

**THE PARISH OF
ST MATTHEW WITH ST PAUL, WINCHESTER**

Charity Registration number : 1133040

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

ST MATTHEW WITH ST PAUL, WINCHESTER

REGISTERED CHARITY in England and Wales no. 1133040

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2019

Administrative information

The Ecclesiastical Parish of St Matthew, Winchester, is part of the Diocese of Winchester within the Church of England. It comprises the churches of St Matthew, Stockbridge Road, and St Paul, St Paul's Hill, Winchester. The working name of the parish is St Matthew with St Paul, Winchester.

The correspondence address is: Parish Office, St Paul's Church, St Paul's Hill, Winchester SO22 5AB. The website is: www.stmatthewstpaul.org.

The Parochial Church Council (PCC) was registered as a charity in England and Wales on 1 December 2009 under registration number 1133040.

<i>Incumbent (and PCC Chair):</i>	Canon Peter Seal
<i>Assistant Priest:</i>	Revd Mary Copping
<i>Curate</i>	Revd Liz Stuart (from 7 July 2019)
<i>Licensed Lay Minister:</i>	Stephen Adam
<i>Churchwardens, St Matthew's:</i>	Mike Russell-Smith (from 29 April 2019) Dick Wilkinson
<i>Churchwardens, St Paul's:</i>	Christopher Seaman Chris Sharp

Representatives on the Deanery Synod (elected for three years at APCM 2017):

Mark Byford
Keith Jones
Chris Sharp

Elected members of the PCC during 2019:

Amanda Berridge (PCC Treasurer)
Helen Chambers
Kathleen Freeman
Alexa Heady
Talia Hedstrom
Jonathan Jesty (from 29 April 2019)
Anne Odling
Linda Russell-Smith
Nathalie Schulz (PCC Secretary)
Vicky Scott

Co-opted members of the PCC:

Sandra Lewis (from 29 April 2019)
Bill Lucas

Structure, governance and management

The governing documents are the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended).

Members of the PCC are elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules, or are co-opted by the PCC. Members of the congregations and those who attend our services are encouraged to register on the electoral roll and stand for election to the PCC. In 2019 a new electoral roll was prepared and listed 256 people, of whom 115 were resident in the parish and 141 non-resident. (The last time the electoral roll was renewed in 2013 it contained 206 names, so over this period there has been an increase of almost 25%.)

The membership of the PCC consists of the incumbent, the curate, the churchwardens, the Licenced Lay Minister, the representatives to the Deanery Synod, and the elected and co-opted members. The Assistant Priest is employed by the Parish as the Children's and Youth Work Co-ordinator and attends the meetings as a non-voting member. The Chair of the Finance Committee (Tim Stannard) also attends meetings as a non-voting member. The PCC met nine times during 2019.

The PCC is responsible for making decisions on matters of general concern and importance to the parish, including the expenditure of funds. The PCC has a number of committees, the minutes of which are included with the PCC agendas and discussed as necessary: Finance Committee; Faith Development Group; St Matthew's Planning Group; Property Committee; Beyond Ourselves Committee; and Music Committee. The Friends of St Matthew with St Paul also reports to the PCC.

The PCC has oversight of the *Building for Life* (BfL) project for the improvement of the St Paul's site (further details below).

Aims and purposes

The PCC of St Matthew with St Paul, Winchester, is responsible for co-operating with the incumbent, Canon Peter Seal, in promoting in the ecclesiastical parish the whole mission of the Church: pastoral, evangelistic, social and ecumenical. It is responsible for the maintenance of the two churches, and also of the Parish Hall and Parish Rooms which stand adjacent to St Paul's Church.

St Matthew with St Paul is an inclusive, welcoming and vibrant Anglican parish for all ages, serving the wider community, as encapsulated by our strapline, 'Pilgrims on a journey'.

Objectives and activities

At a vision and strategy day in January 2019 the PCC identified the following objectives for 2019-2021:

Developing a culture of growing deeper in faith and service.

