

**The Beacon Parish of St Margaret's,
Ditchling, Streat Parish Church and St Martin's Westmeston**

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
OF THE
PAROCHIAL CHURCH COUNCIL
For the year ended 31 December 2022**

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Ditchling, Streat and Westmeston Parochial Church Council

Incumbent: The Reverend D Wallis, The Vicarage, 2 Charlton Gardens, Lewes Road, Ditchling
East Sussex, BN6 8WA

Independent examiner: Maxwell-Gumbleton & Co, 1 West Street, Lewes, East Sussex
BN7 2NZ

Bankers: HSBC, 38-40 South Road · Haywards Heath · West Sussex · RH16 4LA

The Parish of St Ditchling, Streat and Westmeston (the Beacon Parish) is a registered charity, number 1132488.

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

Annual Report for 2022

Administrative information

The Parish is a charity and registered with the Charity Commission within the meaning of the Charities Act 2011, Number 1132488. The Parish Office is at the Vicarage, 2 Charlton Gardens, Lewes Road, Ditchling, BN6 8WA. After the Annual Parochial Church Meeting on Sunday 1st May 2022 the following served as members of the Parochial Church Council (PCC):

Incumbent:	The Reverend David Wallis Chairman	
Reader:	Mrs Colyeen Blanchard	
Churchwardens:	Mr Paul Charman Mrs Tessa Haughton Dr Keith Hine Mr Mike Sewell	
Elected Members:	Mrs Margaret Bovill	Secretary
	Mr Simon Davey	
	Mrs Heather Evans	
	Mrs Sherrian Guest	
	Sir Mark Moody-Stuart	Treasurer
	Mrs Virginia De La Pole	Verger
	Dr Robert Sansom	
	Mrs Susan Sewell	Bookkeeper

Dr Robert Sansom stepped down in November to undergo treatment. The PCC pray for his health and thanked him for his enormous contributions to the Parish.

Structure, governance and management

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. Membership of the PCC is determined under the Church Representation Rules and consists of certain ex-officio members (the incumbent, the lay reader licensed to officiate in the church), the churchwardens and members of the Deanery Synod and the members of the church who are elected at the Annual Parochial Church Meeting (APCM). Members are warmly encouraged to stand for election to the PCC and we try to ensure a balance of skills and experience where possible.

Objectives and Activities

The primary objective of the Beacon Parish of Ditchling, Streat and Westmeston is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC has the responsibility of co-operating with the incumbent, the Reverend David Wallis, in promoting in the ecclesiastical Parish the whole mission of the Church pastoral, evangelistic, social and ecumenical.

We have considered the Charity Commission's guidance on public benefit and the supplementary guidance on charities for the advancement of religion. We try to enable all residents of the Parish to live out their faith as part of our community. The three churches of St Margaret's Ditchling, St Martin's Westmeston and Streat are open to all, and pastoral support and social and community activities are available to all, regardless of membership of the church or beliefs.

Achievements and performance

Church attendance

There are 163 (165) parishioners on the church electoral roll of the Beacon Parish (figures in brackets are those for 2021). Numbers have declined from 200 in 2018. Forty-three members live outside the Parish.

With the easing of the pandemic we were able to move towards normality in our services. There were regular 10 am Sunday morning Communion services in St Margaret's except for the eight Sundays in the year when there were 10am Communion services in Westmeston (four, including a harvest festival) or Streat (four). There were also regular Wednesday 10am Communion services at St Margaret's. At St George's Park, a large retirement village complex in the Parish run by the Augustinian order, regular fortnightly services of Holy Communion were held in the chapel of the complex. This is an important and much appreciated part of the work of the Parish as the population of the complex is as large as that of the villages of Streat or Westmeston.

Attendance at normal Sunday services at St Margaret's averaged 48 (with two children). There were only four normal Sunday services at St Martin's Westmeston, attended on average by 40 people (with one child). This number was nearly double the number in previous years when service had been held at the same time as the normal service in St Margaret's; the numbers increased due to some attendance from normal attenders at St Margaret's. There were also only four normal Sunday services in Streat with average attendance of 25. Streat church was closed for building works from September onwards. The Wednesday 10 am Communion service at St Margaret's had average attendance of 13. Attendance at the Thursday services at St George's Park varied between 20 and 30.

Attendance at Christmas services was high at all three churches. At St Margaret's on Christmas Day there were 123 (and three children) but with 587 (including 149 children) at a crib service on Christmas Eve, and 122 (including 16 children) at the Carols by candlelight service on the 18th December. At St Martin's, Westmeston there were 39 people (with 5 children) on Christmas morning, with 68 (including 11 children) at Carols by candlelight on the 17th. Although Streat Church was closed 35 people attended a Carol service on 11th December at Streat Place and a service at the war memorial in November.

