

**Annual Report
and
Financial Statements
of the**

**The Parochial Church Council of the
Ecclesiastical Parish of Christ Church &
St John's, Radlett
(Radlett Parochial Church Council)**

for the year ended 31 December 2021



**Christ Church and
St John's Radlett**

Registered in England as a charity (no. 1132088)

The Parochial Church Council
of the
Ecclesiastical Parish of Christ Church & St John's, Radlett
Financial statements
Year ended 31 December 2021

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RADLETT PAROCHIAL CHURCH COUNCIL

Annual Report for 2021

The Trustees present their report and audited financial statements of the charity for the year ending 31st December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Administrative information

Christ Church is to the south of the village of Radlett located on Watling Street. Its daughter church St John's is situated in Gills Hill Lane. It is part of the Diocese of St Albans within the Church of England. PCC members who have served during 2021 until the date of this report are:

Incumbent: Revd Oliver Blease
(from July 2021)

(Team Vicar Aldenham): Revd Robert Fletcher
(Acting Team Rector from June 2021)

(Team Vicar Shenley): Revd Daniel McCarthy
(up to May 2021)

Diocesan Reader: Mrs Eileen Bigg

Wardens: Mrs Helen Warne
(to April 2021)
Mrs Fiona Turner
Mrs Caroline Newman
(from April 2021)

Representatives on Deanery Synod
Mrs Gillian Foroughi
Mr Jeremy Newton
(both from May 2021)

Elected Members: Mr Fola Adeoti
Mrs Ade Afolabi
Mr Simon Ashley
Mr Robert Attuh
Mrs Jenny Bailey (from April 2021)
Mr Remi Bola
Mr John Graham
Mr Barry Hogg
Mr Jeremy Newton
Mrs Sue Waller
Mrs Rosemari Whiteman

Treasurer: Mr John Graham
(Elected member)

Assistant treasurer: Mrs Jenny Bailey
(Elected member)

PCC Secretary: Mrs Susan Brown

Registered Office: The Church Office
Christ Church Vision Hall
Watling Street
Radlett WD7 7JJ

Bankers: Barclays Bank plc
Watling Street
Radlett WD7 7AJ

Auditors: Hillier Hopkins LLP
Chartered Accountants
Radius House, 51
Clarendon Road, Watford
WD17 1HP

Structure, governance and management

The Parochial Church Council of the Ecclesiastical Parish of Christ Church & St John's Radlett (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 and is registered in England as a charity (no. 1132088).

Radlett is part of the Team Benefice of Aldenham, Radlett and Shenley formed in February 2005.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees over the age of 16 are encouraged to register on the Electoral Roll and are eligible to stand for election to the PCC. PCC members with specific responsibilities are encouraged to attend training courses arranged by the Diocese, Deanery or other organisation as appropriate.

The full PCC met on six occasions during the year, using Zoom technology on the first four occasions. Management Committee met between meetings and Minutes of their deliberations were received by the full PCC and discussed where necessary. Minutes of PCC meetings are available in the

narthex of Christ Church for inspection by those interested.

The PCC operates through a number of committees:

Management/Standing Committee: Meets regularly between PCC meetings and has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

Financial Advisory Group: Advises the PCC and Management Committee and oversees the general finances of Christ Church and St John's.

Stewardship Committee: Monitors the parish's policy on Christian Stewardship. It coordinates the annual renewal of Christian Stewardship of money through planned giving which parishioners feel able to offer to the life of the church.

DICE Committee: Encourages Diversity, Inclusion, Cohesion and Engagement within the church and its relationships with the community.

Home and Overseas Committee: Advises the PCC on the disbursement of its charitable giving to various local, national and international charities and causes.

Hall Management Group: Oversees the maintenance and management of the Vision Hall.

St John's Committee: In abeyance during 2021, in view of the re-development of St John's church site.

Aim and purposes

Radlett PCC is responsible to the Diocese of St Albans and with the Incumbent for promoting in the ecclesiastical parish the whole mission of the church - pastoral, evangelistic, social and ecumenical.

It also has maintenance responsibility for the Parish Church, Church Hall and Burial Ground in Watling Street, St John's Church and Hall in Gills Hill Lane, along with the house at 51 Gills Hill Lane, available for a curate. All these

(except for the curate's house, currently let) are facilities intended to be for the use of the general public as well as for church members.

Objectives and activities

The primary objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ and our mission statement is "We believe God calls us to be a loving community, inspired by the Holy Spirit, founded and growing in faith through worship and prayer, making new disciples as we proclaim Jesus in word and deed". This ties in with our Diocesan three-fold Living God's Love vision of "going deeper into God, making new disciples and transforming communities".

