

Annual Report
and
Financial Statements
of the
Radlett Parochial Church Council

for the year ended 31 December 2020



Christ Church and
St John's Radlett

Registered in England as a charity (no. 1132088)

Radlett Parochial Church Council

Financial statements

Year ended 31 December 2020

Contents

Annual Report	Pages 1-6
Independent Examiner's Report	Page 7
Statement of Financial Affairs	Pages 8-9
Notes to the Financial Statement	Pages 10-15

RADLETT PAROCHIAL CHURCH COUNCIL

Annual Report for 2020

The Trustees present their report and audited financial statements of the charity for the year ending 31st December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Administrative information

Christ Church is to the south of the village of Radlett located on Watling Street. Its daughter church St John's is situated in Gills Hill Lane. It is part of the Diocese of St Albans within the Church of England. PCC members who have served during 2020 until the date of this report are:

Incumbent (Team Rector): Revd Javaid Iqbal
(until 14 May)

(Team Vicar Aldenham): Revd Robert Fletcher
(Team Vicar Shenley): Revd Daniel McCarthy
(Team Rector from 4 October)

Diocesan Readers: Mrs Eileen Bigg
Mrs Fiona Holliday (to 30 Nov)

Wardens: Mrs Helen Warne
Mrs Fiona Turner

Representatives on Deanery Synod
Ms Ritah Namakula (to 30 Nov)
Mrs Gillian Foroughi (to 30 Nov
and then co-opted onto the PCC)

Elected Members: Mr Fola Adeoti
Mrs Ade Afolabi
Mr Simon Ashley
Mr Robert Attuh
Mr Remi Bola
Mrs Susan Brown (to 27 Sept)
Mr Barry Hogg
Mr Adrian Morrish (to 27 Sept)
Mr Jeremy Newton
Mrs Margaret Price (to 27 Sept)
Mrs Sue Waller (from 27 Sept)
Mrs Rosemary Whiteman (from
27 Sept)

Treasurer: Mr John Graham
(Elected member)

Assistant treasurer: Mrs Marian Drear
(Elected member)

PCC Secretary: Mrs Eileen Bigg (to 28 May)
Mrs Susan Brown (from 28 May)

Registered Office: The Church Office
Christ Church Vision Hall
Watling Street
Radlett WD7 7JJ

Bankers: Barclays Bank plc
Watling Street
Radlett WD7 7AJ

Auditors: Hillier Hopkins LLP
Chartered Accountants
Radius House, 51 Clarendon
Road, Watford WD17 1HP

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 and is registered in England as a charity (no. 1132088).

Radlett is part of the Team Benefice of Aldenham, Radlett and Shenley formed in February 2005.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees over the age of 16 are encouraged to register on the Electoral Roll and are eligible to stand for election to the PCC. PCC members with specific responsibilities are encouraged to attend training courses arranged by the Diocese, Deanery or other organisation as appropriate.

The full PCC met on five occasions during the year, three times using Zoom technology. Management Committees met between meetings and Minutes of their deliberations were received by the full PCC and discussed where necessary. Minutes of PCC meetings are available in the narthex of Christ Church for inspection by those interested.

The PCC operates through a number of committees:

Management/Standing Committee: Meets regularly between PCC meetings and has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

Financial Advisory Group: Advises the PCC and Management Committee and oversees the general finances of Christ Church and St John's.

Stewardship Committee: Monitors the parish's policy on Christian Stewardship. It coordinates the annual renewal of Christian Stewardship of money through planned giving which parishioners feel able to offer to the life of the church.

DICE Committee: Encourages Diversity, Inclusion, Cohesion and Engagement within the church and its relationships with the community.

Home and Overseas Committee: Advises the PCC on the disbursement of its charitable giving to various local, national and international charities and causes.

Hall Management Group: Oversees the maintenance and management of the Vision Hall.

St John's Committee: In abeyance during 2020, in view of the proposed re-development of St John's church site and Covid-19.

Aim and purposes

Radlett PCC is responsible to the Diocese of St Albans and with the Incumbent for promoting in the ecclesiastical parish the whole mission of the church - pastoral, evangelistic, social and ecumenical.

It also has maintenance responsibility for the Parish Church, Church Hall and Burial Ground in Watling Street, St John's Church and Hall in Gills Hill Lane, along with the house at 51 Gills Hill Lane, available for a curate. All these (except for the curate's house, currently let) are facilities intended to be for the use of the general public as well as for church members.

Objectives and activities

The primary objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ and our mission statement is "We believe God calls us to be a loving community, inspired by the Holy Spirit, founded and growing in faith through worship and prayer, making new disciples as we proclaim Jesus in word and deed". This ties in with our Diocesan three-fold Living God's Love vision of "going deeper into God, making new disciples and transforming communities".

