



Cheadle *St. Mary's*
Parish Church

Cheadle *St. Cuthbert's*
Church

**Parochial Church Council of the
Ecclesiastical Parish of St Mary, Cheadle
Financial Statements**

For the year ended 31 December 2016

Charity Number: 1134783

Incorporating the Churches of St Mary
&
St Cuthbert

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

REPORT OF THE PCC TO THE MEMBERS OF ST MARY'S AND ST CUTHBERT'S CHURCHES FOR THE YEAR ENDED 31 DECEMBER 2016

REFERENCE AND ADMINISTRATIVE INFORMATION:

MEMBERSHIP OF THE PAROCHIAL CHURCH COUNCIL

Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. During the year the following served as members of the PCC:

Incumbent	Rev Dr Robert Munro	
Associate Ministers	Rev S Tomalin (from 16.09.2016)	Rev M Newman
Assistant Minister	Rev Canon M. Lowe	
Curate	S Donohoe	
Licensed Pastoral Worker		E Duxbury (Emeritus) R. Ormiston
Wardens	A. Holmes S Mealand (from 20.04.2016) S. Whitaker (until 20.04.2016)	
Representative on the General Synod	J Harris	
Representative on the Diocesan & Deanery Synods	F Goode G Lowcock	
Representatives on the Deanery Synod		P. Berry
Elected Members	St Mary's J. Drayton J. Fraser P. Fraser R. Navesey S. Smith S. Webster M Wells P Wells D. Clark (until 20.04.2016) J. Clark (until 20.04.2016) S. Curtis (until 20.04.2016) S. Holmes (until 20.04.2016) C. Kirk (until 20.04.2016) N. Tate (until 20.04.2016)	St Cuthbert's J Berry L. Campbell (Deputy Warden) I. Howard P. James A Johnson G. Thomas (Deputy Warden) A. Thorpe W. Richbell-Brown (from 20.04.2016) P. McDonald (until 20.04.2016) A. Pugh (until 20.04.2016)
Incumbent:	Rev Dr Robert S Munro The Rectory 1 Depleach Road Cheadle Cheshire SK8 1DZ	

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

Parish Office:

The Upper Room
11 Wilmslow Road
Cheadle
Cheshire
SK8 1DW

Bankers:

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

National Westminster Bank
34 High Street
Cheadle
Cheshire
SK8 1AF

CCLA Investment Management Ltd
HSBC
Senator House
85 Queen Victoria Street
London
EC4N 4TR

Independent Reviewer:

Eric Langer
Langer & Co
8-10 Gatley Road
Cheadle
SK8 1PY

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

INTRODUCTION

The Parochial Church Council (PCC) of the Parish of Cheadle, St Mary presents its reports and financial statements for the year ended 31 December 2016. The Parish is a part of the Church of England, in the Diocese of Chester, Parish number 1203 and is located in the Deanery of Cheadle. The legal and administrative information set out on pages 2 and 3 forms part of this report. These financial statements comply with the current statutory requirements, Church Accounting Regulations and the FRS102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales, effective January 2016. Note is also made of the recommendations of "The Charities Act 2011 and the PCC" 4th edition published by Church House in 2013.

1. STRUCTURE GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC was registered as a charity in England & Wales on 10th March 2010 under the name "The Parochial Church Council of the Ecclesiastical Parish of St Mary, Cheadle", Charity Number 1134783.

The appointment of PCC members is governed by and set out in the Church Representation Rules.

RECRUITMENT, INDUCTION AND TRAINING OF PCC MEMBERS

The PCC is made up of individuals voted by the Annual Parish General Meeting for a three year term and ex-officio members comprising clergy, licensed workers and Diocesan and Deanery Synod representatives.

We have developed a formal induction and training of PCC members. In addition we ensure that members of the PCC who have specific responsibilities (such as for Health and Safety, Disability Discrimination, Child Protection and Finance) are able to do so, either by their external experience, training or by support provided by the Diocese.

ORGANISATION AND COMMITTEE STRUCTURE

Core Team

This is a group of people from both churches who support the Rector in discerning the vision and focus of the parish. They also help the Rector to identify who best to communicate these plans in order to get the congregations engagement.

Three Committees report to the PCC:

Finance & Standing Committee

This is the only committee required by law. It has power to transact the business of the PCC between these meetings, subject to any directions given by the Council. It oversees the general financial dimension of the work of St Mary's and St Cuthbert's. Membership is the Rector, the Associate Minister of St Cuthbert's, Associate Minister of St Mary's, the Wardens/ Deputy wardens and Treasurer of St Mary's, the Wardens/ Deputy wardens and Treasurer of St Cuthbert's, the PCC Secretary and up to two nominees of the PCC.