Nurturing the wholeness of young and old together, mutually giving and growing.

Meaningful engagement with the wider community on the questions and issues of today.

Building a diverse, collective leadership that inspires all to be a part of our church.

Achievements and performance

St Matthew with St Paul, Winchester, has delivered significant public benefit to the local community over the year as described below. Further detail can be found in the compiled 2019 Review, with group and activity reports, available from the Parish Web site.

The work of the parish is made possible by the dedicated support of many volunteers who assist with services and the maintenance of our buildings, participate in groups and committees, and work in the community.

The PCC has complied with our duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. During the year we reviewed our safeguarding policies and procedures in conjunction with the Parish Safeguarding Officer. The parish has over 100 DBS checks on file for staff and volunteers.

The Parish has been taking steps to reduce its environmental impact by avoiding single-use plastic and switching to a green energy supplier, as well as encouraging local wildlife.

Building for Life

After many years of planning and fundraising, 2019 saw the commencement of Phase 1 of the *Building for Life* (BfL) project at the St Paul's site. This will provide a facility that better serves both the congregation and the wider community by creating a safe, single-level floor; adding underfloor heating; creating new meeting spaces, a new Resurrection chapel, kitchen, toilets and utility room within church.

The Harvest Festival on 6 October 2019 was the final service at St Paul's before it closed for the work until mid-2020. For the remainder of 2019 the St Paul's 9.30 Sunday Eucharist was held in the hall of Western Church of England Primary School. Due to the building works the Parish Office moved from the vestry to one of the Parish Rooms.

The PCC appointed a BfL Project Assessment team to make recommendations on the commencement of the project and a Project Board to govern the project.

A challenge for the PCC in 2020 will be to plan and prepare for use of the refurbished building both by the congregation and the local community.

Worship and prayer

St Matthew's Church provides a beautiful and intimate setting for worship using the Book of Common Prayer each Sunday and at a midweek Holy Communion. Worship at St Paul's Church is traditional yet vibrant; the main service is the 9.30 am Eucharist on Sundays. There is a significant focus on children and young people, with groups during church and an all-age service once a month. There is also a monthly Sunday afternoon service for families with young children (St Paul's @ 4), which attracts people who do not attend other services. The usual Sunday morning attendance in 2019 was 118 adults and 16 children. Evening Prayer is said on weekdays at St Paul's three times a week.

Home groups and other opportunities are provided for people to grow in faith. Every Tuesday evening there is silent meditation in the Christian tradition in the Parish Rooms attended by people from within the congregations and the wider community. During Lent 2019 there was both a weekday course at St Matthew's and an evening course at St Paul's.

The annual men's weekend was held at Hilfield Franciscan Friary in October, and for the first time there was a women's weekend held in November. The Advent Quiet Day for 2019 was held at Wisdom House in Romsey at the start of December, and there was an Advent course at St Matthew's.

St Matthew's was open during the day throughout the year, as was St Paul's until it closed for building works.

During the year 19 baptisms, 1 wedding, and 6 funerals were held in our churches for members of the parish and wider community.

Pastoral care

As well as the pastoral care conducted by the clergy, there is a team of approximately 25 Parish Visitors who offer friendly support to over 30 people in the local community on an individual basis. During 2019 links were strengthened with cluster churches in Winchester and joint training events held.

Members of the clergy team and parish volunteers take Holy Communion every month to residents of the Berewecke Court care home, Eastacre residential home, and Tegfield House care home.

Beyond Ourselves

During the year the parish gave £10,000 to local and international charities as part of our charitable giving. Updates and thank-you letters from these charities are included in our monthly parish magazine. Volunteers from the parish conducted house-to-house collections in our area for Christian Aid Week in May. Monies raised from this and other special collections, especially during Lent, at Advent and at Christmas amounted to in excess of £5,900.

