

**Brockenhurst Parochial Church Council
St. Nicholas' with St. Saviour's**

Registered Charity 1131796

**Annual Report
and
Financial Statements**

for the year ended 31 December 2022

Vicar:

Revd. Simon Newham



Annual Report for 2022

Background

The Parochial Church Council of the Ecclesiastical Parish of Brockenhurst has the responsibility for promoting within the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical in co-operation with the vicar, the Revd Simon Newham to whom day to day management of the parish is delegated.

The ecclesiastical parish is part of the Diocese of Winchester within the Church of England. There are two churches within the parish: St Nicholas' the parish church and St Saviour's located in the centre of the village of Brockenhurst.

The registered name of the PCC is The Parochial Church Council of the Ecclesiastical Parish of Brockenhurst and its registered working name is Brockenhurst PCC. The registered number of the charity is 1131796, and statutory information regarding the Parish may be found on the Charity Commission website, which it is the responsibility of the PCC to update, particularly following the Annual Parochial Church Meeting.

When planning activities for the year the Vicar and PCC have adopted Charity Commission guidance on public benefit and, in particular, specific guidance on charities for the advancement of religion.

Administrative Information

Vicar: Revd. Simon Newham

The correspondence address is:

The Church Office,
Wilverley Road,
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SO42 7SP

The Independent Examiner is:

Lewis Ball & Co
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BH23 1QL

Our bankers are:

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Winchester Diocesan Board of Finance
Old Alresford Place
Old Alresford
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CCLA Investment Management Ltd
The CBF Church of England Funds
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Parochial Church Council

During the period 1 January 2022 until the date that this report was approved the following have served as members of the Parochial Church Council PCC:

<i>Vicar</i>	The Revd. Simon Newham	Chairman from June 2019
<i>Wardens</i>	Mr Jeremy Moss Mrs Joanna Plummer	
<i>Deanery Synod Representatives</i>	Mr Peter Lay Mr John Pearson Mr Martyn Taylor	Treasurer Resigned November 2022
<i>Elected Members</i>	Mrs Pauline Brown Mr Bob Coombs Mr Tim Dodwell Mr Martin Fletcher Mrs Jane Forrest Mr Tony Foulger Mrs Joyce Kolaczowski Mrs Wendy Lay Mrs Janet McDonald Mr Nathan Parnaby Mr Paul Pearse Mrs Lindy Waight	

Structure, Governance and Management

The PCC is a body corporate established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. During 2009 as a result of changes to legislation, The Parochial Church Council (PCC) became a separately registered Charity with the Charity Commission under number 1131796.

Members of the PCC are appointed ex officio, or co-opted, or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

All Church members are encouraged to register on the Electoral Roll and stand for election to the PCC.

Teams and Committees

The PCC operates through a number of teams and committees which meet between full meetings of the PCC. The teams have oversight responsibility for some additional committees. The committees review major risks to which the PCC may be exposed and implement systems or procedures to manage those risks. This includes appropriate training, and taking advice from experts.

- **Standing Committee:** The Standing Committee has the power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. The Standing Committee comprises the: Vicar, Church Wardens, Treasurer, PCC Secretary, and another member of the PCC;
- **Children and Young People:** Seeks God's heart and vision for our children and youth work. The team encourages the children and young people in their faith and supports the Children and Family worker and helpers in their work;

- **Eco Team:** Seeks to raise awareness of the link between environmental issues and the Christian faith, and to respond with practical action in the Church itself, in the lives of individuals within the church, and in the local and global community;
- **Fabric and Grounds Team:** Manages the maintenance and development of the two church buildings, hall and the church grounds;
- **Finance Team:** Assists the Treasurer with the development of the annual PCC budget; reviews and monitors the state of the PCC's finances; and assists the treasurer with the development of appropriate financial policies for approval by the PCC;
- **Hall Committee:** Manages the running of the Church Hall adjacent to St. Saviour's Church;
- **Mission Team:** The Mission Team is responsible for nominating home and overseas charities to be supported by the church from general funds and special appeals;
- **Pastoral Team:** Seeks to support the elderly and lonely, the sick and vulnerable, and the bereaved within the Parish through pastoral visiting;
- **Prayer Team:** Members of the team are available every Sunday after the 9.30am service at St Saviour's for those who would like prayer. They also arrange and lead other prayer meetings during the year;
- **Social Committee:** Organises and manages the social activities within the Parish, including lunches, harvest quiz and an annual Newcomers' Evening;
- **Worship Team:** Plans the services and patterns of worship in both churches, in co-operation with the Vicar.

Objectives and Activities

The PCC is responsible for co-operating with the Vicar in promoting within the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It is also responsible for maintaining the two village churches of St. Nicholas' and St. Saviour's. The vision is to be a Christ Centred Community

There were 208 parishioners on the Church Electoral Roll at the 2022 APCM, of whom 25 were not resident in the Parish compared with 212 in 2021. The size of the worshipping community is 142 with an average weekly attendance of 120 adults and 11 children, although the number increases substantially at major festivals.

Review of the year

Introduction

This year gave a welcome 'return to normality' after the strictures of Covid, although it took most of the period for church and event attendance to return to pre-covid levels.

The full PCC was able to meet on its planned bi-monthly schedule throughout 2022 with the PCC Teams meeting regularly and reporting to the PCC for guidance where necessary.

The key points of focus for our Church in 2022 were:

- Providing a weekly pattern of worship and community for our congregations
- Opening our churches (St Nicholas' church and St Saviour's) each day for private prayer
- A series of events focussing on our Year of Vocations
- Community engagement activities such as Brockcare and Eco Church
- Expanding use of our Church Hall for local groups and events
- Digital Church – interactive broadcast of services online with recordings available

Support for our congregations

Our pattern of weekly services has now settled as:

- Sunday 0900 Holy Communion at St Nicholas' (BCP on first Sunday of month)
- Sunday 1030 Sunday Worship at St Saviour's (Holy Communion on third Sunday)
- Thursday 1000 Holy Communion at St Saviour's

Throughout the year our Vicar Simon led daily Morning and Evening Prayer online using Zoom audio facilities and following the pattern suggested by the Church of England Daily Prayer programme. Holy Communion was regularly taken to the care and residential homes in the village by members of our Worship Team.

