

St Catherine's Church Littleton

End of Year Financial Statements

Year ending 31st December 2020

ST CATHERINE'S CHURCH, LITTLETON

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2020

Administrative information

St. Catherine's Church is situated in Church Lane, Littleton. It is part of the Diocese of Winchester within the Church of England. The correspondence address is The Rectory, Church Lane, Littleton.

The Parochial Church Council (PCC) is a charity exempted from registration with the Charity Commission. PCC members who have served from 1st January - 31st December 2020 are:

Incumbent:

The Reverend Jax Machin

Wardens:

Mr Simon Kingston

Mr Clive Thompsett.

(Also, Treasurer)

Elected member of Diocesan Synod

Mr Michael Coleman

Representatives on the Deanery Synod:

Mr Simon Kingston

Mr Clive Thompsett

Until October 2020

Vacancy

Elected members:

Mrs Carol Coleman

Mr Bryan Harris Secretary

Mrs Lucy Kington Until October 2020 Mr Michael Lupton Until October 2020

Mr John Morrell Mrs Sheila North

Mrs Helen Retter Safeguarding Officer

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

Objectives and Activities

St Catherine's PCC has the responsibility of co-operating with the incumbent, the Reverend J J Machin, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church Room, Church Lane, Littleton.

Achievements and Performance

Review of the year

The church continues to have the ability to run a wide variety of activities through the year, but, due to covid, these have not functioned for the main part of the year. A summary can be found in the PCC's Annual Review of Activities.

In 2020 there were no fundraising events. In January the PCC took on the responsibility for running the Friday Lunch Club, but only two lunches were possible in 2020.

The PCC continued its policy of supporting the work of a range of mission partners with whom we seek to build long term relationships as well as providing much needed funding. The Mission Group has continued to meet and provide guidance to the PCC on where we direct these donations. In addition, the Benefice has continued to support Karis Kids, a local Christian charity working with families in Uganda.

Church Services and Attendance

On 31st December 2020 there were 143 members on the Electoral Roll.

The monthly schedule of Sunday services planned for 2020 was as follows:

			Held during the year
1 st Sunday	4.00 pm	Café Church	5
2 nd Sunday	10.00 am	Family Communion (shorter format)	8
3 rd Sunday	10.00 am 6.00 pm	Morning Worship Peace and Wholeness Service	6 3
4 th Sunday	10.00 am	Family Communion	3

There were no services on Easter Sunday, and Christmas Day attendance was limited to 26 so as to comply with Covid restrictions.

BCP Holy Communion - 9.30 am on Wednesdays took place on only 9 occasions. Average attendance was 15

Financial Review

Total receipts on ordinary unrestricted funds were £73,812 and are detailed in the Financial Statements. £78,475 was spent to provide the Christian ministry from St Catherine's Church, including the contribution to the Diocesan Common Mission Fund, which largely provides the stipends and housing for the clergy.

Two legacies totalling £57,619 were received during the year. These have been treated as exceptional items in the 2020 accounts, but see below (reserves policy) for ongoing treatment

The church's investments continue to be well managed by CCLA and the PCC invested an additional £24,000 with them during the year. As at 31st December 2020 they now manage investments totalling £73,000 and also hold £43,500 on an interest-earning deposit account. An unrealised gain in investment values of £3,870 is included in the accounts.

Reserves policy

The PCC policy has been not to have designated funds for specified purposes. Instead, the PCC has one all-embracing General reserve. The reserve carried into 2021 is £117,042.

At their meeting on 26th January 2021, the PCC made two decisions on how the legacies should be used for the benefit of the community and the church. They voted to set up designated funds of £42,000 for an Anna Chaplaincy and £13,500 to facilitate an ECO church (heating, lighting, insulation and window repair).

Thus, with effect from 26th January 2021, this restates the opening unrestricted reserve from £117,042 to £61,542

Funds are currently invested with the Central Board of Finance (CBF) Deposit Fund, CBF Investment Fund, and CBF Fixed Interest Fund. Cash current accounts are also held at the National Westminster Bank and Barclays Bank.

Signed on behalf of the PCC by Mr Clive Thompsett (Treasurer) & Reverend Jax Machin (Incumbent and Rector of Downs Benefice)

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE'S, LITTLETON.

