

HORNCHURCH PAROCHIAL CHURCH COUNCIL

TRUSTEES' REPORT AND ACCOUNTS

For the year ended 31 December 2022

Parish of Hornchurch - Annual Report and Accounts of The Parochial Church Council

For the year ended 31 December 2022

Trustees' Report to the Members of the Ecclesiastical Parish of Hornchurch St Andrew

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

Reference and Administrative Information

The Parochial Church Council of the Ecclesiastical Parish of Hornchurch St Andrew ("PCC") was registered on 11 March 2010. The PCC is a body corporate governed by The Parochial Church Councils (Powers) Measure (1956) as amended and church representation rules. The Parish of Hornchurch comprises the four churches of St Andrew, St George, St Matthew and Messy Church, which forms part of the Diocese of Chelmsford within the Church of England.

Registered Charity number

1134813

Principal address

222 High Street
Hornchurch
Essex
RM12 6QP

Governance

The Trustees who served during the year and at the date of this report were:

Rev'd K Wylie	Rev'd Dr M Hayward
Rev'd L Bewick	Mrs S Hill (from July 2023)
Rev'd B Baker (Co-opted)	Miss A Jarrett
Mrs C Beech	Mrs J John
Mrs P Bromhall	Mr A Losq (to June 2023)
Mrs J Brooks	Mrs D McCarren (from May 2022)
Mr D Cast (to June 2023)	Mr N McCarren (Vice-Chair)
Mrs P Clark (Secretary)	Mrs M Powell
Mr C Cox	Mr D Reynolds (to May 2022)
Mrs S Cox	Mr J Shearmur
Mr R Dines	Mrs C Sherratt
Mrs K Dunstan	Rev'd M Smeed (from July 2022)
Rev'd S Groombridge (Co-opted)	Mr J Speller (to May 23)
Mr K Green (from May 2022)	Mrs A Tansley
Mr M Harder (to May 2022)	Mrs C Withers
Mrs J Harder (to May 2022)	

Members of the PCC are either ex officio or elected by the Annual Parochial meeting in accordance with the Church Representation Rules or are co-opted. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. Newly elected Trustees are provided with a copy of the Church of England pamphlet "Trusteeship – an introduction to members".

The Standing Committee, comprising the Incumbent, the Wardens, the Treasurer and the PCC Secretary, can be called upon to take decisions on matters requiring immediate attention. Such decisions are later ratified by the PCC.

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Management

Members of the management team at the date of this report were:

Incumbent	Rev'd K Wylie	
Associate Vicar	Rev'd L Bewick	
Curates	Rev'd Dr M Hayward	
	Rev'd M Smeed	
Retired Ministers	Rev'd B Baker	
	Rev'd S Groombridge	
Readers	Mrs C Sherratt	
	Mrs P Bromhall	
Authorised Local Preachers	Mr M Cornish	
	Miss A Jarrett	
Messy Church Co-ordinator	Mrs K Dunstan	
Choirmaster	Mr W Brooks	
Organist	Mr A Losq	
Parish Wardens	Mr N McCarren	
	Mr J Shearmur	
PCC Secretary	Mrs P Clark	
Treasurer	Mr C Cox	
Assistant Treasurer	Mr R Sherratt	
Deanery Synod Representatives	Mrs J Brooks	Mr R Dines
	Mrs K Dunstan	Mrs S Hill
Safeguarding representatives (Young people)	Mrs E Morris	
(Vulnerable adults)	Mrs L Girkin	

Bankers and Professional Advisers

Bankers

Barclays Bank PLC	CCLA Investment Management Ltd
Leicester	Senator House
LE87 2BB	85 Queen Victoria Street
	London EC4V 4ET

Independent Examiner

Steven Lescott F.C.C.A.
Devonports LAS
Incorporated Financial Accountants
10 Station Court
Station Approach
Wickford, Essex SS11 7AT

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Statement of Trustees' Responsibilities

The law applicable to charities in England and Wales, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with Charity SORP (FRS102) small charities, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees are required to –

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with applicable law. 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.

Aim and Purpose

The PCC has the responsibility of co-operating with the incumbent, the Reverend Ken Wylie, in promoting in the Ecclesiastical Parish the whole mission of the Church - pastoral, evangelical, social and ecumenical. It also has maintenance responsibilities for the churches and allied premises within the PCC area.

Objectives and Activities

The PCC is committed to enabling as many people as possible to worship at our churches and to become part of our Parish community. The PCC maintains an overview of worship throughout the Parish and makes suggestions on how our services can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

Public Benefit

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our Parish community through:

- Worship and prayer; learning about the gospel; and developing their knowledge and trust in Jesus
- Provision of pastoral care for people living in the Parish
- Missionary and outreach work

The annual report describes the activities undertaken by the PCC during the year to further, in the opinion of the Trustees, its charitable purposes for public benefit.

The Trustees are of the opinion that they have complied with the duty in section 17 of the Charities Act 2011.

Electoral Roll

In December 2022, there were 310 Parishioners on the Church Electoral Roll, of whom 172 were resident and 138 were not resident within the Parish Boundary. The total represents an increase of three on the figure quoted in the Annual Report for 2021.

