

Christ Church Bromley

Report and Accounts

Year ended 31 December 2022

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CHRIST CHURCH BROMLEY PCC
CHARITY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

Full Name The Parochial Church Council of the Ecclesiastical Parish of Christ Church, Bromley

Working Name Christ Church Bromley PCC

Members of the Parochial Church Council (who are the charity's trustees)

Vicar	Iain J. Broomfield (resigned 30 April 2023)
Other Licensed Ministers	Matthew Lloyd
Wardens	Andrew Nathan (resigned 17 May 2022) Patrick Harrison (appointed as Warden on 17 May 2022) James Walsh (Vice chair)
Deanery Synod Representatives	Nick Batt (resigned 17 May 2022) Angela Ivey Richard Latteman Jessica Holland
Elected members	Adrian Baker (resigned 17 May 2022) Andrew Cooke (appointed 17 May 2022) Thomas Feather (Treasurer) Philip Fuller (resigned 31 January 2022) Alison Howard-Williams (appointed 17 May 2022) Adam Jarvis Christine Lumgair Alex Padfield Naomi Rowland (resigned 17 May 2022) Deborah Shepherd (Secretary and co-opted) Howard Surfleet Cameron Swift Lucy Tanner (appointed 17 May 2022) Justyn Turner Damian Winstanley

Charity Registration Number 1132870

Principal Address Highland Road
Bromley
Kent
BR1 4AA

Independent Examiner Ajay Rajani FCIE
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Bankers HSBC UK Bank plc

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**CHRIST CHURCH BROMLEY PCC
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Members of the Parochial Church Council (the 'PCC'), who are the charity's trustees for the purposes of charity law, have pleasure in presenting their report together with the financial statements for the year.

OBJECTS OF THE CHARITY

The Great Commission of Jesus Christ is to make disciples of all nations, baptising and teaching them to obey everything He commanded. The charity is responsible for co-operating with the Church leadership team in fulfilling this Commission in the ecclesiastical parish of Christ Church Bromley in particular. The PCC is also responsible for maintaining certain church property, namely the Church building and the Church Halls on Highland Road and two residential properties.

SUMMARY OF MAIN ACTIVITIES AND ACHIEVEMENTS

The primary means by which the above objects of the charity were fulfilled in 2022 was the weekly preaching of Scripture in the public gatherings of the Church on Sunday mornings and the administration of the sacraments. A variety of midweek meetings including Bible studies, groups for mothers, toddlers, children and young people, a senior citizens' lunch club further support members of the congregation in growing their faith and provided opportunities for non-members from the parish to consider the claims of Jesus Christ.

While the focus of the Church's work is in the parish, the charity makes significant grants to mission partners working both in the UK and in various different countries across the whole globe. In 2022, these grants totalled £78,280. A special appeal was launched for Mission Beyond Bromley Sunday to raise funds for the commitments already made in the 2022 budget to support mission partners outside Bromley in the UK and the rest of the world. A target to raise £15,000 was set and £17,379 was raised.

The Trustees confirm that they have had due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

VOLUNTEERS

The vast majority of the work done to run the Church is carried out by volunteers. Areas where volunteers serve include, but are not limited to, leading Bible studies and children's groups, running lunch club, leading music in services, decorating the Church building, serving refreshments and liaising with overseas mission partners. It is estimated that between 150 and 200 people serve the Church on a voluntary basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is registered with the Charity Commission and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (as amended) and the Church Representation Rules.

**CHRIST CHURCH BROMLEY PCC
TRUSTEES' ANNUAL REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT continued

The appointment of PCC members is governed by, and set out in, the Church Representation Rules. The PCC comprises ex-officio members (which includes clergy and churchwardens), elected members and co-opted members. The PCC organise elections annually before the Annual Parochial Church Meeting (APCM) to fill vacancies. An induction supper is usually held in advance of or as part of the first PCC meeting after an APCM. External training sessions during the year are advertised to PCC members who are encouraged to attend.

Responsibility for setting policy and for making operating decisions rests with the PCC who meet regularly to monitor the activities of the charity. Responsibility for the day-to-day operation of the charity has been delegated to a staff team led by the incumbent.

