

**PAROCHIAL CHURCH COUNCIL
OF HOLY SAVIOUR, BITTERNE**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

CHARITY NO: 1157949

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

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PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

TRUSTEES' ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2020**

The trustees present their Annual Report and Financial Statements of the Parochial Church Council of Holy Saviour, Bitterne for the year ended 31 December 2020.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Holy Saviour, Bitterne is part of the Diocese of Winchester within the Church of England.

Charity Name: Parochial Church Council of Holy Saviour, Bitterne

Charity Registration Number: 1157949

Correspondence Address: 14 Taunton Drive
Southampton
SO18 5BU

Parochial Church Council Trustees

The Parochial Church Council of Holy Saviour, Bitterne is a Charity which was registered at the Charity Commission on 22 July 2014 under Charity Number 1157949. The Parochial Church Council of Holy Saviour, Bitterne is administered and managed by "Church Council Trustees". Trustees of the Church Council are either ex officio, were elected by the Annual Parochial Church Meeting on 18 October 2020, in accordance with the Church Representation Rules, or co-opted by the Trustees during the year.

All those who worship with us are encouraged to join the Electoral Roll. They are then entitled to attend and vote at the Annual Parochial Church Meeting and stand for election to the Parochial Church Council.

During the period the following served as Parochial Church Council Trustees:

Vicar:	Rev'd. Tony Palmer	Chairman
Churchwardens:	Brian Gaffney Gareth Wood	
Deacon:	Rev'd Janet Parfitt	Until September 2020
Licensed Lay Ministers:	Kim Baillie Jane Fisher	
Licensed Lay Worker:	Amanda Wood	
Deanery Synod Members:	Phil Robinson Stephen Spencer Amanda Wood	

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

TRUSTEES' ANNUAL REPORT
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Elected Trustees from January 2020 to October 2020:

There are potentially fifteen elected trustees:

3 years	2 years	1 year
Ann Cousins	Andrew Binns	Katherine Cooper
Adrian Jacobs	Alison Large	Robin Francis
Roger Moran	Claire Moore	Sandra Gaffney
Bryony Sawers	Sandra Payne	Simon Gomm
Ric Wood	Sue Reynolds	Kevin Sawers

Elected Trustees from October 2020:

There are potentially fifteen elected trustees, but only 14 were elected at the APCM:

3 years	2 years	1 year
Joanne Ayres-Proctor	Ann Cousins	Andrew Binns
Rebecca Baillie	Adrian Jacobs	Alison Large
Katherine Cooper	Roger Moran	Claire Moore
Lucy Gwyn	Bryony Sawers	Sandra Payne
Kevin Sawers	Ric Wood	Sue Reynolds

Our Advisors:

Independent Examiner: Abraham & Dobell
230 Shirley Road
Southampton
SO15 3HR

Bankers: HSBC
55 Above Bar Street
Southampton
SO14 7DZ

Investment Managers: CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Epworth Investment Management Ltd
9 Bonhill Street
Shoreditch
London
EC2A 4PE

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

The Parochial Church Council of Holy Saviour, Bitterne, has the responsibility in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance and financial responsibilities for Holy Saviour Church and other buildings on site.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

Church Membership and Attendance

The total number of members on the Electoral Roll as at 31 December 2020 was 183 detailed as follows:

- 86 living inside the Parish
- 97 living outside the Parish

With the restrictions placed upon us due to the COVID-19 pandemic, in person services have been infrequent in the last period since October. We made a decision to encourage people to stay home and stay safe, even though worship was permitted during the tiered system that was introduced in the Autumn. Therefore, this year our annual attendance statistics look very different. We have shifted from in person to church at home live on YouTube and Facebook as well as a midweek audio telephone service too. Our average weekly viewing figures and engagements online are 585 per week, with some adjustments made for those we know who watch multiple services on a Sunday, of course this is only a partial figure as it doesn't identify how many people were watching each view, it could have been a couple, a whole family or just an individual. All that to say, we have seen a huge growth in our weekly reach through the online provision – something that can only be built upon as things develop further. Over Christmas we were able to hold some ticketed in-person services and welcomed 362 people to Holy Saviour over the 24hour Christmas period, with many others joining in online too.