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Review of the Year

2022 was a year of further adjustment following the Covid pandemic that had brought about much change and uncertainty in society and church life alike. The year started in uncertainty and some trepidation and ended with a greater sense of routine and normality.

The year had many events that brought things back to a sort of normal. The Passion Play of 2020 was – finally – played and Hornchurch Walk of Witness was held once again on Good Friday which, we hope, will act as a good springboard for the future years. We were delighted to re-open St George's and St Matthew's for services. St George's returned, by the end of the year, with services on three Sundays in each month while at St Matthew's services are on a third Sunday in a month with a service of Holy Communion at 11am and The Well at 3pm. The latter is a new provision designed as an accessible service and while, by the end of the year, there had only been two or three services, these have been well attended, giving hope for the growth of that service.

We also travelled, with the rest of the nation, through the celebrations of the Queen's Jubilee to marking the death of Queen Elizabeth II. Many in the community appreciated the church bells pealing to mark the occasion along with the opportunity of paying personal respects in a service of remembrance the evening before the funeral service.

Christmas 2022 showed how far we had come with a full array of services with no restrictions on numbers aside from individuals' concerns about being in a crowd. So, we had candles in church for Nine Lessons and Carols and for Christmas Eve Midnight Holy Communion; there was a Blue Christmas/Memorial service and Nativity within the Parade service along with a new style of Christingle service held on a Saturday in North Street Hall. Many people commented on church "being back." Central to this was our musical worship and the ministry of the choir and organist, not least in the service of Nine Lessons and Carols.

We continue to be blessed as a church with so many people involved in the mission and ministry of the parish whether it be in serving refreshments, AV provision, stewarding and welcoming at services, helping in the administration of the business of the parish or providing and leading worship. And there are those who do so much in our various expressions of fellowship and worship not limited to the buildings expressed in Eco-Church, Messy Church and in simply being welcomers and carers to one another ensuring that we know what is going on for our community. Also, those who ensure occasional visitors are put at ease to be able to experience the church, whether that be school and student groups or people attending for a baptism, funeral or wedding. Or who take up the invitation to be prayed for by our Healing Prayer Team.

Any church relies on a vast number of volunteers and our parish is no different. Our thanks go to all those who help in so many ways to enable us to be the church we are called to be – too many to name individually. There is always the need for more, either to share the load or to bring fresh giftings to the work of the church.

Our committed leadership team was expanded in 2022 with Mark Smeed arriving as curate, with his family. We look forward to working with him as he grows and develops in his ministry.

Interestingly, much of our growth is in intergenerational models of worship including Messy Church, Parade services and The Well. Although we may have confidence in saying that we welcome all, we also recognise that we have a way to go to provide for all people that come through our doors. While numbers attending our services and other provisions have held up well following the return after Covid we must always be aware of what is needed by those attending so that we can meet people in their needs.

Messy Church in Hornchurch continued meeting in the grounds of St Andrew's Church in 2022, initially as part of a pilot scheme for Messy Church-BRF called 'Messy Church Goes Wild'. The new resource of Bible themed adventures provides opportunities for generations to reflect together on the wonders of the earth and explore the Christian Faith outdoors.

In April, the media team from Messy Church-BRF filmed and photographed one of our outdoor sessions for the launch and promotion of 'Messy Church Goes Wild'. In addition, we hosted a Messy Church-BRF Roadshow in October to explore the new resources with participants from London, Essex, Kent and Norway.

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Review of the Year (continued)

With volunteers from other local churches, the Messy Church team created the Passion Play Easter Trail; an opportunity prior to performances of the Passion Play to explore with our community why it is an important story for Christians to retell and reflect on. Around 200 people attended over the two morning sessions and took part in free storytelling, games, crafts, prayers and activities at each of the five zones relating to the events of Holy Week.

In December, the Messy Church team and families and clergy visited Derham House Care Home staff, sharing the Christmas Story, with Carols, Prayers, and a Christingle cake.

At the end of 2022 Christine Withers retired as Messy Church in Hornchurch Co-ordinator. Under her leadership the all-age community grew, adapted and changed over the past 12 years. Christine has dedicated a massive number of hours to ensure events and activities ran to plan.

The Bridge continued to provide an 'open house', offering a listening ear to all-comers. The Winter Market (with its opportunities for fellowship) made a welcome comeback but, with its long lead time, the Safari summer holiday club (for infants to teenagers) was not able to be held.

The A-V system team, ably led by Peter Carver, are to be congratulated on their work in continuing to use the system effectively; their dedication and expertise has contributed significantly to the mission of the Parish. Services are being streamed through the A-V system from St Andrew's to those who were unable to attend in person, through government regulation or other reasons.

The ministry of music is always well received: Choral Evensong is now back as a regular service on the first Sunday of the month, and over the past year included services for the Jubilee and sadly a service to mark the passing of Her Majesty, Queen Elizabeth II. The annual "Nine Lessons and Carols" service was back to normal this year and for Palm Sunday the choir performed Vivaldi's "Gloria" as our Easter choral celebration. The bellringers had a busy year with 41 Quarters, six Peals and numerous other performances, including marking Queen Elizabeth's Jubilee and passing. We are grateful to everyone who shares their gifts through singing, playing and bell-ringing.

