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**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH  
OF ST ANDREW AND ST CUTHMAN STEYNING**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

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**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Trustees**

Revd Fr Mark Heather, LLB, BA, Incumbent  
Revd Fr Stephen Mills, Curate in training  
Mr J Downe, Church Warden  
Mrs D Bedford, Church Warden  
Mrs P Warner  
Mrs E Brown  
Mr J Edwards, Treasurer  
Dr B Hanson, Vice Chairman  
Mr J Lang  
Mr S McGrath, Secretary  
Mr D Vine  
Mrs J Flowers-Leek  
Mrs C Aubrey  
Mrs B Walker  
Mrs F Aiton  
Mrs J Davies  
Mrs M Penley  
Mr L Warner

**Charity registered number**

1132913

**Principal office**

Penfold Church Hall  
Church Street  
Steyning  
West Sussex  
BN44 3YB

**Accountants**

Baldwin Scofield Accountancy LLP  
Chartered Accountants  
3 Newhouse Business Centre  
Old Crawley Road  
Faygate  
Horsham  
West Sussex  
RH12 4RU

**Bankers**

Lloyds Bank plc  
P O Box 1000  
BX1 1LT

**Property Valuer**

Rackham Surveyors Ltd  
28 The Ramblings  
Rustington  
West Sussex  
BN16 2DA

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

Steyning Parochial Church Council (PCC) is a registered charity. Members of the PCC, who are the Trustees of the Charity, are either ex-officio, elected by the APCM (Annual Parochial Church Meeting) in accordance with the Church Representation rules or co-opted. The Trustees present their annual report together with the financial statements of the charity for the year 1 January 2018 to 31 December 2018.

**Objectives and Activities**

● **POLICIES AND OBJECTIVES**

The objects of the charity are, in cooperation with the incumbent, to further the whole mission of the church both pastorally and socially in the ecclesiastical parish of Steyning. It also has maintenance responsibilities for the church buildings and for the Penfold Hall, and for matters concerned with health and safety, disability and safeguarding.

● **ACTIVITIES FOR ACHIEVING OBJECTIVES**

The PCC consider that they can best achieve these objects by providing the means to enable all those living within the parish to explore and live out their Christian faith, in particular by regular worship, prayer and teaching of the gospel and by the provision of pastoral care. When planning activities they have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

**Achievements and performance**

● **REVIEW OF ACTIVITIES**

**Worship**

Our monthly Family Service was redesigned in 2018 with a view to making it more appealing to new and younger worshippers, in particular with the experimental use of an altar on the chancel step instead of the high altar, and at the same time we introduced a simpler service sheet and more user-friendly readings. We have also introduced a new range of simple and clear service sheets for our choral Parish Eucharist beginning in December 2018. We continued to hold our monthly choral evensong, with a considerable increase in attendance in the autumn for a series of sermons to mark the diocesan Year of Prayer. Because 2018 marked the centenary of the end of the First World War we held a special Armistice Service in conjunction with Steyning Museum and our usual Remembrance Sunday service attracted record numbers with 376 adults and 63 young people in church. Our Christmas attendances increased this year, with over 700 people at our Christmas Eve Crib Service and more people at our Midnight Mass. In Holy Week we continued to offer a daily service in conjunction with Ashurst and with an Easter Eve service at which we lit the Easter Candle from a paschal fire.

Our midweek Wednesday Eucharist and 8 o'clock Holy Communion service are well supported, with a number of additional people attending this year.

During the year there was an increased number of weddings (10) and there were 14 funerals, memorial services or burial of ashes. There were 5 baptisms during the year.

Our home communion visitors continue to take Holy Communion to those who are unable to get to church whether on a long or short-term basis and this year there has been a significant increase in the number of visits.

Our new assistant curate, Fr Stephen Mills was licensed by the Archdeacon of Horsham when he joined us on 15 April and he was ordained priest with colleagues at St Mary's Storrington by the Bishop of Horsham on Trinity Sunday.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Learning and Outreach**

This was an exciting year for Messy Church which experimented with holding two events in church rather than the Penfold Hall, and on a Sunday rather than a Friday, with a number of new families attending.

