



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

For the year ended 31 December 2018

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 2018

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	Rev M Newman
Licensed Pastoral Worker		R. Ormiston
Wardens	A. Holmes S Mealand	L. Campbell (Deputy Warden) G. Thomas (Deputy Warden)
Representative on the General Synod	J Harris	
Representative on the Diocesan Synod	F Goode G Lowcock	
Representatives on the Deanery Synod	F Goode J Harris G Lowcock	P. Berry R. Ormiston
Elected Members	St Mary's J. Adams J. Drayton (until 31/12/17) P. Fraser R. Navesey T. Phillips (from 25/04/18) L. Read (from 25/04/18) S. Smith (until 24/04/18) M. Wells (until 24/04/18) P. Wells	St Cuthbert's J Berry D. Beynon (from 25/04/18) J. Davids P. James (until 25/04/18) A Johnson (until 25/04/18) W. Richbell-Brown A. Thorpe (until 25/04/18)
PCC Secretary (co-opted)	T. Wells (from 25/04/18)	

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

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 Examiner: 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 St Mary, Cheadle presents its reports and financial statements for the year ended 31 December 2018. 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" 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 APCM, 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

Vision & Strategy Group

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, this currently includes the Operations Manager.

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

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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, the Youth worker was promoted to a more senior role of Youth Pastor and we were joined by a Children and Youth Ministry Trainee for 2 years 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.

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

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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 and Nativity in the Park at St Cuthbert's.

In 2019 we look forward to the opening of a new café at St Cuthbert's in association with Pure Innovations.

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 and communications support we hope to benefit from cross-parish working that can positively impact our ministry across Cheadle.

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
- 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

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- 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 and club nights, 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. There are also an increasing number of members who generously volunteer their professional time. 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 2018 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 24th April 2019

there were 328 parishioners on the church electoral roll for St Mary's

(2018-379, 2017-391, 2016-387, 2015- 379, 2014- 387 2013 -374)

and 119 on the electoral roll for St Cuthbert's

(2018-164, 2017-173, 2016-170, 2015- 163, 2014- 162, 2013-133,)

giving a total for the Parish of 447

(2018-543, 2017-564, 2016-557, 2015-542, 2014- 549, 2013-507; 2012-550, 2011-558, 2010-544, 2009-538, 2008-518, 2007-474).

(NB There has been a complete revision of the Electoral Roll in 2019. 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

The PCC met five times in the past year, on 25 June, 24 September and 26 November 2018 and on 25 February and 1 April 2019.

Apart from approving the budget for this forthcoming year and monitoring the finances of the Church throughout the year, the PCC continue to support the ministry of the rebranded Upper Room Café and the implementation of Church Suite as the preferred means of communication for the Parish and to assist in dealing with the requirements of GDPR which came into force in May 2018.

At the June meeting we discussed governance and structures and approved various people for different roles and tasks in the church. In September PCC approved some new bank accounts at the recommendation of the treasurer. In February we adopted new national guidelines for safe guarding and formally appointed Fiona Goode as Parish Safeguarding Officer. PCC also gave formal backing to St Cuthbert's in their development of their Pure innovations café in 2019.

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Staff changes

The PCC dealt with staff changes at St Mary's including the permanent appointment of Operations Manager (Jon Drayton). Liz Woods resigned as café supervisor in the summer following her appointment as PA to the Rector and Communications Officer; her position has been filled by Andy Poole. Luke Blakeley was promoted to the more senior role of youth pastor and Bekah Davis joined us as trainee youth worker at St Mary's. St Cuthbert's appointed Howard Pickering as Families Outreach worker. Jo Davids' hours were increased to cover the additional work required by GDPR.

Properties

The Parish Church – Lighting work was carried out in the church and churchyard.

The Upper Room – A 5 year rolling programme of maintenance was started with work being carried out on the lighting, fire safety and door entry system.

Oakfield Ave – No major works were required during the year. The property was rented out on a 12 month tenancy agreement from February 2018. This continued on a statutory tenancy until April 2019, but the property will be vacant from then to allow work to be carried out in readiness for the arrival of our new curate and family in June.

Warren Ave – No major works were required during the year.

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 £4,564, compared with £27,601 last year. Income increased £88,738 on 2017 as a result of legacies of £55,708 and rental income of £10,257 from Oakfield Avenue. Café One rebranded to The Upper Room Café in September 2018 and the income has continued to grow.