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

We seek to do this by providing a variety of different styles of worship service, by offering pastoral care to those in need or at key points in their life's journey, by preaching and teaching to people of all ages in ways appropriate to their needs, and by actively reaching out to those on the fringe or outside our current membership. Being a

parish church, we aim to be available for all people of our parish. We believe that people have spiritual as well as material needs and seek especially to minister in the spiritual dimension of life, often through meeting people in the social or emotional situations which they encounter. We are especially concerned to meet the needs of children and young people.

Achievements and performance

As throughout the UK, Covid-19 has substantially impacted this Parish from March onwards, disrupting the normal pattern of worship and other activities. Added to this, our incumbent, Revd Javaid Iqbal, started a sabbatical at the end of February and moved to be Archdeacon of Doncaster in May. In view of Covid-19, the Diocese decided to defer all work on appointments for 3 months, which meant that an advertisement for a new incumbent was only able to be placed in January 2021, with interviews at the end of February.

As part of the process of discernment for a new incumbent, it was agreed throughout the Team that Revd Daniel McCarthy, Vicar of Shenley should become Rector of the Team, and Radlett should seek a Team Vicar to focus on the Parish. The Bishop of Hertford approved and Daniel was appointed Rector in October.

Worship, prayer and pastoral support

For the first 10 weeks of 2020, we offered the normal range of services that our community finds spiritually fulfilling. Three different styles of worship took place on Sundays, ranging from the quiet Book of Common Prayer said communion, Common Worship and Holy Communion to the more contemporary family worship service. Alongside this last service, there were age-appropriate groups for children and young people up to the age of 18.

The usual range of "special services", where our congregations gather together, across the parish and across the Team, were largely unable to be held. These included the Walk of Witness on Good Friday and the Carol Service before Christmas. No Easter services were able to be held in church, but Revd Javaid Iqbal streamed one from his home.

We did, however, hold in church a commemoration service on All Souls Sunday, for those recently bereaved or wishing to remember loved ones; an imaginative Zoom-based Crib service; and a Eucharist on Christmas Day.

Additionally, as Covid-19 regulations forbade gatherings at war memorials, representatives of

Christ Church & St John's worked in conjunction with Aldenham Parish Council (APC), the other churches in Radlett, both synagogues, uniformed organisations, the local Youth Council and Haberdashers' Askes Schools to create a pre-recorded Remembrance Service which followed the same pattern as in previous years. This service went live on the APC website at 10.45am on Remembrance Sunday and provided a very acceptable alternative to the usual ceremony.

At the start of the first "lockdown", and in the absence of an incumbent, the PCC decided it was not feasible to stream services from Christ Church. Instead, under a Worship Group with oversight for planning services, our two Readers began a weekly "ReConnection" time of prayer and chat every Saturday morning over Zoom and an "Armchair Leaflet" with readings, reflections and links to internet-based services and other resources. The leaflet was emailed where possible to all those on the electoral roll, and delivered to those without email. Both initiatives were greatly appreciated, and many parishioners followed services at the Cathedral or nearby churches.

The Armchair Leaflet continued for 20 weeks, to the point when services re-started, and ReConnection is still continuing into 2021 (led by a variety of parishioners). At the beginning, about 40 people joined and currently around 25 people do so. Those who are "shielding" find it particularly helpful.

In March, we also strengthened our pastoral care, encouraging people to look out for each other and maintain contact. This was more formally done with an appointed "shepherd" for each person associated with the Sunday Common Worship service, and through a WhatsApp group for the more contemporary service congregation. These schemes continue. Additionally, Christmas cards were delivered to all members of the electoral roll who were elderly, on their own or who had not been seen in church or on ReConnection, and personal contact was made in many instances. Again, these additional contacts were greatly appreciated.

Services resumed in church in July but limited to one service on Sunday and one on Wednesday, both at Christ Church. In view of the necessary distancing rules and the size of St John's, it was decided not to hold services there, except for one service in September commemorating its founding in 1953.

Our pattern of worship was Holy Communion on Wednesdays and on alternate Sundays, with our two Licenced Lay Leaders of Worship (Ritah Namakula and Robert Attuh) leading alternate

Sunday services. We are especially delighted that Ritah was accepted for ordination training and started in September.

We are very grateful to all those priests who enabled us to have Holy Communion so regularly, especially Ven. Jane Mainwaring, Revd Jos Perris, Revd David Halsey, Revd Geoff Lackey, as well as the ministers from the Team (Revd Daniel McCarthy and Revd Robert Fletcher).

It has been a great sadness that, with the combination of the Children, Families and Youth Worker leaving towards the end of 2019, our incumbent leaving in February 2020, and the presence of Covid-19, we have not been able to continue Messy Church, Messy Café, Sunday School or Squads (for teenagers). The PCC has agreed to fund a new worker (specific details to be agreed with the new incumbent) in order to re-start this important work.

