

**PARISH OF EAST BLATCHINGTON,
SEAFORD**

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
OF THE
PAROCHIAL CHURCH COUNCIL**

Registered Charity number 1173506

for the year ended 31 December 2020

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Church of St. Peter, Blatchington Hill, Seaford

Rector Revd Arwen Folkes, The Rectory,
86 Belgrave Road, Seaford BN25 2HE

Independent M I Spencer Ltd, 70 Victoria Road, Polegate
examiner :- East Sussex BN26 6BU

Bankers :- Santander, Bootle, Merseyside, L30 4GB

Note: whilst enrolled members are free to discuss the annual report and financial statements at the annual parochial church meeting on 18th April 2021 it would be very much appreciated if any questions on the financial statements could be sent in writing to the Treasurer, Mr C Reynolds, 4 Dutchess Drive, Seaford, E Sussex, BN25 2XL as soon as possible before the meeting.

The Treasurer's 2020 Financial Report

Regrettably the Lockdowns and Tier measures introduced by the Government to control the spread of the Covid-19 virus have resulted in a very considerable reduction in our normal fund raising activities. Income has fallen drastically whilst our running costs have increased. We have spent a little more on cleaning and on investing in technical equipment to enable the streaming of services.

Income from Church activities was £86,062 (£103,179 -2019) with expenditure £97,804 (£91,088). We therefore have an overall deficit of £11,742 (£12,091 surplus)

Income

Total income is down 16% but there have been bright spots. Planned Giving £40,450 is 2% up and has been the mainstay of our income. Donations and appeals raised an impressive £10,728, as against £151 in the previous year. Our fund -raising activities such as the Blatchington Lectures, Open Gardens, Plant sales, and Fetes were all curtailed and Chapel Rooms lettings fell by 42% to £5,141 (£8,944 in 2019) Wedding fees etc. were 65% less at £2,310

Expenditure

The major reason for the increase has been the need to spend £12,680 (£4,428) on Church maintenance, particularly on the roof and stonework to prevent water ingress. Church running expenses were 13% higher at £11,767, but there have been savings elsewhere, upkeep of services was 7% less at £5,060 and Church Hall running costs 6% down at £6,496. There has also been a 24% reduction in costs for the upkeep of the Churchyard

Reserves

We started the year with £117,737 on Deposit with CCLA. It has been necessary to withdraw £20,000 to fund daily activity but we have received £10,482 in interest and income from stock market investments, so at 31 December 2019 these reserves stood at £108,219.

Longer Term Investments

These are stock market funds managed on our behalf by CCLA. On 1st January 2020 the book value was £323,783. Despite the difficult economic climate this figure has risen to £344,212 on 31st December 2020

Conclusion

Whilst the operating deficit is a very disappointing outcome, we have absorbed the loss and overall the PCC remains well funded.

Statement of Financial Activities

		UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 31.12.20 £	TOTAL FUNDS 31.12.19 £
	Notes				
Income and Endowments					
Voluntary income	2a	65,306	1,325	66,631	70,995
Activities for generating funds	2b	1,498	0	1,498	5,369
Income from investments	2c	273	10,209	10,482	10,647
Church activities	2d	7,451	0	7,451	16,169
Other income		0	0	0	0
Total income and endowments		74,528	11,534	86,062	103,179
Expenditure					
Church activities	3a	92,346	2,630	94,976	88,795
Costs of generating funds	3b	0	0	0	75
Other resources expended	3c	1,828	1,000	2,828	2,218
Total expenditure		94,174	3,630	97,804	91,088
Net incoming/(outgoing) resources for the year		-19,646	7,904	-11,742	12,091
Other recognised gains /losses	1c	0	0	0	0
Gains/(losses) on revaluation of fixed assets		0	0	0	0
Gains/(losses) on investment income	5b	0	20,428	20,428	48,159
		-19,646	28,332	8,686	60,250
Total funds b/fwd at 1st January 2020	6	94,064	620,755	714,819	654,569
Total funds c/fwd at 31st December 2020		74,418	649,087	723,505	714,819

Balance Sheet at 31st December 2020

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
<u>Fixed Assets</u>			
Tangible fixed assets	5(a)	249,005	246,512
Investment	5(b)	344,212	323,783
<u>Current Assets</u>			
Debtors	8	4,409	4,030
Short term deposits Unrestricted		44,809	64,536
Short term deposits Restricted		63,410	53,201
Cash at bank St Peters		22,676	27,452
Cash in hand		16	17
		<u>135,320</u>	<u>149,237</u>
Creditors due within one year	9	<u>-5,032</u>	<u>-4,713</u>
Net current assets		130,288	144,524
TOTAL NET ASSETS		<u><u>723,505</u></u>	<u><u>714,819</u></u>
<u>Funds</u>			
Unrestricted Funds	7	74,418	94,064
Restricted Funds	7	649,087	620,755
		<u><u>723,505</u></u>	<u><u>714,819</u></u>