ACHIEVEMENTS AND PERFORMANCE

The full Parochial Church Council held six meetings during the year mostly via Zoom.

Some of the significant items discussed and/or implemented by the council are as follows:

Regular reports were considered by PCC from the Property Working Group:

- The group have been unable to meet during lockdown, but meetings will resume in January.
- The soakaway has been completed.
- Site inspections have been made with outside inspections completed.
- General maintenance continued throughout the year.
- Some aspects have been overtaken by Site Redevelopment.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

TRUSTEES' ANNUAL REPORT
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

PCC discussed the following:

- Barry Brand was appointed as **Children & Youth Minister** in January.
- Fiona Hutchings was appointed as our **Financial Administrator** for **Site Redevelopment**. Initially preparing for change of banking processes due to Parish Giving contributions.
- She will prioritise grant applications and ensure that finances for the project are kept in order.
- The **Site Redevelopment Group** was split into two groups. The **Building Implementation Group** will be responsible for the practicalities of the project. The **Site Redevelopment Group** will continue to market and sell the land.
- Phil Robinson gave regular reports from the **Deanery Synod meetings** who continued to meet via Zoom during lockdown.
- The **Shed Club** received a loan from the Ecclesiastical Trust and acquired a container to create new accommodation.
- Lucy Gwyn replaced Sandra Payne as **Treasurer** on 1 May.
- Paul James, (Caretaker) Lamai Kidder (Cleaner) and Ida Colella (Administrator) were **furloughed** from 1st March.
- A review of **PCC Structure** was discussed.
- Caretaker and Administrator were made **redundant** from the end of August, and cleaner was **recalled** from 27 July.
- Katie Donnelly stepped down as **Foundation Governor** at Bitterne Primary School, and Stephen Spencer has filled the position.
- A huge amount of work was done, specifically by Tony to ensure that as many **Christmas Services** and activities were available for everyone.

Regular reports were brought to the PCC by the Site Redevelopment Group who are working extremely hard on our behalf, meeting regularly.

Of particular note:

- The SRG has worked with professionals (architect, structural, electrical and mechanical engineers) throughout the year, to prepare for Site Redevelopment.
- Earlier in the year we applied for a faculty from the Diocese, which is a repeat of the application to SCC including supplying fully costed design. This took seven months to achieve final approval.
- Tenders were requested from vetted builders and PCC agreed a choice of contractor, Mountjoy Ltd. for stage 1 of the project.
- SRG continued to negotiate collaboration on land sale, but this has been protracted.
- A three-month congregational consultation regarding the choice of flexible seating for the worship area was undertaken and a padded seat squab was the desired outcome.
- Discussions regarding re-siting the church office from the current position to some place in Holy Saviour, not affected by land sale.
- The process for obtaining a Post Office delivery site for Holy Saviour (which has stood since 1853) proved to be a problem as it has never had a delivery point.
- Negotiations with SCC regarding the Lebanese Cedar in the corner of the graveyard have been ongoing.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Regular reports were brought to the PCC by Barry Brand the Children and Youth Minister who reported on the challenge as to how to stay in touch with children and families.

- At Easter we gave out goodybags full of crafts, activities, sweets and an Easter book.
- We started an online show each weekday morning on Facebook and YouTube called 'Bearded Barry's Church TV (BBCTV)' which ran for over 70 episodes. This included games, craft, jokes, prayer, bible story and talk. Children and families would comment in live so it was very much interactive.
- We also started an online after school club on a Wednesday called 'Ignite' which is still running in a similar format.
- We created and gave out over 40 'Messy Church in a Pizza Box' sets of crafts, activities, books, sweets, bubbles and everything you needed to do each craft including materials, scissors, glue, tape pens and pencils.
- Hiz Kidz has changed its name to The Furnace which runs on the first and third Sundays at 9.30am on Zoom and continue to do so seeing an average of 28 children and 36 at the highest.
- We started running Messy Church online on the 4th Saturday of the month.
- He and Tony have been recording Collective Worships each week for Bitterne school. They also recorded Easter, Yr6 Leavers, Harvest and Christmas services for them. At Christmas we ran a Nativity Treasure Trail around a few streets close to the church.
- We were able to run our Christmas Eve family services, three in total which were all ticketed for safety and was great to be back in church albeit briefly.
- We have started to work with the charity 'TLG' (Transforming Lives for Good). We put together some Boxes of Hope which included food, treats and essentials. These were given to families in need who got in touch with help from the School. We did this at Easter, Summer holidays and Christmas as well as Easter 2021. We are also in the process of running TLG's Early Intervention where a team will go in to Bitterne school and buddy up with individual children who are having a tough time for an hour each week. If you would like to know more about that and possibly be part of the team, contact me, barry@holysaviour.church.