Statement of Financial activities for the year ended 31st December 2020

		[2020			2019	
		Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
		Funds	Funds		Funds	Funds	
INCOMING RESOURCES Voluntary Income	Note	£	£	£	£	£	£
Plate Collection, incl envelopes		1568.15		1568.15	3954.47		3954.47
Planned giving		43216.45		43216.45	43323.16		43323.16
Donations / Grants		8061.27	1000.00	9061.27	2481.60		2481.60
Donations for use of Churchroom		462.00	7000.00	462.00	1119.30		1119.30
St Catherines Friends		4152.17		4152.17	4091.38		4091.38
Gift Aid tax rebate Claimed		12277.09		12277.09	11988.21		11988.21
Ont the an robust oranio		69737.13	1000.00	70737.13	66958.12	0.00	66958.12
Other Ordinary Income					""	0.00	
Fees		1841.30		1841.30	3386.53		3386.53
Net Income from Events and Activities							
Magazine		1165.00		1165.00	1385.00		1385.00
Cost of Magazine (net of advertising)		-609.75		-609.75	-640.62		-640.62
5 (5/		555.25	0.00	555.25	744.38		744.38
F 4 0.55 1 100 6		1 .		0.00	7407.00		7407.00
Fund raising events		0.00 -28.00		0.00 -28.00	7437.00		7437.00
Costs of generating funds	6		0.00	-28.00 -28.00	-2919.24 4517.76		4517.76
Income from Investments	•	-28.00	0.00	-20.00	4317.76		4517.70
Interest & dividends		1706.68		1706.68	1493.33		1493.33
TOTAL INCOMING RESOURCES		73812.36	1000.00	74812.36	77100.12	0.00	77100.12
TOTAL INCOMING RESOURCES		/3012.30	1000.00	14012.30	77100.12	0.00	11100.12
RESOURCES USED Grants		1				·····	
Giving to UK Based Charities Giving to Overseas Based Charities	2 2	2640.00 4150.00		2640.00 4150.00	2625.00 3904.00		2625.00 3904.00
Directly Relating to Work of Church Diocesan Common Mission Fund Ministry: Clergy Expenses Running Costs of Church Repairs & Maintenance Church Room Upkeep of Graveyard	3 4 5 5	51382.50 1375.11 3706.46 2297.64 1784.20 2070.01	2859.55 431.64	51382.50 1375.11 3706.46 2297.64 4643.75 2501.65	49612.60 2700.35 5242.09 1043.15 2647.02 1786.22	13.20 1455.00 97.03	49612.60 2700.35 5255.29 1043.15 4102.02 1883.25
Church Administration Parish Administrator Impact of reduced benefice fee-earning activitie Office, stationery, copier	7 s	6865.44 1184.00 1020.17		6865.44 1184.00 1020.17	5905.68 1310.86		5905.68 0.00 1310.86
TOTAL RESOURCES USED		78475.53	3291.19	81766.72	76776.97	1565.23	78342.20
NET RECURRING INCOMING (OUTGOING) RESOURCE	ES	-4663.17	-2291.19	-6954.36	323.15	-1565.23	-1242.08
EXCEPTIONAL ITEMS							
Legacies	8	57619.00		57619.00	1000.00		1000.00
Special projects. Main Road steps & fence		-4616.84		-4616.84			
Unrealised gains on investments	9	3869.64		3869.64	5078.93		5078.93
NET MOVEMENT IN FUNDS		52208.63	-2291.19	54534.28	6402.08	-1565.23	4836.85
BALANCES BROUGHT FORWARD at 1st January 2020		64833.45	7060.02	71893.47	58431.37	8625.25	67056.62
BALANCES CARRIED FORWARD at 31st December 2020		117042.08	4768.83	121810.91	64833.45	7060.02	71893.47
C Thompsett							_

13 Jan 2021

Honorary Treasurer

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St Catherine's Church Statement of assets and liabilities (By code)