Good Morning Friday meetings for fellowship, prayer and readings were held weekly with average attendance of 16. A five session online Lent Course with the Bishop of Horsham was attended by an average of 14 and an online three session advent course was led by the Vicar and Canon Sills and joined from an average of 38 locations, many with several attendees bringing numbers to around 50.

There were special services for various occasions (schools, harvest, remembrance, animal blessing) at all three churches at different times of the year which were well attended. Apart from Streat being closed for building work from September on, all three churches were opened daily to the public during the day throughout the year and there were many passing visitors.

All classes in St Margaret's Primary School visited the Prayer Spaces in St Margaret's in relays with our youth worker and there was a gathering for the Acorns Nursery and Forest School in St Martin's also led by our youth worker.

With the new Wi-Fi technology in St Margaret's installed during the year it became possible to record services in the church so that they could be streamed live or viewed later at home. It is difficult to gauge average online participation accurately, but viewings have ranged from 15 to 60 or so depending on the date of the service.

There were 11 (five) baptisms, and six (four) weddings. There were 22 (14) funerals or interment of ashes and three services at crematoria only (figures in brackets are those for 2021).

Review of the year

1. **The PCC** met eight times during the year, with the first three meetings online by Zoom and the remainder in person. The average level of attendance of some two thirds of the members was down from three quarters last year. Committees met between meetings and minutes of their deliberations were received by the full PCC and discussed where necessary.
2. **The Emmanuel Centre.** The Emmanuel Centre was used for meetings of the youth group and events for Ukrainian guests etc. The Centre was also hired for dance classes etc.
3. **Youth Work**

Our youth worker Gary Pickett, shared with the neighbouring Parish of Clayton and Keymer, holds very popular after school clubs in St Margaret's Primary School, Ditchling. The links between the church and the Primary School are now very strong and Gary is in the school every week leading collective worship with all year groups. Feedback from the staff and children is very encouraging. At the end of each term there is a service in St Margaret's Church where the whole Primary School attend, with many parents and there are also end of term services for the nursery school within the school. Gary also attended two school residential events.

The youth group which meets weekly in the Emmanuel Centre during school terms has also grown to a membership of 12 young people.

The May camp was attended by 28 young people from the Beacon Parish and Clayton and Keymer. During the summer Gary also organised family fun holiday activities.

In August Gary led a mission trip to Kagando in southwest Uganda with some members of the Beacon and Clayton parishes attending.

Gary also led services in St Martin's Westmeston for the Acorns Nursery and Forest School based in the Westmeston Parish Room with the last being in July 2022 as the nursery has now moved out of the area.

4. The Fabric Committee Report

The main work during the year was the commencement of the long-delayed installation of a toilet and servery in Streat Church. Applications not only to the Diocese but also to the many other regulatory and interested parties were completed. Work commenced in August but there have subsequently been many changes to reduce the initially very expensive design proposed by the architect. There have been severe delays in completing the legal agreement to provide the rights to allow for the crossing of a private bridleway by the pipes connecting the waste from the church to the cesspit tank to be installed in the south churchyard. This has meant that the drainage work is not expected to complete until the summer of 2023.

Checks were carried out on the electrical systems of all three churches and remedial work done. For details of the expenditure and work done see section B (iii) Church Buildings below.

6. Finance Committee

The committee met four times online during the year. The arrangement by which Mark Moody-Stuart acts as Treasurer while Sue Sewell acts as Bookkeeper continues. Monthly statements of income and expenditure are prepared by Sue and circulated to the committee and the PCC for

review. We continue to make all payments, such as those to our youth worker, organists and cleaners, using HMRC's Pay as You Earn (PAYE) system for income tax and National Insurance.

The work reported last year on our investments to increase the income from the PCC investments continued. The income from the Abergavenny Project investment was changed from accumulating in the fund to accruing to the PCC deposit account. With agreement of the PCC the entire investment in the CBF UK Equity Income Fund was sold to fund the work on Streat Church and meet the deficit on the PCC income which has continued since 2016. Unfortunately, the value of our investments fell due to market conditions, reversing previous gains. As noted elsewhere this ongoing deficit is plainly unsustainable. See sections 8 and 10c below.

Gift Aid recovery and re-claiming Gift Aid are carried out by Sue Sewell, who keeps track of all donations. Mark Moody-Stuart makes the online submissions now required by HMRC. The £14,810 recovered in 2022 is important added income (£25,824 in 2021). The decrease in Gift Aid recovery from 2021 is due to some Gift Aid from 2020 not being accrued for and which therefore show when received in 2021, plus additional recovery in 2021 for the Westmeston Path and Ditchling Clock appeals.

Parish Giving Scheme. The Parish joined this central scheme in 2015. It has the advantage of reducing local administration on Planned Giving, particularly with respect to timely recovery of Gift Aid from HMRC. It also provides a method of increasing Planned Giving by direct debit in line with inflation where this is agreed by the donor.

Approval of accounts. The PCC continues to use Maxwell-Gumbleton and Co on a commercial (and very significantly discounted) basis to prepare the annual accounts in the approved form.