Staff Team

This group became the Senior Leadership Team which includes Church Wardens and Ministers meeting with the Vicar on a regular basis to discuss and pray for the Church's ministry and mission.

Licensed Lay Ministers

Our LLMs are Kim Baillie, Meg Cook, Mike Cranston, Jane Fisher, Gareth Wood and Brian Gaffney.

Licensed Lay Worker

Amanda Wood.

Bishop's Commission for Mission

Ruth Palmer, Ric and Nicky Wood completed a BCM Worship Course.

Adrian Jacobs completed a BCM Children, Families and Youth Course.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE**TRUSTEES' ANNUAL REPORT
(CONTINUED)****FOR THE YEAR ENDED
31 DECEMBER 2020****FINANCIAL REVIEW**

The PCC recorded a surplus for the year to 31 December 2020 of £145,419 (2019 - £446,441).

The income decreased from £654,973 for 2019 to £429,768 for the year to 31 December 2020.

Expenditure increased from £208,532 for 2019 to £284,349 for the year to 31 December 2020.

Overall the PCC trustees are satisfied with the position of the PCC.

Investment Powers and Policy

The PCC holds funds which are not in the HSBC bank accounts but are with the Central Board of Finance of the Church of England (CBF) and Epworth Investment Management Ltd.

Reserves Policy and Going Concern

The trustees aim to maintain reserves in unrestricted funds at a level which will equate to sufficient resources being held to meet future requirements of the Parochial Church Council of Holy Saviour, Bitterne. The trustees are of a view that the PCC is a going concern.

PLANS FOR FUTURE PERIODS

At the close of 2020 the church has already experienced a massive amount of change, brought on predominantly by COVID-19 and the restrictions on public worship. We have learnt as a community to worship in different ways and have also trialled new and experimental forms of holding services. The leadership team along with the PCC will continue to explore how our worshipping life develops as we transition into some form of normality once more later in 2021.

We have also contracted Mountjoy to begin the first phase of the Site Redevelopment, including some initial works in Holy Saviour and then the demolition and extension of the Church Room. The hope is that this phase will be completed by September 2021 and hopefully the final stage in Holy Saviour can begin to take place in the autumn. The Site Redevelopment Group and Building Implementation Group continue to oversee this project and bring those plans into reality.

With all this in mind, the church is in a really exciting position to refocus itself and reimagine what it means to be the Good News in Bitterne and beyond. As a PCC over the next year we will be working to explore how the new facilities will be used and how they will have most benefit upon the local community and the furthering of God's Kingdom. We are exploring partnerships with Transforming Lives for Good, Southampton City Mission, The Carraway Trust and Christians Against Poverty.

In our latest budget for 2021 we have created a new line for community outreach, with a hope that at 10% of our budget will be focussed on how we interact with and reach the local community through a variety of activities and programs. We also will explore how we best connect with the most vulnerable in our society, especially those who are elderly, isolated and have suffered terribly as a result of the COVID-19 pandemic. In particular we hope to appoint an Older Person's Pastor to help facilitate this work and identify how we might grow and develop our outreach in this area.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of Holy Saviour, Bitterne is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The Parochial Church Council of Holy Saviour, Bitterne is a charity, number 1157949 registered on 22 July 2014.

Recruitment and Appointment of the PCC Trustees

All church attendees are encouraged to register on the Electoral Roll. They are then entitled to stand for election to the PCC.

