
**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ST ANDREW AND ST CUTHMAN STEYNING**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
CUTHMAN STEYNING**

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**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
CUTHMAN STEYNING**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Trustees

Revd Fr Mark Heather, LLB, BA, Incumbent
Revd Fr Stephen Mills, Curate in training
Mr J Downe, Church Warden
Mrs D Bedford, Church Warden
Mrs P Warner
Mrs E Brown
Mr J Edwards, Treasurer
Dr B Hanson, Vice Chairman
Mr J Lang
Mr S McGrath, Secretary
Mr D Vine
Mrs J Flowers-Leek
Mrs C Aubrey
Mrs B Walker
Mrs F Aiton
Mrs J Davies (resigned 3 April 2019)
Mrs M Penley (resigned 3 April 2019)
Mr L Warner

Charity registered number

1132913

Principal office

Penfold Church Hall
Church Street
Steyning
West Sussex
BN44 3YB

Accountants

Baldwin Scofield Accountancy LLP
Chartered Accountants
3 Newhouse Business Centre
Old Crawley Road
Faygate
Horsham
West Sussex
RH12 4RU

Bankers

Lloyds Bank plc
P O Box 1000
BX1 1LT

Property Valuer

Rackham Surveyors Ltd
28 The Ramblings
Rustington
West Sussex
BN16 2DA

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
CUTHMAN STEYNING**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Steyning Parochial Church Council (PCC) is a registered charity. Members of the PCC, who are the Trustees of the Charity, are either ex-officio, elected by the APCM (Annual Parochial Church Meeting) in accordance with the Church Representation rules or co-opted. The Trustees present their annual report together with the financial statements of the charity for the year to 31 December 2019.

Objectives and Activities

● **POLICIES AND OBJECTIVES**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit and in particular to its supplementary public benefit guidance.

The objects of the charity are, in cooperation with the incumbent, to further the whole mission of the church both pastorally and socially in the ecclesiastical parish of Steyning. It also has maintenance responsibilities for the church buildings and for the Penfold Hall, and for matters concerned with health and safety, disability and safeguarding.

● **ACTIVITIES FOR ACHIEVING OBJECTIVES**

The PCC consider that they can best achieve these objects by providing the means to enable all those living within the parish to explore and live out their Christian faith, in particular by regular worship, prayer and teaching of the gospel and by the provision of pastoral care. When planning activities they have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Achievements and performance

● **REVIEW OF ACTIVITIES**

Worship

- Our monthly family service continued to evolve in 2019 to make it more appealing to new and younger worshippers. The simpler service sheets continue, the Gospel is sometimes acted out and the music group is amplified and balanced through the church's sound system. Our robed choir leads the Eucharist on other Sundays and we continue to hold our monthly choral evensong. Our midweek Wednesday Eucharist and 8am Sunday Communion were well supported.
- Although Christmas attendances were slightly down on 2018, 650 people were at our Christmas Eve Crib services when children took principal roles. 166 attended midnight mass and 109 on Christmas Day. In Holy Week we continued to offer a daily service in conjunction with Ashurst and an Easter Eve service at which we lit the Easter candle from a paschal fire.
- We have re-established our annual Allsoulstide commemorative candle service to remember those who have died.
- During the year there were six weddings and one nuptial blessing. 23 funerals, memorial services or burial of ashes (14 in 2018) took place. There were 15 baptisms during the year, three times as many as 2018.
- We have continued to increase the number of visits to take Holy Communion to those who were unable to come to church.
- At the end of the year there were 180 (2018: 208) members on the church Electoral Roll.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Learning and Outreach

- Our assistant curate (Fr Stephen Mills) has developed his ministry during the year in church, schools and the wider community.
- The five house groups met regularly and participated in the Diocesan Lent Course, focusing on the Year of Vocation.
- Our magazine, now printed in colour, continues to be distributed free of charge through the library and some shops.

