

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

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

CHARITY NO: 1157949

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

**FOR THE YEAR ENDED
31 DECEMBER 2023**

CONTENTS

Annual Report	Page 1
Independent Examiner's Report	Page 9
Statement of Financial Activities	Page 10
Balance Sheet	Page 11
Cashflow Statement	Page 12
Notes to the Financial Statements	Page 14

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their Annual Report and Financial Statements of the Parochial Church Council of Holy Saviour, Bitterne for the year ended 31 December 2023.

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) (effective 1 January 2015, including early adoption as amended January 2016).

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: Holy Saviour Church
Bursledon Road
Bitterne
Southampton SO19 7LW

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 30th April 2023, 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
Adrian Jacobs

Licensed Lay Ministers: Kim Baillie
Jane Fisher
Gareth Wood

Licensed Lay Worker: Amanda Wood

Deanery Synod Members: Stephen Spencer

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Elected Trustees from January 2023 to April 2023

There are potentially fifteen elected trustees :-

3 years	2 years	1 year
Brian Ayres	Sue Bell	Joanne Ayres-Proctor
Christopher Harris	Alison Large	Rebecca Baillie
Fiona Hutchings	Claire Moore	Katherine Cooper
Roger Moran	Sue Reynolds	Kevin Sawers
James Roberts	Vacancy	Vacancy

Elected Trustees from April 2023:

There are potentially fifteen elected trustees:-

3 years	2 years	1 year
Joanne Ayres-Proctor	Brian Ayres	Sue Bell
Rebecca Baillie	Christopher Harris	Alison Large
Justine Boston	Fiona Hutchings	Claire Moore
Kevin Sawers	Roger Moran	Louise White
Susan Ward	James Roberts	Vacancy

Our Advisors:

Independent Examiner Knight Goodhead Limited
 7 Bournemouth Road
 Chandler's Ford
 Eastleigh
 Hampshire
 SO53 3DA

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

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 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 2023 was 187 detailed as follows:-

87 living inside the Parish

100 living outside the Parish

Worship continued to take place in the Oak Room at Holy Saviour whilst the colder months continued and as preparations for the second phase of redevelopment took place. We continued to experiment with different styles of services and provide as many social opportunities also for the whole church family to come together. We celebrated 170 years of Holy Saviour being opened in May with cake, bubbles and the chance to worship together in the church itself prior to the redevelopment.

In June the church building closed for redevelopment and so the 9:30am service returned to Bitterne CE Primary for the remainder of the year. We tried where possible to create spaces and opportunities for the whole church to come together but with limited capacity in Oak Room, this was not as frequent as we may have hoped. In December we celebrated a wedding in the church itself, which also enabled us to hold our Carol Service within the building site. It was great to get a feel for how the church was changing despite the cold temperature! The limited space provided a challenge for our other Christmas services resulting in holding 4 Christingles on Christmas Eve each packed with 130 people, as well as very full services on Christmas Eve Communion and Christmas Day.

ACHIEVEMENTS AND PERFORMANCE

The full Parochial Church Council held six meetings during the year, with an extraordinary meeting to approve the accounts for 2022.

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 Churchwardens and Property Group did Risk Assessments of the new building and erected signage where appropriate.
- The fire extinguishers were serviced and placed in the correct positions in the new building.
- Peter Seal has continued to update the graveyard records and working hard keeping them in order.
- The Graveyard Working Team have done amazing work and the Graveyard is looking well.
- In January Gareth Wood reported that the team focussed mainly on the Quinquennial Inspection made by the Diocese. The report was very encouraging highlighting mainly small items. The big problem is the maintenance of the windows in Holy Saviour which we have been aware of for many years. The mullions, lead and glass need to be maintained. Gareth explained that this could be a very expensive job and he suggested that we should have a maintenance plan of five years.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

- We now have 15 CCTV cameras installed in and around the building mainly to deter anti-social behaviour. Notices have been placed around the buildings to inform the public.
- PCC accepted our CCTV Policy.
- The East and West Churchyard gates were locked between 15.10 on 25th December and 11.05 on 27th December 2023. This was our annual closure in accordance with the Permissive Footpath Act 1980 so as to ensure that the footpath does not become an open public footpath.