Trustees' Induction and Training

New trustees receive initial training into the workings of the PCC.

Risk Management

The major risks to which the PCC is exposed, as identified by the trustees, have been reviewed and systems or procedures have been established to manage those risks.

Safeguarding

The PCC having due regard for the House of Bishops Guidance covering safeguarding has standing orders that all trustees, staff and volunteers working with the young and vulnerable are DBS certificated to the required level.

Organisational Structure

The Parochial Church Council has been operating through a Standing and Finance Committee and Working Groups and teams, which meet between Church Councils, as follows:

Standing and Finance Committee

This is the only Committee required by law. It has the power to transact the business of the Church Council between its meetings, subject to any directions given by the Council. It also oversees the finances and helps set the Church Council agendas.

Building Implementation Group

This group meets to ensure that the practical elements of the building work are in accordance with the contract.

Property Working Group

Oversees the maintenance and long-term improvements of the property.

Publicity & Communications Working Group

Oversees our publicity and communications with the community and within the Church and on the Website.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Organisational Structure (Continued)

Site Redevelopment Group

Overseas and co-ordinates the planning and legal affairs relating to site redevelopment of the Church site.

Technology Working Group - oversees technology in Church i.e. sound, projectors etc.

World Church Action Working Group

Oversees the contact with and support of the Church's mission partners abroad as well as local groups: it also recommends to the Church Council the way the mission giving is distributed each year.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

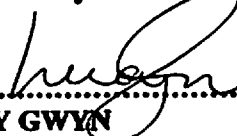
The law applicable to charities in England and Wales requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. 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.

Approved by the trustees on 18 April 2021 and signed on their behalf by:

.....

LUCY GWYN
TREASURER

.....

TONY PALMER
VICAR

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

FOR THE YEAR ENDED

31 DECEMBER 2020

I report to the trustees on my examination of the accounts of the Parochial Church Council of Holy Saviour, Bitterne, (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 2011 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 the body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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.



.....
DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

230 Shirley Road
Southampton
SO15 3HR

18 April 2021

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2020**

	Note	Unrestricted General Fund £	Restricted Fund £	Endowment Fund £	2020 Total Funds £	2019 Total Funds £
INCOME						
Donations and legacies	2	375,413	23,849	-	399,262	621,630
Charitable activities	3	25,259	-	-	25,259	29,462
Investment income	4	3,424	1,823	-	5,247	3,881
TOTAL INCOME		404,096	25,672	-	429,768	654,973
EXPENDITURE						
Charitable activities	5	188,815	95,534	-	284,349	208,532
TOTAL EXPENDITURE		188,815	95,534	-	284,349	208,532
NET INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS FOR THE YEAR		215,281	(69,862)	-	145,419	446,441
TOTAL FUNDS BROUGHT FORWARD		589,066	681,930	7,571	1,278,567	832,126
TOTAL FUNDS CARRIED FORWARD		£804,347	£612,068	£7,571	£1,423,986	£1,278,567

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

All income and expenditure derives from continuing activities.

The notes on pages 12 to 25 form part of these Financial Statements

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Note	2020	2019
		£	£
FIXED ASSETS			
Tangible fixed assets	9	439,633	439,926
TOTAL FIXED ASSETS		439,633	439,926
CURRENT ASSETS			
Debtors	10	4,008	3,744
Investments	11	927,586	800,429
Cash at bank and in hand	12	100,705	41,791
TOTAL CURRENT ASSETS		1,032,299	845,964
LIABILITIES			
Creditors: Amounts falling due within one year	13	7,946	7,323
NET CURRENT ASSETS		1,024,353	838,641
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS	17	1,463,986	1,278,567
LONG TERM LIABILITIES			
Creditors: Amounts falling due after more than one year	14	40,000	-
		£1,423,986	£1,278,567
THE FUNDS OF THE CHARITY	16		
Unrestricted income funds		804,347	589,066
Restricted income funds		612,068	681,930
Endowment funds		7,571	7,571
TOTAL CHARITY FUNDS		£1,423,986	£1,278,567

Approved by the trustees on 18 April 2021 and signed on their behalf by:

.....
LUCY GWYN
TREASURER

.....
TONY PALMER
VICAR

The notes on pages 12 to 25 form part of these Financial Statements

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED
31 DECEMBER 2020****1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

Income Recognition Policies**(a) Donations and Legacies**

Grants and donations are recognised when any pre-conditions preventing their use have been met.

