

CHALFONT ST PETER

CURATE'S ENDOWMENT FUND

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED**

31 DECEMBER 2021

Charity registration number: 1093547

CONTENTS
YEAR ENDED 31 DECEMBER 2021

	Page
Report of the Trustees	1
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7

INTRODUCTION

This report is submitted to the Charity Commission for the year to 31 December 2021.

The accounts accompanying this report have been prepared in accordance with the accounting policies set out in Note 1 attached thereto.

AIMS AND PURPOSE

The Curate's Endowment Fund is a public benefit charitable trust whose overall charitable objective is to further the religious and other charitable work of the Church of England in the Parish of Chalfont St Peter for the benefit of the whole community. Specifically, relevant Charity Commission methodology classifications are:

- Provides Buildings/Facilities/Open Space
- Makes grants to organisations

with provision of the following services:

- Religious activities
- Accommodation/housing

to other charities or voluntary bodies

The Endowment Fund is held by Diocesan Trustees (Oxford) Limited, and the Chalfont St Peter PCC ("the trustees") is the Managing Trustee. During 2020, the trustees continued to manage the Fund with the following objectives:

- To preserve and enhance the value of the Fund
 - To provide accommodation for the benefit of Charity No.1146043 - The Parochial Church Council Of The Ecclesiastical Parish Of Chalfont St Peter ("The PCC") – itself focused upon religious activities
- To make grants as and when prudent for the benefit of other charities or other voluntary bodies.

The trustees anticipate no unusual fund-raising activities during 2021 but have made the decision to let the property, 67 Fieldway, for a minimum period of one year. Subject to satisfactory returns on investment, they intend to make further grants to the Chalfont St Peter PCC, particularly from letting income, while maintaining the value of the Fund.

PERFORMANCE

Value

The Fund is largely invested in the property at 67 Fieldway, Chalfont St Peter, SL9 9QS. The property is in good condition following substantial work in 2014 and reconstruction of the raised patio, associated retaining walls and steps in 2016.

There was no significant expenditure on property maintenance in the year.

Prices of similar properties in the locality are reported as having advanced by at least 10% in the year. The property was valued by two experienced estate agents in the village in the autumn of 2020 at £600,000 – £650,000 and the lower value is now included in the accounts. A further revaluation will be made in 2022. The insured "rebuild" value is £384,405

The balance of the Fund's investments provided a total annual return in the year of 17.28% (2020 = 9.67%, 2019 = 22.15%; 2018 = 2%). A modest current account is maintained for running expenses and there is a small deposit account for contingencies. Dividends covered current expenditure with a net cash inflow of £2,311 of cash at bank.

Accommodation

As planned and noted within the 2020 Annual Report, arrangements with the Diocesan Trustees (Oxford) Limited to let the property were completed and tenants took occupation on 29th January 2021. Relationships with the tenants have been excellent and the trustees intend to accept their offer to renew the lease for another year.

Replacement of two domestic appliances was funded from previously accumulated income.

Grants

As planned and noted within the 2020 Annual Report, the trustees made a grant of £3,000 to the PCC from accumulated income. 10 months rental income in the year was also paid to the PCC as a grant.

FINANCIAL REVIEW

Overview

Overall, the year ended with an increase in funds of. £47,508 (2020 = £220,988, 2019=£38,353; comprising:

- operating profit including rental income of £2,341 (2019= £5,734; 2018 =£2,864)
- unrealised gain on investments of £18,647 (2019=£44,087; 2018 = £3,589)

Total funds at 31st December 2020 comprised:

- Property: £600,000
- Investments: £341,338
- Cash at Bank: £15,053
- TOTAL: £956,391**

Budget Forecasting

The Fund's finances are relatively simple. No building projects are foreseen in the year ahead and income from letting (together with savings against previous expenditure on Council Tax and other items) is considered reasonably secure. The trustees therefore anticipate that the Fund will again be able to make further grants totaling in the order of £18,000 to the PCC while covering routine maintenance costs and retaining a small surplus.

Reserves Policy

Such reserves as the Trustees consider necessary for foreseeable eventualities are held within the current and deposit accounts. These estimates are informed by past performance, market information and inspections of the fabric and infrastructure.

The Trustees currently consider the Fund's property and investment portfolio as unavailable for any foreseeable operational expenditure and to be maintained for its charitable activities. They are not therefore regarded as viable reserves for operational purposes although, if called for by the PCC, and with an effect on operational performance, significant assets could be realised. The Trustees do not currently intend to place further funds into long-term investment.

