



**THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF  
HARPENDEN ST JOHN  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2022**

**CONTENTS**

|                                   | Page    |
|-----------------------------------|---------|
| Trustees' Report                  | 2       |
| Independent examiner's report     | 8       |
| Statement of financial activities | 9       |
| Balance sheet                     | 10      |
| Notes to the financial statements | 11 – 19 |

The Parochial Church Council of the Ecclesiastical Parish of Harpenden St John is registered with the Charity Commissioners for England and Wales (Charity no. 1131603)

## **PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees present their report and the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### **Aims and purposes**

St John's Parochial Church Council ("the PCC") has the responsibility of promoting the whole mission of the Church within the ecclesiastical parish: pastoral, evangelistic, social and ecumenical. The PCC is also responsible for the maintenance of the Parish Hall.

The PCC is committed to enabling as many people as possible to worship at our church and become part of our church community at St John's. The Ministry Team, in conjunction with the PCC, maintains an overview of worship and makes suggestions on how our worship can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

As trustees of a registered charity, the PCC must report each year in our trustees' annual report on how we have carried out our charity's purposes for the public benefit, which we set out in this trustees' report. We consider that we have complied with our duty to have due regard to the Charity Commission's guidance on the meaning and scope of "public benefit", when exercising any powers or duties to which the guidance is relevant.

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

- Worship and prayer; learning about the gospel; and developing their knowledge and trust in Jesus Christ, the crucified and glorified Lord
- Provision and pastoral care for people living in the parish
- Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of the Church of St John the Baptist and the Parish Hall.

## **PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)**

#### **Achievements and performance**

The PCC is keen to offer a wide range of services during the week and over the course of the year that our community may find both beneficial and spiritually fulfilling. For example, we offer Common Worship Morning and Evening Prayer Monday to Thursday, and a weekly midweek communion as well as to mark special service such as on the death of Her Late Majesty Queen Elizabeth II.

We offer All Age Worship on the first Sunday of the month and a Junior and Mini Church on the Second Sunday of the month. In addition, we offer a monthly Sung Evensong from the Book of Common Prayer.

The church is normally open daily from 10am to 5pm.

With the continued recovery from the Covid-19 pandemic throughout 2022 we have gradually re-introduced new services as we thought appropriate and safe.

Our new Vicar continues to settle into his role, with additional energy for new services and events. In January 2022 we began a weekly 8am Communion service in addition to our 9.30am Parish Eucharist. In May we re-started a monthly Junior and Mini Church, whilst at the same time stopping our monthly afternoon family service. This is to focus our resources more efficiently. Our monthly Faith and Light non-denominational worship for adults with special educational needs restarted, meeting throughout the year, their monthly gathering involves a short afternoon service for families

The PCC seeks to ensure that all are welcomed at our regular services. At present we have 182 on the Church Electoral Roll, 114 of whom are resident in the Parish and 68 of whom have stated their eligibility is due to six months or more habitual worship. Since the previously reported number of 172, 2 members have died, 1 resigned, 5 were removed and 18 were added.

In addition to our regular services, we enable our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the amazing gift of life, in marriage services public vows are exchanged with God's blessing and through funeral services family and friends express their deep sorrow but also give thanks for the life which is now completed and to commend the person into the gracious hands of God. During the year, there were 3 weddings, 26 baptisms, 14 funerals, 3 memorials, 17 crematorium services and 9 burials of ashes.

#### **Structure, governance and management of the PCC**

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure and is a registered charity. The appointment of PCC members is

governed by and set out in the Church Representation Rules. All members of the congregation are encouraged to register on the Electoral Roll and stand for election to the PCC. Certain members of the PCC are allocated specific responsibility for some of the matters which affect the parish, e.g., Safeguarding and Health & Safety. These individuals attend appropriate training courses provided by the Diocese where necessary and report back to the PCC as a body.

The PCC met eight times in 2022 and attendance at meetings was 66% of the maximum possible number of 17.

Prior to each PCC meeting, a Standing Committee (comprising the incumbent, churchwardens, deputy churchwardens, Treasurer and Secretary) meets to draw up the agenda of items to be discussed.

## **PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)**

Approximately a week before a meeting, all PCC members receive the agenda, the minutes of any sub-committee meetings that have taken place since the last meeting and any briefing documents for items under discussion. Within two weeks of a PCC meeting, minutes of that meeting are circulated to all members. These minutes go on public display on the noticeboard in the porch, once they have been formally approved at the following PCC meeting.

In February 2022 our Treasurer was convicted of a financial crime. Whilst this had nothing to do with church accounts, he resigned immediately. This was reported as a serious incident to the Charities Commission. A new Treasurer was appointed in July 2022.

The PCC devolves much of its work to teams and all members of the PCC, as well as further members of the congregation with particular skills or interests, are invited to sit on the teams, which meet on a regular basis (or liaise electronically). The teams are Communications, Pastoral Visiting, Eco-church, Junior Church and Parish Centre. Each team has a chair and secretary and operates within agreed terms of reference, produces written notes, and brings proposals to and provides updates at PCC meetings. 2 members of the PCC sit on the Deanery Synod providing an important link between the parish and the wider structures of the Church of England.

