

Charity registration number: 1129251

**FAKENHAM PAROCHIAL
CHURCH COUNCIL
ANNUAL REPORT & FINANCIAL STATEMENTS**

31 DECEMBER 2020

**THE PARISH CHURCH OF
ST PETER AND ST PAUL, FAKENHAM**

**The Annual Report
and Financial Statement of Accounts
of the Parochial Church Council**

For the year ended 31st December 2020

Incumbent:
The Rev'd Francis Mason
The Rectory
Gladstone Road
Fakenham
NR21 9BZ

Bank:
HSBC
Market Place
Fakenham
NR21 9DA

Independent Examiner:
Larking Gowen LLP
Summerhill House
Sculthorpe Road
Fakenham
NR21 9HA

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM

CONTENTS

	Page
Trustees' Annual Report	1 - 4
Receipts and Payments Account	5
Statement of Assets and Liabilities	6
Notes to the Financial Statements	7 – 10
Independent Examiner's Report	11

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM

TRUSTEES' ANNUAL REPORT

Administrative Information

St Peter and St Paul's Church is situated in the centre of the Market Town of Fakenham. It is part of the Diocese of Norwich within the Church of England. The correspondence address is The Rectory Office, 21 Gladstone Road, Fakenham NR21 9BZ.

The Parochial Church Council (PCC) is a Charity registered with the Charity Commission. Number 1129251.

Incumbent: Reverend Francis Mason
(Chairman of PCC and Board of Trustees)

Readers: Mrs Elaine Burbidge
Mrs Amanda Sands
Mrs Linda Frost

Wardens: Mr Roger Burbidge
Mr Keith Osborn

Representatives
of the Deanery Synod : Mrs Alison Harding
Mr Richard Lynam

Finance team: Mr Keith Osborn
The Rev'd Francis Mason
Mr Roger Burbidge

PCC Members (and Charity Trustees) 2020

Reverend Francis Mason
Mrs Alison Harding (resigned May 2020)
Mr Roger Burbidge
Mr Frank Schofield (resigned September 2020)
Mr Richard Lynam
Mr Colin Huxtable
Mr Keith Osborn
Mrs Judith Inward (resigned October 2020)
Mrs Judith Smyth
Mrs Elaine Burbidge
Mrs Moira Morley
Mrs Amanda Sands (resigned April 2020)
Mr John Mullins
Mr Liam Warnes

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM

TRUSTEES' ANNUAL REPORT - CONTINUED

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Church Electoral Roll and stand for election to the PCC.

Objectives and activities

St Peter and St Paul's PCC has the responsibility of co-operating with the incumbent, the Rev'd Francis Mason in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Peter and St Paul's Church, Oak Street, Fakenham.

Achievements and performance and review of the year

This was a year unlike any other that we have known. The church was closed for collective worship on two occasions during the year because of government COVID-19 restrictions: between 16 March and 5 July and between 2 November and 5 December, a total of 16 weeks. In the period between July and November when the church was open, we were in fact only open for a single service per week, albeit the chancel was also open for individual prayer each morning in line with government guidelines.

Importantly, an online congregation has now been gained via the daily worship podcasts that are made by the Rector and a small team, and we are hopeful that this will remain with us as we move out of COVID restrictions later this year.

Given lockdowns, the understandable reluctance of people to meet even when restrictions allowed, and the reduced number of services, the numbers of people attending services in person has reduced this year. Sundays saw an average church attendance of 47 people (over the 36 'active' weeks of the year). Including other Sunday services – Messy Church, Healing Service and Choral Evensong – the number rises to 51. We have only had two Sunday baptisms, both before the first lockdown, each with just 25 attendees, so increasing the Sunday average to 52. We were able to operate our Thursday morning holy Communion for just 11 weeks with an average attendance 20 people per week. As of 31 December 2020, there were exactly 100 parishioners on the Church Electoral Roll.

During the year, the church tower was damaged by a storm and remedial work needed to be undertaken to restore one pinnacle and to replace the four weathervanes. We also had to take the difficult decision to suspend printing the parish magazine, The Beacon, during the year.

Financially, the church has undoubtedly been impacted by the COVID-19 pandemic. It proved impossible to continue with many of our normal activities (both worship and fundraising) and it meant that we had to adjust our financial budget for the year accordingly.

