

THE PARISH CHURCH OF ST PETER & ST PAUL RUSTINGTON

Registered Charity No. 1133812

ANNUAL REPORT and FINANCIAL STATEMENTS of the PAROCHIAL CHURCH COUNCIL

For the year ended 31 December 2020

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Structure, Governance and Management

The Parochial Church Council (PCC) is registered with the Charity Commission as required by the Charities Act 2011. Its governing document is the Parochial Church Councils (Powers) Measure 1956.

During the year, the following served as members of the Parochial Church Council:

Incumbent:	The Revd Natalie Loveless	Ex-officio (<i>Chair</i>)
Wardens:	Carrie McLeod Jackie Gordon	<i>Vice Chair</i>
Representatives of the Deanery Synod:	Carrie McLeod	
Elected Members:	Pam Brooks Lesley Payne Dot Mitcham Pamela Jones Henry Bott Steve Newman Jan Peacock Geoff Gibb Christopher Simmance Glyn Mathias	Re-elected APCM 2020 Re-elected APCM 2020 Re-elected APCM 2020 Until APCM 2020 From APCM 2020 From APCM 2020
Treasurer:	Glyn Mathias	
Appointed Officer Hon Secretary to PCC:	Jean Bulley	

Aims and Purposes

The primary objective of St Peter and St Paul's PCC 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 Natalie Loveless, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

Objectives and Activities

Our Vision/Mission statement: Working together in God's Love for his Kingdom.

Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on 'charities for the advancement of religion'. We hope to enable local people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the Gospel; and developing their knowledge of, and trust in, Jesus.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of St Peter and St Paul, Rustington.

Achievements and Performance

Attendances have obviously been down due to the Church being closed for part of the year. However, in October 2020 (when the average yearly attendance is calculated) the average weekly attendance was 89 in Church and an average of 55 online giving a total of 144. It is difficult to compare this with 2019 as the online numbers may include more than one person.

There are 190 parishioners on the Church Electoral roll following a revision in 2020, this is down from 195 the previous year.

There were 0 weddings and 4 funerals. Baptisms were down from 7 in 2019 to 3 in 2020.

Review of the year

The full PCC met 8 times during the year. 6 of these were via zoom due to the pandemic, the average attendance at meetings was 12.

The Standing Committee met twice.

Due to Covid 19 Committees and Groups only met early on in the year but reports were received by the full PCC and discussed where necessary. More detailed reports can be found under the reports section.

Our Safeguarding Officer undertook the annual review and update of our Safeguarding of Children and Vulnerable Adults Policies which were accepted by the PCC in November. Any changes to Diocesan requirements are passed onto the PCC.

Health & Safety matters are reported by the appointed members of the congregation to the Churchwardens and PCC as necessary.

A GDPR (General Data Protection Regulation) representative ensures we are compliant with any new legislations.

We received a grant of £750, from the Parish Council, towards the upkeep of the churchyard.

16 people attended a first aid course in January and there are 19 named first aiders in total who will be able to cover services, groups and committees that meet - in the Church or Hall.

Public Benefit

The church family welcome visitors from within and outside the church boundary. It is our pleasure to warmly welcome anyone from all walks of life who feel they would like to join in the life of St Peter and St Paul Rustington.

Rebecca of Family Support Work (FSW) is active with a group of volunteers in the village providing support to many in our parish.

During the time when the Church was open a family service was held on the first Sunday of the month.

As part of Churches Together in Rustington members of our church had planned to take part in the Walk of Witness but this was cancelled due to the pandemic.

At Harvest time our flower arranging team decorated the church with flowers and produce donated by the church family. After the Harvest Festival services, the produce was donated to, and gratefully received by, FSW.

The Remembrance Sunday Service was unable to go ahead but Natalie attended the War Memorial at 11am on the 11th of November along with the Rustington Parish Chairman.

As singing was still prohibited in church, at Christmas time, a Carols in the Car Park was organised with restricted numbers allowed.

The yearly Christingle Service went ahead via online streaming and a service held in Church.

On 24th December a 'drop in' afternoon was held for families to visit the Church and see the Crib. Children received a present from under the Christmas Tree.

