

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON**

CHURCH OF ST MARY THE VIRGIN, WILLINGDON

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
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**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
STATEMENT OF PCC'S RESPONSIBILITIES
*FOR THE YEAR ENDED 31 DECEMBER 2020***

The PCC are responsible for preparing the PCC's 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 PCC 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 year.

In preparing these financial statements, the PCC 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 PCC are responsible for keeping sufficient accounting records that 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 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.

Trustees Annual Report and Financial Report

Of

The Parochial Church Council of the Ecclesiastical Parish of

St Mary the Virgin, Willingdon

St Mary the Virgin Willingdon, Church Street, Willingdon BN20 9HT

Registered Charity no. 1133784

For the year ended 31st December 2020

Website: www.stmaryswillingdon.org

Incumbent: The Revd. Kevin Agnew. 35a Church Street, Willingdon BN20 9HR

Independent examiner: Nicholas Brown FCA DChA BFP Plummer Parsons, 18 Hyde Gardens, Eastbourne

Bankers: Barclays, East Sussex Branch.
National Westminster, Eastbourne Town Centre Branch

St Mary the Virgin, Willingdon

Trustees Annual Report for 2020

Our aims and purposes as charity

The PCC has the responsibility of co-operating with incumbent, The Revd Kevin Agnew, in:

- The promotion of the gospel of the Lord Jesus Christ according to the doctrines and practices of the Church of England.
- Promoting in the parish the whole mission of the church, pastoral, social, evangelistic and ecumenical
- To know Jesus better and make Him known
- Practical support and care for people in the parish, from the youngest to the eldest, irrespective of level of need or, ability to pay;
- Providing financial support to those in need and, to other organisations with similar objectives.

The PCC also has the responsibility for the parish and for the repair and maintenance of the church Fabric, Church Hall and 37 Church Street.

What we planned to do to achieve our charitable objectives

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and the specific guidance on 'charities for the advancement of religion'.

For 2020 we discussed and planned the following objectives and activities to fulfil our aims.

- Enabling as many people as possible to worship at our church
- Enabling as many people as possible to become part of our parish community
- Teaching, baptising and nurturing new and existing believers
- Maintaining an overview of worship throughout the parish
- Considering how services can involve the many groups that live within the parish
- Putting faith into practice, through prayer and scripture, sacraments and music
- Offering worship and prayer, learning about the Gospel, in small group situations
- Assisting people from all walks of life to develop their knowledge of, and trust in Jesus
- Provision of pastoral care for people living in the parish
- Providing assistance to the poor and needy of the parish and beyond
- Giving grants to missionary organisations and other charitable causes
- Reaching out to the unchurched through provision of the weekly worship and the hub café at the Willingdon Trees Community Centre on Tuesdays and the provision of a café at the Foodbank on Wednesdays, the annual Summer Fair, Messy Church, Christmas Tree Festival and Church Street Nativity. Live streaming of services.
- Maintaining the fabric of the medieval church building as a historic centre and focus for the village and parish.

During 2020 St Mary's was Eco Bronze Award

St Mary the Virgin, Willingdon

Trustees Annual Report for 2020

What we achieved and how we affected beneficiaries' lives

Attendance at worship

The church family welcomes visitors from within, as well as outside, the parish boundary. Visitors attend by personal choice and it is our great pleasure to welcome anyone from all walks of life to take part in the life of the church. We contend that voluntary attendance to worship the Lord Jesus Christ, is a major demonstration of the public benefit of our activities.

We look to encourage the deepening of faith for all ages and, alongside our services, there is a programme for young people; Sunbeams (our mid-week worship for parents/carers and children), baptism preparation and 'Kids on Sunday' (our junior church). On the second Sunday of each month the children take an active part within the 9.45am Eucharist by serving and reading the prayers. Messy Church is a monthly worship, craft, and hospitality event for all.

There are currently 212 persons on the church electoral roll.

In March 2020 the worldwide Coronavirus Pandemic began. However, the life, witness and ministry of the church continued in a new and very positive way.

All Covid -19 safety guidelines were adhered to, carefully following the advice from The Bishop of Chichester, the Church of England and the government.

