



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

For the year ended 31 December 2017

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)**

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## **REPORT OF THE PCC TO THE MEMBERS OF ST MARY'S AND ST CUTHBERT'S CHURCHES FOR THE YEAR ENDED 31 DECEMBER 2017**

### **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:

<b>Incumbent</b>	Rev Dr Robert Munro	
<b>Associate Ministers</b>	Rev S Tomalin	Rev M Newman
<b>Assistant Minister</b>	Rev Canon M. Lowe	
<b>Curate</b>	S Donohoe (until 01/10/17)	
<b>Licensed Pastoral Worker</b>		E Duxbury (Emeritus) R. Ormiston
<b>Wardens</b>	A. Holmes S Mealand	
<b>Representative on the General Synod</b>	J Harris	
<b>Representative on the Diocesan &amp; Deanery Synods</b>	F Goode G Lowcock	
<b>Representatives on the Deanery Synod</b>		P. Berry
<b>Elected Members</b>	<b>St Mary's</b> J. Adams (from 26/04/2017) J. Davids (from 26/04/2017) J. Drayton J. Fraser (until 26/04/2017) P. Fraser R. Navesey S. Smith S. Webster (until 26/04/2017) M. Wells P. Wells	<b>St Cuthbert's</b> J Berry L. Campbell (Deputy Warden) I. Howard (until 26/04/2017) P. James A Johnson W. Richbell-Brown G. Thomas (Deputy Warden) A. Thorpe

**Incumbent:** Rev Dr Robert S Munro  
The Rectory  
1 Depleach Road  
Cheadle  
Cheshire  
SK8 1DZ

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**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)**

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## **INTRODUCTION**

The Parochial Church Council (PCC) of the Parish of St Mary, Cheadle presents its reports and financial statements for the year ended 31 December 2017. 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) 2016 (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" 4<sup>th</sup> 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 10<sup>th</sup> 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 how best to communicate these plans in order to best engage the congregations.

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.

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Membership is the Rector, St Mary's Associate Minister, a Warden/Deputy Warden, the Operations Director and the Chairs of all the Support Groups.

St Mary's has nine support groups that report to them in their respective areas:

**Resources Support Group:** Deals with matters relating to 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

**Café One Support Group:** Deals with matters relating to the Café One ministry.

### *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.

### 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 is contained on the Church website.

As a Parish, 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.*

In the year, we secured sufficient funds to employ a Youth worker for a further 12 months enabling us to continue the effective work of our youth and children's workers and volunteers, specifically initiatives in local secondary and primary schools, the Holiday Bible Club, out of school clubs and through the Children and Youth work of the churches.

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We worked with Christians in Schools and other Christian teachers to put on drama, dance and music workshops during Easter Week. The young people created and performed a unique theatre production on Good Friday.

The pre-school age group has seen increased numbers at Acorns, Mustard Seed and Noah's Ark.

### 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 personally with the gospel faith and fellowship.*

This was supported by running Alpha and Christianity Explored Courses, running Café Church style services, Messy Church and various outreach events at Easter, Summer and Christmas.

In the summer term, St Cuthbert's held Messy Church in the Park and the year was drawn to a close with the Victorian Market at St Mary's.

### 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.*

Many different groups meet across the two churches all of whom have different ways in which they each aim to share their faith. With the appointment of new admin support and the commencement of the Communications, review we hope to benefit from cross-parish working that can positively impact our ministry across Cheadle.

St Cuthbert's have taken risks in changing services for a new generation of worshipper, made possible with the support of the congregation.

Much of our ministry involves eating and drinking together, and our five star hygiene ratings at both churches not only testifies to the discipline of our volunteers, but stands out as a key resource as we push ahead.

### 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. Clergy and laity continue to be involved in various deanery and ecumenical 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

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- 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 2017 are given in note 3a.

## 3. REVIEW OF ACHIEVEMENTS AND PERFORMANCE

We have a fantastic team of people within our churches across the parish, both employed and voluntary who work so hard to bring God's kingdom closer in our communities.