Community links

Our Community Day this year was held on 11 May with a circus theme. This event raised money for *Building for Life*, but more importantly provided an opportunity to welcome the local community to the site and share plans for the future.

Worshipping at Western Church of England Primary School during the St Paul's building works has strengthened the already strong links with the School. The Parish provides two foundation governors in addition to the incumbent, who is an *ex officio* governor. In February there was a successful Bussy Malone musical workshop at St Paul's with 25 children from the congregation, Western Church School, and Westgate Lower School.

Termly under-fives' services are held in conjunction with St Paul's Pre-school (a community-run pre-school which uses our Parish Hall) and the toddler group (which runs weekly in the Parish Rooms).

The buildings on the St Paul's site are hired throughout the year by over 63 local organisations and community groups.

Financial review

Results

2019 has been a demanding year for us financially as we made crucial decisions on launching the Building for Life project and budgeted a deficit of £14.4k on general fund because of the impact of the project and other factors including increasing Common Mission Fund (CMF) contributions. Note 10 to the accounts shows that our general fund income was £222.5k and expenditure £229.2k, leading to a deficit of £6.7k after a credit of £7.6k for unrealised investment gains, giving an actual general fund deficit of £14.3k. In addition the general fund paid BfL fundraising costs of £6.9k, resulting in a total realised deficit of £21.2k.

The deficit reflects a lack of growth in regular giving and donations to the general fund as the congregation focussed on BfL giving, and cash collections declining as people moved away from carrying cash. Exceptional costs of the move out of the church have been charged to the BfL fund. We were helped by savings on some areas of expenditure and by a limited rise in our CMF.

In early 2020 our focus turned to rebuilding our general fund regular giving through a stewardship campaign in recognition that we need to achieve a balanced budget once we are back in St Pauls, and that we need to be able to offer regular increases in CMF to support the diocese.

Legacies

Our legacy campaign started to bear fruit as we received £27.8k from the estate of Anthony Beckwith in 2019, and news of a large bequest from St Paul's stalwart Les Scott (probate granted January 2020). £74.1k from the earlier Wilkins Bequest has now been expended on *Building for Life*, and these three legacies together have made a big difference in enabling us to undertake and complete this project. These amounts are included in "unrestricted funds" in the Statement of Financial Activities.

In 2020 we will be developing our PCC policy on how we decide how to spend significant legacies, in tandem with the development of our parish strategy and plan.

Reserves policy

Our general fund reserves policy is to retain 6 months expenditure in reserves to cover our need for working capital, general economic risks and the additional risks of our large building project beyond the contingency provision. General fund reserves brought forward were £114.0k (2018 £174.1k) meeting this criteria last year, after deducting the deficit this year and adding the investment revaluation our reserves carried forward have fallen to £100.4k (2018 £114.0k). This represents 5.4 month's expenditure in 2019, slightly below our policy threshold. These reserves comprise £46.7k cash, £48.9k investments at valuation and £4.8k net current assets. The PCC are actively monitoring the reserves position in 2020, particularly with the impact of Coronavirus and of continuing general fund deficits (see below).

Building for Life

The *Building for Life* fundraising team led by Bill Lucas achieved the heroic task of fundraising £989.6k in just over two years, including significant new grants made in 2019

from Biffa, The Ladies of the Grail, Hampshire County Council, Hobson Charity and Joseph Rank Trust and a loan facility from Winchester Diocesan Board of Finance for working capital needs. After some negotiations we were able to start the building project in September 2019 with Amiri Construction. The total budgeted cost of construction at 31 December 2019 including contract additions, professional fees and contingency was £1,004.3k. Of this £130.8k was expended on building and professional fees in 2019 (£38.4k 2018), and £5.3k costs incurred on the move including Western School rental and storage.

The project has been running well under the supervision of the Project Board and the advice of our architect and QS, ahead of timetable and within budget up to the suspension of building works during March and April 2020 due to Coronavirus regulations. Works restarted in May 2020, and completion is tentatively scheduled for September 2020. The forecast project deficit of £18.5k is expected to be met from the first instalment of the Scott Legacy. Because the project is so large we have instituted new financial controls and reports to enable us to manage it closely.