Adult attendances during October averaged 45 on Sunday and 17 at the mid-week service. Attendance on Christmas Day was 64, with many of the usual congregation continuing to "shield"

There were 3 funerals and 7 interments during the year, but due to Covid-19, no weddings or baptisms.

At the start of 2020, there were 194 members on the Church Electoral Roll, and at the end of the year, there were 191 (8 additions and 11 removals).

Volunteers

In the absence of the incumbent, the activities of the church this year have depended even more than usual on volunteers. Although many activities have been curtailed due to Covid-19 and the resultant restrictions, other volunteer activities have expanded. Principal amongst these have been the shepherd and hamper schemes, both supporting people in their homes, and the closure of St John's church has allowed the space to be used for the latter. More work has inevitably fallen on the Churchwardens, both of whom have felt well-supported by the many volunteers who express their faith by their commitment to serve the community.

Church and hall premises and graveyard

The Vision Hall and St John's Hall maintained a high level of usage by outside groups during the first 2+ months, reflecting our commitment to serve the community. However, since March, usage has fallen to minimal levels, even though we have sought to use the flexibilities of the guidance. When permitted at different times of the year, a Nursery, Mums & Toddlers groups, Weight

Watchers, Taekwondo, Dance & Drama groups, Brownies and many others have all made use of the two facilities. Unfortunately, singing groups, parties, and large gatherings (e.g. for the Jewish high Holy Days) have not been permitted. As a consequence, the halls have not covered their costs despite using the Government's furlough schemes where possible.

The proposed redevelopment of the site of St John's church was deferred at the start of the Covid-19 epidemic. This is a joint project with Hertsmere Borough Council which is providing the funds, to re-develop the site to provide a new church and hall along with six units of much-needed affordable accommodation. Work was to have started on site in July 2020 but there were too many risks. The delay allowed more detailed planning and drawings to be done by Hertsmere to reduce risks. Tender documents were issued in December 2020 and tenders are due in mid-February 2021.

The church graveyard has almost exhausted available burial plots. The PCC decided it wished to keep the graveyard open and accordingly sought and was granted a faculty to re-use graves over 100 years old. Work to move headstones and create new burial plots is expected to be complete in 2021.

Ecumenical and "mission" activities

Links with the local state primary schools have continued as far as possible. The year started with the usual beginning of term service for all teachers and pupils of St John's Church of England Infant School being held in St John's church. However, Covid-19 prevented any further beginning or end of term services in church.

Revd Daniel McCarthy led some assemblies by Zoom after March, but overall contact has been much less than in previous years.

However, during the year, the St John's Infant school and Fair Field Junior school joined to become the Poppy Multi-Academy Trust, a minority CofE MAT. Church members are at Local Governing Body, Trustee and Member levels and it is hoped to build on these links.

Following the killing of George Floyd in America, a Diversity, Inclusion, Cohesion and Engagement (DICE) group formed as a sub-committee of the PCC. By the end of 2020, it had surveyed the congregation's experiences and views; compiled a list of study resources; provided input to both the Diocese and CofE nationally; put together a special service for "Black History Month" and made strong links with a similar community-focused group.

The PCC made grants during the year, as listed in Note 15 of the Finance Report, to various charities on the basis of the following policy: 5% of the previous year's planned giving including tax reclaim should be given to evangelistic and "social gospel" charities, one-third in the UK and two-thirds overseas. The PCC Home & Overseas Committee nominates these charities, and also the charities to whom we give all our Christmas and Easter cash collections.

Working within Churches Together in Radlett and Aldenham, we have offered Lent and Advent study groups but Covid-19 has restricted several ecumenical activities. For example, the weekly Lunch Club for up to 26 elderly people predominantly on their own had to cease, except for the period July to October.

One significantly expanded area was the "Hamper Scheme" originally established to support families needing extra support during the summer holidays (when children did not receive free school meals). In 2020, the hamper scheme operated for 20 consecutive weeks from March, and then again at October half-term and at Christmas, providing support for 40 families (almost double the number in 2019).

An Alpha course across the Team was provided by Revd Daniel McCarthy, and some "house-groups" have continued study and prayer on Zoom. Overall, however, there has been less formal contact in 2020 between the churches, and between the Christian ministers and Jewish Rabbis (approx. 50% of the local population are Jewish) than in previous years. We look forward to re-building these links in 2021.

Risk Assessment

We have an on-going process of review of the major risks to which the PCC is exposed. We have Health and Safety, Data Protection, Equal Opportunity and Safeguarding policies in place and continue to work on any issue that may arise concerning safeguarding. Where specific policies do not exist, we apply those promoted by the Diocese. In addition, we specifically subscribe to Diocesan Baptism, Wedding and Funeral policies.