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

We seek to do this by providing a variety of different styles of worship service, by offering pastoral care to those in need or at key points in their life's journey, by preaching and teaching to people of all ages in ways appropriate to their needs, and by actively reaching out to those on the fringe or outside our current membership. Being a parish church, we aim to be available for all people of our parish. We believe that people have spiritual as well as material needs and seek especially to minister in the spiritual dimension of life, often through meeting people in the social or emotional situations which they encounter. We are especially concerned to meet the needs of children and young people.

Achievements and performance

As throughout the UK, Covid-19 has substantially impacted this Parish, disrupting the normal pattern of worship and other activities. Added to this, the Parish was without an incumbent until July 2021, and the Vicar of Shenley who was acting as Team Rector, also moved away in May 2021.

Worship, prayer and pastoral support

We were unable to hold services until Palm Sunday, and from then until our incumbent Oliver was installed, we provided one Sunday and one Wednesday service per week. We are

grateful to those priests who supported us, particularly Revd. Geoff Lackey who presided at Easter.

Services of Book of Common Prayer at 8am on Sunday resumed in September, as did monthly services in the temporary building installed on St John's church site. These are services of Holy Communion, offering an alternative to the non-Communion All Age worship held at Christ Church on those Sundays. There is therefore a variety of worship styles, albeit not yet as much as before Covid-19.

Three "special services", where our congregations gathered together, across the parish and across the Team, were held towards the end of the year. These were a Confirmation Service on Advent Sunday, when it was a joy to welcome five confirmands; an ecumenical Carol Service before Christmas, where the church was as full as restrictions allowed; and a Team service on the Feast of St Stephen. We also held a commemoration service on All Souls Sunday, for those recently bereaved or wishing to remember loved ones.

Additionally, this year we were pleased to be able to commemorate Remembrance Sunday in-person at the War Memorial in the village. We, as part of Churches Together in Aldenham and Radlett, worked closely with the local synagogues to produce the liturgy and civic leaders assisted in the logistical arrangements. We welcomed serving members of HM Armed Forces as well as youth members of uniformed groups who participated in the commemorations.

A time of "ReConnection" was held each Saturday morning by Zoom, led by lay members of the congregation, looking at the Bible readings for the following day and praying for the needs of the local community and the world. ReConnection was an initiative set up in 2020, at the start of the first Covid lockdown, and has continued throughout 2021 and into 2022, being particularly valuable for those still "shielding" and for those wanting a time to look at the Bible readings set for the following day.

A WhatsApp group has also enabled many of the congregation who felt unable to come to church to remain in touch and share joys and

sorrows through the year. There have been an immense number of "praying hands" messages!

Additionally, Christmas cards were delivered to all members of the electoral roll who were elderly, on their own or who had not been seen in church or on ReConnection, and personal contact was made in many instances. Again, these additional contacts were greatly appreciated.

Adult attendances during October averaged 55 on Sunday and 22 at the mid-week service. Attendance on Christmas Day was 87, with many of the usual congregation continuing to "shield"

There were 3 baptisms, 5 confirmations, 1 wedding, 10 funerals and 4 interments during the year.

At the start of 2021, there were 191 members on the Church Electoral Roll, and at the end of the year, there were 188 (6 removals; 3 additions)

Volunteers

We are grateful for the time and skills of many volunteers, both during the vacancy and currently. We could not be the organisation we are or serve the community in the way we do without the commitment of our volunteers.

Church and hall premises and graveyard

Activities at the Vision Hall and St John's Hall continued where they were allowed, but this was at a greatly reduced rate, and consequently income fell substantially. We are grateful for the Government's furlough scheme which provided support of £5,349 during the year

When permitted, a Nursery, Mums & Toddlers groups, Weight Watchers, Taekwondo, Dance & Drama groups, Brownies and many others have all made use of the two facilities.

The redevelopment of the site of St John's church is a project with Hertsmere Borough Council (which is providing the funds) to re-develop the site in order to provide a new church and hall along with six units of much-needed affordable accommodation. The contract was let to TSG who started work on site in July 2021. TSG split the site into two and ensured that the Nursery was able to continue from September in spacious accommodation with a suitable outdoor play area.

Unfortunately, due to planning and other issues, work on site ceased for the remainder of the year. It is now expected to resume after Easter 2022.

Following the PCC's agreement to keep open the graveyard for the benefit of the community, and the grant of a faculty to re-use graves over 100 years old, headstone memorials were relocated along a wall and some 30 new burial plots were created.

Ecumenical and "mission" activities

Clergy contact with the local Primary schools was very limited in the first half of the year, due both to the vacancy and to Covid. However, lay members of the church are at Local Governing Body, Trustee and Member levels of the Poppy Academy Trust and sought to support the excellent work of the staff at both St John's Infant and Fair Field Junior schools.