FINANCIAL REVIEW

The PCC works closely with The Bromley Christian Workers Trust ('BCWT'), who donate the services of their staff to the PCC. For the year under review the value of these donated services was £277,000 (2021: £314,515). In accordance with the requirements of the Charities SORP, the value of this donation is included within the PCC's income from donations along with a matching expense within the PCC's expenditure on charitable activities.

Legacies and substantial one-off gifts are occasionally received and have played a significant role in recent years in allowing the charity to break even or run a small surplus. In 2022, this included the donation of a property valued at £325,000 (2021: a cash legacy of £10,000).

The principal recurring source of income continues to be regular donated income from Church members. The charity also receives small amounts of income from letting property and from various Church events and activities. This income amounted to £216,512 (2021: £212,668).

Overall the PCC's total income for the year was £818,512 (2021: £537,183), with this year's increase in income largely due to the bequeathed property mentioned above.

Expenditure increased by £2,555 to £485,981. Mission giving increased by £21,928, there was no repeat of last year's refund of £9,194 for bank charges and other expenses increased by £8,948 as the easing of pandemic restrictions allowed the PCC to do more. This was partly offset by a reduction of £37,515 in the value of the donated services received from BCWT.

The net result was a surplus for the year of £332,531 (2021: surplus of £53,757). Most of this year's surplus is due to the bequeathed property valued at £325,000 and the amount of cash held by the PCC increased by a more modest £31,585.

The PCC's net assets increased by this year's surplus of £332,531 to £1,242,430. This comprises an investment of £1,059,000 in property (net of a related loan for £191,000), cash of £190,273 less other net current liabilities of £6,843.

**CHRIST CHURCH BROMLEY PCC
TRUSTEES' ANNUAL REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

RESERVES POLICY

The PCC recognise the need to hold reserves to allow protection of all core activities in the event of income shortfalls and to promote balanced strategic planning. Reserves are defined as unrestricted cash that has not been committed or designated for specific projects or purposes.

It has been decided that the PCC should aim to hold three months' budgeted on-going expenditure in reserve which would equate to approximately £50,000. Due to the legacies received in recent years, the unrestricted, undesignated cash held by the PCC at the year-end was greater than this at £186,281. The PCC would like to use these legacies to pay off debt and support new initiatives that further the church's vision and the PCC is seeking to grow giving in 2023 to help ensure that the PCC's future activities are sustainable.

OTHER INFORMATION

A quinquennial inspection was undertaken in 2021. This identified a need for some relatively minor repairs, which the PCC are attending to.

For 2022 the Diocese requested a Parish Share of £79,768; after due consideration, the PCC decided to contribute £55,289.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

KEY RISKS AND UNCERTAINTIES

The greatest financial risks to Christ Church Bromley are likely to be general ones associated with current economic climate in the UK. Sharp increases in the cost of energy mean that expenditure in this area is likely to be significantly higher in 2023 than in 2022, and are likely to continue to increase in future years. Financial hardship might be faced by some such that giving is reduced. Certain other risks more specific to CCB are outlined below. These risks are managed by reviewing expenditure against income on an annual basis amongst the PCC and more frequently amongst the finance sub-group and the PCC.

INTERREGNUM

It was announced in November 2022 that the incumbent, Iain Broomfield is resigning and that an interregnum would begin at the end of April 2023. These can be periods of uncertainty.

LIVING IN LOVE AND FAITH

The PCC will need to consider and respond, in due course, to the uncertainty raised in relation to matters of Biblical doctrine in the wider Church of England. These matters may have an effect on giving to the church and may impact the PCC's expenditure.

**CHRIST CHURCH BROMLEY PCC
TRUSTEES' ANNUAL REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

PLANS FOR THE FUTURE

The Church is seeking to appoint a new vicar to lead the pastoral staff team in discipling the congregation. The role of Associate Minister for Families, Youth and Children will become vacant in September 2023. It has not been possible to recruit a replacement to start in September, and it may be that the church must wait until a new Vicar is in post to make an appointment to this role.