A review of activities against our objectives is included in 2 above whilst reports of the activities of individual groups within the parish are summarised in the Annual Report.

### CHURCH MEMBERSHIP

As at 25th April 2018

there were 379 parishioners on the church electoral roll for St Mary's

*(2017-391, 2016-387, 2015- 379, 2014- 387 2013 -374)*

and 164 on the electoral roll for St Cuthbert's

*(2017-173, 2016-170, 2015- 163, 2014- 162, 2013-133,)*

giving a total for the Parish of 543

*(2017-564, 2016-557, 2015- 542, 2014- 549, 2013-507; 2012-550, 2011-558, 2010-544, 2009-538, 2008-518, 2007-474) .*

*(NB With the implementation of ChurchSuite, there has been a thorough review of the roll this year. Other complete revisions of the electoral roll, were done in 2013 and 2007)*

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### **CHURCH SERVICES**

The Parish Church provides for the following services on a Sunday:

- |         |  |
|---------|--|
| 8:00am  | Holy Communion following the order of the Book of Common Prayer (monthly)  |
| 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.

### **4. PCC SECRETARY'S REPORT**

#### **PCC**

The PCC met four times in the past year, on 26 June, 11 September and 13 November 2017 and on 12 March 2018.

Apart from approving the budget for this forthcoming year and monitoring the finances of the Church throughout the year, the PCC had dealt with staff changes at St Mary's including the appointment of a temporary administrator and Acting Operations Manager. The review of the administration needs at St Mary's is ongoing. PCC has agreed to promote Luke Blakeley to a more senior role in the youth work and to recruit an additional trainee youth worker at St Mary's and a Families Outreach worker for St Cuthbert's, both from September 2018.

The project to develop 1 Warren Avenue was completed in the autumn and PCC authorised the renting out of Oakfield Avenue on a 12 month tenancy agreement from February 2018.

PCC agreed to underwrite the start-up costs for the relaunch of Café One, employing a full time café manager and three part time shift supervisors.



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At its September meeting, the PCC engaged with issues affecting the wider Church of England as Rob Munro and Jeremy Harris reported on proceedings at General Synod. In March, the PCC passed a motion proposed by the Chester Association affirming a biblical stance on marriage and our position on human sexuality.

At its November meeting, PCC discussed health and safety and the need to review our communications to comply with the General Data Protection Regulations coming into force in May 2018.

In March, PCC discussed governance generally and the relationship between the Core Team, support Groups and the PCC. This whole area is to be addressed at the next meeting in June.

### Staff changes

Simon Donohoe left in October 2017 to take up a post as Minister in Charge of the Swanlinbar Group of Parishes.

Fiona Grundy, Neil King and Jenny Webster all moved on in 2017 and we welcomed Susannah Overson as Café One Manager and Rebecca Holland, Elizabeth Woods and Emma Frost as new Café One Shift supervisors.

Nichola Johnson left the post of Operations Director. Jon Drayton started as Acting Operations Manager in January 2018.

Sam Mealand joined as temporary administrator in November.

Luca Flessa replaced Maren Friz as a Time For God volunteer at St Cuthbert's Church.

### Properties

*The Parish Church* - No major works were required to the building during the year. Eight bell clappers were rebushed and four new bell ropes purchased. The organ bellows were re-leathered in the year.

*The Upper Room* – No major works were required during the year.

*Oakfield Ave* – No major works were required during the year.

*Warren Ave* – Major refurbishment work was undertaken to update the accommodation and make it fit for purpose. This was funded by donations of £106,253 and a mortgage of £50,000.

*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 £27,601, compared with £2,081 last year. Income was at the same level as in 2016, although the 2017 figures include legacies of £29,512. A £10,000 fall in planned giving was offset by a similar rise in unplanned giving. Café One ceased operations in February 2017 resulting in a reduced income stream but reopened in October 2017 with a new staff team.

Expenditure decreased in the year by £26,117.

