

Charity Commission Report 2020

St Mary Magdalene with St John the Evangelist, Hucknall
Annual Report and Financial Statements of the Parochial Church Council
for the year ended 31 December 2020
Charity Commission Registered Number: 1132272

The Parochial Church Council of The Ecclesiastical Parish of Hucknall Torkard (PCC) under the leadership of the PCC and the Parish Wardens, responsible for the Parish Church of St Mary Magdalene and associated Church of St John the Evangelist. The PCC is also responsible for the community halls administered by the individual churches.

In common with all organisations, churches have had to place considerable restriction on all activities. Those activities described below are all expected to begin again gradually during 2021

Objectives and Activities

- To serve the community of Hucknall by providing opportunities and facilities for education, worship, civic events and social activities.
- To promote the wellbeing and growth of groups and individuals within our community through the use of our facilities.
- To provide quiet spaces and places for living worship where people can find time to meet with God.

1 Both churches provide sacred spaces for personal prayer and contemplation. St Mary Magdalene Church on the Market Place in the centre of Hucknall is open and stewarded through most of the week to provide a place of quiet for prayer and contemplation. St John the Evangelist church is open for regular publicised services on Sunday and at other times as advertised or upon request.

2 The churches also provide venues for concerts and other events, continuing the tradition of the church as being a centre for community gathering and celebration.

3 Pastoral support to anyone in need in Hucknall including visiting the sick and bereaved by ordained clergy, lay ministers and members of the congregation.

4 Teaching about Christianity through sermons, courses and discussion groups.

5 Leading religious assemblies in all twelve of the Hucknall schools and contributing to the pastoral care and support of the pupils and staff. Due to the pandemic, churches have not been able, during 2020, to

participate in Time Travelling.

6. Promotion of Christianity through local events and meetings as well as through the distribution of literature.
7. Supporting local and national charities in the UK and overseas. The churches aim to donate some of their income to local, national and international charities after essential running costs have been met.
8. Promoting the mission of the Church through the provision of activities for the elderly, parents and toddlers and other groups with special needs, both churches providing space for community groups and social events open to both church and community.

The PCC reviews all decisions in the light of the responsibilities of individual members as charity trustees and of the duty of the organization as a whole to provide public benefit.

Outreach into the local Community

The John Godber Centre linked to St Mary Magdalene provides the main town centre outreach of the Church into the community both by supporting vulnerable groups and by providing a focus for leisure/social activity.

The Centre is a large venue in the heart of Hucknall town centre with several rooms for hire and offers packages for entertainment, décor, catering, refreshments and AV equipment. The Centre organises a number of social community events during the year for fundraising and is open 7 days per week and is well utilised during the evenings and weekends for local life events. The largest space is able to hold up to 200 people with a number of smaller spaces available.

In recent years the Centre has invested in the building and is currently undertaking a five-year refurbishment programme throughout the whole building, to redecorate and refresh all of its rooms and facilities. Sadly, during 2020, this work had to be paused due to the pandemic but will begin again when possible, building on the well-received works completed to date that have greatly enhanced the hall for the people of Hucknall to enjoy.

2020 was one of the most turbulent years in the Centre's history and, along with the many businesses and community groups who use the building, it was an emotionally and financially challenging year. The Centre closed on the 20th March 2020 and reopened at various stages through the pandemic for permitted activities, responding well to the various changes in restrictions continuing in its aim to be a place for the people of

Hucknall to meet and socialise. Wherever possible, the Centre opened for permitted activities, including blood donation sessions, support groups, education and wellbeing activities, during the various lockdowns and restrictions.

Although there is a small core of 7 paid staff (1 Full time, 6 Part time) many of the main activities rely heavily on volunteers drawn in equal part from the Church and the local community. The smaller Community Hall run by the Church of St John the Evangelist provides a similarly important point of church outreach into the community and is managed by volunteers from the church. During 2020, the monthly jumble sale also paused in response to the global pandemic.

The church website informs online visitors of the scope of the church's activities and mission, and regular enquiries for occasional offices are now received through this channel.

