



**THE PAROCHIAL CHURCH COUNCIL
OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2023**

CHARITY NUMBER: 1130875

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2023**

INDEX

	Pages
Trustees' Annual Report	1 - 9
Independent Examiner's Report	10 - 11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 - 25

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

TRUSTEES' ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2023**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton (the PCC) for the year ended 31 December 2023.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton encompasses the St James' Church, St James' Road, Shirley, Southampton.

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton

Charity Registration Number: 1130875

Correspondence Address: 133 Church Street, Southampton, Hampshire, SO15 5LW

The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton was granted charitable status on 30 July 2009.

Parochial Church Council Trustees

PCC Members, who are the charity's trustees, who served during 2023 were:

Incumbent: Reverend Daniel Clark Chairman Appointed 26.06.12

Wardens: Jacqueline Dowdell Appointed 26.04.21 Resigned 23.04.23
Nicholas Smith Appointed 26.04.21
Tracy King Appointed 23.04.23

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Parochial Church Council Trustees (Continued)

Elected Members:	Laura Borthwick	Appointed 12.10.20	Resigned 23.04.23
	Nichola Caveney	Appointed 26.04.21	
	Marie Gray	Appointed 26.04.21	Resigned 23.04.23
	Geoffrey Payne	Appointed 26.04.21	
	Aimee Whitfield	Appointed 12.10.20	Resigned 23.04.23
	Rachael Young	Appointed 26.04.21	
	Tracy King	Appointed 26.04.21	Resigned 23.04.23
	David Snape	Appointed 04.04.22	
	David Arbery	Appointed 04.04.22	
	Peter Evans	Appointed 23.04.23	
	Susie Hoare	Appointed 23.04.23	
	Ugochi Okoli	Appointed 23.04.23	
	Esther Ridsdale	Appointed 23.04.23	
	Keith Watson	Appointed 23.04.23	
Co-opted Members:	Ugochi Okoli	Appointed 04.04.22	Elected 23.04.23
	Marie Gray	Appointed 10.07.23	
General Synod:	Simon Clift	Appointed 01.10.15	
Diocesan Synod:	Esther Clift	Appointed 01.08.15	
Deanery Synod:	David Bates	Appointed 23.03.14	
	Rosemary Brooks	Appointed 03.04.19	
	David Wagstaff	Appointed 23.03.14	
Advisors to PCC in Attendance:	Theresa Bowen	Secretary	
	Marie Gray	Treasurer (from 01.01.23)	
Paid Staff:	Theresa Bowen		
	Josh Cook		
	Angel Itzstein		
Our Advisors:			
Bankers:	National Westminster Bank Plc		
	68 Above Bar Street, Southampton, SO14 7DS		
	Nationwide Building Society		
	Kings Park Road, Moulton Park, Northampton, NN3 6NW		
Independent Examiner:	Abraham & Dobell		
	230 Shirley Road, Southampton, SO15 3HR		

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

OUR PURPOSES AND ACTIVITIES

The purpose of the PCC is:

1. to co-operate with the incumbent (vicar) in promoting, in the parish, the whole mission of the church; and
2. to raise appropriate matters for debate at diocesan or deanery synod level.

In practice, that means that the **role of the PCC** is to confer on all matters relating to the life, ministry, worship, service, evangelism and buildings of the parish, to discuss and decide on (within its statutory powers) the strategy and policy of the church. In order to achieve this, members will need both to canvass opinions within the church and initiate discussion in areas needing fresh attention.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

St James' by the Park – who we are and what makes us tick

God is calling us to **become** (our vision)

*God is calling us to become a community who embrace
Different expressions of church in order to make
Disciple-making disciples who increasingly reflect the
Diversity of our local area*

To achieve this vision, God is calling us to **be**

Courageous, Whole-hearted, Expectant

What do disciples **do**? (our discipleship triangle)

*Up: Go deeper with God
In: Grow closer to each other
Out: Reach further with the good news of Jesus*

God calls us to **believe** (our foundations)

*God (loving Father, saviour Son, empowering Spirit),
Bible (God's inspired word, essential for life and faith),
Church (ordinary people following the extraordinary Jesus together)*

Our **mission focus areas** (priorities)

*mental wellbeing; environment; older people; financial hardship
children, teenagers and families; inter-cultural relations*

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

ACHIEVEMENTS AND PERFORMANCE

Sunday Service Attendance

The average weekly attendance at Sunday services was 127 adults.