A faithful team of people 'church sit' to enable the church to be open, when not in 'lockdown', to passing visitors or anyone in the local community wanting a quiet space.

Noah's Ark, an adult and toddler group, is a long-established form of outreach. It has been providing a weekly story time via Facebook, during Lockdown, offering friendship and support for families and carers.

Messy Church moved online during the first lockdown and subsequent times when the church has been closed. In between times the PCC continues to support Messy Church, which meets in the church and provides an opportunity for families to meet together for craft activities and worship.

Chatterbooks+ have been meeting either in person or online pretty much weekly during the year. They have also taken part with other young people in services. See their report for more information.

'WAFFLE' - Women About Fellowship, Fun, Laughter and Entertainment is a group that aims to demonstrate the love of God to women in Rustington and surrounding areas in a fun, inclusive and life-enhancing way.

Men's Fellowship group; although this is a Christian Society the emphasis is on social discussion and friendship. All faiths, concerns, cares or humanity are very welcomed.

Our clergy officiated at funerals here in church and also at Worthing Crematorium providing support to the wider community in bereavement.

The residents of four local care homes are offered Holy Communion Services monthly and people within the parish who are infirm or unable to attend church services are taken Holy Communion often weekly. Once the government made the decision to restrict face to face or group gatherings, we have been unable to visit the care homes or provide home Communion.

Our three chosen missions – Burundi (Alison & Paul Guinness), the Chichester Diocesan Association for Family Support Work and Friends of the Mombasa Children have been supported during the year.

Financial Review

The Statement of Financial Activities (SOFA) Shows that the Total Income from Unrestricted Funds was £101,968 and the Expenditure of Unrestricted Funds was £108,850 giving a deficit of £6,882. This equates to £573 per month. The Unrestricted Funds also include income from investments amounting to £18,626 and without this income our deficit would have been £25,508 (a shortfall of £2,125 each month). The deficit between our income and expenditure continues to be a major cause of concern as we have a high dependence on investment income to meet our running costs. The PCC needs to address the issue of increasing our voluntary giving to enable us to meet our day to day expenses from voluntary giving and fees.

The largest expenditure of the PCC is the sum of £74,035 to the Diocese to cover our Parish Ministry Contribution (PMC). This year, because of our anticipated reduction in income, the PCC decided to pay only our PMC and not pay an additional amount to assist other parishes to cover their PMC costs. Our total payment was £74,035 an increase of £570.

Our voluntary income (see note 2(a) for further details) from envelopes, standing orders, PGS and plate collections together with recoverable income tax was £71,353 compared with £76,718 in 2019. This is a decrease of approx. £5,365.

During the year, our voluntary income (including tax recovered) from envelopes was down £3,000, collections were down £3,400, Standing Orders remained the same but PGS increased by £1,500.

Sundry donations have increased by £1,300 and our new online giving option was £3,619 (both amounts exclude any tax recovered).

The accounts are monitored by the Finance Group who report to the PCC.

Reserves Policy

It is PCC policy to endeavour to maintain a balance in the reserve bank account equal to approximately two months unrestricted expenditure as a contingency against unforeseen situations. However, in these difficult times we need to hold more. The PCC endeavours not to spend the capital, as the income replenishes the withdrawals from reserve bank account.

From time to time the PCC received restricted legacies for expenditure on particular purposes as defined by the donor. We aim to expend such money as soon as possible after receiving the legacy depending on the objectives specified by the donor. Where we have identified that the specific purpose can only be achieved by delaying the expenditure, we invest the legacy temporarily until such time as the need for the expenditure occurs.

The PCC has investment funds for the Reserve Account with the CBF Church of England Fund, managed by CCLA Investment Management Limited.

**Approved by the Parochial Church Council on Tuesday 23rd March 2021(via zoom)
and signed on its behalf**

N. Loveless

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Rev Natalie Loveless – Chair

PAROCHIAL CHURCH COUNCIL OF RUSTINGTON

Treasurer/Finance Officer's Report for the year ended 31 December 2020

Introduction

The Treasurer has produced our Financial Statements in the format required by the Diocese, complying with the Church Accounting Regulations 2006 and the current 2015 Statement of Recommended Practice, Accounting and reporting by Charities SORP (FRS 102).