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL

This report was approved by the PCC and signed on their behalf by:

James Walsh
.....
James Walsh (Deputy Chair)

Date: 8 May 2023

INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF
CHRIST CHURCH BROMLEY PCC
('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2022 on pages 7 to 16 following, which have been prepared on the basis of the accounting policies set out on pages 10 and 11.

Responsibilities and basis of report

As members of the PCC 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 2011 Act. I confirm that I am qualified to undertake the examination because I am a Fellow of the Association of Charity Independent Examiners, 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:

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.

Ajay Rajani

Ajay Rajani FCIE
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 9 May 2023

CHRIST CHURCH BROMLEY PCC
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds				Unrestricted funds			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		2022	2022	2022	2022	2021	2021	2021	2021
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	500,093	-	294,379	794,472	188,198	-	331,972	520,170
Charitable activities	4	5,328	6,948	-	12,276	2,802	259	-	3,061
Other trading activities		11,500	-	-	11,500	7,000	-	-	7,000
Investment income		264	-	-	264	11	-	-	11
Other income: Bank compensation		-	-	-	-	6,941	-	-	6,941
Total income and endowments		517,185	6,948	294,379	818,512	204,952	259	331,972	537,183
EXPENDITURE ON:									
Charitable activities:	5	179,340	12,262	294,379	485,981	144,372	7,082	331,972	483,426
Total Expenditure		179,340	12,262	294,379	485,981	144,372	7,082	331,972	483,426
Net income/(expenditure)		337,845	(5,314)	-	332,531	60,580	(6,823)	-	53,757
Transfers between funds		(325,000)	325,000	-	-	751	-	(751)	-
Net movement in funds		12,845	319,686	-	332,531	61,331	(6,823)	(751)	53,757
Reconciliation of funds:									
Total funds brought forward		166,593	743,306	-	909,899	105,262	750,129	751	856,142
Total funds carried forward	13	179,438	1,062,992	-	1,242,430	166,593	743,306	-	909,899

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on pages 10 to 16 form part of these accounts.

CHRIST CHURCH BROMLEY PCC

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
FIXED ASSETS					
Tangible assets	7	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>	<u>930,000</u>
CURRENT ASSETS					
Stock	8	2,000	-	2,000	2,000
Debtors	9	2,975	-	2,975	13,443
Cash at bank and in hand	10	<u>190,273</u>	<u>-</u>	<u>190,273</u>	<u>158,688</u>
		195,248	-	195,248	174,131
CREDITORS: Amounts falling due within one year	11	<u>(11,818)</u>	<u>-</u>	<u>(11,818)</u>	<u>(3,232)</u>
Net current assets		<u>183,430</u>	<u>-</u>	<u>183,430</u>	<u>170,899</u>
Total assets less current liabilities		<u>1,433,430</u>	<u>-</u>	<u>1,433,430</u>	<u>1,100,899</u>
CREDITORS: Amounts falling due after more than one year	12	<u>(191,000)</u>	<u>-</u>	<u>(191,000)</u>	<u>(191,000)</u>
TOTAL NET ASSETS		<u>1,242,430</u>	<u>-</u>	<u>1,242,430</u>	<u>909,899</u>
FUND BALANCES	13				
Unrestricted Funds					
Designated funds					
Revaluation reserve		207,749	-	207,749	207,749
Other designated funds		<u>855,243</u>	<u>-</u>	<u>855,243</u>	<u>535,557</u>
		1,062,992	-	1,062,992	743,306
General funds		179,438	-	179,438	166,593
Restricted Funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>1,242,430</u>	<u>-</u>	<u>1,242,430</u>	<u>909,899</u>

The financial statements were approved by the members of the PCC and were signed on its behalf by:

James Walsh

James Walsh (Deputy Chair)

Date: 8 May 2023

Charity number: 1132870

The notes on pages 10 to 16 form part of these accounts.