Recruitment and retention of stewards for welcoming and assisting visitors continues to be a challenge but a core volunteer group ensure the church is open most mornings and afternoons, every day except Sundays, when there are worship services and Tuesday when there is a worship service at 10.15 am. In 2020, the churches reopened for worship in August, as coronavirus restrictions were eased.

Relationships with history and heritage experts and societies, established during the restoration project, continue to support the church in its heritage activities. The church continues its membership of promotional tourism and history organisations to promote it as an important small visitor attraction. A programme of events over the coming years still seeks to establish St Mary Magdalene Church as a Heritage Hub within Nottinghamshire. The ongoing success of this venture depends on both the Church and the community working together to plan and run events that strengthen personal relationships and preserve this essential historic building right in the centre of the community.

Building on the success of the 2014/15 restoration project, consideration has been given to the potential for a further project to address the need to redevelop the North Transept of the church, which has been used largely used as a storage area. Consideration is ongoing.

The biggest challenge to St John the Evangelist church continues to be the low numbers of regular worshippers and the financial responsibilities which fall on that low number. With the help of a grant from WREN, 2017 saw the renovation of the community hall kitchen and toilets to improve health and safety as well as be more aesthetically pleasing. A community audit was undertaken to see where the halls might further meet the needs of the local community. It was anticipated that the renovations to the hall would bring in further bookings as well as being an improved facility for church functions and our regular jumble sales. The church is open for services at 9.30 am on Sundays, and continues to host weddings and funerals.

During 2020 the churches were able to open for worship and all activity only very slowly as coronavirus restrictions were lifted. Achievements and performance were very seriously affected during this year.

Achievements and Performance

Opportunities for worship, faith development and pastoral care are continually improving at St John's. The Church is accessed by local schools on a more regular basis and has been open for prayer once a week. The doors are opened and talks given about the Church's history as part of the Bus Tours organised by Hucknall Tourism and Regeneration Group, and the Church is also part of the Mining Heritage Trail.. St John's have hosted concerts, quiz nights, beetle drives, 6 jumble sales, and 2 fairs, for the community and as part of our regular fundraising activities. Other activities included a Water Box and Children's Society Boxes.

St Mary Magdalene Church was unable to hold its annual Christmas Tree Festival but in its place, held a wreath festival with wreaths festooning the church railings. At Remembrance Sunday, poppies were placed outside the church. It continues to be visited by people from around the world who have an interest in the poet Lord Byron, and his mathematician daughter, Ada Lovelace – regarded as the 'mother of computing'.

Levels of unemployment continue to be high in Hucknall and the community centres run by the church are well placed for people to meet and find activities that give them transferable skills which might improve their prospects for employment. In a similar way each centre provides an outlet for those taking early retirement who can act as volunteers, which gives a sense of belonging and being valued.

The John Godber Centre appeals to both community and business users for regular and ad-hoc bookings. It is home to over 50 groups and, on average, 1,000 people pass through its doors each week to use the Centre for:

- Community – weddings, parties, theatre, bereavement support, U3A, playgroups
- Business – dance schools, martial arts, weight control groups, children's groups, fitness classes
- Church – Sunday School, Play and Praise Group, Mothers' Union, Bible Study.

In 2020 due to the pandemic, the Centre was unable to host many celebratory and social events in contrast to usually hosting over 160 celebratory and social events, including birthdays (all age ranges), christenings, funerals, wedding receptions and anniversaries. Only a handful of events took place in the early part of the year. It is also used by the church for social and business meetings, as well as a number of local groups for their events and businesses and county organisations for training, meetings and exhibitions. Improvements and investment to the facilities and building in recent years have helped transform the hall into a premier community resource, true to the original vision of Canon John Godber and the Hucknall Church Community as it was first conceived in 1906 to welcome those who chose the Centre as THE place for Community, THE

place for Celebration, and THE place for Business. This popularity has continued to grow.

Structure, governance and management

The PCC works according to the Parochial Church Council Powers Measure (1956) as amended and Church Representation Rules of the Church of England.

