

ST CATHERINE'S CHURCH, LITTLETON

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2022

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 2022 are:

Incumbent:

The Reverend Jax Machin

Facilitator

Mr Simon Kingston

Member of Diocesan Synod

Dr Michael Coleman and PCC secretary

Representative on the Deanery Synod:

Mr Simon Kingston

Elected members:

Mrs Carol Coleman

Mrs Peggy Ormston (since April 2022)

Mrs Carol Ward (since April 2022)

Mr John Morrell

Mr Clive Thompsett. Treasurer and Assistant Facilitator

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 JJ 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

The church continues to have the ability to run a wide variety of activities through the year. It is encouraging that in 2022, we were able to resume our various outreach activities which had been considerably reduced in the previous two years because of Covid. A summary can be found in the PCC's Annual Review of Activities

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. We donated £7,300. The Mission Group has continued to 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

On 31st December 2022 there were 132 members on the Electoral Roll.

The monthly schedule of Sunday services was as follows.

1 st Sunday	4 pm	Café Church
2 nd Sunday	10 am	Family Communion
3 rd Sunday	6 pm	Peace and Wholeness Service
4 th Wednesday	10 am	Communion
4 th Sunday	10 am	Morning Worship

Financial Review.

Total receipts on ordinary unrestricted funds were £79,696 and are detailed in the Financial Statements. £79,046 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. Consequently, the accounts show a surplus of £650 on normal activities.

Having received two generous legacies in the previous two years, in 2021 the PCC created designated reserves totalling £102,700. £15,158 has been spent during 2022 on four projects:

	£
Upgrading church lighting	2,548
Repairs to church East window	7,836
AnnaChaplaincy	4,247
Churchyard maintenance / improvement	527
	£15,158

The church's investments continue to be well managed by CCLA. As at 31st December 2022 they now manage investments totalling £113,000 and also hold £39,000 on an interest-earning deposit account. An **unrealised** reduction in investment values of £15,054 is included in the accounts. It should be noted that this is unrealised and since the year-end the markets have improved.

Reserves

	Reserves as at 31 Dec 2022	Reserves as at 31 Dec 2021
	£	£
Unrestricted	71337	85,741
Designated		
Anna Chaplaincy	64,953	69,200
ECO Church	3,116	13,500
Church room	10,000	10,000
Churchyard	9,473	10,000
Restricted		
Church room	3,480	3,480
Churchyard	0	893
Flowers	168	168
	162,527	192,982

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)

Mr Simon Kingston (Lay Chairman)

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE'S, LITTLETON.

Statement of Financial activities for the year ended 31st December 2022

	Note	2022				2021		
		Unrestricted Funds	Designated Reserves	Restricted Funds	TOTAL	Unrestricted Funds	Restricted Funds	TOTAL
		£		£	£	£	£	£
INCOMING RESOURCES								
Voluntary Income								
Plate Collection, incl envelopes		2,072			2,072	1,832		1,832
Planned giving		45,942			45,942	44,536		44,536
Donations / Grants		4,548			4,548	4,309		4,309
Donation from Lunch Club (PCC now responsible)		0			0	951		951
Donations for use of Churchroom		450			450	125		125
St Catherines Friends		5,044			5,044	4,548		4,548
Gift Aid tax rebate Claimed		12,156			12,156	11,880		11,880
		70,212			70,212	68,181		68,181
Other Ordinary Income								
Fees		3,124			3,124	2,587		2,587
Net Income from Events and Activities								
Magazine		567			567	666		666
Fund raising events	2	2,233			2,233	2,478		2,478
Friday Lunch Club		0			0	-267		-267
		2,801			2,801	2,878		2,878
Income from Investments								
Interest & dividends		3,560			3,560	2,252		2,252
TOTAL INCOMING RESOURCES		79,697	0	0	79,697	75,897	0	75,897
RESOURCES USED								
Grants								
Giving to UK Based Charities	3	2,950			2,950	2,990		2,990
Giving to Overseas Based Charities	3	4,350			4,350	4,800		4,800
Directly Relating to Work of Church								
Diocesan Common Mission Fund	4	49,977			49,977	47,981		47,981
Ministry : Clergy Expenses		2,053			2,053	1,456		1,456
Running Costs of Church	5	4,965			4,965	3,342	12	3,354
Repairs & Maintenance	6	836	10,384		11,220	1,383		1,383
Church Room		2,398			2,398	1,967		1,967
Anna Chaplain	7		4,247		4,247	0		0
Upkeep of Graveyard	8	1,366	527	893	2,786	1,278	216	1,494
Church Administration								
Parish Administrator	9	8,374			8,374	7,337		7,337
Once-off payment to help the Benefice	10	0			0	4,166		4,166
Office, stationery, copier	9	1,776			1,776	1,436		1,436
		10,150			10,150	12,939		12,939
TOTAL RESOURCES USED		79,046	15,158	893	95,097	78,136	228	78,364
NET RECURRING INCOMING (OUTGOING) RESOURCES		651	-15,158	-893	-15,400	-2,238	-228	-2,466
EXCEPTIONAL ITEMS								
Legacies	11	0			0	66,472		66,472
Unrealised gains or losses on investments	12	-15,054			-15,054	7,165		7,165
NET MOVEMENT IN FUNDS		-14,403	-15,158	-893	-30,455	71,399	-228	71,171
BALANCES BROUGHT FORWARD at 1st January 2022								
Surplus on Unrestricted Funds		85,741	102,700	4,541	192,982			
Unrealised loss on investments		651			651			
Special projects financed by legacies		-15,054			-15,054			
ECO Church			-10,384		-10,384			
Anna chaplain			-4,247		-4,247			
Churchyard maintenace / improvement			-527	-893	-1,420			
BALANCES CARRIED FORWARD at 31st December 2022		71,337	87,542	3,648	162,527			

