

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF THE PRIORY CHURCH OF
ST PETER AND
ST PAUL LEOMINSTER**



Annual Trustee Report and Financial Statements for 2020

Registered Charity No. 1131837

**The Parochial Church Council of the Ecclesiastical Parish of the Priory
Church of St Peter and St Paul Leominster (PCC)
Annual Trustee Report and Financial Statements for the year ended 31
December 2020**

Administrative Information

The Priory Church of St Peter and St Paul is situated in Church Street Leominster. It is part of the Diocese of Hereford within the Church of England. The Parochial Church Council (PCC) correspondence address is Priory PCC, The Forbury Chapel, Church Street, Leominster, HR6 8NQ. The Priory web site is www.leominsterpriory.org.uk

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure 1956, Church Representation Rules 2006 and is a Charity registered with the Charity Commission, registered no. 1131837.

PCC Trustees who have served from the 1 January 2020 until the date this report was approved are:

Chairman:	The Revd Mike Kneen, Team Rector
Wardens:	Graham Millard (Elected 14 th April 2019) (Lay co-Chairman of PCC) Helen Bricknell
Secretary:	Ceri Hibbert
Treasurer:	Glenys Millard

Elected PCC Trustees and representatives on the Deanery Synod:

David Bland, Wendy Coombey, Paul Scott (resigned Sept 2020), Kathy Bland and Helen Bricknell

Elected PCC Trustees:

Geoff Bricknell, Robert Walker, Iain Welch (resigned Sept 2020), Richard Phillips, Richard Scott, Bill Quelch, Susannah Peppiate (elected 2020)

Bankers, legal and other advisers to the PCC.

Bank of Scotland, 38 St Andrew Square, Edinburgh

Lloyds Bank, 9 Corn Square Leominster

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London

Independent Examiner: Sarah Gluyas, 99 Ridgemoor Road, Leominster, HR6 8UH

Architect: Tim Radcliffe Associates, Cambrian House, Nantmawr, Oswestry

Insurer: Ecclesiastical Insurance Office Plc, Beaufort House, Brunswick Road, Gloucester

Volunteers

We would like to thank all the volunteers who work so hard to make the Priory the lively and vibrant community it is and all the members of the PCC and the Ministry Team for their valuable contribution to our ministry and for keeping the Priory running.

Structure, governance and management

The appointment of PCC Trustees is set out in the Church Representation Rules. At the Priory all church members are encouraged to register on the electoral role and to stand for election to the PCC. The membership of the PCC consists of the Team Rector, churchwardens, the vicar and members of the congregation who are on the electoral roll of the Priory.

The full PCC met ten times during the year with an average level of attendance of 85%. Given its wide responsibilities the PCC is responsible for a number of groups, each dealing with a particular aspect of parish life. These groups include standing committee, ministry team, finance, tourism and communications, fund raising, fabric and holiday club.

The major risks to which the PCC is exposed are identified by the PCC Trustees; this includes the monitoring of systems and procedures that have been established to manage those identified risks.

Safeguarding

Safeguarding is about ensuring the safety of children, young people and vulnerable adults. To this end, we have in place an Action Plan, and are currently working on a set of role descriptions for all those who volunteer and work within the Priory. We want to develop greater awareness of safeguarding. Training is available online, but we hope to be able to offer some in person training later this year. There are Safeguarding posters up in the Church, detailing the policy and giving contact details. If you yourself have been affected by a safeguarding issue or have concerns about someone within the Priory, please get in touch. The PCC have adopted and endorse the safeguarding policies and procedures of the Church England, and are working to ensure full compliance with the requirements.

Aim and purposes

The PCC Trustees have the responsibility to consult with the Team Rector on all matters of general concern and importance in the parish, most specifically the whole mission of the church, pastoral, ecumenical as well as deciding on how the funds of the PCC are to be spent.

Objectives and Activities

The PCC is committed to enabling as many people as possible to worship at the Priory and to become part of our parish community. The PCC maintains an overview of worship throughout the parish, working with the Rector and Ministry Team to enable our services to involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, the Team Rector, PCC Trustees and the Ministry Team consider the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular we try to encourage and enable ordinary people of all denominations to live out their faith as part of our parish community through:

- Worship and prayer, learning about the Gospel; developing their knowledge of the bible.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work, including working with the young and disadvantaged.
- Providing a venue for concerts, conferences, school activities and large special services.