It was with great sadness that we said goodbye to a number of extremely committed and long-standing members of our congregation who passed away in 2022, including: Eileen Cameron, Neil Mackay, Eric Moxon, Betty Peatfield, Margaret Perry, Susan Popkin and Lionel Woods.

Last but not least, we thank our clergy and lay leadership team. We pray that God will continue to bless, inspire and uphold Ken Wylie, Lisa Bewick, Marianne Hayward, Mark Smeed, Barbara Baker, Carole Sherratt, Pat Bromhall, Sonia Groombridge, Christine Withers, Anne Jarrett, Mark Cornish, and Karen Dunstan-

Young people

The Parish of Hornchurch hosts a wide range of groups for Young People, providing for youngsters from babies to eighteen years. There are currently twenty-five groups, including five organised directly by the Church. The other twenty are units of Uniformed Organisations: one Girl's Brigade unit; one Scout Group, with ten sections - three Beaver Colonies, four cub packs and three scout troops; and nine Girlguiding units – two of Rainbows, five of Brownies and two of Guides.

These groups are all led by volunteers, to whom the Parish is grateful for their dedication and for the time they spend in planning and running programmes and activities for their groups, many throughout the year: without their leadership, these groups would not be able to run. Further details of the activities of these groups can be found in the separate annual youth report presented to the APCM and available from the Parish Office.

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Review of the Year (continued)

Volunteers

The Parish of Hornchurch is dependent on the huge number of people involved in church activities in the area.

Volunteers undertake significant roles in the activities of the PCC, ranging from administration, such as assisting with financial recording; leading mother and baby groups; youth activities; prayer, bereavement and support networks; as well as worship. .

The number of volunteers involved during the year, daily, weekly, monthly or annually would be in the region of 100 (nearer 200 in a Safari year), contributing an average of around 2½ hours per week.

The service provided to our local community through church volunteering has a significant impact on people's relationship to the Church particularly at times of crisis. Within this context, the PCC greatly values the considerable time given by all the volunteers across the Parish in pursuit of our mission.

Management of the charity

The full PCC met six times in 2022. All meetings were hosted on Zoom up to April after which meetings were held in St Andrew's Church; the average attendance was 64%. The Standing Committee met regularly, at least monthly, during the year to discuss policy and financial matters. The key matters arising were presented for consideration at the full PCC meetings.

Pay policy for staff

The PCC employs twelve staff (eleven of whom are part-time), working in the roles of cleaner, caretaker, office administration, financial administration and gardener, as well as remunerating the organist. Pay is reviewed annually in the spring and increased according to our means and to ensure these are in excess of minimum wages rates at that time.

The PCC has participated in the NEST pensions scheme from 1 March 2016, 10 months earlier than the statutory staging date. The PCC's contributions have been set at 3% with effect from that date.

The PCC members (who are trustees of the charity) give their time freely and received no remuneration for the year. Details of related party transactions are disclosed in note 10.

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Review of the Year (continued)

Financial Review

During the year, the income and expenditure on unrestricted funds (general and designated) before investment gains were as follows:

	Unrestricted funds		2022	Unrestricted funds		2021
	General	Designated	Total	General	Designated	Total
	£	£	£	£	£	£
Income	301,093	2,817	303,910	290,294	3,367	293,661
Expenditure	<u>301,373</u>	<u>1,504</u>	<u>302,877</u>	<u>305,188</u>	<u>1,473</u>	<u>306,661</u>
Net (expenditure)/income	<u>(280)</u>	<u>1,313</u>	<u>1,033</u>	<u>(14,894)</u>	<u>1,894</u>	<u>(13,000)</u>

General income, at £301,093 (2021: £290,294) increased by £10,799. Planned giving reduced by £1,061, while collections at all services increased, by £3,464. Although donations were down by £10,384, the level of donations in 2020 and 2021 was significantly higher than in prior years, reflecting donors' concern about the collapse in income from various sources in those years. Hall lettings increased by £17,674, returning to the levels of 2019 and previously. The Government's Coronavirus Job Retention Scheme, having closed in September 2021, reduced its contribution to income by £10,298 compared with the previous year.

General expenditure of £301,373 (2021: £305,188) reduced by £3,815 arising mainly from a small reduction in repair expenditure.

The operational financial performance of the Parish, a deficit of £280, was virtually at break even, and therefore sufficient to enable the Parish Share of Diocesan costs of £163,512 (2021: £153,023) to be paid in full from income, despite the increase of £10,489 in Share in the year.

The increase in Parish Share arose from the withdrawal in September 2021 of the Vacancy credit of £19,161 given to the Parish by the Diocese while we did not have an Associate Vicar.

As noted last year, lockdown had caused the normal pattern of giving to be turned upside down as regular giving, which has been the mainstay of our income for many years, fell away sharply and alternative methods of giving were used, including cheques and bank transfers instead of cash.

