

THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
EMMANUEL LOUGHBOROUGH

PAROCHIAL CHURCH COUNCIL'S
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF EMMANUEL LOUGHBOROUGH

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THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF EMMANUEL LOUGHBOROUGH

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number 1132853 (registered in England & Wales)

Address Emmanuel Church Centre
Forest Road
Loughborough
Leicestershire, LE11 3NW

PCC Membership

Rev M.J. Broadley	Incumbent and Chairman
Rev S Harvey	Associate Rector (seconded to St David's Broom Leys for 6 months from 15 th November 2020) until 11 th July 2021
L. Collins	Church Warden
E.M. Featonby	Church Warden (until 27 th April 2021)
D. Ninan	Elected Member and (since 27 th April 2021) Church Warden
J.H. Walker	Representative on Deanery Synod, elected member of Diocesan Synod and (until 31 st July 2021) General Synod
S.G Barney	Reader, (Until resignation as reader & trustee on 23 rd November 2021), Chair of the Diocesan Board of Finance & Representative on Diocesan and Deanery Synods (until resignation on 25 th February 2021)
C.J. Sheldon	Representative on Diocesan and Deanery Synods (until 13 th July 2021), Elected Member (since 27 th April 2021) and (since 23 rd November 2021) Treasurer
J.M. Burnard	Representative on Deanery Synod
N.J. Revell	Representative on Deanery Synod
Dr C.T. Spencer	Reader, Lay Chair of Deanery Synod, Lay Canon of Leicester Cathedral and PCC Safeguarding Lead
A. Howlett	Elected Member and (from 23 rd January 2021) Reader
E.J. Hassall	Elected Member
L.J. Howlett	Elected Member (since 27 th April 2021)
Dr A.J. Leishman	Elected Member
Dr T.I. Marjoribanks	Elected Member
F. Monsuur	Elected Member
A.J. Overton-Brown	Elected Member
S.E. Reynolds	Elected Member
M.B. Riddleston	Elected Member
S. Ryce	Elected Member (since 27 th April 2021)
K. A. Leishman	Co-opted Member and Treasurer (until 23 rd November 2021)
S. Crewe	PCC Secretary and Co-opted Member

Independent examiner

R Buckby FCA
Fortus Midlands Limited
Hamilton Office Park
31 High View Close
Leicester, LE4 9LJ

Bank

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
Kent, ME19 4JQ

THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF EMMANUEL, LOUGHBOROUGH

REPORT OF THE PAROCHIAL CHURCH COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2021

The Parochial Church Council presents its report and the financial statements for the year ended 31 December 2021. The Parochial Church Council which served during the year and up to the date of this report is set out on page 1.

Objectives

The primary objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England and to co-operate with the Rector in promoting the whole mission of the Church in this ecclesiastical parish.

Administrative information and compliance with prevailing laws and regulations

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under The Parochial Church Council Powers Measure and is registered with the Charities' Commission in line with the requirements of the Charities Act 2011. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102.

Structure, governance and management

All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. The PCC aims to meet a minimum of 6 times a year. Committees are established to examine and develop certain areas of activity but report back to the PCC for decisions to be approved.

The PCC continues to identify major risks to which it is exposed and has established policies to manage these risks which are reviewed on a regular basis – these include, but are not limited to, safeguarding, health and safety and employment issues. Where diocesan and other training opportunities arise, members are encouraged to attend.

Activities (including Public Benefit)

When planning our activities for the year the PCC considered the Charity Commission's guidance on public benefit and in particular, the specific guidance on charities for the advancement of religion. The PCC Trustees believe that, by promoting the work of the Church of England in the Parish, we promote the whole mission of the Church (pastoral, evangelistic, social, and ecumenical) effectively, and that, in doing so, we provide a benefit to the public by:

- Providing facilities for public worship, pastoral care, and spiritual, moral, and intellectual development, both for our members and for anyone who wishes to benefit from what the Church offers; and
- Promoting Christian values and service by members of the Church in and to their communities, to the benefit of both individuals and society as a whole.

The PCC encourages a vibrant life within the church, with every effort made to reach all ages in the parish through a wide variety of worship opportunities, social activities, and Christian fellowship. We focus on outreach work through Alpha Courses, the Lunchtime Concerts, through youth and children's work, student mission and senior citizens' ministry. We reach out into the community to welcome people and other charitable organisations to share and use our resources. We offer pastoral support through our pastoral teams, prayer teams and prayer chains, listeners, bereavement visitors and communities. The many and varied groups and activities are detailed on our website www.emmanuel-loughborough.org.

During 2021 many of our activities have been able to be in-person again, but we have continued to use online options when this is more suitable. We have also continued to livestream our services even though all 3 regular Sunday services started to meet in person again during the year.

THE PAROCHIAL CHURCH COUNCIL OF **THE ECCLESIASTICAL PARISH OF EMMANUEL LOUGHBOROUGH**

The Parish is part of the Loughborough Anglican Mission Partnership (LAMP) and is fully committed to the Loughborough Churches Partnership (LCP) which works to support the Loughborough Street Pastors' scheme and other town-wide mission and outreach projects.