St Mary's Support Group Leaders Committee

Attends to matters relating to St Mary's in between full meetings of the PCC subject to any directions given by the Council including matters in relation to the following properties: St Mary's Church and churchyard, the Upper Room, 1 Depleach Road, 1 Warren Avenue and 39 Oakfield Avenue. It is made up of the Rector, St Mary's Associate Minister, a Warden/Deputy Warden, the Operations Director and the Chairmen of all the Support Groups.

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

St Cuthbert's Committee

Attends to matters relating to St Cuthbert's in between full meetings of the PCC subject to any directions given by the Council, including matters in relation to the following properties: St Cuthbert's Church, 4 Cuthbert Road and Councillor Lane Old School.

In addition, St Mary's has eight support groups that report to them in their respective areas:

Resources Support Group: Deals with matters relating property and other St Mary's resources.

Worship and Prayer Support Group: Deals with matters relating to church worship.

Mission Support Group: Deals with matters relating to mission and relief agencies.

Children and Youth Support Group: Deals with matters relating to work with children and youth.

Pastoral Support Group: Deals with matters related to providing pastoral care.

Evangelism and Social Action Support Group: Deals with the evangelistic outreach of the church.

Discipleship Support Group: Deals with matters relating to adult discipleship.

Social and Community Support Group: Deals with organising of Church wide Social Events

Risk

The PCC monitors risk and takes steps to minimise the potential impact. Areas identified include safety of the premises, child protection and the carrying of reserves to cover financial commitments

2. OBJECTIVES AND ACTIVITIES OF THE PCC

The primary object of all PCCs is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. In particular and under the PCC (Powers) Measure 1956 the PCC is to co-operate with the Incumbent, the Reverend Dr Robert Munro, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The mission of the Parish may be summed up as:

"Seeking to depend on God, love one another, reach our neighbours and serve our community"

The main objectives of the PCC for the year under review were:

Following the formulation of our "2020 vision" in 2013, our main objectives are to implement that vision in a strategic way, summed up as **"Those who are blessed are called to be a blessing!"**

A full description of the 2020 vision and its priorities are printed on the Church website.

As a Parish together we have identified the following specific objectives:

A. GROW THE YOUNG

By 2020, we aim to see that no young person in our Cheadle area has not heard the Christian faith in ways they can understand; and those who have responded in faith at any stage, will have been retained and matured in that faith into adulthood.

This was supported by the employment of a new youth worker, new initiatives in local secondary schools. We also planned to continue the effective work of the holiday Bible club, the work of our Children's Outreach Worker and through the Children and Youth work of the church.

B. BUILD THE WITNESS

By 2020, we aim to see that each adult member of our churches will have seen at least one of friends/family come to faith, have at least five non-Christian friends/family they are regularly praying for, at least one aspect of life consciously regularly engaging in some sort of mission activity, local or wider; and that our churches regularly enable non-Christians to engage

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personally with the gospel faith and fellowship.

This was supported by the Church weekends away and major outreach events at Easter, Summer and Christmas.

C. COMMUNICATE THE MESSAGE

By 2020, we aim to see clear, consistent, co-ordinated communication that is relevant and accessible across a variety of media, so that every person in contact with the churches will have understood what we believe and do, and how they can respond to it.

This was supported through issues raised in the Administrative review, and new AV support members.

D. STRENGTHENING THE WIDER CHURCH

By 2020, we aim to see active positive mutual relationships with other churches or ministries, by which we share our resources, encourage their growth, equip their ministry and share experiences.

This was supported by practical ministry support given in three other churches, and continues encouraging of inter-church and ecumenical prayer and other initiatives

Further specific objectives for St. Cuthbert's committee Include:

As outlined further in our Vision Statement from 2012:

- To be a worshipping church—know grace & glory in worship
- To be a listening church—prioritise prayer in all meetings
- To be a maturing church—training in disciplines of the faith
- To be a relational church—make contexts for friendships
- To be a witnessing church—imaginative, accessible sharing
- To be a contextualised church—better reflect our community
- To be a growing church—flexible structures for growth
- To be a serving church—responding to community needs
- To be a partnering church—grow stronger church links
- To be a self-supporting church—become a net contributor

Strategies and activities adopted to enable the PCC to achieve its objectives

The PCC support the support groups listed above and groups that function under them both by way of personnel and providing financial support.

Contribution of volunteers

The churches are indebted to the large number of volunteers who carry out work at all levels. It has not been practical to quantify the contribution, but for example numerous members of the congregation are working with children and youth on any given weekend in teaching, club nights etc, members prepare the church for services and enable it to be open at times during the week, members assist the clergy with services, work on outreach, run home groups and ensuring that the different church buildings are clean tidy and ready for use. Full details of activities run by volunteers from the church may be found in the Annual Report.