Justgiving has become a valuable source of income, while the Parish Giving Scheme (PGS) saw an increase in regular donors such that in future years this appears to be the primary source of giving for the Parish. PGS is not only administratively beneficial but also has improved the PCC's cash flow. St Andrew's installation of a "contactless" device assists those who no longer carry cash to continue to give.

The PCC is grateful to all those parishioners who were able to increase their giving in 2022. An unrestricted legacy of £500 was gratefully received from the estate of Eileen Cameron.

Expenses have been kept under scrutiny by the Standing Committee.

It remains vitally important that the Parish continues to consider the stewardship of its financial resources and how it might increase its planned giving income in future years.

We are grateful to the office staff who continued to adapt their working practices and working hours to such effect that the Parish office was always available during normal office hours.

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Review of the Year (continued)

Reserves Policy

It is PCC policy to maintain “free” reserves (that is, unrestricted reserves which are not designated for a specific purpose) which are equivalent to two to three months of average unrestricted payments, which is currently equivalent to a reserve of between £50,000 and £75,000, in order to smooth out fluctuations in cash flow and to meet unexpected items of expenditure. At 31 December 2022, “free” reserves for this purpose on the unrestricted general fund were exhausted by the prior years’ deficits and the designated legacy fund held £64,070, below the top of this range. However, the £120,000 unrestricted bequest received in 2019 has been earmarked by the PCC as an emergency fund against the potential future deficits on unrestricted general funds caused by a reduction in income which might arise from the economic uncertainties referred to in the financial review and any significant expenditure which might arise on St Andrew’s church.

The remaining designated funds are held: to prepare for the periodic major servicing of the organ; and to support the work of the committees who organize, on behalf of the PCC, Summer Safari, the Magazine, the Bookstall and Messy Church. Details of unrestricted funds, including those which are designated, are given in note 8 (a) to the financial statements. Details of restricted funds, including the purposes for which they are held, and endowment funds are given in notes 8 (b) and 8 (c) respectively.

The future: 2023 and the impact of the current economic climate

The outlook for Britain’s economy in 2023 and 2024 is very uncertain, and in particular, the impact of continuing high levels of inflation and interest rates.

The designation of legacies and the bequest will allow these funds to be held in reserve to further the mission of our Parish in 2023 and beyond.

The Annual Report was approved by the Parochial Church Council on 13 July 2023 and signed on 24 July 2023 on its behalf by:

The Reverend Kenneth Wylie

Chair of Council, Vicar

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Independent Examiner's Report to the Trustees of the Parochial Church Council Of the Ecclesiastical Parish of Hornchurch St Andrew

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2022 which are set out on pages 10 to 22.

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 the Association of Chartered Certified Accountants, 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.

Signed

Steven W Lescott FCCA

Chartered Certified Accountant

10 Station Court
Station Approach
Wickford
Essex
SS11 7AT

Date: 24 July 2023

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Statement of Financial Activities – Year ended 31 December 2022

	Note	Unrestricted General Fund	Unrestricted Designated Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
		£	£	£	£	£	£
Income and endowments							
Voluntary income	2(a)	155,318	500	206	-	156,024	163,415
Church activities	2(b)	90,540	1,367	19,453	-	111,360	88,624
Income from investments	2(c)	52,097	-	-	-	52,097	49,822
Activities for generating funds	2(d)	3,138	950	-	-	4,088	1,212
Coronavirus Job Retention Scheme Grant	2(d)	-	-	-	-	-	10,298
Total income		301,093	2,817	19,659	-	323,569	313,371
Expenditure on							
Church activities	3(a)	300,526	1,504	20,346	-	321,400	329,665
Fundraising costs	3(b)	847	-	-	-	847	855
Total expenditure		(301,373)	(1,504)	(20,346)	-	(322,247)	(330,520)
Net income/(expenditure) before investment gains/(losses)		(280)	1,313	(687)	-	346	(17,179)
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)							
Gains/(losses) on revaluation of fixed assets		-	(125)	(5,174)	-	(5,299)	5,079
Net income/(expenditure)		(280)	1,188	(5,861)	-	(4,953)	(12,070)
Reconciliation of funds:							
Balances Brought Forward 1 January 2022		-	1,795,569	200,712	10,654	2,006,935	2,019,005
Balance Carried Forward 31 December 2022		(280)	1,796,757	194,851	10,654	2,001,982	2,006,935

The notes on pages 12 to 22 form part of these accounts.

The detailed comparative figures, showing the Statement of Financial Activities for the year ended 31 December 2021, are set out in note 12.

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Balance Sheet – 31 December 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5(a)	1,577,500	1,577,500
Investments	5(b)	<u>37,377</u>	<u>42,676</u>
		1,614,877	1,620,176
CURRENT ASSETS			
Debtors and prepayments	6	37,049	27,739
Short term deposits		292,433	313,432
Cash at bank and in hand		<u>104,530</u>	<u>102,765</u>
		434,012	443,936
LIABILITIES			
Creditors: amounts falling due within one year	7	<u>(46,907)</u>	<u>(57,177)</u>
Net Current Assets		387,105	386,759
TOTAL ASSETS LESS CURRENT LIABILITIES			
		2,001,982	2,006,935
TOTAL NET ASSETS			
		<u>2,001,982</u>	<u>2,006,935</u>
FUNDS			
Unrestricted funds	8(a)	1,796,477	1,795,569
Restricted funds	8(b)	194,851	200,712
Endowments funds	8(c)	<u>10,654</u>	<u>10,654</u>
TOTAL FUNDS	9	<u>2,001,982</u>	<u>2,006,935</u>

The notes on pages 12 to 22 form part of these accounts.