In all areas the PCC has been blessed by the contribution of many volunteers, who share the leadership of many of the programmes and work with churches across the town, as well as helping in the administration of our parish. It is impossible to quantify or put a value on the amount of work done by volunteers.

Donations income of the PCC is tithed, to give to charitable causes and in addition collections from special services and events during the year were also donated to good causes. Church attendees are asked to suggest potential recipients to the tithe committee who then make recommendations to the PCC. Most tithe recipients also have an advocate in church helping to explain their work and convey prayer requests. Details of grants made in 2021 can be found in Note 7a of the accounts.

Achievements and performance

As a parish we have had another very eventful year due to the COVID 19 pandemic. At the beginning of the year, we entered into another lockdown and our building was soon closed for public worship. However, we continued to live stream a service and our viewing figures were very encouraging. As lockdown measures were eased we began to meet once again in person adhering to the government guidelines with respect to masks and singing as well as distributing communion in one kind. We continued to provide an online pre-recorded family worship service. We held our Easter Service outdoors as well as hosting a Pentecost Service for the Loughborough Churches Partnership. This was preceded by a prayer walk. Once the lockdown measures were eased further, we provided a safe space for people to come and worship in person whilst continuing to live stream our services. Given the nature of the pandemic our congregations have slowly increased however we are still only seeing about 2/3 of our previous congregations. Despite the introduction of Plan B by the government in early December Christmas proceeded with a fairly "normal" pattern of worship.

Now we are able to meet in person our Youth and Children's work has restarted with a renewed enthusiasm. We are also continuing to develop and deepen our links with the Loughborough Church of England Primary School especially through regular visits to Emmanuel, a display board in Emmanuel and a new "Bible Club" for pupils known as Sparks which meets every Wednesday lunchtime in school.

James Matthews joined the staff team in April 2021 as our student lead. The student work continues to grow under his leadership. Goda Girdenyte decided to relocate to London to be nearer her fiancé and has found another placement to finish her studies. In May 2021 Revd Steve Harvey was appointed as the vicar of Christchurch and Trinity Ossett near Wakefield. He started his ministry in July 2021. We were also able to appoint a new Associate Rector, Revd Ali Walton, in December 2021. Ali will be licensed at Emmanuel in March 2022. We were also delighted that the Bishop of Leicester has appointed Kat Marjoribanks to serve her curacy, from July 2022, in the Loughborough Resource Church Partnership, based at Emmanuel.

During the pandemic we framed our time in terms of Response, Recovery and Reconstruction. We are mindful that these are not fixed categories however we convened a Recovery and Reconstruction Team. The Recovery team explored ways in which we could come to terms with the pandemic and address losses as well as gains. The main focus has been prayer.

The Reconstruction Team has looked at our "Who, What, How and Why" and we launched these values in September 2021. We aim to embed these into the life of Emmanuel over the next few months.

Our volunteers at Project 5000 have continued to work with the homeless and disadvantaged, offering regular Monday evening hot meals and food parcels. This is particularly needed especially during the pandemic, and the offer was again extended over the Christmas period.

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We are most grateful for the prayer and financial support which has come from other local churches and for all our wonderful volunteers in this field.

We also have continued to develop our links with the church in this country as well as overseas, through the Loughborough Churches Partnership, the Diocese and Mission Agencies. We have a particular link with the Dioceses of Kiteto and Mount Kilimanjaro in Tanzania and the Rector continues to liaise with Bishop Stanley there on a regular basis.

Plans for future periods

As a parish we are very dependent on the giving of our congregation and there is always a level of uncertainty arising from the wider economic situation. The importance of the response to God for His gifts and our stewardship of the church and its ministry has always been emphasized in our thanksgiving process. We are mindful of the effects that the pandemic has had and will have on our financial giving and a team has been established to ensure that we remain financially secure during the uncertain nature of our current situation. Chris Sheldon has been appointed as our Treasurer after Karen Leishman stepped down after 6 years of faithful and committed service. Chris will head up a new team which will proactively explore ways in which we can enhance our income.

The PCC aims to run on a stable footing and aims to balance expenditure on the church buildings and fabric with the mission and objectives of the church.

As part of being designated as a Resourcing Church we now have to look beyond our first church plant to our second plant in the Beacon Academy Area of the Good Shepherd Parish. We will need to begin to form a team to form a new worshipping community. We will be doing this in partnership with the Good Shepherd and St Barnabas. We are also beginning to look at other areas where we might plant after the Beacon Academy Plant. We continue to work closely with the Leadership of both the Good Shepherd and St Barnabas.

We aim to embed our Vision and Values into Emmanuel and continue to develop new Leaders, our Welcome and Discipleship. We will also look to run an Alpha Course as well as develop our links with our local community.

Financial review

During 2021 we have generated a net deficit (before transfers and revaluations) of £19,342 compared to a net deficit last year of £7,851. This year's deficit (before transfers and revaluations) includes £21,512 on unrestricted (including designated) funds and a surplus of £2,170 on restricted funds.

Total income has decreased by just under £3,000 compared to 2020, whilst expenditure has increased by just over £8,500 as we have been able to re-start more of our in-person activities. Most income sources, continued to be impacted by the coronavirus pandemic and lockdown resulting in a total decrease of just over £16,500 from income excluding grants, which was offset by an increase of just over £13,500 in grants income. The increased grants were largely towards the additional staff costs mentioned below, but in addition reflect an upturn in activities (the costs of which could then be reclaimed) at the various points in the year when lockdown was eased.