The experimental 'Open' Service was continued through the year on a monthly basis at St Saviours on the fourth Sunday. This service has a less formal style and focusses on a topic such as 'Mental Health' or 'the Holy Spirit' and allows for discussion as well as worship and teaching.

Our House-Groups were an important source of fellowship and learning during 2022 and spent time looking at Vocations as part of our yearly focus.

Once again in October we held a Bereavement Service in St Saviour's to offer support to those who have lost a loved one with the usual afternoon tea for refreshment.

Remembrance commemorations were held in November with another highly visible field of 1000 crocheted poppies in St Saviour's grounds once again appearing to flow out from the east window.

Over Christmas our two Carol Services were popular as were our Christmas eve and Christmas morning services which were held inside this year as the weather was too cold to be outside.

Simon Newham, our vicar, continued to enthusiastically grow our links to local primary schools holding a regular weekly Assembly in addition to his contribution as a Governor at Brockenhurst. Links with Brockenhurst College grew through our Children and Youth coordinator leading to the start of a formal Christian Union which held a popular Cookies and Carols in the Quad event at Christmas.

Schools Outreach

In combination with the parishes of Boldre and South Baddesley in our benefice we appointed Mel Osborne as our Children and Families Worker starting in December 2022. Mel's focus is to work within our three Church Primary Schools of Brockenhurst, William Gilpin (Boldre) and South Baddesley.

This new initiative has been warmly welcomed supported by the three Head Teachers and we are looking to grow stronger links with the children and families in our villages through this work.

Our role in the community

Brockcare – our pastoral group providing support to the vulnerable and elderly in the village continued to provide home visits and activities including transport for those who are isolated or unable to get about easily.

Activities such as Wednesday Lunches and Thursday coffee mornings (CAMEO, **C**ome **A**nd **M**eet **E**ach **O**ther) and our annual Holidays At Home we welcomed back to full operation. With the rise in energy costs a 'warm hub' soup lunch and activities were provided on Thursdays.

Again Christmas Day lunch was provided for some of the villagers who would otherwise be on their own. The lunches were generously cooked by a local chef in the Church Hall and supported by members of the church family.

We also served our community through baptisms, weddings and funerals with a particularly active year for weddings following the restrictions of previous years.

Deanery & Diocese Support

Simon Newham, our vicar was appointed Rural Dean in 2022 and able to contribute his skills and experience to encouraging and supporting parishes and incumbents in the wider area. While this has increased his workload he has been supported by two training appointments. Luke Augustyn joined our parish part-time in September as an Ordinand whilst he continues to study at St Melitus College in London. At the close of 2022 Stephen Bennet was appointed to join us as a Curate in early 2023.

Financial Review

Independent Examiner

The appointment of Mr Lewis Ball as Independent Examiner for these financial statements was approved at the APCM meeting held on 27 April 2022.

Overall Summary

Total income was £245,806 while total expenditure was £274,664 (before unrealised investment losses) resulting in net expenditure of £28,858 compared to net income in 2021 of £43,785. However, these figures include a number of exceptional items:

- Expenditure on St Saviour’s roof and stonework repairs amounted to £29,501. This was funded from funds put aside in previous years
- Depreciation costs of £4,047 for the St Saviour’s audio system installed in 2018 and £1,653 for the installation of cameras, projectors and screens in St Saviour’s church funded from the AV appeal held in 2021. Both projects are depreciated over a five year period.
- Legacies of £700

Ordinary income amounted to £238,943 while ordinary expenditure amounted to £234,036 a net surplus of £4,907.

The CBF Endowment Fund investments decreased in value by £11,018 compared to a gain in value in 2021 of £11,715.

Expenditure

Ordinary expenditure increased from £200,093 in 2021 to £234,036 in 2022 while extraordinary expenditure was £40,628

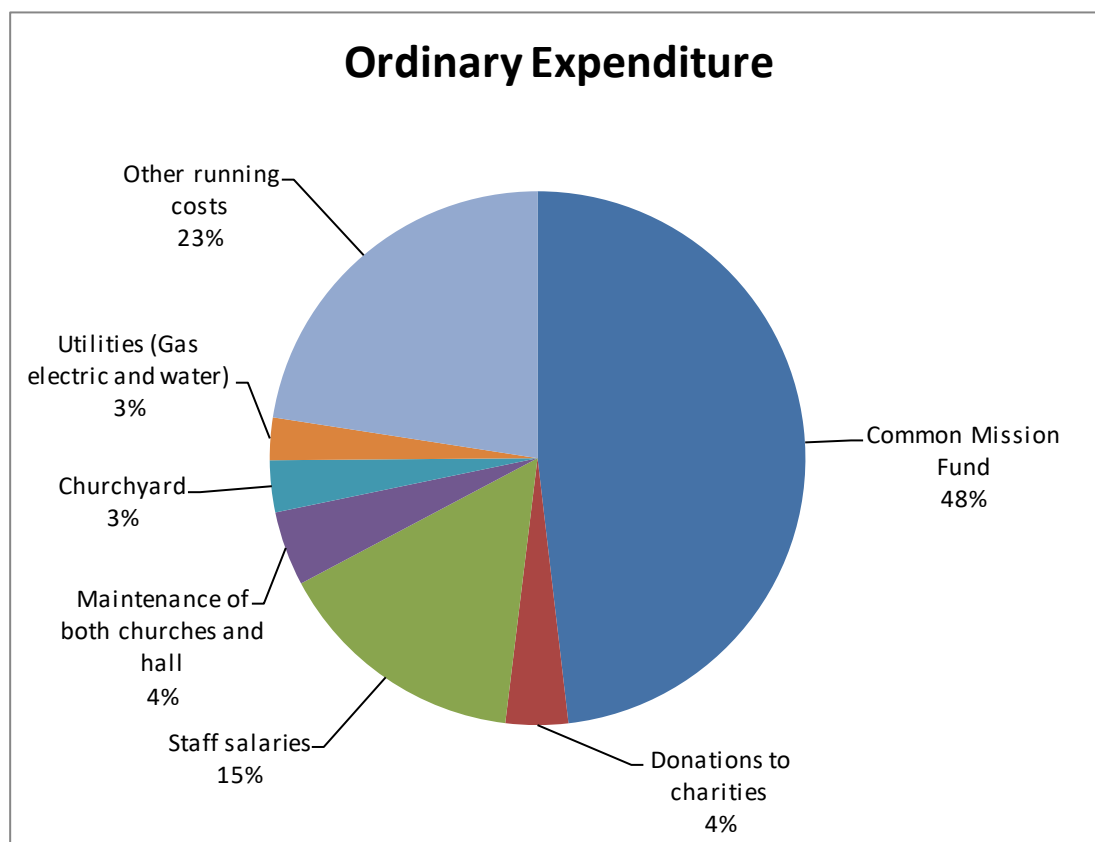
		2022	2021
Ordinary	Common Mission Fund	£ 112,705	£ 105,442
	Donations to charities	£ 8,819	£ 10,000
	Staff salaries	£ 35,806	£ 26,845
	Maintenance of both churches and hall	£ 10,564	£ 8,260
	Churchyard	£ 7,341	£ 1,810
	Utilities (Gas electric and water)	£ 6,016	£ 4,465
	Other running costs	£ 52,785	£ 43,271
		<u>£ 234,036</u>	<u>£ 200,093</u>
Extraordinary/appeals	Charities	£ 3,824	£ 13,049
	St Saviour's roof and stonework repairs	£ 31,078	£ -
	Depreciation	£ 5,726	£ 7,345
		<u>£ 274,664</u>	<u>£ 220,487</u>