Approved by the Parochial Church Council on 13 July 2021 and signed on 24 July 2023 on its behalf by:

Rev'd Kenneth Wylie
Chair of Hornchurch Parochial Church Council

Mr Nigel McCarren
Trustee

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Notes to the Financial Statements

1. Accounting policies

a. Accounting Convention

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the regulations' "true and fair view" provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities ("SORP (FRS102)"). The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at fair value.

The SORP (FRS102) requires expenditure to be reported on an activity basis to show how the charity has used its resources to further its charitable aims for the public benefit. However, as the charity is below the charity audit level threshold, it has opted to report expenditure by the nature of the expenditure rather than on an activity basis, as permitted by section 4.27 of SORP.

The Financial Statements include all transactions, assets and liabilities for which the PCC is liable in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b. Funds Accounting

Funds held by the PCC are:

Unrestricted – these represent income funds which can be used for general purposes of the PCC purposes, including amounts designated by the PCC for fixed assets for its own use or for spending on a future project and which are therefore not included in its "free reserves" as disclosed in the trustees' report.

Restricted – These are funds that must be spent on the restricted purposes for which they were given: (i) income from trusts or endowments which can be expended only on those objects specified in the terms of the trust or bequest; (ii) donations or grants received for a specific purpose or invited by the PCC for a specific object.

Endowments – Unless specified otherwise when the endowment was established, the income generated by these funds can be used for restricted or unrestricted purposes but the trust capital must be retained permanently.

c. Income and endowments

Recognition of income and endowments

These are included in the Statement of Financial Activities (SOFA) when: the PCC becomes legally entitled to the use of the resources; and the inflow of economic benefit is probable; and the monetary value can be measured with sufficient reliability. Income from events, etc., is reported before any related costs that may have been deducted from the gross proceeds.

Grants and donations

Grants and donations are included in the SOFA when any preconditions preventing their use by the PCC have been met. For collections and planned giving this is when the funds are received.

Gift Aid Tax claims, etc., on cash donations

Gift Aid and other tax claims are included in the SOFA at the same time as the cash donations to which they relate.

Income from Investments

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Gains and Losses on Investments

Realised Gains or Losses are recognised when the investments are sold.

Unrealised Gains and Losses are accounted for on revaluation at bid value as at 31 December of the year of account.

Rental income

Rental income from lettings is recognized when the rental is due.

d. Expenditure and liabilities

Liabilities are recognized as soon as there is a legal or constructive obligation and settlement is probable and quantifiable.

Grants

Grants and Donations are recognised when paid or when awarded where the award constitutes a binding obligation on the PCC.

Church Activities

The Diocesan Parish Share is accounted for when paid. Any contribution deemed to be unpaid at 31 December is not provided for in these accounts.

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Notes to the Financial Statements (continued)

1. Accounting policies (continued)

e. Tangible fixed assets for use by the charity

Consecrated and Benefice Property is excluded from the Accounts by S.10 (2) (a) and (c) of The Charities Act 2011.

Moveable church furnishings are not included in the accounts unless sufficient cost information is available but all items are included in the Church's inventory.

All expenditure on consecrated or benefice buildings and other fixed assets costing under £1,000 are written off in the year they are incurred.

Depreciation

Depreciation is calculated to write down the cost of tangible fixed assets, excluding freehold buildings, over their expected useful lives. The rates applicable are:

Land	Nil
Buildings	Nil*
Fixtures & Fittings	25% Straight Line
Computer Equipment	30% Straight Line

*No depreciation is provided on freehold buildings as the currently estimated residual value of the properties is not less than their carrying value and the remaining useful life of these assets currently exceeds 50 years, so that any depreciation charges would not be material. An impairment review is carried out annually and any resultant loss identified in expenditure for the year.

f. Current Assets

Amounts owing to the PCC at 31 December for fees, rents or other income are shown as debtors. This figure would be reduced by any provision deemed necessary to cover bad or doubtful debts

Short Term Deposits include cash held on deposit with CBF Church of England Funds or with Barclays Bank.

g. Donated services, goods and facilities

Donated services, goods or facilities are included in incoming resources (and at the same time in resources expended) at the estimated fair value of the services, goods or facilities received.

h. Fees collected by the PCC in an agency capacity

A proportion of the fees collected by the PCC for weddings and funerals is considered under SORP to be collected by the PCC as an intermediary and these fees do not count towards PCC income and should not be included in the PCC's financial statements if the money is paid over in full directly to those involved. Such fees include the fees belonging to the Diocesan Board of Finance and those collected for the services, for example, of bell ringers, organists and vergers. Similarly, the PCC will from time to time collect money for other charities in a public place or in church services; under SORP, these monies are also considered to be collected by the PCC as agent for the charity concerned and are not included in the financial statements. Reference is made to these collections in the Annual Report.

i. Going Concern

The trustees have prepared the accounts on a going concern basis and, having regard to a period exceeding twelve months after the balance sheet date, are satisfied that this basis continues to be appropriate.