C Thompsett. FCMA

Treasurer. 7th Jan 2023

Statement of assets and liabilities as at 31st December 2022

Account	Note	2022			2021
		General £	Designated	Restricted £	Total £
Current assets - Investments					
CBF Investment Fund		60,242	28,117	88,359	97,211
CBF Fixed Interest Fund		0	24,226	24,226	27,163
Total	13	60,242	52,343	112,585	124,374
Current assets - Cash at bank and in hand					
NatWest Account		478		478	384
Barclays Account		6,732		6,732	4,710
CCLA (CBF) deposit account		0	35,198	3,648	64,546
Total		7,211	35,198	3,648	69,640
Current assets - Debtors					
Debtors		168		168	552
Debtors - over 1 year		5,000		5,000	5,000
Total	15	5,168		5,168	5,552
Liabilities - Creditors: Amounts falling due in one year					
Creditors		1,283		1,283	-374
Kevin Lay Foundation		0		0	-6,210
Total	16	1,283		1,283	-6,584
Net total assets		71,337	87,542	3,648	162,527

Represented by	Note	2022			2021
		General £	Designated	Restricted £	Total £
Unrestricted - General Reserve		71,337			85,741
Designated and / or Restricted					
Anna Chaplain			64,953		69,200
ECO Church			3,116		13,500
Church Room			10,000	3,480	13,480
Churchyard			9,473	0	10,893
Flowers				168	168
Total Reserves	17	71,337	87,542	3,648	192,982

In addition to the above assets, the PCC owns the church room, reconstructed in 2015 at a cost of £168,000, free of debt. Each year a notional £12,000 depreciation is applied. At the 31st December 2022, the hall is nominally valued at £72,000. (See NOTE 14.)

This is not a cash flow transaction and is excluded from the balance sheet above so that the reserves are shown to be identical to those in the Statement of Financial Activities (SOFA)

C Thompsett. FCMA

06-Jan-23

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE, LITTLETON
NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31st December 2022

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.
- *Designated funds* – these have been earmarked by the PCC for a specific use. However, the PCC, by resolution, can return those funds to the general reserve should they no longer be needed.
- *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 Common Mission fund (CMF) 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. FUND-RAISING ACTIVITIES

The following events took place resulting in the following profits

	£ 2022	£ 2022		£ 2021	£ 2021
	Gross	Net		Gross	Net
Open gardens				1645	1521
Autumn Bazaar	788	763		957	957
Car Boot Sale	336	241			
Safari Supper	680	680			
Faith and the Arts	1653	849			
Write-off of Quartet fee paid for event cancelled by covid		-300			
	£3457	£2233		£2602	£2478