Grant Making

The PCC grants a proportion of income (10% at St Cuthbert's' 12% at St Mary's) to the respective Missionary Committees who contribute to external missionary organisations. Payments are split between Home and Overseas and Anglican / non-Anglican agencies as recommended by the committees. Agencies supported in 2016 are given in note 3a.

3. REVIEW OF ACHIEVEMENTS AND PERFORMANCE

GROW THE YOUNG

In the last year we have been able to secure the funds to recruit a Youth worker in October. In the short time that he has already been able to make connections into the local secondary schools which had not been possible using volunteers.

Our Children's Outreach Worker continues to deliver high quality teaching into the primary schools within the Parish which enables all school age children to hear the Gospel. This has been supported by Messy Church and out of school clubs. The pre-school age group has been well served by Mustard Seed and Noah's Ark both of which have grown in size this year.

BUILD THE WITNESS

This year both churches went away for a weekend. St Mary's went to Swanwick and St Cuthbert's went to Quinta. These were a great time to get to know the church family better and to build and mature the faith of the congregations.

The churches worked together to deliver a series of mission events at Easter culminating in Easter on the Green which was well attended by both church and community members. In the Summer term, St Cuthbert's led the Messy Church in the Park which volunteers from the whole parish. The year was drawn to a close with the Victorian Market which saw hundreds of people at St Mary's listening to drama, puppets and musical presentation of the Christmas story.

COMMUNICATE THE MESSAGE

There has also been some success in getting young people from both church youth groups to attend the Café Church services which happen at St Cuthbert's once a month.

The main achievement has been the approval of the amended governance structure which aims to address some of the improvement opportunities identified in the Administrative Review. The new structure now incorporates a Core Team and the St Mary's Support Group Leaders Committee as defined in section 1 of this report.

STRENGTHEN THE WIDER CHURCH

Support continues for All Hallows (administration) and St Andrews during its Interregnum. Clergy and laity continue to be involved in various deanery and ecumenical initiatives.

CHURCH MEMBERSHIP

As at 26th April 2017

there were 391 parishioners on the church electoral roll for St Mary's

(2016-387, 2015- 379, 2014- 387 2013 -374)

and 173 on the electoral roll for St Cuthbert's

(2016-170, 2015- 163, 2014- 162, 2013—133,)

giving a total for the Parish of 564

(2016-557, 2015-542, 2014- 549, 2013—507; 2012-550, 2011-558, 2010-544, 2009-538, 2008-518, 2007-474) .

(NB In 2013 there was a complete revision of the electoral roll, last done in 2007)

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CHURCH SERVICES

The Parish Church provides for the following services each Sunday:

- 8:00am Holy Communion following the order of the Book of Common Prayer
- 9:30am Morning Worship: an informal family friendly service of the Word which normally includes children up to 11 for the first part of the service before Sunday School activities.
- 11:15am A more traditional service with hymns, psalms, sermon and choir.
- 6:30pm Evening worship: an informal, more varied Service of the Word which includes young people of 11-14 for the first part of the service before further activities in the Upper Room

All services include a sermon and follow the principles of Anglican worship as set out in the Book of Common Prayer and Common Worship.

St Cuthbert's provides for the following pattern of worship:

- 9:45am Morning Service: an informal service with contemporary worship, occasional alternative service formats and provision for children and young people, including a crèche
 - 11:15am Morning Service: a modern service with some more traditional elements
 - 6:30pm Evening Service: an informal reflective service
- Mondays, Wednesdays, Thursdays and Fridays: 8.30am Prayers in church
Wednesdays 12.00noon – Lunchtime Communion

All services include a sermon/talk and follow the principles of Anglican worship as set out in the Book of Common Prayer and Common Worship. Holy Communion once a month at each service.

. In addition the two churches carry out baptisms, weddings, confirmations etc.

Reports of the activities of individual groups within the parish are summarised in the Annual Report.

4. PCC SECRETARY'S REPORT

PCC

The PCC met four times in the past year, on 13 June, 19 September and 14 November 2016 and on 20 March 2017.

Apart from approving the budget for this forthcoming year and monitoring the finances of the Church throughout the year, there have been some notable developments including the decision to press ahead with the required renovation of the 1 Warren Avenue property and to review the Children and Youth work, including employing Luke Blakeley in that work.

At its 14 November 2016 meeting, the PCC engaged with issues affecting the wider Church of England. The PCC received a discussion paper from the officers of the Church of England Evangelical Council (CEEC) entitled "Guarding the deposit, Apostolic Truth for an Apostolic Church" about the Church's teaching on marriage and same-sex relationships. The PCC unanimously recommended this paper to the Bishop of Chester as expressing its concerns and strongly supported the proposal that the Church of England maintain its current teaching and practice on marriage and same-sex relationships in accordance with the Bible.

