

CHRIST CHURCH CHORLEYWOOD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

CHRIST CHURCH CHORLEYWOOD

LEGAL AND ADMINISTRATIVE INFORMATION

Members

Revd David Hall (Vicar)
Geoff Roberts (Churchwarden)
Revd Jacob Harrison (Curate)
Duncan Kerr (Diocesan Synod)
Sylvia Mann (Assistant Churchwarden)
Revd Terence Russoff (Curate)
James Gardner
Rodger Lutterodt
Gordon Cutting
Brian Donnelly
Andrew Farr
Mark Sullivan
Olu Olanrewaju
Philippa Greenslade
Helene Buijs (Appointed 11 July 2019)
Oyinkan Adesakin (Churchwarden) (Appointed 19 September 2019)

Charity number

1129662

Principal address

The Common
Chorleywood
Herts
WD3 5SG

Auditor

Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Bankers

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4TA

Legal Advisors

Debenhams Ottaway
107 St Peter's
St Albans
Herts
AL1 3EW

CHRIST CHURCH CHORLEYWOOD

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CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The members of the PCC of Christ Church Chorleywood in the Diocese of St Albans present their report and the financial statements for the year ended 31st December 2019. The format and content of the reports and financial statements are presented to comply with the requirements of The Charities Act 2011, in accordance with the financial reporting standard applicable in the UK and RO Ireland published on 16th July 2014 and the Church Accounting Regulations 2006 (FRS 102) and follow the Charities SORP 2015.

Objectives and activities

Objectives of the PCC are to cooperate with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social, and ecumenical.

The Vision is to seek, as part of the Worldwide Church, to encourage people to know God's love in Christ and together show that love in word and action, summarised as: *'God's love, know it, show it, share it, declare it.'* The PCC is committed to enabling as many people as possible to worship at our church and to become part of our community.

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

- Regular public worship open to all
- Pastoral work, including visiting the sick and the bereaved
- Teaching Christianity through sermons, courses and small groups
- The provision of a youth club with a Christian ethos
- Support for the activities of Christ Church School
- Promoting the whole mission of the Church through activities for senior citizens, parents and toddlers and other special need groups
- Supporting other charities in the UK and overseas

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance

Church membership

Electoral Roll At the 2019 annual meeting there were 327 on the Electoral Roll (357 at the 2018 annual meeting).

Sunday Attendance (adults), based on mission returns to diocese is typically 315 (2018: 274). There is an average of 60 younger children (under 10) and 34 (11-16) who attend Sunday morning groups in The Junction. On average 40 (40) attended midweek activities. 105 attended the Summer event for 11-14 year olds. In addition the church has 19 Home Groups involving 191 people which meet throughout the week, including a 'Young Adults' Group.

Review of the year

The PCC met 11 times in 2019, attendance averaging 90%. Additionally, committees of the PCC with co-opted members met regularly to consider specific responsibilities on Finance, Mission, Volunteering, Buildings and Technology and Personnel and to make recommendations to the full PCC. The Standing Committee met as required during 2019. Dr. Onyx Adesakin was appointed Church Warden at the APCM with Sylvia Mann stepping down and filling one of the two newly approved roles of Assistant Church Warden, as well as taking over from Geoff Marshall-Taylor as Parish Safeguarding Officer. The second Assistant Church Warden post was not filled. Helene Buijs joined the PCC in July 2019 and took over from Sylvia the role of Safeguarding Lead on the PCC. Towards the end of 2019 Vimala Hillier, who had worked hard to assimilate the various aspects of the role, had to resign as PCC Secretary because of the increasing demands of her work in the education sector.

In addition to consideration of a range of Financial and Fabric matters and Future Plans that are recorded elsewhere in this report, we completed the purchase of 22 Furze View, Chorleywood as the third church house, identified for use by a curate at some time in the future and for private rental in the meantime. This strategy had arisen from the change in policy to provide full-time ministry (non clergy) staff with a housing allowance rather than requiring them to live in a church house, with this allowance structured to ensure it matches the local housing market. The medium-term capital needs of the church, Junction and resourcing projects were also reviewed to develop a policy for applying both the funds released after these changes in the housing portfolio as well as legacy funds. Funds were applied for the installation of solar PV panels on the Junction roof and, following autumn discussions, a review was scheduled for early 2020 relating to the pay down of the current mortgage on 4 Berry Way.

