

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM**

**HAILSHAM PARISH CHURCH**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



**Caladine**

Chartered Certified Accountants

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Parochial Church Council</b>	Revd D Bourne (Vicar and Chair)	
	Revd R Graham (Associate Minister)	
	Revd. D Griffin (Curate)	(Appointed 12 October 2020)
	Mr D Gooding (Churchwarden)	
	Mrs M Luffingham (Churchwarden)	
	Mrs F W S Newton (Treasurer and Synod Rep)	
	Mr R K Booth	
	Miss C Bromfield (Synod Rep)	
	Dr J Canning	
	Mr C J Dadswell	
	Dr J Garvican	
	Mr P Luffingham	
	Mrs D Millar	
	Mr D Saxby	
	Mr D Sinden	
	Mrs D Sinden (Secretary and Synod Rep)	
	Miss C Smith	(Appointed 12 October 2020)
	Mrs R Smith	
	Mrs M Surrey (Synod Rep)	
<b>Charity number</b>	1132922	
<b>Principal address</b>	Vicarage Road Hailsham East Sussex BN27 1BL	
<b>Independent examiner</b>	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
<b>Bankers</b>	Barclays Bank PLC Leicester LE87 2BB	

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# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HAILSHAM HAILSHAM PARISH CHURCH PAROCHIAL CHURCH COUNCIL MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Parochial Church Council present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Church's trust deed, the Charities Act 2011 and "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) (effective 1 January 2019)".

## **Objectives and activities**

The primary objective of Hailsham Parish Church is help each other to know Jesus Christ better and to make him better known through sharing his good news for all. The PCC has the responsibility of co-operating with the incumbent, the Rev David Bourne in achieving this primary objective.

The methods used in order to achieve this objective are to hold open public Church services every Sunday both for the encouragement of those who are following Jesus, and to tell anyone who attends His wonderful news. During the Sunday morning services there is provision for children and young people to be taught this news in age appropriate groups. At least one Sunday morning each month a family service is held when the whole congregation stays together for teaching and worship. In addition, special services are held at Easter, Harvest and Christmas to celebrate these important festivals.

To supplement the teaching delivered during the weekly Sunday services, a network of smaller home groups meet together to explore the Bible in more depth. Home group leaders are regularly trained to lead these groups using devotional material provided.

Several other groups meet weekly or less frequently including:

- Pulse - an after school club for school age children and their parents. Activities are arranged for the Children as well as teaching concerning Jesus. Once each term a family meal is provided for those attending.
- ABC's - a parent and toddler group.
- The Bite In - a weekly opportunity for older folk to meet together for friendship and comfort
- Women2Women - events and activities for ladies to invite friends to.
- Men @ HPC - bi-monthly events and activities for men to enjoy and invite friends to.
- SALT - regular Bible study, discussion and activities for teens
- TNT - a group for 20's and 30's to meet, socialise and study the bible together

As well as the more regular activities, the Church is used by a number of groups in the local community. During the summer months the building is open during the daytime for anyone to visit. There are also additional activities for the children including two holiday clubs held during Easter and the school summer holidays.

## **Public benefit**

The Parochial Church Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Church should undertake.

## **Achievements and performance**

### **Overview - Looking Back - Looking Forward**

Just over a year ago I wrote of the early days of the first lockdown and the changes we faced, of the new vocabulary of 'social distance', 'Zoom' and 'livestream'. Twelve months on and many of us have grown weary, we are tired and frustrated, some are sad, others are angry, and now into the mix the hope that soon will be the beginning of the return of so much we love.



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During the past year many have suffered adversely, our health, our finances, our relationships, our holidays and celebrations have been postponed and isolation enforced. We have all been affected. Yet what has not changed through all this year is our unchanging, ever faithful God. Not for one micro-second was the throne left unoccupied, there was never a moment when heaven's King was absent. As Isaac Watts wrote, 'He rules the world with truth and grace', always and forever! Equally his love and mercy toward us have never wavered. He has remained our faithful, covenant God who works in all things at every moment for the good of his believing people. Surely that was the lesson we learned in Genesis and the story of Joseph and again in the drama of the Exodus. Yahweh, the LORD, the God who loves and saves, who no matter the cost rescues his people from sin and death and judgement, to forgive them and make them his own and lead them home. An Old Testament perspective but the same glorious gospel of Jesus, our Saviour, our Lord and our King and we in Christ his loved, blessed and forgiven people. It was true as that first lockdown began, and it remains true today. The song we have chosen for this year's profile calls on us to focus on those unchanging realities, 'turn your eyes upon Jesus'. Indeed, turn our eyes to the hillside, to the cross, turn our eyes to the morning, to the empty tomb and turn our eyes to the heavens to await his return, to the Lord Jesus who has died for us and risen again to one day return, the reigning King to take his people home! Let us never lose that perspective!

For us as the HPC family of course this last year has been very different. For some, the groups and ways of serving in which we were previously involved have been suspended, but for others life got a whole lot busier and seemingly with endless new things to learn. Our office team found lots more to do with weekly updates and the delights of Eventbrite. Life for the tech team exploded, well literally in the case of videoed school assemblies for Christmas and Easter, though with less explosive versions for our care homes! There was so much to learn, so much that could go wrong! Some of our musicians and singers discovered the art of playing/singing to a pre-recorded backing track. Some of the team learned how to tell Bible stories with Lego figures and then film themselves or join an interactive 'bake off' for Easter. Homegroups and PCC's went on Zoom while staff meetings huddled around a patio heater under a gazebo in the Vicarage garden. There were risk assessments and two metre rules, chair cleaning and masks. Some found themselves keeping in touch with others by phone, What's App or Zoom, while others found themselves shopping for those more vulnerable. The building saw lots of work underway, the west end completed, floor blocks removed and replaced or repaired, cables laid and electrics and sound and vision systems overhauled. Yes, some were very busy! For much of the time Rory took us on a daily 'ramble', input for homegroups came online, music became a delightful mix of HPC, EMU, City Alight, the Gettys (thanks so much for such musicians releasing their material to be used freely by churches during lockdown). In fact, we owe a huge thank you to so many who have worked really hard to enable the HPC family to connect and engage with God together through this time.