At its November meeting, the PCC also resolved to request from the Bishop of Chester alternative arrangements to women bishops, in accordance with the House of Bishops' Declaration on this

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matter. This was in order to support the ministry, and protect the consciences, of those clergy who are unable to accept the authority of women bishops.

Staff changes

Stan Tomalin joined as an Associate Minister (September 2016)

Luke Blakeley joined as Youth Worker (October 2016)

Properties

The Parish Church - No major works were required during the year. The church boiler was serviced and repaired and there were minor repairs to the roof and maintenance work on the trees in the churchyard during the year.

The Upper Room – No major works were required during the year. There was electrical work carried out on the lights and fans during the year.

Oakfield Ave – No major works were required during the year. The boiler was serviced and repaired during the year.

Warren Ave – No major works were carried out on the property this year but fees were incurred for the major refurbishment work planned for 2017.

4 Cuthbert Road - No major works were carried out on the property this year.

5. FINANCIAL REVIEW

a. St Mary's

St Mary's is reporting a surplus on unrestricted funds in the year of £2,081, compared with £5,041 last year. Income fell in the year by £51,802, although the 2015 figures include a large legacy of £68,357. Planned giving rose by £14,720 and unplanned giving by £3,555 and Café One income fell again by £9,115.

Expenditure decreased in the year by £48,797, although in 2015 £75,730 was spent on the Upper Room developments. Mission giving was higher in 2015 due to the large legacy received.

The restricted giving rose by £45,784 as a result of giving towards the Youth worker and Warren Avenue projects and a higher grant income in 2016 compared to previous years.

God did meet our financial needs this year through the receipt of specified giving to enable the employment of a Youth Worker and the receipt of a legacy that enabled us to undertake a major mission in 2016 over and above the usual ministry activities to grow the church family.

Planned giving is variable as although pledged amounts are to be praised we have also suffered from losing a number of regular sources of income. We will be looking at ways to increase the funds available to enable us to continue what we feel God is calling us to do.

b. St Cuthbert's

St Cuthbert's is reporting a deficit on unrestricted funds in the year of (£46,518), compared with a (£30,084) deficit last year. If the depreciation charge is removed then there is a deficit of (£10,547) in cash terms. Income fell in the year by £4,383 due to a decrease in planned giving of £6,617 although there was a small increase in unplanned giving. Income from church lettings was down £2,379 but income from charitable activities rose by £3,065 due to income for the Houseparty.

Expenditure increased in the year by £12,051. Parish share contribution was increased by £4,000 in the year and will increase by the same amount in 2017. The increase in evangelism expenditure of £2,315 was due to the Easter Mission and £3,898 was spent on the Houseparty weekend.

c. Investment

Funds held awaiting expenditure and the reserves of the PCC are held in charity appropriate deposits bearing interest at competitive rates.

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

d. Reserves Policy

The churches reserves policy is to hold sufficient cash in reserves to ensure that in an unforeseen emergency situation it can meet all of its financial obligations as and when they fall due. As a going concern the church undertakes a detailed annual budget review to ensure that the church is in a position where it can meet all of its obligations as they fall due but as a failsafe has set aside the sum of £20,000 in reserves held in the CCLA Account that could be called upon if an emergency situation arose. The church council feel that this sum is more than sufficient to cover any liabilities that would fall due if the church were to cease its activities with immediate effect as in all likelihood any cessation of the churches activities would most likely be foreseen and planned well in advance so that all of the churches financial obligations were met.

7. PLANS FOR FUTURE PERIODS

During the coming year the PCC intend to:

- To increase the amount of youth work we carry out in our local secondary schools.
- Continue to develop a culture of care within the church family and the wider community
- Increase and improve the usage of the Upper Room by church and outside groups, to enhance the church's ministry.
- Investigate additional ways of increasing funds available to enable us to continue what we feel God is calling us to do
- Further implement the 2020 vision
- Support the Trustees of the Upper Room

Independent Reviewer

A resolution to reappoint Eric Langer of Langer & Co as independent reviewer to the PCC will be proposed at the Annual Parish Council Meeting on 26 April 2017