PCC discussed the following:-

- Alison Large ensures that **Safeguarding** was discussed at all of our meetings. Safeguarding Training was completed by all PCC members.
- Fiona Hutchings our Treasurer gives **Financial Reports** at all meetings.
- Tony, the Church Wardens and the Finance Team now have use of a **Church Debit Card**. Fiona Hutchings had written a **Debit Card Policy** using Diocesan guidelines. This policy was accepted.
- The **World Church Action Group** had accumulated the responses to the homegroup studies on **Our Partnership in God's Mission in the World**. They proposed to PCC that for the year 2023 the mission allocation of 10% from the personal giving to our church is shared equally by the following agencies: Bible Society: CMS (South America) - partners Marcio Ciechanowicz and Noemi Celesti, Brazil: Hannah Seal Church Army -The Gwent Valleys Centre of Mission: Embrace the Middle East: FEBA: Leprosy Mission: Mission Aviation Fellowship: Namalemba. PCC approved their proposal.
- Other donations were also made throughout the year from the tithe fund when emergencies arose in fragile states.
- The **170th Anniversary** of our Church was celebrated with bubbles and cake.
- The approval of **Stage 2 Building works**, and the finances needed were discussed.
- **Plans for Worship** during the Stage 2 work, the reordering of Holy Saviour, were discussed, and it was decided to hold 9.30 in the school and 11.00 in Oak Hall. Midweek Communion would continue in Oak Hall.
- Brian and Sandra Gaffney reported that **The Omega Ministries** are going well with a great team of volunteers.
- Stephen Spencer gave regular reports from **Deanery Synod Meetings**.
- Tony had covered the **Youth and Children's Work** and brought regular reports to the meetings since Barry Brand had left and Ruth recovered from her operation. Links with the school are strong with a new Head Teacher who started in September.
- Adrian Jacobs and James Roberts took 9 of our young people to **Youth Fest** in the summer which was attended by 135 youngsters from Southampton churches. It was a very successful weekend.
- Sadoc and Vivi Chongo with their lovely children joined us in September with Sadoc becoming our **Youth and Children's Minister**. They were missionaries with Latin Link.
- We updated and approved our **Lettings Policy**.
- We updated and approved our **Fundraising policy**.
- We updated and approved our **Equal Opportunities Policy**
- We discussed **Admin Priorities** and considered changing to a new **Church Database**.
- We discussed how we can become a more **Welcoming Church**.
- We spent time thinking, praying and discussing **Social Justice**.
- We spent time exploring the fundamental questions as a church leadership team. **'Why does Church exist?' 'Why does PCC exist?' and 'What is the best way to conduct PCC meetings?'**

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Regular reports were brought to the PCC on the progress of Site Redevelopment.

Of particular note :-

- Stage 1 had been completed for 12 months and remedial decoration was done.
- Land sale and reserved matters began.
- Stage 2 Holy Saviour Refurbishment went out to tender (Companies recommended by our Professional Architect and Quantity Surveyor).
- Ecology and bore hole surveys were completed.
- PCC agreed to ask the Architect to produce a JCT contract with Mountjoy Builders to Re-order Holy Saviour Church to Stage 2 specification.
- Southampton City Council finally passed the planning application for the sale of the land to Imperial Homes
- The need for fundraising was discussed to enable us to repay the loan from the Diocese.

Senior Leadership Team

This group 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, Mike Cranston, Jane Fisher, Brian Gaffney and Gareth Wood. Meg Cook has now become an LLM Emeritus whilst still continuing to faithfully serve in the parish.

Licensed Lay Worker

Amanda Wood.

FINANCIAL REVIEW

The PCC recorded a deficit for the year to 31 December 2023 of £18,712 (2022: £29,570 deficit). The income increased from £221,121 for 2022 to £776,311 for the year to 31 December 2023 which includes a profit on sale of land of £544,478. Expenditure increased from £250,691 for 2022 to £795,023 for the year to 31 December 2023 – with the majority of the increase being due to redevelopment work on the church building which was not capitalised due to being consecrated property. The balance at year end on General Funds was £459,005. 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).