As soon as the first lockdown took place communication links to the parish were set up via personal contact letters and the church website. A new pastoral support, via email, was created (St Mary, Pastoral Willingdon).

A weekly church bulletin has enabled St Mary's to communicate with over 250 households each week. This includes the Sunday readings, biblical reflections and prayers. It has proved to be a vital communication for pastoral care and support. Communication also took place via Facebook.

Worship for Palm Sunday, Holy Week and Easter took place in The Vicarage and vicarage grounds and all services were live streamed.

The church live streamed an act of remembrance, led by the vicar, outside the church to commemorate the 75th anniversary of VE Day. Remembrance Sunday was live streamed due to Covid 19. Fr Kevin led the worship at Butts Brow for the annual service at the Ruthless Memorial and Deacon Sue led an act of remembrance for the local parish council outside the parish office.

Throughout the year the Sunday morning 9.45am Parish Eucharist was live streamed and, when permitted, an 8am service of Holy Communion and 11.30am Eucharist were added. Evensong took place on Sunday evenings and was live streamed. Compline took place every Thursday evening. When permitted the church was open twice a week for private prayer.

Contact with young families continued during the year via social media. Weekly contact with young families (kids on Sundays) continued and they were provided with activities based on the weekly church theme. Sunbeams continued via Zoom during the first lockdown and contact has been kept throughout the year. Christmas services such as the Christingle, the Christmas Crib Service, and the Epiphany service were all live streamed. During the autumn the local scout group used The Vicarage garden for their meetings in order to meet safely outside. Unfortunately due to restrictions the following events had to be cancelled: our monthly Messy Church, the annual schools Christmas concerts, visits by the local Rainbows, the outdoor Church Street Nativity, the Christmas Tree Festival, our church/village Pantomime and the Summer Fair.

St Mary the Virgin, Willingdon

Trustees Annual Report for 2020

Pastoral Care

Weekly fellowship took place twice a week from both The Church on the Trees and St Mary's; giving people the opportunity to talk, support and see others via social media.

Pastoral care was given to the families of the bereaved and the clergy at St Mary's took 46 funerals during the year. St Mary's outreach continued to the local care home, providing pastoral support to families suffering bereavement.

Teaching, baptising and nurturing new and existing believers

Due to Covid 19 11 but one wedding were cancelled due to the pandemic however, pastoral care was given to all the couples during the year.

Confirmations had to be postponed and only 2 baptisms took place.

During the year we were able to 'Zoom' part of our Lent and Advent course. The Saturday Quiet Days also had to be cancelled after February.

We are deeply grateful to the Ministry Team who have supported the ongoing teaching and nurturing of the faith at St Mary's. We continue to develop our fellowship together.

Evangelism and outreach

Whilst observing Covid regulations The Church on the Trees has continued to be a worshipping presence in the heart of Willingdon Trees Estate. Although the 'café' part of Café+Church has been suspended much of the year, the 'Church' part has flourished - masked up, socially distanced, and/or online. Numbers have even increased slightly and lay members have enthusiastically taken on duties which made for varied and vibrant worship.

During the pandemic St Mary's continued to support various charities. A harvest collection took place for the Family Support work and the annual 'Link to Hope' shoebox appeal was very well supported. St Mary's also held special collections for the Children's Society and Christian Aid.

The church website is a valuable resource, informing the community and beyond of our mission and outreach to all.

Provision of the church building for people to enjoy

Our church continues to be appreciated by our parishioners and the local community.

During the year the church was opened twice a week for private prayer when permitted to do so.

The Church Hall continued to be used by the Chalk Hill Pre-school, when permitted. Other groups usually using the hall suspended their meetings from March.

Building for the future

We intend to continue with our plans for the bell restorations and hope that this will involve the interest of the local community in many ways.

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Trustees Annual Report for 2020

Safeguarding

The church continues to review and update all safeguarding procedures, following the current diocesan guidelines including implementing 'Simple Quality Protects' (SQP). The Parochial Church Council fully recognises its duty to have due regard to the House of Bishops' guidance on safeguarding children and vulnerable adults.

Grateful thanks to everyone who has contributed to the life, witness and mission of St Mary's church during the past year.