2020 was a very difficult year, unable to meet with friends and family or be with elderly parents who needed us. The business of the Priory continues through all of this.

- In the absence of a Rector, the PCC has continued to meet, to maintain "business as usual" for the Priory during interregnum.
- The PCC meets monthly and has Finance, Church Fabric and Safeguarding as standing agenda items with other groups reporting on a cycle. Meetings have continued to be held over Zoom, which inevitably brings particular challenges.
- Priorities this year have been maintaining the safety of the congregation when it has been possible to hold gathered services whilst including those not able to join in with services in person, developing new ways of providing pastoral support, and supporting the recruitment process for the new Rector. We have provided recorded services online for those who were shielding and unable to attend church when it was open and for all when it was closed. So our thanks go to all those who helped in preparing and recording those services and putting them online including Hilary Norris for the music and choir, Susannah Peppiate and Sarah Chedzoy for bringing it all together and David Bland for putting it online.
- The PCC has vacancies and would welcome new members who would like to contribute to keeping the Priory a vibrant, developing Church, central to Leominster life.

Plans for future periods

- To continue to explore how our mission and ministry can be reimagined intergenerationally for our context as we face the challenges presented by staff retirement.
- To further advance the values of the Inclusive Church movement by making building access improvements
- To control costs, improve efficiencies and encourage generous growth in financial stewardship.
- In partnership with our new Director of Music explore how we can continue to develop the musical ministry of the Priory.
- If we are going to continue providing a safe venue for services and other activities it is vital that we maintain and improve the fabric of our wonderful Priory building.

Financial review

We have again had a very good fiscal year with an excess of income over expenses of £37,158 this is due to very generous donations from members of our congregation. Our unrestricted income is £158K from £128K last year. The Parish Giving Scheme has continued to have a very positive effect on our cashflow because the Gift Aid is paid each month. Things may have been very different if this scheme were not in force during last year. Fundraising events contributed £6,901 and I would like to thank all those who have been working to achieve this in these very difficult times. The Book Stall raised £549 but has not been open since the beginning of lock-down. Holiday Club did not take place last year due to Covid. Both freehold residential properties were let to private tenants through a letting agent during 2020.

Expenses in the year have been kept under control. Some repairs were done to the rented houses however, this was budgeted for. The Tower Roof project was started towards the end of the year and the 1st installment was paid. We received a grant for 80% of the cost from the Cultural Recovery Fund and this is claimed each month. We then asked for £13k from the Bateman Memorial Trust income to make up the difference between the quote and the grant. This was received in January 2021. The fundraising has covered the Architects fees. The VAT will be reclaimed separately and amounts to almost £21k.

Total unrestricted expenses remained at £126K. The Parish Share was £75,527 and the PCC again elected to pay the Parish Share in advance in February. We intend that payment in advance helps Diocesan Cash Flow and increases the real value of our offer. Our total reserves including Fixed Assets are £534,774. This includes the nominal value of the 2 rented properties, the Bateman Memorial Trust Endowment, restricted funds of £296,895 and a designated fund of £20638.

As you will no doubt be aware the Hereford Diocese now operates a Parish Offer scheme and has subsequently recorded deficits in its accounts. In June last year the PCC agreed to maintain our offer of £75,527 for 2021. The Diocese had asked for an increase of 4.5% which would have been an increase of £3,399 taken it to £78,926, but The PCC decided that it would be prudent to wait to see what would happen with the Covid restrictions and our income, we will decide on this year's Parish Offer in June.

The Parish Giving Scheme has been adopted by the Priory in 2018 and has worked very well. This scheme collects from regular givers, by direct debit, at the beginning of the month and passes this on to us on around the 10th of the month. They claim the Gift Aid Refund for us on this money and that is then remitted to us before the 20th of the month. This has had a very positive effect on our cashflow and has reduced the amount of work our Gift Aid Administrator (Richard Phillips) has to do.