		•	2020		2019
Code & Account	Note	General	Restricted	Total	
		£	£	£	£
Fixed assets - Investments					
6430 : CBF Investment Fund		51,864.28		51,864.28	31,293.58
6431 : CBF Fixed Interest Fund		21,164.56		21,164.56	12,237.94
Total	9	73,028.84		73,028.84	43,531.52
Fixed assets - Tangible assets				\$	
6433 : Church Room Asset	10		96,000.00	96,000.00	108,000.00
Current assets - Cash at bank and in hand					
6502 : No 2 Account Natwest		0.00	535.81	535.81	853.01
6503 : Barclays Community Account	3	2,691.25	4,233.02	6,924.27	6,810.00
6510 : CCLA (CBF) deposit account		43,502.54		43,502.54	20,844.74
Total		46,193.79	4,768.83	50,962.62	28,507.75
Current assets - Debtors				**************************************	
6610 : Debtors		420.85		420.85	948.53
Z06 : Debtors - over 1 year		5,000.00		5,000.00	5,000.00
Total	11	5,420.85		5,420.85	5,948.53
Liabilities - Creditors: Amounts falling due	in one	। year			vvccanonaes
6601 : F1 Creditors		-455.95		-455.95	-385.00
6602 : F2 Kevin Lay		-6,194.11		-6,194.11	-5,709.33
6604 : Monthly Lunch Club		-951.34		951.34	0.00
Total	12	-7,601.40		-7,601.40	-6,094.33
Net total assets	<u></u>	117,042.08	100,768.83	217,810.91	179,893.47

Represented by
Unrestricted - General Reserve
Restricted - Church Room Reserve
Restricted - Church Room
Restricted - Churchyard
Restricted - Church & Churchyard
Restricted - Flower
Total Reserves

		2020	
Note	General	Restricted	Total
	£	£	£
	117,042.08		117,042.08
		96,000.00	96,000.00
		3,479.89	3,479.89
		1,108.71	1,108.71
		0.00	0.00
		180.23	180.23
13	117,042.08	100,768.83	217,810.91

2019
Total
£
64,833.45
108,000.00
6,339.44
455.38
84.97
180.23
179,893.47

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE, LITTLETON NOTES TO THE FINANCIAL STATEMENTS

For the year ending 31st December 2020

any changes to the policies below compared to last year are denoted in BLOCK CAPITALS and strikethrough

NOTE 1. ACCOUNTING POLICIES

a. General

- The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and SORP 2006.
- The financial statements have been prepared under the historical cost convention as modified
 by the inclusion of investments at market value and the revaluation of fixed assets. 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

Funds held by the PCC are:

- 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, and 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 each year must be carried forward as a balance on that
 fund. The PCC does not usually invest separately for each fund and interest is apportioned
 to individual funds on an average balance basis.
- Unrestricted funds general funds which can be used for PCC ordinary purposes.

c. Incoming resources

All incoming resources are accounted for gross

Voluntary Income

- Collections and donations are recognized when received
- Planned giving receivable is recognized only when received.
- Income tax recoverable on Gift Aid donations is recognized when the related income is recognized.
- Grants and legacies are recognized when the PCC is legally entitled to the amount due.

Income from investments

Dividends and interest entitlements are accounted for when receivable.

All other income

All other income is recognized when it is receivable.

Gains and losses on investments

- Realised gains and losses are recognized when the investments are sold.
- Unrealised gains and losses are accounted for on revaluation on 31st December.

d. Resources used

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

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. All other expenditure is generally recognized when it is incurred and is accounted for gross.

e. Fixed Assets.

- Consecrated and beneficial property is excluded from the accounts by s.96(2)(c) of the Charities act 1993. Costs associated with the maintenance and improvement of such assets are written off in the year they are incurred
- No value is placed on movable church furnishings held by the churchwardens on trust for the PCC.
- All OTHER capital expenditure is either written off as incurred if below £1000, or capitalised if over £1,000

f. Investments

· Investments are valued at market value on 31st December.

g. Current Assets

- Amounts owing to the PCC at 31st December are shown as debtors.
- Short-term deposits include cash held on deposit with the CBF Church of England Funds and at the bank.

NOTE 2. GRANTS

Grants have been made to the following charities. The PCC seeks to build ongoing relationships with the

organisations to whom we donate.