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

Planned giving receivable under Gift Aid is recognised only when received.

Income Tax recoverable on Gift Aid donations is recognised when the related income is recognised.

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

Income Recognition Policies (Continued)(a) Donations and Legacies (Continued)

Legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

(b) Other Income

Rental income from the letting of Church premises is recognised when the rental is due.

(c) Income from Investments

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

(d) Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Expenditure

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(a) Grants

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

(b) Activities Directly Relating to the Work of the Church

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

(c) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(d) Governance Costs

These include those costs associated with meeting the stationery requirements of the PCC.

Fixed Assets(a) Consecrated Property

Consecrated and beneficed property of any kind is excluded from the statutory definition of 'charity' by section 10(2)(a) and (c) of the Charities Act 2011.

All expenditure incurred on consecrated or beneficed buildings is written-off in the year that it is incurred.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

Fixed Assets (Continued)(b) Moveable Church Furnishings

Moveable Church furnishings held by the Vicar and Church wardens on special trust for the PCC and which require a faculty for disposal are inalienable property listed in the church inventory. For inalienable property acquired prior to 2014 there is insufficient cost information available and, therefore, such assets are not valued in the Financial Statements. Items acquired since 14 May 2014 are capitalised and depreciated in the Financial Statements over their useful economic life on a straight-line basis.

(c) Other Fixtures, Fittings and Office Equipment

Equipment used within the Church premises is depreciated on a straight-line basis over its useful economic life.

(d) £10,000 Capitalisation Threshold

All expenditure incurred on individual fixed assets below £10,000 is written-off in the year that it is incurred.

Investments

Investments are valued at market value at 31 December where applicable.

Debtors

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

Current Asset Investments and Cash at Bank

Current asset investments and cash include cash held on deposit either with the CBF Church of England Funds, Epworth Investment Management Ltd or at the bank.

Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Taxation

The PCC is exempt from taxation on its charitable activities.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)****FOR THE YEAR ENDED
31 DECEMBER 2020****1. ACCOUNTING POLICIES (CONTINUED)****Fund Accounting**

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Designated funds are general funds set aside by the PCC for use in the future. Project funds are designated for particular projects for administration purposes only.

Restricted funds comprise:

- (a) income from endowments which is to be expended only on the restricted purposes intended by the donor; and
- (b) revenue donations or grants for a specific PCC activity intended by the donor.

Where these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on average balance basis.

Endowment funds are funds, the capital of which must be retained either permanently or at the PCC's discretion. The income derived from the endowment is to be used as restricted or unrestricted income funds, depending upon the purpose for which the endowment was established in the first place.

Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Gift Aid bank orders and cheques	85,588	-	85,588	63,799
Gift Aid envelopes	3,377	-	3,377	18,483
Income Tax recovered	25,219	4,794	30,013	29,064
Non Gift Aid bank and envelopes	10,694	-	10,694	9,322
Church collections	6,838	-	6,838	5,249
Donations	9,766	3,252	13,018	9,734
Parish activities	872	-	872	2,882
Legacies	233,059	-	233,059	455,963
Redevelopment grants/donations	-	15,803	15,803	27,134
	375,413	23,849	399,262	£621,630

In 2019, of the £621,630 income from donations and legacies, £585,868 was unrestricted and £35,762 was restricted.

There were no donated services and facilities receivable which could be quantified in the year (2019 - none).

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Church Activities				
Weddings and funerals	11,331	-	11,331	10,774
Hall lettings	1,616	-	1,616	7,074
	12,947	-	12,947	17,848
Fundraising				
Sundry income	4,812	-	4,812	814
Grants received	7,500	-	7,500	10,800
	12,312	-	12,312	11,614
	£25,259	£-	£25,259	£29,462

In 2019, of the £29,462 income from charitable activities, £29,462 was unrestricted and £nil was restricted.