Approved by the PCC on 24 April 2017 and signed on its behalf by



Rev Dr R S Munro, Rector

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

STATEMENT OF FINANCIAL ACTIVITIES - FOR THE YEAR ENDED 31 DECEMBER 2016


	Note	St Mary's		St Cuthbert's		Total 2016	Total 2015
		Unrestricted funds	Restricted Funds	Unrestricted funds	Restricted Funds		
		£	£	£	£		
Incoming resources							
Incoming Resources from Generated Funds:							
Donations and Legacies	2a	330,702	74,295	96,101	-	501,098	517,199
Charitable Activities	2b	84,454	1,264	9,180	-	94,898	90,097
Investments	2c	5,807	-	1,103	-	6,910	6,509
Other	2d	498				498	-
Total incoming Resources		421,461	75,559	106,384	-	603,404	613,805
Resources used							
Raising Funds	3a	355				355	
Charitable activities	3b	419,025	37,616	152,902	11,581	621,124	721,462
Total Resources Expended		419,380	37,616	152,902	11,581	621,479	721,462
Net incoming/(outgoing) resources		2,081	37,943	(46,518)	(11,581)	(18,075)	(107,657)
Transfers		-	-	-	-	-	-
Net movement in funds		2,081	37,943	(46,518)	(11,581)	(18,075)	(107,657)
Total funds brought forward at 1 January 2016		315,045	44,062	514,252	159,239	1,032,598	1,140,255
Total funds carried forward at 31 December 2016		317,126	82,005	467,734	147,658	1,014,523	1,032,598

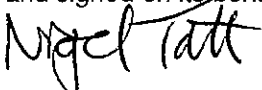
THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

AS AT 31 DECEMBER 2016

		St Mary's	St Cuthbert's	2016	2015
	Note	£	£	Total	Total
		£	£	£	£
Tangible Fixed Assets	5	276,818	573,665	850,483	896,423
Current Assets					
Stock		1,161	-	1,161	1,161
Debtors	6	27,223	44,013	71,236	37,588
Inter-Church	6	579	(579)	-	-
Short term deposits		20,432	-	20,432	20,439
Cash at bank and in hand		92,437	9,822	102,259	112,977
Total Current Assets		141,832	53,256	195,088	172,165
Liabilities: amounts falling due within one year	7	(19,519)	(11,529)	(31,048)	(35,990)
Net Current Assets		122,313	41,727	164,040	136,175
Liabilities: amounts falling due after more than one year		-	-	-	-
Net Assets		399,131	615,392	1,014,523	1,032,598
Funds					
Unrestricted	8	317,126	467,734	784,860	829,297
Restricted	8	82,005	147,658	229,663	203,301
Total Funds		399,131	615,392	1,014,523	1,032,598

Approved by the St Mary's and St Cuthbert's PCC and signed on its behalf by:


Rev Dr R S Munro, (Rector)
 Date 24 April 2017


Mr N.G. Tate, (Treasurer)

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

1.1. Regulation and convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW), effective January 2016, (The SORP), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

The charity constitutes a public benefit entity as defined by FRS102.

In preparing the accounts the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 a restatement of comparative items was needed. No restatements were required.

1.2. Church groups

These accounts only recognise transactions, assets and liabilities for which the Parochial Church Council is responsible in law. This includes the activities of recognised church groups, but they do not include the accounts of church groups that owe their main allegiance to any other body nor of those that are informal gatherings of church members.

1.3. Funds

Funds are classified as unrestricted or restricted.

Unrestricted funds are all those funds of the parish that are not subjected to any restrictions regarding their use in connection with the general purposes of the PCC. Some unrestricted funds are designated for particular purposes by the PCC, but remain as unrestricted funds for all accounting purposes.

Restricted funds are those given for specific purposes of the PCC or for specific external beneficiaries and remitted to them.

A number of funds exist which are outside the control of the PCC and so are not included in these accounts. Income from endowments that can be used by the PCC is recognised in these accounts when received.

1.4. Categories of Income and Income recognition

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

Income from government and other grants, whether capital or revenue, is recognised when the Parish Council has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable the income will be received and the amount can be

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

measured reliably and is not deferred.

Legacies are recognised when the Parish Council has been notified in writing of both the amount and settlement date.

Income from investments is included in the year in which it is receivable.

1.5. **Tangible fixed assets**

Consecrated and beneficed property and improvements to consecrated property is not included in these accounts in accordance with Section 96(2) (a) of the Charities Act 1993. Items of property and other tangible fixed assets that cost in excess of £1,000 are capitalised at cost or at a value attributed by the Council when originally capitalised. Items that cost less than £1,000 are written off as an expense when acquired. The building of St Cuthbert's is not dedicated, but as it is on land given for the use of the church building; it has been treated as a consecrated building and so has not been valued or included in the accounts. However, subsequent improvements to the premises annexed to St Cuthbert's have been capitalised at cost and will be amortised over their expected useful lives.

1.6. **Depreciation**

Provision is made on a straight line basis as follows:-

Upper Room kitchen – 100% in year incurred

Other short term assets – 20% per annum

Long term assets – 5% per annum

1.7. **Taxation**

Income tax, which is by law recoverable by the Parish Council, is recognised on gift aid donations up to the year end although it may not be claimed or received until the next accounting period.

1.8. **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them.

1.9. **Financial Instruments Including cash and bank balances**

The Church only has basic financial instruments. These are initially recognised at transaction value and subsequently measured at their settlement value.