The Team Vicar is a member of the school academy Local Governing Body, and regularly attends the church school to lead services of Collective Worship. He has begun to provide chaplaincy sessions from the staffroom to boost morale and to support the staff during the pandemic and recovery from its effects. As part of the Aldenham, Radlett, and Shenley Team Ministry the Vicar has assisted with Messy Church and preached to varied ages at lively services with young people.

At Christ Church we have launched a new monthly all-age service called All Together, adopting a contemporary and informal style of worship to particularly appeal to children and families. We have begun conversations, including with the diocese, about a vision and the process for recruiting a new Children and Youth Worker. The 8.00 am Book of Common Prayer Communion service has resumed under the new Team Vicar and is a growing congregation. The Vicar has also reinstated home communions and regularly visits the housebound for this purpose, including those in the local care homes. The Vicar developed and delivered a new Confirmation course based around *Faith Confirmed* by Peter Jackson and Chris Wright to prepare the candidates mentioned above, which ran during October and November. The Vicar has met regularly with other Christian clergy in the parish to ensure good ecumenical relations at all levels.

The Vicar participated in the ecumenical advent course and delivered a talk on Art in Advent for the community which was well received.

The clergy team are preparing a Lent course based around *Sharing the Easter Story* by Sally Welch. The Vicar has formed good relationships amongst the large local Jewish community, especially with the Rabbi of the Reform Synagogue, attending with his family as a guest of the Rabbi their Channukah celebrations and the fiftieth anniversary of their founding in the parish

The Diversity, Inclusion, Cohesion and Engagement (DICE) group established in 2020 organised a very successful occasion in September to bring the members of the church back together. Black History Month was again celebrated and, in response to the plight of local refugees, an extended collection of clothing and toiletries was organised.

Members of the church are involved in two schemes run under the auspices of Churches Together in Radlett and Aldenham:

- The "Hamper Scheme" continued to provide food to 40 families needing extra support during holidays and at Christmas.
- The weekly Lunch Club for up to 26 elderly people predominantly on their own ran whenever regulations permitted

The PCC made grants during the year, as listed in Note 15 of the Finance Report, to various charities on the basis of the following policy: 5% of the previous year's planned giving including tax reclaim should be given to evangelistic and "social gospel" charities, one-third in the UK and two-thirds overseas. The PCC Home & Overseas Committee nominates these charities, and also the charities to whom we give all our Christmas and Easter cash collections.

Risk Assessment

We have an on-going process of review of the major risks to which the PCC is exposed. We have a range of local policies in place and where specific policies do not exist, we apply those promoted by the Diocese.

Since Oliver's arrival, we have put a very substantial amount of work into updating our Safeguarding policy and practices.

With the assistance of the Diocesan Safeguarding Adviser and the Archdeacon the Team Vicar has built up a new Safeguarding Team to support the work of the Parish Safeguarding Officer. Together this team have developed and implemented an Action Plan based on the requirements of the House of Bishops Report *Promoting a Safer Church*. The PCC has now adopted *Promoting a Safer Church* as its safeguarding policy, together with a number of recommended supplementary policies provided by the Diocese of St. Albans and adapted for local parish use. On behalf of the PCC the Safeguarding Team has ensured that all members of the church have the level of DBS check appropriate for their role. They have also reviewed and implemented the appropriate training required for all volunteers, PCC members, and staff, under the recent changes to the safeguarding training framework. This work has enabled regulated activities such as training children to ring the bells in church for example to recommence. In addition, we celebrated Safeguarding Sunday in October in an effort to raise awareness of the work completed, that which remains, and the ongoing shared responsibility for safeguarding amongst the whole church community. Safeguarding is now a standing item on the agenda for all PCC and Standing Committee (known as Management Committee) meetings, and the Parish Safeguarding Officer provides regular updates to the PCC on the work of the Safeguarding Team.

Financial Review

The accounts are drawn up under generally accepted accounting standards for the charity sector. The charity delivered an overall surplus of £91,747 (2020 deficit £15,464) after taking into account all funds. Most of this movement reflects the unrealised gains of the investment portfolio which moved from a small surplus of £20,664 in 2020 to a surplus of £121,496 in 2021. In July 2021 St Johns Church and Hall was closed and the structure demolished in September. The Net Book Value of this asset has been written off in the accounts offset by an equal reduction in the reserve set aside for church property.

On unrestricted funds, before accounting for the investment gain of £84,541, the disposal of St Johns Church and Hall and depreciation of

£25,226, the charity reported a small deficit of £4,518. Included in this deficit is the one off cost of expanding the cemetery of £3,584 funded from the Goodison Trust. The operations of the charity were effectively carried out at break even which given the circumstances around the COVID-19 pandemic and the closure of both church halls, is an excellent result. Apart from the decline in rental income from the halls, income generally held up, helped by a COVID grant from Hertsmere Council and Furlough payments from the Government. We are grateful to the many regular givers in our congregation. Expenditure was reduced due to the full year vacancy of the Children's, Youth & Families Worker.

