.

Rental income from the letting of Church premises is accounted for when earned.

**(iii) Investment Income**

Interest is accounted for when due. Tax recoverable on such income is accrued on the same basis.

**(iv) Other Income**

Other ordinary income will be accounted for as soon as the PCC is advised of its entitlement and the likely sum due.

**(c) Expenditure**

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

**(i) Charitable Activities**

Grants and donations are accounted for when paid or when promised under a formal agreement. Unpaid grants and donations will be shown as a creditor in the Balance Sheet.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**1. ACCOUNTING POLICIES (CONTINUED)**

**(c) Expenditure (Continued)**

**(i) Charitable Activities (Continued)**

The Diocesan Common Mission Fund is accounted for when payable and any share unpaid at 31 December is shown as a creditor in the Balance Sheet.

Rent due on facilities is accounted for when the facility is used and any rent unpaid at 31 December is shown as a creditor in the Balance Sheet.

All other costs are accounted for when due and any unpaid at 31 December are shown as a creditor in the Balance Sheet.

**(ii) Support Costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**(iii) Governance Costs**

These include those costs associated with meeting the statutory requirements of the PCC.

**(d) Fixed Assets**

**(i) Consecrated Land and Buildings and Movable Church Furnishings**

Consecrated and beneficed property is excluded from the statutory definition of 'charity' by sections 10(2)(a) and (c) of the Charities Act 2011.

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be an inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether maintenance or improvement, is written off.

**(ii) Other Land and Buildings**

Other land and buildings held on behalf of the PCC for its own purposes is valued at cost or market value. No depreciation is charged against such properties but any expenditure on maintenance or improvement is written off as incurred.

**(iii) Other Fixtures, Fittings and Office Equipment**

Equipment purchased or donated to the church is depreciated on a straight line basis over four years. Individual items of equipment with a purchase price of £1,000 or less are written off in the period in which the asset is acquired.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**1. ACCOUNTING POLICIES (CONTINUED)**

**(e) Debtors**

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectable.

**(f) Cash at Bank**

Short term deposits include cash held on deposit at the bank.

**(g) Creditors and Provisions**

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**(h) Taxation**

The PCC is exempt from taxation on its charitable activities.

**(i) Fund Accounting**

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.

Restricted Funds are those funds that must be spent on restricted purposes. All other money and assets are part of the Unrestricted Funds. The purpose of any Restricted Funds is noted in the Financial Statements.

**(j) Financial Instruments**

The PCC only has financial assets and financial 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.

**(k) Significant Judgements and Estimates**

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**2. DONATIONS AND LEGACIES**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2022 £</b>	<b>2021 £</b>
Planned giving	200,787	200,787	208,645
Collections - normal service	3,217	3,217	3,396
Envelopes	1,880	1,880	3,080
Donations	3,460	3,460	581
Other giving	2,275	2,275	1,105
Legacies	-	-	-
Tax recovered: Gift Aid	49,056	49,056	44,508
	<hr/>	<hr/>	<hr/>
	£260,675	£260,675	£261,315
	<hr/>	<hr/>	<hr/>

In 2021 the income from donations and legacies of £261,315 was unrestricted.

There were no donated services and facilities receivable which could be quantified in the year (2021 - none).

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2022 £</b>	<b>2021 £</b>
Fees	2,900	2,900	5,064
Rent - Parish Hall	9,210	9,210	4,386
Rent - Others	835	835	1,365
Sales	523	523	95
	<hr/>	<hr/>	<hr/>
	£13,468	£13,468	£10,910
	<hr/>	<hr/>	<hr/>

In 2021 the income from charitable activities of £10,910 was unrestricted.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**4. OTHER INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2022 £</b>	<b>2021 £</b>
Bank interest	70	-	70	15
Other	1,982	-	1,982	-
Sale of St John's Church Building (Note 16)	-	433,037	433,037	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£2,052	£433,037	£435,089	£15
	<hr/>	<hr/>	<hr/>	<hr/>

**5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Church Activities £</b>	<b>Total Funds 2022 £</b>	<b>2021 £</b>
Donations - UK and overseas Missions	13,047	13,047	14,520
School hire	701	701	124
General running	6,510	6,510	4,364
Insurance	4,944	4,944	5,372
Maintenance	25,380	25,380	22,192
Music and worship	1,905	1,905	3,573
Diocesan Common Mission Fund	86,020	86,020	102,000
Non-administrative staff salary	73,307	73,307	55,342
Staff/Workers and visitors' expenses	3,739	3,739	2,184
Training	1,383	1,383	2,496
Utilities	12,581	12,581	7,567
Youth and other events	14,212	14,212	9,238
Printing and copying	1,607	1,607	1,414
Fee expenses	1,975	1,975	2,423
Depreciation	292	292	292
Support costs	35,830	35,830	33,252
Governance costs	850	850	850
	<hr/>	<hr/>	<hr/>
	£284,283	£284,283	£267,203
	<hr/>	<hr/>	<hr/>

In 2022 the expenditure on charitable activities of £284,283 was unrestricted (2021 - £267,203 was unrestricted).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 5).