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Interest received	£3,424	£1,823	£5,247	£3,881

In 2019 investment income of £3,881 was unrestricted.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Grants to Further the Work of the Church				
Overseas missions	13,471	4,820	18,291	12,237
Home missions	270	-	270	-
Church Expenses				
Worship	2,277	-	2,277	3,182
Parish share	77,891	-	77,891	79,429
Youth and children	1,179	-	1,179	416
Evangelism	133	-	133	141
Lay training	233	-	233	69
Weddings and funerals	5,445	-	5,445	4,124
Organist and verger	-	-	-	997
Parish activities	10,873	-	10,873	7,120
Depreciation of equipment	293	-	293	325
Property				
Heating, lighting and water	10,480	-	10,480	14,564
Insurance	6,355	-	6,355	6,544
Property maintenance	11,818	-	11,818	4,888
Redevelopment costs	-	90,714	90,714	31,720
Churchyard maintenance	-	-	-	1,219
Hall cleaners	2,992	-	2,992	3,022
Cleaning materials	648	-	648	482
Caretaker	2,694	-	2,694	3,394
Management				
Parish administrator	3,728	-	3,728	5,031
Incumbent and Deacon's expenses	551	-	551	225
Families worker and expenses	23,185	-	23,185	13,673
Parish clerk	713	-	713	3,227
Finance assistant	2,674	-	2,674	-
Support and Governance				
Support costs	9,722	-	9,722	11,313
Governance costs	1,190	-	1,190	1,190
	£188,815	£95,534	£284,349	£208,532

The expenditure on charitable activities in 2019 of £208,532 comprised £173,335 unrestricted funds and £35,197 restricted funds.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 6).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office costs	3,942	-	3,942	Usage
Technology	2,438	-	2,438	Usage
Telephone	2,084	-	2,084	Usage
Publicity	358	-	358	Usage
Professional fees	-	360	360	Governance
Independent Examiner's fee	-	830	830	Governance
Sundry expenses	900	-	900	Usage
	£9,722	£1,190	£10,912	

7. NET INCOME FOR THE YEAR

This is stated after charging:

	2020 £	2019 £
Independent Examiner's fee	830	830
Depreciation	293	325

8. ANALYSIS OF STAFF COSTS AND TRUSTEES'
REMUNERATION AND EXPENSES

	2020 £	2019 £
Salaries and wages	35,986	26,859
	£35,986	£26,859

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 20208. ANALYSIS OF STAFF COSTS AND TRUSTEES'
REMUNERATION AND EXPENSES (CONTINUED)

The average number of full-time equivalent employees was:

	2020	2019
	3	3
	—	—

No employee had emoluments in excess of £60,000 (2019 - None).

During the period the PCC employed a parish administrator, a parish clerk, a families worker, a caretaker and a hall cleaner. Apart from the above, no other trustee received any remuneration or reimbursement of expenses (2019 - £nil).

9. TANGIBLE FIXED ASSETS

	Church Room £	Parish Hall £	Equipment £	Total £
Cost				
At 31 December 2019	237,000	200,000	10,226	447,226
At 31 December 2020	237,000	200,000	10,226	447,226
Depreciation				
At 31 December 2019	-	-	7,300	7,300
Charge for the year	-	-	293	293
At 31 December 2020	-	-	7,593	7,593
Net Book Values				
At 31 December 2020	£237,000	£200,000	£2,633	£439,633
At 31 December 2019	£237,000	£200,000	£2,926	£439,926

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

9. TANGIBLE FIXED ASSETS (CONTINUED)

Consecrated Property

As set out in the Accounting Policies above, consecrated and beneficed property of any kind is excluded from the Financial Statements by the Charities Act 2011.

As a result, the Parish Church (Holy Saviour) is not shown as fixed assets. Expenditure on maintenance or refurbishment of this property is not capitalised but written-off in the year that it is incurred.

Church Room

The value placed on the church room is based on its original building costs.