Both churches own a Community Hall which is administered by the PCC. The John Godber Centre, employs a full time manager to oversee the day-to-day operations of the venue, who reports directly to the PCC, with support from an Operating Board - a subgroup of the PCC. . The halls provide education, recreation and leisure facilities for the local community.

Reserves policy

The DCC of St Mary Magdalene has a reserve policy which covers two months running costs of the church and one month of salaries of the John Godber Centre staff for which it is responsible. In addition, the John Godber Centre has its own reserves policy which covers three months running costs. Due to a significant and unrestricted legacy received in 2012 and 2013, St John the Evangelist now has reserves in excess of 12 months' expenditure. None of our funds is in deficit.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall
Previously known as Parochial Church Council of Hucknall Team Ministry
Annual Report
and Financial Statements
of the Parochial Church Council
for the year ended 31 December 2020

Clayton & Brewill
Statutory Auditors and Chartered Accountants
Cawley House
149-155 Canal Street
Nottingham

Charity Commission Registered Number: 1132272

**Independent Examiners Report to the Trustees of
The Parish of St Mary Magdalene with St John the Evangelist, Hucknall**

Independent examiner's report to the trustees of The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

I report to the charity trustees on my examination of the accounts of the church for the year ended 31 December 2020 which are set out on pages 2 to 12.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with 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 the Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no 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 contents 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 the 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.

Neil South BA FCA
Clayton & Brewill
Statutory Auditors and Chartered Accountants
Cawley House
149-155 Canal Street
Nottingham
NG1 7HR

Date

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Statement of Financial Activities
for the year ended 31 December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Revaluation Reserve £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments	2						
Donations and legacies	2(a)	55,084	797	-	-	55,881	78,315
Other trading activities	2(b)	78,547	-	-	-	78,547	189,606
Income from investments	2(c)	564	205	1,648	-	2,417	2,534
Other income	2(d)	79,058	70	-	-	79,128	21,108
Total income and endowments		213,253	1,072	1,648	-	215,973	291,563
Expenditure	3						
Expenditure on raising funds	3(a)	1,767	-	-	-	1,767	13,197
Expended on charitable activities	3(b)	243,723	-	-	-	243,723	381,391
Total expenditure		245,491	-	-	-	245,491	394,588
Net gains on investments		6,992	353	3,826	-	11,171	25,758
Gains on the revaluation of fixed assets		-	-	-	-	-	-
Net income/(expenditure)		(25,246)	1,425	5,474	-	(18,347)	(77,267)
Transfers between funds		13,921	(12,273)	(1,648)	-	-	-
Net movement in funds for year		(11,325)	(10,848)	3,826	55,000	(18,347)	(77,267)
Balances brought forward at 1 January 2020		199,527	483,249	59,924	55,000	797,700	874,967
Exiting church reserves		(18,800)	(8,275)	-	-	(27,075)	-
Prior year adjustment		-	-	-	-	-	-
Balances carried forward at 31 December 2020		<u>169,402</u>	<u>464,125</u>	<u>63,750</u>	<u>55,000</u>	<u>752,277</u>	<u>797,700</u>

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Balance Sheet at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible fixed assets	7	510,000	510,000
Investment assets	8	170,219	183,255
Total fixed assets		<u>680,219</u>	<u>693,255</u>
Current assets			
Stock		850	850
Debtors	9	4,999	9,313
Cash at bank and in hand		114,892	113,171
Total current assets		<u>120,740</u>	<u>123,334</u>
Current liabilities	10	(48,682)	(18,889)
		<u></u>	<u></u>
Net current assets		72,058	104,445
		<u></u>	<u></u>
Net assets		<u>752,277</u>	<u>797,700</u>
		<u></u>	<u></u>
Funds			
Unrestricted	11	169,402	199,527
Restricted	11	464,125	483,249
Endowment	11	63,750	59,924
Revaluation Reserve	11	55,000	55,000
		<u></u>	<u></u>
Total funds		<u>752,277</u>	<u>797,700</u>
		<u></u>	<u></u>

Approved by the Parochial Church Council on

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Trustee -.....
Trustee -

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

1 Accounting Policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with the Charities SORP 2019 (FRS 102): 'Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (effective October 2019) and the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities.