The receipt of specified giving in 2016 contributed to the employment of a Youth Worker and the receipt of a legacy in prior years enabled us to undertake an Easter Youth mission in 2017 over and above the usual ministry activities to grow the church family.

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

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### **b. St Cuthbert's**

St Cuthbert's is reporting a surplus on unrestricted funds in the year of £17,662 compared with a (£46,518) deficit last year. If the depreciation charge is removed then there is a surplus of £53,633 in cash terms. Income increased in the year by £48,000 due to an increase in planned giving of £14,280 and the receipt of a £29,454 legacy and £10,770 in one off gifts.

Expenditure decreased in the year by £16,140. There was a reduction in Parish share contribution of £4,000 in the year due to a reduction received from the Diocese of Chester. Evangelism and Houseparty expenditure were both lower than in 2016 when both an Easter Mission and Houseparty weekend took place.

### **c. Investment**

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

### **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 £20,490 in reserves held in the CCLA Account that could be called upon if an emergency situation arose. The church council feel that this sum would 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. The church council have agreed to increase reserves by £10,000 in 2018 to cover the increase in obligations to staff and activities undertaken.

## **7. PLANS FOR FUTURE PERIODS**

During the coming year the PCC intend to:

- To further increase the amount of children's and youth work we carry out in our local schools and in our churches.
- Continue to develop a culture of care within the church family and the wider community and introduce new pastoral and evangelistic courses.
- Continue to increase and improve the usage of the Upper Room by church and outside groups to enhance the church's ministry.
- Continue to 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 25 April 2018

Approved by the PCC on 24 April 2018 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 2017**

		St Mary's		St Cuthbert's			
	Note	Unrestricted funds	Restricted Funds	Unrestricted funds	Restricted Funds	Total 2017	Total 2016
		£	£	£	£		
<b>Incoming resources</b>							
<b>Incoming Resources from Generated Funds:</b>							
Donations and Legacies	2a	359,584	114,720	148,570	-	622,873	501,098
Charitable Activities	2b	60,402	-	5,553	-	65,955	94,898
Investments	2c	633	-	300	-	933	6,910
Other	2d	245				245	498
<b>Total incoming Resources</b>		<b>420,864</b>	<b>114,720</b>	<b>154,423</b>	<b>-</b>	<b>690,006</b>	<b>603,404</b>
<b>Resources used</b>							
Raising Funds	3a	1,531				1,531	355
Charitable activities	3b	391,732	59,310	136,761	11,581	599,383	621,124
<b>Total Resources Expended</b>		<b>393,263</b>	<b>59,310</b>	<b>136,761</b>	<b>11,581</b>	<b>600,914</b>	<b>603,404</b>
<b>Net incoming/(outgoing) resources</b>		<b>27,601</b>	<b>55,410</b>	<b>17,662</b>	<b>(11,581)</b>	<b>89,092</b>	<b>(18,075)</b>
Transfers		9,937	-9,937	-	-	-	-
<b>Net movement in funds</b>		<b>37,538</b>	<b>45,473</b>	<b>17,662</b>	<b>(11,581)</b>		<b>(18,075)</b>
<b>Total funds brought forward at 1 January 2017</b>		<b>317,126</b>	<b>82,005</b>	<b>467,734</b>	<b>147,658</b>	<b>1,014,523</b>	<b>1,032,598</b>
<b>Total funds carried forward at 31 December 2017</b>		<b>354,664</b>	<b>127,478</b>	<b>485,396</b>	<b>136,077</b>	<b>1,103,615</b>	<b>1,014,523</b>