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. INCOMING RESOURCES

		St Mary's 2016		St Cuthbert's 2016		Totals	
		UR	R	UR	R	2016	2015
		£	£	£	£	£	£
2a	Donations and Legacies						
	Planned Giving	285,968	6,288	89,079	-	381,335	368,884
	Unplanned giving	43,094	33,800	6,022	-	82,916	54,933
	Grant income	1,640	10,800	1000	-	13,440	745
	Legacies	-	23,407	-	-	23,407	92,637
		<u>330,702</u>	<u>74,295</u>	<u>96,101</u>	<u>-</u>	<u>501,098</u>	<u>517,199</u>
2b	Charitable Activities						
	Fees received	18,276	-	896	-	19,172	20,586
	Café One	38,996	-	-	-	38,996	48,111
	Houseparty contributions	11,750	-	4,638	-	16,388	2,785
	Income from church activities	15,432	1,264	3,646	-	20,342	18,615
		<u>84,454</u>	<u>1,264</u>	<u>9,180</u>	<u>-</u>	<u>94,898</u>	<u>90,097</u>
2c	Investments						
	Upper Room/Church hire Income	3,565	-	1,103	-	4,668	3,990
	Property Rental	2,146	-	-	-	2,146	2,409
	Bank Interest receivable	96	-	-	-	96	110
		<u>5,807</u>	<u>-</u>	<u>1,103</u>	<u>-</u>	<u>6,910</u>	<u>6,509</u>
2d	Other						
	Insurance Claim	498	-	-	-	498	-
		<u>498</u>				<u>498</u>	
	TOTAL INCOMING RESOURCES	<u>421,461</u>	<u>75,559</u>	<u>106,384</u>	<u>-</u>	<u>603,404</u>	<u>613,805</u>

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

3 Cost of Charitable Activities

This includes activity directly undertaken by the Church together with grants and donations paid to other organisations.

Missionary giving at St Mary's paid out of unrestricted funds was divided between: Crosslinks, Service of Hope Charity, OMF International, UCCF, Wycliffe UK, Kairos Media Trust, Bible Encounter Trust, Message Trust, Christians in Schools Trust and The Church Society and an eleventh part is used to support individual projects at the discretion of the missionary support group. Out of the monies received we also cover affiliation/support fees to Care for the Family, The Evangelical Alliance, The Christian Institute, Reform, True Freedom Trust and the North West Partnership.

Restricted gifts have been paid to agencies in accordance with the donor's wishes.

St Cuthbert's gives to mission partners in the proportions 60% for overseas mission divided equally between CMS, OMF and Dean and Paula Finnie in South Africa; 20% for Home mission support (divided equally between The Message Trust, Chelwood Foodbank Plus, Christians in Schools Trust, and Bible Encounter Trust; and the remaining 20% for the support of other churches in need.

3a		St Mary's 2016		St Cuthbert's 2016		Totals	
		UR	R	UR	R	2016	2015
		£	£	£	£		
	Raising Funds						
	Thanksgiving Campaign	355	-	-	-	355	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		355	-	-	-	355	
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

3b	Charitable Activities	St Mary's 2016		St Cuthbert's 2016		Totals	
		UR	R	UR	R	2016	2015
		£	£	£	£		
	Resources - Maintenance	27,846	11,423	11,181	-	50,450	54,886
	Resources- Utilities	31,475	-	12,991	-	44,466	41,030
	Children and Youth	5,044	483	1,276	-	6,803	7,896
	Discipleship	2,867	1,264	-	-	4,131	581
	Evangelism (Including 3 rd Age)	12,729	12,366	8,150	-	33,245	16,532
	Ministry (including parish share and ministry salaries)	149,282	3,539	61,330	-	214,151	210,882
	Social and Community	549	-	1,575	-	2,124	2,485
	Worship	11,828	129	3,454	-	15,411	15,630
	Mission	37,613	-	10,655	-	48,268	57,932
	Finance and Admin	77,841	-	2,121	-	79,962	53,512
	Café One	45,557	-	-	-	45,557	56,112
	Houseparty	12,321	-	3,898	-	16,219	4,908
	Pastoral	1,856	-	-	-	1,856	203
	Capital expenditure	328	-	-	-	328	1,012
	Depreciation	-	8,412	35,971	11,581	55,964	195,541
	Governance costs	1,889	-	300	-	2,189	2,320
	Subtotal	419,025	37,616	152,902	11,581	621,124	721,462
	TOTAL RESOURCES EXPENDED	419,380	37,616	152,902	11,581	621,479	721,462
	NET INCOME/OUTGOING RESOURCES	2,081	37,943	(46,518)	(11,581)	(18,075)	(107,657)
	Included in the above are;						
	Independent Examination fee	1,740	-	300	-	2,040	2,320
	Other fees paid to Independent Examiner	538	-	-	-	538	546
		2,278	-	300	-	2,578	2,866

