

The Parochial Church Council of the Parish of St Peter and St Paul Uplyme

Commentary to the Accounts for the year ending 31st December 2020

C1 The formal accounts for 2020 are on pages F5-F9. They incorporate a balance sheet, a statement of financial activity (SOFA), and relevant notes.

C2 Overall position :

Total assets **decreased** by £18,626 during the year from £160,598 to £141,972. The deficit (£7,858) on General Funds, and the cost of our Youth Worker (£12,300) were partially offset by a significant donation to the Fabric Fund.

C3 Investment Policy :

- a. A small cash balance is held by Shining Stars for week to week activities.
- b. Monies required on a day to day basis to pay bills and meet ongoing commitments are held in a CAF Current Account. The balance on this account is reviewed monthly by the Treasurer
- c. Monies which it is estimated are unlikely to be utilised for a period of more than twelve months were invested in a Shawbrook CAF 12 month Fixed Rate Saver Account. All other financial resources are held in two interest earning deposit accounts. Interest rates in 2020 were very low.
- d. Whilst seeking a competitive level of interest, the PCC will seek to invest with institutions which carry a relatively low level of risk, and which have sound ethical policies.

C4 Reserves Policy :

- a. Restricted Funds : the PCC is responsible for the management of a number of restricted funds. PCC is committed to making effective use of these resources and will honour the wishes of donors for these monies to be used for a specific purpose. These funds will be reviewed on an annual basis.
- b. Legacy Fund : six legacies left to the church since 2014 have been allocated to a designated unrestricted Legacy Fund.
Over the past six years the fund has been used to (i) support the work of the wider church (ii) finance a new organ which was installed in November 2016 (iii) cover deficits on general funds in 2016, 2019 and 2020 (iv) pay for recruitment advertising, and, since July 2018, the employment of a part time youth worker.
At the end of 2020 the balance in the legacy fund was £68,929 (down from £89,087 at the end of 2019). Approximately £8,500 of this is allocated to the remainder of the three year youth worker appointment which ends in June 2021. Current PCC policy is that the remaining balance should be primarily targeted towards development of the church building including a disabled toilet, whilst recognising that it may well be necessary to cover future General Fund deficits.
- c. General Funds : In the medium term the PCC aim to restore the level of this fund to £30,000 (approximately 4 months recurring expenditure). However, in 2020, the deficit, covered by the Legacy Fund, meant that no further progress toward this target was made.

C5. Supporting the Poorest in the World :

Due to the pandemic, there were no specific fund raising activities in 2020. However, 50% of the proceeds from the annual gift day in September were allocated to our Uganda Projects. £1,000 (including a balance brought forward from 2019) was sent to New Hope Uganda (Treasures in Jars of Clay) in response to their March 2020 Covid 19 emergency appeal; and just over £4,000 was sent to the TEAR Fund water and sanitation project in the Kigezi Diocese.

C6. Million for Mission (M4M) :

This fund has again been used to support the cost of hiring the village hall for the Viaduct, although this group was not able to meet after March 2020 due to Covid 19.

C7. Mission Shed

The balance on this fund has still not been transferred to the Honiton Deanery because no one has been identified to take over responsibility for this initiative!

C8. Income and Expenditure :

- a. Total Planned Giving in 2020 for General Funds amounted to £46,466— this is a **decrease** of 8.75% on the 2019 figure (£50,921). There were no cash collections (or weekly envelopes) after the first lockdown in March, and, although a few people sent BACS donations or signed up for a standing order, a number of existing regular contributors have ceased their financial support.
- b. The receipts from the annual Gift Day in September totalled £7,650 (2019 figure £6,490). PCC changed its policy in 2020 – 50% was allocated to the Uganda Projects, and 50% to General Funds (thus considerably reducing the annual deficit)
- c. Grants : we are very grateful for five grants received in 2020 – from Uplyme Parish Council, Uplyme United Charities, Axe Valley Mission Community, Lyme Regis Pre School FRAC, and the Government Furlough Scheme. Also included here is the “grant” from the Listed Places of Worship Scheme which reimburses VAT incurred on relevant building maintenance expenditure.
- d. The Parish News circulation was badly affected by the Pandemic and therefore, unusually, ran at a deficit of £791 in 2020
- e. The request from the Diocese of Exeter in respect of the Common Fund 2020 was paid in full - £58,200.
- f. Youth Ministry expenditure in 2020 was financed from the Legacy Fund (Youth Worker), and the Youth Ministry Fund. Youth activities were much curtailed and although there was no funding allocated from the annual gift day, the reduction in the Youth Ministry Fund was only £492.
- g. Overall, there was a deficit on General Funds of **£7,858** (considerably up on the 2019 deficit of £3,123). Covid 19 impacted on almost all sources of income; and there was an increase of over £3,000 in the Common Fund. These adverse changes were partially offset by the

change in Gift Day policy; and some reductions in expenditure on heat/light, administration, and social activities.