Community

- Our Wednesday Coffee morning continues to attract new people and £500 was sent to local charities.
- Two Cuthman Lectures were held in the Penfold Hall: Dan Cohn-Sherbok spoke on The Palestine-Israeli Conflict and Caroline Nursey on the importance of information and communication in developing countries.
- The Friends of Steyning Parish Church organised a Flower Festival in the church between 23rd and 26th August on the theme 'A Night at the Movies'. There were over 2000 visitors and £6,300 was raised. The Friends also organised a Holly Fair in the Penfold Hall which raised £1,438.
- During 2019 concerts were given by Chanctonbury Chorus, Sing Out Sister, Bernardi Orchestra, Voice of Christmas and the church choir and friends performed Rutter's Requiem on Good Friday.
- We continue to support our parish's two church schools, Steyning Primary and Steyning Grammar, through the governing bodies and with more direct contact. Acting the Gospel through 'Open the Book' has increased our involvement with the primary school. We continue to host and lead services with the Steyning Grammar School in conjunction with other members of the school chaplaincy team.
- The church building remains open during the day and our visitors' book and prayer corner indicate how it is appreciated both as a place of prayer and a significant Sussex tourist attraction.

Church Buildings and Fabric

- Repairs to the outside of the clerestory arch on the north side of the church were carried out at a cost of £4,867, including fees but excluding VAT which was reclaimed. Urgent repairs to the staircase to the bell-ringing chamber were commenced in 2019 at a cost of £10,500.
- A scheme has been designed to replace the outdated wiring and provide modern, flexible lighting. A Faculty has been applied for with the support of the Diocesan Advisory Committee for the Care of Churches and £70,000 needs to be raised in 2020 to enable the £140,000 scheme to be implemented. This is planned for 2021.

● IMPLEMENTATION OF PCC ACTION PLAN

At an Away Day on 24th November 2018, PCC members had formed into four groups: Nurturing Discipleship, Older People, Children & Families, and Project Management/Fundraising. Fr Rob Dillingham had encouraged the PCC to develop their ideas. Each group had met regularly through 2019 and reported progress to the PCC. A follow-up meeting was held with Fr Rob on 2 October. The following initiatives were implemented during the year.

Nurturing Discipleship

- The establishment of a prayer vigil service, usually on the first Sunday evening of the month to quietly listen for God's voice. One service focused on healing.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019**

- A men's group had met in September and November

Older People

- Wednesday Coffee in the Penfold Hall had attracted more people. Fr Stephen and the other leaders continued the series of special events begun last year. Donations go to local charities.
- We have supported the establishment of Parcour, an outdoor exercise group for over 60s which helps with balance, mobility and fitness. It enables some to combine exercise with Wednesday Coffee.
- Dementia-friendly initiatives have been developed, including the establishment of a new venue in the Penfold Church Hall for the 'Time Travellers' Café' run in partnership with the Hub church in Upper Beeding. Talks and training have been held to increase the number of Dementia Friends.
- A bench has been provided at the lych gate.

Children and Families

- Parents of those attending Messy Church were asked for their opinions about church activities, services and attitudes.
- Messy Church has been held regularly with volunteers providing activities, music and food.
- 'Open the Book', dramatised Bible readings, has been welcomed at Steyning (CE) Primary School, increasing our direct involvement in their collective worship.
- Wedding role-playing and school services brought Steyning Grammar School pupils into the church.

Project Management and Fundraising

- Joint working established with the Friends of Steyning Parish Church.
- Commissioned archaeology, drainage and ground surveys
- Developed options for enhancing access, catering and flexibility in the use of the church building by the whole community and discussed them with the Diocesan Advisory Committee
- Obtained a Faculty for a comprehensive rewiring and lighting scheme.
- Appreciated the difficulty of obtaining grants from the Heritage Lottery Fund for the improvements envisaged.

Communication

- We launched a new church website in the summer. The site will expand in future years to increase its coverage of church activities.
- The Penfold Hall website has continued to attract new users and has increased the options for people to make bookings for public and private events.