Extraordinary expenditure comprises:

- Money given to charities from special appeals and collections
- The cost of repairs to St Saviour’s church identified by the Quinquennial survey

- Depreciation charges for the St Saviours Audio Visual (AV) system N.B. in 2021 there were also depreciation charges for the hall development but this is now fully depreciated.

Ordinary expenditure comprises:



- Payments to the diocesan Common Mission Fund. These were £112,705 in 2022 which is an increase of about £7,000 compared to 2021.
- Donations to charities from General Funds amounting to £8,819. These include £819 profit from the Screwtape Letters donated to the DEC Pakistan Flood appeal and in 2021 an extra £2,000 was donated to Rwanda.
- Staff salaries increased by about £9,000 to £35,806 an increase of 33%. These include employment costs for the maintenance of St Nicholas’ churchyard which are offset by grants received from the Parish Council. A Family and Children’s worker was employed from December 2022 with costs shared between Brockenhurst, Boldre and South Baddesley parishes for which the Boldre and South Baddesley contributions are reported as grants.
- Maintenance of both churches and hall are the day-to-day maintenance costs. These amounted to £10,564 in 2022 about £2,300 more than in 2021.
- The churchyard maintenance costs were £7,341 about £5,500 more than in 2021 mainly due to the cost of tree work in both churchyards.
- Utilities (gas, electric and water) charges rose by £1,500. The electricity contract finished at the end of August and a new, two year, contract was started from the 1st September resulting in a higher tariff for electricity. The gas tariff was unchanged for 2022 as the gas contract is for three years and started on 1 September 2021. Consequently, gas and electric prices are fixed until August 2024.
- Other running costs are the other running expenses of the parish.

Income

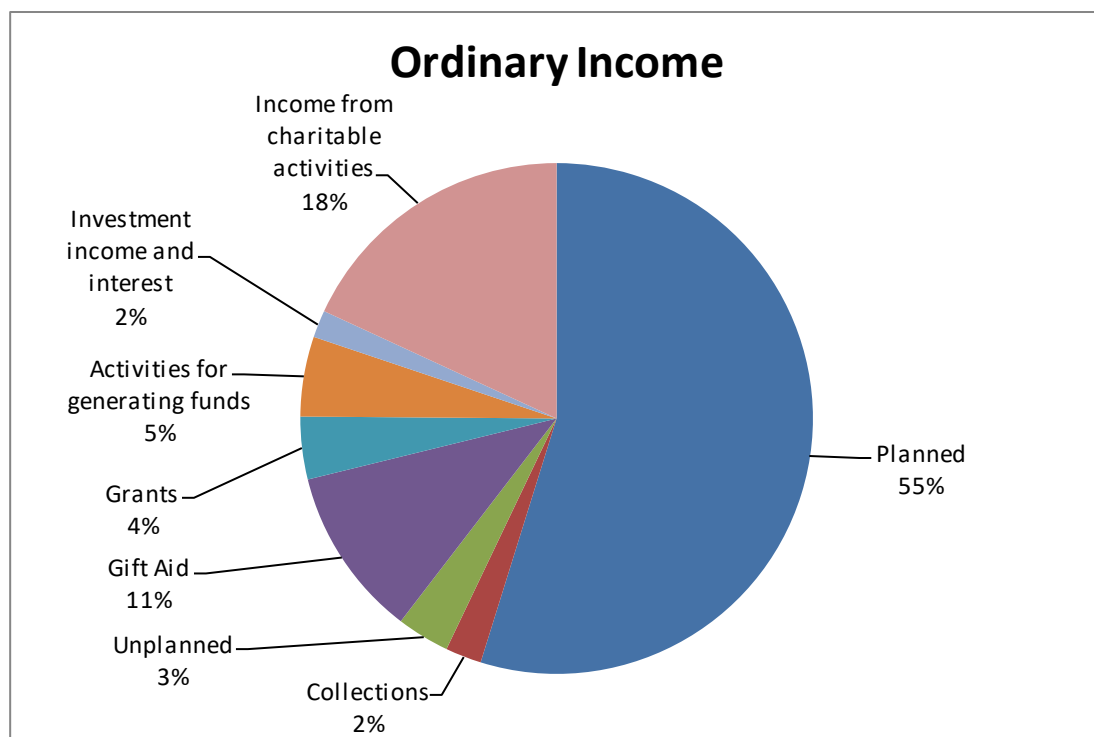
Ordinary income increased from £214,917 in 2021 to £238,943 in 2022 while extraordinary income was £6,863