Financial review

The accounts for the year to 31st December 2020 show a deficit of £22,817 following a reduction of income which is largely due to the Covid 19 pandemic. This deficit includes a reduction in investment values of £11,416.

The balance of our Unrestricted Funds at £591,830 includes £314,578 of fixed assets which need to be retained to enable us to operate. Our net Unrestricted Funds are therefore £277,252. A further £109,517 and £226 are held in Restricted and Endowment Funds respectively.

Incoming and Outgoing resources

The Covid Pandemic and the consequent lockdowns were largely responsible for the reduction of income as the church was not permitted to operate in the usual way.

Church services within the church building were not permitted for a significant part of the year and as a result, cash collections for the year were reduced.

The parish's planned giving via standing order continues to work well and the Goodbox machine has been utilised during the periods when the church was permitted to open for private prayer.

Gift aid recoverable has decreased as donations are not as high as in previous years but we should emphasize the importance of giving in this way as it does increase the church's income.

There were no weddings during 2020 but sadly there have been an increased number of funerals either at the church or at the crematorium.

There was a change in the tenancy at the Curate's House which resulted in a slight reduction in rental income whilst the property was unoccupied. It is expected that the house will continue to be let for the foreseeable future.

Income from the Church Hall was reduced as it could not be used during the lockdown periods. The school restarted when permitted but other usage of the hall has been minimal resulting in a reduction of income of approximately 30%.

Other activities which have brought in much needed funds in previous years such as the Summer Fayre and the Christmas Tree Festival were also cancelled this year due to the pandemic.

We have however been fortunate to receive donations following two appeals during the year to help with the running operations.

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Trustees Annual Report for 2020

During the year the lighting project in the church was completed at a cost of £42,924. Now all of the costs have been identified an application for a grant to cover the VAT element will be made during 2021.

There have been a number of repairs required to the Curate's House during the course of the year.

The PCC also anticipates a resolution to the organ repair during 2021.

Sharing the ministry costs of the Diocese of Chichester

The largest expenditure of the PCC was the sum of £55,785 paid to the diocese for our share of all church's Parish Ministry Costs, including clergy stipends, pensions, housing and training as well as a share of central expenses. The original Parish Share for 2020 was agreed by the PCC at 103% of the Parish Share, a sum of £74,028. Due to restrictions in income the amount paid during the year was reduced in total to £55,785. The remaining balance of £18,243 has been written off by the diocese due to the extraordinary circumstances surrounding the Covid 19 pandemic.

The Parish Share for 2021 will be reviewed in early 2021 by the PCC.

Staff Costs

The Financial Administrator and Parish Administrator were retained for 2020.

The Parish Administrator was however furloughed or partly furloughed for the 9 months of the year.

Reserves Policy

The PCC regularly monitor the financial performance of the charity. We are currently anticipating large costs to carry out repairs to the Church Bells. We have carried out fundraising to help with this work, but realise that the shortfall may need to be covered by the Church and therefore the current level of unrestricted funds are considered appropriate by the PCC.

It is the PCC's policy to maintain a general fund with sufficient monies available to cover six month's expenditure. Other reserves are considered adequate, but there should be no complacency as, with listed buildings repairs when required can be costly.

Investments

The policy of the PCC is to retain funds with M&G Charifund for as long as is deemed appropriate. Further investments can only be made with a resolution of the PCC but existing monies can be held at the discretion of the Finance Committee with the Central Board of Finance for the Church of England, Building Societies, Scottish Widows Bank and the Nat West and Barclays banks on a short term basis.

The PCC will be taking advice on re investing any fixed asset investments which matured in 2020 or are due to mature in 2021.

Charitable Donations

It is the policy of the PCC to tithe a sum in the region of 10 % of its net income from ordinary activities for this purpose.

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Trustees Annual Report for 2020

Historically this has been in the region of £8,000 but due to the decrease in income during the year it was not possible to make donations for 2020.

Structure and governance and management of the charity

The Parochial Church Council (PCC) is a registered with the Charity Commission as required by the Charities Act 2011.

Its governing document is the Parochial Church Council (Powers) Measure 1956

The PCC met 8 times during the year with an average attendance of 83.75%.