The church constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared under the historical cost convention except for the valuation of the land and buildings (included within tangible fixed assets) and investment assets, which are all 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.

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.

Funds

General funds represent the funds of the Parish Church Council and are available for application on the general purposes of the PCC. These include funds designated for a particular purpose by the PCC.

Restricted funds are those funds that must be spent on restricted purposes. Endowment funds are where the capital must be retained. Details of the funds held are provided in note 9 and 1

The closing fund balances have been agreed for the year ended 31 December 2020.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall**Notes to the Financial Statements (Cont'd)****for the year ended 31 December 2020****Incoming Resources****Voluntary income and capital resources**

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under covenant or gift aid is recognised only when received. Tax recoverable on covenanted or gift aid donations is recognised when the donation is recognised. Grants and 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. Funds raised by fetes, garden parties and similar events are accounted for gross. Sales of books and magazines from the church bookstall are accounted for gross.

Other Income

Rental income from the letting of church premises is recognised when the rental is due. Parochial fees due to the PCC for weddings, funerals etc are accounted for on an event by event basis.

Income from Investment

Dividends are accounted for when due and payable, and interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

Income from legacies

Legacies are recognised only when received.

Income from Grants

Grant income is recognised when received, or rewarded if that reward creates a binding obligation to the PCC

Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources expended**Grants**

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly related to the work of the Church

The diocesan parish share is accounted for when due. Any parish share unpaid at 31 December is provided for in these financial statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements (Cont'd)

for the year ended 31 December 2020

Fixed Assets

Consecrated property and movable church furnishings

Consecrated and beneficed property of any kind is excluded from the financial statements by S 96(2) (a) of the Charities Act 2011.

Moveable church furnishing held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are accounted for as inalienable property unless consecrated. All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £2,000 or on repair of movable church furnishings is written off.

Other Land and Buildings

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

Other Fixtures, Fittings and Office Equipment

Equipment used within the church premises is depreciated on a straight line basis over its estimated life. Individual items of equipment with a purchase price of £2,000 or less are written off when the asset is acquired.

Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains or losses arising in the revaluation and disposals throughout the year.

Current assets

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

Stock

Stock is valued on a FIFO basis at the lower of cost and net realisable value.

Taxation

The charity is exempt from tax on its charitable activities.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements (Cont'd)

for the year ended 31 December 2020

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
2(a) Donations and legacies					
Planned giving:					
Covenants	40,610	-	-	40,610	54,483
Income tax recoverable on covenants	9,493	-	-	9,493	13,102
Unconvenanted	94	-	-	94	1,726
Collections (open plate) at all services	1,707	-	-	1,707	3,455
Sundry donations	2,756	797	-	3,553	2,750
Grants	-	-	-	-	-
Donations / appeals	424	-	-	424	2,799
Total donations and legacies	55,084	797	-	55,881	78,315
2(b) Other trading activities					
Fund raising events	11,615	-	-	11,615	45,502
Bookstall	-	-	-	-	-
Memorabilia	-	-	-	-	128
Church hall lettings etc.	53,486	-	-	53,486	115,220
Fees	13,445	-	-	13,445	28,756
Total other trading activities	78,547	-	-	78,547	189,606
2(c) Income from investments					
Dividends and interest	564	205	1,648	2,417	2,534
Total income from investments	564	205	1,648	2,417	2,534
2(d) Other income					
Other	79,058	70	-	79,128	21,108
Total other income	79,058	70	-	79,128	21,108
Total income	213,253	1,072	1,648	215,973	291,563