So, there it is, another year gone another year to welcome in the company of our King. Re-connecting with our family, welcoming those who are new, reviewing what we do, re-focusing on our mission and above all seeking the Lord. Along the way no doubt there will be hiccups, Covid may reassert itself, our return may at first be partial and patchy, it may be slower than we would like but let us not lose sight of the direction to which God is calling us and our 4 'R's' are there to help steer us. And above let us not cease to 'turn our eyes upon Jesus'!

***Now to him who is able to do immeasurably more than all we ask or imagine,  
according to his power that is at work within us, to him be glory in the church and in  
Christ Jesus throughout all generations, for ever and ever!  
Amen.***

***(Ephesians 3:20-21)***

#### **Music**

In God's good design, music (especially singing) is fundamental to human life in general and to the redeemed life of God's people in particular. God's people are – and always have been – a singing people! It's almost a year (at the time of writing) since the last occasion on which we were able to sing together as a church family. There's a clear reason for the temporary restriction on singing. Yet how we miss it!

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A recent adaptation of the hymn Turn your eyes upon Jesus was introduced during Communion on the last Sunday before church (and other) gatherings were suspended because of the coronavirus outbreak. The song has indeed been apt for the tough period that's followed, as has a scripture on which it's based: *'Let us fix our eyes on Jesus, the author and perfecter of our faith, who for the joy set before him, endured the cross, scorning its shame, and sat down at the right hand of the throne of God. Consider him who endured such opposition from sinful men, so that you will not grow weary and lose heart.'* (Hebrews 12:2-3).

We trust that the various songs chosen (largely by David Bourne) for listening to in our in-person services or singing along to whilst following at home online have been helpful to this end.

Over the past months, making use of the musical gifts God's given to HPC for our encouragement has been a unique challenge! In the summer and the first part of the autumn (following my furlough), about a dozen musicians contributed to fifteen multi-track recorded songs, meeting in small numbers and observing social distancing. Due to the Taylor family's post-holiday quarantine, Susie Graham kindly stepped in at short notice to sing and play her guitar for some songs to include in our virtual holiday club (I subsequently added some bass lines and string parts from the comfort of my study!). Certain songs recorded back in the summer and early autumn have been used a second time during the most recent lockdown.

In October, I took the time to learn how to put together a remotely-recorded song. We were able, after many hours of self-coaching, practising, recording and editing, to share a video in which sixteen members of our music team joined from their homes, singing and playing a new song by Matt Weeks with a much-needed message: 'There is hope in the mighty name of Jesus...' You can find this, along with other home-grown recordings in the songs playlist on the HPC YouTube channel. A similar project for the spring is underway, so listen out!

Although music for Christmas was scaled back compared to normal, we're thankful we had the flexibility to do as much as we did. About forty musicians contributed in one way or another over the Christmas period. Seventeen Advent and Christmas recordings of our own, prepared mainly in November, were combined with twenty-one from elsewhere, and music for selected services – including Carols by Candlelight (x3!) and Christmas Day (x2) – was done live. Twenty-four people took to the streets (cul-de-sacs and closes, mostly) in groups of 5 or 6 on December 16th to sing carols in various Hailsham neighbourhoods. This provided a chance to bring some welcome cheer as well as to let people know about our services. You can read more on the Recent Events page of our church website. An idea to repeat or develop next Christmas, perhaps...

We had envisaged that in the new year we would move to streaming live music for our Sunday services. Whilst we still intend to take this approach, further patience for now seems the best thing in the light of government guidance as updated in mid-January. Hence our thoughts have turned to preparing a handful of pre-recorded hymns and songs for Easter. Please pray for continued wisdom and leading for the post-Easter path.

Families Together for Jesus, when it met in the church lounge during the autumn, was resourced with a mixture of live music (piano and voice) and professional recordings. More recently, while meeting via Zoom, singing (and sometimes dancing) along to some great tracks in our living rooms has been a really enjoyable feature of Families Together for Jesus!

Thank you to everyone who's helped with church music over the past difficult months, not least those who've given technical support.

What a joy it'll be when we reach the stage that we can sing together as a whole church once again! We don't know when this will be, but the sovereign Lord we worship does!

*Do not get drunk on wine, which leads to debauchery. Instead, be filled with the Spirit. Speak to one another with psalms, hymns and spiritual songs. Sing and make music in your heart to the Lord, always giving thanks to God the Father for everything, in the name of our Lord Jesus Christ.' (Ephesians 5:18-20)*

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**Sunday Groups**

For several months, Cori and Lyn recorded Sunday School @ Home sessions which included a bible story, short talk, prayers, a craft activity and often guest appearances from the children's group leaders. These were available for families to access on our YouTube channel and use at home. This felt the best way forward given the situation, but we missed seeing the children and the interaction of the groups and we were never quite sure who was making use of the recordings.

So, when we could begin meeting in church again, it was agreed that we would try something different – Sunday School for families – Families Together for Jesus.

The aim was to be able to see our families face to face, encourage them to look at the bible together and help them grow in confidence to do that as a family, not just on a Sunday but throughout the week at home. Families Together for Jesus is an interactive and fun session with families sitting in their family bubbles and each session includes activities, bible story and teaching, family discussion time, creative prayers and songs. For the first few weeks we met in the main church building but moved to the church lounge complete with bunting, screens and flashing lights! Due to the size of the lounge, we had space for only 6 families, but it was working well with families booking in regularly and we (David Griffin, Chris Taylor, Rory and I) were encouraged by this. However....lockdown again!

This time we decided to continue Families Together for Jesus on Zoom. This meant that we could continue the interaction with the families each week and with the added bonus of being able to sing the songs at home! It has also meant that we are not limited to numbers and more families have been joining in each week. Some weeks we have delivered activity bags so that families have what they need for the session with some extra treats! It has been a joy to see children and adults engage with God's word, singing, dancing/doing actions to the songs and just having fun waving and seeing one another.