Financial review

● **GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

● **RESERVES POLICY**

In recent years the Church has been able to build up a reasonable level of reserves, largely due to the receipt of a number of legacies. The PCC believes that, in view of its responsibility for the upkeep of a Grade I listed building, a substantial Building Fund should be maintained, from which expenditure on major repairs and improvements to all the church's properties will be met. If this reserve exceeds £250,000, income earned on its assets will be credited to the Outreach Fund otherwise retained in the Building Fund. The reserve should not fall below £100,000 to cover any unexpected repairs.

The Outreach Fund will be used to support outreach in the community, the Deanery and the Diocese.

Any deficit in the General Fund will be covered equally from the Outreach and Building Funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Special Projects Fund will be used to extend, repair and improve equipment and furnishings.

The Property Fund reflects the value of the church's investment in properties.

● **LEGACY POLICY**

Subject to any specific requirements of the donor, legacies will not be used to fund the day-to-day running expenses of the church. Major legacies (over £5000) will be placed in the Church Building Fund whilst other legacies will be placed in the Special Projects Fund.

● **PRINCIPAL FUNDING**

The Statement of Financial Activities on page 9 shows that total expenditure in 2019 was £128,452. Income totalled £105,731.

Table 19 on page 20 shows expenditure of £103,934 from the General Fund which was £3,365 more than in 2018 and £9,270 more than in 2017. The Diocese has reimbursed one third of our Trainee Curate's expenses, and although the total of the clergy expenses was £500 below budget, it was £3,893 more than in 2017. 70% of General Fund expenditure was on clergy and insurance costs (mainly through the Diocesan parish share). Upkeep (routine maintenance, gas and electricity), administration and services and choir cost 24% of the total. A repair to the church heating boiler cost £1,537. Mission giving totalled £2,490. £256 of this was half of the collections at the Crib Services and £1,000 was provided by the PCC to support donations raised from red buckets and charitable events organised by members of the congregation.

General Fund income totalled £95,868, £6,237 less than in 2018 but £3,593 more than in 2017. Planned giving remained similar to 2018 but donations and collections were £3,158 less. Fees for weddings and funerals were £1,550 less than 2018. Total General Fund income was £8,066 less than expenditure and £2,065 has been transferred from both the Building Fund and the Outreach Fund to bring the General Fund balance to zero at the year end.

The costs of printing the magazine (£2,225) and of other initiatives to involve the wider community (Messy Church and Cuthman lectures) are taken from the Outreach Fund. The fund has contributed £1,291 to the Penfold Hall to establish its website and towards running costs. At present, income from the invested funds of the Building Fund is taken to the Outreach Fund which makes a contribution to governance costs and replaces half of any year-end deficit in the General Fund. However, the PCC policy is that, if the balance of the Building Fund drops below £250,000, interest should be retained in that fund. The PCC will need to review this policy to maintain an adequate balance in the Outreach Fund to finance local initiatives to encourage church growth.

Building Fund expenditure totalled £19,047. £5,832 was on the external repairs to the high clerestory arch, £3,200 on the design of the lighting scheme and £3,044 on preparatory work to enable grant applications to be made for reordering. £5,089 was spent on equipment to enable the music group to make use of the church's sound system. This was offset by a generous donation. Total income was £7,730 including £1,440 donated in the church chest and £965 of VAT reclaimed on the invoices for the clerestory arch repairs. The closing balance was £240,859 after £2,065 had been transferred to cover the deficit in the General Fund. There was a little income to the Restricted Funds from investment interest. The Diocese holds 328 Central Board of Finance Investment Fund units in a trust available only to fund repairs to the chancel and the accumulated income grew by £235 during the year. This is shown on page 20 as a Restricted Fund.

Looking forward, the main financial pressure in 2020 will be increase in General Fund expenditure on the Diocesan Parish Share (+£2,393) and an increase in the Parish Administrator's hours to support Fr Mark. Unless planned giving increases, a deficit of £7,500 is expected in the General Fund. £70,000 will need to be raised to enable the rewiring and lighting scheme to go ahead in 2021.