Outgoings were reduced during the year in two significant ways. First, we agreed with the Diocese of Norwich to reduce our 'Parish Share' payment by 25% for the year, saving some £15,000 of expenditure, and second, the Rector's Administrative Assistant was placed on furlough during the year, and then decided to retire. That role has not to date been replaced, so a further saving of some £3,400 was made here against projected expenditure at the start of the year (including around £960 paid to us under the government furlough scheme). Other outgoings remained, principally utilities expenses, some repair and maintenance expenditure, professional fees and office and administration expenses, but these have all been proactively managed and pared back to the minimum necessary amounts in view of the situation. Whilst we also had some expense in printing the parish magazine, The Beacon, (before we suspended printing) this was broadly matched by advertising income.

Commercial income was severely impacted during the year. As well as the church being closed for worship, we were also closed for all trading activities from the middle of March. This impacted our Thursday coffee mornings, our book sales, and all activities which we rely on to generate income including our annual Christmas Tree Festival. In total, we estimate that we were unable to access income of around £35-40,000 compared to 2019.

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM

TRUSTEES' ANNUAL REPORT - CONTINUED

Achievements and performance and review of the year (continued)

Around half of this is represented by the lack of income from our Christmas Tree Festival in December. Whilst we were able to run a virtual festival, the proceeds of this were negligible compared to normal circumstances.

This left us reliant for over nine months principally upon the generous and consistent giving of our congregation. We are pleased to report that this income remained extremely strong for the whole year and showed the benefit of the work we had done in previous years to move congregational giving away from cash giving towards standing orders and online giving, and to ensure as much as possible is gift aided when it is given. We have also introduced a giving portal on our website and a cashless donation terminal for use in the church when it is open.

Through the ongoing proactive and prudent management of our expenses and income, and by closely monitoring and adjusting our forecast 'working' budget for 2020 during the year, we estimate that our excess of 'working' expenditure over income for the year was some £8,000 or so greater than we had initially forecast.

The church continues to be able to operate as a going concern in 2021, and the Trustees are confident of meeting our obligations as they fall due during the next 12 months and beyond. Our 'unrestricted funds' budget for 2021 shows a net income of around £17,000 for the year, and we have incurred fabric expenses in 2020 and the first part of 2021 of around £7,000 in our general account that we will be recovering from restricted funds.

We also have plans for additional fundraising during the year to make up for reduced income for 2020, and we hope to be able to run a full physical Christmas Tree Festival in December. Expenses will once again be managed proactively and closely to ensure they are kept to the necessary minimum.

Public benefit

When planning our activities for the year, the Trustees have given due regard to the Commission's guidance on public benefit.

Financial Review

Total receipts on ordinary unrestricted funds were £72,345 (2019 £139,793) and are detailed in the financial statements.

In 2020 £94,340 (2019 £242,206) was spent to provide the Christian ministry from St Peter and St Paul's Church, including the contribution to the parish share, which largely provides the stipends and housing for the clergy. The sum that churches in the deanery have to find is a fixed sum relating to the real cost of a priest divided between the churches in the benefice.

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM

TRUSTEES' ANNUAL REPORT - CONTINUED

Reserves Policy

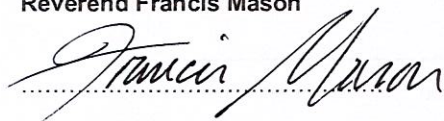
The unrestricted cash funds at the year-end were £22,535 (2019 £40,752). The reduction compared to the prior year is due to the impact of Covid-19 on the trading and fundraising activities. The unrestricted cash funds are maintained at a level sufficient to smooth out fluctuations in cash flow and to meet emergencies.

There is a balance of £238,932 (2019 £191,376) carried forward on the restricted funds. Restricted funds comprise investments of £218,047 (2019 £177,717) and cash of £20,885 (2019 £13,659).

It is PCC policy to pay all outstanding bills as soon as possible to help local businesses working for the church.

Approved by the PCC on 31st MAR 2021 and signed on their behalf by

Reverend Francis Mason

A handwritten signature in black ink, appearing to read 'Francis Mason', written over a horizontal dotted line.