NOTE 3. GRANTS

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

	2022 £	2021 £		2022 £	2021 £
UK Based			Overseas Based		
Basics Bank	650	650	Open Doors Int'l	500	600
Winchester Beacon	850	850	Tearfund	600	600
Trinity Centre	785	950	Guyana Mission	500	500
City Chaplaincy	Nil	330	CMS	600	650
Win'ster Street Pastors	250	Nil	MAF	600	650
Messy Church. BRF	150	150	OMF	600	650
Winchester Hospice	200	Nil	Karis Kids	500	650
H&I Historic Churches	25	25	Brickworks	450	500
British Legion	40	35			
	£2950	£2930		£4350	£4800

Recognising the difficulty experienced by charities in 2021, the PCC increased donations to UK charities by £400 and overseas by £600. This was a once-off increase.

NOTE 4. DIOCESAN COMMON MISSION FUND (CMF)

Our 2022 assessment for the Common Mission Fund was £49,977 which is a £2,996 increase on the previous year.

Littleton is assessed as being among the wealthiest parishes in the Diocese and, consequently, contributes generously to help less fortunate parishes.

2022 saw a return to almost pre-covid normality. For several of the notes which follow I have also shown 2019 figures, being the last normal year, pre covid.

NOTE 5. RUNNING COSTS OF THE CHURCH

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

	2022 (£)	2021 (£)	2019 (£)
Upkeep of services	321	244	322
Children's church	32	80	272
Organist's fees	1488	408	1951
Subscriptions	261	251	185
Heat & light	629	457	547
Insurance	1202	1056	1161
Cleaning	551	466	450
Sundries	481	381	354
	£4965	£3342	£5242

NOTE 6. REPAIRS & MAINTENANCE (including Church room)

As is usual, a variety of repairs / replacements to our property have been necessary this year. The 2022 total of £1477 comprises £836 for the church and £642 for the church room.

	2022 (£)	2021 (£)	2019 (£)
Boiler Service	98	80	66
New Fire Extinguishers & Lights		225	102
New extractor fan and vacuum cleaner	185		
Fire Risk assessment	212	180	160
Electrical testing & replacements	75	160	58
Nappy Bin Contract	112	105	97
Repair water heater	120		
Organ repair & service	450	638	450
Minor repairs	50	69	189
Provision. Repairs tiles and gutters	150		
Sound System		122	380
New Tablecloths & Carpet clean			302
Repair broken window (hall)		168	
Spray church roof		124	
Sundries	25	116	76
	£1477	£1987	£1880
SPECIAL PROJECTS			
Upgrading lighting	2548		
Repairs to East window	7836		
	£11861		

NOTE 7. ANNA CHAPLAIN

Utilising part of a generous legacy, the PCC set up in 2021, a designated reserve of £69,200 for the employment of an Anna chaplain over the coming three years. Mrs Karen Markiewicz was appointed and started work in the parish on 28th August 2022. The following costs have been incurred for 2022

	2022 (£)
Salary & Pension	3785
Payroll administration	96
Training	181
Other expenses	184
	£4246

Mrs Markiewicz is employed by St Catherine's PCC and is their only employee.

NOTE 8. CHURCHYARD

	2022 (£)	2021 (£)	2019 (£)
Grass cutting (2022, new contractor ***)	967	1194	1472
Maintenance of trees	141	216	182
Mole prevention		90	
Repair to damaged gravestones	142		
Catering for Churchyard clear-up	72	9	87
Sundries	44	6	45
	£1366	£1494	£1786
SPECIAL PROJECTS			
Bonfire screen	370		
Box hedge removal (Church Lane)	360		
Ash Die-back. Tree felling	690		
	£2786		

*** The new contractor is based in Sparsholt whereas the previous contractor travelled from Highclere.

NOTE 9. BENEFICE OFFICE

	2022 (£)	2021 (£)	2019 (£)
Administrator Costs	31,033	29,875	28,542
Contribution from fees	-8027	-7438	-9,355
Total Benefice Administration	23006	22,437	19,187
Littleton share	36.41%	32.71%	30.78%
Littleton charge	8374	7337	5,906

We pay a share of the cost of the benefice administrator, who is employed by Crawley PCC, through the Benefice Office Costs detailed above.

Running costs of the office increased in 2022

	2022 (£)	2021 (£)	2019 (£)
Telephone and Broadband	1017	935	957
Electricity	660	371	495
Repairs: Premises & equipment	822	464	727
Other costs	1309	1259	1473
Office running costs	3808	3023	3652

NOTE 10. ONCE-OFF SPECIAL PAYMENT.