**Pulse**

In the first lockdown, Cori, Kim, Susie and Lyn recorded Pulse Storytime videos for Pulse families to watch on our YouTube channel. Again, this was a good way to share Jesus with both the children and adults who come to Pulse- our after-school club, but we so missed seeing them all. The Pulse team each had a number of families to stay in contact with... a regular phone call or message to check they were doing okay, a doorstep visit for a socially distanced chat whilst delivering Easter eggs and a children's Christian book or a walk or a coffee with mums (when we were allowed!)

Just before the lockdown, two of the Pulse mums had completed Christianity Explored and as they were keen to learn more, Kim and I met them on Zoom for bible studies.

Despite the challenges and distractions of waking babies and poor internet connections, it was great to be able to maintain contact with these ladies and help them to learn more about Jesus and what it means to follow him. During the HPC mission week in June, we held an online Pimm's & Pudding evening for the Pulse mums. Two team members gave their 'lockdown story' which got people thinking about what difference Jesus makes. At Christmas, a number of Pulse families engaged with the online advent calendar and came to a Christingle service. Recently, HPC has been able to support a few of these families who have been struggling with home learning by providing a printer, ink, paper and money donations. Just a little way to show them that we care about what happens in their lives and more importantly that Jesus loves them.

**ABC Playgroup**

Similarly to Pulse, although not being able to hold our weekly parent and toddler group, the team used the opportunities and the technology available to maintain contact with the families. Regular phone calls, messages and doorstep visits often delivering Easter eggs, Christian books or other treats, coffee and catch ups on Zoom and walks along the Cuckoo trail 1:1 with some of the mums have given us the chance to get to know the families better, let them know that we miss them and care about them and also an opportunity to point them to Jesus. We held a virtual Cheese & Wine party, invited them to a Christingle service (some of them came!) and a good number of families joined in with our advent window trail and watched the Christmas bedtime stories on YouTube that some of our church family kindly helped with.

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**Holiday Club**

Unfortunately, Easter 2020 Holiday Club didn't happen because of lockdown but it was fantastic to be able to put on a virtual holiday club during August with the help of Cori, David Griffin, Chris Taylor, Sara, Ken and Matt Thomas.

'The Big Top' opened each day with guest appearances from a strong man, a lion-tamer, a fire-eater and of course the ringmaster! There were bible dramas and talks which taught about Samson, Daniel, Elijah and Moses, crafts, challenges and songs and of course, thanks to Matt... crumbling buildings, fire and flying team members! A good number of children from our church family, Pulse and ABCs contacts signed up to watch and take part. A 'Big Top' Goodie bag was delivered to them beforehand, so they had all the worksheets and crafts to do each day. It was fun to receive photos and videos of the children doing the challenges or completing their crafts and it was great to hear that parents were watching and taking part at home with their children too. What an opportunity for parents to hear great truths from the Bible!

**Youth Zone**

This group, specifically for youngsters in school years 6 - 9, hasn't been able to meet since the beginning of March 2020 when nine youngsters attended (four regular church contacts and five contacts through Holiday Club and Pulse). A new team had formed comprising John Canning, Donna Mitchell, Tony and Diane Roberts, Tim and Helen Robson and Dan Saxby and Chris Taylor and a range of activities had been planned for 2020 which unfortunately couldn't go ahead. The team hope to re-start Youthzone again when restrictions lift.

**SALT – 14+ Youth Group**

SALT is the Bible study group for 14-18 year-olds at HPC. We meet weekly to chat, play games and get to know Jesus better. When we've met in person, there's plenty of excitement in the church building, on zoom we play a lot of Scattergories. Meeting online has been challenging but praise God: He still grows His church through His Word.

David and Esther Griffin joined SALT as leaders in September, and since then we've been seeing the beautiful life of Jesus from the gospel of Mark and learning about what it means for him to be the "die then rise" messiah. We've also looked at a few big questions including what the Bible has to say about abortion, and how Christians can claim to know absolute truth.

**TNT**

This is our group for mainly 20s-30s at HPC, meeting Thursday evenings weekly during term.

We are a small but select group mostly at similar stages of life, seeking to honour Jesus in our day to day lives. We 'trilled' a course by Tim Keller called Gospel in Life/Grace Changes Everything, in the summer term; there were many encouragements and challenges in examining how we as a church and as a group live as God's people in a broken world. Next we studied the Songs of Ascent, Psalms 120 to 134, alongside the general homegroups. It was thrilling to be taken on the journey to Jerusalem with the Psalmist, to share in the struggles and hopes of God's people and discovering that Jesus has fulfilled for us the requirements and promises that the Psalmist points to so that we can have great confidence and hope in our King Jesus.

Most of our meeting together this year has been via ZOOM, which has had its challenges but it has meant that Sophie could join us for a time from her home in St Albans. In the summer Cori moved to London to finish her course at Oak Hill College and Naomi left to pursue a degree, with our prayers, so we were left with three of us! We have continued to meet together and have looked at a few studies covering Biblical Womanhood followed by studies in the second half of John's gospel. We have grappled with some hard truths together and so by God's grace have grown in our love of our gracious saviour Jesus together.

**Men @ HPC**

During this turbulent year we can praise God that Men at HPC has continued to meet in various formats! It is great that we have a group of men who are willing to support each other in their walk with Jesus. During the first months of lockdown many met together in one to one's reading God's word and praying together and supporting each other. We also had zoom meetings as a group of men, looking at Men and the Fall, Men and Marriage, Men and Evangelism.



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We also had a couple of online quizzes, one in the summer and one at Christmas. We did manage to meet once in the church, albeit at distance and wearing masks. Thanks to all those who have led and those who have faithfully turned up to support each other during these challenging times.

We look forward to being able to meet in person again as a group and also be able to share in a meal together – something we have missed being able to do on zoom. But no matter what, we thank and praise God that we can continue with our walk in faith and are able to support each other.

**Oasis**

As with every group, this year has looked a bit different for the ladies' daytime Bible study group, Oasis. But God is still glorious, and studying His Word, praying for and supporting one another is still the best thing we have been able to do, in whatever way possible.

We have met both via Zoom and in person where possible. One of the highlights of meeting on Zoom has been when we have been joined by our mission partner, Asha, from India – even though she was getting up at 2am to do so.

We have also been enjoying going for walks together. Though all the restrictions are not how we would have chosen things, these walks have been a great for getting to know one another.

