

BROADWATER PAROCHIAL CHURCH COUNCIL
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

BROADWATER PAROCHIAL CHURCH COUNCIL

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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BROADWATER PAROCHIAL CHURCH COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

1. ADMINISTRATIVE INFORMATION

The benefice of Broadwater is situated in the Northern part of the town of Worthing, and pre-dates the town. The parish is part of the Diocese of Chichester within the Church of England and has a population in excess of 20,000. The parish covers four sites - the Parish Centre, St Mary's Church; St Stephen's Café Church; and Queen Street Church.

The registered office and address for correspondence is:

Parish Office, Broadwater Parish Centre
117 Broadwater Road, Worthing
BN14 8HT Tel. 01903 823916
office@broadwaterparish.org
www.broadwaterparish.org.uk

PCC BANKERS

HSBC Bank PLC
1 Warwick Street
WORTHING
BN11 3DE

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
WEST MALLING
ME19 4JQ

LEGAL ADVISORS

Miller Parris Solicitors
3 Cricketers Parade
Broadwater Street West
WORTHING
BN14 8JB

Broadwater PCC Registered Charity No. 1133987.

2. PCC MEMBERSHIP

CLERGY

Team Rector	The Revd Gaz Daly
Team Vicar	The Revd Gary Neal

PARISH WARDENS Mr Dave Thompson (until October 2020)

BROADWATER PAROCHIAL CHURCH COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Mr Tony Ford
Miss Katie Gould (from October 2020)

DEPUTY-WARDENS

St Mary's	Mrs Victoria Ludlow Mrs Debbie Attwood
St Stephen's	Mr Matthew Thorpe (until October 2020) Mr Barry Harris (until October 2020) Mrs Mary Stewart (from October 2020) Mr David House (from October 2020)
Queen Street	Mr David Peskett (until October 2020) Mrs Wendy Greenfield (until October 2020) Mr George Woollard (from October 2020)

DEANERY SYNOD

Mrs Liz Farrow
Mrs Barbara Cook
Mrs Gillian Jewell (until October 2020)
Mr Alastair Weller (until October 2020)

PCC REPRESENTATIVES

St Mary's	Mrs Patricia Stevens Mr Hugh Acland
St Stephen's	Mrs Joslyn Arnold (until October 2020) Mr John Whitehead (from October 2020)
Queen Street	Mrs Nicky Snowden (until October 2020) Mr Rod Ostler

PCC TREASURER Mr Geoffrey Gair

PCC SECRETARY Mr Andrew Rayner

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

The PCC has responsibility for the running of the parish, but delegates much of its work to the Parish Leadership Team (comprising clergy, parish wardens, deputy wardens and treasurer), in particular all matters relating to the running of the individual churches. There are two churchwardens (known as parish wardens) and each church has two deputy wardens. All of these are ex-officio members of the PCC. The method of appointment of PCC members is set out in the Church Representation Rules and in the PCC Constitution. All Church attendees are encouraged to register on the Electoral Roll.

The PCC is responsible for a wide range of matters affecting the parish including health and safety, disability legislation and parish safeguarding policies. The PCC works to ensure that each member is equipped to fulfil their role. When new members join the PCC, they are given instructions as to their duties, privileges and responsibilities on behalf of the Chair and the Treasurer, and directed to the relevant provisions made by the Charity Commissioners, before being formally welcomed and inducted. In their capacity as trustees, members of the PCC are responsible for the stewardship of funds and for the appropriate accounting and reporting of the parish finances.

BROADWATER PAROCHIAL CHURCH COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The PCC pays due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2006.

3.1. RELATED TRUSTS AND CHARITIES

Broadwater Outreach Trust (BOT) is a facility whereby church members can pay into the Trust such sums as they wish to give towards mission. This separate Charity was closed in 2020 with the PCC taking on responsibility through a separate Sub-Committee (The GO Team). The PCC aims to set aside 10% of 'Voluntary Giving' receipts (ie. "Planned Giving Through The Bank" and "Collections At Services") to financially support their Mission Partners each year.