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 the view that the PCC is a going concern.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

PLANS FOR FUTURE PERIODS

What another fantastic year, with many challenges but many many more blessings and opportunities to see new people engage with Jesus or grow deeper in their faith. We have had many opportunities to gather together as God's people to worship, to pray, to celebrate the highs and lows of life and to also celebrate key moments in our nation's history with the coronation of King Charles III. Holy Saviour has continued to be a place of welcome and sanctuary for those in need in our local community – with increasing numbers making use of the warm spaces initiative.

Our hope and prayer as we continue into 2024 and beyond is that we will continue to see people meeting Jesus and discovering the hope that comes through apprenticeship under Him. As a church we began 2024 with a sermon series exploring our TOP 5 priorities, which will help to underpin the decisions we make as a church about how we use our time, talents and resources.

We believe that as a church we are called to be a beacon of HOPE for Bitterne and beyond, and as apprentices to Jesus we seek to BE with Jesus, BECOME like Jesus and DO what Jesus does. As a church we have 5 specific priorities for 2024:

- 1) **Bringing HOPE:** We believe the message of Jesus is good news, which all people need to hear and respond to. As a church we want to prioritise sharing this HOPE with the people of Bitterne and beyond through everything we do. Through 2024 we will continue to look for new opportunities to share the message of HOPE whether practically or verbally. Especially we will continue to explore our role in supporting those with financial, food or any other social need, which we as a church are able to practically help with.
- 2) **Reaching OUT:** Whilst we are so excited for the completion of the church redevelopment, we don't want to become entirely consumed with activity within our building. Rather we want to seize opportunities to be out in the community practically being Jesus' hands, feet and mouthpiece to a hurting and broken world. Through the appointment of a Community Outreach Pastor, we hope to be able develop our presence in the community and establish the key needs that we are being called to address in our local community.
- 3) **Growing APPRENTICES:** We believe that Jesus is calling us into life long discipleship with Him – where we gradually learn what it means to be with Him, become like Him and step out in doing what He does. Over 2024 we will continue to grow our community/home groups, seeking to release more people into leadership in this area and encourage more of our congregations to find their place within these groups.
- 4) **Pastoral CARE:** We recognise the distinct call of Jesus to love one another as ourselves as an act of worship. We acknowledge the realities of a post-Covid world where people continue to feel isolated, struggling with physical and mental health issues and with a health service that is under immense pressure. As a church we have a unique opportunity to ensure that we care for one another; showing both practical and emotional support to meet one another's needs, protecting the vulnerable and caring too for those managing health conditions or caring for loved ones with such needs. Through the work of our Anna Chaplain, we will explore opportunities to develop this ministry and model best practice in pastoral care.
- 5) **New GENERATIONS:** Through our thriving youth and children's ministry we are so aware of the scale of need for children and young people to know Jesus, to find spaces of welcome and to be encouraged to live life in all its fullness. We will continue to invest our time, resources and finances into this area to see the next generations coming to know Jesus for themselves.

In our latest budget for 2024, we continued to prioritise outreach and mission in the local community - seeking to be bold in setting our aspirations to appoint additional staff members. However, we do recognise the financial challenges ahead of us. We continue to need to focus on how we maximise giving, grow new revenue streams and seek to uphold our value of generosity throughout.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 undergo safer recruitment processes including training, DBS certification and due and proper processes.

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.

Site Redevelopment Group

Oversees 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.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 judgments 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 25th March 2024 and signed on their behalf by :


.....
Vicar  Treasurer
.....

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HOLY SAVIOUR, BITTERNE

I report to the trustees on my examination of the accounts of Holy Saviour, Bitterne, for the year ended 31 December 2023 set out on pages 10 to 26.

RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

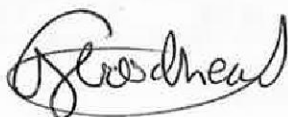
I report in respect of my examination of your charity's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1) accounting records were not kept in respect of the charity as required by section 130 of the 2011 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.