	2020 £	2019£		2020 £	2019£
UK Based			Overseas Based		
Basics Bank	400	400	Open Doors Int'l	600	600
Night Shelter	500	500	Tearfund	600	600
Trinity Centre	750	750	Guyana Mission	500	504
City Chaplaincy	300	300	CMS	500	500
Messy Church	150	150	MAF	500	500
Winchester Hospice	400	500	OMF	500	500
H&I Historic Churches	25	25	Karis Kids	450	300
British Legion	30	30	Brickworks	500	400
ARocha ECO Church	85				
	£2640	£2655		£4150	£3904

NOTE 3. DIOCESAN COMMON MISSION FUND

2018 was the final year for the five-year transition from the Quota system to Common Mission Fund. 2019 and 2020 assessments provided a welcome relief from high annual increases. Littleton is assessed as being among the wealthiest parishes in the Diocese and, consequently, contributes generously to help less fortunate parishes in conurbations. The changes in CMF since 2014 are

	£	% Increase	Cumulative %
			Increase
2014	31,209		*
2015	36,765	+17.8	+17.8
2016	40,442	+10.0	+29.6
2017	44,486	+10.0	+42.5
2018	48,000	+7.9	+53.8
2019	49,613	+3.4	+59.0
2020	51,383	+3.6	+64.6

NOTE 4. RUNNING COSTS OF THE CHURCH

The routine costs of running the church and providing regular services are:

	2020 (£)	2019 (£)
Upkeep of services	276	322
Children's church	51	272
Organist's fees	898	1951
Subscriptions	216	185
Heat & light	446	547
Insurance (1)	791	1161
Cleaning (2)	679	450
Sundries	350	354
	£3707	£5242

⁽¹⁾ We have negotiated a new contract which allows monthly payments (with no interest penalty). Only 9 instalments were paid (an annual equivalent of £1055)

NOTE 5. REPAIRS & MAINTENANCE (incl Church room)

As is usual, a variety of repairs / replacements to our property have been necessary this year. The total of £2811 comprises £2297 for the church and £514 for the church room.

	2020 (£)	2019 (£)
Boiler Service	80	66
Fire Extinguishers	116	102
Fire Risk assessment	164	160
Electrical testing & replacements	196	58
Nappy Bin Contract	101	97
Covid precautions	54	0
Repair damp in vestry wall	1638	0
Quinquennial Electricity testing	420	0
Others	42	76
Organ repair & service (1)		450
Porch repair		36
Sound System		380
New Tablecloths		202
Repairs to Water Heater		153
Carpet special clean	***************************************	100
-	£2811	£1880

⁽¹⁾ We have a new contract that extended the previous contract by 4 months. The new contract will still be at £450 and commences 1st January 2021

NOTE 6. FUND-RAISING ACTIVITIES

No events were able to take place in 2020. £28 was spent on flyers before Lockdown. In 2019 we raised £4,518

We had budgeted for £4,750, so a severe loss of income.

⁽²⁾ The church has been cleaned by external cleaners more frequently to comply with coronavirus regulations

⁽²⁾ A Quinquennial inspection was conducted during 2020. No significant issues were identified, but any costs of rectification will occur in 2021.

NOTE 7. BENEFICE OFFICE

	2020 £)	2019 £)	
Administrator Costs	29,399	28,542	
Contribution from fees	-4494	-9,355	
Total Benefice Administration	24,905	19,187	
Littleton share	32.32%	30.78%	
Littleton charge	8049	5,906	

The lower contribution from fees was caused by a significant decrease in weddings and funerals across the benefice in the last ten months of the year.

Staff costs. During the year the PCC has had no employees. We pay a share of the costs of the benefice administrators, who are employed by Crawley PCC, through the Benefice Office Costs detailed above.

NOTE 8. EXCEPTIONAL ITEMS

In 2020 the church received two legacies: one for £10,000 and one for £47,619. These gifts were for the general fund and given without restriction. We are most grateful for the generosity of both donors. The PCC is considering several long-term projects which will benefit the church and the community. Once decisions are made, appropriate funds will be reclassified as 'Designated Funds' in 2021 accounts. Such funds are for use on that specific project but, should circumstances change, the PCC can agree that they revert to an Unrestricted Fund.

