

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

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

CHARITY NO: 1157949

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

**FOR THE YEAR ENDED
31 DECEMBER 2022**

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PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their Annual Report and Financial Statements of the Parochial Church Council of Holy Saviour, Bitterne for the year ended 31 December 2022.

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 S019 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 18th April 2021, 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:	Adrian Jacobs Gareth Wood	
Licensed Lay Ministers:	Kim Baillie Jane Fisher Brian Gaffney	
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 2022

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Elected Trustees from January 2022 to April 2022

There are potentially fifteen elected trustees :-

3 years	2 years	1 year
Sue Bell	Jo Ayres-Proctor	Roger Moran
Alison Large	Rebecca Baillie	Bryony Sawers
Claire Moore	Katherine Cooper	Ric Wood
Sue Reynolds	Kevin Sawers	Vacancy
Vacancy	Vacancy	Vacancy

Elected Trustees from April 2022:

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

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 2022

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 2022 was 190 detailed as follows:-

89 living inside the Parish
101 living outside the Parish

We started the year with the same pattern of worship – 9:30am at Bitterne CE Primary School and then the 11am service at Holy Saviour. On Sunday 27th February we officially opened the new extension at the church and moved the 9:30 service back there. Since then, the Sunday services have continued to grow and flourish, with different styles of services being trialled, including breakfast services, café style services and informal communion services.

In the late Autumn as the temperature dropped, we made the decision to move the 11am service upstairs also, as well as the Midweek Communion Service. Christmas was celebrated in the main church building and was a fantastic end of the year with lots of visitors and opportunities to share the good news of Jesus through word and hospitality.

ACHIEVEMENTS AND PERFORMANCE

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

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 reorganised the graveyard records and working hard keeping them in order and up to date.
- The Graveyard Working Team have done amazing work and the Graveyard is looking well.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

- The East and West Churchyard gates were locked between 28th and 31st December. This was our annual closure in accordance with the Highways Act so as to ensure that the footpath does not become an open public footpath.
- **PCC discussed the following:-**
- The new extension opened in February with the 9.30 informal service relocating from the school in March. It was great to be under the same roof again with the opportunity to meet together with the 11.00 congregation for refreshments between services.
- The Lettings Group worked on a Room Hire Agreement which is part of the Lettings Policy.
- Although news sheets are posted on line and paper copies available, to aid communication a summary of PCC decisions and discussions will be provided.
- **PCC approved a proposal from World Church Action Group** that 10% of our personal giving be shared among our Mission Partners for 2022. Our Mission Partners for this year are: Bible Society; Christian Aid; CMS (South America); Embrace the Middle East; FEBA; Leprosy Mission; Mission Aviation Fellowship and Namalemba. Donations were also made throughout the year from the tithe fund to DEC (Disasters Emergency Committee) when emergencies arose in fragile states.
- Brian and Sandra Gaffney agreed to take the Ministry to Older People project forward as **The Omega Ministries** in March and reported progress to PCC.
- Phil Robinson stepped down as one of our **Deanery Synod Representatives**. A position which he had held for many years, for which we are very grateful. Stephen Spencer then gave regular reports from the **Deanery Synod meetings**.
- **Fiona Hutchings** agreed to take on the position of **Treasurer** for which we are very grateful.
- Our **Safeguarding Documentation** has been updated.
 - a) **Promoting a Safer Church**
The Diocesan 'Promoting a Safer Church' Safeguarding Policy Statement for Children, Young People and Adults was adopted as our own.
 - b) **Ex-Offenders Statement**
The Holy Saviour Policy Statement on the Recruitment of Ex-Offenders had been circulated and was approved.
 - c) **Safeguarding Policy Statement**
PCC had been asked to look at the C of E Safeguarding Policy Statement was adopted as our own.
- Our **GDPR Policy** was updated and **re-adopted**.
- PCC approved the use of a debit card
- Groups were set up to focus on Outreach and Social Planning
- As the cost of heating has increased drastically, it was agreed to move the 11.00 service into the Oak Room (upstairs in the extension).