2020 and 2021 were unusual years due to the impact of coronavirus. Over the years Littleton has increased the per centage of its income derived from planned giving and the resultant tax rebates. This has been supplemented by the introduction of the St Catherine's Friends. Consequently, when coronavirus hit us in 2020, 82% of our income was guaranteed. Crawley have a similar position.

Chilbolton, Sparsholt and Wherwell, however, derive between 40 to 48% of their income from village events which, of course, were cancelled for at least 18 months. Consequently, their finances were seriously impacted.

The PCC decided to offer to pay their share of the benefice costs of Ministry, the office, and the administrator for the last four months of the year; this would have cost us circa £6,100. In the event just Sparsholt and Wherwell accepted our offer and a once-off cost of £4,166 was paid to the benefice on their behalf. All three parishes were appreciative of the offer and recorded their thanks to the PCC.

NOTE 11. EXCEPTIONAL ITEMS

We were grateful to receive two legacies in 2021, totalling £66,472. Whilst no legacies were received in 2022, we are anticipating a final settlement for one of the legacies when the estate is finalised.

Further details on reserves can be found in Note 17.

NOTE 12. UNREALISED GAINS & LOSSES ON INVESTMENTS

Including 2017, our balance sheets have shown the following valuations of our investments with CCLA. Our policy is to remain fully invested and to rely on our investment managers to move our holdings between countries, sectors and companies / trusts, with the aim of achieving growth.

There are some years when international events trigger a sharp fall in the market, and 2022 was such a year, History indicates that the market will rebound.

Year	Value 1 st January	Value 31 st December	Average	Unrealised gain / loss	%
£	£	£	£	£	£
2017	33476	36722	35099	1999	5.7% Gain
2018	36722	37075	36898	-956	2.6% Loss
2019	37075	43532	40303	5079	12.6% Gain
2020	43532	73029	58281	3870	6.6% Gain
2021	73029	124374	98701	7165	7.3% Gain
2022	124374	112585	118479	-15054	12.7% Loss

NOTE 13. UNIT TRUSTS

Dividends, as and when received, have been reinvested. The following investments are held as at 31st December 2022

	Number	Price: 31st Dec	Mkt Value 31st Dec	Book Value 31st Dec
Central Board of Finance Investment Fund	4,276.53	£20.661	£88,359	£99,792
Central Board of Finance Fixed Interest Fund	17,670	£1.371	£24,226	£27,847
			£112,585	£127,639

All unit trusts have been valued at market price of £112,585 in the balance sheet, with an appropriate adjustment for the decrease in their value of £15,054 in the Statement of Financial Activities. See also Note 12.

NOTE 14. 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 2022	160,000	76,000	84,000
2022 depreciation		12,000	
31 st December 2022	160,000	88,000	72,000

NOTE 15. DEBTORS

	2022 (£)	2021 (£)
General Debtors	168	552
Debtors (over one year)	5,000	5,000
	£5,168	£5,421

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 16. LIABILITIES

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

	2022 (£)	2021 (£)
General Creditors	1283	374
Kevin Lay Foundation	0	6210
	£1,283	£6,584

The trustees of the Kevin Lay foundation decided in 2022 to wind up the charity. The balance held on their behalf, was sent to Karis Kids in Uganda.

NOTE 17. UNRESTRICTED, RESTRICTED and DESIGNATED FUNDS

	Reserves as at 31 Dec 2022	Reserves as at 31 Dec 2021
	£	£
Unrestricted	71337	85,741
Designated		
Anna Chaplaincy	64,953	69,200
ECO Church	3,116	13,500
Church room	10,000	10,000
Churchyard	9,473	10,000
Restricted		
Church room	3,480	3,480
Churchyard	0	893
Flowers	168	168
	162,527	192,982

Unrestricted Funds

These funds are managed by the PCC and are spent on church related matters as they direct.

Restricted Funds

These funds have been donated for specific purposes and can only be spent on the named projects

Designated Funds

These funds have been earmarked for the purpose designated but, in the event of the funds no longer being needed, the PCC can re-designate them as unrestricted funds.

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 2022 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

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



Paul A Brooks 7 Pitter Close, Littleton, WINCHESTER, SO22 6PD.

6 February 2023.