C9 Looking forward to 2021 :

- a. The PCC and the Church face a number of finance related **challenges** in 2021 and beyond. These include :
 - (i) The uncertainty arising from the continuing Covid 19 pandemic.
 - (ii) The growing deficit on General Funds which is largely driven by declining personal giving. While the Legacy Fund can "bail out" deficits for a couple more years perhaps, **this is not a healthy or sustainable approach**. Consideration needs to be given to how expenditure can be reduced, or income increased. We also perhaps need to reflect on the increasing average age of our congregation.
 - (iii) The need to plan, implement, and fund capital building projects – a replacement boiler, the Disabled Toilet facilities, and repairs to the roof. Some funds are available in the Fabric Fund, the Disabled Toilet Fund, and (at present) the Legacy Fund but these will not be sufficient.
 - (iv) The future of Youth Ministry beyond June 2021. The Axe Valley Mission Community will be considering a strategy for Youth Ministry and its funding.
- b. The PCC has set a "**deficit**" budget for 2021. The PCC is committed to supporting the Diocesan strategy of maintaining an Anglican Christian witness in all parishes within the Diocese of Exeter and has therefore budgeted to pay the Common Fund requirement (£56,983) in full. Unusually, due to the change in participant numbers, this a reduction of 2.1% The estimated general funds deficit of approximately £8,200 will be financed, if necessary, from the Legacy Fund.

C10 Thankyou! :

- a. Enormous thanks are due to all who have given of their time, talents, and finances in 2020. Approximately 225 (2019=450) payments and 870 (2019=1,300) receipts have been processed in 2020. Each personal donation is very much appreciated! During the year, the Treasurer also processed about 2,500 emails!
- b. Martin Whitehead has again carried out an independent examination of the accounts and we are incredibly grateful to him for this important input. He is willing to continue in 2021!
- c. I would like to thank all who have supported me in my sixth and final year as Church Treasurer at Uplyme – in particular I would like to thank Nicky Davies, as she has taken up her role as Team Vicar, Jenny Perham, and David Jones.
- d. I would like to close with the verse from 2 Corinthians 8:9 which has been close to my heart throughout my time as Treasurer - "For you know the grace of our Lord Jesus Christ, that though he was rich, yet for your sake he became poor, so that you by his poverty might become rich."

P. J. Tolhurst

Philip Tolhurst IPFA (Treasurer)

24/2/2021

Date

Independent Examiner's Report to the members of the Parochial Church Council ('The Trustees') of St Peter and St Paul Church, Uplyme

I report to the trustees on my examination of the accounts of the Parochial Church Council of St Peter and St Paul Church, Uplyme (the 'Trust') for the year ended 31st December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust 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 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

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:

IM Whitehead

I M Whitehead FCA

24.2.2021

Date

UPLYME PCC			
Balance Sheet at 31st December 2020			
	2020		2019
	£		£
<i>Assets :</i>			
Cash at Church	-		20
Cash - Shining Stars	15		18
General Current Account	5,660		6,360
General Deposit Account	10,000		18,137
CAF Shawbrook 1 Year Saving Account	70,000		70,000
CBF CoE Deposit Fund	50,706		60,458
Uganda Projects Account	20		560
Debtors and prepayments (note N3)	6,276		6,034
less Creditors and advance receipts (note N4)	- 705		- 989
TOTAL Balances	141,972		160,598
<i>Funds :</i>			
Restricted Funds : (note N5)			
Mission Shed (note C7)	49		49
Flag	750		835
Youth Ministry (note C8f)	11,161		11,653
New Toilet Facilities	10,904		10,904
Fabric	20,471		18,299
M4M (note C6)	913		976
Flower Fund	76		76
TOTAL Restricted Funds	44,324		42,792
Designated Funds :			
Legacy (note C4b)	68,929		89,087
General (note C4c)	28,719		28,719
TOTAL Designated Funds :	97,648		117,806
TOTAL ALL FUNDS	141,972		160,598

UPLYME PCC STATEMENT OF FINANCIAL ACTIVITY 2020					
INCOME	GENERAL	LEGACY	RESTRICTED	2020	2019
	FUND	FUND	FUNDS	TOTAL	TOTAL
	£	£	£	£	£
1.Tax Efficient Planned Giving					
Bankers Orders	38,973	-	120		
Gift Aid Envelopes	1,042	-	45		
Weekly Envelopes	243	-	-		
Total	40,258	-	165	40,423	43,656
2. Other Planned Giving					
Bankers Orders	5,958	-	70		
Weekly Envelopes	15	-	-		
Total	5,973	-	70	6,043	7,265
<i>(Total of all planned giving) (note C8a)</i>	<i>46,231</i>	<i>-</i>	<i>235</i>	<i>46,466</i>	<i>50,921</i>
3.Collections At Services	569	-	-	569	5,092
4.All Other Giving					
Gift Day (note C8b)	3,825	-	3,825		
Youth Ministry Events (note C8f)	1,202	-	-		
Other Donations	2,026	-	4,170		
Total	7,053	-	7,995	15,048	15,976
6.Gift Aid Recovered	12,038	-	1,817	13,855	14,167
7.Legacies Received	-	-	-	-	16,777
8.Grants (note C8c)	3,798	-	696	4,494	436
9.Gross Income From Fundraising	146	-	-	146	6,735
10.Bank Interest	1,230	-	-	1,230	1,383
11.Statutory Fees (net)	899	-	-	899	3,307
12.Gross Income From Trading					
Parish News (note C8d)	569	-	-		
Total	569	-	-	569	2,872
13.Any Other Income	-	-	-	-	-
TOTAL INCOME	72,533	-	10,743	83,276	117,666