The Parochial Church Council (PCC) is a fully registered Charity under Registration Number 1133812. The members of the PCC are the Trustees of the Charity.

The PCC accounts comprise:

- An independent examiner's report – prepared by Mel Gowans
- The Statement of Financial Activities (SOFA)
- The Balance Sheet
- Notes to the Financial Statements
- Notes (note 2) relating to incoming resources
- Notes (note 3) relating to resources expended
- Notes (notes 4, 5 & 6) relating to staff costs, fixed assets and investments
- Notes (notes 7, 8, 9 & 10) covering an analysis of net assets, debtors, creditors and a statement of funds
- An explanation of the nature and purposes of the PCC's various funds and the bank accounts in which they are held
- An explanation of the calculation of charitable giving

Note 2

Compared with 2019 our overall income was down approx. £11,000 but considering the impact of the Pandemic, it is understandable.

Our voluntary income (see note 2(a) for further details) from envelopes, standing orders, PGS and plate collections together with recoverable income tax was £71,353 compared with £76,718 in 2019. This is a decrease of approx. £5,365.

During the year, our voluntary income (excluding tax recovered) from envelopes was down £3,000, collections were down £3,400, standing orders remained the same but PGS (including tax reclaimed) increased by £1,500.

Sundry donations have increased by £1,300 and our new online giving option raised £3,619 (both amounts exclude any tax recovered).

The PGS remains our preferred method of regular giving, being centrally administered on our behalf and relieving some of the administrative burden of Gift Aid claims.

We were fortunate to receive a restricted grant of £750 from Rustington Parish Council towards the upkeep of the churchyard and £700 from the Diocese towards last year's expenditure of £6,800 on carpets and decorating for the vicarage. We also received a legacy of approx. £2,300 from the Estate of Edna Collings.

Note 3

Compared with 2019 (see note 3(c) for further details) our overall expenditure increased by some £25,000.

Changes in our expenditure included paying council tax on the vicarage £2,800, transferring back £13,000 held on behalf of the Humphrey Trust and paying £29,000 towards refurbishment of the church hall kitchen.

Much of our usual expenditure was reduced as many of our usual activities could not take place because the church and the hall were closed.

The main expenditure under church activities was our Diocesan Contribution of £74,035 which was paid in full. This year we only paid the Parish Ministry Contribution (PMC)

Summary

I would like to say a very sincere thank you to all who have given to the church during this very difficult year.

Our ability to meet our running costs and to fund our many works and outreach to the Parish very much depends on the generosity of you all. Unfortunately, our income from voluntary giving does not match our expenditure.

There is work that needs to be done to tackle our underlying deficit. We are fortunate in having additional income in the form of legacies, investment income and the rent from Henry Avenue. These sources, however, are not assured and cannot be permanently relied upon to help us meet the shortfall. Additionally, since 1984, the cost of all repairs to the church building has been met by the Humphrey Bequest.

It will, I am sure, prove a challenging opportunity in 2021 for our Vicar to lead us in our quest to match income to expenditure. If any of you feel able to increase your giving, however small an amount, it will help in the task.

Finally, as some of you will know, our Finance Officer Alan Bohm, gave us notice that he would be leaving the finance team and asked us to look for a replacement. Alan has been on the team some 3 or 4 years. Sue Clark volunteered and took over from Alan in the summer. She has proved to be an excellent find, being computer literate, having bookkeeping experience and lots of enthusiasm. I want to give a big thank you to all the others who have helped me in my role as Treasurer. To Lisa Rogers-Davis who, as Finance Administrator, still does so much work in keeping the books and paying the bills. To Alan Bohm, who when he was Finance Officer, for work on keeping the accounts. To Michelle Dyne, as Freewill Offering Recorder, who claims the many thousands of pounds we receive from HMRC in Gift Aid. To Katie Newman, who banks our money. To John Hawkins, who manages our payroll and does endless battles with utility companies. To Steve Newman for being on the team. It has been an interesting but difficult year trying to understand how the financial system works in preparation for my first time doing the end of year accounts. I look forward to 2021 when I hope we can improve our reporting of the church's financial position to the PCC and church family.