Principal funding sources

The PCC relies on voluntary giving from parishioners to fund its activities; we are thankful for the response to the annual stewardship appeal, which generates this income. Other income includes hall lettings, grants, donations and income from deposits and investments. This year again we have benefited from the continuing rental income from the curate's house but as noted above have suffered a major decrease in hall lettings.

Expenditure

A total of £261,255 (2020: £277,695) was spent to provide the Christian ministry of Christ Church and St John's. Included in expenditure is £120,893 (2019: £132,405) contribution to the Diocesan parish share, much of which is spent on stipends and housing for the clergy. Expenditure continued lower this year reflecting the parish vacancies and overall caution given the reduction in hall income.

Future Review

The PCC on advice from the incumbent vicar, has decided in principle to continue to support the role of the Children's, Youth & Families Worker (CYFW). At the time of signing this report discussions are underway on what is expected from the role but it is expected the role will be filled in 2022. The 2022 budget includes provision for the cost of CYFW and the PCC agreed a deficit budget of £10,607 prior to transfers to designated funds.

Investments policy

Unrestricted funds are invested in a balance of short-term deposits and long-term investment funds including bonds and equities. Around

85% of our investments are in equities in a portfolio run on a medium risk basis. The funds are invested with M&G and CCLA linked to the Church of England. Performance is benchmarked against the FTSE All-Share Index. The capital of the unrestricted fund equity investments increased by 14.9% during 2021 (2020:2.3%), just ahead of the FTSE All Share index which increased by 14.5%.

Reserves policy

The PCC seeks to maintain Unrestricted Reserves of six months of unrestricted charitable expenditure. This level is maintained so that if income suddenly fell significantly the combination of income and retained reserves should cover a year's expenditure, time enough to change fundamentally the cost base in line with a revised lower level of income. The top 10 donors contribute 50% of our stewardship income so the PCC is aware of the need to maintain the effort to draw new people into the stewardship scheme. Given the dependence on a limited number of donors, the PCC believes that the unrestricted reserves are necessary to fund future plans and meet future anticipated deficits.

At 31 December 2021 the balance on the unrestricted funds was £1,155,946 (2020: £1,081,103). The PCC is required to provide accommodation for a curate at a standard laid down by the Diocese. Whilst the curate's house is currently let, it has to be available to a future curate if one is so appointed. The funds invested in 51 Gills Hill Lane £632,570, are not considered to be freely available reserves. Removing these funds from the unrestricted reserves leaves a balance of £523,376 which, whilst being greater than 12 months' unrestricted expenditure, has grown from unrealised investment returns that could easily reverse.

The PCC has approved a deficit budget in 2022 that currently excludes the agreed replacement of the Children's, Youth and Families Worker. Should that appointment proceed in 2022 the costs will be taken from reserves. This along with our awareness that income from regular givers is declining, leads us to believe the level of reserves is appropriate and reflects the financial position of the charity.

On behalf of the PCC



Jeremy Newton
Lay Chair of the PCC

Independent Examiner's Report to the Trustees of Radlett Parochial Church Council

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 8 to 15.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts 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

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 charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Simon Speller

Simon Speller FCA

Hillier Hopkins LLP
Chartered Accountants
Radius House
51 Clarendon Road
Watford
WD17 1HP

Date: *14 March 2022*

RADLETT PAROCHIAL CHURCH COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2021

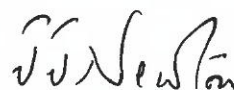
	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
						2021 £	2020 £
INCOME							
Donations and legacies	2a	151,697	-	5,679	-	157,376	172,573
Church activities	2b	30,020	-	0	-	30,020	30,673
Investments	2c	40,432	-	3,678	-	44,110	38,321
TOTAL INCOME		222,149	-	9,357	-	231,506	241,567
EXPENDITURE							
Mission and Charitable expenditure	3a	8,345	-	-	-	8,345	8,350
Church activities	3b	243,553	-	9,357	-	252,910	269,345
TOTAL EXPENDITURE		251,898	-	9,357	-	261,255	277,695
NET INCOME (EXPENDITURE) before Extraordinary items		(29,749)	-	-	-	(29,749)	(36,128)
Disposal of St Johns Church and Hall	6	(68,926)	-	-	-	(68,926)	-
NET INCOME(EXPENDITURE) before Gains on Investment		(98,675)	-	-	-	(98,675)	(36,128)
Net gains on investments	8	84,541	32,601	-	4,354	121,496	20,664
NET INCOME/(EXPENDITURE)		(14,134)	32,601	-	4,354	22,821	(15,464)
Transfer from designated funds	5	1,333	(1,333)	-	-	-	-
Transfer to designated funds	5	(9,500)	9,500	-	-	-	-
Transfer property reserve - depreciation	5	92,924	(92,924)	-	-	-	-
Transfer from Endowment	5	4,220	-	-	(4,220)	-	-
NET MOVEMENT IN FUNDS		74,843	(52,156)	-	134	22,821	(15,464)
BALANCES BROUGHT FORWARD							
1 January 2021		1,081,103	1,168,293	63,429	86,411	2,399,236	2,414,700
BALANCES CARRIED FORWARD							
31 December 2021		1,155,946	1,116,137	63,429	86,545	2,422,057	2,399,236
All income and expenditure other than the disposal of St Johns Church and Hall, derives from continuing activities							