Staff expenditure (Note 8) is higher this year than last, as we appointed a Student Worker in April 2021 – this position is for a fixed term and is fully funded by the Diocese. In addition, both the Operations Director and Office Administrator were in post for the whole of 2021, having started part way through 2020. These increases (which relate to unrestricted funds) are offset by a decrease in restricted staff costs due to the accounts only showing 6 months of STB staff costs up until the point when STB became a separately registered charity.

Other increases in expenditure generally reflect the opportunity to re-start more activities during 2021 than had been possible during 2020. For example, a significant reason for the increase in expenditure on Raising Funds was increased running costs of the church hall as it was able to be used much more frequently in 2021 than during 2020.

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During 2021 one of our freehold properties was sold on the open market. The net proceeds from the sale have been set aside in a Designated Redecoration & Investment Fund (see note 15). The legal fees relating to this sale are the other main reason for the increased expenditure on Raising Funds compared to last year.

The intention of the PCC is for these proceeds to be used partly towards the redecoration of the church & then towards longer term and larger projects, particularly of a capital nature, which will enhance the development and growth of the church.

Principal risks and uncertainties

The principal risks and uncertainties facing us as a church are the potential for volatility in our income from donations (which is our principal source of funding), as well as the potential need for unexpected repairs to our buildings. Growing into and fulfilling our role as a Resource Church will also continue to be a source of potential financial risk. These risks and uncertainties are the main factors which could affect our future financial performance and position.

The former risk is mitigated by our Thanksgiving programme, which takes place each October – through this we encourage the congregation to consider individually their annual giving and whether they could commit to giving by standing order. This has now become an established part of Emmanuel's church calendar and assists us with budgeting throughout the year.

The risk regarding unexpected repairs is mitigated through the valuable work of the BAT team who perform regular and careful reviews of the buildings, grounds and premises. This ensures that any minor repairs can be undertaken before they get worse and quotes can be obtained for any more significant repairs or works so that they can be planned for before they become essential. Our buildings and contents are fully insured.

In order to minimise the risk around our development as a Resource Church, we continue to carefully balance additional costs incurred in order to fulfil increased expectations against our resources available at any one point in time. In addition, we are taking advantage of grant funding available from the Diocese to assist with the increased staffing requirements which we trust will facilitate our growth.

During 2019 we planted our first church, St Barnabas Grange Park (STB). On 8th July 2021, it became a separate legal entity, gaining CIO (Charitable Incorporated Organisation) status. Income, expenditure, and financial position of STB up to this date were shown as a restricted fund in these accounts (Note 14). By the year end their own bank account had not been opened, so a creditor is shown in these accounts representing the restricted fund balance on 8th July 2021 adjusted for all transactions relating to STB which have been processed through Emmanuel's bank account up to the year end.

Reserves policy and review

The policy of the Trustees is to aim to keep a minimum of £60,000 in the general reserve. This ensures that we have good cover for significant unplanned items of emergency expenditure. We will continue to endeavour to maintain this reserve whenever possible, whilst recognising that we may have to use some of it as an interim measure as we grow and develop as a Resource Church. When this is required, as during the current year, our aim will always be to reinstate it back again as soon as is possible. During 2021, as the impact of the coronavirus pandemic has continued, we have utilised £12,500 of our reserves.

The PCC regularly reviews levels of reserves, including free reserves over and above our designated reserve fund, as part of the budgeting procedure. The PCC believes current levels of reserves are adequate but need to be maintained at a similar level to allow the PCC to maintain its properties to a high standard, to fund works going forward and to guarantee proper payment of salaries. Free reserves are used to grow our mission and ministry in line with priorities determined by the PCC and Emmanuel invests its funds balances with the CBF Church of England Deposit Fund.

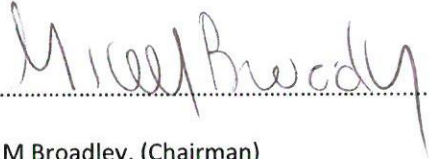
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Total reserves at the end of the year amount to £656,735. This includes restricted reserves of £21,975, as detailed in Note 14, and designated reserves of £353,593 as detailed in Note 15. We have had to use some of our designated reserve fund this year, which is kept expressly to cover cash flow fluctuations and emergencies. Our reserves balance at the year end is £47,500 and in line with our reserves policy, we will aim to rebuild this to £60,000 as soon as possible, which represents approximately three months' expenditure.

The church planting designated fund continues to be built up with the aim of having a sizeable fund available to assist our next church plant arising from our Resource Church designation.

Undesignated general reserves, including the revaluation reserve, amount to £281,167. These include the value of the church hall (regarded as an inalienable asset). As £281,019 of unrestricted funds could only be released through the disposal of fixed assets, this leaves a surplus on readily available funds ("free reserves") that are neither restricted nor designated of just under £150 at the year end. Although this represents a decrease of around £4,000 compared to last year, it is not an undue cause for concern given the Designated Reserve Fund which is held, and our expectation that our finances will start to improve again as lockdown continues to be lifted.