Risk Management

The PCC has now approved risk registers for both the Building for Life project and for general parish activities, and is focussing on managing the risks identified. These are categorised as financial risks, operational risks, regulatory and safeguarding risks, and property risks, and delegated to the appropriate committees.

We have recently run cybercrime training for the office team, and are reducing the risks presented by our current buildings at St Pauls by improving lighting and fire exits to the parish hall and rooms. The Building for Life project will result in a substantially safer church without numerous level changes and with a fire alarm. We have also continued to improve our financial systems with the recruitment of a qualified bookkeeper and the introduction of a sales ledger and more rigorous monthly reporting and reconciliations.

We are aware that we don't have the expertise on the PCC to actively manage all the risks we face and need to continue to build our strength as a management team. However, we have enhanced our risk reviews recently through input from a specialist in health and safety.

Implications of Coronavirus epidemic

We have been pursuing our mission during the lockdown period by adapting our priorities and our ways of doing things to the needs and possibilities of the Covid-19 environment. This has included: weekly communion and children's services broadcast on social media, with collaboration of participants from their homes; regular telephone, email and zoom communication with our whole church community; volunteering by many members of the congregation to national or local initiatives and collaboration with community organisations to provide support to the vulnerable. We are confident that these initiatives and experiences will help us to develop, enhance and deliver our Mission in the future out of the extreme adversity that we are currently experiencing.

Two immediate impacts of the Coronavirus epidemic have been the closure of church services and physical meetings, and the temporary suspension of our Building for Life building project. We have seen a fall in income from cash collections and fundraising events, but fortunately much of our giving is in the form of monthly standing orders. We

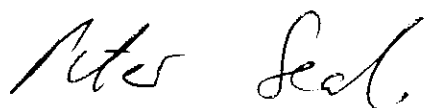
are also seeing our key tenants facing financial pressures and, in the case of exercise classes, being unable to operate at all.

This has led the PCC to reassess the adequacy of our general fund reserves. We have revised our 2020 budget to reflect reduced revenues, particularly from the hire of our facilities, and assess the actual impact monthly through our budget reports. We have assessed our costs to see where savings can be made, taking into account the impact on our activities, our staff and our tenants of the current situation, and plan to make appropriate utilisation of the Government's financial support arrangements. The revised budget indicates that we can continue to operate as a going concern through 2020, but the projected 2020 deficit would reduce our general fund reserves to a level significantly lower than our policy of retaining 6 months general fund expenditure in reserves.

Fortunately we are a significant beneficiary of a substantial bequest that will be recognised in our 2020 accounts and of which the first tranche has been received (see Note 13). The PCC has agreed that part of this bequest will be allocated to bolster our general fund reserves, whilst the remainder will enable us to successfully complete the renovation of St Pauls church and be used to support our strategic charitable objectives going forward.

Approved by the PCC on1 July..... 2020

and signed on their behalf by the Chair, Canon Peter Seal:

A handwritten signature in cursive script that reads "Peter Seal".

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST MATTHEW WITH ST PAUL, WINCHESTER

I report to the trustees on my examination of the accounts of St The Parish of Matthew with St Paul, Winchester, for the year ended 31 December 2019, which are set out on pages 9 to 21.

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.

I report in respect of my examination of the Trustee'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.