We now have five home groups meeting regularly, daytime and evening, as detailed in our parish magazine. Once again we participated in the Diocesan Lent Course with a well-attended joint session at the start of Lent and with the various groups following up in subsequent weeks. This year's course on the theme of Art and Prayer was especially appreciated. Our PCC also made the decision to fund a small library of 'York Courses' which can be shared between the different home groups.

Our magazine is part of our outreach and continues to be distributed free of charge through a library and some shops on the High Street. 450 copies are printed each month.

**Community**

Our Wednesday coffee morning was rejuvenated by a number of special invitation events to attract new people. These were very well supported and £350 was sent to local charities and £50 towards new pew cushions in church.

We continued to support the Steyning Cuthman Lectures in the Penfold Hall. In October the Very Rev. Dr. Jonathan Draper, the General Secretary of Modern Church spoke on Evolutionary Theology: Change is all there is. In November Rev. Brian Brown talked about The Promised Land - 100 years on from the Balfour Declaration.

We were one of the sponsors of the 2018 biennial Steyning Festival and our church building hosted 15 events attended by a total of 1,500 people. One of the events was specifically for children and 55 children attended with their parent or guardian. The new pew cushions will make audiences more comfortable at future concerts and other events.

We continue to support our church schools, Steyning Primary and Steyning Grammar through the governing bodies and more directly. We have a volunteer lay chaplain in the boarding section who is part of the overall school chaplaincy team. As well as the usual school services and collective worship in the primary school we also worked with the school colleagues and Trinity Methodist Church in Storrington to provide a series of 'mock weddings' as part of the RE curriculum.

Our PCC has begun to look in more detail at possible ways to improve our church building for community use. In 2018 we started to consider how we can raise the necessary funds in conjunction with the Friends of Steyning Parish Church. Plans for the improvement of church lighting are already well developed.

Our church building remains open during the day and our visitors book and prayer corner indicate how much it is appreciated both as a place of prayer and as a significant Sussex tourist attraction. Our excellent guidebook, published by the Friends and on sale at £3, is very popular with visitors and they have also republished a series of postcards and five 'Graveyard Gossip' churchyard trail leaflets, available at a donation.

**Church Membership**

At the end of the year there were 208 (2017: 219) members on the Church Electoral Roll. The usual Sunday attendance, counted during October 2018, was 142 adults and young people. In addition, 205 adults and 20 young people attended the Armistice Service on 28 October.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Church Buildings and Fabric**

In 2018 electrical work in the bell-ringing chamber and choir vestry was completed. A wooden trough was erected under the north-westernmost clerestory window to prevent loose masonry from falling on the congregation. Permanent repairs were carried out during the late summer to this high arch and to repair the arch between the south aisle and the Cuthman Chapel. The cost of this work was £14,515 including fees but excluding VAT which has been reclaimed. Repairs to the outside of the clerestory arch will be needed during 2019.

The PCC nominated a group to review the lighting and electrics in the Church. CES has worked with them to visit other churches to inspect a variety of modern lighting schemes, to evaluate options and design and demonstrate a scheme. The DAC has made a preliminary inspection and fundraising is planned in 2019 with a view to installation in 2020.

Fire safety measures near the boiler room are being designed and consideration is being given to how longer-term improvements to the facilities in the church might be funded whilst retaining a sufficient reserve to deal with the many maintenance issues identified in the Quinquennial Review carried out in 2016.

**Financial review**

● **GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

● **RESERVES POLICY**

In recent years the Church has been able to build up a reasonable level of reserves, largely due to the receipt of a number of legacies. The PCC believes that, in view of its responsibility for the upkeep of a Grade I listed building, a substantial Building Fund should be maintained, from which expenditure on major repairs and improvements to all the church's properties will be met. If this reserve exceeds £250,000, income earned on its assets will be credited to the Outreach Fund otherwise retained in the Building Fund. The reserve should not fall below £100,000 to cover any unexpected repairs.

The Outreach Fund will be used to support outreach in the community, the Deanery and the Diocese.

Any deficit in the General Fund will be covered equally from the Outreach and Building Funds.

The Special Projects Fund will be used to extend, repair and improve equipment and furnishings.