Financial Review

The accounts are drawn up under generally accepted accounting standards for the charity sector. The charity delivered an overall deficit of £15,464 (2019 surplus £82,727) after taking into account all funds. Most of this movement reflects the unrealised gains of the investment portfolio which moved from a surplus of £126,070 in 2019 to a smaller surplus of £20,664 in 2020. On unrestricted funds, before accounting for the

investment gain of £31,109 and depreciation of £35,735, the charity reported a small deficit of £393. The operations of the charity were effectively carried out at break-even which given the circumstances around the COVID-19 pandemic and the closure of both church halls, is an excellent result. Apart from the decline in rental income from the halls, income generally held up and for this we are grateful to the many regular givers in our congregation. Expenditure was reduced due to the full year vacancy of the Children's, Youth & Families Worker.

Principal funding sources

The PCC relies on voluntary giving from parishioners to fund its activities; we are thankful for the response to the annual stewardship appeal, which generates this income. Other income includes hall lettings, grants, donations and income from deposits and investments. This year again we have benefited from the continuing rental income from the curate's house but as noted above have suffered a major decrease in hall lettings.

Expenditure

A total of £272,849 (2019: £333,574) was spent to provide the Christian ministry of Christ Church and St John's. Included in expenditure is £132,405 (2019: £131,985) contribution to the Diocesan parish share, much of which is spent on stipends and housing for the clergy. Expenditure was much lower this year reflecting the vacancies and overall caution given the reduction in hall income.

Future Review

The recruitment process for a new vicar is underway with interviews planned around Easter. We hope to have a new vicar in post by the summer. The PCC has decided in principle to continue to support the role of the Children's, Youth & Families Worker and the cost is reflected in the 2021 budget. The position will be reassessed when the new vicar is appointed. Reflecting these expectations, the PCC has approved a budget for 2021 of a small surplus of £1,167 prior to transfers to designated funds.

As noted above the re-development of the St John's Church site was delayed due to the pandemic. Work is due to commence in summer 2021. The development is expected to be cost-neutral to the charity.

Investments policy

Unrestricted funds are invested in a balance of short-term deposits and long-term investment funds including bonds and equities. Around 70% of our investments are in equities in a portfolio run on a medium risk basis. The funds are invested with M&G and CCLA linked to the Church of England. Performance is benchmarked against the FTSE All-

Share Index. The capital of the unrestricted fund equity investments increased by 2.3% during 2020 (2019:20.5%), significantly better than the FTSE All Share index which decreased by 12.1%. The Finance Advisory Group advises on the mix of these investments, taking into consideration the funding and timing required to finance the PCC's future plans.

Reserves policy

The PCC seeks to maintain Unrestricted Reserves of six months of unrestricted charitable expenditure. This level is maintained so that if income suddenly fell significantly the combination of income and retained reserves should cover a year's expenditure, time enough to change fundamentally the cost base in line with a revised lower level of income. Bearing in mind the fact that the top 10 donors contribute 50% of our stewardship income, the PCC is aware of the need to maintain the effort to draw new people into the stewardship scheme. The PCC believes that the unrestricted reserves are required to fund future plans and meet future anticipated deficits.

At 31 December 2020 the balance on the unrestricted funds was £1,081,103. The PCC is required to provide accommodation for a curate at a standard laid down by the Diocese. Whilst the curate's house is currently let, it has to be available to a future curate if one is so appointed. The funds invested in 51 Gills Hill Lane £632,570, are not considered to be freely available reserves. Removing these funds from the unrestricted reserves leaves a balance of £448,533 which, whilst being greater than 12 months' unrestricted expenditure, has grown from unrealised investment returns that could easily reverse. The PCC has approved a break-even budget in 2021 including the replacement of the Children's, Youth and Families Worker and we are aware that income from regular givers is declining. We believe the level of reserves is appropriate and reflects the financial position of the charity.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Trustees' 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 & 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 these financial statements, the trustees 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
-) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping 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 Charity (Accounts Report) Regulations 2008 and Trust Deed. 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.