7. Financial Review

A. Incoming Resources

- i. **The total of incoming resources** was £164,523 an increase of £10,931 over the £153,592 in 2021. Total voluntary income remained flat at £111,205 with an increase in legacies offsetting reductions elsewhere. The slight increase in other income was due to increases in fundraising activities (some £2,100) and hire of church land and buildings (some £2,000) and an increase of some £1,000 in wedding and funeral fees.
- ii. **Voluntary giving** in the Parish in the form of Planned and Unplanned giving continued the earlier year's decline from some £68,500 in 2021 to £62,102. Planned Giving through standing orders and envelopes continued to decline from £21,397 to £16,523, partly due to some regular donors leaving or switching to the Parish Giving Scheme. However, reversing the trend of the previous year, Planned Giving through the Parish Giving Scheme actually decreased from £36,506 to £33,184 which is very disappointing. Thus, overall Planned Giving declined by some £8,200 or some 14 percent. Unplanned Giving increased from £10,597 to £12,395 and collections at weddings and funerals and other services also increased markedly from £1,430 to £7,497, both probably due to the return of in person services. These increases were not enough to offset other declines in income and we cannot depend on unplanned sources. Campaigns to reverse the decline in committed voluntary income are clearly not yet delivering measurable results.
- iii. **Special Appeals:** The PCC continues to appeal for general funding as well as support for our youth work. Youth work has so far raised £1,119, the bulk of which came from a single donation. The Giving Team continues to be very active on developing and implementing proposals (See Section 8 below).

Legacies. The PCC is most grateful for three legacies during the year amounting to £12,000. Howell Davies left £5,000 which by agreement with the family was applied to the purchase and installation of a new St Margaret's sound system. Brenda Steptoe left £2,000 and Carolyn Webb £5,000.

- iv. **Grants.** The PCC is very grateful for a grant from the Turner-Dumbrell Foundation (£3,000) and the Parish Council of Westmeston (£350) for the upkeep of the St Margaret's and Westmeston churchyards respectively. The Turner-Dumbrell Foundation had previously made a grant of £725 to cover the replacement of the batteries in the defibrillators of all three churches. This has now been done at a reduced cost of £612 and the balance put towards the churchyard. The PCC is also grateful for a grant of £15 for the upkeep of War Graves as well as an energy grant of £250 from the Diocese.
- v. **The Friends of St Margaret's.** The Trustees of the Friends have previously indicated that their current income should allow them to support some £10,000 of expenditure per annum without drawing on capital. This year the Friends generously granted £3,732 for St Margaret's path repair, £4,488 for electrical work in St Margaret's and £2,590 towards the audio-visual system.
- vi. **The St Margaret's School House Trust.** The PCC is grateful as the Trust is committed to give 11/14th of its income to the School and 3/14th for Church youth work. The Trust made a grant of £378 towards the costs of the Nativity scene in St Margaret's and also bought bibles for the reception class at the school as well as for leavers.
- vii. **Fundraising income** from events such as the Apple Day, Souper Saturday, Jubilee Tea, Safaris Supper, wreath making and plant sales contributed £4,862 an increase from £2,723 in 2021. This is an important source of income. Rental of the St Margaret's carpark on a weekday to a local vendor of fruit and vegetables raised a further £1,980. However, this is not expected to continue in 2023.
- viii. **Investment income** at £15,381 increased significantly by some 67% from last year but will decline in future years as investments are sold to cover deficits. The overall value of all investments fell from £591,851 to £411,642 due partly to the sale of £93,805 worth of investments to cover the funding of the work at Streat church, the major electrical safety works and audio equipment purchases, as well as the ongoing deficit. This is coupled with a market value decline of some £86,000.
- ix. **Fees from weddings and funerals** increased to £13,665 from last year's £12,511, before fees to the Diocese of £3,010.

B. Expenditure

- i. Total resources expended were £244,902 an increase of £70,471 from £174,431 last year. This was largely a result of increased expenditure on Major Works (comprising the work on Streat church, electrical works in all three churches, audio-visual upgrade and broadband installation in St Margaret's) by £69,384 from £16,879 to £86,263 after VAT recovery where applicable.
- ii. The largest item was £76,967 for the Parish Share to the Diocese, increased by 3.6% from £74,300 last year. This Parish Share covers the housing, stipend and pension costs of the clergy, plus a sum for diocesan central costs, clergy training and a contribution to national church funds. Some 60% of the Parish Share goes on our clergy stipend, pension and housing costs, 20% on parish support services (safeguarding, youth, finance etc.), 16% on training new clergy and curates and 4% on the central church and poorer dioceses. The cost of insuring our churches is now borne directly by the Parish. The Parish currently fully meets the costs allocated to it by the Deanery.