Risk Policy

The Trustees review risks to the Fund's affairs and currently identify the following and have appropriate actions in place as noted below:

- Domestic Risks: The primary asset of the Fund is its property at 67 Fieldway, which is used as a family home. Normal domestic landlord risks – Fire and Theft (of the limited Fund chattels), Health & Safety are insured with the Ecclesiastical Insurance Group
- Weather: Roofs and drains are periodically checked.
- Deterioration of Fabric: A Fabric Committee reviews and maintains buildings and fixtures to a high standard with a devolved budget from the PCC
- Financial Insecurity affecting ability as an on-going concern: A Finance Committee meets regularly to review matters of income and expenditure and reports to the PCC through quarterly Accounts and written overview.
- Poor performance of the financial and housing property markets as seen in 2018 are ongoing risks to the portfolio but, in the long term, sustained increase in both, as in the past, is anticipated.

STRUCTURES, GOVERNANCE AND MANAGEMENT

Trustees

The Managing Trustee of the Fund is the Parochial Church Council of the Parish of Chalfont St Peter. The method of appointment of PCC members is set out in the Church Representation Rules. All those who attend its services are encouraged to register on the electoral roll and stand for election to the PCC. Induction of new Trustees is facilitated by a welcome address at the first PCC meeting of the new year, comprehensive guidance on Diocesan websites and occasional, voluntary training courses run by the Diocese.

PCC members who served at any time from 1 January 2021 to 31st December 2021

Incumbent:	Revd John Goodman	(Absent from office during the period
-------------------	-------------------	---------------------------------------

Clergy:	Revd Wendy Graham Revd Jim King
----------------	------------------------------------

Licensed Lay Ministers:	Dr Ben Ewert Miss Lydia Lee	(to May) (from August)
--------------------------------	--------------------------------	---------------------------

Churchwardens:	Mr Bob Older Mrs Clair McCoy
-----------------------	---------------------------------

Elected members of Deanery Synod:

Elected 2020	Mrs Jan Bartlett Mrs Mary Webster	(resigned November)
--------------	--------------------------------------	---------------------

Co-opted 2020 Vacancy	Mrs Ann Geary
--------------------------	---------------

Elected Lay Members of PCC

Elected 2018	Dr. Michael Baxendine Mrs Sandra Clark Mr John Harwood Mr Richard Simon	(Lay Chairman) (to APCM)
Elected 2019	Mr Timothy Mears	
Elected 2020	Mr Grenville Dixie Mrs Meriel Garnham Mr Ian Hackett Mrs Jessica Redman Mrs Ann Middleton Mrs Johanna Dickinson	

The full PCC met in person 6 times in the year.

Independent Examination

As total generated income in the period was less than £25,000, law does not require Independent Examination of the accounts. (In 2016 the charge for independent examination - £1,692 - increased the Fund's overall costs by 17% and in view of this disproportionate charge, the Trustee's have subsequently not submitted the Fund's accounts to independent examination)

ADMINISTRATIVE INFORMATION:

The correspondence address is Church Office, Church Lane, Chalfont St Peter, Bucks SL9 9RJ

Telephone: 01753 880067

The registered charity number is 1093547

RELEVANT ORGANISATIONS

Bank: Barclays, Market Place Chalfont St Peter

Insurers: Ecclesiastical, Beaufort House, Brunswick Road, Gloucester.

The trustees' report was approved by the Board of Trustees on

Date: 24th April 2022: Signed: PP *John Goodman*

John Paul Goodman (Chairman)

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 DECEMBER 2020

INCOME		2021 £	2020 £	2019 £
Dividends	2	8,674	8376	8,132
Property Rental		17,730	-	-
Retained Interest	2	4	30	53
TOTAL INCOME		26,408	8,406	8,185
Costs of Generating Investment income				
Property related costs (incurred out with the provision of accommodation for ministry team)				
Property & Equipment maintenance		1,534	1,847	-
Insurance		407	96	-
Property Management costs		519	898	-
Property running costs (incurred in provision of accommodation for clergy)				
Property Maintenance		-	696	477
Insurance		-	291	376
Council Tax and Water		(27)	2,237	3,006
Grantmaking				
Grants to PCC	3; 7.2; 9	19,377		10,000
TOTAL EXPENDITURE		21,810	6,065	13,919
NET INCOME/(EXPENDITURE)	8	4,598	(5,734)	2,684
GAINS (LOSSES) ON INVESTMENTS				
- Unrealised	6	42,910	18,647	44,086
REVALUATION OF PROPERTY	6	-	200,000	-
NET MOVEMENT IN FUNDS	8	47,508	220,988	38,352
FUND BALANCE BROUGHT FORWARD	8	908,883	687,895	649,542
FUND BALANCE CARRIED FORWARD	8	956,391	908,883	687,895