Note: This was considered by the PCC early in 2020, and has been deferred in view of the COVID-19 pandemic.

As reported previously, to the governance matters addressed routinely were added an update and regular review of Safeguarding procedures to align with those required by the Church of England and a detailed implementation plan to maintain compliance with the GDPR procedures was introduced, including an upgrade to the guidelines for use of IT systems and the introduction of Church Suite.

A Mission Action Planning morning was held in March with staff, PCC and other church members re-affirming the priority of 'making new disciples' during 2019.

Grants proposed by the Mission Action Group were approved from the allocation of 17% of church donations. The church continues to be entirely dependent on its members' God-inspired gifting, availability, experience and commitment (in time, talents and treasures) in fulfilling its mission: 'God's Love: Know It, Show It, Share It, Declare It.'

Plans for Future Periods

As noted, Mission Action Planning (MAP) has endorsed the priority of 'making new disciples' during 2019, specifically in the Home, the Neighbourhood and the Communities in which we all live and work.

To achieve greater integration of new members and discipleship of existing members, the weekly 'Discovery' evenings will continue during term time; starting with a meal, people attend one of a variety of group activities.

We continue to develop the potential of The Junction and, volunteers permitting, will seek to maximise the use of its excellent meeting facilities for both the community and church members. As Outreach is so dependent on relationships, we seek to involve even more volunteers of all ages in the church's ministry, as well as to improve communications within the fellowship and with the wider community. As also noted earlier, a key part of our outreach work was the regular visiting programme, underpinned by prayer support, and this has continued and grown through the year with 3000 homes reached through the year.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Financial review

Following a surplus in 2018 of £42k in unrestricted general (but not designated) funds, there has been a deficit in 2019 of £15k, which was met from general reserves. Overall giving fell by £120k during the year. It should be noted that the figures for 2018 included gifts linked to the decision to appoint a worship minister, this represented extra giving in response to that plan of ca. £100k. Plans are in place to increase donations, and decrease expenditure, to meet this modest deficit.

Parish share represented 34% of operating costs. Staff salaries and expenses were a further 34%, and the remaining 32% of operating costs included repayment of £11k of mortgage capital.

Net assets stand at £2,147k at 31st December 2019, mainly represented by houses purchased to support the church's ministry and cash at bank. The portfolio is regularly reviewed against staffing and investment needs, and two houses are currently being rented. All stipends exceed the National Living Wage.

As a result of the PCC's policy to give 17% of unrestricted gift income to the General Mission Fund to support mission partners and organisations outside the parish, £93k was donated in 2019 in Christian Outreach.

Christ Church has adequate reserves to cover contingencies and anticipated outflows, and still carry a significant balance of funds forward, principally represented by the Legacy Fund for which several projects are planned.

Total receipts were £610k (a decrease of 15%) as detailed in the financial statements. £561k was spent to provide the Christian ministry of Christ Church, (a 1.9% decrease) due mainly to a reduction from 3 to 2 in the number of Ministry Trainees.

Funding The church is funded mainly by the voluntary contributions of its members, enhanced by tax repayments where appropriate, but also through rental, interest received on deposits and charges made for special services (i.e. weddings and funerals). Since the opening of The Junction the Church has also received donations for its use as a venue for Children's Parties etc.

Property 59 Lower Road is held in Trust for the PCC by the Diocese of St Albans and included in the balance sheet, after revaluation by a local estate agent. 4 Berry Way and 22 Furze View are owned by the PCC as Trustees.

Financial Policies reviewed annually

Investment Policy

£274k of Endowment funds are held by the Diocese as the trustee, and the PCC gains from how these funds are invested.

The general aim for funds is that balances are split between 6 accounts, with each protected by the Government Deposit Protection Scheme. If this is not possible (e.g. when we hold funds with which to purchase a house), such funds are spread evenly between the deposit accounts.

We plan to keep 3 months of expenditure in deposit accounts (£150k at present), as a matter of best practice.