Approved by the PCC on 15th March 2022 and signed on their behalf by:


.....

Rev M Broadley, (Chairman)

THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF EMMANUEL, LOUGHBOROUGH

**Independent examiner's report to the Parochial Church Council of the Ecclesiastical Parish of Emmanuel,
Loughborough**

I report to the charity's trustees on my examination of the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Emmanuel, Loughborough for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and related notes.

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 ICAEW, 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.



.....
R Buckby FCA
Fortus Midlands Limited
Hamilton Office Park
31 High View Close
Leicester, LE4 9LJ

Date: 15th March 2022

THE PAROCHIAL CHURCH COUNCIL OF
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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted Funds			Restricted funds	2021	2020
		General	Designated	Total	funds	Total	Total
		£	£	£	£	£	£
Income from:	Notes						
Donations and legacies	2	226,620	425	227,045	17,310	244,355	278,256
Charitable activities	3	46,203	-	46,203	34,487	80,690	56,675
Other activities	4	30,194	-	30,194	-	30,194	22,903
Investments	5	103	-	103	-	103	494
Total		303,120	425	303,545	51,797	355,342	358,328
Expenditure on:							
Raising funds	6	31,517	4,132	35,649	-	35,649	29,139
Charitable activities	7	289,378	30	289,408	49,627	339,035	337,040
Total		320,895	4,162	325,057	49,627	374,684	366,179
Net income/ (expenditure)		(17,775)	(3,737)	(21,512)	2,170	(19,342)	(7,851)
Transfers between funds	17	(274,000)	274,000	-	-	-	-
Revaluation gains	16	-	-	-	-	-	5,000
Net movement in funds		(291,775)	270,263	(21,512)	2,170	(19,342)	(2,851)
Reconciliation of funds:							
Total funds brought forward		572,942	83,330	656,272	19,805	676,077	678,928
Total funds carried forward	14 & 15	281,167	353,593	634,760	21,975	656,735	676,077

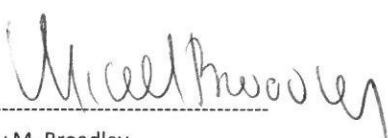
The notes on pages 10 to 21 form an integral part of these financial statements

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BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	9		281,019		573,262
Current assets					
Debtors	10	9,908		12,107	
Cash at bank and in hand	11	405,762		152,770	
		415,670		164,877	
Creditors falling due within one year	12	(39,954)		(62,062)	
Net current assets			375,716		102,815
Net assets			<u>656,735</u>		<u>676,077</u>
Funds of the charity					
Restricted funds	14		21,975		19,805
General fund	15	141,167		235,252	
Designated funds	15	353,593		83,330	
Revaluation reserve	16	140,000		337,690	
Total unrestricted funds			634,760		656,272
Total funds			<u>656,735</u>		<u>676,077</u>

The financial statements were approved by the Parochial Church Council on 15th March 2022 and signed on its behalf by:



Rev M. Broadley
Chairman

15/3/22

The notes on pages 10 to 21 form an integral part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting Policies

The main accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 Basis of accounting

The PCC 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Church Accounting Regulations 2017, the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

1.2 Fund accounting

Funds shown in these accounts include:

- the general funds of the Parochial Church Council (PCC) that are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC;
- Designated funds which have been set aside by the PCC for a specific purpose but are not subject to any restriction; and
- Restricted funds which can only be used for specific purposes.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that are informal gatherings of church members.

1.3 Cashflow exemption

The PCC has taken advantage of the exemption available to smaller charities such that no statement of cashflows has been prepared.

1.4 Income

All income is included in the statement of financial activities when the church is entitled to the income and the amount can be quantified with reasonable accuracy. The following **specific policies are applied to particular categories of income:**

Income from donations and legacies:

Collections are recognised when received by or on behalf of the PCC;

Planned giving receivable under gift aid is recognised only when received;

Income tax recoverable on 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 their legal entitlement and the amount due.

Income from other activities:

Rental income from the letting of church and church hall premises is recognised when the rental is due.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Income from investments:

Interest is accounted for when receivable.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, which is reported as part of the expenditure to which it relates.

1.6 Taxation

The PCC is exempt from tax on its charitable activities.

1.7 Going concern

There are no material uncertainties in respect to the PCC's ability to continue as a going concern.

1.8 Tangible fixed assets and depreciation

Freehold land & buildings are stated at market value and are not depreciated as the PCC consider that any depreciation charge would be insignificant taking into account the useful economic life of the buildings and the fact that they are maintained in good condition.

- Fixtures and equipment are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold land and buildings	- not depreciated
Fixtures and equipment	- 3 to 5 years straight line

- Consecrated land and buildings and moveable church furnishings:
Consecrated and beneficiary property is excluded from the accounts by virtue of s.10 (2) (a) of the Charities Act 2011.

No value is placed on historic movable church furnishings held by churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers these to be inalienable assets. All expenditure incurred during the year on consecrated or beneficed buildings, whether maintenance or improvement, is written off as expenditure in the statement of financial activities.

- Individual items of equipment with a purchase price of £1,000 or less are written off in the year of purchase.