Vicar's Review of the Year

Church life is always a mixture of encouragements and challenges. Let's start with the encouragements!

2023 began in memorable style as we held a **joint service with the Church of Pentecost** to celebrate their taking up the baton of hosting Christian worship in St John's Centre. It is such an answer to prayer to see that building continuing being used for God's glory and the building of his kingdom.

Some of the recent arrivals from Hong Kong hosted an **Alpha course in Cantonese**, with support from English-speaking members of the congregation. There is now a continuing Cantonese-speaking discipleship group off the back of that.

We also ran a **joint Alpha course with St James Road Methodist Church** – using their marvellous venue. It was, in effect, an answer to a prayer from several years ago that we would be able to run a course together. The course was spiritually significant for a lot of the people who attended. There are plans to do another joint course in 2024.

We ran our first '**Holiday @ Home**' – an afternoon of activities for those who cannot afford, or are physically unable, to travel to holiday destinations. This was especially appreciated by older members of our congregation and community. Our Elderberries group (who ran this) continue to do great work at ministering to older people throughout the year.

We also ran our first **Summer Holiday Bible Club** for children – Wonderzone. The church was transformed; a huge and dedicated team (led by our Children and Families Team Leader) came together to run the activities and groups; we were at capacity with many children (including a good number with whom we hadn't had previous contact) loving the week. The week closed with a Holiday Club celebration service and event on the Sunday for families.

After several years of trying to re-establish our links with **Upper Shirley High**, prayers were answered and the doors opened for our Youth Worker to go in two lunchtimes a week, to chat with students informally. We also started up a weekly **Donuts and Drinks** stall outside the church building, serving up to 100 USH students each time. Let's pray that our Youth Worker and the team have wisdom to know how to build on these opportunities. We were also approached by **Richard Taunton Sixth Form College** to run a weekly drop-in for students, which our Youth Worker has now started doing.

We've had a bumper year for **teenage and adult baptisms** – with some memorable stories shared of how people have come to faith in Jesus, and how Jesus has helped them through incredible trials in life. In total, four teenagers and six adults were baptised or re-affirmed their baptism vows – the largest number since 2007. Praise God that he goes on calling people from all walks of life to faith in Jesus!

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

We have now re-established a good pattern of monthly prayer gatherings. We're calling these our **House of Prayer** evenings, remembering that Jesus (quoting Isaiah) said, "My house will be called a house of prayer for all nations." The team running these are keen to include a variety of ways of praying and worshipping as part of these evenings, helping us all grow in our prayer life.

The year closed with another memorable event – a packed **carol service** (many of whom weren't regular church attendees) with a 25-piece orchestra as well as organ and band. The message and the music seemed to connect with people in a deeper way than normal. Praise God that he gives such creative gifts and that the good news of Christmas is still eternally relevant to ordinary people.

What about the challenges?

Our 3-D church vision states that we want to create Different expressions of church in order to make Disciple-making disciples who increasingly reflect the Diversity of our local area. Our congregation has indeed continued to become more diverse (praise God!), but we decided to stop doing our monthly Wonder Walks in December. This was one attempt at creating a '**different expression of church**' – but it's clear that it wasn't particularly catching on in sustainable numbers. We mustn't give up – the gospel is urgent good news for lost people, so we need to pray for God to guide us to other creative expressions of church which will work for some of the thousands in Shirley who don't yet know the powerful love of God and the love of a church community.

When it comes to making '**disciple-making disciples**', we are aware that our current midweek small groups (which should be the places where much of our disciple-making happens) are over-represented by those aged over 50 and women. We formed a small review group to pray and discuss about ways to encourage more of our community into small groups, and hope to make progress with this in 2024.

Personally speaking, 2023 was one of the hardest years of my ordained ministry, triggered by the House of Bishops of the Church of England encouraging the national governing body (General Synod) to authorise the **blessing of same-sex couples**. This has proved to be extremely contentious, with a very narrow majority in favour in Synod, and a near 50:50 opinion split in our local context. Inevitably but tragically, many LGBTQ+ people feel caught in the crossfire. Lena courageously agreed to take part in a couple of discussion evenings alongside me, as we presented two different sides of the debate. Nationally, the divisions continue to be very deep and serious (and seem to have reached an impasse). Locally, we are reminded that what unites us is far more than what divides us, and our calling is to love and serve each other across our differences, keeping our eyes fixed on Jesus, the author and perfecter of our faith.