CHRIST CHURCH BROMLEY PCC
FOR THE YEAR ENDED 31 DECEMBER 2022
CASH FLOW STATEMENT

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	a	<u>356,585</u>	<u>52,304</u>
Cash flows from investing activities:			
Bequeathed property		(325,000)	-
Net cash provided by/(used in) investing activities		<u>(325,000)</u>	<u>-</u>
Cash flows from financing activities:		-	-
Change in cash and equivalents in the reporting period		<u>31,585</u>	<u>52,304</u>
Cash and equivalents at the beginning of the year	b	<u>158,688</u>	<u>106,384</u>
Cash and cash equivalents at the end of the year	b	<u>190,273</u>	<u>158,688</u>

Analysis of changes in net debt:

	At start of year £	Cash-flows £	At end of year £
Cash	158,688	31,585	190,273
Loan from Church Commissioners Falling due after one year	(191,000)	-	(191,000)
Total net funds / (debt)	<u>(32,312)</u>	<u>31,585</u>	<u>(727)</u>

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	332,531	53,757
Adjustments for:		
Depreciation charges and provisions for impairment	5,000	5,470
(Increase)/decrease in debtors	10,468	(5,669)
Increase/(decrease) in creditors	8,586	(1,254)
Net cash provided by (used in) operating activities	<u>356,585</u>	<u>52,304</u>

Note b: Analysis of cash and cash equivalents

	2022 £	2021 £
Bank operating accounts	35,444	64,292
Bank deposits	153,429	93,169
Liquid investments (Diocese of Rochester)	937	932
Petty cash	463	295
Total cash and cash equivalents	<u>190,273</u>	<u>158,688</u>

CHRIST CHURCH BROMLEY PCC
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Statutory Information

The Parochial Church Council of the Ecclesiastical Parish of Christ Church Bromley is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain assets, which are measured at fair value through the Statement of Financial Activities. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') require charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity. When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.
- ii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church events and courses and book sales.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from letting a property used previously in the charity's activities.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

CHRIST CHURCH BROMLEY PCC
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting Policies continued

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. In the opinion of the members of the PCC, the charity has just one activity, which is the advancement of the Christian faith. Though this has a number of expressions, the charity's costs are very integrated and all expenditure is considered to be for just this one activity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years
Equipment	Over 3 to 7 years

The PCC has a policy of revaluing its properties periodically; the carrying values of the charity's properties are updated when it is believed that their values have changed significantly. Properties are valued at their estimated market value or, if this is not possible, at estimates of their value in use. Further information is given in note 8 'Tangible fixed assets'.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Stocks

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value.

g) Taxation

The charity has taken advantage of various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

Except for the Diocesan loan, the charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises the liability for the Diocesan loan at fair value.

i) Critical accounting estimates and areas of judgement

In preparing financial statements certain judgements, estimates and assumptions have to be made that affect the amounts recognised in the financial statements. The members of the PCC consider the following to be significant:

- a) the PCC have estimated the market values of the charity's properties and update these valuations when they believe that market values have changed materially. These valuations rely on the ability of the PCC to reliably estimate market values; they are also sensitive to changes in market conditions.
- b) the PCC have needed to assess the fair value of the Diocesan loan referred to in note 13 'Amounts falling due after more than one year'. This estimate is sensitive to changes in the PCC's intentions for the property part financed by the loan and the market value of this property.

CHRIST CHURCH BROMLEY PCC
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	2022 £	2021 £
General donations	159,921	163,610
Tax recoverable	26,640	26,134
Legacies:		
Bequeathed residential property	325,000	-
Cash legacies	-	10,000
	<u>511,561</u>	<u>199,744</u>
Donations from The Bromley Christian Workers Trust		
Donated services of staff	277,000	314,515
Donated use of equipment	5,911	5,911
	<u>282,911</u>	<u>320,426</u>
 Total income from donations and legacies	 <u>794,472</u>	 <u>520,170</u>

During the year the charity was donated the services of the staff employed by The Bromley Christian Workers Trust and given the rent free use of audio visual equipment owned by Bromley Christian Workers Trust. The value of the donated services of staff has been included at £277,000 (2021: £314,515). In broad terms this represents the expenditure incurred by The Bromley Christian Workers Trust to employ its staff and provide them with accommodation (so that they can undertake their duties properly).