After a period of a continuous rise in the Parish Share due to inflation as well as the need for increasing contributions to fund clergy pensions, strenuous control efforts on the part of the Diocese and Deanery and all other parishes paying their full share has allowed the Parish Share to be held more or less constant until this year. While the majority of the total Parish Share paid relates directly to the costs of this Parish, the PCC's ability to sustain payment is critically dependent on our ability to continue to increase income to meet rising costs.

- iii. **Church buildings:** The commencement of work on the Streat toilet and servery has been the main expenditure of £71,126 (£59,409 after recovery of VAT). We expect the work to be completed by the middle of 2023. This expenditure is being set against the Streat Barn Mission Fund, but this is part of the PCC general funds which are being depleted by our ongoing deficits. The other major work has been on bringing the electrical infrastructure in all three churches into compliance with current standards at a total cost of £13,764 (£11,470 after recovery of VAT). We are fortunate that all this work has been covered either by the Friends of St Margaret's (£4,488) or by drawing on accumulated profits from the Swan Perkins, Mabel Baines and Lambert endowments for Streat and Westmeston. Another major expenditure was the upgrade of audio-visual equipment in St Margaret's (£11,054 funded by a legacy and the Friends of St Margaret's) and installation of broadband (£4,330).

The Emmanuel Centre. The deficit of income against expenditure was only £277 (income £2,861 and expenditure £3,138) versus last year's deficit of £3,189. Income came from the ballet school and fitness club. Income and costs are shared with The Point. The expenditure in 2019 on repairing the roof of the Emmanuel Centre (shared with The Point) is being recovered by a rental rebate from the freehold owners with an extension of the lease term to 2026 to allow recovery.

- iv. **Churchyards.** The total cost of churchyard maintenance was £10,938. Routine mowing was £5,170 with additional landscaping of £2,036. In addition the tarred path at St Margaret's was improved at a cost of £3,732. Voluntary working parties supported maintenance in all churchyards. St Margaret's churchyard upkeep was supported by a grant of £3,000 from the Turner-Dumbrell Foundation and the St Margaret's path work by the Friends of St Margaret's. The PCC is grateful for a grant of £350 from the Parish Council of Westmeston.
- v. **Donations** collected in church amounted to £1,459, compared to £603 last year and were passed to several charities (the Royal British Legion, Sight Savers, Water Aid and Macmillan Nurses). In addition, £1,200 was donated from funds raised by Souper Saturday to the Ukraine appeal.

8. Financial Situation, Outlook and Future Plans

The day to day running of the Parish continues to be in persistent and growing current deficit. The headline deficit of £80,379 compares with a deficit of £20,839 for 2021. This is the seventh year of deficit financed by drawing on reserves. Allowing for major expenditure of £59,409 after VAT recovery on Streat Church and expenditure on broadband installation of £4,330 underlying deficit would reduce to £16,640 compared to £20,839 in 2021. The other major one-off expenditures on remedial electrical work in all three churches and the audio-visual equipment upgrade in St Margaret's were covered by legacies, grants and income from endowment funds. However, this reduction of the underlying deficit is due largely to an increase in unpredictable items such as legacies (increased by £11,000) and other variables such as the number of weddings and funerals. For greater security and to stop the unsustainable drain on reserves we need to increase income by some £20,000 per annum through committed regular giving and repeatable fundraising events.

Unfortunately, the picture on regular giving is not encouraging. Regular committed giving through standing orders or the Parish Giving Scheme actually fell by some £8,200 to £49,707. Perhaps

because of a full return to in person attendance, cash and Good Box collections at services as well as at weddings and funerals rose by £6,067, partly offsetting the decline of regular giving. Unless the problem of the deficit can be addressed, we will be faced with making difficult expenditure cuts such as whether for example we can afford to continue funding youth work. The 2023 budget shows a projected deficit of some £65,500 of which major planned works expenditure of some £43,000, so an underlying deficit of some £22,500.

Costs: Every effort is being made to reduce and contain costs but the scope is limited. We have reduced churchyard maintenance costs with a new regular mowing contract, but this was more than offset by path repairs and necessary work on trees. The need for remote attendance and other requirements has resulted in greater investment in audio-visual equipment and broadband connection.

Youth Worker costs comprising salary, pension and activity expenses are shared equally with our neighbouring parish of Clayton with Keymer and were some £13,000 per year for our half share. These salary and pension costs will increase in 2023 due to the high level of inflation in 2022

Restricted and Endowment Funds. The Parish has Restricted and Endowment Funds combined of £303,235, down from £342,470 due to market movements. The largest parts of these Funds relate to Streat Church and St Martin's Westmeston and the dividend income can be used to fund major works. The Friends of St Margaret's fund holds significant reserves committed to the fabric of St Margaret's. We are thus fortunate that the current underlying situation in relation to the preservation and maintenance of our three ancient and historic buildings is reasonably sound. However, the cost of the work on Streat church in 2022 has resulted in the need to realise some of the additional investments underlying the Unrestricted and Designated Funds, reducing future income generation. Unrestricted and Designated Funds now stand at £178,358, a reduction of £127,548. The cushion used to fund our ongoing underlying deficits is thus steadily depleting.