3.2. RISK ASSESSMENT

The PCC continues to assess major risks to which it might be exposed and procedures have been established to manage those risks.

4. OBJECTIVES AND ACTIVITIES

The primary objective of the PCC is to co-operate with the clergy in promoting the churches' whole mission in the parish for the benefit of the public, to share the Good News of the crucified and risen Christ as Lord and King, of sins forgiven and new life now and to come.

The PCC takes responsibility for work among children and young people in our parish, both in our own youth work and in co-operation with the work done in the schools and community. We wish to encourage more people to take part in this. The PCC is responsible for the parish Child Protection Policy.

The PCC takes responsibility for work among the new families who have made contact with us, through church services, small groups, and Alpha.

The PCC also supports a wide range of missionary and relief endeavours both abroad and in this country. Many members of our congregations are involved in Christian service of one sort or another and we would want to encourage this.

The PCC oversees the finances of the parish (see section 6).

St Mary's Church, our Parish Centre and the facilities at St Stephen's Café Church and Queen Street Church continue to fulfil an important role in parish and community life, with the parish office, and provision of rooms for hire by the community.

The church in Broadwater not only proclaims God's love for everyone but shows it in the care members express to each other and to others outside our congregations. The PCC is grateful for the unstinting efforts of its volunteers who are involved at every level in the activities of the parish.

The PCC encourages co-operation with churches in the deanery and with other denominations in the local area. The PCC recognises its role as part of the Diocese of Chichester and the wider Anglican Communion.

5. ACHIEVEMENTS AND PERFORMANCE

5.1. ELECTORAL ROLL

BROADWATER PAROCHIAL CHURCH COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

TOTAL

April 2019
387

April 2020
397

5.2. ATTENDANCE AT SERVICES

	No. of services	2019 Attendance			2020 Attendance		
		Adults	Children	Total	Adults	Child	Total
St Mary's Church	4	249	51	300	95	29	124
St Stephen's Cafe Church	1	55	10	65	40	7	47
Queen Street Church	1	77	5	82	42	3	45
Queen Street Chinese Church	1	36	26	62	0	0	0
Total	7	417	92	509	177	39	216

The 2020 Attendance figures shown above have been significantly impacted by prolonged closure of the church during the COVID pandemic. The figures used for 2020 were based on a typical Sunday in October 2020 when a total of five services were permitted during COVID. Attendance at these services was also strictly limited in line with COVID social distancing requirements. Regular attendance figures will not be available until all COVID restrictions are eased and, this is not expected before the second half of 2021.

5.3. PCC MEETING ATTENDANCE

The full PCC met six times in 2020 during the year with an average attendance of 68%. The Parish Leadership Team met between meetings and minutes of their deliberations were received by the full PCC and discussed where necessary.

5.4. REVIEW OF ACTIVITIES

The strategy for the Parish as agreed by the PCC, is to be more aligned as 'One Church' operating across our three sites. Working together in our Ministry and Mission here in Worthing and with our newly formed GO Team (Global Mission) across the world.

Our Vision which was formed in 2018 continues to be 'Love In, Love Out and Love Up'. Working together in the name of Jesus for the revitalisation of the church in Worthing and for the transformation of lives. Linking to The Bible with Matthew 6:33 "Seek first His kingdom and His righteousness.

During the COVID season we have truly been one unified church and parish. New technology has been introduced enabling livestreaming of services from our St Mary's site, allowing us to communicate the gospel across the whole parish and beyond. Meetings, prayer times and Alpha courses have continued using Zoom applications and, the upskilling of many people using new technology for the first time.

We have continued to work with Christians Against Poverty during the year but, the Worthing Winter Night Shelter wasn't able to happen during COVID. We continue to work in our local primary and secondary schools providing assemblies and services within our church sites. A number of staff, clergy and volunteers are involved in many different ways within our schools, including our Rector being a Governor at the Broadwater primary school and at the St Andrews Church of England school.