	2022	2021
Planned	£ 130,922	£ 133,437
Collections	£ 5,440	£ 1,930
Unplanned	£ 7,964	£ 7,168
Gift Aid	£ 25,698	£ 28,708
Grants	£ 9,468	£ 4,642
Activities for generating funds	£ 12,083	£ 9,088
Investment income and interest	£ 4,127	£ 2,826
Income from charitable activities	£ 43,241	£ 27,118
	£ 238,943	£ 214,917
Charity collections	£ 1,863	£ 1,198
Charity donations	£ 3,726	£ 11,019
Charity Gift Aid	£ 574	£ 1,312
St Saviour's AV system appeal	£ -	£ 30,531
Legacies	£ 700	£ 3,500
Other	£ -	£ 1,795
	£ 245,806	£ 264,272

Extraordinary income comprises:

- Appeals and collections for charities
- Legacies

Ordinary income comprises



- Planned donations. These are donations that are made on a regular basis and account for 55% of ordinary income. There was a slight drop of about £3,500 (about 3%) in planned donations compared to 2021. Planned donations are received through a number of sources:
 - Parish Giving Scheme which allow donations to be indexed linked so that they increase with inflation annually
 - Payments made to the church bank account by standing order
 - Payments made through CAF
 - Payments made through Stewardship (stewardship.org.uk)
- Collections at church services increased by £3,500 to £5,440 in 2022 accounting for 2% of income.
- Unplanned donations are donations that are not made regularly. These were £7,964 in 2022 broadly similar to 2021 accounting for 3% of ordinary income.
- Gift Aid is collected mainly on planned donations and collections through the GASDS (Gift Aid Small Donations Scheme). Gift Aid receipts accounted for 11% of ordinary but were about £3,000 less in 2022 compared to 2021 reflecting the drop in planned donations.
- Grants are received from a number of organisations. In 2022 grants totalling £9,468 (4% of ordinary income) were received from:
 - Brockenhurst Parish Council to fund maintenance work on St Nicholas' churchyard. The grants received were for work up to the end of September with the work from October being covered by another grant to be claimed in 2023
 - Winchester Diocesan Board of Finance energy grant of £1,825
 - South Baddesley PCC to help fund the Family and Children's worker
 - Boldre PCC to help fund the Family and Children's worker
- Activities for generating funds is 5% of ordinary income and comprises income from:
 - Advertising in the Parish Magazine
 - Charges for wedding flower arrangements
 - Hire of the church
- Investment income and interest is income from:
 - Endowment investment dividends
 - Interest from cash on deposit with the Winchester Board of Finance Loans (i.e. money we have loaned to the diocese)
 - Other bank interest
- Income from charitable activities is 18% of ordinary income and comprises income received from:
 - Fees for weddings and funerals. These consist of statutory fees laid down by parliament and non-statutory fees (e.g. for heating, vergger, organist) charged by the PCC
 - Sale revenue from the Parish Magazine
 - Revenues from St Nicholas bookstall and souvenir sales and the sales of John Purkess' By_gone Brockenhurst books
 - Payments for events e.g. the performances of the Screwtape Letters.
 - Income from the church hall

Cash Flow

Net cash flow was a reduction of £40,321 compared to an increase in cash of £59,184 in 2021. This is accounted for by cash being spent from the St Saviour's AV appeal fund built up in 2021 and the cost of repairs identified by the Quinquennial Survey paid for from funds put aside in 2020.

The cost of St Saviour's AV enhancement was £20,144 which left £10,413 cash in the AV appeal fund. It is planned that this will be spent on ordinary expenditure in accordance with the terms of the appeal. The cost of the

installation has been capitalised so appears as an asset on the balance sheet to be depreciated over five years in compliance with the PCC policy on capital expenditure.

Ordinary Activities

The church spends the money at its disposal on the following main items:

- The Common Mission Fund (Parish Share)
- Children and Families work
- Maintenance of the two church buildings (St Saviour's and St Nicholas'), The church hall, and the churchyards
- Charitable giving from general income
- Other running expenses e.g. gas, electricity, insurance and salaries
- Mission to the parish e.g. Brockcare activities

Money to support these is available from a number of funds, primarily:

- The General Fund including the Hall Management Fund
- The St Nicholas' Fund
- The St Nicholas' Churchyard Income Fund
- The St Saviour's Fund
- The Brockcare funds

In addition money is also available from:

- The Flower Trading Fund
- The Walker Munro Income Fund
- The Harding income fund

Looking Forward

The PCC has employed a Children's and Family worker starting in December 2022 on a three year contract. The cost of this is shared between Brockenhurst, South Baddesley and Boldre PCCs. At present funding for this work is coming from general funds.

Reserves

The reserves policy is to keep a cash (or cash equivalent) reserve of three times the average monthly cash expenditure. The PCC considers this is sufficient to cover against

- A sudden loss of income
- Any major repairs that need to be funded urgently

The reserves comprise the cash held in unrestricted funds and at present exclude the cash held in the unrestricted Flower Trading Fund. The total cash reserves held on 31 December 2022 were £99,041 (£37,555 plus £61,486 deposited with the Winchester Diocesan Loans Fund) with an additional £2,943 held in the flower funds. The average monthly cash expenditure in 2022 was £23,000 for which the reserves policy requires a cash reserve of £69,000. Consequently, the surplus reserves available to spend at 31 December 2022 while maintaining the reserve required by the policy is £30,041.

Conclusions

The repairs to St Saviour's church identified by the Quinquennial Survey were scaled back and completed at an overall cost of £31,000 which was less than the original estimates enabling them to be funded almost entirely from the £30,000 put aside at the end of 2020.

The enhancement to St Saviour's AV system was installed at a cost of £20,144 leaving £10,400 in the AV fund to be spent with general funds.

To some extent the PCC is protected from the large increases in gas prices because the current gas contract is fixed until the end of August 2024 after which it is expected there will be price rise when the contract is renewed. The electricity contract ended at the end of August and was renewed until September 2024 albeit at a higher price.

Now that the Covid-19 pandemic is over income has returned to a normal pattern.

Unfortunately planned income which accounts for 55% of ordinary income (before Gift Aid is added) has fallen by 2% while inflation has risen to 10% and other income is more-or-less similar to previous years. As a result income is likely to fall short of expenditure. In addition, this income is vulnerable to an aging congregation with reductions to be expected in the next five to ten years.

The PCC has been able fund the employment of a Children's and Family worker on a three year contract, as an important part of its ministry, from the funds currently available.