Regular reports were brought to the PCC by Barry Brand the Children, Youth & Families Minister who reported on the exciting work being done with our Families, Children and Young People.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

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

Of particular note :-

- The Extension Toilets had been in use for Christmas 2021 Services.
- The wording for the three landowners for sale of the Land has been agreed, called "Heads of Terms".
- Kitchen Hygiene Certification Requirement for those who use the Kitchen has been agreed.
- Extension Room Hire arrangements agreed.
- Extension Risk Assessments completed and building able to be used from 9th February.
- First Service Held in Extension 09:30 27th February.
- Met in March with Imperial Homes and have their land sale contract details for our consideration.
- April – July, Regarding the land sale all the information is still with the three solicitors and we await completion.
- Extension Room Lettings Policy Approved, June.
- The Legal Document called "106 Agreement" has had wording agreed, July.
- Estimates for Holy Saviour CCTV sought, July. Installed December.
- July – October, Regarding the land sale all the information is still with the three solicitors and we await completion, but have now passed the deadline to complete some of the reserved matters and will now be delayed signing the land sale contract.
- Land sale contract signed December 2022, and now expected reserved matters completed March 2023, when the land sale will be considered complete.

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 2022 of £29,570 (2021 - £150,162). The income reduced from £270,807 for 2021 to £221,121 for the year to 31 December 2022. Expenditure decreased from £420,969 for 2021 to £250,691 for the year to 31 December 2022. Overall the PCC trustees are satisfied with the position of the finances.

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.

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.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

PLANS FOR FUTURE PERIODS

We could not have imagined just what a difference both the new space and the ability to gather collectively as the body of Christ would make. This past year we have enjoyed many opportunities to worship, pray, celebrate, socialise, and host people from those who have been church members for a long time, to those who simply need a warm space and welcome. Our hope and prayer is that we will continue to see these things to grow and develop.

We hope to make several significant appointments over the next year, which will shape and mould us into the people God is calling us to be in Bitterne:

- The replacement of our Children, Youth & Families Minister role with two part time roles – Children & Families Pastor and a Youth Pastor. These roles will have specific responsibility to build on our current engagement with these age groups and seek to develop programs that will grow lifelong disciples of Jesus.
- We want to build on the successes of our invitational outreach, in which we have opened our doors and invited people in – Hope Café, Omega Café etc. 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.
- As our Omega Ministries have grown and developed, we have recognised the need to invest more in our pastoral care of those in their later years and to engage with those in our community who need Jesus. We hope to appoint an Anna Chaplain in partnership with the Carraway Trust who will direct and grow this ministry out into our local community – meeting people where they are at.

We continue to have the aspiration to see new people come to know Jesus and be radically transformed by His love. We will continue to run the Alpha course and explore other opportunities such as Parenting Courses, the Marriage Course and Money Courses to create opportunities to meet people in their places of need.

Over the last 12 months we have seen 6 new regular preachers begin to deliver sermons and teach at our various services. This has been so exciting to see, and the Art of Teaching program has been super helpful in developing skills and confidence in this area. We continue to look for those whom God is calling into roles of leadership and vocation, and we still hope to be able to run Growing Leaders program towards the end of 2023.

We also recognise the need to provide spaces for those who want to wrestle with God's word in a deeper way, to grapple with the issues facing Christians and the Church around the world and to provide safe forums for debate and growth in our apprenticeship to Jesus. We also recognise the need to provide solid Biblical teaching and to develop our Biblical literacy to help us be equipped to BE with Jesus, BECOME like Jesus and DO what Jesus does. Plans are afoot over the next 12 – 18 months to seek to deepen our Biblical understanding.

As we had stated last year - It is also our aim that following the completion of the land sale and tendering processes that we will also move on to completing the site redevelopment vision with phase 2 in Holy Saviour. This work is likely to begin in Spring 2023 and finish by December. We absolutely cannot wait for this dream to be realised and are so encouraged by how the new facilities are looking already in the phase one works.