As we've adjusted to having a **smaller staff team**, I'm very grateful that I now have a PA working for me for 5 hours a week. That's made a big difference to me as I juggle being vicar here with being Area Dean for the Anglican churches on this side of Southampton.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

We have made progress in **starting teams** to oversee the 'Up' (prayer, worship and teaching) and 'In' (welcoming, caring and building community) areas of our church life. The next challenges are starting an 'Out' (evangelism and mission) team and ensuring these teams, together with other existing teams, relate well to each other and the Church Council. I'm convinced that as more of us use our God-given gifts in these ways, we will flourish as a church.

There are the ongoing frustrations with discerning the right next steps with our 3 **buildings** – 2023 seemed to have more no's than yes's – but there are good signs that 2024 will be more positive!

At some points, the encouragements seem to outweigh the discouragements; at other times, the discouragements seem to outweigh the encouragements. Whichever it seems to be, we have a **great promise** to stand on: Jesus said, "I will build my church and the gates of Hades will not overcome it" (Matthew 16:18). Nothing that discourages us takes Jesus by surprise or thwarts his plans. He will go on building his church in whatever way he sees best. And we have a **stirring exhortation**: "My dear brothers and sisters, stand firm. Let nothing move you. Always give yourselves fully to the work of the Lord, because you know that your labour in the Lord is not in vain" (1 Corinthians 15.58). So let's keep serving him – joyfully, patiently, filled with his Spirit – knowing that nothing we do for the Lord is ever wasted. It's all part of the way he chooses to build his church and grow his kingdom. Hallelujah!

FINANCIAL REVIEW

The PCC's total income for 2023 was £277,921 (2022 - £709,232). Of this, £260,106 were unrestricted funds and £17,815 were interest earned on restricted funds from the sale of the St John's Church building in July 2022. Net expenditure was £285,831 (2022 - £284,283). This resulted in a net deficit in unrestricted funds for the year of £25,725 and an overall net deficit of £7,910 (2022 – net surplus £424,949).

	2023	2022
	£	£
Unrestricted income	260,106	276,195
Expenditure	285,831	284,283
Net surplus/(deficit) on unrestricted funds	(25,725)	(8,088)
Restricted income	17,815	433,037
Net surplus/(deficit) on all funds	<u>(7,910)</u>	<u>424,949</u>

The balance sheet shows that the overall funds of the PCC, including fixed assets, at the end of 2023 was £686,790 (2022 - £694,700). Of this, £132,080 was free cash reserves (2022 - £151,144) and £450,852 was restricted funds (2022 – £433,037).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

FINANCIAL REVIEW (CONTINUED)

Income

The PCC's unrestricted income decreased by £16,089 (2022 – increased by £3,955) in the year. This is mostly due to a decrease in income from regular giving and gift aid recovered.

Total donations were £200,180 (2022 - £211,619), which represents a decrease of £11,439 (5.4%) compared to the previous year. Gift aid recovered was £44,640 (2022 - £49,056), which is a decrease of £4,416 (9%).

Additional restricted income of £17,815 was earned as interest on the £433,037 received from the sale of the St John's Church building in July 2022; these funds are restricted to use locally within the parish. This sum represents 79% of the net proceeds of the sale. It is being held and invested by the Diocese of Winchester on our behalf and can only be spent with our authorisation. The remaining 21% (£115,111) of the proceeds are the subject of a reverter clause that was put in place when the money to buy the land was gifted to the PCC. Our entitlement to this portion of the sale proceeds is still awaiting clarification and it cannot yet be recognised as income. This portion is also being held by the Diocese of Winchester whilst this process takes place.

In the light of rising interest rates, the PCC has moved some of our reserves to obtain a higher rate.

Expenditure

Total expenditure in the year was £285,831, an increase of £1,548 (0.5%) compared to the previous year but lower than the predicted expenditure which was set in the annual budget at £291,807.