Future Work on Churches. The PCC decided that in view of the shortage of funds the previously proposed reordering of St Martin's to install a toilet would be postponed indefinitely. However, work will be needed to address an issue of a sagging floor in the southwest corner of St Martin's. This will hopefully not be major so that it can be covered by income from dedicated endowment funds. Completion of the work in Streat is covered in B iii above. There should be no major work in St Margaret's although repairs will be needed to some frost damaged rendering and also adjustments to some external and internal doors.

A Stewardship Campaign launched in 2019 has been revitalised with the formation of a Giving Team. A series of excellent and well-attended workshops on "Generosity" were held as well as a "Generosity Week" and a talk in church on our financial needs. Contactless donations in the churches have proved very useful. However, unfortunately there has so far been no impact on regular giving, which has steadily declined. Previous appeals for the repair of the Westmeston church path and for the clock on St Margaret's have shown the effectiveness of well planned and executed fundraising campaigns for specific causes and could be implemented for example for Youth Work. However, it is important that we convert any such support into ongoing increased Planned Giving to put our overall budget into 'the black'. We should also continue to raise funds by social events and other means to cover the inevitable cost increases. Areas for trimming costs will be considered where appropriate, but as noted above we need to raise at least an additional £20,000 a year taking into account our ongoing deficit.

9. **Risk:** The PCC has a Health and Safety policy covering inter alia risk assessments and there are also Safeguarding Policies (see 11 below). Risk assessments are carried out for events and activities. The possibility of major repairs is covered by a variety of dedicated funds (see 8 above). The major risk is therefore the continued shortfall of income versus rising ongoing costs resulting

in declining reserves. Immediate effects are covered by our Reserves Policy (see 10 below), but a proactive stewardship campaign to address this trend remains vital.

10. Reserves Policy

- a. **PCC Reserves policy** is to maintain a readily accessible cash balance of unrestricted funds (excluding property) equal to at least approximately two months' worth of average expenditure as a contingency against unforeseen situations. The closing balance this year achieved this.
- b. **Funds Invested.** The overall net assets of the PCC decreased by £166,783 from £648,376 to £481,593. This was mainly due to a decrease in the value of the invested assets from £591,851 to £411,642 and the large overall deficit. The fall in markets has shown that the Parish cannot depend on growth in the PCC investments and furthermore those investments are being drawn on to fund the ongoing deficit reducing both dividend income and any potential for future growth. Without an increase in voluntary income this negative spiral will continue.
- c. **The Restricted Funds** and the **Endowment Funds** together decreased by £39,235 to a total of £303,235 due to market performance of the underlying investments and some withdrawal of income for work in Streat and Westmeston. The balance of all restricted funds is reserved for the use to which the original endowments or donations were given. Such funds are listed on page 18, note 11 to the Financial Statements.
- d. **PCC investment policy.** To invest funds in either a CBF Church of England Investment Fund or the CBF Church of England Deposit Fund. PCC current and deposit accounts are held with HSBC.

11. Safeguarding Report

Our Policy is reviewed annually before the APCM and appears on the Beacon Parish website (www.beaconparish.co.uk) and the notice boards in our churches and in the Emmanuel Centre. As members of the Parish PCC we are committed to the safeguarding, care and nurture of all our congregation and members and recognise that safeguarding is everyone's responsibility.

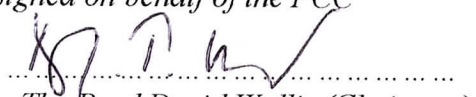
As a Parish, we follow the Church of England's safeguarding policies and practice guideline documents which have also been adopted by the Diocese of Chichester. The link to these documents and other useful safeguarding websites appear on the Parish Safeguarding tab on our website. We also seek advice as needed from the Diocese Safeguarding Team at Church House, Hove.

Tessa Haughton, Churchwarden in the Parish, is Acting Safeguarding Officer. We continue to ask others to take on this role but have been unsuccessful in appointing a new Safeguarding Officer. Risk Assessments are checked in the Spring prior to the APCM. Any Risk Assessments for individual events held in the Parish are up to date. All members of the Parish who help are checked through the Disclosure and Barring Service (DBS) and the majority of these are at an enhanced level. We note that these need to be updated every 3 years. We also check that all members who require safeguarding training are up to date.