In our latest budget for 2023, 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 2022

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.

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 2022

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 2nd April 2023 and signed on their behalf by :



.....
Vicar

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 2022 set out on pages 10 to 24.

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; or

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

Dated: 11 April 2023

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

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
INCOME						
Donations and legacies	2	155,552	27,229	-	182,781	239,833
Charitable activities	3	36,149	-	-	36,149	30,888
Investment income	4	1,589	602	-	2,191	86
Total income		193,290	27,831	-	221,121	270,807
EXPENDITURE						
Charitable activities	5	200,126	50,565	-	250,691	420,969
Total expenditure		200,126	50,565	-	250,691	420,969
NET INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS		(6,836)	(22,734)	-	(29,570)	(150,162)
TRANSFERS BETWEEN FUNDS	15	233,193	(233,193)	-	-	-
NET INCOME		226,357	(255,927)	-	(29,570)	(150,162)
NET MOVEMENT IN FUNDS		226,357	(255,927)	-	(29,570)	(150,162)
FUND BALANCES AT 1 JANUARY 2022		792,957	473,296	7,571	1,273,824	1,423,986
FUND BALANCES AT 31 DECEMBER 2022	15	1,019,314	217,369	7,571	1,244,254	1,273,824

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 2022

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	9		1,280,745		1,163,996
CURRENT ASSETS					
Debtors	11	4,837		4,129	
Deposits	10	169,268		323,827	
Cash at bank and in hand	12	76,607		311,611	
			<u>250,712</u>	<u>639,567</u>	
CREDITORS: amounts falling due within one year	13	<u>(20,971)</u>		<u>(263,513)</u>	
NET CURRENT ASSETS			229,741		376,054
LONG TERM CREDITORS amounts falling due after more than one year	14		(266,232)		(266,226)
NET ASSETS			<u>1,244,254</u>		<u>1,273,824</u>
FUNDS	15				
Unrestricted			1,019,314		792,957
Restricted			217,369		473,296
Endowment			7,571		7,571
TOTAL FUNDS			<u>1,244,254</u>		<u>1,273,824</u>

Approved by the trustees on *2 April 2023*
and signed on their behalf by:

Fiona Hutchings
Fiona Hutchings
Treasurer

AP Palmer
Tony Palmer
Vicar

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022

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) £10,000 Capitalisation Threshold

All expenditure incurred on individual fixed assets below £10,000 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 2022

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 2022

2 DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Gift Aid bank orders and cheques	68,222	-	68,222	63,786
Gift Aid envelopes	-	-	-	320
Income Tax recovered	27,117	5,063	32,180	39,121
Non Gift Aid bank and envelopes	6,832	-	6,832	5,790
Church collections	8,734	-	8,734	2,391
Donations	43,595	9,287	52,882	45,473
Parish activities	1,052	-	1,052	398
Legacies	-	-	-	-
Redevelopment grants/donations	-	12,879	12,879	82,554
	<u>155,552</u>	<u>27,229</u>	<u>182,781</u>	<u>239,833</u>

There were no donated services and facilities receivable which could be quantified in the year (2021 - none).

3 CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Church Activities				
Weddings and funerals	12,451	-	12,451	16,537
Hall lettings	3,542	-	3,542	975
	<u>15,993</u>	<u>-</u>	<u>15,993</u>	<u>17,512</u>
Fundraising				
Sundry income	3,831	-	3,831	5,876
Grants received	16,325	-	16,325	7,500
	<u>20,156</u>	<u>-</u>	<u>20,156</u>	<u>13,376</u>
	<u>36,149</u>	<u>-</u>	<u>36,149</u>	<u>30,888</u>