	<b>General Support £</b>	<b>Governance £</b>	<b>Total Funds £</b>	<b>Basis of Apportionment</b>
Administrator's costs	31,543	-	31,543	Usage
Office costs	4,287	-	4,287	Usage
Professional costs	-	850	850	Governance
	<hr/>	<hr/>	<hr/>	
	£35,830	£850	£36,680	
	<hr/>	<hr/>	<hr/>	

**7. ANALYSIS OF STAFF COSTS AND TRUSTEES' REMUNERATION  
AND EXPENSES**

	<b>2022 £</b>	<b>2021 £</b>
Salaries and wages	95,039	77,578
Pension costs	7,398	5,911
	<hr/>	<hr/>
	£102,437	£83,489
	<hr/>	<hr/>

The average number of employees during the year was 4 (2021 - 3).

No employee received emoluments in excess of £60,000 (2021 - none).

No payments or expenses were paid to any trustee, persons closely connected to them or related parties, apart from:

	<b>2022 £</b>	<b>2021 £</b>
Reverend D Clark	983	478
Reverend L Phillips	274	123
Reverend G Condell	300	-
	<hr/>	<hr/>
	£1,557	£601
	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**8. TANGIBLE FIXED ASSETS**

	<b>133 Church Street £</b>	<b>Parish Hall £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2022	48,500	55,000	8,197	111,697
Additions	-	-	-	-
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	48,500	55,000	8,197	111,697
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 2022	-	-	7,320	7,320
Charge for the year	-	-	293	293
Eliminated on disposal	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	-	-	7,613	7,613
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Book Values</b>				
At 31 December 2022	£48,500	£55,000	£584	£104,084
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	£48,500	£55,000	£877	£104,377
	<hr/>	<hr/>	<hr/>	<hr/>

The Parish Hall was valued at £55,000 during the year to 31 December 1997. This value has been included in these Financial Statements for the year ended 31 December 2022.

**9. DEBTORS**

	<b>2022 £</b>	<b>2021 £</b>
Other debtors	24,129	10,482
Prepayments	90	88
Money held by Diocese	433,037	-
	<hr/>	<hr/>
	£457,256	£10,570
	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**10. CASH AT BANK AND IN HAND**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank current account	70,818	88,708
Bank savings account	80,055	80,015
Cash in hand	271	52
	<hr/>	<hr/>
	£151,144	£168,775
	<hr/>	<hr/>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other creditors and accruals	15,945	12,008
PAYE and NIC	1,839	1,963
	<hr/>	<hr/>
	£17,784	£13,971
	<hr/>	<hr/>

**12. FINANCIAL INSTRUMENTS**

Financial instruments measured at amortised cost comprise the following:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Financial assets that are debt instruments	-	-
Financial liabilities that are debt instruments	15,945	12,008
	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**13. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Fixed assets	104,084	-	104,084	104,377
Current assets	175,363	433,037	608,400	179,345
Current liabilities	(17,784)	-	(17,784)	(13,971)
	<hr/>	<hr/>	<hr/>	<hr/>
	£261,663	£433,037	£694,700	£269,751
	<hr/>	<hr/>	<hr/>	<hr/>

**14. ANALYSIS OF CHARITABLE FUNDS**

	<b>At 01.01.21 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>At 31.12.22 £</b>
<b>Analysis of Movements in Unrestricted Funds</b>				
General Fund	269,751	276,195	284,283	261,663
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Unrestricted Funds</b>	269,751	276,195	284,283	261,663
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Restricted Funds</b>				
Parish fund	-	433,037	-	433,037
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Restricted Funds</b>	-	433,037	-	433,037
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Funds</b>	£269,751	£709,232	£284,283	£694,700
	<hr/>	<hr/>	<hr/>	<hr/>

**Unrestricted Funds** comprise those general funds which the PCC is free to use in accordance with the charitable objects.

**Restricted Funds** are funds which have been given for particular purposes and projects.

**Parish Fund** - The PCC has one restricted fund arising from the sale of St John's Church Buildings. The fund is restricted to use locally within the parish of St James, Shirley, Southampton.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

**15. DONATIONS OVER £500**

The following people/groups were allocated with donations in the year:

Enable Busoga	£2,044
C M S	£4,000
SCRATCH	£4,002
A Rocha	£1,500
Diocese of Hyderabad	£1,002

Money for these agencies outside the parish was collected from the congregation and wholly paid directly to them during 2022.

**16. POST BALANCE SHEET ITEMS**

In the year to 31 December 2022, the PCC sold the St John's Church building for a total of £548,148. Of this, 79% was receivable by the PCC, which was £433,037 and this is included as income in the accounts.

The remaining 21% (£115,111) of the proceeds was subject to a reverter clause back to the donor when the money was gifted to the PCC originally to buy the property. This portion is subject to clarification and has not been recognised as income in the accounts. The money is currently held by the Diocese of Winchester.

There were no other post Balance Sheet items to note (2021 - £nil).