Stewardship

Regular, committed giving is a necessary part of our Christian life. The planned giving scheme is vital to our church's financial wellbeing, providing 70% of the regular income from which we pay the day-to-day costs.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019**

The congregation has maintained giving close to 2018 levels but costs continue to rise and a deficit of £7,500 is likely in 2020. An increase of 11% in planned giving with Gift Aid would be needed to avoid this deficit. An increase of 17% (around £2 or a cup of coffee per week per planned giver) would be needed to avoid a deficit in both the General and Outreach Funds.

People give in different ways:

1. Cash in the basket.
2. Planned giving with cash in envelopes.
3. Standing order for a monthly payment to the church's bank account.
4. A regular payment, including Gift Aid, through the Charities Aid Foundation.
5. The Chichester Diocese Parish Giving Scheme (PGS).
(Givers fill in a Direct Debit form for the scheme to take the chosen amount on the first of each month. The scheme pays the parish that amount plus the Gift Aid later in the month. Each year the scheme increases the amount of the Direct Debit for inflation.)

From time to time we have benefitted greatly from legacies left by former members of the church and we would hope that St. Andrew and St. Cuthman's church will continue to be remembered in this way.

● **INVESTMENT POLICY**

Generally the reserves will be held on deposit with the Central Board of Finance of the Church of England or with our bankers, but might from time to time be invested in other investments offered by the Central Board. The PCC is satisfied that the Central Board of Finance has adopted suitable ethical objectives in selecting investments.

Structure, governance and management

● **CONSTITUTION**

The principal object of the charity is the advancements of the Christian faith.

● **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution.

● **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The work of the PCC is carried out mainly through its committees which are:

The Standing Committee This committee has power to transact the business of the PCC between meetings, subject to any directions given by the PCC, and consists of the Incumbent, Vice Chairman, Churchwardens, Secretary, Treasurer and an invited member of the PCC.

The Finance Committee This committee, which meets under the chairmanship of the treasurer, is responsible for matters relating to the finances of the church, including stewardship, and of the Penfold Hall.

The Fabric Committee This committee chaired by a Churchwarden is responsible for the building. It sometimes meets jointly with the Finance Committee.

The Social and Catering Committee This committee plans and organises the church's social activities and catering after major church services.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019**

The appointed Safeguarding and Health and Safety Representatives report directly to the PCC and attend meetings as required.

● **RISK MANAGEMENT**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Charity Commission encourage all charities to review and assess the risks relating to its activities. In 2019 a detailed assessment was made of the health and safety risks in the church as part of the planning for the Flower Festival.

Safeguarding policies and procedures were reviewed and developed.

Financial risks were assessed when the 2020 budgets were approved and the decision taken to go ahead with fund raising for the rewiring and lighting project.

TRUSTEES' RESPONSIBILITIES STATEMENT

The PCC members (the Trustees) are responsible for preparing the Trustees' 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 Church and of the incoming resources and application of resources of the Church for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Church will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Church's transactions and disclose with reasonable accuracy at any time the financial position of the Church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the Church Accounting Regulations 2006 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 11 March 2020 and signed on their behalf by:

**Revd Fr Mark Heather, LLB, BA, Incumbent
Trustee**

**Mr J Edwards, Treasurer
Trustee**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST CUTHMAN STEYNING (the 'charity')**

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2019.

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

RESPONSIBILITIES AND BASIS OF REPORT

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

I report in respect of my examination of the charity'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 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

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

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

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Signed:

Dated: 11 March 2020

Nicholas M Baldwin BA(Econ) FCA DChA

BALDWIN SCOFIELD ACCOUNTANCY LLP
Chartered Accountants

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:					
Donations and legacies	2	87,636	-	87,636	106,440
Charitable activities	3	4,288	-	4,288	5,838
Other trading activities	4	1,918	-	1,918	1,691
Investments	5	10,657	267	10,924	10,507
Other income	6	965	-	965	2,888
TOTAL INCOME		105,464	267	105,731	127,364
EXPENDITURE ON:					
Raising funds	7	1,749	-	1,749	2,058
Charitable activities	11	126,565	138	126,703	132,043
TOTAL EXPENDITURE	12	128,314	138	128,452	134,101
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(22,850)	129	(22,721)	(6,737)
NET MOVEMENT IN FUNDS		(22,850)	129	(22,721)	(6,737)
RECONCILIATION OF FUNDS:					
Total funds brought forward		950,976	12,525	963,501	970,238
TOTAL FUNDS CARRIED FORWARD		928,126	12,654	940,780	963,501