Glyn Mathias

Hon Treasurer - PCC of Rustington



CHARITY COMMISSION
FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A

Independent Examiner's Report

Report to the trustees/
members of

Charity Name

The PCC of the Ecclesiastical Parish of St Peter & St Paul Rustington

On accounts for the year
ended

31st December 2020

Charity no
(if any)

1133812

Set out on pages

9—21

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/20.

Responsibilities and
basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent
examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Melanie Alison Gowans

Date:

16 / 05 / 2021

Name:

Melanie Alison Gowans

Relevant professional
qualification(s) or body
(if any):

Address:

41 Tideway, Littlehampton BN17 6PP

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
Incoming resources						
<i>Voluntary income</i>	2a	77,652	1,450	0	79,102	80,133
<i>Legacies</i>	2a	2,273			2,273	
<i>Activities for generating funds</i>	2b	469			469	3,387
<i>Income from investments</i>	2c	18,626		4,661	23,287	24,525
<i>Church activities</i>	2d	2,948			2,948	10,830
<i>Other incoming resources</i>	2e					
Total incoming resources		101,968	1,450	4,661	108,079	118,875
Resources expended						
<i>Costs of generating voluntary income</i>	3a	0			0	50
<i>Fund-raising trading costs</i>	3b					
<i>Church activities</i>	3c	108,866		40,956	149,822	124,884
<i>Charitable giving</i>		4,770	0		4,770	4,337
<i>Governance Costs</i>	3d	15			15	15
Total resources expended		113,651	0	40,956	154,607	129,286
Net incoming/outgoing resources before transfers		-11,683	1,450	-36,295	-46,528	-10,411
<i>Gross transfers in</i>	5a	13,617			13,617	41,995
<i>Gross transfers out</i>		-13,590	-27		-13,617	-41,986
Net incoming/outgoing resources before other recognised gains/losses		-11,656	1,423	-36,295	-46,528	-10,402
<i>Gains/losses on revaluation of fixed assets and investments</i>	6b	13,650		10,845	24,495	54,875
<i>Gains/losses on disposal investment assets</i>				-14,492	-14,492	
Net movement in funds		1,994	1,423	-39,942	-36,523	44,473
Total funds brought forward at 01 January 2020		396,662	18,229	257,276	672,167	627,694
Total funds carried forward on 31 December 2020		398,656	19,652	217,334	635,644	672,167

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

BALANCE SHEET at 31 DECEMBER 2020

	Notes	2020	2019
		£	£
Fixed assets			
Tangible fixed assets	6a	69,250	69,250
Investment fixed assets	6b	390,643	388,639
Total fixed assets		459,893	457,889
Current assets			
Cash at bank and in hand	7b	62,727	102,110
Short term deposits	7b	95,253	111,841
Debtors	8	21,721	1,781
		<u>179,701</u>	<u>215,732</u>
Creditors: amounts falling due within one year	9	<u>-3,950</u>	<u>-1454.00</u>
Net current assets		175,751	214,278
Total assets less current liabilities		635,644	672,167
Creditors: amounts falling due after one year	9		
NET ASSETS	7a	635,644	672,167
Funds			
Unrestricted funds	10	401,622	396,662
Restricted funds	10	4,010	18,229
Endowment funds	10	230,012	257,276
TOTAL FUNDS	10	635,644	672,167

Approved by the Parochial Church Council on 23 March 2020 and signed on its behalf.


Rev. Natalie Loveless
Chairman


Glyn Mathias
Treasurer

The accompanying notes form a part of these financial statements.

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

a Accounting convention

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current 2015 Statement Of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102).

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b Funds accounting

Funds held by the PCC are:

Unrestricted funds - general funds which can be used for PCC ordinary purposes

Designated funds - monies set aside by the PCC out of unrestricted funds for specific future purposes or projects.

Restricted funds - a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year is carried forward as a balance on that fund.

Endowment funds - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment

c Incoming resources

All incoming resources are accounted for gross.

Voluntary Income

Collections are recognised when received.

Planned giving receivable is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the income is recognised.

Grants and legacies are recognised when the PCC is legally entitled to the amount due.

Where services are provided free and are quantifiable they are recognised at fair value.

Income from investments

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

All other income

All other income is recognised when it is receivable.