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

AS AT 31 DECEMBER 2017

		2017	2016
	Note	Total	Total
		£	£
<b>Tangible Fixed Assets</b>	5	415,247	526,113
		<u>941,360</u>	<u>850,483</u>
<b>Current Assets</b>			
Stock		573	-
Debtors	6	36,748	32,032
Inter-Church	6	(1,245)	1,245
Short term deposits		20,490	-
Cash at bank and in hand		110,169	72,137
		<u>272,146</u>	<u>195,088</u>
<b>Total Current Assets</b>		272,146	195,088
<b>Liabilities: amounts falling due within one year</b>	7	(51,813)	(10,053)
		<u>(61,866)</u>	<u>(31,048)</u>
<b>Net Current Assets</b>		210,280	164,040
<b>Liabilities: amounts falling due after more than one year</b>		(48,025)	-
		<u>(48,025)</u>	<u>-</u>
<b>Net Assets</b>		1,103,615	1,014,523
<b>Funds</b>			
Unrestricted	8	354,664	485,396
Restricted	8	127,478	136,077
		<u>263,555</u>	<u>229,663</u>
<b>Total Funds</b>		1,103,615	1,014,523

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 2018



Mrs J L Davids, (Treasurer)

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

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 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 2017) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2016 (as amended by the Bulletin issued in February 2017) published by the Charity Commission in England & Wales (CCEW), effective January 2017, (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) 2016 (as amended by the Bulletin issued in February 2017) 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 2017**

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.

**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 2017**

**2. INCOMING RESOURCES**

		St Mary's 2017		St Cuthbert's 2017		Totals	
		UR	R	UR	R	2017	2016
		£	£	£	£	£	£
<b>2a</b>	<b>Donations and Legacies</b>						
	Planned Giving	275,622	3,600	103,360	-	382,582	381,335
	Unplanned giving	54,450	110,854	15,755	-	181,059	82,916
	Grant income	-	250	-	-	250	13,440
	Legacies	29,512	16	29,454	-	58,982	23,407
		<u>359,584</u>	<u>114,720</u>	<u>148,569</u>	<u>-</u>	<u>622,873</u>	<u>517,199</u>
<b>2b</b>	<b>Charitable Activities</b>						
	Fees received	15,296	-	1,175	-	16,471	19,172
	Café One	20,655	-	-	-	20,655	38,996
	Houseparty contributions	-	-	-	-	-	16,388
	Income from church activities	24,451	-	4,378	-	28,829	20,342
		<u>60,402</u>	<u>-</u>	<u>5,553</u>	<u>-</u>	<u>65,955</u>	<u>94,898</u>
<b>2c</b>	<b>Investments</b>						
	Upper Room/Church hire income	540	-	300	-	840	4,668
	Property Rental	25	-	-	-	25	2,146
	Bank interest receivable	68	-	-	-	68	96
		<u>633</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>933</u>	<u>6,910</u>
<b>2d</b>	<b>Other</b>						
	Insurance Claim	245	-	-	-	245	498
		<u>245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>245</u>	<u>498</u>
	<b>TOTAL INCOMING RESOURCES</b>	<u>420,864</u>	<u>114,720</u>	<u>154,423</u>	<u>-</u>	<u>690,006</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 2017

### 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, World Vision, 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 2017		St Cuthbert's 2017		Totals	
		UR	R	UR	R	2017	2016
		£	£	£	£		
	Raising Funds						
	Thanksgiving Campaign	278	-	-	-	278	355
	Mortgage Interest	1,253				1,253	-
		<u>1,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,531</u>	<u>355</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 2017**