Reserves Policy

The Christ Church PCC identifies designated reserves to cover any anticipated income deficits and also for maintenance work on the church and church properties. In addition, an unrestricted reserve equating to approximately 2 months' operations is established to cover working capital, staff absences and short term debts. These reserves are reviewed annually and will be clearly specified both in annual accounts and monthly management accounts. It is intended that if reserves are used as described above, the level of the reserves should be restored from an appropriate fund. Generally this will be done within the same financial year, although for some large items (e.g. church maintenance or repairs), this could be done over more than one financial year.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Risks Policy

The PCC annually reviews its risks that may be registered under five headings: Regulatory (eg Safeguarding of Children & Vulnerable Adults, Health & Safety, Data Protection and Employment Law); Financial (eg fraud, loss of data or expertise and viability); Operational (eg food hygiene and maintenance); Organisational (eg management of resources and processes); and Insurable (eg property and accident). In terms of both likelihood and impact, the key risks are Regulatory and Financial, and relevant policies are reviewed annually and a person or management group designated to give detailed oversight of each. Financial controls are specified to give accountability with diversity and confidentiality, contingency plans are in place to ensure continuity of finance management, financial reports are made to every PCC meeting, and budgets agreed before the start of each year. Safe procedures are established for day to day activities, and risk assessments carried out for non-standard programmes eg youth weekends. The Charity Commission's Big Board Talk checklist is completed annually, and the PCC is satisfied that risks have been reduced to an acceptable level.

Grant Making Policy

The PCC has a policy of giving a minimum of 17% of unrestricted gift income to the General Mission Fund which currently supports Mission work outside the Parish. The longer term plan is to increase this to 20% in line with the funding provided prior to the building of The Junction. There is a regular review of finances to check for progress against the target, the last was in July 2019 when it was agreed that we were not yet in a position to make the move to increase.

The beneficiaries of this Fund are selected annually by the PCC under the guidance of the Mission Action Group. In addition the PCC may give occasional small grants for other purposes from unrestricted funds, and also distributes restricted funds given by the congregation for specific missions and projects. Grants are made directly overseas only to organisations that have been personally vetted by a member of the congregation and have provided a report on the application of any previous grants.

Trustee Training Policy

Each PCC Member is provided on election with a welcome pack that includes financial information and a copy of the PCC handbook. This handbook is reviewed annually and provides a commentary on the responsibilities of council membership and trusteeship; it also includes a digest on how Christ Church is organised and governance exercised plus reference to further information. An interactive session is held with each new member, separately or as a group, to ensure that any questions can be fully addressed.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Implications of COVID-19 and responses.

Virus control measures have required that all activities in the Church, and the adjacent Junction (church rooms) have been cancelled. Church services and meetings are a major part of the activities of a church, so this has a major impact. Such changes are important, as a considerable number of the membership will be in one of the more vulnerable groups, and this decreases their potential exposure. Increased contact with them by telephone or electronically is being put in place.

These changes have meant that the church has an immediate decrease in income of about £8000 per month (from services and the use of church rooms), which is 16% of the general monthly income.

In parallel with this, many of the activities that have been closed down had a cost to the church, so our expenditure is decreased. Also, three members of staff whose roles were tightly linked to the activities within the Church and Junction have agreed to be placed on furlough. 20% of their usual salaries will be met by the church and 80% from the government scheme.

The Finance Group has modelled the impact of the above immediate changes in income and expenditure, and also the impact of an overall loss of income of 30%; members of the church may be under increased financial pressures themselves, and have to decrease their giving. There have also been a number of extremely generous donations to the church, which will help balance potential decreased giving, as some donors have decreased or stopped their giving.

The outcome of these models gives a range of impacts ranging from a positive monthly balance of £3000 (most members of the church can maintain their giving) to a negative monthly balance of £3000 (a number of members have to decrease their giving).

Where possible, activities have been moved on-line, so the church has as visible a presence as is possible in the current circumstances. This has involved extensive work by the staff team and our volunteers. We have not as yet appealed to the church members to consider their giving, but this remains a possibility.

At the time of writing, we know that some of those who have given previously by cheque (immediate decrease in income) have changed to online giving. We have recently added a 'giving button' to the church webpage, and this is working well. There have also been a number of generous donations to the church, which together exceed the worst-case monthly deficit about 4-fold. While some members have decreased or stopped their regular giving, others have provided additional regular income to the church. The church also has reserves of up to £200,000 that could be used if that becomes necessary. Taken together, these suggest that the financial position is sustainable at present, and this will be kept under review.