RADLETT PAROCHIAL CHURCH COUNCIL

BALANCE SHEET AT 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	6	1,254,384	1,347,308
Endowment funds	7	86,545	86,411
Investments	8	902,769	685,627
		<u>2,243,698</u>	<u>2,119,346</u>
CURRENT ASSETS			
Debtors and prepayments	11	6,651	14,000
Investments		123,721	223,691
Cash at bank and in hand		52,751	46,779
		<u>183,123</u>	<u>284,470</u>
LIABILITIES: amounts falling due within one year	12	(4,764)	(4,580)
NET CURRENT ASSETS		<u>178,359</u>	<u>279,890</u>
NET ASSETS	9	<u>2,422,057</u>	<u>2,399,236</u>
FUNDS			
Endowment	7	86,545	86,411
Restricted	10	63,429	63,429
Designated - Property	5	616,357	704,355
- Other	5	499,780	463,938
Unrestricted	9	1,155,946	1,081,103
		<u>2,422,057</u>	<u>2,399,236</u>

Approved by the Parochial Church Council on 8 March 2022 and signed on its behalf by:



Jeremy Newton
Lay Chair of the PCC

The notes on pages 10 to 15 form part of these accounts.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information and basis of preparation

Radlett Parochial Church Council is a charity and is a corporate body established by the Church of England. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity 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 (FRS 102) issued on 16 July 2014 (as updated through Update Bulletins 1 and 2 published on 2 February 2016 and 5 October 2018 respectively), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investment form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable the income will be received. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

At this point income is recognised.

Income from trading activities to raise funds for the charity. Income from trading activities, primarily the letting of church halls, is recognised when entitlement has occurred.

The charity receives a grant from Local Government for the upkeep of the Burial Ground. As the grant is discretionary the grant is only recognised in the accounts on receipt.

Government grants relating to furlough receipts are credited to the Statement of financial activities in the period in which they occurred.

Investment income is earned through holding assets for investment purposes such as shares and property and includes dividends interest and rent. It is not practicable to identify investment management costs within the funds held so the income is reported net of these costs.

Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category.

Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds which only applies if there is a special appeal;

Expenditure on charitable activities which includes the running of the church and church halls; and

Other expenditure which represents those items not falling into the two categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. It is not the practice of the charity to award grants that are conditional on performance.

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended. Individual items with an initial cost of £5000 or less are written off when acquired.

Consecrated and beneficial property is excluded from the accounts by virtue of s10(2) to 10(4) of the Charities Act 2011.

Movable church furnishings held by the vicar and Churchwardens on special trust for the PCC and which require a facility for disposal are accounted for as inalienable property unless consecrated and are included in Fixtures and Fittings. They are listed in the Church's Inventory held at the Church Office.

The property at 51 Gills Hill Lane was purchased in 2013 for the use of a curate and was so occupied from June 2015 to September 2018.

The policy of the PCC is to always keep this property available for a curate but in the intervening periods the property is let to produce income thereby mitigating the overall cost of ownership.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life. No depreciation is applied to freehold land and buildings.

Freehold land	Nil
Freehold buildings	50 years
Fixtures and fittings	10 years
Musical instruments	10 years
Projection and sound systems	4 years

No depreciation charge is provided on 51 Gills Hill Lane as the Trustees believe the asset will have a high residual value which under the requirements of the SORP (2015) allows depreciation not to be charged.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

(f) Investments

Investments in Fixed assets are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(g) 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.

(h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 INCOMING RESOURCES

2a Donations and legacies

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2021 £	2020 £
Pledged giving	141,611	-	141,611	145,017
Gift Aid	6,500	-	6,500	14,000
Collections	2,586	-	2,586	1,877
Donations	1,000	-	1,000	1,000
Grants	-	5,679	5,679	5,679
Legacies	0	-	0	5,000
Donations for specific purposes	-	-	-	-
	151,697	5,679	157,376	172,573

The comparative figure for 2020 includes £166,894 unrestricted and £5,679 restricted funds.