Parish of Hornchurch - Annual Report and Accounts of The Parochial Church Council

For the year ended 31 December 2022

Notes to the Financial Statements (continued)

2. Income and endowments

	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£	£
(a) Voluntary income						
Planned giving	100,604	-	-	-	100,604	101,665
Collections at all services	10,664	-	-	-	10,664	7,200
Donations and appeals	17,709	-	206	-	17,915	28,299
Income tax recoverable	26,341	-	-	-	26,341	25,251
Legacies	-	500	-	-	500	1,000
	<u>155,318</u>	<u>500</u>	<u>206</u>	<u>-</u>	<u>156,024</u>	<u>163,415</u>
(b) Income from church activities						
Letting of Church halls	74,393	-	-	-	74,393	56,719
Fees from weddings and funerals	16,147	1,127	373	-	17,647	12,281
Summer Safari	-	-	-	-	-	-
Messy Church	-	240	-	-	240	544
Grant – Churchyard Trust (note 4)	-	-	19,080	-	19,080	19,080
	<u>90,540</u>	<u>1,367</u>	<u>19,453</u>	<u>-</u>	<u>111,360</u>	<u>88,624</u>
(c) Income from investments						
Dividends and interest	5,326	-	-	-	5,326	1,709
Letting of houses	35,990	-	-	-	35,990	36,713
Other letting income	10,781	-	-	-	10,781	11,400
	<u>52,097</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,097</u>	<u>49,822</u>
(d) Activities for generating funds						
Fetes, bazaars and other events	3,138	-	-	-	3,138	-
Parish magazine advertising	-	861	-	-	861	1,179
Bookstall	-	89	-	-	89	33
	<u>3,138</u>	<u>950</u>	<u>-</u>	<u>-</u>	<u>4,088</u>	<u>1,212</u>
(e) Coronavirus Job Retention Scheme Grant (note 4)						
	-	-	-	-	-	10,298
Total Income	<u>301,093</u>	<u>2,817</u>	<u>19,659</u>	<u>-</u>	<u>323,569</u>	<u>313,371</u>

For the year ended 31 December 2022

3. Expenditure

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Parish of Hornchurch - Annual Report and Accounts of The Parochial Church Council

For the year ended 31 December 2022

Notes to the Financial Statements (continued)

3. Expenditure (continued)

(e) Diocesan Parish Share

	2022	2021
	£	£
Gross Diocesan Share from the parish	180,188	181,086
Less: Special credit	(4,200)	-
Less: Fees credit	(1,508)	(4,782)
Net assessment	174,480	176,304
Discount	(1,788)	-
Housing credit	(9,180)	(4,120)
Prolonged vacancy credit	-	(19,161)
	<u>163,512</u>	<u>153,023</u>

(f) Support costs

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£	£
Support costs (included above)	<u>26,200</u>	<u>-</u>	<u>-</u>	<u>26,200</u>	<u>25,500</u>

4. Staff costs and Coronavirus Job Retention Scheme Grant

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£	£
Wages and Salaries	56,942	-	18,621	75,563	74,383
Employer's pension contribution	<u>478</u>	<u>-</u>	<u>459</u>	<u>937</u>	<u>821</u>
	<u>57,420</u>	<u>-</u>	<u>19,080</u>	<u>76,500</u>	<u>75,204</u>

The average number of full-time equivalent employees in administrative and support roles during the year was four (2021: four). During the year there were no employees who earned £60,000 or more. St. Andrews (Hornchurch) Churchyard Maintenance Trust (note 10) makes a grant to the PCC to support the expenditure on maintaining the churchyard, including the wages of the gardener. The grant and expenditure set against it are included in note 8 (b). At 31 December 2022, four eligible staff members were enrolled in the NEST pension scheme (2021: four). The PCC is not required to make Employers' National Insurance contributions as its liability falls below the minimum level at which contributions are payable.

The Coronavirus Job Retention Grant Scheme

The Coronavirus Job Retention grant scheme was introduced in March 2020, when the first pandemic "lockdown" regulations came into force, to support organisations which were not able to open (including churches). The scheme was introduced to enable the Government to pay part of furloughed employees' salaries and potentially to protect employees from redundancy. The scheme ended in September 2021. The PCC received grants from the scheme amounting to £10,298 for the period January to September 2021 (2020 for the period March to December) in respect of those of its staff who were on temporary leave (known as "furlough"). As required under SORP, these grants have been shown as Income in the Statement of Financial Activities on page 10.