Expenditure increased in the year by £111,775. The receipt of legacies enabled spending on updating the lighting and security in the Upper Room. The employment of the Youth Pastor had previously been met from specified giving.

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 benefited from the generous giving of professional time towards the work of the church. 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.

b. St Cuthbert's

St Cuthbert's is reporting a deficit on unrestricted funds in the year of (£11,707) compared with a £17,662 surplus last year. If the depreciation charge is removed, then there is a surplus of £24,264 in cash terms. Income decreased in the year by £28,000 due to the receipt of a £29,454 legacy in 2017. Expenditure increased in the year by 1%. The reduction in Parish share contribution was once again received from the Diocese of Chester.

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

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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 £42,078 in reserves 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.

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.
- Open a new café in St Cuthbert's church to be run in association with Pure Innovations.
- 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
- Discern the vision for the Parish beyond 2020, create a vision document and plan for implementation
- Support the Trustees of the Upper Room

Independent Examiner

A resolution to reappoint Eric Langer of Langer & Co as independent examiner to the PCC will be proposed at the Annual Parish Council Meeting on 24 April 2019

Approved by the PCC on 24 April 2019 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 2018

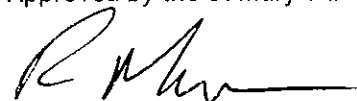
	Note	St Mary's		St Cuthbert's		Total 2018	Total 2017
		Unrestricted funds	Restricted Funds	Unrestricted funds	Restricted Funds	£	£
Incoming resources							
Incoming Resources from Generated Funds:							
Donations and Legacies	2a	393,588	11,271	120,734	-	525,593	622,873
Charitable Activities	2b	101,947	1,013	4,638	-	107,598	65,955
Investments	2c	14,067	1	185	-	14,253	933
Other	2d	-	-	795	-	795	245
Total incoming Resources		509,602	12,285	126,352	-	648,239	690,006
Resources used							
Raising Funds	3a	2,412	-	-	-	2,412	1,531
Charitable activities	3b	502,626	41,755	138,059	11,581	694,021	599,383
Total Resources Expended		505,038	41,755	138,059	11,581	696,433	600,914
Net incoming/(outgoing) resources		4,564	(29,470)	(11,707)	(11,581)	(48,194)	89,092
Transfers		-	-	-	-	-	-
Net movement in funds		4,564	(29,470)	(11,707)	(11,581)	(48,194)	89,092
Total funds brought forward at 1 January 2018		354,664	127,478	485,396	136,077	1,103,615	1,014,523
Total funds carried forward at 31 December 2018		359,228	98,008	473,689	124,496	1,055,421	1,103,615

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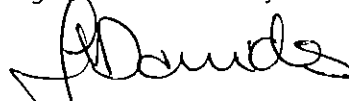
AS AT 31 DECEMBER 2018

		St Mary's	St Cuthbert's	2018	2017
	Note	£	£	Total	Total
				£	£
Tangible Fixed Assets	5	411,499	480,625	892,124	941,360
Current Assets					
Stock		882	-	882	573
Debtors	6	16,170	31,166	47,336	68,780
Inter-Church	6	2,114	(2,114)	-	-
Short term deposits		20,591	-	20,591	20,490
Cash at bank and in hand		84,515	100,468	184,983	182,303
Total Current Assets		124,273	129,519	253,792	272,146
Liabilities: amounts falling					
due within one year	7	(35,678)	(11,959)	(47,637)	(61,866)
Net Current Assets		88,595	117,560	206,155	210,280
Liabilities: amounts falling					
due after more than one year		(42,858)	-	(42,858)	(48,025)
Net Assets		457,236	598,185	1,055,421	1,103,615
Funds					
Unrestricted	8	359,228	473,689	832,917	840,060
Restricted	8	98,008	124,496	222,504	263,555
Total Funds		457,236	598,185	1,055,421	1,103,615