2b Church activities

Church hall lettings	17,869	-	17,869	19,170
Wedding, baptism and funeral fees	5,465	-	5,465	4,431
Sundry receipts	6,686	-	6,686	7,072
	30,020	0	30,020	30,673

The comparative figure for 2020 comprises only unrestricted income.

2c Income from investments

Dividends and interest	12,122	3,678	15,800	15,510
Property income	28,310	-	28,310	22,811
	40,432	3,678	44,110	38,321

The comparative figure for 2020 includes £39,154 unrestricted and £3,526 restricted funds.

TOTAL INCOMING RESOURCES

222,149	9,357	231,506	241,567
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Sundry receipts includes £5,349 of income received from HM Government as a claim for Furloughed staff.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

3 RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2021 £	2020 £
3a Mission and charitable giving (note 15)				
Church overseas: - missionary societies	3,450	-	3,450	3,450
- relief and development agencies	2,110	-	2,110	2,110
Home missions and other church societies	1,825	-	1,825	1,830
Secular charities	960	-	960	960
Mission and charitable giving	8,345	-	8,345	8,350

The comparative figure for 2020 comprises only unrestricted expenditure.

3b Church activities				
Ministry: Diocesan parish share	120,893	-	120,893	132,405
Working expenses of incumbent	4,625	-	4,625	462
Upkeep of vicarage and Curate's House	5,034	-	5,034	1,466
Assistant clergy expenses	1,565	-	1,565	1,565
Lay staff emoluments	26,428	-	26,428	24,645
Childrens and Youth worker	360	-	360	346
Upkeep of churches: repairs and maintenance	2,656	-	2,656	1,360
heating, light, insurance etc.	5,951	-	5,951	9,331
Upkeep of grounds	2,626	-	2,626	3,426
Maintenance of services	1,377	-	1,377	1,299
Upkeep of burial ground	2,468	9,357	11,825	9,248
Sundry expenses	1,748	-	1,748	1,258
Church hall upkeep: Christ Church	30,411	-	30,411	32,746
St John's	5,078	-	5,078	6,197
Depreciation - church property	23,998	-	23,998	35,735
Church office	4,038	-	4,038	2,457
Audit fee	2,400	-	2,400	2,400
Legal and Professional fees	1,897	-	1,897	2,999
Church activities	243,553	9,357	252,910	269,345

The comparative figure for 2020 includes £272,849 unrestricted and £9,205 restricted expenditure.

TOTAL RESOURCES EXPENDED	251,898	9,357	261,255	277,695
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Total resources expended include:

Depreciation of fixed assets £23,998 (2020: £35,735)

Audit fee £2,400 (2020: £2,400)

4 STAFF COSTS

	2021 £	2020 £
Wages and salaries	41,183	41,183
Social security costs	0	238
Pension costs	624	636
	41,807	42,057

The PCC employed 5 people during the year, some part time, equivalent to 2.5 FTEs (2020: 2.5 FTEs).

The PCC is part of the work place pension scheme which affects only one employee (2020: 1 employees).

Expenses of £602 (2020: £462) were paid to one Trustee as working expenses of the incumbent.

Salary costs are shown gross; relief received for furloughed staff is shown under sundry income.

The employee allowance rebate received of £2,108 has been offset against social security costs.

5 TRANSFER TO AND FROM DESIGNATED FUNDS

The PCC has a policy of setting aside designated funds to ensure that adequate funding is available for property maintenance and replacement of equipment when needs arise. Transfers from unrestricted funds are made according to the timing and scale of anticipated expenditure.

	Church Property £	Staff and Clergy Housing £	St Johns Development £	Equipment £	Organ £	Christ Church Hall £	Fabric incl Boiler £	TOTAL £
Balance at 1 January 2021 correct	704,355	192,701	17,000	15,077	27,184	18,696	193,280	1,168,293
Unrealised gain/(loss) on investments	-	32,601	-	-	-	-	-	32,601
Transfer from unrestricted funds	-	-	-	-	3,002	-	6,498	9,500
Transfer from restricted funds	-	-	-	-	-	-	-	-
Expenditure during the year	-	-	(1,333)	-	-	-	-	(1,333)
Disposal of St Johns	(68,926)	-	-	-	-	-	-	(68,926)
Transfer property reserve: depreciation	(19,072)	-	-	(6,274)	-	1,348	-	(23,998)
Balance at 31 December 2020	616,357	225,302	15,667	8,803	30,186	20,044	199,778	1,116,137

The church property fund represents the net book value of Christ Church Hall and St John's Church and Hall and is reduced each year by an annual depreciation charge.