Tessa Haughton Acting Safeguarding Officer

January, 2023

Signed on behalf of the PCC


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The Revd David Wallis (Chairman)

Date 15/03/23

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTES	2022 Unrestricted Funds	2022 Restricted Funds	2022 Endowment Funds	2022 Totals	2021 Totals Restated
		£	£	£	£	£
INCOMING RESOURCES						
Voluntary income	2a	97,528	13,677		111,205	111,249
Activities for generating funds	2b	4,862			4,862	2,723
Income from investments	2c	7,986	7,395		15,381	9,218
Church activities	2d	18,536			18,536	14,846
Other incoming resources	2e	14,539			14,539	15,556
Total incoming resources		143,451	21,072	0	164,523	153,592
RESOURCES EXPENDED						
Raising funds	3a	1,215			1,215	309
Church activities	3b	243,687			243,687	174,122
Total resources expended		244,902	0	0	244,902	174,431
NET INCOMING/ (OUTGOING) RESOURCES BEFORE TRANSFERS		(101,451)	21,072	0	(80,379)	(20,839)
GROSS TRANSFERS BETWEEN FUNDS	5	19,897	(19,897)		0	0
NET INCOMING/ (OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS/(LOSSES)		(81,554)	1,175	0	(80,379)	(20,839)
Gains/(losses) on revaluation of fixed assets	7	(45,994)	(20,801)	(19,609)	(86,404)	72,503
Gains/(losses) on disposal of fixed assets		0	0	0	0	0
NET MOVEMENT IN FUNDS		(127,548)	(19,626)	(19,609)	(166,783)	51,664
Fund balances brought forward at 1 January 2022		305,906	195,281	147,189	648,376	596,712
Fund balances carried forward at 31 December 2022		178,358	175,655	127,580	481,593	648,376

The notes on pages 11 to 19 form an integral part of these financial statements

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

BALANCE SHEET AT 31 DECEMBER 2022

	NOTES	2022	2021
FIXED ASSETS		£	£
Investments	7	411,642	591,851
Total fixed assets		<u>411,642</u>	<u>591,851</u>
CURRENT ASSETS			
Debtors	9	26,656	13,321
Short term deposits		40,573	40,228
Cash		<u>27,226</u>	<u>7,759</u>
		94,455	61,308
CURRENT LIABILITIES			
Creditors falling due in <1 year	10	(24,504)	(4,783)
NET CURRENT ASSETS		<u>69,951</u>	<u>56,525</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>481,593</u>	<u>648,376</u>
NET ASSETS		<u>481,593</u>	<u>648,376</u>
FUNDS			
Endowment funds	11	127,580	147,189
Restricted funds	11	175,655	195,281
Unrestricted funds	11	<u>178,358</u>	<u>305,906</u>
		<u>481,593</u>	<u>648,376</u>

Signed on behalf of the PCC

The Revd David Wallis  (Chairman)

Date 15/03/23

The notes on pages 11 to 19 form an integral part of these financial statements

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting Policies

Charity information

Parochial Church Council of Ditchling, Streat and Westmeston is an unincorporated charity registered with the Charity Commission under the reference 1132488.

(a) Accounting convention

These financial statements have been prepared 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), the Charities Act 2011 and UK Generally Accepted Practice as it applies from January 2015. The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest £.

(b) Funds accounting

Funds held by the PCC are:

Unrestricted funds - these represent the remaining income funds that are available for spending on general purposes of the PCC, including amounts designated for spending on a future project and which are therefore not disclosed in its 'free reserves' as disclosed in the trustees report.

Restricted funds - these are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are shown in the notes to the accounts.

Endowment funds - these are restricted funds that must be retained as trust capital either permanently or subject to a discretionary power to spend capital as income, and where the use of any income or other benefit derived from the capital may be restricted or unrestricted. Full details of all their restrictions are shown in the notes to the accounts.

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 December 2022

1 Accounting Policies (Continued)

(c) Income resources

All income resources are accounted for gross.

Voluntary income

Planned giving, collections and similar donations are recognised when received. Tax refunds are recognised when the incoming resources to which they relate is received.

Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonable certain and the amounts due are readily quantifiable.

Income from investments

This is included in the accounts when receivable.

Gains and losses on investments

This includes any gain or loss on sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

All other income

All other income is recognised when it is receivable.

(d) Resources used

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All expenditure including support costs and governance cost are allocated or apportioned to applicable expenditure headings, as noted below.

Support costs are those that assist the work of the PCC but do not directly represent charitable activities and include office and governance costs. They are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of the resources.

Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees. Where they cannot be directly attributable to particular headings they have been allocated on a basis consistent with the use of the resources.

(e) Church activities

The diocesan parish contribution is accounted for when paid. All was paid before the end of the year.

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 December 2022

1 Accounting Policies (Continued)

(f) Fixed assets

Tangible fixed assets

In so far as consecrated and benefice property of any kind is excluded from the statutory definition of "charity" by Section 10(2) (a) and (c) of the Charities Act 2011 such assets are not capitalised in the financial statements.

Movable church furnishing held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected but are not included in the accounts. For inalienable property acquired prior to 1 October 2007 there is insufficient cost information available and therefore such assets are not valued in the accounts. No individual items have been acquired since 1 October 2007.

All expenditure on consecrated or beneficed buildings and individual items costing under £5,000 are written off in the year they were incurred.