The notes on pages 11 to 23 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**BALANCE SHEET
AS AT 31 DECEMBER 2019**

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	15	485,000		485,000	
Investment property	16	180,000		180,000	
		<u>665,000</u>		<u>665,000</u>	665,000
Total tangible assets			<u>665,000</u>		<u>665,000</u>
CURRENT ASSETS					
Debtors	17	2,295		4,353	
Cash at bank and in hand		275,219		302,569	
		<u>277,514</u>		<u>306,922</u>	
CREDITORS: amounts falling due within one year	18	<u>(1,734)</u>		<u>(8,421)</u>	
NET CURRENT ASSETS			<u>275,780</u>		<u>298,501</u>
NET ASSETS			<u>940,780</u>		<u>963,501</u>
CHARITY FUNDS					
Restricted funds	19		12,654		12,525
Unrestricted funds	19		928,126		950,976
TOTAL FUNDS			<u>940,780</u>		<u>963,501</u>

The financial statements were approved by the Trustees on 11 March 2020 and signed on their behalf, by:

Revd Fr Mark Heather, LLB, BA, Incumbent

Mr J Edwards, Treasurer

The notes on pages 11 to 23 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Parochial Church Council of the Ecclesiastical Parish of St Andrew and St Cuthman Steyning constitutes a public benefit entity as defined by FRS 102.

1.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST
CUTHMAN STEYNING**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES (continued)

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out centrally. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.4 Tangible fixed assets and depreciation

Consecrated and beneficed property of any kind is excluded from the accounts by virtue of section 10(2) of the Charities Act 2011. Costs associated with the maintenance or improvement of such assets are written off in the year they are incurred.

Freehold property owned by the charity is included in the financial statements at its historical deemed cost and depreciated by writing off the difference between the cost and the estimated residual value over the useful economic life. It is the PCC's policy to maintain these assets in a continual state of sound repair. The useful economic life of these assets is so long and residual value so high that any depreciation would not be material. These assets are subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

Other tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Not material
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1.5 Investment property

Investment properties are held for their investment potential and to generate income. Investment properties are stated in the balance sheet at their most recent fair market valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the statement of financial activities.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

The charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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1. ACCOUNTING POLICIES (continued)

1.12 Fund accounting

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

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

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

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2019 £	2018 £
Collections	9,435	-	9,435	10,482
Donations	8,626	-	8,626	23,619
Planned Giving	54,413	-	54,413	54,619
Gift Aid	15,162	-	15,162	17,720
Legacies	-	-	-	-
Total	87,636	-	87,636	106,440
<i>Total 2018</i>	<i>101,531</i>	<i>4,909</i>	<i>106,440</i>	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Fees (weddings and funerals)	4,288	-	4,288	5,838
<i>Total 2018</i>	<i>5,838</i>	<i>-</i>	<i>5,838</i>	

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4. FUNDRAISING INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bookstall sales	126	-	126	123
Social events	1,792	-	1,792	1,568
	<u>1,918</u>	<u>-</u>	<u>1,918</u>	<u>1,691</u>
<i>Total 2018</i>	<u>1,141</u>	<u>550</u>	<u>1,691</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	1,357	267	1,624	1,162
Rent (Shooting Field)	9,300	-	9,300	9,345
	<u>10,657</u>	<u>267</u>	<u>10,924</u>	<u>10,507</u>
<i>Total 2018</i>	<u>10,268</u>	<u>239</u>	<u>10,507</u>	