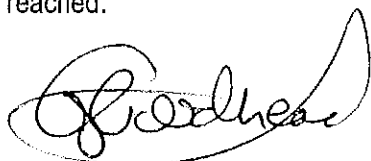
INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a 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 Charity as required by section 130 of the Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



C J Goodhead FCA
Knight Goodhead Limited
Chartered Accountants

15 July 2020

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire SO53 3DA

ST MATTHEW WITH ST PAUL, WINCHESTER

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
INCOME					
Donations and legacies		193,389	428,205	621,594	421,444
Income from charitable activities		18,281	12,317	30,598	34,978
Income from other trading activities		29,454	-	29,454	28,393
Investment income		3,298	656	3,954	3,551
Total income	3	244,422	441,178	685,600	488,366
EXPENDITURE					
Raising funds		-	5,860	5,860	9,030
Expenditure on charitable activities		306,256	135,830	442,086	276,879
Total expenditure	4	306,256	141,690	447,946	285,909
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(61,834)	299,488	237,654	202,457
TRANSFERS BETWEEN FUNDS	10	(6,981)	6,981	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHERS GAINS/(LOSSES)		(68,815)	306,469	237,654	202,457
GAINS / (LOSSES) ON INVESTMENT ASSETS		7,555	-	7,555	(656)
NET MOVEMENT IN FUNDS		(61,260)	306,469	245,209	201,801
FUND BALANCES AT 1 JANUARY 2019		356,662	316,571	673,233	471,432
FUND BALANCES AT 31 DECEMBER 2019	10	295,402	623,040	918,442	673,233

ST MATTHEW WITH ST PAUL, WINCHESTER

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Unrestricted funds £	Restricted funds £	Total 2018 £
INCOME			
Donations and legacies	178,927	242,517	421,444
Income from charitable activities	22,191	12,787	34,978
Income from other trading activities	28,393	-	28,393
Investment income	3,401	150	3,551
Total Income	232,912	255,454	488,366
EXPENDITURE			
Raising funds	-	9,030	9,030
Expenditure on charitable activities	225,285	51,594	276,879
Total expenditure	225,285	60,624	285,909
NET (EXPENDITURE) /INCOME BEFORE TRANSFERS	7,627	194,830	202,457
TRANSFERS BETWEEN FUNDS	8,008	(8,008)	-
NET (EXPENDITURE) / INCOME BEFORE OTHERS GAINS/(LOSSES)	15,635	186,822	202,457
GAINS ON INVESTMENT ASSETS	(656)	-	(656)
NET MOVEMENT IN FUNDS	14,979	186,822	201,801
FUND BALANCES AT 1 JANUARY 2018	341,683	129,749	471,432
FUND BALANCES AT 31 DECEMBER 2018	356,662	316,571	673,233

BALANCE SHEET AS AT 31 DECEMBER 2019

	Notes	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	7		11,992		14,990
CURRENT ASSETS					
Debtors	8	204,532		153,302	
Investments		48,930		39,980	
Cash at bank and in hand		663,725		547,301	
			<u>917,187</u>	<u>740,583</u>	
CREDITORS: amounts falling due within one year					
	9	<u>(10,737)</u>		<u>(82,340)</u>	
NET CURRENT ASSETS			906,450		658,243
NET ASSETS			<u>918,442</u>		<u>673,233</u>
FUNDS					
	10-12				
Unrestricted:					
Designated		195,004		242,663	
Other unrestricted		<u>100,398</u>		<u>113,999</u>	
			295,402		356,662
Restricted			623,040		316,571
TOTAL FUNDS			<u>918,442</u>		<u>673,233</u>

Signed on behalf of the PCC by:

Peter Paul Rector

Trustee

Date:

1st July 2020

ST MATTHEW WITH ST PAUL, WINCHESTER

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES	1	113,866	143,234
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		2,558	2,212
Purchase of fixed assets		-	(14,990)
NET CASH FLOW	2	<u>116,424</u>	<u>130,456</u>

NOTES TO THE CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
1 Net movement in funds for the year	245,209	201,801
Investment income	(3,954)	(3,551)
Depreciation	2,998	-
(Increase)/decrease in debtors	(51,230)	(133,229)
(Decrease)/increase in creditors	(71,602)	75,029
(Increase)/decrease in investment assets	(7,555)	3,184
Net cash flow from operating activities	<u>113,866</u>	<u>143,234</u>

2 NET CASH FLOW MOVEMENT	2019 £	2018 £
Cash at the end of the year	663,725	547,301
Cash at start of the year	<u>547,301</u>	<u>416,845</u>
Increase in cash in the year	<u>116,424</u>	<u>130,456</u>

3 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank and in hand	663,725	547,301
	<u>663,725</u>	<u>547,301</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards, the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 (effective January 2015).