C J Goodhead FCA
Knight Goodhead Limited
Chartered Accountants

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire SO53 3DA

Dated: 26 March 2024

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
INCOME						
Donations and legacies	2	155,310	28,950	-	184,260	182,781
Charitable activities	3	31,435	9,000	-	40,435	36,149
Investment income	4	4,554	2,584	-	7,138	2,191
Profit on disposal	9	-	544,478	-	544,478	-
Total income		191,299	585,012	-	776,311	221,121
EXPENDITURE						
Charitable activities	5	252,019	543,004	-	795,023	250,691
Total expenditure		252,019	543,004	-	795,023	250,691
NET INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS		(60,720)	42,008	-	(18,712)	(29,570)
TRANSFERS BETWEEN FUNDS	15	237,197	(237,197)	-	-	-
NET INCOME		176,477	(195,189)	-	(18,712)	(29,570)
NET MOVEMENT IN FUNDS		176,477	(195,189)	-	(18,712)	(29,570)
FUND BALANCES AT 1 JANUARY 2023		1,019,314	217,369	7,571	1,244,254	1,273,824
FUND BALANCES AT 31 DECEMBER 2023	15	1,195,791	22,180	7,571	1,225,542	1,244,254

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

BALANCE SHEET AS AT 31 DECEMBER 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible assets	9		1,106,444		1,280,745
CURRENT ASSETS					
Debtors	11	5,874		4,837	
Deposits	10	93,650		169,268	
Cash at bank and in hand	12	549,314		76,607	
		648,838		250,712	
CREDITORS: amounts falling due within one year	13	(91,727)		(20,971)	
NET CURRENT ASSETS			557,111		229,741
LONG TERM CREDITORS					
amounts falling due after more than one year	14		(438,013)		(266,232)
NET ASSETS			<u>1,225,542</u>		<u>1,244,254</u>
FUNDS					
Unrestricted	15		1,195,791		1,019,314
Restricted			22,180		217,369
Endowment			7,571		7,571
TOTAL FUNDS			<u>1,225,542</u>		<u>1,244,254</u>

Approved by the trustees on *25 March 2024*
and signed on their behalf by:

Fiona Hutchings
Fiona Hutchings
Treasurer

AP Palmer
Tony Palmer
Vicar

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

**CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022
	Notes	£	£
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES	1	(281,416)	(269,903)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		7,138	2,191
Purchase of investments		(65,087)	-
Disposal of investments		140,705	154,559
CASH FLOWS FROM FINANCING ACTIVITIES			
Purchase of fixed assets		(51,330)	(121,851)
Sale of fixed assets		744,478	-
Interest due		(21,781)	-
Repayments of borrowing		-	-
NET CASH FLOW		<u>472,707</u>	<u>(235,004)</u>
Change in cash and cash equivalents in the year		472,707	(235,004)
Cash and cash equivalent at start of the year		76,607	311,611
Cash and cash equivalents at the end of the year	2	<u>549,314</u>	<u>76,607</u>

NOTES TO THE CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

1 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income / (expenditure) for the year	(18,712)	(29,570)
Interest received	(7,138)	(2,191)
Interest due	21,781	-
Depreciation	25,631	5,102
Profit on disposal of fixed assets	(544,478)	-
Increase in debtors	(1,037)	(708)
Increase / (decrease) in creditors	70,756	(16,157)
Increase/(decrease) in debt	171,781	(226,379)
Net cash flow from operating activities	<u>(281,416)</u>	<u>(269,903)</u>

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

2 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash at bank and in hand	<u>549,314</u>	<u>76,607</u>

	At 1 Jan 2023	Cash flows	Non cash movements	At 31 Dec 2023
Cash at bank and in hand	76,607	472,707	-	549,314
Debt due within one year	-	-	-	-
Debt due after one year	(266,232)	(171,781)	-	(438,013)
	<u>(189,625)</u>	<u>300,926</u>	<u>-</u>	<u>111,301</u>

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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) 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.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES (continued)

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) Fixed assets

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.

(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) Capitalisation Threshold

All expenditure incurred on individual fixed assets below £1,000 is written-off in the year that it is incurred.

Deposits

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

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES (continued)

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.