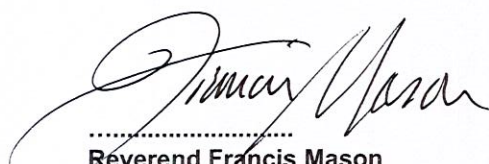
PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM
 RECEIPTS AND PAYMENTS ACCOUNT
 FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted Funds	Restricted Funds					Total Funds	
		General	Bells Fund	Organ Fund	Clock Fund	Music Fund	Doug Flegg	2020	2019
Notes		£	£	£	£		£	£	
RECEIPTS									
Voluntary receipts- loose collections		1,086	-	-	-	-	-	1,086	4,467
Gift Aided giving of all sorts		35,567	-	-	-	-	-	35,567	30,657
Donations, appeals and legacies etc		6,150	-	-	10,000	1,000	-	17,150	5,374
Income tax recovered		7,263	-	-	-	-	-	7,263	12,309
		50,066	-	-	10,000	1,000	-	61,066	52,807
Activities for generating funds	2a	8,990	-	-	-	-	-	8,990	50,837
Receipts from Church activities	2b	10,192	-	-	-	-	-	10,192	12,886
Other receipts	2c	760	-	-	-	-	4	764	21,993
Grants	2d	2,337	-	-	-	-	-	2,337	1,375
TOTAL RECEIPTS		72,345	-	-	10,000	1,000	4	83,349	139,898
PAYMENTS									
Church activities:									
Diocesan parish share		42,683	-	-	-	-	-	42,683	54,789
Other payments	3	47,879	-	-	-	-	3,778	51,657	187,417
TOTAL PAYMENTS		90,562	-	-	-	-	3,778	94,340	242,206
Net receipts and payments		(18,217)	-	-	10,000	1,000	(3,774)	(10,991)	(102,307)
Bank balances at 1 January 2020		40,752	860	594	-	-	12,205	54,411	156,719
Bank balances at 31 December 2020		22,535	860	594	10,000	1,000	8,431	43,420	54,411

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

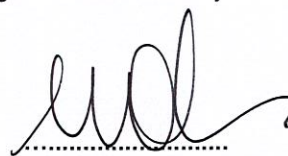
		Unrestricted Funds	Restricted Funds	Total Funds	
				2020	2019
	Notes	£	£	£	£
CURRENT ASSETS					
Bank accounts	5	22,535	20,885	43,420	54,411
<i>Total cash funds</i>		<u>22,535</u>	<u>20,885</u>	<u>43,420</u>	<u>54,411</u>
Investment assets					
Investment fund shares at market value		<u>-</u>	<u>218,047</u>	<u>218,047</u>	<u>177,717</u>
Assets retained for Church use					
Fixed assets (unrestricted)	4	<u>1,978</u>	<u>-</u>	<u>1,978</u>	<u>4,492</u>

Approved by the Parochial Church Council on 31 March 2021 and signed on its behalf by



Reverend Francis Mason
 Trustee

Date 31 March 2021



K Osborn
 Trustee

Date 31/3/21

The notes on pages 7 to 11 form part of these accounts.

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 using the Receipts and Payments basis.

Funds

Restricted funds represent a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

Unrestricted funds are general funds which can be used for PCC ordinary purposes. These include amounts designated by the PCC for future projects.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s.10 (2)(a) and (c) of the Charities Act 2011.

Assets retained for church use (unrestricted)

Movable church furnishings held by the rector and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in church's inventory, which can be inspected (at any reasonable time).

Equipment used within the church premises is depreciated on a straight-line basis over four years.

Investments

Investments are valued at market value as at 31 December. Investments comprise CCLA investment fund shares at market value.

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted Funds		Restricted Funds					Total Funds	
	General	Fabric General	Bells Fund	Organ Fund	Clock Fund	Music Fund	Doug Flegg	2020	2019
	£	£	£	£	£	£	£	£	£
2 RECEIPTS									
2a Activities for generating funds									
Coffee fund takings	2,387	-	-	-	-	-	-	2,387	10,692
Bricabrac & book sales	1,029	-	-	-	-	-	-	1,029	5,015
Beacon account advertising	3,714	-	-	-	-	-	-	3,714	13,368
Concerts	-	-	-	-	-	-	-	-	568
Christmas tree festival	1,330	-	-	-	-	-	-	1,330	19,875
Book and jigsaw fairs	530	-	-	-	-	-	-	530	824
Art festival, art group	-	-	-	-	-	-	-	-	45
Makers market	-	-	-	-	-	-	-	-	450
	8,990	-	-	-	-	-	-	8,990	50,837
2b Receipts from Church activities									
Fees from weddings & funerals for Diocese, Church & organist	10,192	-	-	-	-	-	-	10,192	12,886
2c Other receipts									
Car park fees	760	-	-	-	-	-	-	760	1,013
Sundry	-	-	-	-	-	-	-	-	25
Interest received	-	-	-	-	-	-	4	4	107
DCMS scheme	-	-	-	-	-	-	-	-	20,848
	760	-	-	-	-	-	4	764	21,993
2d Grants									
Trinity College	1,375	-	-	-	-	-	-	1,375	1,375
JRS Covid Grants	962	-	-	-	-	-	-	962	-