1.9 Defined contribution pension schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

**THE PAROCHIAL CHURCH COUNCIL OF
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2 Income from donations and legacies

	Unrestricted Funds			Restricted	2021	2020
	General	Designated	Total	funds	Total	Total
	£	£	£	£	£	£
Planned giving	160,895	350	161,245	10,861	172,106	177,149
Gift aid	41,217	75	41,292	2,749	44,041	49,537
Plate collections	1,732	-	1,732	-	1,732	1,844
Sundry donations	22,773	-	22,773	1,534	24,307	41,439
Interest from HMRC	3	-	3	-	3	6
Legacies	-	-	-	-	-	5,000
Project 5000	-	-	-	2,166	2,166	3,281
	<u>226,620</u>	<u>425</u>	<u>227,045</u>	<u>17,310</u>	<u>244,355</u>	<u>278,256</u>

Income from donations and legacies in the prior year included £904 to designated funds income and £31,954 to restricted funds income.

3 Income from charitable activities

	Unrestricted Funds			Restricted	2021	2020
	General	Designated	Total	funds	Total	Total
	£	£	£	£	£	£
Fees	2,655	-	2,655	-	2,655	801
Kitchen	156	-	156	-	156	256
Grants	42,284	-	42,284	6,608	48,892	35,289
Concerts	653	-	653	-	653	2,090
Bookstall	-	-	-	-	-	72
Social events	-	-	-	-	-	589
Youth work	315	-	315	-	315	496
Youth football team	-	-	-	27,879	27,879	16,020
Sundry income	140	-	140	-	140	1,062
	<u>46,203</u>	<u>-</u>	<u>46,203</u>	<u>34,487</u>	<u>80,690</u>	<u>56,675</u>

Income from charitable activities in the prior year included: £749 designated grant income, £7,269 restricted grant income and £16,020 restricted youth football team income.

4 Income from other activities

	Unrestricted Funds			Restricted	2021	2020
	General	Designated	Total	funds	Total	Total
	£	£	£	£	£	£
Church Centre lettings	8,530	-	8,530	-	8,530	4,345
Church Hall lettings	16,197	-	16,197	-	16,197	8,816
Other lettings	-	-	-	-	-	7,279
Office & other income	5,467	-	5,467	-	5,467	2,463
	<u>30,194</u>	<u>-</u>	<u>30,194</u>	<u>-</u>	<u>30,194</u>	<u>22,903</u>

All income from other activities in the prior year was unrestricted and undesignated.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5 Income from investments

	Unrestricted Funds			Restricted funds	2021	2020
	General	Designated	Total		Total	Total
	£	£	£	£	£	£
Bank interest receivable	103	-	103	-	103	494

All income from investments in the prior year was unrestricted and undesignated.

6 Expenditure on raising funds

	Unrestricted Funds			Restricted funds	2021	2020
	General	Designated	Total		Total	Total
	£	£	£	£	£	£
Stewardship and appeal costs	118	-	118	-	118	89
Church Hall running costs	7,855	-	7,855	-	7,855	4,923
Church Hall maintenance	85	-	85	-	85	573
Office and management costs	23,459	-	23,459	-	23,459	23,554
Legal & professional fees	-	4,132	4,132	-	4,132	-
	31,517	4,132	35,649	-	35,649	29,139

All expenditure on raising funds in the prior year was unrestricted and undesignated.

7 Expenditure on charitable activities

	Unrestricted Funds			Restricted funds	2021	2020
	General	Designated	Total		Total	Total
	£	£	£	£	£	£
Missionary and charitable giving (note 7a)	22,669	-	22,669	5,048	27,717	27,696
Parish gift	114,900	-	114,900	-	114,900	117,096
Clergy expenses	3,328	-	3,328	787	4,115	4,675
Clergy houses	685	-	685	-	685	467
Church running (light, heat, insurance etc)	26,591	-	26,591	5,318	31,909	35,184
Repairs and other costs	3,838	-	3,838	-	3,838	4,308
Church Hall running costs	7,855	-	7,855	-	7,855	5,249
Church Hall maintenance	84	-	84	-	84	574
Youth and children's work	37,054	-	37,054	26	37,080	29,019
Youth football team	-	-	-	22,311	22,311	18,382
Music team	19,073	-	19,073	172	19,245	22,539
Outreach & Alpha	13,215	-	13,215	657	13,872	1,642
Internship costs	-	-	-	-	-	900
Project 5000	-	-	-	1,166	1,166	782
Social	-	-	-	303	303	220
Concerts	231	-	231	-	231	1,604
Publicity	750	-	750	274	1,024	1,923
C/fwd to next page	250,273	-	250,273	36,062	286,335	272,260

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7 Expenditure on charitable activities (continued)

	Unrestricted Funds			Restricted funds	2021	2020
	General	Designated	Total		Total	Total
	£	£	£	£	£	£
B/fwd from previous page	250,273	-	250,273	36,062	286,335	272,260
Office & administrative costs	29,691	-	29,691	12,385	42,076	53,339
Kitchen	841	-	841	-	841	1,050
Depreciation	6,883	-	6,883	822	7,705	8,377
Bank charges	610	30	640	358	998	994
Independent examination fees	1,080	-	1,080	-	1,080	1,020
	<u>289,378</u>	<u>30</u>	<u>289,408</u>	<u>49,627</u>	<u>339,035</u>	<u>337,040</u>