4 Income from charitable activities

	2022 £	2021 £
Lunch Club	6,948	259
Lighthouse	2,476	-
Other charitable activities	2,852	2,802
	<u>12,276</u>	<u>3,061</u>

5 Charitable expenditure

	2022 £	2021 £
a Costs incurred directly on specific activities		
Donations in kind received from The Bromley Christian Workers Trust		
Donated services of staff (see note 3 'Donations and legacies')	277,000	314,515
Donated equipment hire (see note 3 'Donations and legacies')	5,911	5,911
	<u>282,911</u>	<u>320,426</u>
Ministry	10,297	8,792
Premises expenses	29,333	32,111
Diocesan Parish Share	55,289	52,126
Diocesan fees	585	114
Depreciation	5,000	5,470
Youth and Children	4,058	3,780
Lunch Club	7,262	1,612
Interest on Diocesan loan	3,982	3,705
Missionary and charitable giving (see note 5c)	78,280	56,352
	<u>476,997</u>	<u>484,488</u>
b Costs incurred on support & administration		
Governance costs		
Independent examiner's fee for preparing and examining the accounts	2,580	2,280
Legal and professional fees	1,431	930
	<u>4,011</u>	<u>3,210</u>
Other administrative expenses	4,973	4,922
Refunded bank charges	-	(9,194)
	<u>8,984</u>	<u>(1,062)</u>
Total expenditure	<u><u>485,981</u></u>	<u><u>483,426</u></u>

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5c Grants payable

	Institutions £	Individuals £	2022 £
Grants for UK and overseas mission	<u>71,915</u>	<u>6,365</u>	<u>78,280</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2021 £
Grants for UK and overseas mission	<u>51,146</u>	<u>5,206</u>	<u>56,352</u>

The charity's principal grants to institutions comprised:

	2022 £	2021 £
Operation Mobilisation *	22,344	21,694
Interserve *	14,424	14,003
Diocese of Kondoa (being the full commitment for an initial two year period)	12,000	-
Crosslinks	5,628	5,462
BCMT	5,364	5,206
All Saints Loose	5,350	-
SAT-7 UK Trust	4,157	4,157
Release International	2,000	-
Kent Gospel Partnership	648	624
	<u>71,915</u>	<u>51,146</u>

*being grants to institutions for the support of named individuals

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

The charity did not have any employees in either the current, or the preceding, year. No members of the PCC received employment benefits in either the current or preceding year. No staff received salaries at a rate of more than £60,000 per annum. Most of the charity's activities are carried out by volunteers.

The charity's key management comprise the members of the PCC named on the Charity Information page. Iain Broomfield (who was a clergy member of the PCC) received a stipend from the Diocese and so he was not an employee; some of the Parish Share paid to the Diocese was used to cover the cost of this stipend. As is customary, the PCC paid accommodation related expenses totalling £4,370 (2021: £4,281) in respect of Iain Broomfield.

7 Tangible fixed assets

	Freehold for Church Hall (at valuation)	Freehold Residential Property (at valuation)	Fixtures, fittings and equipment (at cost)	Total 2022 £
		£	£	
Cost or valuation				
At 1 January 2022	500,000	482,500	21,483	1,003,983
Additions in year	-	325,000	-	325,000
At 31 December 2022	<u>500,000</u>	<u>807,500</u>	<u>21,483</u>	<u>1,328,983</u>
Accumulated depreciation				
At 1 January 2022	35,000	17,500	21,483	73,983
Charge for the year	5,000	-	-	5,000
At 31 December 2022	<u>40,000</u>	<u>17,500</u>	<u>21,483</u>	<u>78,983</u>
Net book value				
At 31 December 2022	<u>460,000</u>	<u>790,000</u>	<u>-</u>	<u>1,250,000</u>
At 31 December 2021	<u>465,000</u>	<u>465,000</u>	<u>-</u>	<u>930,000</u>

The Church Hall was valued on a existing use basis on 31 December 2009, which produced a value that was believed to be similar to its open market value. The valuation was undertaken by Mr Stuart Gilbert (the then Treasurer and a member of the PCC) who had some relevant professional experience in this area. Subsequently, on 31 December 2014, this value was updated using indices for increases in market values in the Bromley area published by the Land Registry. The trustees do not believe that the value of the Church Hall has changed significantly since 31 December 2014.