Gains and losses on investments

Realised gains are recognised when the investments are sold

Unrealised gains and losses are accounted for on revaluation on 31 December.

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

d Resources used

Resources expended are accounted for on an accruals basis and are accounted for gross.

Grants

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

Church Activities

The diocesan parish contribution is accounted for when paid. Any parish contribution unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

e Fixed Assets

Tangible fixed assets

Consecrated and beneficed property of any kind is excluded from the accounts by s.10(2) of the Charities Act 2011.

Moveable church furnishing held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are accounted as an inalienable property unless consecrated. They are listed in the church's inventory which can be inspected but are not included in the financial statements.

All expenditure on consecrated or beneficed buildings and individual items costing under £1000 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. The rates generally applicable are:

Fixtures and fittings	25% straight line
Audio visual equipment	30% straight line
Office equipment	20% straight line

No depreciation is provided on freehold property as it is the PCC's policy to maintain these assets in a continual state of sound repair. The useful economic life of these assets is so long and residual values so high that any depreciation would not be material. These assets will be subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

Investments

Investments are stated at market value at the balance sheet date.

f Current Assets

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

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

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

2 Incoming resources

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
a <i>Voluntary income</i>					
Charities Aid Foundation					
Planned Giving - Envelope Giving	6,447			6,447	10,243
Planned Giving - Standing Orders	2,324			2,324	1,854
Planned Giving - Parish Giving Scheme	44,965			44,965	43,741
Collections at all services	4,880			4,880	7,534
Collections - Missions					
Votive Candles	64			64	352
Sponsored Newsheet	180			180	245
Wall Safe Donations	9			9	66
Sundry donations	2,427			2,427	1,122
On Line Donations	3,619			3,619	
Other donations					302
Income tax recoverable	2,967			2,967	3,862
Income tax recoverable - PGS	9,770			9,770	9,484
Grants		1,450		1,450	750
Messy Church					125
Noahs Ark					453
	77,652	1,450		79,102	80,133
Legacies	2,273			2,273	
Total	79,925	1,450		81,375	80,133
b <i>Activities for generating funds</i>					
Fund Raising Events	469			469	3,387
	469			469	3,387
c <i>Investment income</i>					
Dividends	6,077		4,616	10,693	12,274
Bank Interest	39		45	85	191
Rental 23 Henry Avenue	12,510			12,510	12,060
	18,626		4,661	23,287	24,525
d <i>Income from Church Activities</i>					
Fees from weddings, funerals etc	1,163			1,163	3,727
Coffee Break	466			466	2,130
Coffee Income - Sunday	305			305	1,045
Mens Fellowship	28			28	250
Friendship Lunches	578			578	3,065
Copier/Printer	59			59	143
Allotment Income					
Waffle	350			350	470
	2,948			2,948	10,830
e <i>Other incoming resources</i>					
Other Resources					
Total incoming resources	101,968	1,450	4,661	108,079	118,875

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

3 Resources expended	Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
	£	£	£	£	£
a Costs of generating voluntary income					
Cost of Fundraising					50
					50
b Fund-raising trading costs					
c Church Activities					
Missionary and charitable giving:					
Charitable giving	4,620			4,620	2,256
Charitable Contribution over PMC*					1,581
Missions	150			150	500
	4,770			4,770	4,337
Ministry costs:					
Diocesan Parish Ministry Costs*	74,035			74,035	71,883
Diocesan & Deanery Support					
Assistant Clergy					
Vicarage expenses (inc Tel) & V Tel	2,828			2,828	
Clergy expenses	213			213	195
Mission & Evangelism					
Family Support Worker					6,667
Young People Expenses/CYW	6			6	712
Mens Fellowship	45			45	55
Messy Church	299			299	638
Noahs Ark					412
Waffle	50			50	431
Salaries: Organists & Music Leader	1,458			1,458	3,737
Parish Admin & Assistant	9,431			9,431	9,356
Church running expenses					
Electricity	1,146			1,146	1,208
Gas	1,873			1,873	2,285
Water Rates	160			160	184
Insurance, maintenance, laundry etc,	4,350			4,350	5,769
Support	996			996	2,280
Office expenses	954			954	919
Church maintenance/Other Maintenance					
Organ (incl. insurance)	134			134	380
Upkeep of services					
Wine,wafers & candles	355			355	1,073
Music Expenses/Materials	690			690	948
Flowers for Church	105			105	
Upkeep of churchyard	1,490			1,490	1,177
Upkeep of rented property: 23 Henry Avenue	2,671			2,671	716
Cost of Rental - 23 Henry Avenue (Fees)	2,098			2,098	2,005
Major repairs to Vicarage					6,792
Reordering Account Expenditure			13,000	13,000	668
Allotment					44
Coffee Break & Sunday Coffee	668			668	987
Friendship Lunches	968			968	3,243
Bank charges	120			120	120
Church Hall	1,723		27,956	29,679	
	113,636		40,956	154,592	129,221
d Governance costs					
Support	15			15	15
	15			15	15
Total resources expended	113,651		40,956	154,607	129,286