In September 2013 the staff housing fund was used to purchase 51 Gills Hill Lane to enable the PCC to provide accommodation for a curate.

There is currently a vacancy in the parish for a curate and whilst we await the appointment by the diocese, the property is let on a commercial basis.

Pending the proposed redevelopment of St Johns Church the PCC has agreed to set aside a provision against loss of rental income from the church hall during the disruption caused by the redevelopment. The provision represents their estimate of the potential loss of income over 18 months.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

6 TANGIBLE FIXED ASSETS

	Freehold property	Church property & fittings	Projection & sound system	Musical instruments	Total
	£	£	£	£	£
COST					
At 1 January 2021	632,570	1,139,525	42,041	6,037	1,820,173
Additions	-	-	-	-	-
Disposals	-	155,394	-	-	155,394
At 31 December 2021	<u>632,570</u>	<u>984,131</u>	<u>42,041</u>	<u>6,037</u>	<u>1,664,779</u>
DEPRECIATION					
At 1 January 2021	-	436,518	30,310	6,037	472,865
Charge for year	-	17,724	6,274	-	23,998
Disposals	-	-86,468	-	-	-86,468
At 31 December 2021	<u>-</u>	<u>367,774</u>	<u>36,584</u>	<u>6,037</u>	<u>410,395</u>
NET BOOK VALUE					
At 31 December 2021	<u>632,570</u>	<u>616,357</u>	<u>5,457</u>	<u>-</u>	<u>1,254,384</u>
At 31 December 2020	<u>632,570</u>	<u>703,007</u>	<u>11,731</u>	<u>-</u>	<u>1,347,308</u>

CHURCH PROPERTY

	Christ Church Hall	Christ Church Hall Fittings	St John's Church and New Hall	Total 2021	Total 2020
	£	£	£	£	£
COST					
At 1 January 2021	953,673	30,458	155,394	1,139,525	1,139,525
Additions	-	-	-	-	-
Disposals	0	0	155,394	155,394	0
At 31 December 2021	<u>953,673</u>	<u>30,458</u>	<u>0</u>	<u>984,131</u>	<u>1,139,525</u>
DEPRECIATION					
At 1 January 2021	318,244	31,806	86,468	436,518	386,066
Charge for year	19,072	-1,348	-86,468	-68,744	25,226
At 31 December 2021	<u>337,316</u>	<u>30,458</u>	<u>0</u>	<u>367,774</u>	<u>411,292</u>
NET BOOK VALUE					
At 31 December 2021	<u>616,357</u>	<u>0</u>	<u>0</u>	<u>616,357</u>	
At 31 December 2020	<u>635,429</u>	<u>-1,348</u>	<u>68,926</u>		<u>703,007</u>

FREEHOLD PROPERTY

The PCC accounts for Freehold Land and Buildings on a historical cost basis.

Christ Church hall is being depreciated on a straight line basis over 50 years and the fittings over 10 years.

St Johns Church and Hall was closed in July 2021 and the property demolished in September 2021 in preparation for the construction of a new dual purpose Church and Hall along with six affordable houses. The development is a joint venture between the PCC, the Diocese of St Albans and Hertsmere Borough Council.

There is no depreciation charge for freehold property (51 Gills Hill Lane). The Trustees believe the asset will have a high residual value which under the requirements of the SORP (2015) allows depreciation not to be charged.

For insurance purposes in July 2015 Christchurch and hall were valued at £10,131,693.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2021

7 INVESTMENT OF ENDOWMENT FUNDS

	Cost 2020 £	Market Value 2020 £	Gain (Loss) on revaluation 2021 £	Market Value 2021 £	Cost 2021 £
Goodison Trust - 2.5% Index linked Gilt 2024	4,000	4,220	-	-	-
Bott Trust - CBF Investment fund	10,912	52,752	105	52,857	10,912
Young & Chubb Trust - CBF Investment fund	915	26,867	3,904	30,771	915
Washburn Grave Trust - CBF Investment fund	100	2,045	297	2,342	100
Mallison Grave Trust - CBF Investment fund	20	327	48	375	20
Leggett Grave Trust	80	200	-	200	80
	16,027	86,411	4,354	86,545	12,027

The Goodison Trust was redeemed in the year at a value of £4264 and the funds used in accordance with the trust deed to support the PCC.
The investments behind the Leggett Trust are held in cash awaiting reinvestment.
The PCC has the following endowment funds, arising from bequests:

Bott	Endowment -	income unrestricted
Young	Endowment -	income restricted to maintenance of fabric
Washburn	Endowment -	income restricted to church/church yard upkeep
Chubb	Endowment -	income restricted to grave upkeep
Mallison	Endowment -	income restricted to grave upkeep
Leggett	Endowment -	income restricted to grave upkeep