PCC of Leominster
Analysis of income and expenditure
Selected period: 01 January 2020 to 31 December 2020

						Total
year	Unrestricted	Designated	Restricted	Endowment	This year	Last
<hr/>						
Income and endowments						
<i>Donations and legacies</i>						
011101 - Gift Aid Stewardship	53,293	—	—	—	53,293	50,212
011104 - Gift Aid envelopes	1,147	—	—	—	1,147	7,493
021102 - Regular Planned Income	2,916	—	—	—	2,916	3,325
031110 - Weekly Cash collections	3,053	—	—	—	3,053	7,472
041112 - Wall boxes	1,409	—	—	—	1,409	4,205
051111 - Donations	62,947	—	—	—	62,947	3,364
061103 - Income Tax recovered on Gift Aid	14,943	—	—	—	14,943	18,486
071153 - Legacy received	1,000	—	—	—	1,000	—
091141 - Ext lighting income other funds generatd	—	—	—	—	—	—
091192 - Charity collections	—	—	—	—	—	—
131181 - Wedding, Funeral & Baptism collections	86	—	—	—	86	699
131194 - Holiday club	—	—	—	—	—	4,873
<i>Donations and legacies Totals</i>	140,797	—	—	—	140,797	100,133

Income from charitable activities

111113 - Funeral and Wedding fees	2,216	—	—	—	2,216	7,367
121140 - Book stall sales	549	—	—	—	549	1,026

Income from charitable activities Totals

2,765	—	—	—	2,765	8,393
-------	---	---	---	-------	-------

Other trading activities

121197 - Use of Priory	385	—	—	—	385	3,137
131190 - Fund Raising events	2,265	—	4,635	—	6,901	17,773

Other trading activities Totals

2,650	—	4,635	—	7,286	20,911
-------	---	-------	---	-------	--------

Investments

101120 - Interest and Dividends	213	87	1,592	—	1,893	3,247
101191 - Rented Property	12,566	—	—	—	12,566	12,456
131197 - Investment Revaluation Gain	—	—	2,257	—	2,257	68

Investments Totals

12,780	87	3,850	—	16,717	15,772
--------	----	-------	---	--------	--------

Other income

081154 - Non recurring one off grants	—	—	16,063	—	16,063	150
081184 - Project income	—	—	8,958	—	8,958	—
131122 - Insurance claims	—	—	—	—	—	—
131152 - Sundry Receipts	—	—	—	—	—	129
131196 - Other income	—	—	—	—	—	—

Other income Totals

—	—	25,021	—	25,021	279
---	---	--------	---	--------	-----

Income and endowments Grand totals

158,993	87	33,507	—	192,587	145,490
---------	----	--------	---	---------	---------

There may be minor discrepancies in the totals if the pence are not being shown

14 May 2021 Page 1

Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
--------------	------------	------------	-----------	-----------	-----------------

Expenditure**Raising funds**

171351 - Stewardship expenses	—	—	—	—	—
271314 - Investment Revaluation Losses	—	—	—	—	—

Raising funds Totals

—	—	—	—	—	—
---	---	---	---	---	---

Expenditure on charitable activities

182300 - Charity Colls paid	—	—	—	—	—
182301 - Charity PCC donation	—	—	—	—	—
191380 - Parish Share	75,527	—	—	75,527	74,046
201301 - Organists and Choir expenses	8,650	—	—	8,650	9,089
211304 - Reference materials	—	—	—	—	—
211305 - Team Monthly payment	9,937	—	—	9,937	9,937
211370 - Young Peoples Activities	—	—	15	15	75
211372 - Holiday club expenses	—	—	59	59	4,140
221302 - Organ tuning repairs	1,079	—	—	1,079	1,041

221303 - Church music	123	—	—	—	123	11
221307 - Cleaning repairs and maintenance	7,045	—	—	—	7,045	3,669
221308 - Furnishings fittings	—	—	—	—	—	—
221312 - Church Insurances	5,963	—	—	—	5,963	6,919
221315 - Service expenses	1,422	—	—	—	1,422	4,290
221350 - Treasurer Secretary expenses	95	—	—	—	95	39
221352 - Printing materials	—	—	—	—	—	192
221375 - Intergenerational Pioneers	6,092	—	—	—	6,092	6,154
223390 - Sundry Expenses membership fees	1,145	—	—	—	1,145	1,720
231306 - Utilities	6,771	—	—	—	6,771	9,710
241386 - Use of Forbury	58	—	—	—	58	208
261354 - Project costs general	—	—	—	—	—	6,161
261358 - Project roof	—	—	28,523	—	28,523	—
271313 - Rented Property Expenses	2,380	—	—	—	2,380	2,691
Expenditure on charitable activities Totals	126,292	—	28,597	—	154,889	140,098
Other expenditure						
171353 - Fund Raising costs	540	—	—	—	540	1,330
Other expenditure Totals	540	—	—	—	540	1,330
Expenditure Grand totals	126,832	—	28,597	—	155,429	141,429
<i>There may be minor discrepancies in the totals if the pence are not being shown</i>						