EXPENDITURE	GENERAL	LEGACY	RESTRICTED	2020	2,019
	FUND	FUND	FUNDS	TOTAL	TOTAL
	£	£	£	£	£
17.Fund Raising Costs	-	-	-	-	40
18.Mission Giving & Donations (note C5)	347	-	4,921	5,268	9,613
19.Common Fund (note C8e)	58,200	-	-	58,200	55,081
20.Salaries, Wages & Honoraria					
Administration	5,494	-	-		
Honoraria	225	-	-		
Youth Worker (note 8f)	135	12,300	-		
Total	5,854	12,300	-	18,154	19,975
21.Clergy & Staff Expenses	1,963	-	-	1,963	806
22.Mission & Evangelism Costs					
Support Costs	142	-	-		
Youth Ministry Events (note C8f)	2,179	-	63		
Total	2,321	-	63	2,384	7,589
23.Church Running Costs					
Administration	2,453	-	-		
Insurance, Cleaning etc	2,197	-	-		
Upkeep of Services	902	-	-		
Church Building Maintenance	2,134	-	2,913		
Churchyard Maintenance	775	-	25		
Total	8,461	-	2,938	11,399	12,990
24.Church Utility Costs	3,174	-	-	3,174	3,965
25.Cost of Trading					
Bookstall	-	-	-		
Parish News (note C8d)	1,360	-	-		
Total	1,360	-	-	1,360	2,337
29.New Building Works	-	-	-	-	-
TOTAL EXPENDITURE	81,680	12,300	7,922	101,902	112,396
NET SURPLUS/(DEFICIT) before transfers	(9,147)	(12,300)	2,821	(18,626)	5,270
Transfers between funds	9,147	(7,858)	(1,289)	0	-
NET SURPLUS/(DEFICIT) after transfers	0	(20,158)	1,532	(18,626)	5,270
Fund Balances b/f 1st January	28,719	89,087	42,792	160,598	155,328
Fund Balances c/f 31st December	28,719	68,929	44,324	141,972	160,598

Uplyme Parish Church Council

Notes to the Accounts for the year ending 31st December 2020

N1. Accounting Policies

- a) Basis of Preparation : The accounts have been prepared in accordance with applicable accounting standards – the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).
- b) Fund Accounting : Unrestricted Funds are available for use at the discretion of the PCC in furtherance of the general objectives of the PCC. Restricted Funds are subject to restrictions on their expenditure imposed by the donor.
- c) Incoming Resources : All incoming resources are included in the statement of financial activities when the PCC is entitled to the income and the amount can be quantified with reasonable accuracy.
- d) Resources Expended : Expenditure is recognised on an accrual basis as a liability is incurred.

N2. Employees

The PCC employed a part time administrator (until the end of September 2020) and a part time youth worker. Total gross salary costs in 2020 were £16,082 (2019 - £17,510). Employer national insurance contributions totalled £270 (2019 £358), and employer contributions towards the workplace pension scheme in respect of one employee were £935 (2019 £935).

N3. Debtors and Prepayments

	2020	2019
	£	£
HMRC (Gift Aid)	3452	3886
British Gas (gas)	51	-
Insurance (prepayment)	705	758
CCLI (prepayment)	638	590
Shawbrook/CAF	861	800
LPOW VAT claim	569	-
Total	6276	6034

N4. Creditors and Advance Receipts

	2020	2019
	£	£
British Gas (electricity)	63	107
Diocesan Fees	69	374
British Gas (gas)	-	242
Uganda Projects	495	155
Other creditors	78	111
Total	705	2238

N5. Analysis of Funds

	<i>b/f 1st January 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>c/f 31st December 2020</i>
	£	£	£	£	£
<i>Restricted Funds</i>					
Toilet facilities	10,904				10,904
Fabric	18,299	5,000	2,828	-	20,471
Flag	835	-	85	-	750
Graveyard upkeep	-	25	25	-	-
Million for Mission (M4M)	976	-	63	-	913
Youth ministry	11,653	796	-	- 1,288	11,161
Flower fund	76	-	-	-	76
TEAR Fund Uganda	-	4,038	4,038		-
New Hope Uganda	-	884	884	-	-
Mission Shed	49	-	-	-	49
					-
<i>Total (Restricted)</i>	42,792	10,743	7,923	- 1,288	44,324
<i>Unrestricted Funds</i>					
Legacy	89,087	-	12,300	- 7,858	68,929
General	28,719	73,183	82,329	9,146	28,719
<i>Total (Unrestricted)</i>	117,806	73,183	94,629	1,288	97,648
TOTAL ALL FUNDS	160,598	83,926	102,552	-	141,972