The following served as members of the Parochial Church Council:

Ex Officio members

Incumbent	The Rev'd Kevin Agnew Dip MinTh	
Associate Vicars	The Rev'd Deacon Sue Wilkinson FD TCM The Rev'd Merriel Woodward PG Dip. Ministry & Mission	
Readers	Mrs Lyn Bishop Mrs Vicky Peattie Mr Jeremy Rowett	(left 13/07/2020)
Wardens	Mrs Iona Taylor Mr Trevor Amey	
Deanery Synod Reps	Mr Paul Martin Mr Olaf Hoeg	
General Synod	Mrs Tina Nay	(left 21/09/2020)
Elected Members	Mrs Joyce Benstead Mr Geoff Grundy Mrs Jan Grundy Mr John Hemingway Mr Jolly Pett Mrs Mary Wright Mrs Beryl Edmonson Mr Garth Fisher Mr Christopher Walsh Mrs Sue Walsh (Parish Safeguarding Officer) Mr Brian Waters Mr David Fleuty Mr Jim Tomsett Mrs Sheila Pullen Ms Val Winslade Mrs Lynne Lorraine	(left 13/07/2020) (left 12/10/2020) (left 12/10/2020) (left 12/10/2020) (joined 12/10/2020) (joined 12/10/2020, left 09/11/2020) (joined 12/10/2020) (joined 09/11/2020)
PCC Secretary	Ms Val Winslade	

St Mary the Virgin, Willingdon

Trustees Annual Report for 2020

Membership of the PCC is determined under the Church Representative Rules and consists of certain ex-officio members (the incumbent, associate vicars, curate, lay readers licenced to officiate in the church), the church wardens and members of the Deanery, Diocesan or General Synods and up to 15 members of the church who are elected at the Annual Parochial Church Meeting (APCM).

Members are warmly encouraged to stand for election to the PCC and we try to ensure a balance of skills and experience where possible.

The Trustees' Annual Report was approved by the PCC and signed on their behalf by Mr T Amey.

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Date.....
13.04.2021

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
INDEPENDENT EXAMINER'S REPORT**

**TO THE PCC OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON**

I report to the PCC on my examination of the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Willingdon (the Church) for the year ended 31 December 2020.

Responsibilities and basis of report

As the PCC of the Church you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Church's financial statements carried out under section 145 of the 2011 Act. 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.

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the PCC and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) 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 now been withdrawn.

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

I have completed my examination. I 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 Church as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Nicholas Brown FCA DChA BFP

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Dated: 17/04/2021

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
STATEMENT OF FINANCIAL ACTIVITIES**

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>									
Donations and legacies	2	106,613	2,080	-	108,693	113,168	8,919	-	122,087
Charitable activities	3	31,690	-	-	31,690	38,781	-	-	38,781
Investments	4	1,119	3,393	-	4,512	1,783	3,746	-	5,529
Other income	5	675	-	-	675	773	-	-	773
Total income		140,097	5,473	-	145,570	154,505	12,665	-	167,170
<u>Expenditure on:</u>									
Raising funds	6	3,671	320	-	3,991	1,837	1,661	-	3,498
Charitable activities	7	130,556	5,702	-	136,258	149,017	2,094	-	151,111
Other	12	12,136	4,586	-	16,722	28,232	-	-	28,232
Total resources expended		146,363	10,608	-	156,971	179,086	3,755	-	182,841
Net gains/(losses) on investments	13	939	(12,363)	8	(11,416)	583	10,155	4	10,742
Net movement in funds		(5,327)	(17,498)	8	(22,817)	(21,468)	16,535	4	(4,929)

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2020

Gross transfers between funds	-	-	-	-	2,530	(2,530)	-	-
Net movement in funds	(5,327)	(17,498)	8	(22,817)	(21,468)	16,535	4	(4,929)
Fund balances at 1 January 2020	597,157	127,015	218	724,390	618,625	110,480	214	729,319
Fund balances at 31 December 2020	591,830	109,517	226	701,573	597,157	127,015	218	724,390

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

All income and expenditure derive from continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
BALANCE SHEET**