BROADWATER PAROCHIAL CHURCH COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Sadly, many of our outreach ministries such as 'Tots and Toddlers', 'Tea Time' and 'Messy Church' had to be paused during COVID lockdowns.

5.5 STAFFING

We are blessed with a dedicated staff team and, were joined by Natalie Pierce this year as maternity cover for Beth Hayes. The team is supported by our Verger Steve Jewell. Pastoral care is managed by Jacqui Marshall. Carl Coupar is our Children's Pastor, Andy Poole is our Youth & Worship Pastor and Andrew Downes continues as our Ordinand.

During the year we have been supported by retired clergy including Rev Bob Groves, Rev George Butterworth and Rev Lionel Whitley.

Many others work in a voluntary capacity to support our parish.

6.1 FINANCIAL REVIEW

A year impacted by Covid in which we saw regular 'Planned Giving' (Bank Standing Orders) & 'Collections at Services' fall for the fourth consecutive year to £205,397. The total income through all sources was £404,672 which illustrates that the Parish is reliant on other forms of income (i.e. donations, legacies, hall hire & property rental) to maintain services and deliver on the Parish vision.

All of our key expenditure requirements were met. The 'Parish Ministry Costs' of £144,430 to the Diocese for providing our Clergy, plus arrears from 2018 of £29,488 was the biggest cost. Non-clergy salaries totalling £106,471 were paid and no staff were furloughed during Covid.

Work on the Re-Ordering of St Mary's has been ongoing with a cost of £102,886 and other maintenance & repair costs to the roof at St Mary's and other Parish properties totalled £63,252. Upgrades to ageing and obsolete equipment (i.e. Audio & Visual) were required to deliver 'Live Stream' services and further spending in this area are required next year. Overall, expenditure came in at £588,208.

Expenditure of £588,208 exceeded Income of £404,672 by £183,535 reducing the 'Parish Reserves' or 'Net Assets' at the end of 2020 to £1,674,330. These Reserves can be broken down to £1,039,715 in Cash and £634,617 in Property. Parish property shown in the Accounts is valued at the initial purchase price, so its accounting value is low given that the real, tangible value is only realised on the sale of a property.

The cash Reserves of £1,039,715 appears high but, contained within this figure is "Restricted Funds" and monies already "Designated" for spending totalling £791,267. This includes £476,149 to complete the "Re-Ordering" of St Mary's project in 2021, £193,711 of Roger's legacy for "Youth Work", £61,100 for maintenance work identified in the Quinquennial report and, £48,712 to complete the Parish Audio & Visual equipment upgrades. This leaves our actual unrestricted cash Reserves at the end of 2020 to be £248,448.

Looking ahead, I have forecast that expenditure will exceed income by £650k in 2021. This includes the £476k to complete the Re-Ordering project, £144k to the Diocese for our Clergy and, £120k on staff team salaries as the team builds to serve the community. More investment will also be made in maintaining our church buildings & improving equipment across the Parish to serve the community. We are also committed to our Mission Partners at home and abroad, with an aim to tithe 10% of 'Planned Giving' to financially support God's calling on their lives. If we do not see an upturn in 'Planned Giving' in 2021, I have forecast a further drop in our 'Unrestricted Cash Reserves' by £60k from £248k at the end of 2020 to £188k by the end of 2021.

BROADWATER PAROCHIAL CHURCH COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

This level of 'Unrestricted Cash Reserves' is in line with our PCC Finance policy to maintain a minimum of three months regular expenditure. However, if regular 'Planned Giving' continues to decline, we will become more reliant on other forms of giving (e.g., legacy, appeals, hall hire, property rental etc) to further grow our vision in the community and to future proof the fabric of our church.

As "One Church", we are in a good financial position at this point in time, strengthened by donations, previous legacy receipts & property ownership. Financial resources are for the PCC Trustees to use considerately & prayerfully to benefit the whole Parish & our Missionary aims.