BALANCE SHEET YEAR ENDED 31 DECEMBER 2020

	Note	2021 £	2020 £	2019 £
FIXED ASSETS - PERMANENT ENDOWMENT				
Tangible fixed assets	2,4	600,000	600,000	400,000
Investments	2,4,5,6	341,338	298,428	279,780
TOTAL FIXED ASSETS	4	941,338	898,428	679,780
CURRENT ASSETS - UNRESTRICTED	8			
Deposit	3	7,080	7,076	7,046
Cash at bank and in hand	3	7,973	3,380	1,069
TOTAL CURRENT ASSETS	8	956,391	908,884	687,895
CURRENT LIABILITIES - UNRESTRICTED	7			
Creditors	7.1	0	(30)	0
Accruals	7.2	0	(3,000)	0
NET ASSETS		956,391	905,854	687,895

Approved by the Trustees on 24th April 2022 signed on their behalf by:

Bob Older

Robert Grenville Older (Trustee)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value except for investment assets, which are shown at fair value.

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 adoption of the 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) as amended by the Update Bulletin 1 for accounting periods beginning on or after 1 January 2016 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn. The financial statements are prepared in accordance with the Charities Act 2011.

The Curate's Endowment Fund constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Curate's Endowment Fund's ability to continue as a going concern. With respect to the next reporting period, the most significant areas of uncertainty are the maintenance of investment income at current levels plus inflation and the sufficiency of budgeted allowances for upkeep of fabric and infrastructure.

2. INCOME

2.1 Investment Income

Dividends and interest are accounted for when due and payable. Tax recoverable on such income is recognised in the same accounting year.

Rental income from the letting of the Fund property is recognised when the rental is due.

2.2 Gains and losses on investments

Realised gains or losses are recognised when the investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31st December.

3. EXPENDITURE

Grant Making

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

4. FIXED ASSETS

4.1 Tangible Fixed Assets

The property owned by the fund is valued at the market value when last valued as at 31st December 2020. No depreciation is provided for. Any permanent change in value will be accounted for when the property is next revalued.

4.2 Investments

Investments are valued at market value at 31st December each year.

4.3 Current Assets

Amounts owing to the Fund at 31st December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

4.4 Classification of Assets

Fixed assets, representing capital in the fund are classified 'permanent endowment'. Current assets, representing retained income are classified 'unrestricted'.

5. PROPERTY

The property was occupied by a church staff member, free of charge, until mid-October 2020 and, after necessary preparations, was let to third parties from 29th January 2021.

6. RETURN ON INVESTMENT (ROI)

Investment	2021	2020	2019
67 Fieldway	n/a	50%	n/a
Invested Funds	17.28%	9.67%	22.15%

The return on 67 Fieldway reflects revaluation in 2020 with previous valuation in 2010 – an average in The period since last valuation of 4.61%.

Investments comprise shares in the Church of England Central Board of Finance (CBF) Income Fund managed by CCLA. Total Annual Return on investments includes unrealised Gains/Losses and Dividend

31st December 2021			31st December 2020		
No. of Shares	Market Value	Historical Cost	No. of Shares	Market Value	Historical Cost
14,595	341,338	£64,885	14,595	£298,428	£64,885

Shares were originally purchased in 1988

7. LIABILITIES

7.1 Creditors None

7.2 Accruals None

8. MOVEMENT IN FUNDS

	Opening	Income	Expenditure	Investment Gain/(Loss)	Closing
Endowment	898,428	-	-	42,910	941,338
Unrestricted	10,456	26,408	(21,810)	-	15,054
TOTAL	908,884	26,408	(21,810)	42,910	956,391

9. TRUSTEE REMUNERATION

None of the trustees or the key management of the PCC or related persons received any remuneration or reimbursement of expenses from the Fund during the year (2020: £Nil).