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	14		314,578		316,535
Investments	15		86,675		98,091
			<u>401,253</u>		<u>414,626</u>
Current assets					
Stocks	17	399		843	
Debtors	18	14,862		22,113	
Cash at bank and in hand		302,930		307,172	
		<u>318,191</u>		<u>330,128</u>	
Creditors: amounts falling due within one year	19	(17,871)		(20,364)	
Net current assets			300,320		309,764
Total assets less current liabilities			<u>701,573</u>		<u>724,390</u>
Capital funds					
<u>Endowment funds</u>					
General endowment funds		226		218	
Endowment funds	21		226		218
Restricted funds	22		109,517		127,015
<u>Unrestricted funds - general</u>					
Designated funds:	23	241,760		241,760	
General unrestricted funds		<u>350,070</u>		<u>355,397</u>	
			<u>591,830</u>		<u>597,157</u>
			<u>701,573</u>		<u>724,390</u>

The financial statements were approved by the PCC on


Mr T Amey
Trustee

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

Charity information

Church of St Mary the Virgin, Willingdon is an unincorporated charity, governed by the Parochial Church Councils (Powers) Measure 1956 and Church Representation Rules. It is registered with the Charity Commission under charity number 1133784.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Church'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) (effective 1 January 2019)". The Church is a Public Benefit Entity as defined by FRS 102.

The Church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

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

The accounts have been prepared under the historical cost convention, except for investment assets which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

1.2 Going concern

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

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the economic consequences may be and the impact on the charity's future ability to continue trading, we have continued to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the PCC in furtherance of their charitable objectives.

Designated funds are set aside by the PCC for specific future purposes or projects.

Restricted funds are either income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest; or donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year is carried forward as a balance on that fund.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

(Continued)

Endowment funds - the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment.

1.4 Income

All income and endowments are accounted for without deduction for any costs of receivability, are recognised when there is evidence of entitlement, receipt is probable, and the amount can be measured reliably.

Collections are recognised when received. Planned giving receivable is recognised when there is evidence of entitlement, receipt is probable, and the amount accords with the Gift Aid declaration or other record of intention to donate. Gift Aid recovered is recognised when the income to which it is attached is recognised.

Grants and legacies are recognised when the formal offer in writing of the funding is received by the PCC.

Sales of magazines and study notes are recognised when received. Rents from property are recognised in accordance with the rental agreements, when receipt is probable.

Trading activities are where income is receivable in return for selling goods or providing services. Income from trading is recognised when received. Investment income - dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue. All other income is recognised in accordance with the above overall policy.

Realised gains are recognised when the investments are sold. Unrealised gains and losses are accounted for on revaluation at 31 December.

1.5 Expenditure

Expenditure is accounted for on the accruals basis and accounted for gross.

Grants and donations are accounted for when paid over, or when awarded where the award creates a binding obligation on the PCC.

The Diocesan parish contribution is accounted for on an annual basis, reflecting the allocation set by our Deanery. Any parish contribution unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF WILLINGDON
CHURCH OF ST MARY THE VIRGIN, WILLINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Consecrated and beneficed property of any kind is excluded from the accounts by s.10(2) of the Charities Act 2011. Movable church furnishing held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected but are not included in the financial statements. For other property acquired prior to November 1984 there is insufficient cost information available and therefore the cost of such assets is not stated in the financial statements. All expenditure on consecrated or beneficed buildings and individual items costing under £1,000 are written off in the year they were incurred.

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	Nil
Audio and visual equipment	14% reducing balance basis
Office equipment	14% reducing balance basis

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.

No depreciation is provided on freehold property as 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 the residual value so high that any depreciation would not be material. These assets will be subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

1.7 Fixed asset investments

Fixed asset investments are measured at fair value at the balance sheet date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with the CBF Church of England Funds or at the bank and other short-term liquid investments with original maturities of three months or less.