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements (Cont'd)

for the year ended 31 December 2020

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£	£
3(a) Expenditure on raising funds					
Grants overseas	-	-	-	-	-
Grants home	1,352	-	-	1,352	11,496
Fundraising and publicity	416	-	-	416	1,701
Total expenditure on raising funds	1,767	-	-	1,767	13,197
3(b) Expenditure on charitable activities					
Ministry Parish share	73,608	-	-	73,608	68,588
Clergy expenses	279	-	-	279	816
Assigned fees	6,838	-	-	6,838	32,239
Church running expenses	22,970	-	-	22,970	35,854
Church maintenance	8,542	-	-	8,542	10,970
Training	108	-	-	108	107
Youth work	46	-	-	46	344
Giving programme	-	-	-	-	-
Upkeep of churchyard	210	-	-	210	710
Church hall running costs	117,640	-	-	117,640	210,941
Organist Fees	3,025	-	-	3,025	3,637
Other	2,593	-	-	2,593	4,500
Administration	4,685	-	-	4,685	9,388
Depreciation	-	-	-	-	-
Bank charges and loan interest	93	-	-	93	69
Independent examination fee	3,087	-	-	3,087	3,228
Total expenditure on charitable activities	243,723	-	-	243,723	381,391
Total expenditure	245,491	-	-	245,491	394,588

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

4 Trustee remuneration and expenses

No trustee received remuneration during the year for work performed at the John Godber Centre (2019: £7,101), and no trustees were paid any expenses during the year (2019: £nil).

5 Staff expenses

	2020	2019
Wages and salaries	78,298	92,023
National insurance contributions	2,741	-
Pension contributions	1,709	928
	<u>82,748</u>	<u>92,952</u>

Average number of staff	12
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No employee received total employee benefits of more than £60,000 (2019: none).

6 Accountancy Fees

	2020	2019
Independent Examination fee	3,087	3,228
	<u>3,087</u>	<u>3,228</u>

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

7 Fixed assets for use by the PCC

		Freehold land and buildings £	Other £	Total £
Gross book value	At 01/01/20	510,000	11,835	521,835
	Additions	-	-	-
	Disposals	-	-	-
	Revaluations	-	-	-
	At 31/12/20	510,000	11,835	521,835
Depreciation	At 01/01/20	-	11,835	11,835
	Charge	-	-	-
	Eliminated on disposal	-	-	-
	At 31/12/20	-	11,835	11,835
Net book value	At 31/12/20	510,000	-	510,000
	At 31/12/19	510,000	-	510,000

The freehold land and buildings comprise the Godber Memorial Hall (valued at £330,000) and the St John's Church Hall (valued at £180,000). These are valued at their open market value. A formal valuation was performed on St Johns Hall in January 2013 and The Godber Memorial Hall in January 2019 by Littlewood & Company, Chartered Surveyors. The trustees believe that this valuation is still appropriate and an accurate reflection of the market valuation of the freehold land and buildings as at 31 December 2020.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

8 Investments

£

Market value at 1 January 2020	179,686
Disposal at carrying value	(20,637)
Purchases at cost	-
Revaluation gain/(loss)	11,170
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Market value at 31 December 2020	170,219
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Shares and investment in the CBF's investment fund - historical cost £82,241

The market value at 31 December 2020 represents investments for:

Unrestricted funds	98,873
Restricted funds	7,596
Endowment funds	63,750
	<hr/>
	170,219
	<hr/> <hr/>

9 Debtors

	2020	2019
Trade debtors	3,262	7,217
Prepayments	1,737	2,097
	<hr/>	<hr/>
	4,999	9,313
	<hr/> <hr/>	<hr/> <hr/>

10 Liabilities

	2020	2019
Trade creditors	2,681	4,220
Parish share	36,357	-
Accruals and deferred income	9,644	14,668
	<hr/>	<hr/>
	48,682	18,889
	<hr/> <hr/>	<hr/> <hr/>

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

11 Analysis of net assets by fund

	Unrestricted funds	Restricted funds	Endowment funds	Revaluation Reserve	Total funds 2020	Total funds 2019
	£	£	£	£		
Fixed assets	-	455,000	-	55,000	510,000	510,000
Fixed asset investments	98,873	7,596	63,750	-	170,219	183,255
Current assets	119,212	1,528	-	-	120,740	123,334
Current liabilities	(48,682)	-	-	-	(48,682)	(18,889)
	<u>169,403</u>	<u>464,124</u>	<u>63,750</u>	<u>55,000</u>	<u>752,277</u>	<u>797,700</u>

12 Fund details

The restricted funds comprise the Godber Memorial Hall, St John's Church Hall, along with various small funds.