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 ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

2 DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Gift Aid bank orders and cheques	62,607	-	62,607	68,222
Income Tax recovered	28,964	4,969	33,933	32,180
Non Gift Aid bank and envelopes	6,459	-	6,459	6,832
Church collections	7,926	-	7,926	8,734
Donations	47,764	12,130	59,894	52,882
Parish activities	1,490	-	1,490	1,052
Legacies	100	-	100	-
Redevelopment grants/donations	-	11,851	11,851	12,879
	155,310	28,950	184,260	182,781

There were no donated services and facilities receivable which could be quantified in the year (2022 - none).

3 CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Church Activities				
Weddings and funerals	13,982	-	13,982	12,451
Hall lettings	4,020	-	4,020	3,542
	18,002	-	18,002	15,993
Fundraising				
Sundry income	5,933	-	5,933	3,831
Grants received	7,500	9,000	16,500	16,325
	13,433	9,000	22,433	20,156
	31,435	9,000	40,435	36,149

4 INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Interest received	4,554	2,584	7,138	2,191

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES		Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
	Notes				
Grants to Further the Work of the Church					
Overseas missions	7	12,856	8,600	21,456	21,043
Home missions		769	-	769	706
Church Expenses					
Worship		2,614	-	2,614	2,462
Parish Share		71,004	-	71,004	72,404
Youth and Children		4,972	1,000	5,972	5,281
Evangelism		39	-	39	-
Lay training		2,125	-	2,125	1,141
Weddings and funerals		6,624	-	6,624	7,154
Parish activities		9,292	-	9,292	7,017
Depreciation		25,631	-	25,631	5,102
Property					
Heating, lighting and water		21,431	-	21,431	15,051
Insurance		10,859	-	10,859	6,659
Property maintenance		7,863	-	7,863	15,398
Redevelopment costs		-	524,404	524,404	36,708
Cleaning materials		551	-	551	650
Loan interest		21,781	-	21,781	-
Management					
Staff salaries and oncosts	8	35,386	9,000	44,386	44,318
Recruitment costs		3,000	-	3,000	-
Incumbent and Deacon's expenses		380	-	380	1,166
Support and Governance					
Support costs	6	11,422	-	11,422	9,007
Governance costs	6	3,420	-	3,420	(576)
TOTAL EXPENDITURE		252,019	543,004	795,023	250,691

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

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 unrestricted expenditure.

	General		Total	
	Support	Governance	Funds	Basis of
	£	£	£	Apportionment
Office costs	5,395	-	5,395	Usage
Technology	2,599	-	2,599	Usage
Telephone	1,665	-	1,665	Usage
Publicity	249	-	249	Usage
Professional fees	-	420	420	Governance
Independent Examiner's fee	-	3,000	3,000	Governance
Bank charges	322	-	322	Usage
Sundry expenses	1,192	-	1,192	Usage
	11,422	3,420	14,842	

The Independent Examiner's fee for this year is £2,400 (2022: £1,680).

7 GRANTS

During the year the charity made the following grants of £1,000 or more to organisations:

	£
Bible Society	1,442
Christian Aid	1,442
Church Mission Society	1,442
Embrace the Middle East	1,442
FEBA Radio	1,442
Leprosy Mission	1,442
Mission Aviation Fellowship	1,442
Bumoozi Church of Uganda	8,600

8 ANALYSIS OF STAFF COSTS AND TRUSTEES' REMUNERATION AND EXPENSES

	2023	2022
	£	£
Salaries and wages	44,386	44,318
	2023	2022
The average number of employees was:	5	4

There were no employees with emoluments in excess of £60,000 (2022 - none). During the year, the PCC employed a parish administrator, a families worker, a finance assistant, a personal assistant and a hall cleaner. The parish administrator and finance assistant were also trustees and together received £18,183 in remuneration and benefits (2022: £15,577). No other trustee received any remuneration.

10 trustees were reimbursed expenses during the year totalling £4,333 for purchases of equipment and supplies (2022: six trustees reimbursed £13,497).