A large number of group activities take place at St John's, led by volunteers with both talent and commitment. These provide a range of services to benefit members of the congregation and the wider parish community. Details of these groups can be found on our website ([www.stjohnsharpenden.org.uk](http://www.stjohnsharpenden.org.uk)).

We publish a free quarterly parish magazine which is available online and also distributed to every home and business within the parish. This publicises our church service times and forthcoming events and contains articles and reports of interest. We also communicate news and events to over 200 members of the congregation via a weekly e-newsletter.

#### **Main focus of the PCC this year**

At its meetings this year, the PCC has carried out the necessary formalities such as appointing its officers and reviewing its committee structure. There continues to be a focus on Safeguarding and all members of the PCC have undertaken the required level of training as provided by the Diocese. The Safeguarding and Health & Safety policies have been reviewed and updated where necessary. Fundraising efforts for our new Parish Centre restarted in the second half of the year and a five-year fundraising plan put in place.

#### **Church Concerts**

The PCC is keen for the church to be kept open to the community for personal prayer and are also delighted to see it used for musical events. At the end of the year, we started a monthly Sunday afternoon concert as part of our response to the Cost-of-Living Crisis. We were also able to welcome back regular hirers of the church for concerts, including Roundwood Park School and Hardygne Choir. Music is a central element of St John's, and we are lucky to benefit from a broad range of talented and enthusiastic musicians in the community.

# **PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)**

### **The Parish Hall**

The Hall continued to be used for both regular and one-off hirers. In September we welcomed Fusion Pre-School as main tenants in the Hall: Mondays, Tuesdays, Thursdays, and Fridays 8-2pm. As part of this the Hall roof leak was fixed so the Parish Administrator could move back to the office, to provide more space for hire. Our Baby and Toddler Group continues to grow, and regular hirers such as Slimming World, Dance Studio, and Harpenden musical Theatre Company call St John's Church Hall home.

### **Pastoral Care**

In early 2022 a small group of volunteers received Pastoral Care training so that a team could be formed to visit those who needed it within the Parish. This group was commissioned at the end of July and meets quarterly.

### **Mission and Evangelism**

Helping those in need is a demonstration of our faith, and the PCC will donate a part of its stewardship income received in 2022 to the various charities shortly to be agreed by the PCC. We also held a full Lent Program under the new Vicar, out of which came a monthly meditation session and Bible Study. In Advent we held a book group which was well received.

### **Ecumenical Relations**

St John's is a member of Churches Together in Harpenden. The ministry team at St John's continues to have meaningful links with Southdown Methodist Church.

### **Financial Review**

Total income during 2022 was £270,181 (2021: £257,223), an increase of £12,958 or 5% compared to the prior year. This increase was mainly the net result of donations to the Parish Centre falling by £11,862 to £64,832 (2021: £76,694) but accompanied by an increase in planned giving/collections/donations of £24,820. Excluding the Parish Centre, income rose by £24,820 or 13.7% to £205,349 (2021: £180,529) assisted by the letting of the property at Linwood Road, which generated £16,114 (2021: £17,345).

Total expenditure during 2022 grew by £32,436 or 18% to £210,884 (2021: £178,448). The largest item of expenditure was the parish share of £100,862 (2021: £98,189). Other costs in the period grew, with special mention to the maintenance of the church and hall which was above expectations; the maintenance of the roof, and repair and maintenance of the ageing boiler system contributed towards large maintenance spend. As with the whole of the UK, cost inflation has impacted many expenses, with utility prices rising significantly in recent months. The heating of the church has been particularly exposed to higher energy costs.

Our planned missionary giving of 10% of our voluntary income to outside charities in 2022 increased by 20% to £16,397 (2021: £13,586), with additional missionary giving during the year of £825.

The net of the total income and total expenditure for 2022 was a net surplus of £59,297 (2021: £78,775). However, £59,237 of this was for the new Parish Centre (2021: £76,671), with the remaining activities generating a small surplus of £60 (2021: deficit of £2,104). As a result of the net surplus, total net assets as at 31 December 2022 of £492,422 are £59,297 higher than total net assets as at 1 January 2022 of £433,125. Total net assets are represented by general, designated, and restricted funds.

## **PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)**

General funds increased by £161 from £40,605 as at 1 January 2022 to £40,766 as at 31 December 2022. This represents around three months of ongoing expenditure.

Designated funds decreased by £101 from £164,748 as at 1 January 2022 to £164,647 as at 31 December 2022.

Restricted funds increased by £59,237 from £227,772 as at 1 January 2022 to £287,009 as at 31 December 2022, due principally to donations received for the Parish Centre.

#### **Outlook for the future**

The financial position of the PCC as at 31 December 2022 remains sound, with improvements made to the underlying structural deficit noted previously. We have been helped considerably by the rental income from Linwood Road, which will fall away should a new Curate be appointed, and further effort is therefore needed in order to establish a financially sustainable position.

The trustees consider that the PCC is a going concern as at the date of approving the 2022 accounts. This is based on considering the level of funds held, the breadth and financial position of its donor base, known or anticipated future changes to either income or expenditure, and planned future capital projects. The PCC has adopted a budget for 2023 which anticipates further improvements in the underlying deficit although includes plans to raise funds for capital projects outside of the parish hall such as; the church porch, re-ordering, a new boiler and an improved sound system. All these have been prioritised so to ensure the overall funding of the church is not impacted and projects can be funded and that its reserves position will remain healthy into the future.