*The Charitable Contribution over Parish Ministry Costs (£ nil) plus the Diocesan Parish Ministry Costs (£74,035) make up the total Diocesan Parish Contribution (£74,035).

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

	2020 £	2019 £
4 Staff Costs		
a Wages and salaries	<u>10889</u>	<u>13,093</u>

During the year the PCC employed a Parish Administrator, an Assistant Parish Administrator, various organists & a music leader, all part-time.

b Payments/Reimbursements to PCC members & Family Members

C McLeod £215.94, A Mathias £100.00, G Jones £692.00,
P Brooks £86.40 and Rev N Loveless £412.63

5a Analysis of transfers between funds

	Transfers In £	Transfers Out £
General Fund	13,617	
Designated Fund		-13590
Phillipa Senst Restricted Endowment		-27
Total	<u>13,617</u>	<u>-13,617</u>

6 Fixed Assets

a Tangible fixed assets	Freehold land and buildings £	TOTAL £
Cost		
At 1 January 2020	69,250	69,250
Additions		
Disposals		
Revaluation		
At 31 December 2020	<u>69,250</u>	<u>69,250</u>
Depreciation		
At 1 January 2020		
Provided in the year		
Disposals		
At 31 December 2020		
Net book amount at 31 December 2020	<u>69,250</u>	<u>69,250</u>

The Freehold land and Buildings comprise 23 Henry Avenue, Rustington. This property is let on a tenancy arrangement until the 30th May 2021 at £12,600 per annum. The value is shown at its historic cost in 1988.

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

6 Fixed Assets (continued)

b Investment fixed assets	Bal. b/fwd 01/01/2020 £	New Investmts £	Gains/losses £	Bal. c/fwd 31/12/2020 £
Unrestricted:				
Loan for Cottage Refurbishment	26,641	-8,000		18,641
Reserve Fund (Faulkner)	57,558		3,391	60,949
Endowed:				
Brown (Fabric) Fund	18,684		1,243	19,927
Burial Ground Trust Fund	148,854		9,445	158,299
Chancel Trust (Fabric) Fund	14,492		-14,492	
Everett/Scott Fund	2,032		140	2,172
Endowment (Stipend) Fund	500		17	517
CBF Equity Fund (P Senst)	57,840		-1,552	56,288
CBF Global Eq. Fund (P Senst)	62,039		11,811	73,850
Total	388,640	-8,000	10,003	390,643

7a Analysis of Net Assets by Fund

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds <u>2020</u> £
Fixed assets for church use	69,250			69,250
Investment fixed assets	79,590		311,053	390,643
Current assets	146,911	4,010	28,780	179,701
Current Liabilities	3,950			3,950
Long term liabilities				
Total	291,801	4,010	339,833	635,644

b Analysis of Current Assets

Debtors	21,721			21,721
Current A/c	3,649			3,649
Multiple funds	14,016	4,010		18,026
Reserve A/c	12,272			12,272
Burial Ground Trust A/c			10,142	10,142
Fabric A/c			18,638	18,638
Chancel Trust (Fabric) A/c				
CBF Deposit Fund (P Senst)	95,253			95,253
Total	146,911	4,010	28,780	179,701

In 2013 the PCC agreed to divide the Philippa Senst bequest, to minimise risk until it was spent, as decided by the PCC. The PCC agreed to invest in two CBF Funds [see 6b **Investment Fixed Assets**] and two deposit accounts [see 7b **Analysis of Current Assets - CBF Deposit Fund**].