In summary, there are clear challenges from the COVID-19 pandemic, but as far as we can judge we are well placed to meet these challenges and for Christ Church Chorleywood to remain in a viable financial position.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure, and is registered with the Charity Commission as a charity.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

Election of a PCC Member for a period of three years (or less if replacing someone who has retired early) takes place at the Annual Parochial Church Meeting; this also applies to election of representatives for the Deanery Synod who are automatically on the PCC as well; election of Churchwardens takes place annually at the Annual Meeting of Parishioners.

Remuneration & Expenses of PCC Members

The stipends of the vicar (David Hall) and of the curate Jacob Harrison (Terence Russoff is non-stipendiary) are paid by the Diocese out of a fund raised from parishes charged to the PCC as part of the Parish Share. The expenses excluding housing refunded to the clergy totalled £11,300 (£7,509 in 2017). The other key managers, the Church Wardens, are volunteers, and like other PCC Members they received no remuneration or reimbursed expenses during the year, other than specific non-personal expenses incurred.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Other Staff Employed at 31st December:

Worship Minister/YPF	Ben Holbrook
Youth Minister, 10-14	Simon Tulett
Children's Minister, 0-10	Brianna Ricciardo
Pastoral Minister*	Tracy Brown
Pastoral Assistant*	Laura Joiner
Finance Secretary/Admin support*	Sarah Wright
Facilities Manager	Tarja Kesanto
Ministry Trainees*	Daniel Robson, Josh Besley (to August 2019); Alistair Barnett, Adam Tompkinson-Davies (Sept 2019- date)
Office Administrator*	Cathy Lenton
Cleaner*	Anne Fulker

* Part time

None of the staff employed by the PCC have any duties concerned with governance or the generation of funds. No member of staff is paid in excess of £60,000.

The average number of staff employed in 2019 was 11, 4 being full time and 7 part time. The full time equivalent staff employed was 7.7.

Designated Funds

Legacies Policy: Legacies, not otherwise restricted, will be put into a designated legacy fund to be used for the general purposes of the church, at the discretion of the PCC. The intention -where circumstances make it possible and responsible - is to use legacy income for specific, identifiable projects reflecting the donor's wishes (if known), but it could also be used to meet day to day operational costs, subject to PCC guidelines. When such income is received, 20% will usually be allocated to support capital Christian mission projects outside the parish, unless the donor has otherwise directed (ie one-off, often building, projects).

Charity Grants: A summary of all grants and donations given in 2019 to other charities is presented in the financial statements.

Auditors' Fees: The amount paid for the audit of the 2019 accounts by a registered auditor was £5043 (£5100 in 2018). Note the auditors now prepare the accounts (previously carried out by a volunteer.)

Report on Fabric, Goods & Ornaments

In a year which included the Quinquennial Inspection the focus was both on general maintenance and upgrades to basic systems: e.g new lighting externally, repairs to folding doors and numerous aspects of plumbing. The Solar PV panels on the roof of The Junction were installed over the Christmas period. The pressures on space in terms of office accommodation, additional 'quiet' and work rooms as well as a distinct lack of storage space have been recognized and advice has been sought (including from the DAC) as to future options.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of members' responsibilities

The members are responsible for preparing the Members' 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 members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and of the incoming resources and application of resources of the PCC for that year.

In preparing these financial statements, the members are required to:

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

The members are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the PCC and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Parochial Church Council Powers Measure (1956). They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members' report was approved by the Board of Members.

.....
Revd David Hall (Vicar)
Vicar & Chairman
Dated:

CHRIST CHURCH CHORLEYWOOD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHRIST CHURCH CHORLEYWOOD

Opinion

We have audited the financial statements of Christ church Chorleywood (the 'PCC') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the PCC in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the PCC's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CHRIST CHURCH CHORLEYWOOD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHRIST CHURCH CHORLEYWOOD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the members' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the statement of members' responsibilities, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the PCC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

CHRIST CHURCH CHORLEYWOOD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHRIST CHURCH CHORLEYWOOD

Use of our report

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. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Cansdales

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**Chartered Accountants
Statutory Auditor**

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Cansdales is eligible for appointment as auditor of the PCC by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHRIST CHURCH CHORLEYWOOD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