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
VAT refunds	965	-	965	2,888
<i>Total 2018</i>	<u>2,888</u>	<u>-</u>	<u>2,888</u>	

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7. COSTS OF RAISING FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Stewardship	216	-	216	277
Bookstall	293	-	293	205
Social events	1,240	-	1,240	1,576
	<u>1,749</u>	<u>-</u>	<u>1,749</u>	<u>2,058</u>
<i>Total 2018</i>	<u>2,058</u>	<u>-</u>	<u>2,058</u>	

8. ANALYSIS OF GRANTS

	Grants to Institutions 2019 £	Total 2019 £	Total 2018 £
Grants - Mission Giving	2,490	2,490	3,503
	<u>2,490</u>	<u>2,490</u>	
<i>Total 2018</i>	<u>3,503</u>	<u>3,503</u>	

9. DIRECT COSTS

	Total 2019 £	Total 2018 £
Diocesan Parish Share	61,818	60,018
Clergy Expenses	8,547	7,592
Service Costs	2,511	2,252
Music (excluding organist's salary and including music group equipment)	6,175	805
Parish Activities	3,851	3,768
Parish Magazine	2,225	1,704
Maintenance and Repairs	4,553	9,476
Major Building Works (external clerestory repairs)	5,243	18,245
	<u>94,923</u>	<u>103,860</u>
<i>Total 2018</i>	<u>103,860</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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10. SUPPORT COSTS

	Total 2019 £	<i>Total 2018 £</i>
Church Running Expenses	3,147	2,481
Office Costs (excludes salary)	1,818	1,891
Church Insurance	3,311	3,109
Professional Fees	8,807	5,227
Cottage	517	865
Wages and salaries	10,500	9,967
	<u>28,100</u>	<u>23,540</u>
<i>Total 2018</i>	<u>23,540</u>	

11. GOVERNANCE COSTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Independent examination	1,190	-	1,190	1,140
	<u>1,190</u>	<u>-</u>	<u>1,190</u>	<u>1,140</u>

12. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2019 £	Other costs 2019 £	Total 2019 £	<i>Total 2018 £</i>
Expenditure on raising voluntary income	-	1,749	1,749	2,058
Costs of raising funds	-	1,749	1,749	2,058
Charitable activity costs	10,500	115,013	125,513	130,903
Expenditure on governance	-	1,190	1,190	1,140
	<u>10,500</u>	<u>117,952</u>	<u>128,452</u>	<u>134,101</u>
<i>Total 2018</i>	<u>9,967</u>	<u>124,134</u>	<u>134,101</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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13. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019	<i>2018</i>
	£	£
Independent examination	1,190	<i>1,140</i>
	<u><u>1,190</u></u>	<u><u>1,140</u></u>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, 3 Trustees received reimbursement of expenses amounting to £10,754 (2018 - 3 Trustees received £7,702).

14. STAFF COSTS

Staff costs were as follows:

	2019	<i>2018</i>
	£	£
Wages and salaries	10,500	<i>9,967</i>
	<u><u>10,500</u></u>	<u><u>9,967</u></u>

The average number of persons employed by the charity during the year was as follows:

	2019	<i>2018</i>
	No.	No.
	2	<i>2</i>

No employee received remuneration amounting to more than £60,000 in either year.

15. TANGIBLE FIXED ASSETS

	Freehold property £
Cost	
At 1 January 2019 and 31 December 2019	485,000
Depreciation	
At 1 January 2019 and 31 December 2019	-
Net book value	
At 31 December 2019	485,000
<i>At 31 December 2018</i>	<i>485,000</i>

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16. INVESTMENT PROPERTY

	Freehold investment property £
Valuation	
At 1 January 2019 and 31 December 2019	180,000

The 2017 valuations were made by Rackhams Surveyors Ltd, on an open market value for existing use basis.

The Trustees are of the opinion that the 2017 valuations are accepted as being the market values as at 31 December 2019.