Recently, many of the group and their families were involved in 'Operation treat bag' - delivering a small bag of treats to all those in our church family who live by themselves. As well as bringing joy to the recipients, it has blessed us too.

We are delighted to have gained a few new faces this year; young mums and Grandmas. We welcome ladies of any age who would like to study the Bible together on a Tuesday morning. Do be in touch with Susie Graham if you would like to know more. We long for the day when we can return to our usual meeting in the lounge, with chat, refreshments, crêche, Bible study and no masks!

**Homegroups**

We must be thankful for all the ways in which technology has allowed us to be in touch with each other during this past year, but it hasn't been easy.

Home Group leaders have been remarkable in their love for their groups. They have wonderfully got their groups together, online for the most part, but in person outdoors and then indoors when that was allowed. They have prayed with and for the members of their groups and done what they can to support them in practical ways too.

Most importantly they have held out the word of God and sought to honestly apply it to their lives. The dynamics of a group online are not the same as the dynamics of an in-person group. To help with that we have shifted from using notes to having sermons preached on a Wednesday which members of the groups can listen to and then meet together to discuss, apply and pray in what they have heard.

This past year we have enjoyed time in the book of Psalms and the Gospel of John.

**Evangelistic courses**

Christianity Explored has been impacted by us not being able to meet together, but some people who have never been into our church building have felt comfortable to come along online and investigate the claims of Jesus from the Gospel of Mark.

It was particularly encouraging to have a couple of people come along to our Hope Explored course which we ran after our 'Life in Lockdown' week, and then stay on to do the whole Christianity Explored course. Lyn Gooding has been running a CE course with some of the mums from Pulse and ABCs. The course is a brilliant introduction to who Jesus is, why he came and how we must respond to him.

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**Bellringing**

The past year has been a very lean one as far as ringing is concerned. Having recommenced regular ringing in the middle of February once the builders had handed back possession of the tower, we then had to stop again in the middle of March due to the first lockdown. It was then the middle of July before restrictions (in accordance with guidance issued by the Central Council of Church Bellringers) were eased and we could ring again – but only in a very limited way. Ringing could only be permitted for a maximum of 15 minutes in any one session and, in order to prevent infection caused by the ropes being handled by different ringers, 72 hours had to be left between ringing sessions.

We were able to carry on in this way ringing once each Sunday morning until October plus ringing for the ordination service in September, which was on a Wednesday thus enabling us to keep the required 72 hours between each session. All of this ringing had to take place without the benefit of a practice due to the restrictions in place but I believe that we acquitted ourselves well despite that.

Having asked in last year's profile for volunteers wishing to learn to ring, we started to teach four people but, because it is necessary to stand quite close to any learner in the early stages, we had to stop teaching in order to comply with the social distancing requirements of lockdown and also the handling of the same rope by different people.

Except for one 15 minute ring before the service on Christmas morning the present lockdown has prevented us from ringing since the end of October and the current guidance regarding restarting ringing again is that it can only be no earlier than May 17th. Please pray that this date will not be extended further so that we can once again sound out a welcome from our tower and remind the neighbourhood that our church is very much alive and well and preaching the good news of the Gospel.

**Knowing and Growing**

Having been in lockdown for a good while we wanted to get on the front foot and use it as an opportunity to deepen our relationship with Jesus. We wanted to know him more and to grow in our faith.

To that end we spent the month of July reading the same passages of Scripture together, with the help of the excellent Explore Bible reading notes, alongside some supporting videos which went up online for each of the passages.

A really good number of people joined in for the month and have continued with the helpful habit of daily bible reading since then.

**Life in Lockdown Outreach**

How could we ensure that despite not being able to meet together, the gospel of Jesus was still being heard in Hailsham? It was in answer to that question that our week of outreach was born. We called it 'Life in Lockdown' because we wanted to show that in the middle of fear and worry and death there is life in Jesus.

Over 40 members of the congregation, with a whole range of experiences of lockdown were brave enough to record themselves talking about the difference Jesus made to them during lockdown.

**The Link Coffee Shop**

I'm not too sure what can be said about 2020! It certainly was a strange time here at The Link. We locked down on 18th March and were not open again until 20th July. Fortunately, we were able to claim the Government business grant which was a lifesaver, particularly as we had to buy protective screens, huge amounts of sanitizer and many, many masks.

We were blessed that the majority of both the volunteers and customers were soon returning and we began to pick up trade well, however another lockdown in November caused more problems. We did manage to serve quite a few Christmas meals in December before we were locked down again, but could sadly not provide our Home Alone Christmas Day meal.

We are trying to keep in touch with as many customers as we can for a chat and to let them know that they are not forgotten. So many are finding life very hard. Sadly, we lost one of our longstanding volunteers to Covid early in 2021. Mike will be sorely missed.

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**Financial review**

In the year under review, the Church recorded an overall deficit of £238,332 after the revaluation of the investments (2019:surplus of £39,524). This broke down into a deficit on the general funds of £7,289 (2019: deficit of £109,657) and a deficit on the restricted and endowment funds of £381 (2019:surplus of £266).

The restricted funds, which are not available for general use by the PCC recorded a small decrease this year mostly detailed in note 24 to the accounts. Restricted funds held at the balance sheet date amounted to £3,553 (2019:£3,934).

The PCC continues to seek to balance annual revenue income against annual revenue expenditure to avoid the need to fund shortfalls from capital resources.

**Reserves**

As at the year end, total income reserves amounted to £1,426,587 (2019:£1,664,919). Of this amount, £3,553 (2019:£3,934) are restricted and not available for the general purposes of the charity. In addition, £1,395,126 (2019:£1,625,788) of the funds are designated and represent investments held to generate income, as well as tangible fixed assets which can only be realised by their disposal.

Taking into account the above, of the total reserves held at the balance sheet date, the level of unrestricted free reserves amounts to £27,908 (2019:£35,197).

It is the policy of the Church that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Parochial Church Council considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Church's current activities while consideration is given to ways in which additional funds may be raised. Based on the expenditure for the year, this would indicate the required level of reserves to be between £80,000 and £160,000.