Depreciation

Depreciation is calculated to write down the cost of tangible fixed assets, excluding freehold properties, over their expected useful lives.

(g) Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on the revaluations and disposals throughout the year.

(h) Short term deposits

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Income resources

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £	TOTAL FUNDS 2021 £
a <i>Voluntary income</i>					
Planned giving	49,707			49,707	57,903
Unplanned giving	12,395			12,395	10,597
Collections at all other services	7,497			7,497	1,430
Special appeals income	1,119			1,119	1,250
Income tax recoverable	14,810			14,810	25,824
Grants		13,677		13,677	13,245
Legacies	12,000			12,000	1,000
	97,528	13,677		111,205	111,249
b <i>Activities for generating funds</i>					
Fetes, bazaars and other fund-raising events	4,862			4,862	2,723
	4,862			4,862	2,723
c <i>Investment income</i>					
Dividends and interest	7,986	7,395		15,381	9,218
	7,986	7,395	-	15,381	9,218
d <i>Income from Church Activities</i>					
Hire of Emmanuel Centre	2,861			2,861	2,315
Hire of church land/buildings	2,010			2,010	20
Fees from Weddings & Funerals	13,665			13,665	12,511
	18,536			18,536	14,846
e <i>Other incoming resources</i>					
Sundry income	14,539			14,539	15,556
	14,539	0		14,539	15,556
Total incoming resources	143,451	21,072	-	164,523	153,592

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Resources expended

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £	TOTAL FUNDS 2021 £
a <i>Raising Funds</i>					
Fund Raising Events costs	1,215			1,215	309
	<u>1,215</u>			<u>1,215</u>	<u>309</u>
b <i>Church Activities</i>					
Missionary and charitable giving:					
Secular Charities	2,659			2,659	603
Home:					
Home Mission				-	
	<u>2,659</u>	<u>0</u>		<u>2,659</u>	<u>603</u>
Ministry costs:					
Diocesan parish contribution	76,967			76,967	74,300
Other clergy costs	6,936			6,936	6,492
Church running expenses	11,386			11,386	8,703
Church maintenance	4,830			4,830	10,100
Upkeep of services	9,707			9,707	11,421
Upkeep of churchyard	10,938			10,938	5,921
Emmanuel Centre running costs	3,138			3,138	5,504
Youth Work	26,357			26,357	27,859
Toddler Group	-			-	42
Major works and repairs	86,263			86,263	16,879
Administration, stationery etc.	2,993			2,993	4,014
Independent examination fee	1,134			1,134	1,134
Miscellaneous costs	379			379	1,150
	<u>243,687</u>	<u>0</u>		<u>243,687</u>	<u>174,122</u>
Total resources expended	<u>244,902</u>	<u>0</u>		<u>244,902</u>	<u>174,431</u>

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

4 Staff costs

	2022	2021
	£	£
Wages and salaries	25,631	24,856
Pension costs	1,480	1,400
	<u>27,111</u>	<u>26,256</u>
Average employee numbers	3	3

4(a) Payments to PCC members

During the year the trustee, Paul Charman, was paid £5,120 for churchyard maintenance services and the trustee, Virginia de LaPole, was paid £794 for cleaning services.

5 Analysis of transfers between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £
Restricted income towards Streat	1,418	(1,418)		-
Restricted income towards Westmeston	4,190	(4,190)		
Restricted income towards defibrillator batteries	612	(612)		
Grant towards St Margaret's path repair	3,732	(3,732)		
Grant towards St Margaret's electrical works	3,740	(3,740)		
Grant towards St Margaret's audio equipment	2,590	(2,590)		
Energy cost grant	250	(250)		
Grant towards war graves	15	(15)		-
Grants towards churchyard upkeep	3,350	(3,350)		
Total	<u>19,897</u>	<u>(19,897)</u>	-	-

6 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Independent examination fees		1,134	1,134	1,134
		<u>1,134</u>	<u>1,134</u>	<u>1,134</u>
Analysed between:				
Charitable activities		1,134	1,134	1,134

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

7 Investments

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Market value 1 January 2022	267,164	177,498	147,189	591,851
Purchases at cost		39,225		39,225
Disposal proceeds	(93,805)	(39,225)		(133,030)
Revaluation of investments	(45,994)	(20,801)	(19,609)	(86,404)
Market value 31 December 2022	127,365	156,697	127,580	411,642

8 Analysis of Net assets by fund

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Investment fixed assets	127,365	156,697	127,580	411,642
Cash and deposits	48,841	18,958		67,799
Debtors	26,656			26,656
Current liabilities	(24,504)			(24,504)
	178,358	175,655	127,580	481,593

9 Debtors

	2022 £	2021 £
Gift aid recoverable	7,421	8,500
Other debtors	19,235	4,821
	26,656	13,321

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors and accruals	24,504	4,783
	24,504	4,783