The Property Fund reflects the value of the church's investment in properties.

● **LEGACY POLICY**

Subject to any specific requirements of the donor, legacies will not be used to fund the day-to-day running expenses of the church. Major legacies (over £5000) will be placed in the Church Building Fund whilst other legacies will be placed in the Special Projects Fund.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

● **PRINCIPAL FUNDING**

The Statement of Financial Activities on page 9 shows that total expenditure in 2018 was £134,101. Income totalled £127,364.

Note 19 on page 20 shows expenditure of £100,569 from the General Fund which was £5,905 more than in 2017. We have enjoyed the benefits of a Trainee Curate since April but, although the Diocese has reimbursed two thirds of his expenses, the total of the clergy expenses for the year was £2,938 more than in 2017. 70% of General Fund expenditure was on clergy and insurance costs (mainly through the diocesan parish share). Upkeep (routine maintenance, gas and electricity), administration and services and choir cost 21% of the total. Mission giving totalled £3,503. £321 of this was half of the collections at the Crib Services and £1,000 was provided by the PCC to support donations raised from charitable events organised by members of the congregation.

General Fund income totalled £102,105, £9,830 more than in 2017. Thanks to a generous response to an appeal to the congregation at the end of 2017, planned giving and Gift Aid totalled £10,101 more than 2017. Donations were £1,542 less than in 2017 but the total fees received by the PCC for weddings and funerals were £1,916 more. Total General Fund income exceeded expenditure for the first time since 2012, with a surplus £1,536.

Several members of the congregation have been taken ill in church and a defibrillator has been purchased at a cost of £966 from the Special Projects Fund, offset by donations of £260.

The costs of printing the magazine (£1,704) and of other initiatives to involve the wider community are taken from the Outreach Fund. At present, income from the invested funds of the Building Fund is taken to the Outreach Fund which makes a contribution to governance costs. However, the PCC has decided that if the balance of the Building Fund drops below £250,000, interest should be retained in that fund.

Building Fund expenditure on the arch repairs and the lighting demonstration was offset by donations and Gift Aid totalling £13,421. £1,194 was raised at the Holly Fair and £200 donated by the Social Committee (shown as a transfer from the General Fund). The Building Fund balance at the end of the year totalled £254,241.

The 'Take a Seat' campaign raised £5,460 from donations and social events to provide new pew runners throughout the church. A restricted fund was started and closed with a zero balance.

There was a little income to the Restricted Funds from investment interest. The Diocese holds 328 Central Board of Finance Investment Fund units in a trust available only to fund repairs to the chancel. This is included within the £12,525 held as current assets against Restricted Funds per note 20.

Looking forward, the main financial pressure in 2019 will be the the increase in General Fund expenditure on the Diocesan Parish Share (+£1,800) clergy expenses (+£1,600 with the Diocese only reimbursing one third of the Curate's expenses). Fundraising will be needed to enable the lighting scheme and other enhancements of the church to go ahead in 2020 and beyond.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Stewardship**

Regular, committed giving is a necessary part of our Christian life. The Planned Giving scheme is vital to our church's financial wellbeing, providing 70% of the regular income from which we pay the day-to-day running costs. The congregation has been generous in 2018 but costs continue to rise and, with two clergy to support, a deficit of £4,000 is likely in 2019.

People give in different ways:

1. Cash in the basket.
2. Planned giving with cash in envelopes
3. Standing order for a monthly payment to the church's bank account.
4. A regular payment, including Gift Aid, through the Charities Aid Foundation.
5. The Chichester Diocese Parish Giving Scheme (PGS). Givers fill in a Direct Debit form for the scheme to take the chosen amount on the first of each month. The scheme pays the parish that amount plus the Gift Aid later in the month. Each year the scheme increases the amount of the Direct Debit for inflation.

From time to time we have benefitted greatly from legacies left by former members of the church and we would hope that St Andrews and St Cuthman's church will continue to be remembered in this way.

● **INVESTMENT POLICY**

Generally the reserves will be held on deposit with the Central Board of Finance of the Church of England or with our bankers, but might from time to time be invested in other investments offered by the Central Board. The PCC is satisfied that the Central Board of Finance has adopted suitable ethical objectives in selecting investments.