Reserves Policy

The PCC's reserve policy is to hold a minimum of three months of planned expenditure as 'Unrestricted Cash Reserves'. This is to ensure continued financial security, provide for unforeseen contingencies and, to maintain cash flow for the provision of Clergy and for staff salaries.

Should 'Unrestricted Cash Reserves' exceed six months of running costs the PCC will develop a clear plan for the surplus, identifying a proposed spending plan and timescales.

It is PCC policy to invest temporary surplus funds with the CBF Church of England Deposit Fund. On occasion when it is known that the funds cannot be spent for six or twelve months the PCC will consider whether another institution would produce a better rate of return.

As well as holding the above reserves, from time to time the PCC receives legacies. We aim to spend such money as soon as possible after receiving the legacy.

6.2. THE YEAR AHEAD (2021)

We are hoping to open up each of our church sites for services by the middle of 2021, but this will be dependent on Government and Diocesan guidance. We also hope to re-open many of our ministries to the local community. We have appointed a new Children's Minister (for the Under 5's) who will start in March 2021. Until churches fully re-open, we will continue to Live-Stream our services.

7. PAROCHIAL CHURCH COUNCIL RESPONSIBILITIES

Company Law and Charity Law require the PCC to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period. In preparing those financial statements, the PCC are required to:

- o Select appropriate accounting policies and then apply them consistently;
- o Make judgements and estimates that are reasonable and prudent;
- o State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- o Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position and to enable them to ensure that the financial statements comply with the Charities Act 1993.

BROADWATER PAROCHIAL CHURCH COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The PCC are also responsible for ensuring that the charity maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against material loss or unauthorised use and to prevent fraud and other irregularities.

8. STATEMENT OF DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

So far as the PCC are aware, there is not relevant information of which the charity's independent examiners are unaware, and they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant information and to establish that the PCC's independent examiners are aware of that information.

9. INDEPENDENT EXAMINER

A proposal to re-appoint Acuity Professional Partnership LLP or, to use a local Independent Examiner will be put before the charity's next APCM.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Independent examiner

Acuity Professional Partnership LLP

Unit 2.02, High Weald House

Glovers End

Bexhill

East Sussex

TN39 5ES

Approved by order of the board of trustees on 12th May 2021 and signed on its behalf by:

Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BROADWATER PAROCHIAL CHURCH COUNCIL

Independent examiner's report to the trustees of Broadwater Parochial Church Council

I report to the charity trustees on my examination of the accounts of Broadwater Parochial Church Council (the Trust) for the year ended 31 December 2020.

Responsibilities and basis of report

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of _ 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 Trust 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.



Rachel Taylor FCA
Acuity Professional Partnership LLP
Unit 2.02
High Weald House
Glovers End
Bexhill
East Sussex
TN39 5ES

Date: 13/05/2021

BROADWATER PAROCHIAL CHURCH COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES FROM					
Voluntary income	2	347,095	-	347,095	822,632
Charitable activities	5				
Church Activities		7,224	-	7,224	7,807
Activities for generating funds	3	13,511	-	13,511	35,040
Investment income	4	33,220	-	33,220	10,940
Other income		3,622	-	3,622	8,293
Total		404,672	-	404,672	884,712
EXPENDITURE ON Charitable activities					
Church Activities	6	588,207	-	588,207	465,262
NET INCOME/(EXPENDITURE)		(183,535)	-	(183,535)	419,450
Transfers between funds	13	123,081	(123,081)	-	1
Net movement in funds		(60,454)	(123,081)	(183,535)	419,451
RECONCILIATION OF FUNDS					
Total funds brought forward		1,057,039	800,826	1,857,865	1,438,414
TOTAL FUNDS CARRIED FORWARD		996,585	677,745	1,674,330	1,857,865