Parish of Hornchurch - Annual Report and Accounts of The Parochial Church Council

For the year ended 31 December 2022

Notes to the Financial Statements (continued)

5. Fixed assets

(a)	Freehold Land and Buildings			2022 Total £	2021 Total £
	Halls	Curate Houses	Fixtures, fittings and equipment		
	£	£	£		
Tangible assets					
Cost					
At 1 January 2022	795,000	782,500	20,063	1,597,563	1,597,563
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2022	<u>795,000</u>	<u>782,500</u>	<u>20,063</u>	<u>1,597,563</u>	<u>1,597,563</u>
Depreciation					
Accumulated depreciation at 1 January 2022	-	-	20,063	20,063	20,063
Charge for year	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-
Accumulated depreciation at 31 December 2022	<u>-</u>	<u>-</u>	<u>20,063</u>	<u>20,063</u>	<u>20,063</u>
Net book value:					
At 31 December 2022	<u>795,000</u>	<u>782,500</u>	<u>-</u>	<u>1,577,500</u>	<u>1,577,500</u>
At 31 December 2021	<u>795,000</u>	<u>782,500</u>	<u>-</u>	<u>1,577,500</u>	

The freehold land and buildings comprise the Halls and Premises located at North Street, Hornchurch, together with the curates' houses at Burnway, Chelmsford Drive and Kenilworth Gardens.

The North Street Halls site is shown at cost which, as permitted by SORP, was the deemed cost under FRS 15 transitional provisions, under which the property's 2013 valuation has not been updated.

The three curates' houses are also shown at cost under the same provisions noted above, under which the 2014 valuations of the properties have not been updated.

Parish of Hornchurch - Annual Report and Accounts of The Parochial Church Council

For the year ended 31 December 2022

Notes to the Financial Statements (continued)

5. Fixed assets (continued)

(b) Movement in fixed asset investments	2022	2021
	£	£
Market value brought forward at 1 January 2022	42,676	37,597
Add gain/deduct (loss) on revaluation	(5,299)	5,079
Market value at 31 December 2022	37,377	42,676
Investments at market value comprised Collective investment Schemes (COIF Charities Ethical Investment Fund)	37,377	42,676
Total	37,377	42,676
Market value of unrestricted investments at 31 December 2022	881	1,006
Market value of restricted investments at 31 December 2022	36,496	41,670
	37,377	42,676

6. Debtors and prepayments

	2022	2021
	£	£
Income Tax Recoverable	20,080	21,255
Other debtors	14,732	5,036
Prepayments and Accrued Income	2,237	1,448
	37,049	27,739

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For the year ended 31 December 2022

Notes to the Financial Statements (continued)

7. Liabilities

	2022	2021
Amounts falling due within one year:	£	£
Accruals and Deferred income	17,716	23,331
Trade creditors	9,448	13,734
Other creditors	19,743	20,112
	<u>46,907</u>	<u>57,177</u>

8. Statement of fund movements

	Balance brought forward	Income	Expenditure	Revaluation Gain(Loss)	Transfers	Balance carried forward
	£	£	£	£	£	£
Unrestricted) Funds (see (a) below)	1,795,569	303,910	(302,877)	(125)	-	1,796,477
Restricted Funds (see (b) below)	200,712	19,659	(20,346)	(5,174)	-	194,851
Endowment Funds (see (c) below)	10,654	-	-	-	-	10,654
	<u>2,006,935</u>	<u>323,569</u>	<u>(323,223)</u>	<u>(5,299)</u>	<u>-</u>	<u>2,00,031</u>

(a) Unrestricted Funds

General Funds	-	301,093	(301,373)	-	-	(280)
Legacies	63,570	500	-	-	-	64,070
Bequest	120,000	-	-	-	-	120,000
Organ & choir, music	23,530	1,127	(976)	-	-	23,681
Summer Safari	1,849	-	-	-	-	1,849
Magazine	3,030	861	(48)	-	-	3,843
Bookstall	2,491	89	-	-	-	2,580
Messy Church	2,048	240	(480)	-	-	1,809
Unrealised gain/(loss) on valuation	1,579,051	-	-	(125)	-	1,578,926
	<u>1,795,569</u>	<u>303,910</u>	<u>(302,877)</u>	<u>(125)</u>	<u>-</u>	<u>1,796,477</u>

Parish of Hornchurch - Annual Report and Accounts of The Parochial Church Council

For the year ended 31 December 2022

Notes to the Financial Statements (continued)

8. Statement of funds (continued)

	Balance brought forward	Income	Expenditure	Revaluation Gain(Loss)	Transfers	Balance carried forward
	£	£	£	£	£	£
(b) Restricted Funds						
Church Fabric/Restoration	28,144	373	-	-	-	28,517
St Andrew's Roof Appeal 2011	33,256	-	-	-	-	33,256
Bells	1,130	-	-	-	-	1,130
Organ Fund 2011	19,336	100	-	-	-	19,436
Sheila Jigins legacy (Mission and Fabric)	50,794	-	-	-	-	50,794
Mrs E Burton legacy (Choir & Music)	9,199	-	-	-	-	9,199
Dorothy Dines legacy (Choir)	808	-	(73)	-	-	735
F J Black (TimeOut)	593	-	-	-	-	593
Impact and youth work	133	-	-	-	-	133
CYT grant (note 4)	1,039	19,080	(20,119)	-	-	-
Choir Lighting	2,785	-	(37)	-	-	2,748
The Fold (Messy Church)	6,054	-	-	-	-	6,054
Mrs J Sheppard (St Matthew's prayer & hymn books)	1,000	-	-	-	-	1,000
St Matthew's Books	239	-	-	-	-	239
L A Gillingham (Flowers)	202	-	-	-	-	202
V & LE Jackson and H Warren (Choir)	419	-	(15)	-	-	404
H Smith (Flowers)	102	-	-	-	-	102
C Braithwaite (Fabric)	2,307	-	-	-	-	2,307
Mrs I M Parry (Education)	1,000	-	-	-	-	1,000
Children's Society	26	106	(102)	-	-	30
Other charity collections	35	-	-	-	-	35
Brenda Newlyn (Ramp & crosses)	301	-	-	-	-	301
Unrealised gain on investments	41,810	-	-	(5,174)	-	36,636
	<u>200,712</u>	<u>19,659</u>	<u>(20,346)</u>	<u>(5,174)</u>	<u>-</u>	<u>194,851</u>