All expenditure on charitable activities in the prior year was unrestricted and undesignated apart from the following:

	Designated	Restricted
	£	£
Missionary & charitable giving	-	3,156
Parish gift	-	2,196
Clergy expenses	214	528
Church running (light, heat, insurance etc)	762	5,462
Repairs and other costs	-	39
Youth & childrens' work	-	289
Youth football team	-	18,382
Music team	-	1,035
Outreach & Alpha	-	729
Project 5000	-	782
Social	-	145
Publicity	-	1,078
Office & Administrative costs	-	23,821
Kitchen	-	204
Depreciation	-	1,097
Bank charges	-	439
	<u>976</u>	<u>59,382</u>

The majority of the current and prior year restricted fund expenditure (other than Youth football and Project 5000) relates to the running costs of STB Grange Park

7a Missionary and charitable giving

	General	Designated	Restricted	2021	2020
	£	£	£	Total	Total
	£	£	£	£	£
SOAR Project	3,600	-	-	3,600	3,500
Church Missionary Society	4,250	-	-	4,250	4,252
The Bible Society	1,300	-	-	1,300	1,300
C/fwd to next page	<u>9,150</u>	<u>-</u>	<u>-</u>	<u>9,150</u>	<u>9,052</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7a Missionary and charitable giving (continued)

B/fwd from previous page	9,150	-	-	9,150	9,052
TearFund	1,300	-	-	1,300	1,300
Diocese of Kiteto	1,200	-	-	1,200	1,200
Diocese of Mount Kilimanjaro	1,350	-	-	1,350	1,350
Child Contact Centre	1,000	-	-	1,000	-
Project 5000	-	-	-	-	1,400
Christian Solidarity Worldwide	1,500	-	-	1,500	1,418
Street Pastors - Loughborough	1,000	-	-	1,000	1,000
Crosslinks	1,500	-	-	1,500	1,400
St Mary's Grub Club	-	-	1,000	1,000	-
The Bridge	-	-	2,000	2,000	-
Grants less than £1,000/not yet allocated	4,669	-	2,048	6,717	9,576
	<u>22,669</u>	<u>-</u>	<u>5,048</u>	<u>27,717</u>	<u>27,696</u>

The prior year figures include £Nil from designated funds and £3,156 from restricted funds.

8 Employees

Included within the expenditure in Notes 6 and 7 are the following employment costs:

				2021	2020
	General	Designated	Restricted	Total	Total
	£	£	£	£	£
Staff costs					
Wages and salaries	111,854	-	10,163	122,017	117,533
Social security costs	4,405	-	387	4,792	2,864
Pension costs (DC scheme)	6,390	-	610	7,000	6,517
	<u>122,649</u>	<u>-</u>	<u>11,160</u>	<u>133,809</u>	<u>126,914</u>

All staff costs in 2020 were unrestricted apart from £21,339 which were restricted.

The average monthly number of employees (full and part time) during the year was as follows:

	2021	2020
	Number	Number
Office	3	3
Cleaners	2	2
Youth, children and young families ministries	1	1
Other	2	1
	<u>8</u>	<u>7</u>

(i) The Church operates a defined contribution pension scheme. At the year end £1,058 (2020: £1,080) of contributions are due to be paid over, as contributions are paid monthly in arrears.

(ii) No employee received employment benefits for the reporting period of more than £60,000.

(iii) Office staff costs are being partially funded by grants from the Church of England Structural Development Fund (SDF) and the Church of England Growth Fund. Grant funding gradually tapers off and will end during 2024.

(iv) During the year, a student worker was appointed on a fixed term contract, which is being fully funded by the Church of England Growth Fund.

(v) Restricted fund staff costs relate to STB Grange Park up to 7th July 2021, after which it became registered as a separate charity. In the prior year, these amounted to £21,339 and were for the full year.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8 Employees (continued)

(vi) Note 19 provides information relating to employees who are also trustees.

9 Tangible fixed assets

	Freehold Land and Buildings	Fixtures and Equipment	Total
	£	£	£
Cost or Valuation			
At 1st January 2021	560,000	78,431	638,431
Additions	-	9,774	9,774
Disposal	(285,000)	(11,511)	(296,511)
Revaluation (Note 16)	-	-	-
At 31st December 2021	<u>275,000</u>	<u>76,694</u>	<u>351,694</u>
Depreciation			
At 1st January 2021	-	65,169	65,169
Charge for the year	-	7,705	7,705
Depreciation on disposal		(2,199)	(2,199)
At 31st December 2021	<u>-</u>	<u>70,675</u>	<u>70,675</u>
Net Book Values			
At 1st January 2021	<u>560,000</u>	<u>13,262</u>	<u>573,262</u>
At 31st December 2021	<u>275,000</u>	<u>6,019</u>	<u>281,019</u>

During the year, one of the properties was sold, and the proceeds transferred to a Designated Fund (see note 15a). In addition, the fixed assets relating to St Barnabas Grange Park (STB) were disposed of on 8th July 2021 when STB became registered as a separate charity and so assets & liabilities previously forming the STB Grange Park restricted fund were transferred to the new charity.