The main areas of cost were:

	2023	2022
	£	£
Contribution to Diocesan Common Mission Fund	84,177	86,020
Lay staff salaries	97,623	102,437
Buildings (maintenance, improvements, insurance and utilities)	55,151	43,448

The payment of £84,177 to the Common Mission Fund was as requested by the Diocese, and represented a decrease of £1,843 from 2022.

Annual salary costs decreased by £4,814, predominantly due to the Assistant Leader having finished their paid role in order to train for ordination.

Annual expenditure on buildings increased by £11,703 overall. This expenditure included £8,800 on structural repairs on the main church building and £5,346 on refurbishment of the tower clock. There was a 45% increase in the cost of utilities of £5,703 to £18,284 (2022 - £12,581), reflecting the continuing increase in the cost of energy during the year.

Expenditure on the planned redevelopment of the church buildings was £4,980, an increase of £2,274 compared to the previous year (2022 - £2,706).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

FINANCIAL REVIEW (CONTINUED)

Expenditure (Continued)

We were able to give away £11,500 to various mission partners (£3,000 to Scratch, £1,500 to Arocha UK, £4,000 to CMS Mission Hub, £1,500 to Enable Busoga and £1,500 to work in Myanmar). In addition, our Christmas appeal raised over £3,500, which was divided between CLEAR, working with refugees in Southampton, and Bethlehem Bible College, working with families in Gaza.

Summary and outlook

The deficit difference of £25,725 between unrestricted income and expenditure in 2023 is better than expected in the light of the operating budget set for the year, which predicted a deficit of £34,022. This was due to income being a little higher than anticipated (actual of £260,106 versus budget of £257,785) and expenditure being a little lower than expected (actual of £285,831 versus a budget of £291,807).

This outcome reflects the resilience and generosity of our donors, to whom we are very grateful. As we look to the future we are mindful of the increased cost of living that continues to impact both the day to day running costs of the church and the lives of our staff and donors. Our healthy cash reserves allow us to be bold in our plans for our ministry and buildings, whilst continuing to be good stewards of what has been entrusted to us. In the light of this the PCC has agreed a deficit budget of £28,000 for 2024. However, we are mindful that yearly deficits of this size will use up our reserves within 5 years or so and are therefore not sustainable long-term. We are hopeful that a growing and vibrant ministry together with prudent use of our resources will enable us to address this.

The restricted funds obtained from the sale of the St John's Church building in 2022 continue to be invested until development of the remaining buildings is ready to begin.

Reserves Policy and Going Concern

Unrestricted funds are held at a level to enable the PCC to meet the costs of its ongoing activities. Budgets are set in the light of this and actual financial performance and reserve levels are monitored by the PCC throughout the year. The members of the PCC are of the view that the PCC is a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton is a body established by the Church of England. The PCC operates under the PCC Powers Measure. The PCC is a charity registered with the Charity Commission on 30 July 2009, number 1130875.

Recruitment and Appointment of PCC Members, Induction and Training

The method of appointment of PCC members is that PCC members must be on the Electoral Roll. They are elected at the Annual Parochial Church Meeting for a three-year term of office. New members are given induction into the responsibilities and methods of procedure of the PCC. All church attendees are encouraged to register on the Electoral Roll and can stand for election to the PCC.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**TRUSTEES' ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Risk Management

The major risks to which the PCC is exposed, as identified by the members, have been reviewed and systems or procedures have been established to manage those risks.

RESPONSIBILITIES OF THE TRUSTEES

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

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

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

A resolution to re-appoint Abraham & Dobell as Independent Examiner for the ensuing year will be proposed at the Annual Church Meeting.

Approved by the trustees on 28 April 2024 and signed on their behalf by:

.....
REVEREND D CLARK
CHAIRMAN

.....
M GRAY
TREASURER

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON

FOR THE YEAR ENDED
31 DECEMBER 2023

I report to the charity trustees on my examination of the accounts of the Parochial Church Council of the Ecclesiastical Parish of St James, Shirley, Southampton, (the Trust) for the year ended 31 December 2023.

RESPONSIBILITIES AND BASIS OF REPORT

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

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of the body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 Trust 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 requirements that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

**INDEPENDENT EXAMINER'S REPORT
(CONTINUED)**

TO THE TRUSTEES OF

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

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.