The endowment fund comprises of several bequests for specific activities within the church. These are permanent endowments, which require the income to be spent on these specific activities.

The general funds consist of the funds of the various Parish Church Councils. These are available for application on the general purpose of that particular PCC.

13 Related Party Transactions

There were no related party transactions (2019: none).

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2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents 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 the 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.

Neil South BA FCA
Clayton & Brewill
Statutory Auditors and Chartered Accountants
Cawley House
149-155 Canal Street
Nottingham
NG1 7HR

Date

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

**Statement of Financial Activities
for the year ended 31 December 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Revaluation Reserve £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments	2						
Donations and legacies	2(a)	55,084	797	-	-	55,881	78,315
Other trading activities	2(b)	78,547	-	-	-	78,547	189,606
Income from investments	2(c)	564	205	1,648	-	2,417	2,534
Other income	2(d)	79,058	70	-	-	79,128	21,108
Total income and endowments		<u>213,253</u>	<u>1,072</u>	<u>1,648</u>	<u>-</u>	<u>215,973</u>	<u>291,563</u>
Expenditure	3						
Expenditure on raising funds	3(a)	1,767	-	-	-	1,767	13,197
Expended on charitable activities	3(b)	243,723	-	-	-	243,723	381,391
Total expenditure		<u>245,491</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>245,491</u>	<u>394,588</u>
Net gains on investments		6,992	353	3,826	-	11,171	25,758
Gains on the revaluation of fixed assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income/(expenditure)		(25,246)	1,425	5,474	-	(18,347)	(77,267)
Transfers between funds		<u>13,921</u>	<u>(12,273)</u>	<u>(1,648)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds for year		(11,325)	(10,848)	3,826	55,000	(18,347)	(77,267)
Balances brought forward at 1 January 2020		199,527	483,249	59,924	55,000	797,700	874,967
Exiting church reserves		(18,800)	(8,275)	-	-	(27,075)	-
Prior year adjustment		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances carried forward at 31 December 2020		<u><u>169,402</u></u>	<u><u>464,125</u></u>	<u><u>63,750</u></u>	<u><u>55,000</u></u>	<u><u>752,277</u></u>	<u><u>797,700</u></u>

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Balance Sheet at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible fixed assets	7	510,000	510,000
Investment assets	8	170,219	183,255
Total fixed assets		<u>680,219</u>	<u>693,255</u>
Current assets			
Stock		850	850
Debtors	9	4,999	9,313
Cash at bank and in hand		114,892	113,171
Total current assets		<u>120,740</u>	<u>123,334</u>
Current liabilities	10	(48,682)	(18,889)
		<u></u>	<u></u>
Net current assets		72,058	104,445
		<u></u>	<u></u>
Net assets		<u>752,277</u>	<u>797,700</u>
		<u></u>	<u></u>
Funds			
Unrestricted	11	169,402	199,527
Restricted	11	464,125	483,249
Endowment	11	63,750	59,924
Revaluation Reserve	11	55,000	55,000
Total funds		<u>752,277</u>	<u>797,700</u>
		<u></u>	<u></u>

Approved by the Parochial Church Council on

.....
Trustee -.....
Trustee -

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

1 Accounting Policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with the Charities SORP 2019 (FRS 102): 'Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (effective October 2019) and the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities.

The church constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared under the historical cost convention except for the valuation of the land and buildings (included within tangible fixed assets) and investment assets, which are all 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.

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.

Funds

General funds represent the funds of the Parish Church Council and are available for application on the general purposes of the PCC. These include funds designated for a particular purpose by the PCC.