3b		St Mary's 2017		St Cuthbert's 2017		Totals	
		UR	R	UR	R	2017	2016
		£	£	£	£		
	<b>Charitable Activities</b>						
	Resources - Maintenance	33,172	18,804	9,737	-	61,713	50,450
	Resources- Utilities	43,752	-	12,088	-	55,840	44,466
	Children and Youth	7,690	1,080	319	-	9,089	6,803
	Discipleship	2,650	-	-	-	2,650	4,131
	Evangelism (including 3 <sup>rd</sup> Age)	17,370	6,103	2,725	-	26,198	33,245
	Ministry (including parish share and ministry salaries)	143,870	15,755	57,769	-	217,394	214,151
	Social and Community	529	-	2,044	-	2,573	2,124
	Worship	9,650	125	3,208	-	12,983	15,411
	Mission	39,900	-	9,950	-	49,850	48,268
	Finance and Admin	59,353	5,592	2,477	-	67,422	79,962
	Café One	30,870	465	-	-	31,335	45,557
	Houseparty	-	-	42	-	42	16,219
	Pastoral	460	1,116	50	-	1,626	1,856
	Capital expenditure	1,200	-	-	-	1,200	328
	Depreciation	-	10,270	35,971	11,581	57,822	55,964
	Governance costs	1,266	-	380	-	1,646	2189
	<b>Subtotal</b>	<b>391,732</b>	<b>59,310</b>	<b>136,760</b>	<b>11,581</b>	<b>599,383</b>	<b>621,124</b>
	<b>TOTAL RESOURCES EXPENDED</b>	<b>393,263</b>	<b>59,310</b>	<b>136,760</b>	<b>11,581</b>	<b>600,914</b>	<b>621,479</b>
	<b>NET INCOME/OUTGOING RESOURCES</b>	<b>27,601</b>	<b>55,410</b>	<b>17,662</b>	<b>(11,581)</b>	<b>89,092</b>	<b>(18,075)</b>
	Included in the above are;						
	Independent Examination fee	1,240	-	380	-	1,620	2,040
	Other fees paid to Independent Examiner	542	-	-	-	542	538
		<b>1,782</b>	<b>-</b>	<b>380</b>	<b>-</b>	<b>2,162</b>	<b>2,578</b>

# 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 2017

### 4a STAFF COSTS

	St Mary's		St Cuthbert's		Totals	
	UR	R	UR	R	2017	2016
	£	£	£	£	£	£
Salaries, benefit & pension costs						
Gross Salary	77,800	14,295	3,365	-	95,460	108,561
Employers national insurance	2,792	431	-	-	3,223	4,228
Employers pension	1,870	289	-	-	2,159	2,259
Total	82,462	15,015	3,365	-	100,842	115,048

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

	2017	2016
Full time equivalent staff (number)	6	5
	6	5

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 £2,159 (2016 - £2,259).

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**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 1.1.17	268,799	1,053,045	311,841	77,601	1,711,286
Additions	143,160	-	5,539	-	148,699
Disposals	-	-	-	-	-
Cost as at 31.12.17	411,959	1,053,045	317,380	77,601	1,859,985
Depreciation as at 1.1.17	-	479,380	303,822	77,601	860,803
Charge for the year	7,158	47,552	3,112	-	57,822
Disposals	-	-	-	-	-
Depreciation as at 31.12.17	7,158	526,932	306,934	77,601	918,625
Net book value as at 1.1.17	268,799	573,665	8,019	0	850,483
Net book value as at 31.12.17	404,801	526,113	10,446	0	941,360

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**6 DEBTORS**

	<b>2017</b>	<b>2016</b>
Income tax recoverable St Marys	27,518	21,889
Income tax recoverable St Cuthberts	29,812	42,569
Prepayments – St Cuthberts	2,220	1,444
Prepayments – St Marys	7,780	2,126
Other debtors – St Marys	1,450	3,208
	<u>68,780</u>	<u>71,236</u>

**INTER CHURCH**

Owing from St Cuthbert's to St Marys	-	579
Owing from St Marys to St Cuthbert's	1,245	-
	<u>1,245</u>	<u>579</u>

**7 CREDITORS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Accruals St Marys	49,794	17,512
Accruals St Cuthbert's	10,053	11,529
PAYE/NI	1,335	2,007
Pensions	683	-
	<u>61,866</u>	<u>31,048</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 2017**