14 May 2021 Page 2

PCC of Leominster

Balance Sheet detailed

	As at 31/12/2020	As at 31/12/2019
Fixed assets		
1403: Priory Property	102,090.00	102,090.00
1410: Bateman Memorial Fund Endowment	23,416.74	23,416.74
Total Fixed assets	125,506.74	125,506.74
Current assets		
650015: Bank of Scotland	102,530.15	6,758.51
651502: CBF Legacy unrestricted	22,641.80	22,546.67
651503: CBF PCC	3,699.20	68,600.28
651504: CBF Projects	26,570.00	24,163.94
651505: CBF Fabric	8,597.76	8,572.24
651506: CBF Young People	11,813.96	11,778.94
651508: CBF External lighting	480.01	477.98
651510: CBF Annual Maintenance Outside	20,638.93	20,551.66

651520: Lloyds Bank Holiday Club	440.41	499.80
651524: Lloyds 32 day Account	166,807.36	166,427.76
651529: CBF Music Fund	27,636.64	27,516.96
651530: CBF Window Grills	1,931.99	1,923.83
651531: CBF Heating Replacement Project	28,182.36	28,063.20
651532: CBF W M Vickery Legacy	0.10	0.10
651533: Bateman Memorial Fund Income Account	24,454.61	21,385.58

Total Current assets	446,425.28	409,267.45
-----------------------------	-------------------	-------------------

Liabilities

1600: Unpaid bill year end	—	—
1601: Unpaid donations year end	—	—
6699: Agency collections	—	—

Total Liabilities	—	—
--------------------------	----------	----------

Net Asset surplus (deficit)	571,932.02	534,774.19
------------------------------------	-------------------	-------------------

Reserves

Excess / (deficit) to date	37,157.83	264,200.06
Z01: Starting balances	534,774.19	270,574.13

Total Reserves	571,932.02	534,774.19
-----------------------	-------------------	-------------------

Represented by Funds		
Unrestricted	128,891.02	97,905.46
Designated	20,638.93	20,551.66
Restricted	296,895.33	290,810.33
Endowment	125,506.74	125,506.74
Total	571,932.02	534,774.19

NOTES TO THE FINANCIAL STATEMENTS

No trustee received remuneration during the year. Small expense claims are reimbursed but are not of a material value.

The CBF Projects restricted fund of £26,570 has been built up from various sources for specific purposes as listed. The other investment funds are restricted to the title of the fund.

Investment Policy - It is PCC policy to invest our fund balances with the CBF Church of England Deposit Fund. However, we received a donation of £175,000 in 2018 and the PCC agreed that this should go into a Lloyds account which pays a slightly higher interest rate. The Fabric account and Lloyds 32 day account make up the £175,000 donation.

Reserves Policy - It is PCC policy to maintain a balance on unrestricted funds (if possible) which equates to approximately 6 months unrestricted payments, to cover day to day running requirements and emergency situations that may arise from time to time. The balance of £97,905 of unrestricted funds at the year-end meets this target.

Accounting Policy - The financial statements of the PCC have been prepared in accordance with the Church Accounting regulations 2006 and SORP 2015 using the receipts and payments basis.

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

Fixed assets - The freehold land and buildings comprising the Verger's House and 10 The Meadows in Leominster is included at a deemed cost being its cost on purchase. The PCC Trustees consider the freehold land and property to be worth considerably more than the net book value stated in the accounts. Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired

Investments are valued at market value.

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

Designated funds are unrestricted funds which are set aside at the discretion of the PCC Trustees for specific purposes.

Endowment Funds are funds, the capital of which must be maintained. Only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established. Last year we incorporated the Bateman Memorial Trust into our accounts. And this has now been separated into an Endowment amount in Fixed Assets and an Income amount in Current Assets.

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

INDEPENDENT EXAMINER'S REPORT

**To the Parochial Church Council of the Priory Church of St Peter and St Paul
Leominster**

On the accounts for the year ended 31 December 2018

Respective responsibilities of trustees and the examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act
- To follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- To state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the following requirements have not been met:
 - to keep accounting records in accordance with section 130 of the Charities Act;
 - to prepare accounts which accord with the accounting records and comply with the requirements of the Charities Act;
 - to account for statutory fees correctly.
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Date: 25th May 2021

Mrs S E Gluyas FMAAT FCCA BSc (Hons)
99 Ridgemoor Road
Leominster
HR6 8UH