Restricted funds are those funds that must be spent on restricted purposes. Endowment funds are where the capital must be retained. Details of the funds held are provided in note 9 and 1

The closing fund balances have been agreed for the year ended 31 December 2020.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall**Notes to the Financial Statements (Cont'd)****for the year ended 31 December 2020****Incoming Resources****Voluntary income and capital resources**

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under covenant or gift aid is recognised only when received. Tax recoverable on covenanted or gift aid donations is recognised when the donation is recognised. Grants and 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. Funds raised by fetes, garden parties and similar events are accounted for gross. Sales of books and magazines from the church bookstall are accounted for gross.

Other Income

Rental income from the letting of church premises is recognised when the rental is due. Parochial fees due to the PCC for weddings, funerals etc are accounted for on an event by event basis.

Income from Investment

Dividends are accounted for when due and payable, and interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

Income from legacies

Legacies are recognised only when received.

Income from Grants

Grant income is recognised when received, or rewarded if that reward creates a binding obligation to the PCC

Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources expended**Grants**

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly related to the work of the Church

The diocesan parish share is accounted for when due. Any parish share unpaid at 31 December is provided for in these financial statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements (Cont'd)

for the year ended 31 December 2020

Fixed Assets

Consecrated property and movable church furnishings

Consecrated and beneficed property of any kind is excluded from the financial statements by S 96(2) (a) of the Charities Act 2011.

Moveable church furnishing held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are accounted for as inalienable property unless consecrated. All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £2,000 or on repair of movable church furnishings is written off.

Other Land and Buildings

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

Other Fixtures, Fittings and Office Equipment

Equipment used within the church premises is depreciated on a straight line basis over its estimated life. Individual items of equipment with a purchase price of £2,000 or less are written off when the asset is acquired.

Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains or losses arising in the revaluation and disposals throughout the year.

Current assets

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

Stock

Stock is valued on a FIFO basis at the lower of cost and net realisable value.

Taxation

The charity is exempt from tax on its charitable activities.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements (Cont'd)

for the year ended 31 December 2020

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
2(a) Donations and legacies					
Planned giving:					
Covenants	40,610	-	-	40,610	54,483
Income tax recoverable on covenants	9,493	-	-	9,493	13,102
Unconvenanted	94	-	-	94	1,726
Collections (open plate) at all services	1,707	-	-	1,707	3,455
Sundry donations	2,756	797	-	3,553	2,750
Grants	-	-	-	-	-
Donations / appeals	424	-	-	424	2,799
Total donations and legacies	55,084	797	-	55,881	78,315
2(b) Other trading activities					
Fund raising events	11,615	-	-	11,615	45,502
Bookstall	-	-	-	-	-
Memorabilia	-	-	-	-	128
Church hall lettings etc.	53,486	-	-	53,486	115,220
Fees	13,445	-	-	13,445	28,756
Total other trading activities	78,547	-	-	78,547	189,606
2(c) Income from investments					
Dividends and interest	564	205	1,648	2,417	2,534
Total income from investments	564	205	1,648	2,417	2,534
2(d) Other income					
Other	79,058	70	-	79,128	21,108
Total other income	79,058	70	-	79,128	21,108
Total income	213,253	1,072	1,648	215,973	291,563

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements (Cont'd)

for the year ended 31 December 2020

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£	£
3(a) Expenditure on raising funds					
Grants overseas	-	-	-	-	-
Grants home	1,352	-	-	1,352	11,496
Fundraising and publicity	416	-	-	416	1,701
Total expenditure on raising funds	1,767	-	-	1,767	13,197
3(b) Expenditure on charitable activities					
Ministry Parish share	73,608	-	-	73,608	68,588
Clergy expenses	279	-	-	279	816
Assigned fees	6,838	-	-	6,838	32,239
Church running expenses	22,970	-	-	22,970	35,854
Church maintenance	8,542	-	-	8,542	10,970
Training	108	-	-	108	107
Youth work	46	-	-	46	344
Giving programme	-	-	-	-	-
Upkeep of churchyard	210	-	-	210	710
Church hall running costs	117,640	-	-	117,640	210,941
Organist Fees	3,025	-	-	3,025	3,637
Other	2,593	-	-	2,593	4,500
Administration	4,685	-	-	4,685	9,388
Depreciation	-	-	-	-	-
Bank charges and loan interest	93	-	-	93	69
Independent examination fee	3,087	-	-	3,087	3,228
Total expenditure on charitable activities	243,723	-	-	243,723	381,391
Total expenditure	245,491	-	-	245,491	394,588

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

4 Trustee remuneration and expenses

No trustee received remuneration during the year for work performed at the John Godber Centre (2019: £7,101), and no trustees were paid any expenses during the year (2019: £nil).