		Unrestricted funds	Endowment funds designated	Restricted funds	Total	Total
	Notes	2019 £	2019 £	2019 £	2019 £	2018 £
<u>Income and endowments from:</u>						
Donations and legacies	2	506,071	-	8,897	514,968	612,755
Charitable activities	3	82,967	-	3,492	86,459	92,780
Interest	4	2,473	-	-	2,473	3,078
Other income	5	7,761	-	-	7,761	9,015
Total income		599,272	-	12,389	611,661	717,628
<u>Expenditure on:</u>						
Charitable activities	6	673,397	-	16,077	689,474	678,327
Net gains/(losses) on investments		-	-	-	-	128,410
Net (expenditure)/income before transfers		(74,125)	-	(3,688)	(77,813)	167,711
Gross transfers between funds		1,261	-	(1,261)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(72,864)	-	(4,949)	(77,813)	167,711
Fund balances at 1 January 2019		1,861,951	274,057	10,900	2,146,908	1,979,197
Fund balances at 31 December 2019		1,789,087	274,057	5,951	2,069,095	2,146,908

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

CHRIST CHURCH CHORLEYWOOD

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	10		1,795,000		1,002,657
Current assets					
Stocks	11	837		801	
Debtors	12	13,832		40,899	
Cash at bank and in hand		395,124		1,253,099	
		<u>409,793</u>		<u>1,294,799</u>	
Creditors: amounts falling due within one year	13	<u>(27,389)</u>		<u>(30,639)</u>	
Net current assets			382,404		1,264,160
Total assets less current liabilities			<u>2,177,404</u>		<u>2,266,817</u>
Creditors: amounts falling due after more than one year	14		(108,309)		(119,909)
Net assets			<u><u>2,069,095</u></u>		<u><u>2,146,908</u></u>
Income funds					
Restricted funds	16		5,951		10,900
Endowment funds - designated			274,057		274,057
<u>Unrestricted funds</u>					
Designated funds	17	1,785,985		1,820,421	
General unrestricted funds		<u>3,102</u>		<u>41,530</u>	
			1,789,087		1,861,951
			<u><u>2,069,095</u></u>		<u><u>2,146,908</u></u>

The financial statements were approved by the Members on

.....
 Revd David Hall (Vicar)
Trustee

.....
 Geoff Roberts (Churchwarden)
Trustee

CHRIST CHURCH CHORLEYWOOD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019		2018	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	20		(49,309)		(2,308)
Investing activities					
Purchase of tangible fixed assets		(800,000)		-	
Proceeds on disposal of tangible fixed assets		-		385,000	
Proceeds on disposal of investments		-		128,410	
Interest received		2,473		3,078	
Net cash (used in)/generated from investing activities			(797,527)		516,488
Financing activities					
Repayment of bank loans		(11,139)		(10,892)	
Net cash used in financing activities			(11,139)		(10,892)
Net (decrease)/increase in cash and cash equivalents			(857,975)		503,288
Cash and cash equivalents at beginning of year			1,253,099		749,811
Cash and cash equivalents at end of year			395,124		1,253,099

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

Christ Church Chorleywood is a Parochial Church Council (PCC) that was registered with the Charity Commission on 15 May 2009. The address of the registered office can be found on the legal and administrative page.

1.1 Accounting convention

The financial statements have been prepared in accordance with the PCC's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019). The PCC is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the PCC has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the members in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the PCC.

1.4 Income

Income is recognised when the PCC is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the PCC has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the PCC has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Expenditure

Resources used are included on an accruals basis inclusive of VAT, which is not recoverable.

Grants and Donations for missionary and charitable giving are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Individual items costing more than £2,000 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Valuation basis
Church equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Consecrated and beneficed property of any kind is excluded from the financial statements by s.96(2)(a) of the Charities Act 2011.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as heritage property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time. For heritage property acquired prior to 2002 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Items acquired since 1st January 2002 have been capitalised and depreciated in the financial statements over their currently expected useful economic life (initially over 4 years) on a straight-line basis.

All expenditure incurred in the year on consecrated or benefice buildings, individual items under £2,000 or on the repair of movable church furnishings acquired before January 2002 is written off as incurred.

Other land and buildings owned by the PCC are shown on a valuation basis in accordance with the Financial Reporting Standard 102 - ie full valuation every 5 years.

1.7 Stocks

Stock is shown at the lower of cost or net realisable value.