**Structure, governance and management**

● **CONSTITUTION**

The principal object of the charity is the advancements of the Christian faith.

● **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution.

● **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The work of the PCC is carried out mainly through its committees which are:

**The Standing Committee** This committee has power to transact the business of the PCC between meetings, subject to any directions given by the PCC, and consists of the Incumbent, Vice Chairman, Churchwardens, Secretary, Treasurer and an invited member of the PCC.

**The Finance Committee** This committee, which meets under the chairmanship of the treasurer, is responsible for matters relating to the finances of the church, including stewardship, and of the Penfold Hall.

**The Fabric Committee** This committee chaired by a Churchwarden is responsible for the building. It sometimes meets jointly with the Finance Committee.

**The Social and Catering Committee** This committee plans and organises the church's social activities and catering after major church services.



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

The appointed Safeguarding and Health and Safety Representatives report directly to the PCC and attend meetings as required.

● **RISK MANAGEMENT**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Charity Commission encourage all charities to review and assess the risks relating to its activities. The PCC made such a review in 2012 and during 2015.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The PCC members (the Trustees) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Church and of the incoming resources and application of resources of the Church for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Church will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Church's transactions and disclose with reasonable accuracy at any time the financial position of the Church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the Church Accounting Regulations 2006 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 20 February 2019 and signed on their behalf by:

**Revd Fr Mark Heather, LLB, BA, Incumbent  
Trustee**

**Mr J Edwards, Treasurer  
Trustee**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

**INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST CUTHMAN STEYNING (the 'charity')**

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2018.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

**RESPONSIBILITIES AND BASIS OF REPORT**

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

I report in respect of my examination of the charity'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 2011 Act.

**INDEPENDENT EXAMINER'S STATEMENT**

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

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

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 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 a proper understanding of the accounts to be reached.

Signed:

Dated: 20 February 2019

Nicholas M Baldwin BA(Econ) FCA DChA

**BALDWIN SCOFIELD ACCOUNTANCY LLP**  
Chartered Accountants

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>					
Donations and legacies	2	101,531	4,909	106,440	95,254
Charitable activities	3	5,838	-	5,838	3,922
Other trading activities	4	1,141	550	1,691	3,373
Investments	5	10,268	239	10,507	10,390
Other income	6	2,888	-	2,888	2,435
<b>TOTAL INCOME</b>		<b>121,666</b>	<b>5,698</b>	<b>127,364</b>	<b>115,374</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	2,058	-	2,058	1,300
Charitable activities	11	126,583	5,460	132,043	140,782
<b>TOTAL EXPENDITURE</b>	12	<b>128,641</b>	<b>5,460</b>	<b>134,101</b>	<b>142,082</b>
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
Gains on revaluations of fixed assets	15	(6,975)	238	(6,737)	(26,708)
		-	-	-	100,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(6,975)</b>	<b>238</b>	<b>(6,737)</b>	<b>73,292</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		957,951	12,287	970,238	896,946
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>950,976</b>	<b>12,525</b>	<b>963,501</b>	<b>970,238</b>

The notes on pages 11 to 23 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

**BALANCE SHEET  
AS AT 31 DECEMBER 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	15	485,000		485,000	
Investment property	16	180,000		180,000	
		<u>665,000</u>		<u>665,000</u>	665,000
Total tangible assets			<u>665,000</u>		<u>665,000</u>
<b>CURRENT ASSETS</b>					
Debtors	17	4,353		4,913	
Cash at bank and in hand		302,569		322,035	
		<u>306,922</u>		<u>326,948</u>	
<b>CREDITORS:</b> amounts falling due within one year	18	(8,421)		(21,710)	
<b>NET CURRENT ASSETS</b>			<u>298,501</u>		<u>305,238</u>
<b>NET ASSETS</b>			<u>963,501</u>		<u>970,238</u>
<b>CHARITY FUNDS</b>					
Restricted funds	19		12,525		12,287
Unrestricted funds	19		950,976		957,951
<b>TOTAL FUNDS</b>			<u>963,501</u>		<u>970,238</u>

The financial statements were approved by the Trustees on 20 February 2019 and signed on their behalf, by:

**Revd Fr Mark Heather, LLB, BA, Incumbent**

**Mr J Edwards, Treasurer**

The notes on pages 11 to 23 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
CUTHMAN STEYNING**

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

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Parochial Church Council of the Ecclesiastical Parish of St Andrew and St Cuthman Steyning constitutes a public benefit entity as defined by FRS 102.