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

11 Statements of funds

	Bal b/fwd 01-Jan-22	Income	Expenditure	Transfers	Gains / (losses)	Bal c/fwd 31-Dec-22
	£	£	£	£	£	£
Unrestricted Fund						
General Fund	103,246	143,387	(185,493)	19,897	(45,994)	35,043
Designated						
Audrey Day	43,346					43,346
Streat Barn Mission Fund	154,414		(59,409)			95,005
Works	4,900	64				4,964
Total Unrestricted	305,906	143,451	(244,902)	19,897	(45,994)	178,358
Restricted Fund						
Ab'gavenny Proj Invst	41,824				(4,901)	36,923
Chancel Trust Deposit	7,220	95				7,315
Choir stalls	500					500
Turner Dumbrell	725	3,000		(3,612)		113
Friends of St Margaret's	0	10,062		(10,062)		0
Other restricted income	0	615		(615)		0
Swan Perkins Trust Investment	135,674				(15,900)	119,774
Swan Perkins Trust Deposit	3,882	3604		(1,418)		6,068
Mabel Baines Deposit	385	748				1,133
Lambert 1 & 2 Trust Deposit	3,959	2,948		(4,190)		2,717
Clock Fund	805					805
Memorial Book	307					307
	195,281	21,072	0	(19,897)	(20,801)	175,655
Endowment Fund						
M Baines Trust	28,078				(3,305)	24,773
Lambert 1 Trust	14,519				(1,709)	12,810
Lambert 2 Trust	103,799				(14,497)	89,302
W H Fitzhugh Trust	479				(55)	424
Scarfe Trust	314				(43)	271
	147,189				(19,609)	127,580

Refer to page 19 for notes on funds

PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

Note 11 continued

Funds

Designated – The Works Fund (deposit) is reserved for work associated with the property of St Margaret's Church. It has its origins in the former Vicar and Churchwardens' Fund, which the Vicar and Churchwardens of St Margaret's assigned to the PCC of St Margaret's to manage.

The parish was left a legacy of £43,346 by Audrey Day. This amount has been designated to fund future projects in St Margaret's for the benefit of the parish.

The PCC received proceeds of £154,414 from the sale of Streat Barn. This amount has been designated to the "Streat Barn Mission Fund."

Restricted - The following are restricted to the purposes for which the funds have been given:

The Abergavenny Projects Fund was opened with the proceeds from the winding up of a small trust, The Abergavenny Chapel Maintenance Fund, held by the Diocese and released by the Charity Commissioners in 2004. The PCC re-titled it and restricted its use to the maintenance and restoration of St Margaret's church. Any donations received specifically for the same purpose are to be invested in this fund. This Fund is held as an investment.

St Margaret's Chancel Deposit is the fund supported by St Margaret's Chancel Trust and is held by the Diocese. It is restricted to the maintenance of the Chancel.

The Organ Fund is for donations given for the maintenance/replacement of St Margaret's organ.

Clock Fund – for money given for the maintenance of St Margaret's clock.

Hymn Books and Memorial Book – for donations to purchase hymn books and to inscribe the memorial book. Both funds apply to St Margaret's Church.

Swan Perkins Trust – furthering the religious and charitable work of the Church of England in the parishes of Streat and Westmeston including the repair and maintenance and upkeep of the fabric of the churches in the said parishes. The PCC holds an investment account and a deposit account for this Trust.

Mabel Baines – a Restricted deposit fund is held by the PCC for income from the Mabel Baines Endowment.

Endowment – The following funds are held by the Diocese on behalf of the PCC.

St Margaret's Chancel Trust – income from the capital invested is paid into the deposit account.

Mabel Baines – the income from this investment is for repairs to the fabric and furnishings of Westmeston Church and the upkeep of its churchyard.

Lambert 1 – the income from this fund is for the upkeep of a grave and the graveyard at Westmeston Church and also for the fabric of the church.

Lambert 2 – the income from this fund is for use on the fabric of Westmeston Church, unless the R M Lambert and H C Lane memorials are not kept in good shape, in which case it is for the upkeep of St Margaret's Church in memory of A.P. Lambert's wife.

Scarfe – income from the capital is to be used for the upkeep of certain graves in Streat churchyard. Any surplus is to be used for distribution to the poor of the parish each Christmas.

Fitzhugh – the income from this fund is to be used for the upkeep of the grave in Streat churchyard. The PCC holds this investment.

**PAROCHIAL CHURCH COUNCIL OF DITCHLING, STREAT AND WESTMESTON
INDEPENDENT EXAMINERS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF
DITCHLING, STREAT AND WESTMESTON**

We report on the accounts of the charity for the year ended 31 December 2022 which are set out on pages 1 to 19

Respective responsibilities of trustees and examiners

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is our responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to our attention.

Basis of independent examiners' statement

Our examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiners' statement

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

- 1 which gives us reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2 to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Maxwell-Gumbleton & Co.
Chartered Accountant
1 West Street
Lewes
East Sussex
BN7 2NZ**

Date