The notes form part of these financial statements

BROADWATER PAROCHIAL CHURCH COUNCIL

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	10	634,617	-	634,617	646,286
CURRENT ASSETS					
Investments	11	149,086	677,745	826,831	1,065,412
Cash at bank		212,884	-	212,884	151,627
		<u>361,970</u>	<u>677,745</u>	<u>1,039,715</u>	<u>1,217,039</u>
CREDITORS					
Amounts falling due within one year	12	(2)	-	(2)	(5,460)
NET CURRENT ASSETS		<u>361,968</u>	<u>677,745</u>	<u>1,039,713</u>	<u>1,211,579</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>996,585</u>	<u>677,745</u>	<u>1,674,330</u>	<u>1,857,865</u>
NET ASSETS		<u><u>996,585</u></u>	<u><u>677,745</u></u>	<u><u>1,674,330</u></u>	<u><u>1,857,865</u></u>

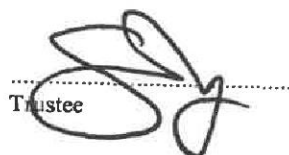
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BROADWATER PAROCHIAL CHURCH COUNCIL

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2020

FUNDS	13		
Unrestricted funds:			
Unrestricted - General		882,678	922,039
Designated - Quinquennial and Audio/Visual		113,907	135,000
		996,585	1,057,039
Restricted funds:			
Restricted - St Mary's Re-ordering		476,534	562,482
Restricted - Parish Youth Work		193,711	238,344
Restricted - Childrens Pastor Salary		7,500	-
		677,745	800,826
TOTAL FUNDS		1,674,330	1,857,865

The financial statements were approved by the Board of Trustees and authorised for issue on 12th May 2021
and were signed on its behalf by:


Trustee

The notes form part of these financial statements

BROADWATER PAROCHIAL CHURCH COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(225,835)	429,554
Net cash (used in)/provided by operating activities		(225,835)	429,554
Cash flows from investing activities			
Other expenses		-	(11,493)
Other income		3,622	8,293
Depreciation		11,669	-
Withdrawals from deposit accounts		238,581	-
Sale/(purchase) of investments		-	(1,003,543)
Interest received		33,220	10,940
Net cash provided by/(used in) investing activities		287,092	(995,803)
Change in cash and cash equivalents in the reporting period		61,257	(566,249)
Cash and cash equivalents at the beginning of the reporting period		151,627	717,876
Cash and cash equivalents at the end of the reporting period		212,884	151,627

The notes form part of these financial statements

BROADWATER PAROCHIAL CHURCH COUNCIL

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(183,535)	419,450
Adjustments for:		
Profit on disposal of fixed assets	(3,622)	(8,293)
Interest received	(33,220)	(10,940)
Decrease in debtors	-	60,026
Decrease in creditors	(5,458)	(30,689)
Net cash (used in)/provided by operations	<u>(225,835)</u>	<u>429,554</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	151,627	61,257	212,884
	<u>151,627</u>	<u>61,257</u>	<u>212,884</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	1,065,412	(238,581)	826,831
	<u>1,065,412</u>	<u>(238,581)</u>	<u>826,831</u>
Total	<u>1,217,039</u>	<u>(177,324)</u>	<u>1,039,715</u>

The notes form part of these financial statements

BROADWATER PAROCHIAL CHURCH COUNCIL

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

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the FRS 102 Charities SORP.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets.

FUND ACCOUNTING

General funds represent the funds of the Parochial Church Council (PCC) that are not subject to any restrictions regarding their use and which are available for application for the general purposes of the PCC.

Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or requested by the PCC for a specific object. The funds may only be expended on the specific object for which they are given. Any balance remaining unspent at the end of the year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

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 owe their main affiliation to another body nor the accounts of church groups of informal gatherings of church members.