.....
**DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES**

**230 Shirley Road
Southampton
SO15 3HR**

28 April 2024

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2023**

	Notes	Unrestricted Funds	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME					
Donations and legacies	2	244,820	-	244,820	260,675
Charitable activities	3	11,556	-	11,556	13,468
Other income	4	3,730	17,815	21,545	435,089
TOTAL INCOME		260,106	17,815	277,921	709,232
EXPENDITURE					
Charitable activities	5	285,831	-	285,831	284,283
TOTAL EXPENDITURE		285,831	-	285,831	284,283
NET INCOME FOR THE YEAR		(25,725)	17,815	(7,910)	424,949
NET MOVEMENT IN FUNDS FOR THE YEAR		(25,725)	17,815	(7,910)	424,949
RECONCILIATION OF FUNDS					
Total Funds Brought Forward		261,663	433,037	694,700	269,751
Total Funds Carried Forward		£235,938	£450,852	£686,790	£694,700

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		103,792		104,084
			_____		_____
TOTAL FIXED ASSETS			103,792		104,084
CURRENT ASSETS					
Debtors	11	472,239		457,256	
Cash at bank and in hand	12	132,080		151,144	
			_____		_____
TOTAL CURRENT ASSETS		604,319		608,400	
LIABILITIES					
Creditors: Amounts falling due within one year	13	21,321		17,784	
			_____		_____
NET CURRENT ASSETS			582,998		590,616
			_____		_____
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS	14		£686,790		£694,700
			_____		_____
THE FUNDS OF THE CHARITY	15				
Unrestricted income funds			235,938		261,663
Restricted funds			450,852		433,037
			_____		_____
TOTAL CHARITY FUNDS			£686,790		£694,700
			_____		_____

Approved by the trustees on 28 April 2024 and signed on their behalf by:

.....
REVEREND D CLARK
CHAIRMAN

.....
M GRAY
TREASURER

The notes on pages 14 to 25 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2023**

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

(b) Income Recognition Policies

This section describes how the PCC will account for money and other assets received by them. The main headings are the accounting groups to comply with the requirements of the SOFA.

(i) Donations and Legacies

Grants and donations are recognised when any pre-conditions preventing their use have been met.

Collections are recognised when made.

Amounts promised under Gift Aid are recognised only when honoured by the donor.

Income Tax recoverable on Gift Aid donations is recognised when the donation is recognised.

Funds raised by Parish events are accounted for gross.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2023

1. ACCOUNTING POLICIES (CONTINUED)

(b) **Income Recognition Policies (Continued)**

(i) Donations and Legacies (Continued)

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

Legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

(ii) Income from Charitable Activities

Parochial fees due to the PCC for weddings, funerals and other activities are accounted for on an event by event basis.

Income from sales of books, magazines, Traidcraft goods and all other items are accounted for gross.

Rental income from the letting of Church premises is accounted for when earned.

(iii) Investment Income

Interest is accounted for when due. Tax recoverable on such income is accrued on the same basis.

(iv) Other Income

Other ordinary income will be accounted for as soon as the PCC is advised of its entitlement and the likely sum due.

(c) **Expenditure**

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(i) Charitable Activities

Grants and donations are accounted for when paid or when promised under a formal agreement. Unpaid grants and donations will be shown as a creditor in the Balance Sheet.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2023

1. ACCOUNTING POLICIES (CONTINUED)

(c) Expenditure (Continued)

(i) Charitable Activities (Continued)

The Diocesan Common Mission Fund is accounted for when payable and any share unpaid at 31 December is shown as a creditor in the Balance Sheet.

Rent due on facilities is accounted for when the facility is used and any rent unpaid at 31 December is shown as a creditor in the Balance Sheet.

All other costs are accounted for when due and any unpaid at 31 December are shown as a creditor in the Balance Sheet.

(ii) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(iii) Governance Costs

These include those costs associated with meeting the statutory requirements of the PCC.

(d) Fixed Assets

(i) Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property is excluded from the statutory definition of 'charity' by sections 10(2)(a) and (c) of the Charities Act 2011.

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be an inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether maintenance or improvement, is written off.

(ii) Other Land and Buildings

Other land and buildings held on behalf of the PCC for its own purposes is valued at cost or market value. No depreciation is charged against such properties but any expenditure on maintenance or improvement is written off as incurred.