8 Debtors

	2020 £	2019 £
HMRC - Income tax recoverable	1,405	723
Income Receivable		1,058
Diocese of Chichester (Chancel Fund)	20,316	
	21,721	1,781

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

9 Creditors: amounts falling due within one year	2020	2019
	£	£
Accruals - HMRC (PAYE)	320	
Electricity	374	205
Family Support Worker		833
Gas	253	692
Charitable Giving	2,370	1,229
Agency	633	
Sundry		20
Total	3,950	2,979

10 Statement of funds

	Bal b/fwd 1 Jan 2020	Overall changes (Income, Expenditure, Transfers and other gains and losses	Bal c/fwd 31 Dec 2020
	£	£	£
Unrestricted Funds			
General fund	70,667	-313	70,354
Designated Fund	5,173	-3,482	1,691
Reserve Fund	79,066	-5,844	73,222
Bequest - P Senst	241,756	14,599	256,355
	396,662	4,960	401,622
Restricted Funds			
Restricted Fund	18,229	-14,219	4,010
	18,229	-14,219	4,010
Endowment Funds			
Burial Ground Fund	182,700	-14,258	168,442
Brown (Fabric) Fund	36,740	1,825	38,565
Chancel Trust Fund	35,305	-14,989	20,316
Everett/Scott Fund	2,031	140	2,171
Stipend Fund/unnamed	500	18	518
	257,276	-27,264	230,012
Total funds	672,167	-36,523	635,644

The above table shows the total value of all the funds held by the PCC and the balance c/fwd total for each fund includes both capital and income.

The Healey and Merchandise funds are included in Restricted fund.

11 Related parties and transactions

A loan was made to the Church Hall Trustees (V&C) for the refurbishment of the Cottage (see note 6b) to be repaid from future rents receivable.

In December 2019 the Diocese of Chichester advised parishes that from 2020 the way in which Chancel trusts will be dealt with would change. Chancel trusts are not PCC trusts. In future income from Chancel trusts will be paid directly to PCCs and can be used towards the cost of insuring their church.

The money PCCs receive from the Chancel trusts is not investment income as the PCC does not own the trust fund nor the investments.

The accumulated trust income from past years is to be treated as a debt to the PCC from the Chichester DBF.

PCCs have been told to remove the value of the Investment as an asset from their accounts and include the accumulated income not received from the Diocese as a Diocesan debt.

The required actions have been taken.

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2020

Funds

The figures shown in **Note 7b Analysis of Current Assets** show the amounts available to the PCC under the headings of **Unrestricted, Restricted** and **Endowed**.

The following explains the nature of the various funds, the purposes for which they may be expended and the bank accounts in which they are held.

Funds/Bank Accounts

The **General Fund**, held in a **Current Account**, is **Unrestricted**. The General Fund is used to receive and pay everyday income and expenditure.

The **Reserve Fund** is held in the **Reserve Account** and is **Unrestricted**. This fund was set up in 1988 with an initial investment of £25,000 in the Central Board of Finance Church of England Investment Fund and Fixed Interest Securities (CBF). The fund receives quarterly dividend income from the capital sum invested, to top up the Reserve Account.

The PCC wishes, as far as possible, **to retain the capital investment of the fund** and to spend only its income.

Multiple Funds Account:

This account contains designated and restricted funds for various church activities/groups and projects. Further detail:

Designated Funds

Waffle, Allotment, Men's Fellowship, Friendship Lunches, Office Machinery, Organ Maintenance and P Senst Bequest.

Should these funds not be needed for their original purpose they can be re-designated by the PCC.

Restricted Funds

*Healey Fund (choir), Choir Furniture, Ecclesiastical Vessels, Missions and Humphrey (repairs).

Being amounts donated/raised for a specific purpose, these funds are Restricted and cannot be re-designated to another use.

*(**Healey** – holds donations made in 1983 in memory of Mr T A Healey who had been organist for more than 50 years. The fund may be used at the discretion of the PCC for any purpose connected with the choir.)