8 OTHER INVESTMENTS

	Cost 2020 £	Market Value 2020 £	Gain(Loss)on revaluation 2021 £	Market Value 2021 £	Cost 2021 £
Unrestricted:					
17127.14 (2016:12266.52) Units Central Board of Finance Investment Fund	240,188	350,193	56,777	506,970	340,188
1312 (2016:1312) M&G Charifund Inc. Units	6,226	18,008	2,409	20,417	6,226
2887 (2016:2887) Units Central Board of Finance Investment Fund - Accumulation Shares	32,638	143,269	25,355	168,624	32,638
	279,052	511,470	84,541	696,011	379,052
Designated:					
860 units (2016:860) Central Board of Finance Investment Fund-Accumulation Shares	9,721	42,673	7,552	50,225	9,721
539 units (2016:539) M&G Charifund Accumulation units	42,359	131,484	25,049	156,533	42,359
	52,080	174,157	32,601	206,758	52,080
TOTAL INVESTMENTS	251,132	685,627	117,142	902,769	431,132

9 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	638,027	616,357	-	-	1,254,384
Investments - Trusts	-	-	-	86,545	86,545
Investments - Others	402,989	499,780	-	-	902,769
Current assets	119,694	-	63,429	-	183,123
Current liabilities	(4,764)	-	-	-	(4,764)
	1,155,946	1,116,137	63,429	86,545	2,422,057

10 RESTRICTED FUNDS

	Hall Appeal £	Fixed Asset £	Burial Ground £	Specific Expenses £	Total 2021 £	Total 2020 £
At 1 January 2021	32,213	-	-	31,216	63,429	63,429
Incoming resources	-	-	9,357	-	9,357	9,509
Expenditure	-	-	(9,357)	-	(9,357)	(9,509)
Transfer to designated funds	-	-	-	-	-	-
At 31st December 2021	32,213	0	0	31,216	63,429	63,429

The Hall appeal fund represents the balance of money donated to build Christ Church hall. To the extent that the fund proves surplus to that purpose it will be used to furnish, equip and maintain the hall.

11 DEBTORS

	2021 £	2020 £
Income Tax recoverable	6,500	14,000
Other debtors	151	0
	<u>6,651</u>	<u>14,000</u>

12 LIABILITIES FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accruals	4,235	2,817
PAYE and Pension	121	994
Other creditors	408	769
	<u>4,764</u>	<u>4,580</u>

13 BURIAL GROUND

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Income	-	9,357	9,357	-	9,205	9,205
Expenditure	(1,468)	(9,357)	(10,825)	(43)	(9,205)	(9,248)
	<u>(1,468)</u>	<u>-</u>	<u>(1,468)</u>	<u>(43)</u>	<u>-</u>	<u>(43)</u>

The PCC has received money from Hertsmere Borough Council towards the cost of maintaining the Burial Ground. The grant of £5,679 is awarded annually and is at the discretion of the Council.

The PCC used the proceeds (£4,264) from the Goodison Trust to fund improvements to the graveyard allowing it to remain open.

14 CONNECTED TRUSTS

The vicar and churchwardens are trustees of a "Sunday School Fund", which arose from the proceeds of the sale of Cobden Hill School. This fund does not form part of the PCC's funds and may only be used for educational purposes related to the life of the parish in connection with the provision of religious education by means of Sunday Schools or otherwise. In 2017 the trustees resolved to pay to the PCC some of the capital along with interest over three years to fund a post supporting Children and Youth. In 2018 the PCC received the second annual tranche of £25,300. In 2021 given the vacancy of the post of the Children and Youth worker and a stronger than expected financial position, the Trustees agreed to defer the drawdown of the third tranche. Drawdown is expected to occur when the Children and Youth worker is appointed.

15 MISSION AND CHARITABLE GIVING

	overseas mission	overseas relief & development	home mission	home secular	Total 2021	Total 2020
Christian Aid		930			930	930
Interserve (for Rev'd Dr G Aylett)	760				760	760
The Bible Society	760				760	760
Practical Action		660			660	660
Toybox	660				660	660
CMS (for John Waters)	510				510	510
Nepali Church (Mr Milan Adhikari)	760				760	760
Tearfund		520			520	520
Scripture Union			475		475	480
Open Doors in St Albans				480	480	480
Herts Young Homeless				480	480	480
New Hope Trust			870		870	870
Every Nation (for Javed Kamruddin)			480		480	480
	<u>3,450</u>	<u>2,110</u>	<u>1,825</u>	<u>960</u>	<u>8,345</u>	<u>8,350</u>