The level of free reserves held at the balance sheet date is £27,908 (2019:£35,197) so this reserve policy has not been met in the year. The PCC finance team are aware that there is a further asset due to be sold being stage 2 of Lynton, which is anticipated to sell in the region of £650K /£700K and if invested should potentially bring in an income of £25K mitigating the shortfall in the current reserves policy but still leaving a shortfall. During the year a substantial amount of additional repair works have been carried out which came to the light with the new improvements being carried out. These repair costs should not recur once complete and considered should reduce expenditure costs, for example repairs to block flooring. This would again reduce the shortfall in the reserves policy. In the meantime it has been agreed Capital reserves are to be used to cover operating costs.

**Investments**

The Church holds listed investments with a value of £688,789 with the Church's investment managers, Kleinwort Hambros. These investments were purchased following the sale of the surplus land at the 'Lynton' bungalow. It is the intention of the PCC to maintain the capital and for the funds to generate income to cover the wages of future staff engaged in the Church's charitable objects. Close contact is maintained with the investment managers who manage the portfolio. They provide regular reports and summaries of transactions for review by the PCC members. The PCC is fully guided by their investment managers in dealing with this aspect of the Church's financial affairs. The funds have shown a decrease in value over the year. As the investments are held for the long term, this situation is expected to improve over the life of the investments. The future disposal of the Second stage of the Lynton property will also be considered for investment.

**Risks**

The Parochial Church Council has assessed the major risks to which the Church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
PAROCHIAL CHURCH COUNCIL MEMBERS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Structure, governance and management**

The Church is governed by the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended). The PCC is a body corporate by the name of the parochial church council of the parish for which it is appointed and has perpetual succession. The PCC is registered with Charity Commission in England and Wales under its formal title 'The Parochial Church Council of the Ecclesiastical Parish of Hailsham', registration number 1132922.

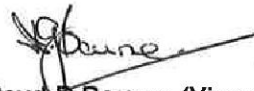
The Parochial Church Council who served during the year and up to the date of signature of the financial statements were:

Revd D Bourne (Vicar and Chair)	
Revd R Graham (Associate Minister)	
Revd. D Griffin (Curate)	(Appointed 12 October 2020)
Mr D Gooding (Churchwarden)	
Mrs M Luffingham (Churchwarden)	
Mrs F W S Newton (Treasurer and Synod Rep)	
Mr R K Booth	
Miss C Bromfield (Synod Rep)	
Dr J Canning	
Mr C J Dadswell	
Dr J Garvican	
Mr P Luffingham	
Mrs D Millar	
Mr D Saxby	
Mr D Sinden	
Mrs D Sinden (Secretary and Synod Rep)	
Miss C Smith	(Appointed 12 October 2020)
Mrs R Smith	
Mrs M Surrey (Synod Rep)	
Mrs H Thomas	(Resigned 12 October 2020)

Members of the Parochial Church Council are either ex-officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Upon election new members follow a procedure of induction as determined by the Rules and are made aware of their responsibilities as PCC members.

Our emphasis continues to be on our mission in the parish working with our ecumenical partners and The Crosslink Trust as appropriate.

The Parochial Church Council members' report was approved by the Board of Parochial Church Council.

  
**Revd D Bourne (Vicar and Chair)**  
Member of the Parochial Church Council  
Dated: 26 April 2021



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
STATEMENT OF PAROCHIAL CHURCH COUNCIL MEMBERS' RESPONSIBILITIES  
*FOR THE YEAR ENDED 31 DECEMBER 2020***

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The Parochial Church Council are responsible for preparing the Parochial Church Council Members' 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 Parochial Church Council 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 year.

In preparing these financial statements, the Parochial Church Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Parochial Church Council are responsible for keeping sufficient accounting records that 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 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.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
INDEPENDENT EXAMINER'S REPORT**

**TO THE PAROCHIAL CHURCH COUNCIL OF THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF HAILSHAM**

I report to the Parochial Church Council on my examination of the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Hailsham (the Church) for the year ended 31 December 2020.

**Responsibilities and basis of report**

As the Parochial Church Council of the Church you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Church's financial statements carried out under section 145 of the 2011 Act. 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**

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

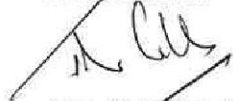
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting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

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

I have completed my examination. I 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 Church as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



John Caladine FCCA CTA FCIE

Caladine Limited  
Chantry House  
22 Upperton Road  
Eastbourne  
East Sussex  
BN21 1BF

Dated: 27 April 2021

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Current financial year**

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes					
<b><u>Income from:</u></b>						
Donations and legacies	3	197,233	-	414	197,647	135,561
Charitable activities	4	11,622	-	-	11,622	19,354
Investments	5	34,012	-	-	34,012	50,906
Other income	6	21,845	-	-	21,845	62,253
<b>Total income</b>		<b>264,712</b>	<b>-</b>	<b>414</b>	<b>265,126</b>	<b>268,074</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	7,614	-	-	7,614	8,021
Charitable activities	8	274,407	454,353	15	728,775	308,452
<b>Total resources expended</b>		<b>282,021</b>	<b>454,353</b>	<b>15</b>	<b>736,389</b>	<b>316,473</b>
Net gains/(losses) on investments	13	-	232,931	-	232,931	87,923
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(17,309)</b>	<b>(221,422)</b>	<b>399</b>	<b>(238,332)</b>	<b>39,524</b>
Gross transfers between funds	22, 23	10,020	(9,240)	(780)	-	-
<b>Net movement in funds</b>		<b>(7,289)</b>	<b>(230,662)</b>	<b>(381)</b>	<b>(238,332)</b>	<b>39,524</b>
Fund balances at 1 January 2020		35,197	1,625,788	3,934	1,664,919	1,625,395
<b>Fund balances at 31 December 2020</b>		<b>27,908</b>	<b>1,395,126</b>	<b>3,553</b>	<b>1,426,587</b>	<b>1,664,919</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