1.10 Employee benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
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FOR THE YEAR ENDED 31 DECEMBER 2020**

2 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Planned giving	60,756	-	60,756	58,015
Legacies receivable	2,000	-	2,000	3,621
Grants	7,452	-	7,452	3,277
Loose cash collections	2,987	-	2,987	13,092
Other special appeals	17,009	80	17,089	12,370
Summer fete and Music concerts	70	-	70	4,659
Gift Aid recoverable	14,286	-	14,286	22,554
Donations	2,053	2,000	4,053	4,499
	<u>106,613</u>	<u>2,080</u>	<u>108,693</u>	<u>122,087</u>
For the year ended 31 December 2019	<u>113,168</u>	<u>8,919</u>		<u>122,087</u>

3 Charitable activities

	2020 £	2019 £
Sales of the parish magazine	1,078	1,693
Church centre hiring fees	10,183	14,099
Magazine advertisement fees	176	1,907
Rent from letting of parish house	11,800	15,305
Traidcraft stall	1,676	1,841
Fees for weddings, funerals and baptisms	6,777	3,936
	<u>31,690</u>	<u>38,781</u>

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4 Investments

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Income from unlisted investments	-	3,252	3,252	-	3,561	3,561
Interest receivable	1,119	141	1,260	1,783	185	1,968
	<u>1,119</u>	<u>3,393</u>	<u>4,512</u>	<u>1,783</u>	<u>3,746</u>	<u>5,529</u>

5 Other income

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Other receipts	675	773
	<u>675</u>	<u>773</u>

6 Raising funds

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Fundraising and publicity</u>						
Special appeals costs (e.g. adverts, brochures)	3,581	320	3,901	790	1,556	2,346
Music concert costs	-	-	-	-	105	105
Summer fete	90	-	90	893	-	893
Advertising	-	-	-	154	-	154
	<u>3,671</u>	<u>320</u>	<u>3,991</u>	<u>1,837</u>	<u>1,661</u>	<u>3,498</u>
Fundraising and publicity	3,671	320	3,991	1,837	1,661	3,498
	<u>3,671</u>	<u>320</u>	<u>3,991</u>	<u>1,837</u>	<u>1,661</u>	<u>3,498</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
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7 Charitable activities

	Church activities 2020 £	Church activities 2019 £	Community outreach 2019 £	Total 2019 £
Staff costs	12,878	16,114	-	16,114
Depreciation and impairment	1,956	2,845	-	2,845
Ministry - diocesan parish contribution	55,785	73,884	-	73,884
Ministry - other clergy costs	5,675	6,026	-	6,026
Upkeep of services	514	1,192	-	1,192
Church running	12,310	25,184	-	25,184
Youth ministry	99	510	-	510
Church maintenance and repair	41,053	6,335	-	6,335
Upkeep of churchyard	2,396	2,778	-	2,778
	<u>132,666</u>	<u>134,868</u>	<u>-</u>	<u>134,868</u>
Grant funding of activities (see note 8)	181	9,818	500	10,318
Share of governance costs (see note 9)	3,411	5,925	-	5,925
	<u>136,258</u>	<u>150,611</u>	<u>500</u>	<u>151,111</u>
Analysis by fund				
Unrestricted funds - general	130,556	148,517	500	149,017
Restricted funds	5,702	2,094	-	2,094
	<u>136,258</u>	<u>150,611</u>	<u>500</u>	<u>151,111</u>

Governance costs are fees for the Independent Examination of the accounts and HR fees.

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8 Grants payable

	Church activities £	Community outreach £	Total £	2019 £
Grants to institutions:				
<u>Overseas:</u>				
Bible Society	-	-	-	400
Mission to Seafarers	-	-	-	400
Leprosy Mission	-	-	-	400
Church Missionary Society	-	-	-	400
Us	-	-	-	400
Samaria Aid	-	-	-	400
<u>Christian Relief and Development Agencies:</u>				
Christian Aid	-	-	-	500
Sight Savers	-	-	-	400
Mission Aviation Fellowship	-	-	-	250
IDWAL	-	-	-	250
Oasis India	-	-	-	250
Farm Africa	-	-	-	250
Friends of the Holy Land	-	-	-	250
<u>Home:</u>				
Corporation of the Sons of the Clergy	-	-	-	250
Train a Priest Fund	-	-	-	250
Childrens Society	-	-	-	1,495
St Lukes Healthcare for Clergy	-	-	-	250
Matthew 25 Mission	-	-	-	550
Salvation Army	-	-	-	500
Family Support Work	-	-	-	1,123
Beachy Head Chaplain	-	-	-	300
People Matter	-	-	-	300
Eastbourne Food Bank	-	-	-	250
Eco Church	125	-	125	-
Sundry donations	56	-	56	-
	<hr/>	<hr/>	<hr/>	<hr/>
	181	-	181	9,818
Grants to individuals	-	-	-	500
	<hr/>	<hr/>	<hr/>	<hr/>
	181	-	181	10,318
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
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9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Legal and professional	-	657	657	-	3,975	3,975
Accounting and						
Independent						
Examination fees	-	2,754	2,754	-	1,950	1,950
	<u>-</u>	<u>3,411</u>	<u>3,411</u>	<u>-</u>	<u>5,925</u>	<u>5,925</u>
Analysed between						
Charitable activities	-	3,411	3,411	-	5,925	5,925
	<u>-</u>	<u>3,411</u>	<u>3,411</u>	<u>-</u>	<u>5,925</u>	<u>5,925</u>