INCOMING RESOURCES

Voluntary income and capital sources

- Collections are recognised when received by or on behalf of the PCC.
- Planned giving receivable under covenant is recognised only when received
- Income tax recoverable on covenants or gift aid donations is recognised when the income is received.
- Grants and Legacies to the PCC are accounted for as soon as the amount due is received.
- Funds raised by the fete, garden party and similar events are accounted for gross.
- Sales of books and magazines from the church bookstall are accounted for gross.

Other ordinary income

Rental income from the letting of church premises is recognised when rental is paid.

Income from investments

Dividends and interest are accounted for when received. Tax recoverable on such income is recognised in the same accounting year.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed they are allocated to activities on a basis consistent with the use of resources.

Overheads and salaries are allocated between expense headings on the basis of time spent.

Costs of generating voluntary income comprise the costs associated with attracting voluntary income.

BROADWATER PAROCHIAL CHURCH COUNCIL

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

1. ACCOUNTING POLICIES - continued

RESOURCES EXPENDED

Fundraising trading costs comprise the costs of trading for fundraising purposes.

Church Activities includes those costs incurred by the PCC in the delivery of its objectives and services for the benefit of the parish. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those incurred in connection with the management of PCC's organisational administration and compliance with the constitutional and statutory requirements.

TRANSFER

The Parochial Church Council are permitted to make transfers to correct shortfalls or mis-allocations between funds

TAXATION

The charity is exempt from tax on its charitable activities.

FINANCIAL INSTRUMENT

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognized in the charity balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

BROADWATER PAROCHIAL CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENT

Basic financial liabilities, including creditors, bank loans and loans from fellow group charities that are classified as debt, are initially recognized at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payment discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

2. VOLUNTARY INCOME

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Planned giving	198,078	-	198,078	186,200
Collection at services	7,319	-	7,319	31,402
Donations and appeals	51,382	-	51,382	31,174
Income tax recoverable	57,906	-	57,906	29,368
Grants	12,188	-	12,188	-
Legacies	20,222	-	20,222	544,488
	<u>347,095</u>	<u>-</u>	<u>347,095</u>	<u>822,632</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Room hire	13,111	-	13,111	34,995
Other	400	-	400	45
	<u>13,511</u>	<u>-</u>	<u>13,511</u>	<u>35,040</u>

BROADWATER PAROCHIAL CHURCH COUNCIL

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

4. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Interest received and Rental income	<u>33,220</u>	<u>-</u>	<u>33,220</u>	<u>10,940</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
	Church Activities	£	£
Fees		<u>7,224</u>	<u>7,807</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Church Activities	<u>585,795</u>	<u>2,412</u>	<u>588,207</u>

7. SUPPORT COSTS

	Governance costs
	£
Church Activities	<u>2,412</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

BROADWATER PAROCHIAL CHURCH COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES FROM			
Voluntary income	822,632	-	822,632
Charitable activities			
Church Activities	7,807	-	7,807
Activities for generating funds	35,040	-	35,040
Investment income	10,940	-	10,940
Other income	8,293	-	8,293
Total	884,712	-	884,712
EXPENDITURE ON Charitable activities			
Church Activities	465,262	-	465,262
NET INCOME	419,450	-	419,450
Transfers between funds	62,809	(62,808)	1
Net movement in funds	482,259	(62,808)	419,451
RECONCILIATION OF FUNDS			
Total funds brought forward	574,780	863,634	1,438,414
TOTAL FUNDS CARRIED FORWARD	1,057,039	800,826	1,857,865

BROADWATER PAROCHIAL CHURCH COUNCIL

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Moveable church furnishings £	Equipment £	Totals £
Cost					
At 1 January 2020 and 31 December 2020	634,617	1,291	74,426	29,695	740,029
Depreciation					
At 1 January 2020	-	1,291	62,757	29,695	93,743
Charge for year	-	-	11,669	-	11,669
At 31 December 2020	-	1,291	74,426	29,695	105,412
Net book value					
At 31 December 2020	634,617	-	-	-	634,617
At 31 December 2019	634,617	-	11,669	-	646,286
 Freehold land and property				£	£
Freehold land					
Rear of Queen Street					16,057
Freehold property					
Broadwater centre			1987		140,682
Clergy houses					
67 Normandy Road			1995	93,804	
37 Angola Road			1997	145,698	
53 Lavington Road			2008	238,376	477,878
TOTAL					634,617

53 Lavington Road represents a 68% ownership obtained through an equity share agreement with the Diocese. The original purchase price of this property was £350,000.