#### **Reserves policy**

The PCC seeks to operate on a balanced budget basis but periodically sets aside such amounts as it deems prudent to meet anticipated abnormal expenditure. Such amounts are held in designated funds and are represented by bank balances and accounts receivable within the general assets of the PCC. It is the policy of the PCC to hold in general reserves at least the equivalent amount of two months of general running costs, which is currently approximately £34,000.

#### **ADMINISTRATIVE INFORMATION**

St John's Church is situated on St John's Road, Harpenden, Hertfordshire. It is part of the Diocese of St. Albans within the Church of England.

The PCC can be contacted at: St Johns Parish offices, St Johns Road, Harpenden, Hertfordshire, AL5 1DJ.

The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006) and a charity registered with the Charity Commission, number 1131603.

## PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

PCC members who have served from 1 January 2022 until the date this report was approved are:

#### Vicar

Tim Vickers

#### Readers

Laurn Awbrey

Anne Edwards (also Diocesan and Deanery Synods)

David Nye (also Deanery Synod)

#### Churchwardens

James Hillman (resigned March 2022)

Jane Donati

Heather Nye (appointed March 2022)

#### Secretary

Jacky Dodd (also co-opted Council member)

#### Treasurer

Tim Coleman (resigned 11/02/22)

Jonathan Pitman (co-opted council member 14/07/22)

#### Council Members

Naomi Burnett

Bryan Coventry

Andrew Harbord (resigned March 2022)

Nick Luckett

Liz Macdonald

Dawn Mason

Bill Moore

Martin Myers

Liz Newell

Heather Nye

Liz Sergeant

#### Diocesan and Deanery Synod Member

Michael Readman (resigned March 2022)

The Trustees Report was approved by the PCC on 16th March 2023 and signed on their behalf by:

Heather Nye  
Churchwarden

Jane Donati  
Churchwarden

Tim Vickers  
Revd TIM VICKERS  
Vicar of St Johns

## **PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN**

### **INDEPENDENT EXAMINER'S REPORT TO THE PCC OF ST JOHN HARPENDEN**

I report to the trustees on my examination of the financial statements of the PCC for the year ended 31 December 2022, which are set out on pages 9 to 19.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the PCC's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the PCC as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements to be reached.

Roger Cox FCA (ICAEW)

Miller & Co Chartered Accountants  
5 Imperial Court  
Laporte Way  
Luton  
LU4 8FE

Date: 17th March 2023



# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

|   |      | Unrestricted Funds |                | Restricted     | TOTAL          | 2021     |
|---|------|--------------------|----------------|----------------|----------------|----------|
|   |      | General            | Designated     | Funds          | 2022           | (Note    |
|   | Note | £                  | £              | £              | £              | 18)      |
|   |      |                    |                |                |                | £        |
| <b>INCOMING RESOURCES</b>                 |      |                    |                |                |                |          |
| Incoming resources from generated funds:  |      |                    |                |                |                |          |
| Voluntary income                          | 2    | 164,799            | -              | 64,832         | <b>229,631</b> | 220,155  |
| Activities for generating funds           | 3    | 27,977             | -              | -              | <b>27,977</b>  | 26,526   |
| Investment income                         | 4    | 1,553              | -              | -              | <b>1,553</b>   | 70       |
|   |      | 194,329            | -              | 64,832         | <b>259,161</b> | 246,751  |
| Incoming resources from church activities | 5    | 11,020             | -              | -              | <b>11,020</b>  | 10,472   |
| <b>Total incoming resources</b>           |      | <b>205,349</b>     | <b>-</b>       | <b>64,832</b>  | <b>270,181</b> | 257,223  |
| <b>RESOURCES EXPENDED</b>                 |      |                    |                |                |                |          |
| Cost of church activities                 |      |                    |                |                |                |          |
| Missionary Giving                         | 6    | 17,222             | -              | -              | <b>17,222</b>  | 14,828   |
| Parish Share                              | 6    | 100,862            | -              | -              | <b>100,862</b> | 98,189   |
| Fabric and Running Costs                  | 6    | 40,301             | -              | -              | <b>40,301</b>  | 32,627   |
| Mission & Education                       | 6    | 6,121              | -              | -              | <b>6,121</b>   | 4,384    |
| Staff Costs                               | 6    | 27,002             | -              | -              | <b>27,002</b>  | 21,425   |
| Other costs                               | 6    | 13,680             | 101            | 5,595          | <b>19,376</b>  | 6,995    |
| <b>Total resources expended</b>           |      | <b>205,188</b>     | <b>101</b>     | <b>5,595</b>   | <b>210,884</b> | 178,448  |
| <b>Net income/(expenditure) for year</b>  |      | <b>161</b>         | <b>(101)</b>   | <b>59,237</b>  | <b>59,297</b>  | 78,775   |
| <b>Transfers between funds</b>            |      | <b>-</b>           | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b> |
| <b>Net movement in funds</b>              |      | <b>161</b>         | <b>(101)</b>   | <b>59,237</b>  | <b>59,297</b>  | 78,775   |
| <b>RECONCILIATION OF FUNDS</b>            |      |                    |                |                |                |          |
| <b>Total funds at 1 Jan 2022</b>          |      | <b>40,605</b>      | <b>164,748</b> | <b>227,772</b> | <b>433,125</b> | 354,350  |
| <b>Total funds at 31 Dec 2022</b>         |      | <b>40,766</b>      | <b>164,647</b> | <b>287,009</b> | <b>492,422</b> | 433,125  |

The notes on pages 11 to 19 form part of these financial statements.

# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## BALANCE SHEET AS AT 31 DECEMBER 2022

|                                   | Note | 2022<br>£       | 2021<br>£ |
|-----------------------------------|------|-----------------|-----------|
| <b>FIXED ASSETS</b>               |      |                 |           |
| Tangible assets                   | 9    | <b>63,888</b>   | 63,888    |
| <b>CURRENT ASSETS</b>             |      |                 |           |
| Debtors                           | 10   | <b>21,089</b>   | 9,302     |
| Bank and cash balances            |      | <b>430,417</b>  | 376,677   |
|                                   |      | <b>451,506</b>  | 385,979   |
| <b>CURRENT LIABILITIES</b>        |      |                 |           |
| Creditors payable within one year | 11   | <b>(22,972)</b> | (16,742)  |
| <b>NET CURRENT ASSETS</b>         |      | <b>428,534</b>  | 369,237   |
| <b>TOTAL NET ASSETS</b>           |      | <b>492,422</b>  | 433,125   |
| <b>THE FUNDS OF THE CHARITY</b>   |      |                 |           |
| Unrestricted income funds:        |      |                 |           |
| General                           | 12   | <b>40,766</b>   | 40,605    |
| Designated                        | 13   | <b>164,647</b>  | 164,748   |
| Total                             |      | <b>205,413</b>  | 205,353   |
| Restricted income funds:          | 15   | <b>287,009</b>  | 227,772   |
|                                   |      | <b>492,422</b>  | 433,125   |

The financial statements were approved by the Parochial Church Council on 16th March 2023 and signed on its behalf by:

Heather Nye  
Churchwarden

Jane Donati  
Churchwarden

Tim Vickers  
REV D TIM VICKERS  
VICAR OF ST JOHN'S  
16/03/2023

# **PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

### **1 ACCOUNTING POLICIES**

#### *Basis of preparation*

The PCC constitutes a public benefit entity as defined by 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Church Accounting Regulations 2006 governing the individual accounts of PCCs and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure and is a registered charity. The address of the registered office is given in the administrative details section of the trustees' report. The financial statements are presented in pounds sterling and rounded to the nearest pound.

These financial statements are prepared on the basis of the PCC being a going concern. The trustees make their own assessment of the PCC's ability to continue as a going concern to assure themselves of the validity of this assumption when preparing accounts. In making this assessment, the trustees take into account all available information about the future for at least, but not limited to, 12 months from the date the accounts are approved. There are no material uncertainties about the PCC's ability to continue. In addition, as at the date of approval of these accounts, there are no contractual commitments in relation to the new Parish Centre, and its development will be conditional on successful fundraising.

#### *Funds*

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

Restricted funds represent income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are shown in the notes to the accounts.

## PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

#### 1 ACCOUNTING POLICIES (continued)

##### *Incoming resources*

Income and endowments are included in the Statement of Financial Activities (SOFA) when:

- the PCC becomes legally entitled to the use of the resources;
- and inflow of economic benefit is probable; and
- the monetary value can be measured with sufficient reliability.

Planned giving, collections and donations are therefore generally recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received.

Grants and legacies are accounted for when the PCC is legally entitled to the amounts due.

Rental income from the letting of the church, the church hall, and the property in Linwood Road is recognised when the rental is due.

Interest income is accrued.

All other income is recognised when it is receivable.

##### *Resources expended*

All other expenditure is generally recognised when it is incurred and is accounted for gross.

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

The diocesan parish share is accounted for when due.

##### *Fixed assets*

Consecrated and benefice property is not included in the accounts in accordance with s.10 (2) (a) of the Charities Act 2011. Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). Such assets are not valued in the financial statements. All expenditure incurred during the year on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the statement of financial activities.

The Church Hall has been fully depreciated, however as it is still in use and is providing economic benefit through rental income it has been retained on the balance sheet but with a valuation of £nil.

The Linwood Road property is held at cost. The land element of the property is not depreciated in accordance with the applicable financial reporting standards. Whilst buildings are ordinarily depreciated, no depreciation is provided on the building element of the property as the current estimated residual value of the property is not less than its carrying amount and the remaining useful life of the property currently exceeds 50 years, and therefore any depreciation charge would be immaterial.

# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

At each reporting date an assessment is carried out of whether there is any indication that an asset should be written down (i.e. whether the carrying amount on the balance sheet is more than its recoverable amount). If there is no indication that an asset should be written down, it is not necessary to estimate the recoverable amount.