Governance costs above include payments to the Independent Examiner of £2,754 (2019: £1,950) for accountancy and Independent Examination services.

10 PCC

No PCC members or persons closely connected to them received any form of remuneration. No persons received remuneration in excess of £60,000.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	2	4
	<u>2</u>	<u>4</u>
Employment costs	2020	2019
	£	£
Wages and salaries	12,666	15,838
Social security costs	212	276
	<u>12,878</u>	<u>16,114</u>

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12 Other

	Unrestricted funds general 2020	Restricted funds 2020	Total £ 2020	Unrestricted funds general 2019
Traidcraft stall	1,939	-	1,939	1,426
Other trading costs	1,999	4,586	6,585	6,982
Other expenditure	8,198	-	8,198	19,824
	<hr/>	<hr/>	<hr/>	<hr/>
	12,136	4,586	16,722	28,232
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WILLINGDON
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FOR THE YEAR ENDED 31 DECEMBER 2020

13	Net gains/(losses) on investments	Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		funds general 2020 £	funds 2020 £	funds 2020 £	2020 £	funds general 2019 £	funds 2019 £	funds 2019 £	2019 £
	Revaluation of investments	939	(12,363)	8	(11,416)	583	10,155	4	10,742
		=====	=====	=====	=====	=====	=====	=====	=====

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14 Tangible fixed assets

	Freehold land and buildings	Audio and visual equipment	Office equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	302,562	15,795	18,598	336,955
At 31 December 2020	302,562	15,795	18,598	336,955
Depreciation and impairment				
At 1 January 2020	-	5,935	14,485	20,420
Depreciation charged in the year	-	1,381	576	1,957
At 31 December 2020	-	7,316	15,061	22,377
Carrying amount				
At 31 December 2020	302,562	8,479	3,537	314,578
At 31 December 2019	302,562	9,860	4,113	316,535

Freehold land and buildings is £60,000 Church Hall, and the Church House at £242,562.

15 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2020	98,091
Valuation changes	(11,416)
At 31 December 2020	86,675
Carrying amount	
At 31 December 2020	86,675
At 31 December 2019	98,091

The carrying amount at 31 December 2020 represents £27,553 Unrestricted Funds, £58,897 in Restricted Funds and £225 in Endowment Funds.

The holding at 31 December 2020 was 16,244 shares in CBF Fixed Interest Securities Fund held by the PCC, 4291 Charifund Income Units held by Dingley Dell Fund and 132 CBF Fixed Interest Securities Fund held in the Fraser Trust.

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16	Financial instruments	2020	2019
		£	£
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	86,675	98,091
		<u></u>	<u></u>
17	Stocks	2020	2019
		£	£
	Finished goods and goods for resale	399	843
		<u></u>	<u></u>
18	Debtors	2020	2019
		£	£
	Amounts falling due within one year:		
	Other debtors	8,286	10,971
	Prepayments and accrued income	6,576	11,142
		<u></u>	<u></u>
		14,862	22,113
		<u></u>	<u></u>
	Other debtors represent income tax recoverable.		
19	Creditors: amounts falling due within one year	2020	2019
		£	£
	Accruals and deferred income	17,871	20,364
		<u></u>	<u></u>

20 Retirement benefit schemes

The Church operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Church in an independently administered fund.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WILLINGDON
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FOR THE YEAR ENDED 31 DECEMBER 2020