Prior financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes				
<b><u>Income from:</u></b>					
Donations and legacies	3	132,843	-	2,718	135,561
Charitable activities	4	19,354	-	-	19,354
Investments	5	50,901	-	5	50,906
Other income	6	62,253	-	-	62,253
<b>Total income</b>		<b>265,351</b>	<b>-</b>	<b>2,723</b>	<b>268,074</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	8,021	-	-	8,021
Charitable activities	8	273,120	32,875	2,457	308,452
<b>Total resources expended</b>		<b>281,141</b>	<b>32,875</b>	<b>2,457</b>	<b>316,473</b>
Net gains/(losses) on investments	13	-	87,923	-	87,923
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(15,790)</b>	<b>55,048</b>	<b>266</b>	<b>39,524</b>
Gross transfers between funds	22	(93,867)	93,867	-	-
<b>Net movement in funds</b>		<b>(109,657)</b>	<b>148,915</b>	<b>266</b>	<b>39,524</b>
Fund balances at 1 January 2019		144,854	1,476,873	3,668	1,625,395
<b>Fund balances at 31 December 2019</b>		<b>35,197</b>	<b>1,625,788</b>	<b>3,934</b>	<b>1,664,919</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

		2020		2019 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	14		43,837		418,166
Investment properties	15		662,500		375,000
Investments	16		674,974		822,583
			<u>1,381,311</u>		<u>1,615,749</u>
<b>Current assets</b>					
Trade and other receivables	17	6,434		23,577	
Cash at bank and in hand		98,846		117,565	
		<u>105,280</u>		<u>141,142</u>	
<b>Current liabilities</b>	19	(20,004)		(51,972)	
Net current assets			85,276		89,170
<b>Total assets less current liabilities</b>			<u>1,466,587</u>		<u>1,704,919</u>
<b>Non-current liabilities</b>	20		(40,000)		(40,000)
<b>Net assets</b>			<u>1,426,587</u>		<u>1,664,919</u>
<b>Income funds</b>					
Restricted funds	22		3,553		3,934
Unrestricted funds - designated	23		1,395,126		1,625,788
Unrestricted funds - general			27,908		35,197
			<u>1,426,587</u>		<u>1,664,919</u>

The financial statements were approved by the Parochial Church Council on 26 April 2021

  
Mrs F W S Newton (Treasurer and Synod Rep)  
Member of the Parochial Church Council

  
Mr R K Booth  
Member of the Parochial Church Council

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1 Accounting policies**

**Charity information**

The Parochial Church Council of the Ecclesiastical Parish of Hailsham is governed by the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended). The PCC is a body corporate by the name of the parochial church council of the parish for which it is appointed and has perpetual succession. The PCC is registered with Charity Commission in England and Wales under its formal title 'The Parochial Church Council of the Ecclesiastical Parish of Hailsham', registration number 1132922.

The principal address of the charity is Vicarage Road, Hailsham, East Sussex, BN27 1BL.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the Church's trust deed, the Charities Act 2011 and "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) (effective 1 January 2019)". The Church is a Public Benefit Entity as defined by FRS 102.

The Church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Church. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the economic consequences may be and the impact on the charity's future ability to continue trading, we have continued to use the going concern basis as appropriate in the preparation of these accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Parochial Church Council in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Parochial Church Council for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1 Accounting policies (Continued)**

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Church.

**1.4 Income**

Income is recognised when the Church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**1.5 Expenditure**

Expenditure is recognised on an accruals basis when the liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives.

Both Support and Governance costs are recharged to the main activity and form part of charitable expenditure with a separate analysis being provided in the notes. Governance costs include those costs associated with meeting the statutory requirements of the charity and include independent examination fees and costs linked to the strategic management of the charity.

All costs include non-recoverable VAT.

**1.6 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Consecrated land and beneficed property are excluded from the accounts in accordance with s.10(2)(a) of the Charities Act 2011.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Property improvements	Fully depreciated
Fixtures, Fittings & Equipment	Straight line over 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1 Accounting policies (Continued)**

**1.8 Non-current investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**1.9 Impairment of non-current assets**

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.11 Financial instruments**

The Church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Church's balance sheet when the Church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Church's contractual obligations expire or are discharged or cancelled.



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 Accounting policies (Continued)**

**1.12 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**2 Critical accounting estimates and judgements**

In the application of the Church's accounting policies, the Parochial Church Council are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Donations and legacies**

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	186,542	414	186,956	132,843	2,718	135,561
Grants receivable	10,691	-	10,691	-	-	-
	<u>197,233</u>	<u>414</u>	<u>197,647</u>	<u>132,843</u>	<u>2,718</u>	<u>135,561</u>
<b>Donations and gifts</b>						
Donations and gifts	96,282	414	96,696	112,505	2,718	115,223
Gift aid repayments	19,172	-	19,172	20,338	-	20,338
Legacies	71,088	-	71,088	-	-	-
	<u>186,542</u>	<u>414</u>	<u>186,956</u>	<u>132,843</u>	<u>2,718</u>	<u>135,561</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**4 Charitable activities**

	Hire of Emmanuel Church Hall 2020 £	Churchyard upkeep grant 2020 £	Wedding and funeral fees 2020 £	Sale of magazines 2020 £	Total 2020 £	Total 2019 £
Sales of Literature	-	-	-	212	212	275
Charitable rental income	7,887	-	-	-	7,887	14,631
Other income	-	1,838	1,685	-	3,523	4,448
	<u>7,887</u>	<u>1,838</u>	<u>1,685</u>	<u>212</u>	<u>11,622</u>	<u>19,354</u>

**For the year ended 31 December 2019**

	Hire of Emmanuel Church Hall £	Churchyard upkeep grant £	Wedding and funeral fees £	Sale of magazines £	Total 2019 £
Sales of Literature	-	-	-	275	275
Charitable rental income	14,631	-	-	-	14,631
Other income	-	1,810	2,638	-	4,448
	<u>14,631</u>	<u>1,810</u>	<u>2,638</u>	<u>275</u>	<u>19,354</u>

**5 Investments**

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Rental income	11,415	11,360	-	11,360
Income from listed investments	22,478	39,541	-	39,541
Interest receivable	119	-	5	5
	<u>34,012</u>	<u>50,901</u>	<u>5</u>	<u>50,906</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**6 Other income**

	<b>Unrestricted funds general 2020 £</b>	<b>Unrestricted funds general 2019 £</b>
Other income	12,251	62,253
Job Retention Scheme Grants	9,594	-
	<u>21,845</u>	<u>62,253</u>