On behalf of the PCC



Jeremy Newton
Lay Chair PCC

Independent Examiner's Report to the Trustees of Radlett Parochial Church Council

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 8 to 15.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your Examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of 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 charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Simon Speller FCA

Hillier Hopkins LLP
Chartered Accountants
Radius House
51 Clarendon Road
Watford
WD17 1HP

Date:

RADLETT PAROCHIAL CHURCH COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2020

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
						2020 £	2019 £
INCOME							
Donations and legacies	2a	166,894	-	5,679	-	172,573	194,855
Church activities	2b	30,673	-	0	-	30,673	64,399
Investments	2c	39,154	-	3,526	-	42,680	42,556
TOTAL INCOME		236,721	-	9,205	-	245,926	301,810
EXPENDITURE							
Mission and Charitable expenditure	3a	8,350	-	-	-	8,350	8,696
Church activities	3b	264,499	-	9,205	-	273,704	336,457
TOTAL EXPENDITURE		272,849	-	9,205	-	282,054	345,153
NET INCOME (EXPENDITURE) before Gains/losses on Investment		(36,128)	-	-	-	(36,128)	(43,343)
Net gains /(losses) on investments	8	31,109	(15,593)	-	5,148	20,664	126,070
NET INCOME/(EXPENDITURE)		(5,019)	(15,593)	-	5,148	(15,464)	82,727
Transfer from designated funds	5	1,200	(1,200)	-	-	-	-
Transfer to designated funds	5	(9,500)	9,500	-	-	-	-
Transfer from restricted funds		-	-	-	-	-	-
Transfer property reserve - depreciation	5	35,735	(35,735)	-	-	-	-
NET MOVEMENT IN FUNDS		22,416	(43,028)	-	5,148	(15,464)	82,727
BALANCES BROUGHT FORWARD							
1 January 2020		1,058,687	1,211,321	63,429	81,263	2,414,700	2,331,973
BALANCES CARRIED FORWARD							
31 December 2020		1,081,103	1,168,293	63,429	86,411	2,399,236	2,414,700
All income and expenditure derives from continuing activities							

RADLETT PAROCHIAL CHURCH COUNCIL

BALANCE SHEET AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	6	1,347,308	1,383,043
Endowment funds	7	86,411	81,263
Investments	8	685,627	670,111
		<u>2,119,346</u>	<u>2,134,417</u>
CURRENT ASSETS			
Debtors and prepayments	11	14,000	14,288
Investments		223,691	223,451
Cash at bank and in hand		46,779	47,518
		<u>284,470</u>	<u>285,257</u>
LIABILITIES: amounts falling due within one year			
	12	(4,580)	(4,974)
NET CURRENT ASSETS		<u>279,890</u>	<u>280,283</u>
NET ASSETS	9	<u><u>2,399,236</u></u>	<u><u>2,414,700</u></u>
FUNDS			
Endowment	7	86,411	81,263
Restricted	10	63,429	63,429
Designated - Property	5	704,355	726,535
- Other	5	463,938	484,786
Unrestricted	9	1,081,103	1,058,687
		<u><u>2,399,236</u></u>	<u><u>2,414,700</u></u>

Approved by the Parochial Church Council on 9 March 2021 and signed on its behalf by:



H Warne
Churchwarden

The notes on pages 10 to 15 form part of these accounts.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information and basis of preparation

Radlett Parochial Church Council is a charity and is a corporate body established by the Church of England. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by 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 accounts in accordance with the financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletins 1 and 2 published on 2 February 2016 and 5 October 2018 respectively), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investment form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable the income will be received. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised.

Income from trading activities to raise funds for the charity. Income from trading activities, primarily the letting of church halls, is recognised when entitlement has occurred.

The charity receives a grant from Local Government for the upkeep of the Burial Ground. As the grant is discretionary the grant is only recognised in the accounts on receipt.

Coronavirus job retention scheme income received during the year has been recognised in sundry receipts.

Investment income is earned through holding assets for investment purposes such as shares and property and includes dividends interest and rent. It is not practicable to identify investment management costs within the funds held so the income is reported net of these costs. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds which only applies if there is a special appeal;

Expenditure on charitable activities which includes the running of the church and church halls; and

Other expenditure which represents those items not falling into the two categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. It is not the practice of the charity to award grants that are conditional on performance.

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended. Individual items with an initial cost of £5000 or less are written off when acquired.

Consecrated and beneficial property is excluded from the accounts by virtue of s10(2) to 10(4) of the Charities Act 2011.

Movable church furnishings held by the vicar and Churchwardens on special trust for the PCC and which require a facility for disposal are accounted for as inalienable property unless consecrated and are included in Fixtures and Fittings. They are listed in the Church's Inventory held at the Church Office.

The property at 51 Gills Hill Lane was purchased in 2013 for the use of a curate and was so occupied from June 2015 to September 2018.