The charity also owns two freehold residential properties. The first property was purchased in 1997 and was part financed by a loan from the Church Commissioners (see note 12); this property was revalued by the trustees in 2021 at £465,000 on the basis of the most recent offer made for a sale which was ultimately not carried through as the PCC took the property off the market. The second property was bequeathed to the PCC during the year; this property has been included at its probate value of £325,000.

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8 Stock

	2022	2021
	£	£
Books purchased for re-sale, at cost	<u>2,000</u>	<u>2,000</u>

9 Debtors

	2022	2021
	£	£
Tax recoverable	1,633	13,396
Prepayments and other debtors	<u>1,342</u>	<u>47</u>
	<u>2,975</u>	<u>13,443</u>

10 Cash at Bank and in Hand

	2022	2021
	£	£
Bank operating accounts	35,444	64,292
Bank deposits	153,429	93,169
Liquid investments (Diocese of Rochester)	937	932
Petty cash	<u>463</u>	<u>295</u>
	<u>190,273</u>	<u>158,688</u>

11 Creditors: liabilities falling due within one year

	2022	2021
	£	£
Trade creditors	1,798	952
Accruals	2,520	2,280
Grant obligations (Diocese of Kondo)	<u>7,500</u>	<u>-</u>
	<u>11,818</u>	<u>3,232</u>

12 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Loan from Church Commissioners		
Fair value of loan at the beginning of the year	191,000	191,000
Change in fair value during the year	<u>-</u>	<u>-</u>
Fair value of loan at the end of the year	<u>191,000</u>	<u>191,000</u>

In 1997 the charity received a loan of £50,000 from the Church Commissioners to help the charity purchase its residential property; interest is payable on the loan and the loan is secured on this property. At the date of the property's acquisition the loan represented 40.984% of its value and the Church Commissioners are entitled to 40.984% of the sale proceeds when the property is sold. The amount due to the Church Commissioners is based on the carrying value of this property in these accounts (see note 7 'Tangible fixed assets').

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Income 2022 £	Expenditure 2022 £	Transfers in the year 2022 £	Gains and losses 2022 £	Closing balance 2022 £
<i>Designated Funds</i>						
Fixed Assets fund	531,251	-	(5,000)	325,000	-	851,251
Fixed Assets Revaluation Reserve	<u>207,749</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,749</u>
	739,000	-	(5,000)	325,000	-	1,059,000
Lunch Club	4,306	6,948	(7,262)	-	-	3,992
	<u>743,306</u>	<u>6,948</u>	<u>(12,262)</u>	<u>325,000</u>	<u>-</u>	<u>1,062,992</u>
<i>General Unrestricted Funds</i>	<u>166,593</u>	<u>517,185</u>	<u>(179,340)</u>	<u>(325,000)</u>	<u>-</u>	<u>179,438</u>
Total Unrestricted Funds	<u>909,899</u>	<u>524,133</u>	<u>(191,602)</u>	<u>-</u>	<u>-</u>	<u>1,242,430</u>

CHRIST CHURCH BROMLEY PCC
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13 Funds continued

Restricted Funds

Donated Staff fund	-	277,000	(277,000)	-	-	-
Mission Beyond Bromley fund	-	17,379	(17,379)	-	-	-
	<u>-</u>	<u>294,379</u>	<u>(294,379)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Aggregate of funds	<u>909,899</u>	<u>818,512</u>	<u>(485,981)</u>	<u>-</u>	<u>-</u>	<u>1,242,430</u>

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted funds	2022
	General funds	Designated funds		
	£	£	£	£
Tangible fixed assets	-	1,250,000	-	1,250,000
Stock	2,000	-	-	2,000
Debtors	2,975	-	-	2,975
Cash at bank and in hand	186,281	3,992	-	190,273
Creditors falling due within one year	(11,818)	-	-	(11,818)
Creditors falling due after one year	-	(191,000)	-	(191,000)
	<u>179,438</u>	<u>1,062,992</u>	<u>-</u>	<u>1,242,430</u>