**1.2 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST ANDREW AND ST  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**1. ACCOUNTING POLICIES (continued)**

**1.3 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out centrally. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.4 Tangible fixed assets and depreciation**

Consecrated and beneficed property of any kind is excluded from the accounts by virtue of section 10(2) of the Charities Act 2011. Costs associated with the maintenance or improvement of such assets are written off in the year they are incurred.

Freehold property owned by the charity is included in the financial statements at its historical deemed cost and depreciated by writing off the difference between the cost and the estimated residual value over the useful economic life. It is the PCC's policy to maintain these assets in a continual state of sound repair. The useful economic life of these assets is so long and residual value so high that any depreciation would not be material. These assets are subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

Other tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Not material
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**1.5 Investment property**

Investment properties are held for their investment potential and to generate income. Investment properties are stated in the balance sheet at their most recent fair market valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the statement of financial activities.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.6 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

**1.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**1.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.9 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.11 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.12 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2. INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2018 £</b>	<b>2017 £</b>
Collections	10,482	-	10,482	10,401
Donations	19,093	4,526	23,619	14,623
Planned Giving	54,619	-	54,619	46,627
Gift Aid	17,337	383	17,720	13,603
Legacies	-	-	-	10,000
<b>Total</b>	<b>101,531</b>	<b>4,909</b>	<b>106,440</b>	<b>95,254</b>
<i>Total 2017</i>	<i>95,234</i>	<i>20</i>	<i>95,254</i>	

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
Fees (weddings and funerals)	5,838	-	5,838	3,922
<i>Total 2017</i>	<i>3,922</i>	<i>-</i>	<i>3,922</i>	



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**4. FUNDRAISING INCOME**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Bookstall sales	123	-	123	505
Social events	1,018	550	1,568	2,868
	<u>1,141</u>	<u>550</u>	<u>1,691</u>	<u>3,373</u>
<i>Total 2017</i>	<u>3,373</u>	<u>-</u>	<u>3,373</u>	

**5. INVESTMENT INCOME**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Bank interest	923	239	1,162	933
Rent (Shooting Field)	9,345	-	9,345	9,457
	<u>10,268</u>	<u>239</u>	<u>10,507</u>	<u>10,390</u>
<i>Total 2017</i>	<u>10,011</u>	<u>379</u>	<u>10,390</u>	

**6. OTHER INCOMING RESOURCES**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
VAT refunds	2,888	-	2,888	2,435
	<u>2,888</u>	<u>-</u>	<u>2,888</u>	<u>2,435</u>
<i>Total 2017</i>	<u>2,435</u>	<u>-</u>	<u>2,435</u>	

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**7. COSTS OF RAISING FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Stewardship	277	-	277	178
Bookstall	205	-	205	236
Social events	1,576	-	1,576	886
	<u>2,058</u>	<u>-</u>	<u>2,058</u>	<u>1,300</u>
<i>Total 2017</i>	<u>1,300</u>	<u>-</u>	<u>1,300</u>	

**8. ANALYSIS OF GRANTS**

	Grants to Institutions 2018 £	Total 2018 £	Total 2017 £
Grants - Mission Giving	3,503	3,503	3,765
	<u>3,503</u>	<u>3,503</u>	<u>3,765</u>
<i>Total 2017</i>	<u>3,765</u>	<u>3,765</u>	

**9. DIRECT COSTS**

	Total 2018 £	Total 2017 £
Diocesan Parish Share	60,018	62,387
Clergy Expenses	7,592	4,654
Service Costs	2,252	2,342
Music (excluding organist's salary)	805	952
Parish Activities	3,768	1,550
Parish Magazine	1,704	1,420
Maintenance and Repairs (including new pew cushions)	9,476	11,232
Major Building Works	18,245	35,034
	<u>103,860</u>	<u>119,571</u>
<i>Total 2017</i>	<u>119,571</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. SUPPORT COSTS**