5 Staff expenses

	2020	2019
Wages and salaries	78,298	92,023
National insurance contributions	2,741	-
Pension contributions	1,709	928
	<u>82,748</u>	<u>92,952</u>

Average number of staff	12
-------------------------	----

No employee received total employee benefits of more than £60,000 (2019: none).

6 Accountancy Fees

	2020	2019
Independent Examination fee	3,087	3,228
	<u>3,087</u>	<u>3,228</u>

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

7 Fixed assets for use by the PCC

		Freehold land and buildings £	Other £	Total £
Gross book value	At 01/01/20	510,000	11,835	521,835
	Additions	-	-	-
	Disposals	-	-	-
	Revaluations	-	-	-
	At 31/12/20	510,000	11,835	521,835
Depreciation	At 01/01/20	-	11,835	11,835
	Charge	-	-	-
	Eliminated on disposal	-	-	-
	At 31/12/20	-	11,835	11,835
Net book value	At 31/12/20	510,000	-	510,000
	At 31/12/19	510,000	-	510,000

The freehold land and buildings comprise the Godber Memorial Hall (valued at £330,000) and the St John's Church Hall (valued at £180,000). These are valued at their open market value. A formal valuation was performed on St Johns Hall in January 2013 and The Godber Memorial Hall in January 2019 by Littlewood & Company, Chartered Surveyors. The trustees believe that this valuation is still appropriate and an accurate reflection of the market valuation of the freehold land and buildings as at 31 December 2020.

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

8 Investments

£

Market value at 1 January 2020	179,686
Disposal at carrying value	(20,637)
Purchases at cost	-
Revaluation gain/(loss)	11,170
	<hr/>
Market value at 31 December 2020	170,219
	<hr/> <hr/>

Shares and investment in the CBF's investment fund - historical cost £82,241

The market value at 31 December 2020 represents investments for:

Unrestricted funds	98,873
Restricted funds	7,596
Endowment funds	63,750
	<hr/>
	170,219
	<hr/> <hr/>

9 Debtors

	2020	2019
Trade debtors	3,262	7,217
Prepayments	1,737	2,097
	<hr/>	<hr/>
	4,999	9,313
	<hr/> <hr/>	<hr/> <hr/>

10 Liabilities

	2020	2019
Trade creditors	2,681	4,220
Parish share	36,357	-
Accruals and deferred income	9,644	14,668
	<hr/>	<hr/>
	48,682	18,889
	<hr/> <hr/>	<hr/> <hr/>

The Parish of St Mary Magdalene with St John the Evangelist, Hucknall

Notes to the Financial Statements

for the year ended 31 December 2020

11 Analysis of net assets by fund

	Unrestricted funds	Restricted funds	Endowment funds	Revaluation Reserve	Total funds 2020	Total funds 2019
	£	£	£	£		
Fixed assets	-	455,000	-	55,000	510,000	510,000
Fixed asset investments	98,873	7,596	63,750	-	170,219	183,255
Current assets	119,212	1,528	-	-	120,740	123,334
Current liabilities	(48,682)	-	-	-	(48,682)	(18,889)
	<u>169,403</u>	<u>464,124</u>	<u>63,750</u>	<u>55,000</u>	<u>752,277</u>	<u>797,700</u>

12 Fund details

The restricted funds comprise the Godber Memorial Hall, St John's Church Hall, along with various small funds.

The endowment fund comprises of several bequests for specific activities within the church. These are permanent endowments, which require the income to be spent on these specific activities.

The general funds consist of the funds of the various Parish Church Councils. These are available for application on the general purpose of that particular PCC.

13 Related Party Transactions

There were no related party transactions (2019: none).