This is a different accounting approach to Restricted Funds which can only be spent for the purpose stated when the fund was created.

Also, during 2020, the steps from Main road to the churchyard were replaced using materials approved for use in a conservation area. At the same time the fencing to the south of the entrance was replaced. This was financed from previous legacies at a total cost of £4,617.

NOTE 9. UNIT TRUSTS

Dividends, as and when received, have been reinvested. The following investments are held as at 31st December 20

	Number	Price:	Mkt Value	Book Value
		31st Dec	31st Dec	31st Dec
Central Board of Finance Investment Fund	2,536.6	20.447	£51,864	£48,416
Central Board of Finance Fixed Interest Fund	12,512.3	1.692	£21,165	£20,743
			£73,029	£69,159

All unit trusts have been valued at market price, of £73,029 in the balance sheet, with an appropriate adjustment for the increase in their value, of £3,870 in the Statement of Financial Activities.

NOTE 10. FIXED ASSETS

The church room was extended and refurbished in 2015 and has been capitalised on 1st September 2015 at a value of £160,000. It is being depreciated at a rate of 7.5% a year.

St Catherine's Church Room	Gross Book Value £	Depreciation £	Net Book Value £
1 st January 2020	160,000	52,000	108,000
2020 depreciation		12,000	
31st December 2020	160,000	64,000	96,000

NOTE 11. DEBTORS

	2020 (£)	2019 (£)
General Debtors	421	948
Debtors (over one year)	5,000	5,000
	£5,421	£5,948

In March 2016 £5,000 was donated to Littleton PCC provided that this money was lent to the Downs Benefice for working capital purposes. The loan is repayable to Littleton PCC if the Downs Benefice is wound up or Littleton PCC is in severe financial difficulty.

NOTE 12 LIABILITIES

Included within the creditors of the PCC are sums held on behalf of other organisations.

	2020 (£)	2019 (£)	
General Creditors	456	385	
Kevin Lay Foundation	6194	5709	
Monthly Lunch Club	951	951 0	
	£6,650	£6,094	

The Kevin Lay foundation money is held on behalf of the Trustees of that fund. The cash balance attracts interest and is available on call, as and when the trustees require it.

The PCC took full responsibility for staffing and accounting for the Friday Lunch Club. The PCC is holding £951 which can be called on by the leaders to reimburse any relevant expenditure.

NOTE 13. UNRESTRICTED & RESTRICTED FUNDS

Unrestricted

Other than when money is given or raised for a specific purpose, the PCC has to date not

held in an all-embracing General reserve. The reserve carried into 2021 is £117,042

Restricted

In 2020 we had five restricted funds.

- The Church and Graveyard Fund to be spent on work to the church building or graveyard.
- The Graveyard Fund- to be spent for non-routine projects in the Graveyard
- The Church Room Fund to be spent on the Church Room Project
- The Flower Fund can only be used for church flowers.
- The Church Room Reserve is the written down value of the £160,000 valuation of the Church Room in 2015. It is being written off over 13 years

Restricted Fund Movements in 2019

	1 st Jan 2020	Incoming	Outgoing	31 st Dec 2020
	£	£	£	£
Church & Graveyard	84.97		-84.97	0.00
Graveyard *	455.38	1,000.00	-346.66	1,108.71
Church Room**	6339.44		-2,859.55	3,479.89
Flowers	180.23		0.00	180.23
Church Room Reserve	108,000.00		-12,000	96,000.00
Restricted Reserves	115,060.02	125	-15,291.08	100,768.83

^{*}We received a restricted legacy of £1000. £272 of the expenditure was for four new cherry trees in the churchyard

C Thompsett. 13th January 2021

^{**} Negotiations over the final bill for Dart, the builder of the church room, were finally concluded. The final settlement was £2860.

Independent Examiner's Report to the members/trustees of St Catherine's Church, Littleton, Parochial Church Council.

I report on the accounts for the year ended 31st December 2020 which are set out on the preceding pages.

Respective responsibilities of the Trustees and Independent Examiner

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

It is my responsibility to

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

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

- 1. which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with s.130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records have not been met; or

25/1/21

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Graham Ward

7 Dale Close, Littleton, Winchester