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4a STAFF COSTS

	St Mary's		St Cuthbert's		Totals	
	UR	R	UR	R	2016	2015
	£	£	£	£	£	£
Salaries, benefit & pension costs						
Gross Salary	101,856	2,923	3,781	-	108,560	81,719
Employers national Insurance	4,092	136	-	-	4,228	2,284
Employers pension	2,259	-	-	-	2,259	841
Total	108,208	3,059	3,781	-	115,048	84,844

4b Staff Numbers for St Mary's and St Cuthbert's

	2016	2015
Full time equivalent staff (number)	5	4
	5	4

No employee earned in excess of £60,000. The church operates a defined contribution pension scheme in respect of the staff. The scheme and all its assets are held by independent managers. The pension charge represents the contributions due from the church and amounted to £2,259 (2015 - £841).

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5 FIXED ASSETS

	Freehold land & buildings St Mary's	Freehold land & buildings St Cuthbert's	Equipment and furniture St Mary's	Equipment and furniture St Cuthbert's	Total
	£		£		£
Cost as at 1.1.16	268,799	1,053,045	301,817	77,601	1,701,262
Additions	-	-	10,024	-	10,024
Disposals	-	-	-	-	-
Cost as at 31.12.16	268,799	1,053,045	311,841	77,601	1,711,286
Depreciation as at 1.1.16	-	431,828	295,410	77,601	804,839
Charge for the year	-	47,552	8,412	-	55,964
Disposals	-	-	-	-	-
Depreciation as at 31.12.16	-	479,380	303,822	77,601	860,803
Net book value as at 1.1.16	268,799	621,217	6,407	0	896,423
Net book value as at 31.12.16	268,799	573,665	8,019	0	850,483

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6 DEBTORS

	2016	2015
Income tax recoverable St Marys	21,889	3,828
Income tax recoverable St Cuthberts	42,569	28,640
Prepayments – St Cuthberts	2,126	2,540
Prepayments – St Marys	1,444	2,670
Other debtors – St Marys	3,208	
	<hr/>	<hr/>
	71,236	37,588
	<hr/>	<hr/>

INTER CHURCH

Owing from St Cuthbert's to St Marys	579	-
Owing from St Marys to St Cuthbert's	-	-
	<hr/>	<hr/>
	579	-
	<hr/>	<hr/>

7 CREDITORS

	2016	2015
	£	£
Accruals St Marys	17,512	24,937
Accruals St Cuthbert's	11,529	11,053
PAYE/NI	2,007	
	<hr/>	<hr/>
	31,048	35,990
	<hr/>	<hr/>

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8 FUND BALANCES	As at 01.01.16	Incoming Resources	Resources Expended	Transfers	As at 31.12.16
Restricted Funds					
Held by St Marys					
Donations from Trusts	-	10,800	(5,360)	-	5,440
Special Collections and Donations	-	1,463	(1,397)	-	66
Children and Youth Work	-	25,763	(3,889)	-	21,874
Church Fabric	21,894	-	(1,844)	-	20,050
Upper Room Development	15,761	4,375	(4,619)	-	15,517
AV Project	6,407	3,500	(6,407)	-	3,500
Legacy	-	23,408	(12,366)	-	11,042
Warren avenue	-	6,250	(1,734)	-	4,516
Sub total St Marys	44,062	75,559	(37,616)	-	82,005
Held by St Cuthbert's					
4 Cuthbert Rd Development	159,239	-	(11,581)	-	147,658
Sub total St Cuthbert's	159,239	-	(11,518)	-	147,658
Total Restricted Funds	203,301	75,559	(49,197)	-	229,663
Unrestricted Funds					
Held by St Marys					
Designated Property	268,798	-	-	-	268,798
Designated Reserve Fund	22,078	-	-	-	22,078
Designated Upper room	-	-	-	564	564
General	24,169	421,461	(419,380)	(564)	25,686
Sub total St Marys	315,045	421,461	(419,380)	-	317,126
Held by St Cuthbert's					
Designated- Property	102,000	-	-	-	102,000
Designated- Building Extension	359,984	-	(35,971)	-	324,013
General Fund	52,268	106,384	(116,931)	-	41,721
Sub total	514,252	106,384	(152,902)	-	467,734
Total Unrestricted Funds	829,297	527,845	(572,282)	-	784,860
TOTAL FUNDS	1,032,598	603,404	(621,479)	-	1,014,523

Purpose of major funds:

Restricted funds have been created by gifts made with specific conditions as to their use, or donations in response to a specific appeal.