1.8 Employee benefits

The church operates a stakeholder pension scheme for employees, to which the employer also contributes. An auto-enrolment scheme started on 1st April 2017. The annual contributions paid are charged against income.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Taxed standing orders	367,739	1,054	368,793	357,472
Collection envelopes & other gift aid	36,300	6,645	42,945	87,803
Income tax recoverable on SO & gift aid	85,449	1,178	86,627	120,911
Untaxed standing order / GAYE	16,316	-	16,316	25,272
Collections of loose cash & other donations	267	20	287	21,297
Legacies	-	-	-	5,532
For the year ended 31 December 2019	506,071	8,897	514,968	612,755
For the year ended 31 December 2018	595,626	17,129		612,755

3 Charitable activities

	2019 £	2018 £
Weddings	5,519	5,988
Funerals	7,115	8,267
YPF Events	5,892	14,703
Hire of rooms	23,818	18,314
Junction events	17,246	5,042
Toddlers	1,216	2,859
Bookstall	1,089	1,667
Rental	21,000	17,530
Other trading income	3,564	18,410
	86,459	92,780
Analysis by fund		
Unrestricted funds	82,967	
Restricted funds	3,492	
	86,459	
For the year ended 31 December 2018		
Unrestricted funds		92,780

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Interest

	2019	2018
	£	£
Interest receivable	2,473	3,078
	<u> </u>	<u> </u>

5 Other income

	Unrestricted funds	Restricted funds	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Other income	7,761	-	7,761	9,015
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
For the year ended 31 December 2018	<u>6,797</u>	<u>2,218</u>		<u>9,015</u>

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Charitable activities

	2019 £	2018 £
Staff costs	206,554	193,763
Depreciation and impairment	7,657	12,981
Parish share	195,233	196,035
House repairs & maintenance	11,551	5,412
House mortgage interest	3,448	3,539
Church running expenses	38,219	43,964
Church projects	4,902	17,118
Church training and mission	4,394	5,076
Pastoral care	1,568	4,022
Resources for work with young people	9,610	806
Resources for work with children	7,950	1,319
Use of other income	30,180	38,898
Charitable activity costs (in relation to note 3)	37,334	35,443
Office expenses	7,651	8,175
Equipment costs	7,730	1,178
Bank charges	176	153
Auditors remuneration	5,043	5,100
	<u>579,200</u>	<u>572,982</u>
Grant funding of activities (see note 7)	110,274	105,345
	<u>689,474</u>	<u>678,327</u>
Analysis by fund		
Unrestricted funds	673,397	660,062
Restricted funds	16,077	18,265
	<u>689,474</u>	<u>678,327</u>

Included in auditors remuneration is £1,265 for other services (2018: £1,230).

7 Grants payable

	2019 £	2018 £
Grants payable:		
Church overseas - missionary societies	55,090	53,555
Church overseas - relief / development agencies	12,664	11,434
Home missions & church societies	42,022	40,356
Other	498	-
	<u>110,274</u>	<u>105,345</u>

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Members

None of the members (or any persons connected with them) received any remuneration or benefits from the PCC during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2019	2018
	Number	Number
Full Time Equivalent	9	8

Employment costs

	2019	2018
	£	£
Wages and salaries	191,089	177,252
Social security costs	8,791	10,804
Other pension costs	6,674	5,707
	<u>206,554</u>	<u>193,763</u>

No settlement agreements were made with any employees during the year (2018: none).

There were no employees whose annual remuneration was £60,000 or more.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Tangible fixed assets

	Freehold land and buildings	Church equipment	Total
	£	£	£
Cost			
At 1 January 2019	995,000	83,511	1,078,511
Additions	800,000	-	800,000
At 31 December 2019	1,795,000	83,511	1,878,511
Depreciation and impairment			
At 1 January 2019	-	75,854	75,854
Depreciation charged in the year	-	7,657	7,657
At 31 December 2019	-	83,511	83,511
Carrying amount			
At 31 December 2019	1,795,000	-	1,795,000
At 31 December 2018	995,000	7,657	1,002,657

As at 15th August 2013, all four houses then owned by the PCC were revalued by John Roberts (Chorleywood Estate Agents) on the basis of open market value. The PCC is satisfied that the values for the three Church Houses are not less than this balance sheet valuation of £1,795,000. Church equipment represents audio visual, office and communications telecoms items purchased for both The Junction and the church and is being depreciated over 4 years.