Statement of trustee responsibilities applicable to members of the Parochial Church Council of the Ecclesiastical Parish of Brockenhurst (Brockenhurst PCC)

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Annual Financial Statements

The attached financial statements for the year ended 31 December 2022 have been prepared in accordance with the relevant Church Accounting Regulations, applicable Accounting Standards and Statement of Recommended Practice (FRS 102) 2015.

Independent Examiner's Report to Brockenhurst PCC

We report on the accounts for the year ended 31 December 2022 which are set out on pages 14 to 29.

Respective responsibilities of the Trustees and Independent Examiner

The church's trustees are responsible for the preparation of the accounts. The church's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is our responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- Follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- State whether particular matters have come to our attention.

Basis of Independent Examiner's Statement

Our examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes the review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently we do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with our examination, no matters have come to my attention

1. which give us reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
2. to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr L D Ball FCPA

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18 March 2023

Statement of Financial Activities for the year ended 31 December 2022

	Note	Unrestricted Funds 2022	Restricted Funds 2022	Endowment Funds 2022	Total 2022	Unrestricted Funds 2021	Restricted Funds 2021	Endowment Funds 2021	Total 2021
		£	£	£	£	£	£	£	£
Income and Endowments from:									
Donations and Legacies	2(a)	180,645	5,710	-	186,355	174,748	48,697	-	223,445
Other trading activities	2(b)	12,083	-	-	12,083	9,088	-	-	9,088
Investments	2(c)	1,112	3,015	-	4,127	451	2,375	-	2,826
Charitable activities	2(d)	42,251	990	-	43,241	27,118	-	-	27,118
Other Income	2(e)	-	-	-	-	1,795	-	-	1,795
Total		236,091	9,715	-	245,806	213,200	51,072	-	264,272
Expenditure on:									
Raising funds	3(a)	11,792	506	-	12,298	6,629	736	-	7,365
Charitable activities	3(b)	245,002	17,364	-	262,366	187,918	25,204	-	213,122
Total		256,794	17,870	-	274,664	194,547	25,940	-	220,487
Net Income/(Expenditure)		(20,703)	(8,155)	-	(28,858)	18,653	25,132	-	43,785
Transfers between Funds		(2,537)	2,537	-	-	-	-	-	-
Other recognised gains/(losses)									
Gains/(losses) on investments	7	-	-	(11,018)	(11,018)	-	-	11,715	11,715
Net Movement in Funds		(23,240)	(5,618)	(11,018)	(39,876)	18,653	25,132	11,715	55,500
Balances brought forward at 1 January		114,067	47,855	93,603	255,525	95,414	22,723	81,888	200,025
Balances carried forward at 31 December		90,827	42,237	82,585	215,649	114,067	47,855	93,603	255,525

The notes on pages 17 to 29 form part of these accounts

Balance sheet at 31 December 2022

	Note	Unrestricted Funds 2022	Restricted Funds 2022	Endowment Funds 2022	Total Funds 2022	Unrestricted Funds 2021	Restricted Funds 2021	Endowment Funds 2021	Total Funds 2021
		£	£	£	£	£	£	£	£
FIXED ASSETS									
Tangible assets		-	22,173	-	22,173	-	7,755	-	7,755
Investment assets: Endowment fund investments	6	-	-	82,585	82,585	-	-	93,603	93,603
		-	22,173	82,585	104,758	-	7,755	93,603	101,358
CURRENT ASSETS									
Stock		5,930	-	-	5,930	1,900	-	-	1,900
Investments		-	-	-	-	-	-	-	-
Debtors and prepayments	8	63,897	46	-	63,943	64,219	434	-	64,653
Short-term depositors		-	-	-	-	-	-	-	-
Cash at bank and in hand		40,499	23,591	-	64,090	62,631	41,780	-	104,411
Total current assets		110,326	23,637	-	133,963	128,750	42,214	-	170,964
LIABILITIES									
Creditors - amounts falling due within one year	9	19,499	3,573	-	23,072	14,683	2,114	-	16,797
Net current assets/(liabilities)		90,827	20,064	-	110,891	114,067	40,100	-	154,167
Total assets less current liabilities		90,827	42,237	82,585	215,649	114,067	47,855	93,603	255,525
Creditors - amounts falling due after one year		-	-	-	-	-	-	-	-
Total net assets		90,827	42,237	82,585	215,649	114,067	47,855	93,603	255,525
PARISH FUNDS									
Unrestricted	10(a)	90,827			90,827	114,067			114,067
Restricted	10(b)		42,237		42,237		47,855		47,855
Endowment	10(c)			82,585	82,585			93,603	93,603
		90,827	42,237	82,585	215,649	114,067	47,855	93,603	255,525

The notes on pages 17 to 29 form part of this account

Cash flow statement at 31 December 2022

	End 2022	End 2022	End 2021	End 2021
Net cash from operating activities		(24,304)		56,358
Cash flows from investing activities				
Dividends, interest and rent from investments	4,127		2,826	
Purchase of:				
Tangible fixed assets for use of the PCC	(20,144)		-	
		<u>(16,017)</u>		<u>2,826</u>
Change in cash and cash equivalents in the reporting period		(40,321)		59,184
Cash and cash equivalents at 1 January		104,411		45,227
Cash and cash equivalents at 31 December		<u><u>64,090</u></u>		<u><u>104,411</u></u>
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains at 31 December		(28,858)		43,785
Adjustments for:				
Depreciation charges		5,726		7,345
Dividends, interest and rent from investments		(4,127)		(2,826)
Decrease/(Increase) in stock		(4,030)		(458)
Decrease/(increase) in debtors		710		2,643
(Decrease)/Increase in creditors		6,275		5,869
Net cash provided by/(used in) operating activities		<u><u>(24,304)</u></u>		<u><u>56,358</u></u>
Analysis of cash and cash equivalents				
Cash in hand		64,090		104,411
Notice deposits (less than 3 months)		-		-
		<u><u>64,090</u></u>		<u><u>104,411</u></u>

The notes on pages 17 to 29 form part of this account

Approved by the Parochial Church Council on 27 March 2023 and signed on its behalf by:
Mr Peter Lay (Treasurer)

P. J. Lay

Notes to the financial statements for the year ended 31 December 2022

1. Accounting Policies

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCC's and with the Regulations "true and fair view" provisions.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. 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.