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue. The charity is a public benefit organisation.

(b) Fund accounting

General funds represent the funds of the PCC that are not subject to any restrictions as to their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are those funds that must be spent on restricted purposes and the details of the funds held and restrictions are provided in notes 10-11.

(c) Income

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

• **Donations and legacies**

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under pledge is recognised only when received.

Income tax recoverable on gift aid donations is recognised when the income is recognised.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Where grants are conditional on future events they are recognised as deferred liabilities until the condition can be fulfilled.

• **Income from charitable activities**

Income is accounted for when receivable.

• **Income from other trading activities**

Funds raised from church events are accounted for when receivable.

• **Investment Income**

Dividends and interest are accounted for when receivable.

Realised gains and losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluations of investments at 31 December.

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

• **Charitable Activities**

The Diocesan Parish Share is accounted for when payable.

Grants and donations are accounted for when decided on.

1 ACCOUNTING POLICIES (continued)

(e) Fixed assets

Both the consecrated Church buildings at St Matthew's and St Paul's are excluded from accountability by the PCC. Consecrated property is excluded from the financial statements by s.10 (2)(a) and (c) of the Charities Act 2011. All expenditure incurred during the year on consecrated buildings is written off as expenditure in the SOFA and separately disclosed.

Movable church furnishings held by the Church Wardens on special trust for the PCC and which require a faculty for disposal are regarded as inalienable property.

Expenditure on movable church furnishings and other functional equipment is capitalised where the cost exceeds £2,000.

Depreciation is on a straight line basis over the following periods:

- Church organ - 5 years

(f) Pensions

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

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, 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 that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

ST MATTHEW WITH ST PAUL, WINCHESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

ACCOUNTING POLICIES (continued)

(f) Pensions (continued)

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This 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 contributions payable.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m 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, St Matthew with St Paul, Winchester could become responsible for paying a share of that employer's pension liabilities.

2 ADMINISTRATIVE INFORMATION

The charity is a statutory corporation under PCC (powers) measure 1956 and was registered on 1 December 2009 with the Charity Commission in England and Wales. The registered number is 1133040.

The registered office of the charity is The Parish Office, St Paul's Church, St Paul's Hill, Winchester, SO22 5AB.

ST MATTHEW WITH ST PAUL, WINCHESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

3 INCOME	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Donations and legacies				
Regular giving	115,773	19,382	135,155	141,774
Collections	7,090	200	7,290	11,594
Envelopes	6,212	-	6,212	6,318
Donations	7,018	102,596	109,614	120,243
Legacies	27,793	-	27,793	250
Gift aid	29,503	28,133	57,636	62,265
Grant income	-	277,894	277,894	79,000
	193,389	428,205	621,594	421,444
Income from charitable activities				
Parochial fees	6,777	-	6,777	7,773
Parish & Family Activities income	3,069	-	3,069	4,000
Community & Fundraising Event income	562	7,878	8,440	8,008
Miscellaneous Sales income	1,230	1,120	2,350	786
Magazine subs	1,094	-	1,094	1,321
Hire St Pauls Preschool	5,008	-	5,008	7,975
St Matthews Flowers income	169	-	169	-
St Pauls Flowers income	372	-	372	866
Friends Subscription income	-	1,410	1,410	1,365
Friends Event income	-	1,909	1,909	2,884
	18,281	12,317	30,598	34,978
Income from other trading activities				
Magazine adverts	868	-	868	810
Facilities Hire	9,105	-	9,105	9,246
Hire Florian Dance School	8,387	-	8,387	9,622
Parking	11,094	-	11,094	8,715
	29,454	-	29,454	28,393
Investment income				
Interest	1,902	656	2,558	2,212
Dividends	1,396	-	1,396	1,339
	3,298	656	3,954	3,551
TOTAL INCOME	244,422	441,178	685,600	488,366