	<b>Total 2018</b>	<i>Total 2017</i>
	£	£
Church Running Expenses	2,481	2,834
Office Costs (excludes salary)	1,891	1,454
Church Insurance - included in Parish Share in 2017	3,109	-
Professional Fees	5,227	1,250
Cottage	865	742
Wages and salaries	9,967	10,066
	<b>23,540</b>	<i>16,346</i>
	<b>23,540</b>	<i>16,346</i>
 <i>Total 2017</i>	<i>16,346</i>	<i>16,346</i>
	<i>16,346</i>	<i>16,346</i>

**11. GOVERNANCE COSTS**

	<b>Unrestricted funds 2018</b>	<b>Restricted funds 2018</b>	<b>Total funds 2018</b>	<i>Total funds 2017</i>
	£	£	£	£
Independent examination	1,140	-	1,140	1,100
	<b>1,140</b>	<b>-</b>	<b>1,140</b>	<i>1,100</i>
	<b>1,140</b>	<b>-</b>	<b>1,140</b>	<i>1,100</i>

**12. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	<b>Staff costs 2018</b>	<b>Other costs 2018</b>	<b>Total 2018</b>	<i>Total 2017</i>
	£	£	£	£
Expenditure on raising voluntary income	-	2,058	2,058	1,300
<b>Costs of raising funds</b>	<b>-</b>	<b>2,058</b>	<b>2,058</b>	<i>1,300</i>
Charitable activity costs	9,967	120,936	130,903	139,682
Expenditure on governance	-	1,140	1,140	1,100
	<b>9,967</b>	<b>124,134</b>	<b>134,101</b>	<i>142,082</i>
	<b>9,967</b>	<b>124,134</b>	<b>134,101</b>	<i>142,082</i>
 <i>Total 2017</i>	<i>10,066</i>	<i>132,016</i>	<i>142,082</i>	<i>142,082</i>
	<i>10,066</i>	<i>132,016</i>	<i>142,082</i>	<i>142,082</i>

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**13. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<b>£</b>
Independent examination	<b>1,140</b>	<i>1,100</i>
	<u><u>          </u></u>	<u><u>          </u></u>

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year, 3 Trustees received reimbursement of expenses amounting to £7,702 (2017 - 2 Trustees received £4,766).

**14. STAFF COSTS**

Staff costs were as follows:

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>9,967</b>	<i>10,066</i>
	<u><u>          </u></u>	<u><u>          </u></u>

The average number of persons employed by the charity during the year was as follows:

	<b>2018</b>	<i>2017</i>
	<b>No.</b>	<b>No.</b>
	<b>2</b>	<i>2</i>

No employee received remuneration amounting to more than £60,000 in either year.

**15. TANGIBLE FIXED ASSETS**

	<b>Freehold property £</b>
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	<b>485,000</b>
<b>Depreciation</b>	
At 1 January 2018 and 31 December 2018	<b>-</b>
<b>Net book value</b>	
At 31 December 2018	<b>485,000</b>
<i>At 31 December 2017</i>	<i>485,000</i>

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NOTES TO THE FINANCIAL STATEMENTS  
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16. INVESTMENT PROPERTY

	Freehold investment property £
<b>Valuation</b>	
At 1 January 2018 and 31 December 2018	<b>180,000</b>

The 2017 valuations were made by Rackhams Surveyors Ltd, on an open market value for existing use basis.