Funds

Unrestricted funds are general funds which can be used for PCC ordinary purposes. They represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated by the PCC for a particular purpose, though also unrestricted, are separately disclosed.

Restricted Funds represent donations, grants and other income received for a specific objective or invited by the PCC for a specific objective. The Funds may only be expended on the specific objective 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.

Endowment Funds are funds, the capital of which must be maintained as determined by the terms of the Fund; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending on the purpose for which the endowment was established.

Income

Planned giving, collections and donations are recognized when received. Tax refunds are recognized 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. Dividends are accounted for when receivable, interest is accrued. All other income is recognized when it is receivable. All incoming resources are accounted for gross. Amounts collected on behalf of other bodies at events held on church premises and handed to their representatives on the day are not considered to be incoming resources of the PCC and are not included in these statements.

Expenditure

Grants

Grants and donations are accounted for when paid over, or when awarded. Where the PCC has agreed in principle during the year to make grants up to a specified total, subject only to the ascertainment of the year's result, and such grants are subsequently confirmed and paid, they are provided for in these accounts as an operational (though not a legal) liability and are shown as creditors in the Balance Sheet.

Activities directly relating to the work of the Church

The diocesan parish share is accounted for when payable. Any Parish Share unpaid at 31 December is provided for in these financial statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

Assets

Consecrated and benefice property

In so far as consecrated and benefice property of any kind is excluded from the statutory definition of 'charity' by Section 109(2)(a) and (c) of the Charities Act 2011 such assets are not capitalised in the financial statements.

Moveable church furnishings

These are capitalised at cost and depreciated over their useful economic life other than where insufficient cost information is available. In this case the item is not capitalised, but all items are included in the Church's inventory in any case.

Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year, and cost at least £1,000, They are valued at cost or else, for gifts-in-kind, at a reasonable estimate of their open market value on receipt.

Depreciation is calculated to write off the capitalised cost of fixed assets less their currently anticipated residual fair value over five years.

An impairment review is carried out at each year-end and any resultant loss identified included in expenditure for the year.

Investments

Investments quoted on a recognised stock exchange or whose value derives from them are valued at market value at the year end. Other investment assets are included at the PCC's best estimate of market value.

Short term deposits

These are the cash held on deposit either with the CCLA, Diocesan Loans Fund or at the bank.

2. Income and Endowments

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
2(a) Donations and Legacies						
Planned giving: Gift Aid donations	88,205	36	88,241	89,055	87	89,142
CAF	24,800	-	24,800	25,050	-	25,050
Other	17,881	-	17,881	19,134	111	19,245
Collections	5,122	2,181	7,303	1,582	1,546	3,128
Donations: Gift Aid donations	969	325	1,294	4,506	15,623	20,129
CAF	250	100	350	-	13,200	13,200
Other	8,482	1,564	10,046	5,243	10,146	15,389
Tax Recoverable	25,618	654	26,272	25,686	4,334	30,020
Grants	9,318	150	9,468	4,492	150	4,642
Legacies	-	700	700	-	3,500	3,500
	180,645	5,710	186,355	174,748	48,697	223,445
2(b) Activities for generating funds						
Parish Magazine (advertising)	5,859	-	5,859	5,649	-	5,649
Wedding Flowers	5,300	-	5,300	2,520	-	2,520
Other	924	-	924	919	-	919
	12,083	-	12,083	9,088	-	9,088
2(c) Investments						
Dividends on CBF Investment Fund	-	3,014	3,014	-	2,375	2,375
Bank and WDBF Loans Fund	1,112	1	1,113	451	-	451
	1,112	3,015	4,127	451	2,375	2,826
2(d) Charitable activities						
Fees for weddings and funerals	6,087	-	6,087	4,552	-	4,552
Non-statutory fees	7,904	-	7,904	4,460	-	4,460
Parish magazine sales	4,671	-	4,671	4,858	-	4,858
Bookstall	12,115	-	12,115	9,320	-	9,320
Payments for events	2,000	990	2,990	730	-	730
Trading activities: Letting of hall	4,374	-	4,374	967	-	967
Wednesday Lunches	5,100	-	5,100	2,229	-	2,229
Other	-	-	-	2	-	2
	42,251	990	43,241	27,118	-	27,118
2(e) Other Income						
Insurance claim	-	-	-	1,660	-	1,660
Covid-19 SSP refund	-	-	-	135	-	135
Advertising refund	-	-	-	-	-	-
	-	-	-	1,795	-	1,795
Total incoming resources	236,091	9,715	245,806	213,200	51,072	264,272

3. Expenditure On

		Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
3(a) Raising funds							
Cost of generating funds							
Trading							
Bookstall		7,978	-	7,978	3,484	-	3,484
Wednesday lunches		3,393		3,393	1,102		1,102
Flower arranging		163	-	163	2,043	-	2,043
Cost of fetes and other events		258	506	764	-	736	736
		11,792	506	12,298	6,629	736	7,365
3(b) Charitable Activities							
Missionary and charitable giving	4	8,819	3,824	12,643	10,000	13,049	23,049
Ministry:							
Diocesan parish share		112,705	-	112,705	105,442	-	105,442
Other ministry costs		1,853	426	2,279	1,230	159	1,389
							-
Gas, Electric & Water		6,016	-	6,016	4,465	-	4,465
Telephones		803	-	803	896	-	896
Insurance		6,948	-	6,948	6,694	-	6,694
Salaries & wages	5	35,686	120	35,806	26,845	108	26,953
Training & Mission costs		880	-	880	251	-	251
Stationery		4,493	-	4,493	4,256	-	4,256
Bank charges		590	-	590	660	-	660
Maintenance		7,642	576	8,218	5,098	1,456	6,554
Upkeep of sevicees		2,957	1,029	3,986	1,171	307	1,478
Churchyard		3,559	3,782	7,341	1,086	724	1,810
Other running expenses		8,518	304	8,822	4,342	76	4,418
Major repairs - installation		-	-	-	4,099	-	4,099
Major repairs - structure		29,501	1,577	31,078	-	1,980	1,980
New Building Work		-	-	-	-	-	-
Other expenditure		-	-	-	-	-	-
Depreciation		-	5,726	5,726	-	7,345	7,345
Parish magazine costs		7,870	-	7,870	7,603	-	7,603
Church hall running costs							
Gas & Electric		2,337	-	2,337	1,630	-	1,630
Maintenance		2,346	-	2,346	1,706	-	1,706
Other		1,479	-	1,479	444	-	444
		245,002	17,364	262,366	187,918	25,204	213,122
Total resources expended		256,794	17,870	274,664	194,547	25,940	220,487