10 Debtors

	2021	2020
	£	£
Accounts receivable	3,301	2,538
Gift aid recoverable	3,285	4,537
Prepayments and accrued income	2,597	4,476
Other debtors	725	556
	<u>9,908</u>	<u>12,107</u>

11 Cash at bank and in hand

	2021	2020
	£	£
PCC reserve fund bank account	373,810	128,707
PCC general current bank accounts	26,712	23,858
Senior football team cash and bank	-	75
Junior football team bank account	5,190	-
Cash balance	50	130
	<u>405,762</u>	<u>152,770</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accounts payable	2,494	3,063
Accruals and deferred income	10,534	48,885
Unpaid tithe	711	6,049
Taxation and social security	2,039	2,165
Collections to be paid over to others	444	488
Due to St Barnabas Grange Park	22,452	-
Sundry creditors	1,280	1,412
	<u>39,954</u>	<u>62,062</u>

13 Deferred Income

	2021	2020
	£	£
Balance brought forward	43,833	47,495
Grants added in current period		
- Diocese funding (restricted St Baranabas Grange Park)	4,957	-
- SDF & Growth Fund funding (general fund staff costs)	33,491	25,250
- SDF reimbursement of expenditure	4,368	3,290
- CJRS & SSP reimbursement	5,755	3,113
Other income invoiced in advance	410	520
Amounts transferred to St Barnabas Grange Park	(45,062)	-
Amounts released to income	(41,461)	(35,835)
Balance carried forward	<u>6,291</u>	<u>43,833</u>

(i) Deferred income, included within Accruals and deferred income above, relates mainly to grants received.

(ii) In the current and prior year, general fund grants have been received to assist with staff costs, from both the Church of England (Structural Development Fund and Growth Fund) and the government Coronavirus Job Retention Scheme (CJRS). In addition, costs of training, development and clergy expenses relating to us being a Resource Church have also been reimbursed by the Diocese.

(iii) In the previous year, the majority of deferred grant income was held as a restricted fund on behalf of the St Barnabas Grange Park church plant (STB) until they became a separate legal entity, and released as required to meet expenditure (excluding grants expended) in excess of income. During the current year, their registration as a separate charity was approved by the Charity Commission and so all assets & liabilities relating to STB were transferred to the new charity.

**THE PAROCHIAL CHURCH COUNCIL OF
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

14 Restricted funds

a. Analysis of movements during the CURRENT reporting period

	At 1st Jan 2021	Incoming resources	Outgoing resources	At 31st Dec 2021
	£	£	£	£
Project 5000	9,563	2,321	(4,166)	7,718
Youth football	7,459	27,964	(22,483)	12,940
St Barnabas Grange Park	1,219	20,259	(21,478)	-
Student worker training fund	-	844	(1,200)	(356)
Other restricted donations	1,564	409	(300)	1,673
	<u>19,805</u>	<u>51,797</u>	<u>(49,627)</u>	<u>21,975</u>

All Incoming and outgoing resources relate to income and expenditure included in the SOFA

b. Analysis of movements during the PREVIOUS reporting period

	At 1st Jan 2020	Incoming resources	Outgoing resources	At 31st Dec 2020
	£	£	£	£
Project 5000	6,678	3,667	(782)	9,563
Youth football	9,153	16,788	(18,482)	7,459
St Barnabas Grange Park	6,348	34,593	(39,722)	1,219
Other restricted donations	1,660	300	(396)	1,564
	<u>23,839</u>	<u>55,348</u>	<u>(59,382)</u>	<u>19,805</u>

All incoming and outgoing resources relate to income and expenditure noted included in the SOFA.

c. Purpose of restricted funds

Project 5000: this fund is restricted to donations and other income received in support of Project 5000, which is entirely run by volunteers and provides hot meals and other support to the homeless and others in need throughout the year. Outgoing resources on this fund represent the cost of providing the support.

Youth football: this fund is restricted to income (including voluntary subscriptions, payments for kit and other donations) received by the Emmanuel FC youth football teams, and the associated expenditure. The teams are run entirely by volunteers.

St Barnabas Grange Park: this fund is restricted to income and expenditure from our church plant, St Barnabas Grange Park (STB). During the year, STB became a separate entity at which point all assets & liabilities forming part of this fund were transferred to the new charity.

Student worker training fund: this fund comprises money donated by supporters of our student worker to fund a training course related to the role. The PCC have agreed to underwrite any difference between the course fees and amounts donated.