21 Endowment funds

Endowment funds represent assets which must be held permanently by the Church. Income arising on the endowment funds can be used in accordance with the objects of the Church and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 January 2019 £	Movement in funds					Movement in funds					Balance at 31 December 2020 £
		Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £		
Expendable endowments												
Fraser Trust	214	-	-	-	4	218	-	-	-	8	226	
	214	-	-	-	4	218	-	-	-	8	226	

The endowed fund comprises the Dingley Dell Trust and Fraser Trust. Dingley Dell Trust purchased 50% of Church House in 2006 and the property is used as a residence for the curate. Available monies are used for capital expenditure and to cover the expenses of assistant clergy. Fraser Trust is a holding of 132 CBF Fixed Interest Security (income) shares. The diocese retains the income. As no income passes through the PCC accounts, the capital sum is shown for record purposes.

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FOR THE YEAR ENDED 31 DECEMBER 2020

22 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 1 January 2020	Movement in funds			Balance at 31 December 2020
		Incoming resources	Resources expended	Transfers		Revaluations, gains and losses	Incoming resources	Resources expended	
	£	£	£	£	£	£	£	£	£
Flower Fund	4,710	1,038	(1,556)	-	4,192	-	90	(321)	3,961
Music Fund	133	100	(105)	-	128	-	-	-	128
Lighting fund	-	7,795	(2,094)	-	5,701	-	-	(5,701)	-
Dingley Dell fund	105,637	3,732	-	(2,530)	116,994	10,155	3,383	(4,586)	103,428
Bell replacement fund	-	-	-	-	-	-	2,000	-	2,000
	110,480	12,665	(3,755)	(2,530)	127,015	10,155	5,473	(10,608)	109,517

The restricted funds comprise the Flower Fund and Music Fund. The Flower Fund holds monies specifically donated for flowers in the church. The fund is run by the Flower Guild.

The Music Fund holds monies that are raised from music concerts and recitals in church to support the music within St Mary's. This fund also supports the local charity - Children with Cancer.

The Lighting fund is to identify monies that have been specifically raised towards the ongoing lighting project. This work was completed during the year.

The Dingley Dell Fund includes the investments and cash which were left to the PCC. These are to be used to maintain the property as Church Street, as well as funding for a new Curate.

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23 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 2020	Movement in funds		Balance at 31 December 2020
	£	Incoming resources £	Resources expended £	£
Church Hall	60,000	-	-	60,000
Church House 50%	55,062	-	-	55,062
Repairs reserve for Church	31,337	-	-	31,337
Repairs reserve Hall and house	32,169	-	-	32,169
Willingdon Trees Support	55,041	-	-	55,041
Youth Clubs	2,392	-	-	2,392
Church Organ Fund	5,136	-	-	5,136
Social Fund	400	-	-	400
Bells Restoration fund	223	-	-	223
	<hr/>	<hr/>	<hr/>	<hr/>
	241,760	-	-	241,760
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WILLINGDON
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FOR THE YEAR ENDED 31 DECEMBER 2020

24 Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
Tangible assets	314,578	-	-	314,578	316,535	-	-	316,535
Investments	27,552	58,897	226	86,675	26,614	71,259	218	98,091
Current assets/(liabilities)	249,700	50,620	-	300,320	254,008	55,756	-	309,764
	591,830	109,517	226	701,573	597,157	127,015	218	724,390

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25 Related party transactions

Transactions with related parties

During the year, payments of £4,355 were made to 6 Trustees and their related parties for the reimbursement of church operating expenses (2019: payments of £6,143 were made to 9 trustees).

Rev M Woodward, trustee, is also a trustee of the Trees Community Association. During the year, payments of £2,628 were made to the Association for hire of facilities (2019: NIL).

Many of the trustees regularly give to the work of the Church and £7,791 was given during the year (2019: £7,028). In addition to this, trustees will give through anonymous cash collections and therefore it is not practical to quantify the full amount of donations received from trustees during the year.

During the year, Rev Sue Wilkinson, trustee, commenced renting a property owned by the PCC. Rent of £9,000 was received from Rev Wilkinson (2019: NIL)