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 2019



Mrs J L Davids, (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 2018

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 2018

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 2018**

2. INCOMING RESOURCES

		St Mary's 2018		St Cuthbert's 2018		Totals	
		UR	R	UR	R	2018	2017
		£	£	£	£	£	£
2a	Donations and Legacies						
	Planned Giving	270,811	3,336	116,874	-	391,021	382,582
	Unplanned giving	67,069	5,065	3,860	-	75,994	181,059
	Grant income	-	2,870	-	-	2,870	250
	Legacies	55,708	-	-	-	55,708	58,982
		<u>393,588</u>	<u>11,271</u>	<u>120,734</u>	<u>-</u>	<u>525,593</u>	<u>622,873</u>
2b	Charitable Activities						
	Fees received	12,790	-	328	-	13,118	16,471
	Café	57,141	-	-	-	57,141	20,655
	Houseparty contributions	12,016	1,000	-	-	13,016	-
	Income from church activities	20,000	13	4,310	-	24,323	28,829
		<u>101,947</u>	<u>1,013</u>	<u>4,638</u>	<u>-</u>	<u>107,598</u>	<u>65,955</u>
2c	Investments						
	Upper Room/Church hire income	3,695	-	185	-	3,880	840
	Property Rental	10,257	-	-	-	10,257	25
	Bank interest receivable	115	1	-	-	116	68
		<u>14,067</u>	<u>1</u>	<u>185</u>	<u>-</u>	<u>14,253</u>	<u>933</u>
2d	Other						
	Insurance Claim	-	-	795	-	795	245
		<u>-</u>	<u>-</u>	<u>795</u>	<u>-</u>	<u>795</u>	<u>245</u>
	TOTAL INCOMING RESOURCES	<u>509,602</u>	<u>12,285</u>	<u>126,352</u>	<u>-</u>	<u>648,239</u>	<u>690,006</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 2018

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, 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 2018		St Cuthbert's 2018		Totals	
	UR	R	UR	R	2018	2017
	£	£	£	£		
Raising Funds						
Thanksgiving Campaign	611	-	-	-	611	278
Mortgage Interest	1,801				1,801	1,253
	<u>2,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,412</u>	<u>1,531</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 2018**

	St Mary's 2018		St Cuthbert's 2018		Totals	
	UR	R	UR	R	2018	2017
	£	£	£	£		
3b Charitable Activities						
Resources - Maintenance	51,841	10,853	10,638	-	73,332	61,713
Resources- Utilities	38,896	-	11,571	-	50,467	55,840
Children and Youth	6,044	88	358		6,490	9,089
Discipleship	4,556	-	-	-	4,556	2,650
Evangelism (including 3 rd Age)	11,764	1,284	7,075	-	20,123	26,198
Ministry (including parish share and ministry salaries)	158,554	16,331	53,536	-	228,421	217,394
Social and Community	441	-	938	-	1,379	2,573
Worship	10,231	105	4,450	-	14,786	12,983
Mission	39,121	680	11,475	-	51,276	49,850
Finance and Admin	85,155	-	1,333	-	86,488	67,422
Café One	72,874	1,429	-	-	74,303	31,335
Houseparty	14,006	1,000	-	-	15,006	42
Pastoral	1,362	-	35	-	1,397	1,626
Capital expenditure	4,427	-	-	-	4,427	1,200
Depreciation	1,916	9,985	35,971	11,581	59,453	57,822
Governance costs	1,438	-	680	-	2,118	1,646
Subtotal	502,626	41,755	138,059	11,581	694,021	599,383
TOTAL RESOURCES EXPENDED	505,038	41,755	138,059	11,581	696,433	600,914
NET INCOME/OUTGOING RESOURCES	4,564	(29,470)	(11,707)	(11,581)	(48,194)	89,092
Included in the above are;						
Independent Examination fee	1,360	-	680	-	2,040	1,620
Other fees paid to Independent Examiner	542	-	-	-	542	542
	1,902	-	680	-	2,582	2,162

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 2018**

4a STAFF COSTS

	St Mary's		St Cuthbert's		Totals	
	UR	R	UR	R	2018	2017
	£	£	£	£	£	£
Salaries, benefit & pension costs						
Gross Salary	133,472	14,086	7,304	-	154,861	95,460
Employers national insurance	5,419	668	263	-	6,350	3,223
Employers pension	3,407	423	75	-	3,905	2,159
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	142,298	15,177	7,641	-	165,116	100,842
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

	2018	2017
Full time equivalent staff (number)	9	6
	<hr/>	<hr/>
	9	6
	<hr/>	<hr/>

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 £3,905 (2017 - £2,159).