BROADWATER PAROCHIAL CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. CURRENT ASSET INVESTMENTS

	2020 £	2019 £
Fixed Rate Interest Deposits	826,831	1,065,412

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other creditors	2	5,460

13. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
Unrestricted - General	922,039	(183,535)	144,174	882,678
Designated - Quinquennial and Audio/Visual	135,000	-	(21,093)	113,907
	1,057,039	(183,535)	123,081	996,585
Restricted funds				
Restricted - St Mary's Re-ordering	562,482	-	(85,948)	476,534
Restricted - Parish Youth Work	238,344	-	(44,633)	193,711
Restricted - Childrens Pastor Salary	-	-	7,500	7,500
	800,826	-	(123,081)	677,745
TOTAL FUNDS	1,857,865	(183,535)	-	1,674,330

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted - General	404,672	(588,207)	(183,535)
TOTAL FUNDS	404,672	(588,207)	(183,535)

BROADWATER PAROCHIAL CHURCH COUNCIL

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

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
Unrestricted - General	549,740	419,450	(47,151)	922,039
Designated - Quinquennial and Audio/Visual	25,040	-	109,960	135,000
	574,780	419,450	62,809	1,057,039
Restricted funds				
Restricted - St Mary's Re-ordering	314,546	-	247,936	562,482
Restricted - PCC Queen Street Land	16,057	-	(16,057)	-
Restricted - PCC Hosanna Team Vicar's House	125,828	-	(125,828)	-
Restricted - St Stephens Rewire fund	807	-	(807)	-
Restricted - St Stephens Children fund	71	-	(71)	-
Restricted - St Stephens BAK Fund	220	-	(220)	-
Restricted - St Stephens Green Hills Trust	317	-	(317)	-
Restricted - St Stephens RL Fund	1,091	-	(1,091)	-
Restricted - Queen Street Youth Work	1,214	-	(1,214)	-
Restricted - St Mary's Our Space	956	-	(956)	-
Restricted - St Stephens ABC fund	187	-	(187)	-
Restricted - St Stephens All Branch fund	520	-	(520)	-
Restricted - St Stephens Messy Church fund	509	-	(509)	-
Restricted - St Stephens RG fund	900	-	(900)	-
Restricted - Parish Youth Work	411	-	237,933	238,344
Restricted - St Mary's Reordering Fund	400,000	-	(400,000)	-
	863,634	-	(62,808)	800,826
TOTAL FUNDS	1,438,414	419,450	1	1,857,865

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted - General	884,712	(465,262)	419,450
TOTAL FUNDS	884,712	(465,262)	419,450

BROADWATER PAROCHIAL CHURCH COUNCIL

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

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
Unrestricted - General	549,740	235,915	97,023	882,678
Designated - Quinquennial and Audio/Visual	25,040	-	88,867	113,907
	574,780	235,915	185,890	996,585
Restricted funds				
Restricted - St Mary's Re-ordering	314,546	-	161,988	476,534
Restricted - PCC Queen Street Land	16,057	-	(16,057)	-
Restricted - PCC Hosanna Team Vicar's House	125,828	-	(125,828)	-
Restricted - St Stephens Rewire fund	807	-	(807)	-
Restricted - St Stephens Children fund	71	-	(71)	-
Restricted - St Stephens BAK Fund	220	-	(220)	-
Restricted - St Stephens Green Hills Trust	317	-	(317)	-
Restricted - St Stephens RL Fund	1,091	-	(1,091)	-
Restricted - Queen Street Youth Work	1,214	-	(1,214)	-
Restricted - St Mary's Our Space	956	-	(956)	-
Restricted - St Stephens ABC fund	187	-	(187)	-
Restricted - St Stephens All Branch fund	520	-	(520)	-
Restricted - St Stephens Messy Church fund	509	-	(509)	-
Restricted - St Stephens RG fund	900	-	(900)	-
Restricted - Parish Youth Work	411	-	193,300	193,711
Restricted - St Mary's Reordering Fund	400,000	-	(400,000)	-
Restricted - Childrens Pastor Salary	-	-	7,500	7,500
	863,634	-	(185,889)	677,745
TOTAL FUNDS	1,438,414	235,915	1	1,674,330