Other restricted donations: these are various small donations given for various specific purposes, which are retained until expenditure for those purposes is incurred.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15 Unrestricted funds

a. Analysis of movements during the CURRENT reporting period

	At 1st Jan 2021	Incoming resources	Outgoing resources	At 31st Dec 2021
	£	£	£	£
Designated Reserve fund	60,000	-	(12,500)	47,500
Designated Redecoration fund	11,874	-	(11,874)	-
Designated Redecoration & Investment fund	-	298,374	(4,162)	294,212
Designated Church planting fund	11,456	425	-	11,881
Total designated funds	83,330	298,799	(28,536)	353,593
General fund	235,252	513,310	(607,395)	141,167
Revaluation reserve (note 16)	337,690	-	(197,690)	140,000
Total unrestricted funds	656,272	812,109	(833,621)	634,760

All Incoming and outgoing resources relate to income and expenditure either noted on the SOFA ,transferred between funds (as detailed in Note 17 below) or received as proceeds on the disposal of fixed assets.

b. Analysis of movements during the PREVIOUS reporting period

	At 1st Jan 2020	Incoming resources	Outgoing resources	At 31st Dec 2020
	£	£	£	£
Designated Reserve fund	60,000	-	-	60,000
Designated Appeal fund	544	-	(544)	-
Designated Books fund	364	-	(364)	-
Designated Redecoration fund	10,000	1,874	-	11,874
Designated Church planting fund	10,415	1,653	(612)	11,456
Total designated funds	81,323	3,527	(1,520)	83,330
General fund	241,076	301,327	(307,151)	235,252
Revaluation reserve (note 16)	332,690	5,000	-	337,690
Total unrestricted funds	655,089	309,854	(308,671)	656,272

All Incoming and outgoing resources relate to income and expenditure either noted on the SOFA or transferred between funds

c. Purpose of designated funds

Designated Reserve fund: this fund has been designated to ensure that reserves of £60,000 are maintained whenever possible (this equates to approximately three months' running costs)

Designated Appeal fund: this fund was designated following a "Worship in the 21st century" appeal several years ago. The terms of the appeal did not require it to be a restricted fund, or for the items for which it was used to remain designated. During 2020, it's small remaining balance was transferred to the Designated Redecoration fund.

Designated Books fund: this fund was set up with the bank balance remaining after closing down the bookstall. It was designated for use to purchase books as required, and its remaining balance was fully utilised during 2020.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15 Unrestricted funds

c. Purpose of designated funds (continued)

Designated Redecoration fund: this fund has been designated to set aside funds required for the redecoration of the Church, centre and hall, as and when required. During the current year, it was transferred into the Designated Redecoration & Investment fund.

Designated Redecoration & investment fund: this fund has been designated to set aside the proceeds of the sale of a former property net of costs incurred. In addition as well as incorporating the balance from the Designated Redecoration fund. The PCC anticipate spending up to £40,000 on redecoration of the Church and Centre. The balance will be invested to generate income until allocated to a future capital project.

Designated Church planting fund: this fund has been designated to set aside funds to be used for church planting and related expenditure.

16 Revaluation Reserve (unrestricted)

a. Analysis of movements during the CURRENT reporting period

	At 1st Jan 2021	Disposal in year	At 31st Dec 2021
	£	£	£
Land and Buildings	337,690	(197,690)	140,000

During the year, a property was disposed of, at which point the revaluation reserve relating to it was transferred to general funds.

b. Analysis of movements during the PREVIOUS reporting period

	At 1st Jan 2020	Revaluation in year	At 31st Dec 2020
	£	£	£
Land and Buildings	332,690	5,000	337,690

17 Transfers between funds

	Unrestricted	Designated	Restricted	Total
	£	£	£	£
Transfer from general fund to designated redecoration & investment fund	(286,500)	286,500	-	-
Transfer from designated reserves fund to general fund	12,500	(12,500)	-	-
Transfer from designated redecoration fund to designated redecoration & investment fund	-	-	-	-
Transfer from revaluation reserve to general fund	-	-	-	-
	(274,000)	274,000	-	-

Included in transfers are above are £11,873 of transfers between designated funds (redecoration to redecoration & investment) and £197,690 between unrestricted funds (revaluation to general)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

18 Balance sheet analysis

a. Balance sheet analysis by fund type (CURRENT YEAR)

	General	Designated	Restricted	Total
	£	£	£	£
Fixed assets	281,019	-	-	281,019
Current assets	9,853	6	49	9,908
Cash at bank	29,416	353,587	22,759	405,762
Creditors	(39,121)	-	(833)	(39,954)
Net assets	281,167	353,593	21,975	656,735

b. Balance sheet analysis by fund type (PREVIOUS YEAR)

	General	Designated	Restricted	Total
	£	£	£	£
Fixed assets	568,669	-	4,593	573,262
Current assets	9,527	6	2,574	12,107
Cash at bank	11,008	83,324	58,438	152,770
Creditors	(16,262)	-	(45,800)	(62,062)
Net assets	572,942	83,330	19,805	676,077

19 Transactions with members of the PCC and related parties

(i) Reimbursement of expenses to the following clergy who were trustees for all or part of the year amounted to: Rev M Broadley £2,726 (2020: £2,284) and Rev S Harvey £Nil (2020: £595).

(ii) Expenses of Rev B Gardner of £355 (2020: £2,528) have also been reimbursed. These relate to the restricted STB Grange Park fund (STB) as STB did not have a bank account of its own during either year. For the current year, they cover the period up to 7th July 2021, after which STB became a separate registered charity. The prior year figure relates to the full year.

(iii) Two trustees, Andrew Overton-Brown, and Simone Crewe, are also employees. They are being paid a market rate salary for the work undertaken.

(iv) No other person connected with the PCC has received any remuneration.

(v) PCC members from time to time receive monies in respect of valid expense claims, supported by relevant documentation.

(vii) Substantial amounts of voluntary help were received, the value of which cannot be quantified.