The policy of the PCC is to always keep this property available for a curate but in the intervening periods the property is let to produce income thereby mitigating the overall cost of ownership.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life. No depreciation is applied to freehold land and buildings

Freehold land	Nil
Freehold buildings	50 years
Fixtures and fittings	10 years
Musical instruments	10 years
Projection and sound systems	4 years

No depreciation charge is provided on 51 Gills Hill Lane as the Trustees believe the asset will have a high residual value which under the requirements of the SORP (2015) allows depreciation not to be charged.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

(f) Investments

Investments in Fixed assets are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses)' on investments in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 INCOMING RESOURCES

2a Donations and legacies

	Unrestricted Funds	Restricted Funds	TOTAL FUNDS	
	£	£	2020 £	2019 £
Pledged giving	145,017	-	145,017	158,915
Gift Aid	14,000	-	14,000	12,000
Collections	1,877	-	1,877	2,974
Donations	1,000	-	1,000	10,287
Grants	-	5,679	5,679	5,679
Legacies	5,000	-	5,000	2,500
Donations for specific purposes	-	-	-	2,500
	166,894	5,679	172,573	194,855

The comparative figure for 2019 includes £186,676 unrestricted and £8,179 restricted funds.

2b Church activities

Church hall lettings	19,170	-	19,170	59,110
Wedding, baptism and funeral fees	4,431	-	4,431	5,259
Sundry receipts	7,072	-	7,072	30
	30,673	0	30,673	64,399

The comparative figure for 2019 comprises only unrestricted income.

2c Income from investments

Dividends and interest	11,984	3,526	15,510	15,746
Property income	27,170	-	27,170	26,810
	39,154	3,526	42,680	42,556

The comparative figure for 2019 includes £39,156 unrestricted and £3,400 restricted funds.

TOTAL INCOMING RESOURCES

236,721	9,205	245,926	301,810
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Sundry receipts includes £6,406 of income received from HM Government as a claim for Furloughed staff.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

3 RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2020 £	2019 £
3a Mission and charitable giving (note 15)				
Church overseas: - missionary societies	3,450	-	3,450	3,786
- relief and development agencies	2,110	-	2,110	2,010
Home missions and other church societies	1,830	-	1,830	1,900
Secular charities	960	-	960	1,000
Mission and charitable giving	8,350	-	8,350	8,696

The comparative figure for 2019 comprises only unrestricted expenditure.

3b Church activities

Ministry: Diocesan parish share	132,405	-	132,405	131,985
Working expenses of incumbent	462	-	462	3,596
Upkeep of vicarage and Curate's House	5,825	-	5,825	5,475
Assistant clergy expenses	1,565	-	1,565	1,615
Lay staff emoluments	24,645	-	24,645	25,785
Childrens and Youth worker	346	-	346	24,933
Upkeep of churches: repairs and maintenance	1,360	-	1,360	21,505
heating, light, insurance etc.	9,331	-	9,331	10,974
Upkeep of grounds	3,426	-	3,426	4,778
Maintenance of services	1,299	-	1,299	3,035
Upkeep of burial ground	43	9,205	9,248	12,988
Sundry expenses	1,258	-	1,258	1,632
Church hall upkeep: Christ Church	32,746	-	32,746	38,086
St. John's	6,197	-	6,197	8,766
Depreciation - church property	35,735	-	35,735	35,735
Church office	2,457	-	2,457	2,754
Audit fee	2,400	-	2,400	2,400
Legal and Professional fees	2,999	-	2,999	415
Church activities	264,499	9,205	273,704	336,457

The comparative figure for 2019 includes £324,878 unrestricted and £11,579 restricted expenditure.

TOTAL RESOURCES EXPENDED	272,849	9,205	282,054	345,153
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Total resources expended include:

Depreciation of fixed assets £35,735 (2019: £35,735)

Audit fee £2,400 (2019:£2,400)

Refurbishment of the Organ £ Nil (2019:£12,710). Replacement of sewage pump St Johns £ Nil (2019: £4,500)

4 STAFF COSTS

	2020 £	2019 £
Wages and salaries	41,183	61,384
Social security costs	238	1,122
Pension costs	636	1,008
	42,057	63,514

The PCC employed 5 people during the year, some part time, equivalent to 2.5 FTEs (2019:3.5 FTEs) .

The PCC is part of the work place pension scheme which affects only one employee (2019:1 employees).

Expenses of £462 (2019: £3,596) were paid to one Trustee as working expenses of the incumbent.

Salary costs are shown gross; relief received for furloughed staff is shown under sundry income.

The employee allowance rebate received of £1890 has been offset against social security costs.

5 TRANSFER TO AND FROM DESIGNATED FUNDS

The PCC has a policy of setting aside designated funds to ensure that adequate funding is available for property maintenance and replacement of equipment when needs arise. Transfers from unrestricted funds are made according to the timing and scale of anticipated expenditure.