4. Missionary and Charitable Giving

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total 2022 £	Total 2021 £
Overseas missionary and relief societies:					
Bible Society	1,000	-	-	1,000	1,000
Church Mission Society	2,500	-	-	2,500	2,579
DEC (Pakistan Floods)	819	-	-		
Embrace the Middle East	-	626	-	626	367
Leprosy Mission	-	255	-	255	-
Jerusalem & Middle East Church Association	500	-	-	500	750
Lent boxes	-	702	-	702	796
Rwanda	500	550	-	1,050	13,008
Sat 7	500	-	-	500	500
Tearfund	1,000	210	-	1,210	1,000
UNICEF	-	250	-	250	-
	6,819	2,593	-	8,343	20,000
Home missions and other church societies:					
A Rocha	500	-	-	500	
Acorn Chaplaincy	-	105	-	105	
Childrens' Society	-	205	-	205	326
Christians Against Poverty	-	-	-	-	750
Mission to Seafarers	-	-	-	-	283
UCCF	500	-	-	500	639
Young Minds	-	-	-	-	-
	1,000	310	-	705	1,998
Local charities:					
Basics Bank	-	295	-	295	184
Brockenhurst Day Care Centre	500	-	-	500	-
Brockenhurst Gateway (New Forest Mencap)	500	-	-	500	500
Oakhaven Hospice	-	626	-	626	367
	1,000	921	-	1,921	1,051
Total Missionary and charitable giving	8,819	3,824	-	10,969	23,049

5. Staff Costs

	2022	2021
	£	£
Wages and salaries	34,874	26,827
National Insurance	-	-
Pension	925	116
Life Assurance	7	10
Training	-	-
	<hr/>	<hr/>
	35,806	26,953

During year the PCC employed a Parish Administrator; Family and Children's worker; verger; organists; caretaker and cleaners for the church and hall. No employee was paid more than £60,000

6. Related Parties

No payments or expenses were paid to any PCC member, or persons closely connected to them or related parties.

7. Investments

	St Nicholas' Churchyard £	Walker Munro £	Harding £	Total £
Market value at 1 January 2022	65,432	16,930	11,241	93,603
Disposal	-	-	-	-
Purchases at cost	-	-	-	-
Net gains/(loses)	(7,702)	(1,993)	(1,323)	(11,018)
Market value at 31 December 2022	<u>57,730</u>	<u>14,937</u>	<u>9,918</u>	<u>82,585</u>
Units held	2,794	723	480	

The St Nicholas' Churchyard, Walker Munro and Harding endowment funds are invested in CBF Church of England Investment Fund – Income Shares.

8. Debtors and Prepayments

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £	2021 £
Debtors					
Gift Aid Tax	1,079	46	-	1,125	2,257
HMRC (employment)	-	-	-	-	-
Diocesan Loans Fund	61,966	-	-	61,966	61,569
Other debtors	852	-	-	852	727
	<u>63,897</u>	<u>46</u>	<u>-</u>	<u>63,943</u>	<u>64,553</u>
Prepayments	-	-	-	-	100
	<u>63,897</u>	<u>46</u>	<u>-</u>	<u>63,943</u>	<u>64,653</u>

9. Liabilities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total Funds	
				2022 £	2021 £
Accruals and deferred income					
Charities	7,265	3,215	-	10,480	957
Other	6,931	91	-	7,022	9,018
	<u>14,196</u>	<u>3,306</u>	<u>-</u>	<u>17,502</u>	<u>9,975</u>
Creditors for goods and services	5,303	267	-	5,570	6,822
Other creditors	-	-	-	-	-
	<u>19,499</u>	<u>3,573</u>	<u>-</u>	<u>23,072</u>	<u>16,797</u>

10. Funds

10(a) Unrestricted Funds

	Balance at 1 January	Incoming Resources	Resources Expended	Net	Transfers	Balance at 31 December
General	84,276	219,553	(209,620)	9,933	(1,544)	92,665
Hall	(3,659)	11,018	(12,962)	(1,944)	-	(5,603)
Fabric	30,000	-	(29,501)	(29,501)	(499)	-
Music	600	220	-	220	-	820
Flower (Trading)	2,850	5,300	(4,711)	589	(494)	2,945
	<u>114,067</u>	<u>236,091</u>	<u>(256,794)</u>	<u>(20,703)</u>	<u>(2,537)</u>	<u>90,827</u>

For administrative and monitoring purposes the PCC has designated its unrestricted funds into five funds:

- The General Fund is used for the day-to-day running expenses of the church activities that cannot be charged to any other fund;
- The Hall Fund is used for the day-to-day running expenses of the church hall under the control of the Hall Management committee;
- The Fabric Fund was created from unrestricted monies at the end of 2021 as a designated fund to help pay for the repairs identified by the 2020 Quinquennial Survey. This fund has now been spent on the repairs to St Saviour's fabric.
- The Music Fund is a designated fund to be spent on the enhancement of music within the worship of both churches.
- The Flower (trading) Fund is a designated fund that accounts for funds raised in the provision and arrangement of church flowers for weddings and funerals. The net income of this fund is used to support the provision of flowers for church services also partly funded by the Flower Pot Fund.