ST MATTHEW WITH ST PAUL, WINCHESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

4 EXPENDITURE	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
CHARITABLE ACTIVITIES				
Raising funds				
Fundraising costs	-	5,860	5,860	8,684
Friends expenditure	-	-	-	346
	-	5,860	5,860	9,030
Expenditure on charitable activities				
Parish Share	116,332	-	116,332	112,000
Parochial Fees - Diocesan Share	3,556	-	3,556	4,380
Parish & Family Activities expenditure	3,321	2,061	5,382	3,383
Printing, postage and stationery	5,498	-	5,498	5,438
Computer running expenses	887	-	887	843
Insurance	5,394	-	5,394	4,974
Admin salaries	33,846	-	33,846	29,744
Working costs	6,354	-	6,354	7,729
Maintenance	9,025	-	9,025	7,116
Cleaning and gardening	5,778	-	5,778	5,991
Utilities	6,909	-	6,909	8,153
Music	3,837	-	3,837	4,816
Professional fees	1,800	-	1,800	1,950
Youth & Children's work expenditure	15,780	1,319	17,099	17,082
Mission giving	10,100	-	10,100	10,200
Other giving	100	-	100	480
Haynes Bequest expenditure	-	-	-	4,420
St Matthews Fund expenditure	-	-	-	4,711
St Pauls Flowers expenditure	584	-	584	891
Music as mission expenditure	80	4,301	4,381	3,655
Building for Life expenditure	74,077	128,149	202,226	38,377
Bank charges	-	-	-	546
Depreciation	2,998	-	2,998	-
	306,256	135,830	442,086	276,879
Total expenditure	306,256	141,690	447,946	285,909

Professional fees include Independent Examination fees of £1,800 (2018: £1,740)

ST MATTHEW WITH ST PAUL, WINCHESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

5 GRANTS

Grants and donations of over £1,000 made to institutions and other charities during the year were as follows:

	2019 £	2018 £
USPG	1,000	1,500
CMS	1,000	1,500
Other regular giving from own funds	8,200	7,680
	<u>10,200</u>	<u>10,680</u>

Amounts collected on behalf of other charities this year were as follows:

Christian Aid	5,216	5,977
Partners for change Ethiopia	374	498
Winchester Nightshelter	-	405
St Martins in the Fields Appeal	220	317
Childrens Society	114	235
	<u>5,924</u>	<u>7,432</u>

6 EMPLOYED STAFF COSTS AND NUMBERS

	2019 £	2018 £
Salaries and wages	63,214	59,724
Employer's NI costs	-	-
Employer's pension costs	2,007	2,080
	<u>65,221</u>	<u>61,804</u>

The average number of full time and part time employees during the year was 12 (2018: 11)

No trustees received remuneration during the year (2018: £nil)

£2,982.20 (2018: £2,339) expenses were reimbursed to one trustee during the year.

No employee received remuneration of more than £60,000 during the current or prior year.

During the year pension contributions of £2,007 (2018: £2,080) were payable, and at the year end the amount outstanding was £259 (2018: £254).

During the year no remuneration was paid by this charity to key management personnel (2018: £nil). The key management team is taken as being the standing committee. The Canon chairs the standing committee but he receives a stipend from the Diocese not from this charity.