**7 Raising funds**

	<b>Unrestricted funds general 2020 £</b>	<b>Unrestricted funds general 2019 £</b>
Investment management	7,614	8,021
	<u>7,614</u>	<u>8,021</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF HAILSHAM  
HAILSHAM PARISH CHURCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**8 Charitable activities**

	2020 £	2019 £
Staff costs	53,673	54,910
Diocesan parish contribution	109,598	90,999
Staff housing costs	21,803	19,845
Curate Cost and Clergy expenses	24,862	4,836
Church music and organist honorarium	1,368	1,124
Youth and Sunday school	857	1,765
Training fees and study materials	352	2,512
Service costs	107	1,812
Flowers	740	435
Light, heat and water	8,552	8,661
Repairs and maintenance	9,221	35,163
Hire of equipment	5,940	7,515
Printing, postage and stationery	1,756	1,650
Telephone	1,119	682
Property insurance	3,355	3,804
	<u>243,303</u>	<u>235,713</u>
Grant funding of activities (see note 9)	11,421	15,349
Share of support costs (see note 10)	471,059	56,130
Share of governance costs (see note 10)	2,992	1,260
	<u>728,775</u>	<u>308,452</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	274,407	273,120
Unrestricted funds - designated	454,353	32,875
Restricted funds	15	2,457
	<u>728,775</u>	<u>308,452</u>

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**9 Grants payable**

	2020 £	2019 £
Grants to institutions:		
External mission giving	11,406	15,349
Grants to individuals	15	-
	<u>11,421</u>	<u>15,349</u>

**10 Support costs**

	Support costs £	Governance costs £	Total 2020 £	Support costs £	Governance costs £	Total 2019 £
Staff costs	2,718	-	2,718	2,710	-	2,710
Depreciation	380,816	-	380,816	32,875	-	32,875
Caretaking and cleaning	620	-	620	975	-	975
Churchyard upkeep	1,822	-	1,822	1,755	-	1,755
Legal and professional fees	2,322	-	2,322	1,086	-	1,086
Lynton management fees and repairs	4,713	-	4,713	6,862	-	6,862
Bank charges	414	-	414	346	-	346
Major Building Improvements	73,537	-	73,537	-	-	-
Sundry expenses	4,097	-	4,097	9,521	-	9,521
Accountancy and independent examination	-	2,992	2,992	-	1,260	1,260
	<u>471,059</u>	<u>2,992</u>	<u>474,051</u>	<u>56,130</u>	<u>1,260</u>	<u>57,390</u>
<u>Analysed between</u>						
Charitable activities	<u>471,059</u>	<u>2,992</u>	<u>474,051</u>	<u>56,130</u>	<u>1,260</u>	<u>57,390</u>

Governance costs includes payments to the independent examiner of £600 (2019:£600) for independent examiner's fees and £1,200 (2019:£660) for other services. There was an under accrual for 2019 fees of £1,192.

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**11 Parochial Church Council**

Ministry staff who also serve on the PCC, either employed by the Diocese or directly by the PCC, were reimbursed for expenses incurred in the course of their ministry. These do not relate to their duties as PCC members but to their employment as part of the Church's Ministry team.

No PCC Members were reimbursed for out of pocket expenses incurred in relation to their roles on the PCC.

During the year, family members of five of PCC members received combined remuneration of £29,081 including employer pension contributions (2019: £25,813) in connection with the general administration and work of the church and for cleaning. This pay was unrelated to the Parochial Church Council members' roles as Trustees.

Aggregate donations of £28,612 (2019: £30,075) were received from the members of the Parochial Church Council during the year.

**12 Employees**

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	7	8
	<u>7</u>	<u>8</u>
<b>Employment costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	55,580	56,818
Other pension costs	811	802
	<u>56,391</u>	<u>57,620</u>

**13 Net gains/(losses) on investments**

	Unrestricted funds designated 2020 £	Unrestricted funds designated 2019 £
Revaluation of investments	(11,111)	59,511
Gain/(loss) on sale of investments	(43,458)	28,412
Revaluation of investment properties	287,500	-
	<u>232,931</u>	<u>87,923</u>

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**14 Property, plant and equipment**

	Property improvements £	Fixtures, Fittings & Equipment £	Total £
<b>Cost</b>			
At 1 January 2020	414,402	128,973	543,375
Additions	-	6,487	6,487
At 31 December 2020	414,402	135,460	549,862
<b>Depreciation and impairment</b>			
At 1 January 2020	54,207	71,002	125,209
Depreciation charged in the year	360,195	20,621	380,816
At 31 December 2020	414,402	91,623	506,025
<b>Carrying amount</b>			
At 31 December 2020	-	43,837	43,837
At 31 December 2019	360,195	57,971	418,166

In previous years expenditure to improve the Church building by the installation of new toilet and kitchen facilities and to re-order the west end of the building had been capitalised and was being depreciated over 10 years. However, as the nature of this expenditure relates to the improvement of beneficed property this expenditure should have been written off in the year in which it was incurred in accordance with accounting policy 1.6.

It was agreed that the remaining net book value of these costs be written off in these accounts and that further costs incurred during 2020 be written straight to the statement of financial activities. Depreciation equal to the net book value brought forward and costs incurred on work at the west end are included in support costs note 10.

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**15 Investment property**

	<b>2020</b>
	<b>£</b>
<b>Fair value</b>	
At 1 January 2020	375,000
Net gains or losses through fair value adjustments	287,500
At 31 December 2020	662,500

The property and remaining land is actively being marketed for sale and a number of valuations have been received from local estate agents. The property was revalued to reflect the mid-point of these valuations.

**16 Fixed asset investments**

	<b>Listed investments</b>
	<b>£</b>
<b>Cost or valuation</b>	
At 1 January 2020	822,583
Additions	239,470
Valuation changes	(11,111)
Disposals	(375,968)
At 31 December 2020	674,974
<b>Carrying amount</b>	
At 31 December 2020	674,974
At 31 December 2019	822,583

**17 Trade and other receivables**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade receivables	862	2,850
Other receivables	4,876	20,357
Prepayments and accrued income	696	370
	6,434	23,577



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**18 Borrowings**

	<b>2020</b>	2019
	<b>£</b>	£
Other loans	40,000	40,000
Payable after one year	40,000	40,000

Borrowings consists of the following:

Kitchen and Toilet- Loans for building works

This contains a concessionary loan from a parishioner, of which £40,000 was unrestricted and can be applied to other purposes if so needed. The loan was unsecured and is interest free.