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

9 TANGIBLE ASSETS

	Church Room Extension	Parish Hall	Equipment	Total
	£	£	£	£
COST				
At beginning of year	1,040,671	200,000	53,582	1,294,253
Additions	-	-	51,330	51,330
Disposals	-	(200,000)	-	(200,000)
At end of year	1,040,671	-	104,912	1,145,583
DEPRECIATION				
At beginning of year	-	-	13,508	13,508
Charge	20,814	-	4,817	25,631
At end of year	20,814	-	18,325	39,139
NET BOOK VALUE				
At end of year	1,019,857	-	86,587	1,106,444
At beginning of year	1,040,671	200,000	40,074	1,280,745

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 in fixed assets. Expenditure on maintenance or refurbishment of this property is not capitalised but written off in the year that it is incurred. This includes the Stage 2 redevelopment project which began during this year.

Church Room Extension

The Church Room Extension was constructed over 2021 and 2022 providing facilities for the use of the church and the local community.

The title to the property is held by Winchester Diocese in trust for the PCC. It is being depreciated over 50 years.

Parish Hall and Office

Proceeds (after solicitor fees) were £744,478 and after offsetting the value of the Parish Hall (£200,000) this resulted in a profit on disposal of £544,478. This is shown in the SOFA.

Equipment

All non-fixed equipment, greater than £1,000, is being capitalised and depreciated over its useful economic life.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

10 DEPOSITS

	2023	2022
	£	£
Affirmative Fund	52,250	52,665
Affirmative Fund redevelopment	12,952	50,281
CCLA funds	28,448	66,322
	<u>93,650</u>	<u>169,268</u>

11 DEBTORS

	2023	2022
	£	£
Other Debtors	2,456	2,366
Tax recoverable	3,418	2,471
	<u>5,874</u>	<u>4,837</u>

12 CASH AT BANK AND IN HAND

	2023	2022
	£	£
Current account	21,267	29,391
No 2 Account	19,813	13,307
No 3 Account - Redevelopment	508,234	33,909
	<u>549,314</u>	<u>76,607</u>

13 CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	386	299
Taxation and social security	517	1,310
Pensions	-	263
Accruals	73,404	1,680
Other creditors - development	17,420	17,419
Redevelopment loan - diocesan	-	-
	<u>91,727</u>	<u>20,971</u>

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

14 CREDITORS: amounts falling due after one year

	2023	2022
	£	£
Redevelopment loan - member	40,000	40,000
Redevelopment loan - diocesan	398,013	226,232
	<u>438,013</u>	<u>266,232</u>

Redevelopment Loan - Member

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. No repayments have been made to date.

Redevelopment Loan - Diocesan

In October 2021, the PCC took out a loan with the Diocese of Winchester for £280,000 to assist with financing the redevelopment of the church site, which was extended by £150,000 in July 2023. The loan is repayable over a period of 60 months and carries an interest rate of the CCLA CBF Church of England Deposit rate plus 2%. Repayments commenced on 4 January 2022 but the church was granted a deferment so no payments were due to made during 2023 or 2024. As a result the whole outstanding balance of £398,013 falls due in more than one year.

15 ANALYSIS OF CHARITABLE FUNDS

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers between 31 December funds £	Balance at 31 December 2023 £
Unrestricted Funds					
General Fund	244,875	191,299	(214,366)	237,197	459,005
Designated Fund - Church room	774,439	-	(37,653)	-	736,786
Restricted funds					
Parish hall and office	200,000	-	-	(200,000)	-
Namalembe and Bumoozi Fund	2,437	14,411	(8,600)	-	8,248
Redevelopment	-	561,601	(524,404)	(37,197)	-
Youth worker	-	9,000	(9,000)	-	-
Legacy - World Church Action Group	797	-	-	-	797
Legacy for Seniors Tea	4,404	-	-	-	4,404
Legacy for Messy Church	9,731	-	(1,000)	-	8,731
	<u>217,369</u>	<u>585,012</u>	<u>(543,004)</u>	<u>(237,197)</u>	<u>22,180</u>
Endowment funds					
Churchyard endowments	7,571	-	-	-	7,571
Total funds	<u>1,244,254</u>	<u>776,311</u>	<u>(795,023)</u>	<u>-</u>	<u>1,225,542</u>

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

15 ANALYSIS OF CHARITABLE FUNDS (continued)

Unrestricted Funds

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

Designated Funds

These comprise funds which trustees have set aside for particular purposes. The Church Room represents the value of the room less the loans outstanding towards the redevelopment project.