ST MATTHEW WITH ST PAUL, WINCHESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

7 TANGIBLE ASSETS

	Church organ £
COST	
At beginning and at end of year	<u>14,990</u>
DEPRECIATION	
Charge and at end of year	<u>2,998</u>
NET BOOK VALUE	
At end of year	<u>11,992</u>
At beginning of year	<u>14,990</u>

8 DEBTORS

	2019 £	2018 £
Other debtors	39,514	29,491
Prepayments and accrued income	<u>165,018</u>	<u>123,811</u>
	<u>204,532</u>	<u>153,302</u>

9 CREDITORS: amounts falling due within one year

	2019 £	2018 £
Trade creditors	1,072	16,150
Taxation and social security	-	925
Agency collections	1,297	2,340
Accruals	5,576	7,925
Deferred income	<u>2,792</u>	<u>55,000</u>
	<u>10,737</u>	<u>82,340</u>

ST MATTHEW WITH ST PAUL, WINCHESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

10 MOVEMENT IN FUNDS	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2019 £
Restricted funds	-	-	-	-	-
Building for Life	293,823	436,598	(136,071)	12,481	606,831
Children's Work	11,417	1,000	(1,318)	-	11,099
Music as Mission	8,787	-	(4,301)	-	4,486
Friends of St Matthew with St Paul	2,544	3,580	-	(5,500)	624
	316,571	441,178	(141,690)	6,981	623,040
Designated funds					
Wilkins Bequest	164,313	1,673	(74,076)	-	91,910
Capital Fund	14,990	-	(2,998)	-	11,992
Building for Life	63,360	27,793	-	(51)	91,102
	242,663	29,466	(77,074)	(51)	195,004
Unrestricted funds	113,999	222,511	(229,182)	(6,930)	100,398
Total funds	673,233	693,155	(447,946)	-	918,442

11 FUNDS

The restricted funds are established for the following purposes:

Building for Life and Wilkins Bequest

This reserved fund consists of donations and grants given for the redevelopment of the St Pauls site under an ongoing appeal launched in 2017, with construction starting in 2019. There are also some contributions to Building for Life made by the PCC which are treated as designated to this purpose. These include the **Wilkins Bequest**, another legacy and an amount set aside to cover the building contingency last year.

Children's Work

Established through a gift from a parishioner and grants from the Wheeler Jones Trust to support the Parish's work with children.

Music as Mission

Established through a gift from a parishioner to extend the outreach and mission of the parish through musical activities.

Friends of St Matthew with St Paul

The Friends exist to raise funds in support of the church buildings through fundraising events. The Friends' aims are to preserve and enhance buildings for future generations, to encourage the use of the buildings by the local community and to run interesting and diverse social events annually to raise funds. During the year they made several donations to Building for Life.

The designated funds are established for the following purposes:

Capital fund

This fund represents the net book value of fixed assets.

ST MATTHEW WITH ST PAUL, WINCHESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

12 ANALYSIS OF FUNDS

	Restricted funds	Designated funds	Other unrestricted funds	Total 2019
	£	£	£	£
<i>Fund balances as at 31 December 2019 are represented by:</i>				
Tangible fixed assets	-	11,992	-	11,992
Investments	-	-	48,930	48,930
Other current assets	623,040	183,012	62,205	868,257
Current liabilities	-	-	(10,737)	(10,737)
	<u>623,040</u>	<u>195,004</u>	<u>100,398</u>	<u>918,442</u>

	Restricted funds	Designated funds	Other unrestricted funds	Total 2018
	£	£	£	£
<i>Fund balances as at 31 December 2018 are represented by:</i>				
Tangible fixed assets	-	14,990	-	14,990
Investments	-	-	39,980	39,980
Other current assets	371,571	227,673	101,359	700,603
Current liabilities	(55,000)	-	(27,340)	(82,340)
	<u>316,571</u>	<u>242,663</u>	<u>113,999</u>	<u>673,233</u>

13 POST YEAR END ACTIVITIES

In December 2019 the trustees of the Les Scott Estate applied for probate on a legacy to the parish with an estimated value of £740,000. Probate was granted in February 2020 and an interim distribution of £150,000 made. The balance is likely to be distributed later in the year when estate administration has been completed.

*Peter Sel 1st July 2020
Rector of St. Matthew with St Paul.*