Approved by the Parochial Church Council on 31st March 2021 and signed on its behalf by:

Rev. Arwen Folkes
Chairman

The accompanying notes form a part of these financial statements

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 Charities Act 2011 and Charities Act 2016 and in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the 2016 update of the Statement of Recommended Practice, Accounting and Reporting by Charities [SORP (FRS102)]

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair 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 purpose 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.

c Income and Endowments

These are included in the Statement of Financial Activities [SOFA] when:

1. the PCC becomes legally entitled to the use of the resources;
2. and the inflow of economic benefit is probable; and
3. the monetary value can be measured with sufficient reliability.

Voluntary Income

Funds raised from events and trading activities are reported gross in the SOFA

Collections and Planned Giving receivable is recognised only when received.

Gift Aid and other tax claims are included in the SOFA at the same time as the cash donations to which they relate.

Grants and donations are included in the SOFA when any preconditions preventing their use by the PCC have been met.

Income from investments

Dividends and interest entitlements are included in the accounts when receivable

All other income

All other income is recognised when it is receivable.

Gifts in kind are accounted for at a reasonable estimate of their fair value at the time of the gift.

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 each year.

The Recognised Gain from the sale of St Johns in 2007 is being held within the Restricted Funds.

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

d Expenditure

Expenditure is accounted for on an accruals basis and is accounted for gross.

Grants

Grants payable are recognised in the accounts when a commitment has been made externally and there are no pre-conditions still to be met for entitlement to the grant which remain within control of 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

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

Movable church furnishing held by the Rector and Churchwardens on special trust for the PCC and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected. For inalienable property acquired prior to 31st December 1990 there is insufficient cost information available and therefore such assets are not valued in the accounts. Individual items acquired since 1st January 1991 have been capitalised in the accounts and depreciated over their useful economic life (see depreciation note below).

All expenditure on consecrated or beneficed buildings and individual items 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:

Organ	write off at the rate of £1000 per annum
Fixtures, Fittings & Moveable Furnishings	25% straight line basis

No depreciation is provided on buildings as the currently estimated residual value of the properties (discounted for monetary inflation since their capitalisation) is not less than their carrying value and the remaining useful life of these assets currently exceeds 50 years, so that any depreciation charges would be immaterial.

An impairment review is carried out each year and any resultant loss identified included in expenditure for the year.

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 uncollectible.

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

g Loans

A £1000 loan was made to the Parochial CC of Seaford to support the Covid relief effort to the local community. This loan was repaid in full in December 2020, prior to the end of the financial year.

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

2 Income and Endowments

	Note	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 31.12.20 £	TOTAL FUNDS 31.12.19 £	
a Voluntary income						
Planned giving		40,450	0	40,450	39,924	
Collections at all services		2,325	275	2,600	6,282	
Gift days		0	0	0	0	
Grants		0	1,000	1,000	517	
Sundry donations and appeals	6	10,678	50	10,728	13,004	
Income tax recoverable		11,853	0	11,853	11,266	
		<u>65,306</u>	<u>1,325</u>	<u>66,631</u>	<u>70,994</u>	65306.00
b Activities for generating funds						
Fairs, bazaars and other fund-raising events		1,498	0	1,498	5,369	
		<u>1,498</u>	<u>0</u>	<u>1,498</u>	<u>5,369</u>	
c Investments income						
Interest & dividends		273	10,209	10,482	10,647	
		<u>273</u>	<u>10,209</u>	<u>10,482</u>	<u>10,647</u>	
d Income from Church Activities						
Church hall lettings etc		5,141	0	5,141	8,944	
Fees from weddings etc		2,310	0	2,310	6,645	
Parish magazine		0	0	0	0	
Chichester Trip		0	0	0	580	
		<u>7,451</u>	<u>0</u>	<u>7,451</u>	<u>16,169</u>	
Total income & Endowments		<u>74,528</u>	<u>11,534</u>	<u>86,062</u>	<u>103,179</u>	