17. DEBTORS

	2019 £	2018 £
Other debtors	2,295	4,353

18. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	1,734	8,421

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
Designated funds					
Church Building	254,241	7,730	(19,047)	(2,065)	240,859
Outreach	22,163	1,700	(4,827)	(2,065)	16,971
Special Projects	5,636	166	(506)	-	5,296
Property Fund	665,000	-	-	-	665,000
	<u>947,040</u>	<u>9,596</u>	<u>(24,380)</u>	<u>(4,130)</u>	<u>928,126</u>
General funds					
General Fund	3,936	95,868	(103,934)	4,130	-
Total Unrestricted funds	<u>950,976</u>	<u>105,464</u>	<u>(128,314)</u>	<u>-</u>	<u>928,126</u>
Restricted funds					
Youth Fund	803	3	-	-	806
Organ/Choir Fund	1,571	7	-	-	1,578
Charity at Home Fund	2,770	13	(138)	-	2,645
New Doors Fund	1,998	9	-	-	2,007
Diocesan Chancel Fund	5,383	235	-	-	5,618
	<u>12,525</u>	<u>267</u>	<u>(138)</u>	<u>-</u>	<u>12,654</u>
Total of funds	<u><u>963,501</u></u>	<u><u>105,731</u></u>	<u><u>(128,452)</u></u>	<u><u>-</u></u>	<u><u>940,780</u></u>

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19. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2018 £</i>
Designated funds					
Church Building	260,011	18,159	(24,129)	200	254,241
Outreach	24,022	1,118	(2,977)	-	22,163
Special Projects	6,318	284	(966)	-	5,636
Property Fund	665,000	-	-	-	665,000
	<u>955,351</u>	<u>19,561</u>	<u>(28,072)</u>	<u>200</u>	<u>947,040</u>
General funds					
General Fund	2,600	102,105	(100,569)	(200)	3,936
Total Unrestricted funds	<u>957,951</u>	<u>121,666</u>	<u>(128,641)</u>	<u>-</u>	<u>950,976</u>
Restricted funds					
Youth Fund	801	2	-	-	803
Organ/Choir Fund	1,566	5	-	-	1,571
Charity at Home Fund	2,761	9	-	-	2,770
New Doors Fund	1,993	5	-	-	1,998
Diocesan Chancel Fund	5,166	217	-	-	5,383
Runners Fund	-	5,460	(5,460)	-	-
	<u>12,287</u>	<u>5,698</u>	<u>(5,460)</u>	<u>-</u>	<u>12,525</u>
Total of Funds	<u><u>970,238</u></u>	<u><u>127,364</u></u>	<u><u>(134,101)</u></u>	<u><u>-</u></u>	<u><u>963,501</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
Designated funds	947,040	9,596	(24,380)	(4,130)	928,126
General funds	3,936	95,868	(103,934)	4,130	-
	<u>950,976</u>	<u>105,464</u>	<u>(128,314)</u>	<u>-</u>	<u>928,126</u>
Restricted funds	12,525	267	(138)	-	12,654
	<u>963,501</u>	<u>105,731</u>	<u>(128,452)</u>	<u>-</u>	<u>940,780</u>

SUMMARY OF FUNDS - PRIOR YEAR

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2018 £</i>
Designated funds	955,351	19,561	(28,072)	200	947,040
General funds	2,600	102,105	(100,569)	(200)	3,936
	<u>957,951</u>	<u>121,666</u>	<u>(128,641)</u>	<u>-</u>	<u>950,976</u>
Restricted funds	12,287	5,698	(5,460)	-	12,525
	<u>970,238</u>	<u>127,364</u>	<u>(134,101)</u>	<u>-</u>	<u>963,501</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	485,000	-	485,000
Investment property	180,000	-	180,000
Current assets	264,860	12,654	277,514
Creditors due within one year	(1,734)	-	(1,734)
	<u>928,126</u>	<u>12,654</u>	<u>940,780</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	485,000	-	485,000
Investment property	180,000	-	180,000
Current assets	294,397	12,525	306,922
Creditors due within one year	(8,421)	-	(8,421)
	<u>950,976</u>	<u>12,525</u>	<u>963,501</u>