The value of £237,000 is a fair reflection of its market value at 31 December 2020, following its donation from Bitterne LEP on 1 September 2014. No depreciation is provided on the Church Room, with refurbishment costs being written off in the year they are incurred.

The title to the property is held by Winchester Diocese in trust for the PCC.

Parish Hall and Office

The value placed on the parish hall and parish office of £200,000 following its donation from Bitterne LEP on 1 September 2014 is a fair reflection of its value at 31 December 2020.

No depreciation is provided on the parish hall and office with refurbishment costs being written off in the year it is incurred. The title to the property is held by Winchester Diocese in trust for the PCC.

Equipment

All non-fixed equipment, greater than £10,000, is being capitalised and depreciated over its useful economic life.

10. DEBTORS

	2020 £	2019 £
Tax recoverable on Gift Aid donations	2,471	2,538
Prepayments	1,537	1,206
	£4,008	£3,744

All amounts are due within one year from the Balance Sheet date.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

11. INVESTMENTS

	2020 £	2019 £
Affirmative Fund	67,525	516,084
Affirmative Fund redevelopment	794,634	219,195
CCLA funds	65,427	65,150
	£927,586	£800,429

12. CASH AT BANK AND IN HAND

	2020 £	2019 £
Current account	15,000	18,102
Cash in hand	322	22
No 2 Account	3,415	297
No 3 Account - Redevelopment	81,968	23,370
	£100,705	£41,791

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	300	-
Taxation and Social Security	-	505
Accruals	7,646	6,818
	£7,946	£7,323

14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2020 £	2019 £
Redevelopment loan	£40,000	£-

The redevelopment loan, received in September 2020 from a church member, is repayable no later than five years after September 2020. The loan carries no interest.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

15. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2020 £	2019 £
Financial assets that are debt instruments	2,471	2,538
Financial liabilities that are debt instruments	7,646	6,818

16. ANALYSIS OF CHARITABLE FUNDS

	Fund at 31.12.19 £	Incoming Resources £	Resources Expended £	Transfers £	Fund at 31.12.20 £
Analysis of Movements in Unrestricted Funds					
General Fund	589,066	404,096	188,815	-	804,347
Total Unrestricted Funds	589,066	404,096	188,815	-	804,347
Analysis of Movements in Restricted Funds					
Church room	237,000	-	-	-	237,000
Parish hall and office	200,000	-	-	-	200,000
Namalemba and Bumoozi Fund	3,673	3,855	4,820	-	2,708
Healing on the streets	60	-	-	-	60
Redevelopment	241,197	21,817	90,714	-	172,300
Total Restricted Funds	681,930	25,672	95,534	-	612,068
Analysis of Movements in Endowment Funds					
Churchyard endowments	7,571	-	-	-	7,571
Total Endowment Funds	7,571	-	-	-	7,571
Total Funds	£1,278,567	£429,768	£284,349	£-	£1,423,986

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)FOR THE YEAR ENDED
31 DECEMBER 2020

16. ANALYSIS OF CHARITABLE FUNDS (CONTINUED)

Unrestricted Funds

Unrestricted funds comprise those funds which trustees are free to use in accordance with the charitable objects.

Restricted Funds

Restricted funds are funds given for particular purpose and projects. The restricted funds must be used for the specific purpose as laid down by the donor.

The restricted funds are comprised:

- (a) The church room and parish hall and office funds are property and building funds for the use of the PCC.
- (b) The Namalemba and Bumoozi fund is for community and financial support for these partner parishes in Uganda.
- (c) The Healing on the Streets fund is for prayer and worship in the streets of Bitterne.
- (d) The redevelopment fund is a fund for the redevelopment of part of the church site and its surroundings.

Endowment Funds

Endowment funds are capital fund which the trustees have no power to convert the capital into income.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	2,633	437,000	-	439,633
Current assets	809,660	215,068	7,571	1,032,299
Current liabilities	7,946	-	-	7,946
Long-term liabilities	-	40,000	-	40,000
	£804,347	£612,068	£7,571	£1,423,986

18. TAXATION

As a registered charity, the income is generally exempt from tax by reason of its charitable objects and activities.