(iii) Other Fixtures, Fittings and Office Equipment

Equipment purchased or donated to the church is depreciated on a straight line basis over four years. Individual items of equipment with a purchase price of £1,000 or less are written off in the period in which the asset is acquired.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

1. ACCOUNTING POLICIES (CONTINUED)

(e) Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectable.

(f) Cash at Bank

Short term deposits include cash held on deposit at the bank.

(g) Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(h) Taxation

The PCC is exempt from taxation on its charitable activities.

(i) Fund Accounting

Unrestricted Funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Restricted Funds are those funds that must be spent on restricted purposes. All other money and assets are part of the Unrestricted Funds. The purpose of any Restricted Funds is noted in the Financial Statements.

(j) Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(k) Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Total Funds 2023 £	2022 £
Regular giving	197,710	197,710	210,028
Collections at services	951	951	159
All other giving, including special appeals	1,519	1,519	1,432
Tax recovered: Gift Aid	44,640	44,640	49,056
		<hr/>	
	£244,820	£244,820	£260,675
		<hr/>	

In 2022 the income from donations and legacies of £260,675 was unrestricted.

There were no donated services and facilities receivable which could be quantified in the year (2022 - none).

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2023 £	2022 £
Fees	733	733	2,900
Rent - Parish Hall	9,795	9,795	9,210
Rent - Others	589	589	835
Sales	439	439	523
		<hr/>	
	£11,556	£11,556	£13,468
		<hr/>	

In 2022 the income from charitable activities of £13,468 was unrestricted.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

4. OTHER INCOME

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2023	2022
			£	£
Bank interest	3,266	17,815	21,081	70
Other	464	-	464	1,982
Sale of St John's Church Building (Note 18)	-	-	-	433,037
			<hr/>	
	£3,730	£17,815	£21,545	£435,089
			<hr/>	

In 2022, the income of £433,037 from the sale of St John's Church Building was restricted. The rest of the other income (£2,052) was unrestricted.

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Church Activities	Total Funds	
	£	2023	2022
		£	£
Contribution to Diocesan Common Mission Fund	84,177	84,177	86,020
Non-administrative staff salaries	66,583	66,583	73,307
Staff/Workers and visitor expenses	2,198	2,198	3,739
Training	1,445	1,445	1,383
Services, youth and children's work and other events	15,407	15,407	14,212
Music and worship	2,378	2,378	1,905
School hire	743	743	701
Buildings maintenance and improvements	32,292	32,292	25,380
Insurance	4,575	4,575	4,944
Utilities	18,284	18,284	12,581
Cleaning	5,399	5,399	6,510
Support costs	38,097	38,097	35,830
Printing and copying	1,611	1,611	1,607
Governance costs	850	850	850
Fee expenses	-	-	1,975
Donations - UK and overseas Missions	11,500	11,500	13,047
Depreciation	292	292	292
		<hr/>	
		£285,831	£284,283
		<hr/>	

In 2023 the expenditure on charitable activities of £285,831 was unrestricted (2022 - £284,283 was unrestricted).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 5).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Administrator's costs	35,045	-	35,045	Usage
Office costs	3,052	-	3,052	Usage
Professional costs	-	850	850	Governance
	_____	_____	_____	
	£38,097	£850	£38,947	
	_____	_____	_____	

7. ANALYSIS OF STAFF COSTS

	2023 £	2022 £
Salaries and wages	88,844	93,212
Employer's National Insurance Contributions	8,495	8,737
Employment Allowance	(5,000)	(5,000)
Employer's contributions to pensions	5,284	5,806
	_____	_____
	£97,623	£102,755
	_____	_____

The average number of employees during the year was 3 (2022 - 4).