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

3 Expenditure

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 31.12.20	TOTAL FUNDS 31.12.19
	£	£	£	£
a Church Activities				
Missionary and charitable giving				
Overseas	0	0	0	600
Home	0	260	260	1,740
	<u>0</u>	<u>260</u>	<u>260</u>	<u>2,340</u>
Ministry costs				
Diocesan parish contribution	47,736	0	47,736	46,344
other clergy costs	4,340	0	4,340	4,339
Church running expenses	11,767	0	11,767	10,192)
Wedding & Funeral Expenses	495	0	495	3,011)
Church maintenance	12,680	0	12,680	4,428
Upkeep of services	5,060	0	5,060	5,444
Upkeep of churchyard	1,786	0	1,786	2,360
Church hall running costs	6,496	0	6,496	6,951
Church hall Major repairs	0	0	0	0
Depreciation	1,987	2,370	4,357	2,645
Chichester Trip	0	0	0	580
Messy Church	0	0	0	161
	<u>92,346</u>	<u>2,630</u>	<u>94,976</u>	<u>88,795</u>
b Costs of generating funds	0	0	0	75
	<u>0</u>	<u>0</u>	<u>0</u>	<u>75</u>
c Other resources expended				
Independent examination fee	1,828	0	1,828	2,218
SVET Grant - for Covid relief	0	1,000	1,000	
	<u>1,828</u>	<u>1,000</u>	<u>2,828</u>	<u>2,218</u>
Total expenditure	<u>94,174</u>	<u>3,630</u>	<u>97,804</u>	<u>91,088</u>

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

4	Staff Costs	2020	2019
a	Wages and Salaries	-	-

The PCC did not employ any staff during 2020. Self-employed organists, cleaners and gardeners were hired to supply these services.

b Payments to PCC members

Payments made to professional gardener, Churchwarden Nick Linsell, for upkeep of the churchyard totalled £1599 (2019 £2110) during the year. No other payments or expenses were paid to any other member which were not in the nature of reimbursed expenses. Total of expenses reimbursed to PCC members during the year was £930 (2019 £497)

5 (a) Tangible fixed assets

	UR & R Freehold land and buildings	R Organ	R Plant & Equipment	UR Electrical Equipment	UR & R Fixtures & Fittings	Total
Cost as at 1st January 2020	228417	36530	5480		1098	271525
Additions				1473	5378	6850
Cost as at 31st December 2020	228417	36530	5480	1473	6476	278376
Depreciation as at 1st January 2020		22000	2740		275	25015
Charge for the year		1000	1370	368	1619	4357
Depreciation as at 31st December 2020	0	23000	4110	368	1893	29372
Net book value at 31st December 2020	228417	13530	1370	1105	4583	249005
Net book value at 31st December 2019	228417	14530	2740	0	824	246511

The freehold land and buildings comprise the Chapel Rooms. For accounting purposes the historical cost of this property was £228,417.

5 (b) Investments

	Investment	Property	Total
Market value 1st January 2020	308,277	15,507	323,784
Purchases at Cost	0	0	0
Revaluation Gain/(Loss)	21,199	-771	20,428
Market value 31st December 2020	329,476	14,736	344,212

During 2007 two investments were purchased, £200,000 in the CBF Church of England Investment Fund Income Shares and £20,000 in the CBF Church of England Property Fund.

The PCC are content with the current performance of the investments during the year.

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

6 Sundry Donations and Appeals

Included within this amount are legacies of £4,500, which were spent at the Trustee's discretion during the year, on capital items.

7 Analysis of Net assets by fund

Unrestricted Funds	Restricted Funds	TOTAL
8,321	240,684	249,005
	344,212	344,212
71129	64,191	135,320
(5,032)		(5,032)
74,418	649,087	723,505

8 Debtors

2020 **2019**

Church hall letting fees due	0	54
PGS & tax refunds due from HMRC	4409	3859
Sundry debtors	0	117
	<u>4409</u>	<u>4030</u>

9 Creditors: amounts falling due within one year

2020 **2019**

Accruals for utilities and other costs	5032	4713
Sundry Creditors	0	0
	<u>5032</u>	<u>4713</u>

Independent examiner's report to the PCC of St Peter's, East Blatchington.

I report on the accounts of the PCC of St Peter's, East Blatchington for the year ended 31st December 2020, which are set out on pages 2 to 9.

I report to the trustees on my examination of the accounts of the PCC of St Peter's, East Blatchington (the PCC) for the year ended 31st December 2020.

Responsibilities and basis of report

As the charity trustees of the PCC 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 PCC'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 giving me cause to believe that in any material respect: -

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

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

Signed:

Name: Michele Spencer

Professional qualifications: FAIA, CTA,

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East Sussex
BN26 6BU