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 2018**

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 1.1.18	411,959	1,053,045	317,380	77,601	1,859,985
Additions	-	-	8,152	2,064	10,216
Disposals	-	-	(11,930)	-	(11,930)
Cost as at 31.12.18	411,959	1,053,045	313,602	79,665	1,858,271
Depreciation as at 1.1.18	7,158	526,932	306,934	77,601	918,625
Charge for the year	7,158	47,552	4,742	-	59,452
Disposals	-	-	(11,930)	-	(11,930)
Depreciation as at 31.12.18	14,316	574,484	299,746	77,601	966,147
Net book value as at 1.1.18	404,801	526,113	10,446	0	941,360
Net book value as at 31.12.18	397,643	478,561	13,856	2,064	892,124

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 2018**

6 DEBTORS

	2018	2017
Income tax recoverable St Marys	7,360	27,518
Income tax recoverable St Cuthberts	28,985	29,812
Prepayments – St Cuthberts	2,181	2,220
Prepayments – St Marys	3,805	7,780
Other debtors – St Marys	5,005	1,450
	<u>47,336</u>	<u>68,780</u>

INTER CHURCH

Owing from St Cuthbert's to St Marys	2,114	-
Owing from St Marys to St Cuthbert's	-	1,245
	<u>2,114</u>	<u>1,245</u>

7 CREDITORS

	2018 £	2017 £
Accruals St Marys	29,311	49,794
Accruals St Cuthbert's	11,959	10,053
PAYE/NI	3,050	1,335
Pensions	734	683
Loan	2,583	-
	<u>47,637</u>	<u>61,865</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 2018**

8 FUND BALANCES	As at 01.01.18	Incoming Resources	Resources Expended	Transfers	As at 31.12.18
Restricted Funds					
Held by St Marys					
Donations from Trusts	4,080	5,738	(7,098)	-	2,720
Special Collections and Donations	-	3,258	(2,856)	-	402
Children and Youth Work	12,745	3,102	(15,538)	-	309
Church Fabric	11,307	-	(1,796)	-	9,511
Upper Room Development	4,968	187	(2,920)	-	2,235
AV Project	4,916	-	(1,161)	-	3,755
Legacy	5,033	-	(1,284)	-	3,749
Warren avenue	81,929	-	(6,602)	-	75,327
Church Properties	2,500	-	(2,500)	-	-
Sub total St Marys	127,478	12,285	(41,755)	-	98,008
Held by St Cuthbert's					
4 Cuthbert Rd Development	136,077	-	(11,581)	-	124,496
Sub total St Cuthbert's	136,077	-	(11,581)	-	124,496
Total Restricted Funds	263,555	12,285	(53,336)	-	222,504
Unrestricted Funds					
Held by St Marys					
Designated Property	268,798	-	-	-	268,798
Designated Reserve Fund	22,078	-	-	20,000	42,078
Designated Upper room	564	-	(112)	-	452
General	63,224	509,602	(504,926)	(20,000)	47,900
Sub total St Marys	354,664	509,602	(505,038)	-	359,228
Held by St Cuthbert's					
Designated- Property	131,453	-	-	-	131,453
Designated- Building Extension	288,042	-	(35,971)	-	252,071
General Fund	65,901	126,352	(102,088)	-	90,165
Sub total	485,396	126,352	(138,059)	-	473,689
Total Unrestricted Funds	840,060	635,954	(643,097)	-	832,917
TOTAL FUNDS	1,103,615	648,239	(696,433)	-	1,055,421

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 2018

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
	2017	2018	2018	2018	2018	2018
Fixed assets	941,360	284,348	127,151	356,129	124,496	892,124
Current assets	272,146	92,129	32,144	129,519	-	253,792
Current liabilities	(61,866)	(17,249)	(18,429)	(11,959)	-	(47,637)
Long Term Liabilities	(48,025)	-	(42,858)	-	-	(42,858)
Total	1,103,615	359,228	98,008	473,689	124,496	1,055,421

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. During the year the trust paid for air conditioning to be installed at a cost of £14,400. This has been disclosed as income within unplanned giving and expenditure within resources – maintenance.
- 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. £2765 was received in the year.
- 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 PARISH OF CHEADLE ST MARY (INCORPORATING THE CHURCHES OF ST MARY AND ST CUTHBERT)

- e) The PCC is the sole beneficiary of the Annie Seddon trust, (Charity number 232751). The trustees paid a donation to the PCC of £105 during the year and this has been used for the payment of organists' fees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

- f) Bible Encounter Trust (Charity number 1077447). As part of missionary giving the Church donated £4,045 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.

Jo Davids was employed as Finance Officer and GDPR Administrator during the year. Her appointment as treasurer in 2017 was approved by the Chester Diocese and did not require Charity Commission approval.

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

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 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 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 2018.

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

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Cheadle
Cheshire
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