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.

During the preparation of the accounts, four funds were identified from legacies given to the church with restrictions on use, which had been previously included in unrestricted general funds. The above note therefore shows the correct brought forward balance for each fund.

The restricted funds 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 redevelopment fund is a fund for the development of the new church room extension and its surroundings. The fund represents monies received for the purposes of redeveloping the church. The transfer out of the fund represents expenditure on the AV fit-out of the church which was capitalised during the year.
- (d) The four legacy funds result from legacies bequeathed to the church for the purposes described.

Endowment Funds

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

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £
<i>Fund balances as at 31 December 2023 are represented by:</i>				
Tangible fixed assets	1,106,444	-	-	1,106,444
Current assets	297,900	343,367	7,571	648,838
Current liabilities	(91,727)	-	-	(91,727)
Long-term liabilities	(116,826)	(321,187)	-	(438,013)
	<u>1,195,791</u>	<u>22,180</u>	<u>7,571</u>	<u>1,225,542</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £
<i>Fund balances as at 31 December 2022 are represented by:</i>				
Tangible fixed assets	1,080,745	200,000	-	1,280,745
Current assets	141,582	101,559	7,571	250,712
Current liabilities	(20,971)	-	-	(20,971)
Long-term liabilities	(182,042)	(84,190)	-	(266,232)
	<u>1,019,314</u>	<u>217,369</u>	<u>7,571</u>	<u>1,244,254</u>

17 TAXATION

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

18 RELATED PARTY TRANSACTIONS

The church received a grant of £9,000 from Bitterne Educational Trust during the year, towards the salary of a youth worker. The managing trustees of Bitterne Educational Trust are the vicar and churchwardens of Holy Saviour, Bitterne.

The church received a grant of £7,500 from Bitterne Ecclesiastical Trust during the year. The managing trustees of Bitterne Ecclesiastical Trust are the vicar and churchwardens of Holy Saviour, Bitterne.

During the year a total of £3,509 was loaned to three trustees for tickets to New Wine. At the year end, £1,190 of this remained due. This is represented in Other Debtors in Note 11.

During the year a total of £1,540 was paid in expenses to four relatives of trustees. (2022: none)

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

19 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £
INCOME				
Donations and legacies	155,552	27,229	-	182,781
Charitable activities	36,149	-	-	36,149
Other income	1,589	602	-	2,191
Total income	193,290	27,831	-	221,121
EXPENDITURE				
Charitable activities	200,126	50,565	-	250,691
Total expenditure	200,126	50,565	-	250,691
NET INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS	(6,836)	(22,734)	-	(29,570)
TRANSFERS BETWEEN FUNDS	233,193	(233,193)	-	-
NET INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS	226,357	(255,927)	-	(29,570)
FUND BALANCES AT 1 JANUARY 2022	792,957	473,296	7,571	1,273,824
FUND BALANCES AT 31 DECEMBER 2022	1,019,314	217,369	7,571	1,244,254

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

20 MOVEMENT IN FUNDS PRIOR YEAR COMPARATIVE

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2022 £
Unrestricted Funds					
General Fund	792,957	193,290	(200,126)	(541,246)	244,875
Designated Fund - Church room	-	-	-	774,439	774,439
Restricted funds					
Parish hall and office	200,000	-	-	-	200,000
Namalemba and Bumoozi Fund	2,884	10,909	(11,356)	-	2,437
Redevelopment	251,271	16,922	(36,708)	(231,485)	-
Legacy - World Church Action Group	1,777	-	(980)	-	797
Legacy for Seniors Tea	4,404	-	-	-	4,404
Legacy for training	1,521	-	(1,521)	-	-
Legacy for Messy Church	11,439	-	-	(1,708)	9,731
	473,296	27,831	(50,565)	(233,193)	217,369
Endowment funds					
Churchyard endowments	7,571	-	-	-	7,571
Total funds	1,273,824	221,121	(250,691)	-	1,244,254