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2020

Funds (continued)

The following funds are **Endowment Funds**. The capital sums are held by the Diocese as Custodian Trustee and may only be used in exceptional circumstances and with their permission. The income from these investments can be used but is restricted according to the terms of each respective fund.

The **Burial Ground Trust Fund** receives income from a capital investment in the Central Board of Finance of £38,138 being one half of the proceeds of the sale of the "New" Burial Ground in Worthing Road, in 1984. The income may be used for expenditure on the buildings of the church, the church hall and the vicarage but not for general expenditure.

The **Fabric Fund** receives dividend income from a capital investment with the Central Board of Finance. The income may only be used for the maintenance and repair of the church fabric.

The following are further investments over which the PCC has limited control. The funds are held by the Diocese on behalf of the PCC and may be used only on application to the Diocese.

The **Everett/Scott Fund** is an investment of 106.00 CBF Investment Fund (Income) Shares whose value is recorded as an endowment fund.

The **Stipend/Unnamed Endowment Fund** is an investment of 305.00 CBF Fixed Interest Security (Income) Shares whose value is recorded as an endowment fund.

The following fund is not a PCC Fund and is managed by the DBF.

The **Chancel Trust Fund** is an investment of 756.00 CBF Investment Fund (Income) Shares. The accumulated income is restricted to expenditure on the fabric (but not the fittings) of the chancel and is held by Chichester DBF. Starting in 2020 the income will be paid to the PCC and can be used towards the cost of insuring the church.

PAROCHIAL CHURCH COUNCIL of ST PETER & ST PAUL, RUSTINGTON

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ending 31 December 2020

Charitable Giving

Charitable Giving includes (i) payments made to the Diocese which exceed our Parish Ministry Costs (PMC) and (ii) home and overseas missions and charities.

This was previously referred to as the Tithe but following much discussion within the PCC, input from the Diocese and discussions with other churches, changes were proposed by the Finance Group. The PCC, at their meeting in November 2018, agreed to change the name to Charitable Giving and make changes to the methodology of calculation and the recipients, now to include the Diocese.

The Charitable Giving is now being calculated with reference to the total income from the Parish Giving Scheme (PGS), Standing Orders and the regular giving received in the Yellow Envelopes.

The main recipients will now be, as before, the three charities (which are agreed between the Missions Committee and the PCC) with the addition of the Diocese (i.e. a quarter each). The monies for the three charities will be distributed in accordance with the Missions Committee's request, as will any other monies they raise that is held by the PCC on their behalf in their designated account.

However, in May the Diocese wrote to all parishes explaining that the Pandemic was likely to be reducing the parish's income and therefore affecting its ability to meet its commitment to pay the parish contribution. It provided a questionnaire to be completed regarding ability to pay.

The parish usually pays more than its PMC, as Charitable Giving, but as its income had reduced, the PCC decided that it would have to reduce its expenditure and would therefore only pay the PMC (a reduction of £3,700). The survey was completed in June, indicating we would only pay the PMC.

Calculation of Charitable Giving

In 2020 the total income (including Gift Aid) from

PGS, Standing Orders and Yellow Envelopes was	£61,600
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Charitable Giving (if calculated at 10%)	£6,160
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Each recipient's share for 2020 will be one quarter	£1,540
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Charitable share to Missions Committee (3 x £1540)	£4620
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Less money already paid to Mission Charities	<u>£2250</u>
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Balance to be paid to Mission Charities (3 x £790)	<u>£2370</u>
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During its meetings in 2020, the PCC discussed the suggestion of changing the Charity Missions we support, with the change to take effect from 1st January 2021.

At its meeting on 15th September 2020, the PCC voted to discontinue its financial support for Friends of Mombasa and Alison and Paul Guinness (in Burundi) at the end of 2020, but to continue it for FSW. The PCC will not have a third Mission Charity and instead will have a "pot of money" from which it can support a variety of smaller charities on an ad-hoc basis.

At its meeting on 16th November the PCC voted to support Kevin and Jen Cable (Jaffa CMS project) as its second Mission Charity and provide financial support. The PCC also voted to Pledge to pay the Diocese only our PMC in 2021, as the Pandemic is still reducing our voluntary income.