*Debtors and creditors receivable / payable within one year*

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

|  | Unrestricted Funds |            | Restricted Funds | TOTAL 2022            | TOTAL 2021     |
|--|--------------------|------------|------------------|-----------------------|----------------|
|  | General            | Designated | Funds            | 2022                  | 2021           |
|  | £                  | £          | £                | £                     | £              |
| <b>2 VOLUNTARY INCOME</b>                    |                    |            |                  |                       |                |
| Planned Giving:                              |                    |            |                  |                       |                |
| Gift Aid donations                           | 118,172            | -          | -                | <b>118,172</b>        | 101,841        |
| Tax recoverable                              | 28,344             | -          | -                | <b>28,344</b>         | 24,750         |
| Non gift aid donations                       | 17,458             | -          | -                | <b>17,458</b>         | 6,544          |
| Collections (open plate)                     | -                  | -          | -                | -                     | 2,729          |
| Donations, appeals etc.                      | 825                | -          | -                | <b>825</b>            | 2,810          |
| Legacies                                     | -                  | -          | -                | -                     | 4,787          |
| Parish Centre fundraising                    | -                  | -          | 52,407           | <b>52,407</b>         | 61,893         |
| Tax recoverable on Parish Centre funds       | -                  | -          | 12,425           | <b>12,425</b>         | 14,801         |
|  | <u>164,799</u>     | <u>-</u>   | <u>64,832</u>    | <u><b>229,631</b></u> | <u>220,155</u> |
| <b>3 ACTIVITIES FOR GENERATING FUNDS</b>     |                    |            |                  |                       |                |
| Church Hall lettings (non-church activities) | 11,863             | -          | -                | <b>11,863</b>         | 7,441          |
| Fundraising Events                           | -                  | -          | -                | -                     | 1,444          |
| Linwood Road property rental income          | 16,114             | -          | -                | <b>16,114</b>         | 17,345         |
| Other Income and funds generated             | -                  | -          | -                | -                     | 296            |
|  | <u>27,977</u>      | <u>-</u>   | <u>-</u>         | <u><b>27,977</b></u>  | <u>26,526</u>  |
| <b>4 INVESTMENT INCOME</b>                   |                    |            |                  |                       |                |
| Bank interest                                | 1,553              | -          | -                | <b>1,533</b>          | 70             |
|  | <u>1,553</u>       | <u>-</u>   | <u>-</u>         | <u><b>1,553</b></u>   | <u>70</u>      |
| <b>5 INCOME FROM CHURCH ACTIVITIES</b>       |                    |            |                  |                       |                |
| Flower Guild income                          | -                  | -          | -                | -                     | 337            |
| Income from Social events                    | -                  | -          | -                | -                     | 65             |
| Parish Magazine advertising                  | 3,390              | -          | -                | <b>3,390</b>          | 2,990          |
| Fees for Weddings & Funerals                 | 7,630              | -          | -                | <b>7,630</b>          | 7,080          |
|  | <u>11,020</u>      | <u>-</u>   | <u>-</u>         | <u><b>11,020</b></u>  | <u>10,472</u>  |

# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

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

|  | Unrestricted<br>Funds<br>General<br>£ | Designated<br>£ | Restricted<br>Funds<br>£ | TOTAL<br>2022<br>£ | TOTAL<br>2021<br>£ |
|--|---------------------------------------|-----------------|--------------------------|--------------------|--------------------|
| <b>6 COSTS OF CHURCH ACTIVITIES</b>                |                                       |                 |                          |                    |                    |
| Missionary and Charitable giving (also see note 8) |                                       |                 |                          |                    |                    |
| Relief and development agencies                    | 17,222                                | -               | -                        | 17,222             | 14,828             |
|  | 17,222                                | -               | -                        | 17,222             | 14,828             |
| Parish share                                       | 100,862                               | -               | -                        | 100,862            | 98,189             |
| Fabric and running costs:                          |                                       |                 |                          |                    |                    |
| Church running costs                               | 9,950                                 | -               | -                        | 9,950              | 5,418              |
| Church maintenance                                 | 8,472                                 | -               | -                        | 8,472              | 6,790              |
| Organ/piano tuning & maint.                        | 1,019                                 | -               | -                        | 1,019              | 555                |
| Grounds upkeep                                     | 529                                   | -               | -                        | 529                | -                  |
| Hall running costs                                 | 4,114                                 | -               | -                        | 4,114              | 3,695              |
| Hall maintenance                                   | 6,262                                 | -               | -                        | 6,262              | 3,872              |
| Vicarage running costs                             | 2,639                                 | -               | -                        | 2,639              | 1,242              |
| Linwood Road property upkeep                       | 416                                   | -               | -                        | 416                | 5,401              |
| Upkeep of services                                 | 3,870                                 | -               | -                        | 3,870              | 1,252              |
| Parish Office Admin Costs                          | 3,030                                 | -               | -                        | 3,030              | 4,402              |
|  | 40,301                                | -               | -                        | 40,301             | 32,627             |
| Mission & Education                                |                                       |                 |                          |                    |                    |
| Parish magazine                                    | 5,168                                 | -               | -                        | 5,168              | 3,552              |
| Pastoral and MAP                                   | -                                     | -               | -                        | -                  | 309                |
| Education  | 953                                   | -               | -                        | 953                | 523                |
|  | 6,121                                 | -               | -                        | 6,121              | 4,384              |
| Staff Costs  |                                       |                 |                          |                    |                    |
| Working expenses of incumbent                      | 2,191                                 | -               | -                        | 2,191              | 225                |
| Assistant staff expenses                           | -                                     | -               | -                        | -                  | 77                 |
| Wages and salaries                                 | 24,811                                | -               | -                        | 24,811             | 21,123             |
|  | 27,002                                | -               | -                        | 27,002             | 21,425             |
| Other costs  |                                       |                 |                          |                    |                    |
| Flower Guild expenditure                           | -                                     | 101             | -                        | 101                | 362                |
| Promotional and communications                     | 144                                   | -               | -                        | 144                | 49                 |
| Sundry expenses                                    | 3,095                                 | -               | -                        | 3,095              | 2,534              |
| Wedding & funeral fees to Diocese                  | 3,984                                 | -               | -                        | 3,984              | 2,544              |
| Wedding & funeral fees – other                     | 3,037                                 | -               | -                        | 3,037              | -                  |
| Costs of fund-raising                              | 808                                   | -               | -                        | 808                | 228                |
| Bank charges                                       | 355                                   | -               | -                        | 355                | 158                |
| Social events                                      | 661                                   | -               | -                        | 661                | -                  |
| Independent examiners fee:                         |                                       |                 |                          |                    |                    |
| Independent examination                            | 912                                   | -               | -                        | 912                | -                  |
| Accountancy  | 684                                   | -               | -                        | 684                | -                  |
| New parish centre costs                            | -                                     | -               | 5,595                    | 5,595              | -                  |
| Vacancy costs                                      | -                                     | -               | -                        | -                  | 1,060              |
|  | 13,680                                | 101             | 5,595                    | 19,376             | 6,995              |