Parish of Hornchurch - Annual Report and Accounts of The Parochial Church Council

For the year ended 31 December 2022

Notes to the Financial Statements (continued)

8. Statement of funds (continued)

	Balance brought forward	Income	Expenditure	Revaluation Gain(Loss)	Transfers	Balance carried forward
	£	£	£	£	£	£
(c) Endowment Funds						
Mrs Herapath	8,581	-	-	-	-	8,581
Talbot Gibbs Charity	1,540	-	-	-	-	1,540
William Gogney	533	-	-	-	-	533
	<u>10,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,654</u>

9. Analysis of net assets by fund

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£	£
Fixed Assets	1,577,500	37,377	-	1,614,877	1,620,176
Current Assets	265,844	157,474	10,654	434,012	443,936
Current Liabilities	<u>(46,907)</u>	<u>-</u>	<u>-</u>	<u>(46,907)</u>	<u>(57,177)</u>
	<u>1,796,477</u>	<u>194,851</u>	<u>10,654</u>	<u>2,001,982</u>	<u>2,006,935</u>

10. Related party disclosures

The PCC is associated with St. Andrews (Hornchurch) Churchyard Maintenance Trust (Registered Charity no 295658) by means of mutual Trustees, Rev'd K Wylie, Mr J Shearmur and Mr N McCarren. Its objective is that the income of the Trust Fund shall be applied in maintaining the churchyard in good order and repair including providing and/or maintaining equipment necessary for such maintenance and providing stock. In September 2018, the member of staff transferred employment to the PCC from St. Andrews (Hornchurch) Churchyard Maintenance Trust (note 4), which makes a grant to the PCC to support the additional expenditure (note 8 (b)). There were no balances outstanding between the PCC and St. Andrews (Hornchurch) Churchyard Maintenance Trust as at 31 December 2022 (2021: none).

No Trustees received any remuneration for services as members of the PCC, but a total of £4,215 (2021 £2,713) was paid, reimbursed or waived in respect of seven (2021: five) members of the PCC for fees or expenses relating to weddings, funerals, travel and housing costs.

Unconditional donations that have been identified as emanating from related parties, including members of the PCC, amounted to £35,517.

The Organist, Mr A Losq, a member of Deanery Synod and therefore ex officio a PCC trustee, was paid £3,809 (2021 £5,852), which is included in the staff costs figures in note 4. The PCC received £2,948 from the Coronavirus Job Retention Scheme in 2021 while Mr Losq was on furlough.

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For the year ended 31 December 2022

Notes to the Financial Statements (continued)

12. Comparative figures for the Statement of Financial Activities

SORP (FRS102) requires that the Statement of Financial Activities should show comparative figures for every item shown therein. The PCC has taken the option of showing these figures, for the year ended 31 December 2021, in a note to the accounts as set out below.

	Note	Unrestricted General Fund	Unrestricted Designated Funds	Restricted Funds	Endowment Funds	Total 2021
Income and endowments		£	£	£	£	£
Voluntary income	2(a)	162,110	1,000	205	-	163,415
Church activities	2(b)	68,064	1,115	19,405	-	88,624
Income from investments	2(c)	49,822	-	-	-	49,822
Activities for generating funds	2(d)	-	1,212	-	-	1,212
Coronavirus Job Retention Scheme Grant	4	10,298	-	-	-	10,298
Total income		290,294	3,367	19,710	-	313,371
Expenditure on						
Church activities	3(a)	304,333	1,473	23,859	-	329,655
Fundraising costs	3(b)	855	-	-	-	855
Total expenditure		(305,188)	(1,473)	(23,859)	-	(330,520)
Net income/(expenditure) before investment gains		(14,894)	1,894	(4,149)	-	(17,149)
Transfers between funds		14,894	(14,894)	-	-	-
Other recognised gains/(losses)						
Gains/(losses) on revaluation of fixed assets		-	120	4,959	-	5,079
Net income/(expenditure)		-	(12,880)	810	-	(12,070)
Reconciliation of funds:						
Balances Brought Forward 1 January 2021		-	1,808,449	199,902	10,654	2019,005
Balance Carried Forward 31 December 2021		-	1,795,569	200,712	10,654	2,006,935