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Income 2021 £	Expenditure 2021 £	Transfers in the year 2021 £	Gains and losses 2021 £	Closing balance 2021 £
<i>Designated Funds</i>						
Fixed Assets fund	536,721	-	(5,470)	-	-	531,251
Fixed Assets Revaluation Reserve	207,749	-	-	-	-	207,749
	<u>744,470</u>	<u>-</u>	<u>(5,470)</u>	<u>-</u>	<u>-</u>	<u>739,000</u>
Lunch Club	5,659	259	(1,612)	-	-	4,306
	<u>750,129</u>	<u>259</u>	<u>(7,082)</u>	<u>-</u>	<u>-</u>	<u>743,306</u>
<i>General Unrestricted Funds</i>	<u>105,262</u>	<u>204,952</u>	<u>(144,372)</u>	<u>751</u>	<u>-</u>	<u>166,593</u>
Total Unrestricted Funds	<u>855,391</u>	<u>205,211</u>	<u>(151,454)</u>	<u>751</u>	<u>-</u>	<u>909,899</u>
<i>Restricted Funds</i>						
Church Centre Refurbishment fund	751	-	-	(751)	-	-
Donated Staff fund	-	314,515	(314,515)	-	-	-
Mission Beyond Bromley fund	-	17,457	(17,457)	-	-	-
	<u>751</u>	<u>331,972</u>	<u>(331,972)</u>	<u>(751)</u>	<u>-</u>	<u>-</u>
Aggregate of funds	<u>856,142</u>	<u>537,183</u>	<u>(483,426)</u>	<u>-</u>	<u>-</u>	<u>909,899</u>

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted funds	2021
	General funds	Designated funds		
	£	£	£	£
Tangible fixed assets	-	930,000	-	930,000
Stock	2,000	-	-	2,000
Debtors	13,031	-	412	13,443
Cash at bank and in hand	154,794	4,306	(412)	158,688
Creditors falling due within one year	(3,232)	-	-	(3,232)
Creditors falling due after one year	-	(191,000)	-	(191,000)
	<u>166,593</u>	<u>743,306</u>	<u>-</u>	<u>909,899</u>

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13 Funds continued

Designated funds

The aggregate balance on the **Fixed Assets** funds represents the net book value of fixed assets less the outstanding balance on the loans received to help purchase one of the properties.

The **Lunch Club** fund relates to the activities of the church Lunch Club which is run weekly to provide fellowship and a meal at the church for retired persons.

Restricted funds

The **Church Centre Refurbishment** fund was created by donations received to help pay for the refurbishment of church property.

The **Donated Staff** fund represents the services of staff donated by The Bromley Christian Workers Trust for specific roles within the overall ministry of the church.

The **Mission Beyond Bromley** fund was created from donations received to help support the charity's mission partners.

14 Transactions with related parties

The PCC works closely with The Bromley Christian Workers Trust ('BCWT') (registered charity number 1183501) and, though neither charity controls the other, they share some trustees and BCWT is therefore considered to be a related party. From time to time, BCWT and Christ Church Bromley make grants to each other and support their respective charitable activities in other ways including donating the services of staff. The transactions with BCWT have been disclosed in the above notes.

During the year the charity received donations totalling £21,150 (2021: £11,830) from related parties (which includes members of the PCC, any other members of key management and anyone closely connected to them).

Except for the reimbursement of expenses incurred when acting as agent for the charity, or incurred when undertaking clergy duties, no expenses were paid to (or for) members of the PCC (2021: £nil).

Except as disclosed in note 6 'Analysis of staff costs', there have been no other transactions with related parties during the year.

15 Other matters

The PCC has been reviewing its relationship with The Bromley Christian Workers Trust ('BCWT') and, based on legal advice received, they have approached the trustees of BCWT concerning past transactions. Nothing has been agreed as yet but it is possible that the PCC will receive a significant sum of money from BCWT at some point during 2023 and that a reordering of the way the relationship has worked up to now will be required.