17. DEBTORS

	2018 £	2017 £
Other debtors	<b>4,353</b>	4,913

18. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	<b>8,421</b>	21,710

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2018 £
<b>Designated funds</b>					
Church Building	260,011	18,159	(24,129)	200	254,241
Outreach	24,022	1,118	(2,977)	-	22,163
Special Projects	6,318	284	(966)	-	5,636
Property Fund	665,000	-	-	-	665,000
	<u>955,351</u>	<u>19,561</u>	<u>(28,072)</u>	<u>200</u>	<u>947,040</u>
<b>General funds</b>					
General Fund	2,600	102,105	(100,569)	(200)	3,936
Total Unrestricted funds	<u>957,951</u>	<u>121,666</u>	<u>(128,641)</u>	<u>-</u>	<u>950,976</u>
<b>Restricted funds</b>					
Youth Fund	801	2	-	-	803
Organ/Choir Fund	1,566	5	-	-	1,571
Charity at Home Fund	2,761	9	-	-	2,770
New Doors Fund	1,993	5	-	-	1,998
Diocesan Chancel Fund	5,166	217	-	-	5,383
Runners Fund	-	5,460	(5,460)	-	-
	<u>12,287</u>	<u>5,698</u>	<u>(5,460)</u>	<u>-</u>	<u>12,525</u>
Total of funds	<u><u>970,238</u></u>	<u><u>127,364</u></u>	<u><u>(134,101)</u></u>	<u><u>-</u></u>	<u><u>963,501</u></u>

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

**19. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 January 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2017 £</i>
<b>Designated funds</b>						
Church Building	280,288	20,085	(40,362)	-	-	260,011
Outreach	25,842	1,786	(3,074)	(532)	-	24,022
Special Projects	9,372	829	(3,883)	-	-	6,318
Property Fund	565,000	-	-	-	100,000	665,000
	<u>880,502</u>	<u>22,700</u>	<u>(47,319)</u>	<u>(532)</u>	<u>100,000</u>	<u>955,351</u>
<b>General funds</b>						
General Fund	4,457	92,275	(94,664)	532	-	2,600
	<u>4,457</u>	<u>92,275</u>	<u>(94,664)</u>	<u>532</u>	<u>-</u>	<u>2,600</u>
Total Unrestricted funds	<u>884,959</u>	<u>114,975</u>	<u>(141,983)</u>	<u>-</u>	<u>100,000</u>	<u>957,951</u>
<b>Restricted funds</b>						
Youth Fund	800	1	-	-	-	801
Organ/Choir Fund	1,563	3	-	-	-	1,566
Charity at Home Fund	2,836	25	(100)	-	-	2,761
New Doors Fund	1,989	4	-	-	-	1,993
Diocesan Chancel Fund	4,799	367	-	-	-	5,166
	<u>11,987</u>	<u>400</u>	<u>(100)</u>	<u>-</u>	<u>-</u>	<u>12,287</u>
Total of funds	<u><u>896,946</u></u>	<u><u>115,375</u></u>	<u><u>(142,083)</u></u>	<u><u>-</u></u>	<u><u>100,000</u></u>	<u><u>970,238</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2018 £
Designated funds	955,351	19,561	(28,072)	200	947,040
General funds	2,600	102,105	(100,569)	(200)	3,936
	<u>957,951</u>	<u>121,666</u>	<u>(128,641)</u>	<u>-</u>	<u>950,976</u>
Restricted funds	12,287	5,698	(5,460)	-	12,525
	<u>970,238</u>	<u>127,364</u>	<u>(134,101)</u>	<u>-</u>	<u>963,501</u>

**SUMMARY OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 January 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2017 £</i>
Designated funds	880,502	22,700	(47,319)	(532)	100,000	955,351
General funds	4,457	92,275	(94,664)	532	-	2,600
	<u>884,959</u>	<u>114,975</u>	<u>(141,983)</u>	<u>-</u>	<u>100,000</u>	<u>957,951</u>
Restricted funds	11,987	400	(100)	-	-	12,287
	<u>896,946</u>	<u>115,375</u>	<u>(142,083)</u>	<u>-</u>	<u>100,000</u>	<u>970,238</u>



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**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>
Tangible fixed assets	485,000	-	485,000
Investment property	180,000	-	180,000
Current assets	294,397	12,525	306,922
Creditors due within one year	(8,421)	-	(8,421)
	<u>950,976</u>	<u>12,525</u>	<u>963,501</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Tangible fixed assets	485,000	-	485,000
Investment property	180,000	-	180,000
Current assets	314,661	12,287	326,948
Creditors due within one year	(21,710)	-	(21,710)
	<u>957,951</u>	<u>12,287</u>	<u>970,238</u>