10(b) Restricted Funds

	Note	Balance at 1 January	Incoming Resources	Resources Expended	Net	Transfers	Balance at 31 December
St Nicholas'		83	745	(222)	523	-	606
St Nicholas' Churchyard Fund Income		1,882	2,275	(3,677)	(1,402)	809	1,289
Total St Nicholas'		1,965	3,020	(3,899)	(879)	809	1,895
St Saviour's		-	-	(120)	(120)	120	-
St Saviour's AV system		7,757	-	(4,047)	(4,047)	-	3,710
St Saviour's AV2 system		30,530	26	(1,679)	(1,653)	-	28,877
Walker Munro Fund Income		452	444	(1,577)	(1,133)	794	113
Total St Saviour's		38,739	470	(7,423)	(6,953)	914	32,700
Youth Worker		61	45	(426)	(381)	320	-
Total Youth		61	45	(426)	(381)	320	-
Brockcare							
General		(724)	280	(10)	270	-	(454)
Christmas Lunch		1,046	585	(294)	291	-	1,337
Holidays at Home		521	930	(506)	424	-	945
Total Brockcare		843	1,795	(810)	985	-	1,828
Charities	4	679	3,726	(3,824)	(98)	-	581
Flower Pot		177	364	(1,029)	(665)	494	6
Music		451	-	(354)	(354)	-	97
Harding Fund Income		4,940	295	(105)	190	-	5,130
Total other restricted funds		6,247	4,385	(5,312)	(927)	494	5,814
Total restricted funds		47,855	9,715	(17,870)	(8,155)	2,537	42,237

There are a number of restricted funds that account for money donated for specific purposes. In 2022 these funds accounted for income of £9,715 and expenditure of £17,870. These funds include the St Saviour's AV and AV2 Funds both of which have capitalised assets with total depreciation of £5,726 in 2022.

Specific points regarding each fund are:

- St Nicholas'
 - This accounts for money donated specifically for the maintenance and other running costs of St Nicholas' church.
 - Income received in 2022 included a legacy of £700
 - £222 was spent on maintenance costs.
- St Nicholas Churchyard Income
 - This fund accounts for the investment income received from the St Nicholas Churchyard endowment fund. This income may be spent on the maintenance of the churchyard and any surplus on the maintenance of St Nicholas' church.
 - Expenditure included
 - £1,440 spent on the handrail leading to St Nicholas' church
 - £2,028 on tree work
- St Saviours
 - This fund accounts for money donated specifically for the maintenance and other running costs of St Saviour's church.
- St Saviour's AV System

- This fund accounts for the appeal income raised in 2018 to pay for the installation of a new sound system in St Saviour's church.
- The cost of the sound system was capitalised and this fund now accounts for the depreciation of the sound system over a five year period.
- The 2022 expenditure of £4,047 is the cost of depreciation for 2022.
- The system will be fully depreciated in 2023
- St Saviour's AV2 system
 - This fund accounts for the appeal income raised in 2021 to pay for the installation of cameras, projectors and projection screens. This raised a total of £30,531 in 2021 which was reported as income to the AV fund in the 2021 accounts.
 - The cost of the camera and projector installation was £20,144 which has been capitalised
 - The 2022 expenditure of £1,679 is the cost of depreciation for 2022
- Walker Munro Income
 - This fund accounts for the investment income received from the Walker Munro endowment fund.
 - The exact purpose of this fund is unclear as no formal documentation can be found. The PCC have therefore decided that this fund can be used to support the costs of St Saviour's church the construction of which was paid for by the Walker Munro family of Rhinefield House.
 - Money from the fund was used as part payment for the repairs to St Saviour's church recommended in the 2020 Quinquennial Survey.
- Brockcare General
 - This fund accounts for the general costs of running the Brockcare activities. Brockcare activities such as Holiday at Home attract grant income which is difficult to allocate to general costs. Consequently, the general fund is overspent while more specific funds are in surplus. However, the Brockcare funds have a combined closing value of £1,828
- Christmas Lunch
 - This fund accounts for the income and expenditure associated with providing the Christmas lunch.
 - The total income of £585 comprises charges made for the lunch and donations.
 - Income exceeded expenditure resulting in a small surplus of £291
- Holidays at Home
 - This fund accounts for the income and expenditure for the annual Holidays at Home
 - Income, including a grant of £150 from the Groome Trust exceeded expenditure by £424
- Charities
 - Any collection (such as those at Easter, harvest and Christmas) or other fund raising activity on behalf of other charities is treated as a restricted fund. Details of the charities supported in this way are detailed in note 4 under the restricted funds heading.
 - In total, £3,726 was raised for charities.
 - Payments of £3,824 included some receipts left over from previous years.
- Music
 - The music fund was established to support the musical activities of both churches in the parish (St Saviour's and St Nicholas'). It is intended that this fund will be run down.
 - Money from the fund was used in 2022 to pay for:
 - Leader's expenses for choir rehearsals
 - Maintenance of St Nicholas' Church organ
- Harding Income
 - This accounts for investment income received from the Harding Investment Fund used to maintain the Harding grave in St Nicholas' churchyard

10 (c) Endowment Funds

Note	Balance at 1 January	Incoming Resources	Resources Expended	Investment Gains	Transfers	Balance at 31 December
St Nicholas' Churchyard	57,243	-	-	(7,702)	-	49,541
Walker Munro	14,811	-	-	(1,993)	-	12,818
Harding	9,834	-	-	(1,323)	-	8,511
	<u>81,888</u>	<u>-</u>	<u>-</u>	<u>(11,018)</u>	<u>-</u>	<u>70,870</u>

The Endowment Funds comprise

- The St Nicholas Churchyard Fund which was established by a gift of £15,000. The investment income from the fund can be used for the maintenance of the St Nicholas Churchyard and also for maintenance of St Nicholas church;
- The purpose of this fund is unclear and the PCC have resolved that the investment income from the Walker Munro Fund can be used for the maintenance of St Saviours church;
- The Harding fund was established by a gift of £2,000 from Miss Harding to maintain her parents grave and to be used for other ecclesiastical purposes. The capital was left in trust to the Vicar and Church Wardens in 1976 for 79 years after which the capital becomes the property of the PCC.

11. Fixed Assets

		St S AV1 £	St S AV2 £	Total £
Cost or valuation	At beginning of the year	20,117	-	20,117
	Additions at cost	-	20,144	20,144
	At end of the year	<u>20,117</u>	<u>20,144</u>	<u>40,261</u>
Depreciation	At beginning of the year	12,362	-	12,362
	Charge for the year	4,047	1,679	5,726
	At end of the year	<u>16,409</u>	<u>1,679</u>	<u>18,088</u>
Net book value	At beginning of the year	7,755	-	7,755
	At end of the year	3,708	18,465	22,173

12. Retirement and Post-Employment Benefits

Brockenhurst PCC participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2022: £925, 2021: £116).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Brockenhurst PCC could become responsible for paying a share of the failed employer's pension liabilities.