11 Stocks

	2019	2018
	£	£
Finished goods and goods for resale	837	801

12 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Other debtors	12,332	37,096
Prepayments and accrued income	1,500	3,803
	13,832	40,899

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

13 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Mortgage on 4 Berry Way	15	11,445	10,984
Other creditors		-	5,955
Accruals and deferred income		15,944	13,700
		<u>27,389</u>	<u>30,639</u>

14 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Mortgage on 4 Berry Way	15	<u>108,309</u>	<u>119,909</u>

15 Loans and overdrafts

	2019 £	2018 £
Mortgage on 4 Berry Way	<u>119,754</u>	<u>130,893</u>
Payable within one year	11,445	10,984
Payable after one year	<u>108,309</u>	<u>119,909</u>

In March 2004 a 25-year repayment mortgage was received from RBS for £322,190 in order to buy 4 Berry Way (on which it therefore has a charge), of which £119,754 remains outstanding. Interest payable is 2% above prevailing Bank Base Rate. The PCC periodically reviews the housing assets and considers whether they continue to meet staffing and investment needs.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds			Balance at 31 December 2019
	£	Incoming resources £	Resources expended £	Transfers £	£
Clergy gift fund	7,192	2,449	(3,220)	(4,068)	2,353
Young at heart	903	-	-	(903)	-
YPF donations	659	-	(316)	(343)	-
Flower sponsorship	1,056	-	(1,344)	288	-
Other restricted (non recurring)	316	2,652	(3,089)	1,265	1,144
Mission & Charitable Grants	774	7,288	(8,108)	2,500	2,454
	<u>10,900</u>	<u>12,389</u>	<u>(16,077)</u>	<u>(1,261)</u>	<u>5,951</u>

Clergy Gift Fund: used specifically to support the wider ministries of the clergy of the church.

Young at Heart: money given to support ministry amongst older members of the church.

YPF donations: money given to support specific activities of the YPF (age range 14-18).

Flower sponsorship: money given to support the work of the church in outreach to the local community, such as a flower festival to which non-members of the church are invited.

Other restricted (non recurring): smaller sums given for specific ministry or purposes of the church.

Mission & Charitable Grants: money given to support nominated organisations or individuals.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019	Movement in funds			Balance at 31 December 2019
	£	Incoming resources £	Resources expended £	Transfers £	£
House reserve	579,186	-	-	822,003	1,401,189
Equipment assets for depreciation	17,267	-	-	(17,267)	-
Legacy funds	95,236	-	(18,385)	-	76,851
House purchase fund	937,291	-	(9,408)	(800,000)	127,883
General reserve	85,000	-	-	-	85,000
General mission fund	14,541	1,665	(92,540)	79,496	3,162
Junction donations	5,000	-	-	-	5,000
Reserve for church & house maintenance	86,900	-	-	-	86,900
	<u>1,820,421</u>	<u>1,665</u>	<u>(120,333)</u>	<u>84,232</u>	<u>1,785,985</u>

18 Analysis of net assets between funds

	Unrestricted funds £	Endowment funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fund balances at 31 December 2019 are represented by:					
Tangible assets	1,520,943	274,057	-	1,795,000	1,002,657
Current assets/(liabilities)	376,453	-	5,951	382,404	1,264,160
Long term liabilities	(108,309)	-	-	(108,309)	(119,909)
	<u>1,789,087</u>	<u>274,057</u>	<u>5,951</u>	<u>2,069,095</u>	<u>2,146,908</u>

19 Related party transactions

Unrestricted donations were received during the year from 10 Trustees totaling £69,010 (2018: 15 Trustees totaling £78,745).

Grants totaling £3,500 (2018: £6,726) were made to Health & Hope UK (Reg, Charity 1151105), of which James Gardner is a trustee as well as being a trustee of Christ Church.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

20	Cash generated from operations	2019	2018
		£	£
	(Deficit)/surplus for the year	(77,813)	167,711
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,473)	(3,078)
	Gain on disposal of investments	-	(128,410)
	Depreciation and impairment of tangible fixed assets	7,657	12,981
	Movements in working capital:		
	(Increase)/decrease in stocks	(36)	22
	Decrease/(increase) in debtors	27,067	(29,148)
	(Decrease) in creditors	(3,711)	(22,386)
	Cash absorbed by operations	(49,309)	(2,308)
21	Analysis of changes in net funds	At 1 January 2019	Cash flows At 31 December 2019
		£	£
	Cash at bank and in hand	1,253,099	395,124
	Loans falling due within one year	(10,984)	(11,445)
	Loans falling due after more than one year	(119,909)	(108,309)
		<u>1,122,206</u>	<u>275,370</u>