BROADWATER PAROCHIAL CHURCH COUNCIL

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

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted - General	1,289,384	(1,053,469)	235,915
TOTAL FUNDS	<u>1,289,384</u>	<u>(1,053,469)</u>	<u>235,915</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

15. PURPOSE OF FUNDS

Designated funds

Audio Visual Project - upgrading of sound and visual equipment at St Mary's and the Parish.

Quinquennial Fund - maintenance work required on St Mary's Parish Church.

St Stephens Cafe Church - various social and community activities.

Restricted funds

St Mary's Re-ordering - to fund the re-ordering of St Mary's church i.e. the development of the building and fabric to better meet the current and future needs of the church and local community.

Youth Work - a legacy received in 2019 'for Youth Work and for the payment of the salary of a Youth Worker'

BROADWATER PAROCHIAL CHURCH COUNCIL

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES				
Voluntary income				
Planned giving	198,078	-	198,078	186,200
Collection at services	7,319	-	7,319	31,402
Donations and appeals	51,382	-	51,382	31,174
Income tax recoverable	57,906	-	57,906	29,368
Grants	12,188	-	12,188	-
Legacies	20,222	-	20,222	544,488
	<u>347,095</u>	<u>-</u>	<u>347,095</u>	<u>822,632</u>
Activities for generating funds				
Room hire	13,111	-	13,111	34,995
Other	400	-	400	45
	<u>13,511</u>	<u>-</u>	<u>13,511</u>	<u>35,040</u>
Investment income				
Interest received and Rental income	33,220	-	33,220	10,940
Charitable activities				
Fees	7,224	-	7,224	7,807
Other income				
Other income	3,622	-	3,622	8,293
Total incoming resources	<u>404,672</u>	<u>-</u>	<u>404,672</u>	<u>884,712</u>
EXPENDITURE				
Charitable activities				
Missionary and charitable giving	21,824	-	21,824	14,689
Ministry costs	144,430	-	144,430	158,000
Church running expenses	101,967	-	101,967	112,325
Office salaries	106,471	-	106,471	86,903
Carried forward	374,692	-	374,692	371,917

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BROADWATER PAROCHIAL CHURCH COUNCIL

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Charitable activities				
Brought forward	374,692	-	374,692	371,917
Light and heat	18,644	-	18,644	28,807
Maintenance, Security & Repair	63,252	-	63,252	14,581
Administration	6,244	-	6,244	5,800
Insurance	7,060	-	7,060	5,337
Cleaning	-	-	-	85
Depreciation	11,669	-	11,669	15,755
Obligations & subscriptions	1,348	-	1,348	4,060
Training staff	-	-	-	84
St Mary's Re-Ordering	102,886	-	102,886	-
	<u>585,795</u>	<u>-</u>	<u>585,795</u>	<u>446,426</u>
Support costs				
Governance costs				
Accountancy and legal fees	2,412	-	2,412	18,836
	<u>588,207</u>	<u>-</u>	<u>588,207</u>	<u>465,262</u>
Total resources expended				
	<u>588,207</u>	<u>-</u>	<u>588,207</u>	<u>465,262</u>
Net income/(expenditure)	<u>(183,535)</u>	<u>-</u>	<u>(183,535)</u>	<u>419,450</u>

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