	Church Property £	Staff and Clergy Housing £	St Johns Development £	Equipment £	Organ £	Christ Church Hall £	Fabric incl Boiler £	TOTAL £
Balance at 1 January 2020	726,535	208,294	17,000	25,586	24,182	21,742	187,982	1,211,321
Unrealised gain/(loss) on investments	-	(15,593)	-	-	-	-	-	(15,593)
Transfer from unrestricted funds	-	-	-	-	3,002	-	6,498	9,500
Transfer from restricted funds	-	-	-	-	-	-	-	-
Expenditure during the year	-	-	-	-	-	-	(1,200)	(1,200)
Transfer property reserve:depreciation	(22,180)	-	-	(10,509)	-	(3,046)	-	(35,735)
Balance at 31 December 2020	704,355	192,701	17,000	15,077	27,184	18,696	193,280	1,168,293

The church property fund represents the net book value of Christ Church Hall and St John's Church and Hall and is reduced each year by an annual depreciation charge.

In September 2013 the staff housing fund was used to purchase 51 Gills Hill Lane to enable the PCC to provide accommodation for a curate.

There is currently a vacancy in the parish for a curate and whilst we await the appointment by the diocese, the property is let on a commercial basis.

Pending the proposed redevelopment of St Johns Church the PCC has agreed to set aside a provision against loss of rental income from the church hall during the disruption caused by the redevelopment. The provision represents their estimate of the potential loss of income over 18 months.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

6 TANGIBLE FIXED ASSETS

	Freehold property	Church property & fittings	Projection & sound system	Musical instruments	Total
	£	£	£	£	£
COST					
At 1 January 2020	632,570	1,139,525	42,041	6,037	1,820,173
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2020	<u>632,570</u>	<u>1,139,525</u>	<u>42,041</u>	<u>6,037</u>	<u>1,820,173</u>
DEPRECIATION					
At 1 January 2020	-	411,292	19,801	6,037	437,130
Charge for year	-	25,226	10,509	-	35,735
Disposals	-	-	-	-	0
At 31 December 2020	<u>-</u>	<u>436,518</u>	<u>30,310</u>	<u>6,037</u>	<u>472,865</u>
NET BOOK VALUE					
At 31 December 2020	<u>632,570</u>	<u>703,007</u>	<u>11,731</u>	<u>-</u>	<u>1,347,308</u>
At 31 December 2019	<u>632,570</u>	<u>728,233</u>	<u>22,240</u>	<u>-</u>	<u>1,383,043</u>
CHURCH PROPERTY					
	Christ Church Hall	Christ Church Hall Fittings	St John's Church and New Hall	Total 2020	Total 2019
	£	£	£	£	£
COST					
At 1 January 2020	953,673	30,458	155,394	1,139,525	1,139,525
Additions	-	-	-	-	-
At 31 December 2020	<u>953,673</u>	<u>30,458</u>	<u>155,394</u>	<u>1,139,525</u>	<u>1,139,525</u>
DEPRECIATION					
At 1 January 2020	299,172	28,760	83,360	411,292	386,066
Charge for year	19,072	3,046	3,108	25,226	25,226
At 31 December 2020	<u>318,244</u>	<u>31,806</u>	<u>86,468</u>	<u>436,518</u>	<u>411,292</u>
NET BOOK VALUE					
At 31 December 2020	<u>635,429</u>	<u>-1,348</u>	<u>68,926</u>	<u>703,007</u>	
At 31 December 2019	<u>654,501</u>	<u>1,698</u>	<u>72,034</u>		<u>728,233</u>

FREEHOLD PROPERTY

The PCC accounts for Freehold Land and Buildings on a historical cost basis.

St. John's church hall and Christ Church hall are being depreciated on a straight line basis over 50 years and the fittings over 10 years.

There is no depreciation charge for freehold property (51 Gills Hill Lane). The Trustees believe the asset will have a high residual value which under the requirements of the SORP (2015) allows depreciation not to be charged.

For insurance purposes in July 2015 St John's Church and hall was valued at £998,722 and Christ Church and hall at £10,131,693.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

7 INVESTMENT OF ENDOWMENT FUNDS

	Cost 2019 £	Market Value 2019 £	Gain (Loss) on revaluation 2020 £	Market Value 2020 £	Cost 2020 £
Goodison Trust - 2.5% Index linked Gilt 2024	4,000	4,366	(146)	4,220	4,000
Bott Trust - CBF Investment fund	10,912	49,345	3,407	52,752	10,912
Young& Chubb Trust - CBF Investment fund	915	25,132	1,735	26,867	915
Washburn Grave Trust - CBF Investment fund	100	1,913	132	2,045	100
Mallison Grave Trust - CBF Investment fund	20	307	20	327	20
Leggett Grave Trust	80	200	-	200	80
	16,027	81,263	5,148	86,411	16,027

The investments behind the Leggett Trust are held in cash awaiting reinvestment.