**19 Current liabilities**

	<b>2020</b>	2019
	<b>£</b>	£
Other taxation and social security	1,502	-
Trade payables	6,900	45,449
Other payables	1,361	1,528
Accruals and deferred income	10,241	4,995
	20,004	51,972

**20 Non-current liabilities**

	<b>2020</b>	2019
	<b>£</b>	£
Borrowings	40,000	40,000

**21 Retirement benefit schemes**

**Defined contribution schemes**

The Church operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Church in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £811 (2019 - £802).

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**22 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020		
	£	£	£	£	£	£	£	£		£
Friends of St Mary's	1,829	300	-	2,129	300	-	-	2,429		
Vicar's Discretionary Fund	465	40	(145)	360	-	(15)	-	345		
Women 2 Women Fund	444	595	(712)	327	47	-	-	374		
Youth Zone	123	116	-	239	-	-	-	239		
Children & Family Worker Fund	784	4	-	788	-	-	(780)	8		
Men at HPC	23	68	-	91	67	-	-	158		
Asha & Sangster specified donations	-	1,600	(1,600)	-	-	-	-	-		
	3,668	2,723	(2,457)	3,934	414	(15)	(780)	3,553		

The **Friends of St Mary's fund** receives donations from individuals, groups and companies to help with the upkeep of the fabric of the church.

The **Vicar's Discretionary fund** has been set up to allow the vicar to make small anonymous payments to those in need at his discretion.

The **Women 2 Women fund** receives specific donations to cover costs of holding outreach events for women.

The **Youth Zone fund** receives donations to spend on Youth activities and to be used to purchase equipment and for various other expenses of that Church group.

The **Children & Family Worker fund** represents grants and donations received to partly fund the salary of his staff member over a period of 4 years.

The **Men at HPC fund** represents funds received to pay for expenses of that Church group.

The **Asha & Sangster specified donations fund** relates to donations received that members specifically wish to go to Asha and Sangster who are mission partners based in Bangalore, India.

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**23 Unrestricted funds - designated**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 January 2020	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£
Asset fund	1,476,873	(32,875)	93,867	87,923	1,625,788	(454,353)	(9,240)	232,931	1,395,126

The Asset Fund represents funds held in the form of tangible fixed assets, investment properties and an investment portfolio. As such the tangible assets and investment property are not readily realisable. It is the intention that the capital of the investment portfolio be maintained and any income generated be used to fund salaries of staff employed by the PCC. However, where the need arises funds will be withdrawn from the portfolio to cover deficits on the day-to-day running costs of the Church. The transfer represents the withdrawals from the investment portfolio, transfers to cover unrestricted expenditure and other movements on these assets during the year.

**24 Analysis of net assets between funds**

	Unrestricted funds 2020	Designated funds 2020	Restricted funds 2020	Total 2020	Unrestricted funds 2019	Designated funds 2019	Restricted funds 2019	Total 2019
	£	£	£	£	£	£	£	£
Fund balances are represented by:								
Property, plant and equipment	-	43,837	-	43,837	-	418,166	-	418,166
Investment properties	-	662,500	-	662,500	-	375,000	-	375,000
Investments	-	674,974	-	674,974	-	822,583	-	822,583
Current assets/(liabilities)	67,908	13,815	3,553	85,276	75,197	10,039	3,934	89,170
Long term liabilities	(40,000)	-	-	(40,000)	(40,000)	-	-	(40,000)
	27,908	1,395,126	3,553	1,426,587	35,197	1,625,788	3,934	1,664,919

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**25 Operating lease commitments**

At the reporting end date the Church had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within one year	4,174	4,174
Between two and five years	-	4,174
	<u>4,174</u>	<u>8,348</u>

**26 Related party transactions**

There were no disclosable related party transactions during the year (2019 - none), other than those disclosed in note 11, 'Transactions with members of the Parochial Church Council.'

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**27 Prior period adjustment**

**Changes to the statement of financial position**

	At 31 December 2019		
	As previously reported	Adjustment	As restated
	£	£	£
<b>Fixed assets</b>			
Investments	833,149	(10,566)	822,583
<b>Current assets</b>			
Bank and cash	120,653	(3,088)	117,565
	<u>1,678,573</u>	<u>(13,654)</u>	<u>1,664,919</u>
<b>Net assets</b>	<u>1,678,573</u>	<u>(13,654)</u>	<u>1,664,919</u>
<b>Capital funds</b>			
Endowment funds	13,654	(13,654)	-
<b>Income funds</b>			
Restricted funds	3,934	-	3,934
Designated funds	1,625,788	-	1,625,788
Unrestricted funds	35,197	-	35,197
<b>Total equity</b>	<u>1,678,573</u>	<u>(13,654)</u>	<u>1,664,919</u>

**Changes to the income statement**

	Period ended 31 December 2019		
	As previously reported	Adjustment	As restated
	£	£	£
<b>Income from:</b>			
Investments	51,237	(331)	50,906
<b>Net gains on investments</b>	<u>89,569</u>	<u>(1,646)</u>	<u>87,923</u>
<b>Net movement in funds</b>	<u>41,501</u>	<u>(1,977)</u>	<u>39,524</u>

**Endowment Funds - Chancel Trust**

Previously the Diocese of Chichester understood Chancel Trusts were managed by the PCC and held as custodian by the Chichester Diocesan Fund and Board of Finance. However, this has recently been found not to be the case in law. Chancel Trusts are not PCC trusts. They arise from legislation to cancel the rights to receive tithes from parishioners' land.

The endowed fund is no longer shown as a PCC asset as legally, the trusts are held by the Chichester DBF. A prior year adjustment has been made to remove the Chancel Trust investments and cash balance along with the movements on the fund recorded in the 2019 accounts.