4 INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Interest received	1,589	602	2,191	86

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES		Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Notes				
Grants to Further the Work of the Church					
Overseas missions	7	8,707	12,336	21,043	9,530
Home missions		706	-	706	120
Church Expenses					
Worship		2,462	-	2,462	1,334
Parish Share		72,404	-	72,404	69,567
Youth and Children		5,281	-	5,281	2,634
Evangelism		-	-	-	163
Lay training		(380)	1,521	1,141	130
Weddings and funerals		7,154	-	7,154	5,223
Parish activities		7,017	-	7,017	7,588
Depreciation of equipment		5,102	-	5,102	813
Property					
Heating, lighting and water		15,051	-	15,051	7,706
Insurance		6,659	-	6,659	8,724
Property maintenance		15,398	-	15,398	5,450
Redevelopment costs		-	36,708	36,708	17,843
Cleaning materials		650	-	650	34
Disposal of church room		-	-	-	237,000
Management					
Staff salaries and oncosts	8	44,318	-	44,318	36,222
Incumbent and Deacon's expenses		1,166	-	1,166	483
Support and Governance					
Support costs	6	9,007	-	9,007	9,215
Governance costs	6	(576)	-	(576)	1,190
TOTAL EXPENDITURE		200,126	50,565	250,691	420,969

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 Support	Governance	Total Funds	Basis of Apportionment
	£	£	£	
Office costs	3,384	-	3,384	Usage
Technology	2,090	-	2,090	Usage
Telephone	1,894	-	1,894	Usage
Publicity	1,078	-	1,078	Usage
Professional fees	-	360	360	Governance
Independent Examiner's fee	-	(936)	(936)	Governance
Bank charges	242	-	242	Usage
Sundry expenses	319	-	319	Usage
	9,007	(576)	8,431	

The Independent Examiner's fee for this year is £1,680 (2021: £816). The expense shown above is negative due to expenses accrued in 2012-2014 being written off this year.

7 GRANTS

During the year the charity made the following grants of £1,000 or more to organisations:	£
Bible Society	1,189
Christian Aid	1,189
Church Mission Society	1,189
Embrace the Middle East	1,189
FEBA Radio	1,189
Mission Aviation Fellowship	1,189
Southampton City Mission	1,189
Bumoozi Church of Uganda	11,356

8 ANALYSIS OF STAFF COSTS AND TRUSTEES' REMUNERATION AND EXPENSES

	2022 £	2021 £
Salaries and wages	<u>44,318</u>	<u>38,064</u>
	2022	2021
The average number of full time equivalent employees was:	<u>4</u>	<u>3</u>

There were no employees with emoluments in excess of £60,000 (2021 - none). During the year, the PCC employed a parish administrator, a families worker, a finance assistant and a hall cleaner. The parish administrator and finance assistant were also trustees and together received £15,577 in remuneration and benefits. No other trustee received any remuneration. Six trustees were reimbursed expenses during the year totalling £13,497 for purchases of equipment and supplies.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

9 TANGIBLE ASSETS

	Church Room Extension	Parish Hall	Equipment	Total
	£	£	£	£
COST				
At beginning of year	932,050	200,000	40,352	1,172,402
Additions	108,621	-	13,230	121,851
At end of year	<u>1,040,671</u>	<u>200,000</u>	<u>53,582</u>	<u>1,294,253</u>
DEPRECIATION				
At beginning of year	-	-	8,406	8,406
Charge	-	-	5,102	5,102
At end of year	<u>-</u>	<u>-</u>	<u>13,508</u>	<u>13,508</u>
NET BOOK VALUE				
At end of year	<u>1,040,671</u>	<u>200,000</u>	<u>40,074</u>	<u>1,280,745</u>
At beginning of year	<u>932,050</u>	<u>200,000</u>	<u>31,946</u>	<u>1,163,996</u>

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.

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.

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 considered by the trustees to be a fair reflection of its value at 31 December 2022.

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.