The PCC has the following endowment funds, arising from bequests:

Goodison	Endowment - expendable	income unrestricted
Bott	Endowment -	income unrestricted
Young	Endowment -	income restricted to maintenance of fabric
Washburn	Endowment -	income restricted to church/church yard upkeep
Chubb	Endowment -	income restricted to grave upkeep
Mallison	Endowment -	income restricted to grave upkeep
Leggett	Endowment -	income restricted to grave upkeep

In November 2020 the PCC agreed that the Goodison Trust should be liquidated and the funds used for the extension of the graveyard.

A request has been made to sell the underlying assets but at the year end they remained invested.

8 OTHER INVESTMENTS

	Cost 2019 £	Market Value 2019 £	Gain(Loss)on revaluation 2020 £	Market Value 2020 £	Cost 2020 £
Unrestricted:					
17127.14 (2016:12266.52) Units Central Board of Finance Investment Fund	240,188	328,312	21,881	350,193	240,188
1312 (2016:1312) M&G Charifund Inc. Units	6,226	21,788	(3,780)	18,008	6,226
2887 (2016:2887) Units Central Board of Finance Investment Fund - Accumulation Shares	32,638	130,261	13,008	143,269	32,638
	279,052	480,361	31,109	511,470	279,052
Designated:					
860 units (2016:860) Central Board of Finance Investment Fund-Accumulation Shares	9,721	38,803	3,870	42,673	9,721
539 units (2016:539) M&G Charifund Accumulation units	42,359	150,947	(19,463)	131,484	42,359
	52,080	189,750	(15,593)	174,157	52,080
TOTAL INVESTMENTS	251,132	670,111	15,516	685,627	331,132

9 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	642,953	704,355	-	-	1,347,308
Investments - Trusts	-	-	-	86,411	86,411
Investments - Others	221,689	463,938	-	-	685,627
Current assets	221,041	-	63,429	-	284,470
Current liabilities	(4,580)	-	-	-	(4,580)
	1,081,103	1,168,293	63,429	86,411	2,399,236

10 RESTRICTED FUNDS

	Hall Appeal £	Fixed Asset £	Burial Ground £	Specific Expenses £	Total 2020 £	Total 2019 £
At 1 January 2020	32,213	-	-	31,216	63,429	63,429
Incoming resources	-	-	9,509	-	9,509	11,579
Expenditure	-	-	(9,509)	-	(9,509)	(11,579)
Transfer to designated funds	-	-	-	-	-	-
At 31st December 2019	32,213	0	0	31,216	63,429	63,429

The Hall appeal fund represents the balance of money donated to build Christ Church hall. To the extent that the fund proves surplus to that purpose it will be used to furnish, equip and maintain the hall.

11 DEBTORS

done

	2020 £	2019 £
Income Tax recoverable	14,000	12,000
Other debtors	0	2,288
	14,000	14,288

12 LIABILITIES FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accruals	2,817	3,400
PAYE and Pension	994	116
Other creditors	769	1,458
	4,580	4,974

13 BURIAL GROUND

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Income	-	9,205	9,205	-	11,579	11,579
Expenditure	(43)	(9,205)	(9,248)	(1,409)	(11,579)	(12,988)
	(43)	-	(43)	(1,409)	-	(1,409)

The PCC has received money from Hertsmere Borough Council towards the cost of maintaining the Burial Ground. The grant of £5,679 is awarded annually and is at the discretion of the Council.

14 CONNECTED TRUSTS

The vicar and churchwardens are trustees of a "Sunday School Fund", which arose from the proceeds of the sale of Cobden Hill School. This fund does not form part of the PCC's funds and may only be used for educational purposes related to the life of the parish in connection with the provision of religious education by means of Sunday Schools or otherwise. In 2017 the trustees resolved to pay to the PCC some of the capital along with interest over three years to fund a post supporting Children and Youth. In 2018 the PCC received the second annual tranche of £25,300. In 2019 and 2020 given the vacancy of the post of the Children and Youth worker and a stronger than expected financial position, the Trustees agreed to defer the drawdown of the third tranche. Drawdown is expected to occur when the Children and Youth worker is appointed and a projected figure has been included in the 2021 budget.

15 MISSION AND CHARITABLE GIVING

	overseas mission	overseas relief & development	home mission	home secular	Total 2020	Total 2019
Christian Aid		930			930	900
Interserve (for Rev'd Dr G Aylett)	760				760	730
The Bible Society	760				760	730
Practical Action		660			660	630
Toybox	660				660	630
CMS (for John Waters)	510				510	480
Nepali Church (Mr Milan Adhikari)	760				760	730
Tearfund		520			520	480
Scripture Union Pakistan	0				0	486
Scripture Union			480		480	500
Open Doors in St Albans				480	480	500
Herts Young Homeless				480	480	500
New Hope Trust			870		870	900
Every Nation (for Javed Kamruddin)			480		480	500
	3,450	2,110	1,830	960	8,350	8,696