<b>8 FUND BALANCES</b>	<b>As at 01.01.17</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers</b>	<b>As at 31.12.17</b>
<b>Restricted Funds</b>					
<b>Held by St Marys</b>					
Donations from Trusts	5,440	375	(1,735)	-	4,080
Special Collections and Donations	66	668	(734)	-	-
Children and Youth Work	21,874	8,100	(17,229)	-	12,745
Church Fabric	20,050	-	(8,743)	-	11,307
Upper Room Development	15,517	750	(1,362)	(9,937)	4,968
AV Project	3,500	2,307	(891)	-	4,916
Legacy	11,042	17	(6,026)	-	5,033
Warren avenue	4,516	100,003	(22,590)	-	81,929
Church Properties	-	2,500	-	-	2,500
<b>Sub total St Marys</b>	<b>82,005</b>	<b>114,720</b>	<b>(59,310)</b>	<b>(9,938)</b>	<b>127,478</b>
<b>Held by St Cuthbert's</b>					
4 Cuthbert Rd Development	147,658	-	(11,581)	-	136,077
<b>Sub total St Cuthbert's</b>	<b>147,658</b>	<b>-</b>	<b>(11,581)</b>	<b>-</b>	<b>136,077</b>
<b>Total Restricted Funds</b>	<b>229,663</b>	<b>114,720</b>	<b>(70,891)</b>	<b>-</b>	<b>263,555</b>
<b>Unrestricted Funds</b>					
<b>Held by St Marys</b>					
Designated Property	268,798	-	-	-	268,798
Designated Reserve Fund	22,078	-	-	-	22,078
Designated Upper room	564	-	-	-	564
General	25,686	420,864	(393,263)	9,937	63,224
<b>Sub total St Marys</b>	<b>317,126</b>	<b>420,864</b>	<b>(393,263)</b>	<b>9,937</b>	<b>354,664</b>
<b>Held by St Cuthbert's</b>					
Designated- Property	102,000	29,453	-	-	131,453
Designated- Building Extension	324,013	-	(35,971)	-	288,042
General Fund	41,721	124,970	(100,790)	-	65,901
<b>Sub total</b>	<b>467,734</b>	<b>154,423</b>	<b>(136,761)</b>	<b>-</b>	<b>485,396</b>
<b>Total Unrestricted Funds</b>	<b>784,860</b>	<b>575,287</b>	<b>(530,024)</b>	<b>9,937</b>	<b>840,060</b>
<b>TOTAL FUNDS</b>	<b>1,014,523</b>	<b>690,007</b>	<b>(600,915)</b>	<b>-</b>	<b>1,103,615</b>

# 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 2017

### 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.

### 9 FUNDS

		St Marys UR	St Marys R	St Cuthbert's UR	St Cuthbert's R	TOTAL
	2016	2017	2017	2017	2017	2017
Fixed assets	850,489	268,799	146,448	390,036	136,077	941,360
Current assets	195,088	121,064	45,669	105,413	-	272,146
Current liabilities	(31,048)	(35,198)	(16,615)	(10,053)	-	(61,866)
Long Term Liabilities	-	-	(48,025)	-	-	(48,025)
Total	1,014,523	354,679	127,477	485,396	136,077	1,103,615

### 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..
- 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 £125 during the year and this has been used for the payment of organists' fees.

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

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

- f) Bible Encounter Trust (Charity number 1077447). As part of missionary giving the Church donated £4,583 to this Trust. Two PCC members are trustees of this Trust.
- g) 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

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 paid 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.

Drayton & Ellis Ltd, a company controlled by a PCC member was paid £2,467 during the year for Warren avenue development work.

Samuel Mealand, son of a PCC member, was employed by the PCC as an Admin Assistant during the year.

Joanne Davids who is employed as the Finance Officer was co-opted to the PCC as Treasurer.

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 is 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 was paid a stipend and pension by CDBF. He was 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)

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

I report to the trustees on my examination of 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 2017.

### Respective responsibilities of the Trustees and the Independent Examiner

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

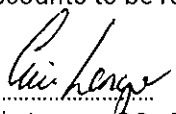
### Independent Examiner's Statement

Since the Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

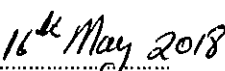
I have completed my examination. I confirm that no material matters have come to my attention in connection with my examination giving me cause to believe that in any material respect:

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

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

  
Eric Langer BSc FCA

Independent examiner  
Chartered Accountant

  
Date

8-10 Gatley Road  
Cheadle  
Cheshire  
SK8 1PY