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

10 DEPOSITS

	2022	2021
	£	£
Affirmative Fund	52,665	63,687
Affirmative Fund redevelopment	50,281	194,679
CCLA funds	66,322	65,461
	<u>169,268</u>	<u>323,827</u>

11 DEBTORS

	2022	2021
	£	£
Debtors	2,366	660
Tax recoverable	2,471	1,923
Prepayments	-	1,546
	<u>4,837</u>	<u>4,129</u>

12 CASH AT BANK AND IN HAND

	2022	2021
	£	£
Current account	29,391	23,992
Cash in hand	-	322
No 2 Account	13,307	13,273
No 3 Account - Redevelopment	33,909	274,024
	<u>76,607</u>	<u>311,611</u>

13 CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	299	9,972
Taxation and social security	1,310	1,259
Pensions	263	-
Accruals	1,680	8,478
Other creditors - development	17,419	190,030
Redevelopment loan - diocesan	-	53,774
	<u>20,971</u>	<u>263,513</u>

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

14 CREDITORS: amounts falling due after one year	2022	2021
	£	£
Redevelopment loan - member	40,000	40,000
Redevelopment loan - diocesan	226,232	226,226
	<u>266,232</u>	<u>266,226</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. 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 are due to made during 2023. As a result the whole outstanding balance of £226,232 falls due in more than one year.

15 ANALYSIS OF CHARITABLE FUNDS

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers between 31 December 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
	<u>473,296</u>	<u>27,831</u>	<u>(50,565)</u>	<u>(233,193)</u>	<u>217,369</u>
Endowment funds					
Churchyard endowments	7,571	-	-	-	7,571
Total funds	<u><u>1,273,824</u></u>	<u><u>221,121</u></u>	<u><u>(250,691)</u></u>	<u><u>-</u></u>	<u><u>1,244,254</u></u>

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 Namalembe 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 room site. These donations and receipts have been expended on the development as it has progressed this year. The remaining funds in the redevelopment fund were transferred to the general unrestricted fund on completion of the church room extension this year, as the church room extension, when complete, is classed as unrestricted as the facility will be used in future for the general purposes and activities of the PCC.
- (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 2022

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	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>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
<i>Fund balances as at 31 December 2021 are represented by:</i>				
Tangible fixed assets	963,996	200,000	-	1,163,996
Current assets	377,841	273,296	7,571	658,708
Current liabilities	(263,513)	-	-	(263,513)
Long-term liabilities	(266,226)	-	-	(266,226)
	<u>812,098</u>	<u>473,296</u>	<u>7,571</u>	<u>1,292,965</u>

17 TAXATION

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

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

18 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
INCOME				
Donations and legacies	136,018	103,815	-	239,833
Charitable activities	30,888	-	-	30,888
Other income	86	-	-	86
Total income	166,992	103,815	-	270,807
EXPENDITURE				
Charitable activities	159,301	261,668	-	420,969
Total expenditure	159,301	261,668	-	420,969
NET INCOME / (EXPENDITURE) BEFORE GAINS AND LOSSES	7,691	(157,853)	-	(150,162)
INVESTMENT GAINS	-	-	-	-
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS	7,691	(157,853)	-	(150,162)
TRANSFERS BETWEEN FUNDS	60	(60)	-	-
NET MOVEMENT IN FUNDS	7,751	(157,913)	-	(150,162)
FUND BALANCES AT 1 JANUARY 2021	804,347	612,068	7,571	1,423,986
FUND BALANCES AT 31 DECEMBER 2021	812,098	454,155	7,571	1,273,824

PAROCHIAL CHURCH COUNCIL OF HOLY SAVIOUR, BITTERNE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

19 MOVEMENT IN FUNDS PRIOR YEAR COMPARATIVE

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2021 £
Unrestricted Funds					
General Fund	804,347	166,992	(159,301)	60	812,098
Restricted funds					
Church room	237,000	-	(237,000)	-	-
Parish hall and office	200,000	-	-	-	200,000
Namalemba and Bumoozi Fund	2,708	7,001	(6,825)	-	2,884
Healing on the Streets	60			(60)	-
Redevelopment	172,300	96,814	(17,843)	-	251,271
	612,068	103,815	(261,668)	(60)	454,155
Endowment funds					
Churchyard endowments	7,571	-	-	-	7,571
Total funds	1,423,986	270,807	(420,969)	-	1,273,824