Designated funds represent unrestricted funds that the PCC has chosen to designate for a future purpose, or funds that have been applied for the purchase of fixed assets and are therefore unable to be used by the PCC for other purposes.

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

9 FUNDS

		St Marys UR	St Marys R	St Cuthbert's UR	St Cuthbert's R	TOTAL
	2015	2016	2016	2016	2016	2016
Fixed assets	896,423	268,799	8,019	426,007	147,658	850,483
Current assets	172,165	65,773	76,059	53,256	-	195,088
Current liabilities	(35,990)	(17,446)	(2,073)	(11,529)	-	(31,048)
Long Term Liabilities	-	-	-	-	-	-
Total	1,032,598	317,126	82,005	467,734	147,658	1,014,523

10 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or capital commitments.

11 TRUSTS CONNECTED TO THE PARISH

There are a number of Trusts that have the Rector and Wardens of the Parish of Cheadle as Trustees. The following are the more significant trusts:

- The Upper Room, Cheadle. (Formerly known as "Cheadle and Gatley Old Church of England School") Charity number 525948. Holds land at 11 Wilmslow Road which is used as a church hall by St Mary's.
- Rector and Wardens Cheadle Parish Church Bellringer Trust (Charity number 503942). Holds funds the interest of which is to keep the Parish Churchyard in good order and repair and to maintain the graves of members of the Bellringer family. There was a donation of £12,310 received during the year for work in the churchyard.
- St. Cuthbert's Old School Trust. Holds land at the Old School on Councillor Lane from which the Old School Nursery runs.
- There are a number of smaller trusts under the control of the Rector and Wardens, the total income of which was less than £150 in the year and none of which made any donations in the year. These are: Alice Smith Charity, R W Woodhall Churchyard Trust account, Higham Trust, Peel Chancel Trust, A J Bancroft Trust, and the Binks Bequest.
- The PCC is the sole beneficiary of the Annie Seddon trust, (Charity number 232751). The trustees paid a donation to the PCC of £130 during the year and this has been used for the payment of organists' fees.
- Bible Encounter Trust (Charity number 1077447). As part of missionary giving the Church donated £3,657 to this Trust. Two PCC members are trustees of this Trust.
- True Freedom Trust (Charity number 513863) As part of missionary giving the Church donated £100 to this Trust two PCC members are trustees of this Trust

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

In addition, there are two Incorporated Organisations whose business and directors have a personal interest in the Parish:

- a) Cheadle St. Mary's Ltd. Holds a lease on 11 Wilmslow Road, on the ground floor of the Upper Room and part of the first floor (the Café), whose objective is to support the work of 'The Upper Room, Cheadle' Trust. Two PCC members are directors of this company.
- b) St. Cuthbert's Old School Nursery Trust. (Charity number 1153838) Runs the St. Cuthbert's Old School Nursery business, with a charitable object of providing nursery education with a Christian ethos, and whose directors include the associate minister of St Cuthbert's (ex officio), and 2 nominated PCC trustees.

12 REMUNERATION OF PCC MEMBERS

No expenses were reimbursed to PCC members during the year. Some members of the PCC that had purchased goods or services for the use of the Church, as agents of the church were reimbursed for those costs.

DPM Electrical Installations Ltd, a company controlled by the partner of the daughter of a PCC member, was paid £2195 during the year for Upper Room electrical work.

Hazel Whitaker, wife of the PCC member was paid £200 for verging duties

Drayton & Ellis Ltd, a company controlled by a PCC member was paid £748 during the year for Upper Room development work.

The Rector of Cheadle is paid by CDBF for his services rendered to the parish at standard clergy pay scales. Such remuneration is funded indirectly by the PCC through the Parish share. The Revd M Newman was also remunerated by CDBF for services to the Church at rates set by the Diocese.

The Revd S Tomalin was paid a stipend and pension by CDBF. He is also provided with accommodation, payment of Council tax, water charges and building insurance.

The Revd S Donohoe is paid a stipend and pension by CDBF. He is also provided with accommodation, payment of Council tax, water charges and building insurance.

THE PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

INDEPENDENT EXAMINERS REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, CHEADLE

I report on the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Mary, Cheadle (incorporating the Churches of St Mary and St Cuthbert) (PCC) for the year ended 31 December 2016 which comprise the Trustees Report, Statement of Financial Activities, Balance Sheet and related notes.

Respective Responsibilities Of Trustees And Examiner

The PCC are responsible for the preparation of the accounts. The PCC consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. The gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Basis Of Independent Examiner's Report

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 charity 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 statement below.

INDEPENDENT EXAMINER'S STATEMENT


In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Eric Langer BSc FCA

Independent examiner
Chartered Accountant

26th April 2017
Date

Langer & Co
8-10 Gatley Road
Cheadle
Cheshire
SK8 1PY