No employee received emoluments in excess of £60,000 (2022 - none).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

**8. TRUSTEES' REMUNERATION AND EXPENSES AND RELATED PARTY
TRANSACTIONS**

No payments or expenses were paid to any trustee, persons closely connected to them or related parties, apart from:

	2023	2022
	£	£
Reverend D Clark	1,568	983
Reverend L Phillips	-	274
Reverend G Condell	-	300
Steven Condell (contractor - church maintenance; husband of Reverend G Condell)	-	6,049
Martin Caveney (contractor - church maintenance; husband of Nichola Caveney)	1,222	-
	£2,790	£7,606

9. DONATIONS FROM TRUSTEES AND RELATED PARTIES

Aggregate of the total amount of donations received without conditions from trustees and related parties was £72,637 (2022 - £75,124).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

10. TANGIBLE FIXED ASSETS

	133 Church Street £	Parish Hall £	Equipment £	Total £
Cost				
At 1 January 2023	48,500	55,000	8,197	111,697
	-----	-----	-----	-----
At 31 December 2023	48,500	55,000	8,197	111,697
	-----	-----	-----	-----
Depreciation				
At 1 January 2023	-	-	7,613	7,613
Charge for the year	-	-	292	292
	-----	-----	-----	-----
At 31 December 2023	-	-	7,905	7,905
	-----	-----	-----	-----
Net Book Values				
At 31 December 2023	£48,500	£55,000	£292	£103,792
	-----	-----	-----	-----
At 31 December 2022	£48,500	£55,000	£584	£104,084
	-----	-----	-----	-----

The Parish Hall was valued at £55,000 during the year to 31 December 1997. This value has been included in these Financial Statements for the year ended 31 December 2023.

11. DEBTORS

	2023 £	2022 £
Other debtors	21,271	24,129
Prepayments	116	90
Money held by Diocese	450,852	433,037
	-----	-----
	£472,239	£457,256
	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

12. CASH AT BANK AND IN HAND

	2023	2022
	£	£
Bank current account	19,997	70,818
Bank savings account	30,509	80,055
CofE Deposit Fund	81,501	-
Cash in hand	73	271
	<hr/>	<hr/>
	£132,080	£151,144
	<hr/>	<hr/>

13. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Other creditors and accruals	19,356	15,945
PAYE and NIC	1,965	1,839
	<hr/>	<hr/>
	£21,321	£17,784
	<hr/>	<hr/>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2023	2022
	Funds	Funds	Total	Total
	£	£	Funds	Funds
	£	£	£	£
Fixed assets	103,792	-	103,792	104,084
Current assets	153,467	450,852	604,319	608,400
Current liabilities	(21,321)	-	(21,321)	(17,784)
	<hr/>	<hr/>	<hr/>	<hr/>
	£253,938	£450,852	£686,790	£694,700
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

15. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.23 £	Incoming Resources £	Outgoing Resources £	At 31.12.23 £
Analysis of Movements in Unrestricted Funds				
General Fund	261,663	260,106	285,831	235,938
Total Unrestricted Funds	261,663	260,106	285,831	235,938
Restricted Funds				
Parish fund	433,037	17,815	-	450,852
Total Restricted Funds	433,037	17,815	-	450,852
Total Funds	£694,700	£277,921	£285,831	£686,790

Unrestricted Funds comprise those general funds which the PCC is free to use in accordance with the charitable objects.

Restricted Funds are funds which have been given for particular purposes and projects.

Parish Fund - The PCC has one restricted fund arising from the sale of St John's Church Buildings. The fund is restricted to use locally within the parish of St James, Shirley, Southampton.

16. DONATIONS OVER £500

The following people/groups were allocated with donations in the year:

Enable Busoga	£2,108
C M S	£4,000
SCRATCH	£3,000
A Rocha UK	£1,500
Church work in Myanmar	£1,500

Money for these agencies outside the parish was collected from the congregation and wholly paid directly to them during 2023.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST JAMES, SHIRLEY, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

17. RESTATEMENT OF INCOME AND EXPENDITURE CATEGORIES

Due to the requirements of the PCC and the Diocese, certain income and expenditure categories have been reclassified and reordered in the year to 31 December 2023. As a result, the comparative figures for the year ended 31 December 2022 have also been reclassified into the new categories. This realignment has not affected the ultimate surplus of £424,949 for the year ended 31 December 2022, which has remained unchanged.

18. POST BALANCE SHEET ITEMS

In the year to 31 December 2022, the PCC sold the St John's Church building for a total of £548,148. Of this, 79% (£433,037) was receivable by the PCC and this was included as income in the accounts for 2022.

The remaining 21% (£115,111) of the proceeds was subject to a reverter clause back to the donor when the money was originally gifted to the PCC to buy the property. This portion remains subject to clarification and has not been recognised as income in the Accounts. The money is held by the Diocese of Winchester.