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted Funds		Restricted Funds					Total Funds	
	General	Fabric	Bells	Organ	Clock	Music	Doug	2020	2019
	£	£	Fund	Fund	Fund	Fund	Flegg	£	£
3 PAYMENTS									
Church activities - other payments									
Ministry:									
Rectors allowance & office expenses	820	-	-	-	-	-	-	820	3,287
Organists' fees	5,400	-	-	-	-	-	-	5,400	7,575
Electricity & gas	5,394	-	-	-	-	-	-	5,394	6,258
Repairs & renewals	2,894	-	-	-	-	-	3,778	6,672	8,572
Insurance	4,552	-	-	-	-	-	-	4,552	4,464
Printing, postage & stationery	4,219	-	-	-	-	-	-	4,219	2,508
Accountancy	3,264	-	-	-	-	-	-	3,264	2,820
Architect fees	-	316	-	-	-	-	-	316	1,227
Coffee fund purchases	914	-	-	-	-	-	-	914	2,734
Beacon printing costs	5,117	-	-	-	-	-	-	5,117	15,708
<i>Christmas Tree Festival expenses</i>	-	-	-	-	-	-	-	-	1,227
Fees to Diocese from weddings & funerals	9,677	-	-	-	-	-	-	9,677	6,812
Lighting project	-	-	-	-	-	-	-	-	113,699
Payments to Charities	377	-	-	-	-	-	-	377	697
Trinity College grant	1,375	-	-	-	-	-	-	1,375	1,375
Sundry	1,441	-	-	-	-	-	-	1,441	3,829
Payroll expenses	2,119	-	-	-	-	-	-	2,119	4,625
	47,563	316	-	-	-	-	3,778	51,657	187,417

PAROCHIAL CHURCH COUNCIL OF ST PETER AND ST PAUL, FAKENHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4	Assets retained for Church use (unrestricted)	Church equipment	
		2020 £	2019 £
	Actual/deemed cost		
	At 1 January 2020	68,520	68,520
	Additions	<u>-</u>	<u>-</u>
	At 31 December 2020	<u>68,520</u>	<u>68,520</u>
	Depreciation		
	At 1 January 2020	64,028	57,136
	Charge for the year	<u>2,514</u>	<u>6,892</u>
	At 31 December 2020	<u>66,542</u>	<u>64,028</u>
	Net assets	<u>1,978</u>	<u>4,492</u>

Church equipment comprises items used within the Church in furtherance of its activities and office equipment and furniture.

5	Cash at bank	2020 £	2019 £
	HSBC Fakenham		
	General account	19,853	30,909
	Fabric account	22,555	22,494
	CCLA account	912	908
	Cash in hand	<u>100</u>	<u>100</u>
		<u>43,420</u>	<u>54,411</u>

6 Transactions with Trustees

No remuneration, expenses or other benefits were paid to the Trustees or people connected with them by the Charity in the year (2019 nil).

No transactions were undertaken by the charity in which a Trustee or connected person has a material interest (2019 nil).

During the year £3,326 was reimbursed to 2 Trustees in respect of items paid for on behalf of the charity (2019 £2,877 – 6 Trustees).

INDEPENDENT EXAMINER'S REPORT TO THE PCC OF ST PETER AND ST PAUL, FAKENHAM

I report to the members on the examination of the accounts of the PCC of St Peter and St Paul, Fakenham for the year ended 31 December 2020 which are set out on pages 5 to 10.

Responsibilities and basis of report

As the members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Church Accounting regulations 2006 and section 144 Charities Act 2011 ('the Act').

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiners' statement

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 accounts do not accord with those records

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.

Larking Gowen

Dated: 12 April 2021

CHRISTOPHER YEATES FCA DChA
LARKING GOWEN LLP
CHARTERED ACCOUNTANTS
SUMMERHILL HOUSE
SCULTHORPE
FAKENHAM
NR21 9HA