**2022 (continued)**

# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

| <b>7 STAFF COSTS</b>  | <b>2022</b>          | <b>2021</b>          |
|-----------------------|----------------------|----------------------|
|                       | <b>£</b>             | <b>£</b>             |
| Wages and salaries    | <b>22,521</b>        | 18,650               |
| Social security costs | <b>2,290</b>         | 2,473                |
|                       | <b><u>24,811</u></b> | <b><u>21,123</u></b> |

The average number of staff employed was 2.5 (2021: 3)

There are no employees who received employee benefits of more than £60,000 (2021: none)

| <b>8 MISSIONARY AND CHARITABLE GIVING</b>                                  | <b>2022</b>          | <b>2021</b>          |
|--|----------------------|----------------------|
|  | <b>£</b>             | <b>£</b>             |
| The missionary and charitable giving is made up of the following donations |                      |                      |
| Relief and development agencies  |                      |                      |
| Toilet Twinning  | -                    | 614                  |
| Christian Aid  | -                    | 628                  |
| Accrual for 2022 Charitable Giving   | <b>16,397</b>        | -                    |
| A Rocha UK   | -                    | 4,528                |
| DEC Ukraine Appeal   | -                    | 4,529                |
| The Harpenden Trust  | -                    | 4,529                |
| Other  | <b>825</b>           | -                    |
|  | <b><u>17,222</u></b> | <b><u>14,828</u></b> |

| <b>9 TANGIBLE FIXED ASSETS</b> | <b>Linwood Road property</b> | <b>Church Hall</b> | <b>TOTAL</b>           |             |
|--------------------------------|------------------------------|--------------------|------------------------|-------------|
|                                | <b>£</b>                     | <b>£</b>           | <b>£</b>               | <b>2021</b> |
| Actual/ deemed cost:           |                              |                    |                        | <b>£</b>    |
| Brought forward at 1 January   | 63,888                       | 48,299             | <b>112,187</b>         | 112,187     |
| Carried forward 31 December    | <u>63,888</u>                | <u>48,299</u>      | <b><u>112,187</u></b>  | 112,187     |
| Depreciation:                  |                              |                    |                        |             |
| Brought forward at 1 January   | -                            | (48,299)           | <b>(48,299)</b>        | (48,299)    |
| Charge for year                | -                            | -                  | -                      | -           |
| Carried forward 31 December    | <u>-</u>                     | <u>(48,299)</u>    | <b><u>(48,299)</u></b> | (48,299)    |
| Carrying value at 31 December  | <u>63,888</u>                | <u>-</u>           | <b><u>63,888</u></b>   | 63,888      |

The Curate's House at 2 Linwood Road was independently valued on 2 March 2010 at £380,000

| <b>10 DEBTORS</b>              | <b>2022</b>          | <b>2021</b>         |
|--------------------------------|----------------------|---------------------|
|                                | <b>£</b>             | <b>£</b>            |
| Gift Aid Tax recoverable       | <b>21,089</b>        | 7,874               |
| Prepayments and accrued income | -                    | 1,428               |
|                                | <b><u>21,089</u></b> | <b><u>9,302</u></b> |

# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

|  | 2022<br>£      | 2021<br>£      |
|--|----------------|----------------|
| <b>11 CREDITORS</b>                          |                |                |
| Outside giving                               | 16,397         | 14,213         |
| Accruals and deferred income                 | 6,575          | 1,789          |
| Other creditors                              | -              | 740            |
|  | <b>22,972</b>  | <b>16,742</b>  |
|  |                |                |
| <b>12 GENERAL FUNDS</b>                      |                |                |
| Brought forward at 1 January                 | 40,605         | 42,572         |
| Transfer from Designated funds               | -              | 700            |
| Other movements in general funds             | 161            | (2,667)        |
| Carried forward at 31 December               | <b>40,766</b>  | <b>40,605</b>  |
|  |                |                |
| <b>13 DESIGNATED FUNDS</b>                   |                |                |
| The PCC operates seven Designated Funds:     |                |                |
| Parish Centre                                | 6,988          | 6,988          |
| Organ - Reserve to fund future organ repairs | 21,045         | 21,045         |
| Legacies - Legacies received and spent       | 48,777         | 48,777         |
| Flower Guild                                 | 197            | 298            |
| Fabric reserve                               | 23,752         | 23,752         |
| Linwood Road property                        | 63,888         | 63,888         |
|  | <b>164,647</b> | <b>164,748</b> |

The movements on the Designated Funds during 2022 were as follows:

|                                | Parish<br>Centre<br>£ | Organ<br>£    | Legacies<br>£                    | Flower<br>Guild<br>£ |
|--------------------------------|-----------------------|---------------|----------------------------------|----------------------|
| Brought forward at 1 Jan 2022  | 6,988                 | 21,045        | 48,777                           | 298                  |
| Income                         | -                     | -             | -                                | -                    |
| Expenditure                    | -                     | -             | -                                | (101)                |
| Transfer to General fund       | -                     | -             | -                                | -                    |
| Carried forward at 31 Dec 2022 | <b>6,988</b>          | <b>21,045</b> | <b>48,777</b>                    | <b>197</b>           |
|                                |                       |               |                                  |                      |
|                                |                       | Fabric<br>£   | Linwood<br>Road<br>property<br>£ | TOTAL<br>2022<br>£   |
| Brought forward at 1 Jan 2022  |                       | 23,752        | 63,888                           | 164,748              |
| Income                         |                       | -             | -                                | -                    |
| Expenditure                    |                       | -             | -                                | (101)                |
| Transfer to General fund       |                       | -             | -                                | -                    |
| Carried forward at 31 Dec 2022 |                       | <b>23,752</b> | <b>63,888</b>                    | <b>164,647</b>       |



# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

### 13 DESIGNATED FUNDS (continued)

The movements on the Designated Funds during 2021 were as follows:

|                                | Parish<br>Centre<br>£ | Organ<br>£    | Legacies<br>£ | Flower<br>Guild<br>£ |
|--------------------------------|-----------------------|---------------|---------------|----------------------|
| Brought forward at 1 Jan 2021  | 6,988                 | 21,045        | 43,981        | 323                  |
| Income                         | -                     | -             | 4,796         | 337                  |
| Expenditure                    | -                     | -             | -             | (362)                |
| Carried forward at 31 Dec 2021 | <b>6,988</b>          | <b>21,045</b> | <b>48,777</b> | <b>298</b>           |

  

|                                | St Johns<br>Players<br>£ | Fabric<br>£   | Linwood<br>Rd<br>property<br>£ | TOTAL<br>2021<br>£ |
|--------------------------------|--------------------------|---------------|--------------------------------|--------------------|
| Brought forward at 1 Jan 2021  | 700                      | 23,752        | 63,888                         | <b>160,677</b>     |
| Income                         | -                        | -             | -                              | <b>5,133</b>       |
| Expenditure                    | (700)                    | -             | -                              | <b>(700)</b>       |
| Carried forward at 31 Dec 2021 | <b>-</b>                 | <b>23,752</b> | <b>63,888</b>                  | <b>164,748</b>     |

#### Fund descriptions:

Parish Centre – for the build of a new parish hall/parish centre, replacing the current hall.

Organ – for the replacement or repair of the organ that is in place in the church.

Legacies – being receipts from legacies where no restrictions apply that the PCC designates for the purpose of paying for items of a capital nature.

Fabric – for repairs to the fabric of the church building.

Linwood Road Property – for work required to upkeep/repair the Linwood Road property.

### 14 ANALYSIS OF NET ASSETS

|                     | Unrestricted<br>funds<br>£ | Designated<br>funds<br>£ | Restricted<br>funds<br>£ | TOTAL<br>2022<br>£ |
|---------------------|----------------------------|--------------------------|--------------------------|--------------------|
| Fixed assets        | -                          | 63,888                   | -                        | 63,888             |
| Current assets      | 63,738                     | 100,759                  | 287,009                  | 451,506            |
| Current liabilities | (22,972)                   | -                        | -                        | (22,972)           |
| Total               | <b>40,766</b>              | <b>164,647</b>           | <b>287,009</b>           | <b>492,422</b>     |

  

|                     | Unrestricted<br>funds<br>£ | Designated<br>funds<br>£ | Restricted<br>funds<br>£ | TOTAL<br>2021<br>£ |
|---------------------|----------------------------|--------------------------|--------------------------|--------------------|
| Fixed assets        | -                          | 63,888                   | -                        | <b>63,888</b>      |
| Current assets      | 57,347                     | 100,860                  | 227,772                  | <b>385,979</b>     |
| Current liabilities | (16,742)                   | -                        | -                        | <b>(16,742)</b>    |
| Total               | <b>40,605</b>              | <b>164,748</b>           | <b>227,772</b>           | <b>433,125</b>     |

# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

### 15 RESTRICTED FUNDS

|                | 2022<br>£      | 2021<br>£      |
|----------------|----------------|----------------|
| Parish Centre  | 282,361        | 223,124        |
| Choir Fund     | 3,671          | 3,671          |
| Education Fund | 977            | 977            |
|                | <u>287,009</u> | <u>227,772</u> |

The movements on the Restricted Funds during 2022 were as follows:

|                                     | Parish<br>centre<br>£ | Education<br>Fund<br>£ | Choir<br>Fund<br>£ | TOTAL<br>2022<br>£ |
|-------------------------------------|-----------------------|------------------------|--------------------|--------------------|
| Brought forward at 1 January 2022   | 223,124               | 977                    | 3,671              | 227,772            |
| Voluntary Income                    | 64,832                | -                      | -                  | 64,832             |
| Expenditure                         | (5,595)               | -                      | -                  | (5,595)            |
| Carried forward at 31 December 2022 | <u>282,361</u>        | <u>977</u>             | <u>3,671</u>       | <u>287,009</u>     |

The movements on the Restricted Funds during 2021 were as follows:

|                                     | Parish<br>centre<br>£ | Education<br>Fund<br>£ | Choir<br>Fund<br>£ | TOTAL<br>2021<br>£ |
|-------------------------------------|-----------------------|------------------------|--------------------|--------------------|
| Brought forward at 1 January 2021   | 146,430               | 1,000                  | 3,671              | 151,101            |
| Voluntary Income                    | 76,694                | -                      | -                  | 76,694             |
| Expenditure                         | -                     | (23)                   | -                  | (23)               |
| Carried forward at 31 December 2021 | <u>223,124</u>        | <u>977</u>             | <u>3,671</u>       | <u>227,772</u>     |

The PCC accounts include certain Restricted Funds, where the monies can only be used for the specific purpose for which they were entrusted to the PCC. These monies are not at the disposal of the PCC for any other purpose.

#### Fund descriptions:

Parish Centre – for the build of a new parish hall/parish centre, replacing the current hall.

### 16 PAYMENTS TO TRUSTEES

No PCC members received remuneration (2021: £nil). Members of the Ministry Team who were also members of the PCC were reimbursed working expenses, relating primarily to travel expenses, totalling £111 (2021 £185).

### 17 RELATED PARTY TRANSACTIONS

There were no related party transaction in the year (2021: £nil).

# PAROCHIAL CHURCH COUNCIL OF HARPENDEN ST JOHN

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

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

|   |    | Unrestricted Funds |                | Restricted Funds | TOTAL          |
|---|----|--------------------|----------------|------------------|----------------|
|   |    | General            | Designated     | Funds            | 2021           |
|   |    | £                  | £              | £                | £              |
| <b>INCOMING RESOURCES</b>                 |    |                    |                |                  |                |
| Incoming resources from generated funds:  |    |                    |                |                  |                |
| Voluntary income                          | 2  | 138,674            | 4,787          | 76,694           | <b>220,155</b> |
| Activities for generating funds           | 3  | 26,526             | -              | -                | <b>26,526</b>  |
| Investment income                         | 4  | 61                 | 9              | -                | <b>70</b>      |
|   |    | 165,261            | 4,796          | 76,694           | <b>246,751</b> |
| Incoming resources from church activities | 5  | 10,135             | 337            | -                | <b>10,472</b>  |
| <b>Total incoming resources</b>           |    | <b>175,396</b>     | <b>5,133</b>   | <b>76,694</b>    | <b>257,223</b> |
| <b>RESOURCES EXPENDED</b>                 |    |                    |                |                  |                |
| Cost of church activities                 |    |                    |                |                  |                |
| Missionary Giving                         | 6  | 14,828             | -              | -                | <b>14,828</b>  |
| Parish Share                              | 6  | 98,189             | -              | -                | <b>98,189</b>  |
| Fabric and Running Costs                  | 6  | 32,627             | -              | -                | <b>32,627</b>  |
| Mission & Education                       | 6  | 4,361              | -              | 23               | <b>4,384</b>   |
| Staff Costs                               | 6  | 21,425             | -              | -                | <b>21,425</b>  |
| Other costs                               | 6  | 6,633              | 362            | -                | <b>6,995</b>   |
| <b>Total resources expended</b>           |    | <b>178,063</b>     | <b>362</b>     | <b>23</b>        | <b>174,448</b> |
| <b>Transfers between funds</b>            | 12 | 700                | (700)          | -                | <b>-</b>       |
| <b>Net income/(expenditure) for year</b>  |    | <b>(1,967)</b>     | <b>4,071</b>   | <b>76,671</b>    | <b>78,775</b>  |
| <b>RECONCILIATION OF FUNDS</b>            |    |                    |                |                  |                |
| <b>Total funds at 1 Jan 2021</b>          |    | <b>42,572</b>      | <b>160,677</b> | <b>151,101</b>   | <b>354,350</b> |
| <b>Total funds at 31 Dec 2021</b>         |    | <b>40,605</b>      | <b>164,748</b> | <b>227,772</b>   | <b>433,125</b> |