

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
INDEPENDENT EXAMINER'S REPORT**

**TO THE PCC OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ALL SAINTS, CHEADLE HULME**

I report on the financial statements of the church for the year ended 31 December 2022, which are set out on pages 22 to 33.

Respective responsibilities of PCC and examiner

The PCC are responsible for the preparation of the accounts. The PCC 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:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) state whether particular matters have come to my attention.

Basis of independent examiner's report

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 you as members of the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Merchant Exchange
Waters Green
Macclesfield

M J Pace ACA CTA
JOSOLYNE LLP
Chartered Accountants

Dated: 23 April 2023

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| <u>Income from:</u> | | | | | |
| Donations and legacies | 2 | 76,894 | 5,162 | 82,056 | 57,672 |
| Charitable activities | 3 | 23,209 | - | 23,209 | 13,511 |
| Other trading activities | 4 | 1,503 | 858 | 2,361 | 586 |
| Investments | 5 | 1,103 | - | 1,103 | 217 |
| Total income | | 102,709 | 6,020 | 108,729 | 71,986 |
| <u>Expenditure on:</u> | | | | | |
| Raising funds | 6 | - | 487 | 487 | - |
| Charitable activities | 7 | 124,783 | 1,082 | 125,865 | 126,464 |
| Total charitable expenditure | | 124,783 | 1,082 | 125,865 | 126,464 |
| Other | 10 | 2,700 | - | 2,700 | 2,700 |
| Total resources expended | | 127,483 | 1,569 | 129,052 | 129,164 |
| Net (losses)/gains on investments | 11 | (713) | - | (713) | 765 |
| Net movement in funds | | (25,487) | 4,451 | (21,036) | (56,413) |
| Fund balances at 1 January 2022 | | 963,431 | 632 | 964,063 | 1,020,476 |
| Fund balances at 31 December 2022 | | 937,944 | 5,083 | 943,027 | 964,063 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|--|-------|-----------|---------|-----------|----------|
| Fixed assets | | | | | |
| Property, plant and equipment | 12 | | 831,876 | | 834,504 |
| Investments | 13 | | 5,368 | | 6,081 |
| | | | 837,244 | | 840,585 |
| Current assets | | | | | |
| Inventories | 14 | 394 | | 424 | |
| Trade and other receivables | 15 | 13,443 | | 12,034 | |
| Cash at bank and in hand | | 99,895 | | 128,229 | |
| | | | 113,732 | | 140,687 |
| Current liabilities | 16 | | (7,949) | | (17,209) |
| Net current assets | | | 105,783 | | 123,478 |
| Total assets less current liabilities | | | 943,027 | | 964,063 |
| Income funds | | | | | |
| Restricted funds | 17 | | 5,083 | | 632 |
| Unrestricted funds - general | | | 937,944 | | 963,431 |
| | | | 943,027 | | 964,063 |

The accounts were approved by the PCC on 23 April 2023

Rev'd S Hancock

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1 Accounting policies

Charity information

The Parochial Church Council Of The Ecclesiastical Parish Of All Saints, Cheadle Hulme is a registered unincorporated charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the church Accounting regulations 2006 governing the individual accounts of PCC's, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The church is a Public Benefit Entity as defined by FRS 102.

The church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the church. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the PCC have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the PCC continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the PCC in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the church.

1.4 Incoming resources

Income is recognised when the church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

Other expenditure is generally recognised on an accrual basis as a liability is incurred and is accounted for gross.

Expenditure on raising funds includes all expenditure incurred to raise funds for charitable purposes.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other costs include all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------|-------------------|
| Office equipment | 20% straight line |
| Organ and fixtures | 10% straight line |
| Central heating | 5% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of non-current assets

At each reporting end date, the church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Inventories

Inventories are consumables held in stock to be used during the next accounting period and are stated at their cost price.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the church's balance sheet when the church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the church's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

2 Donations and legacies

| | Unrestricted funds general £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|--|---------------------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts | 76,894 | 5,162 | 82,056 | 57,672 |
| For the year ended 31 December 2021 | 57,660 | 12 | | 57,672 |
| Donations and gifts | | | | |
| Pledged giving | 38,737 | - | 38,737 | 37,550 |
| Income tax recoverable | 10,792 | - | 10,792 | 10,375 |
| Collections at services | 8,238 | - | 8,238 | 5,546 |
| Donations and legacies | 18,360 | 5,162 | 23,522 | 4,201 |
| Grants | 767 | - | 767 | - |
| | 76,894 | 5,162 | 82,056 | 57,672 |

3 Charitable activities

| | 2022 £ | 2021 £ |
|-----------------------------------|-----------|-----------|
| Fees paid to the PCC | 3,269 | 3,316 |
| Magazine income | 140 | 315 |
| Hulme Hall Crescent rental income | 19,800 | 9,880 |
| | 23,209 | 13,511 |

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

4 Other trading activities

| | Unrestricted funds general 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|--|---|----------------------------------|--------------------|--------------------|
| Meeting room | 550 | - | 550 | 125 |
| Fundraising events | 732 | - | 732 | 316 |
| Charities committee events | - | 858 | 858 | 6 |
| Sunday morning coffee sales | 221 | - | 221 | 139 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Other trading activities | 1,503 | 858 | 2,361 | 586 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| For the year ended 31 December 2021 | 580 | 6 | | 586 |
| | <hr/> | <hr/> | | <hr/> |

5 Investments

| | | Unrestricted funds general 2022 £ | Total 2021 £ |
|----------------------|--|---|--------------------|
| Dividends receivable | | 160 | 154 |
| Interest receivable | | 943 | 63 |
| | | <hr/> | <hr/> |
| | | 1,103 | 217 |
| | | <hr/> | <hr/> |

6 Raising funds

| | | Restricted funds 2022 £ | Total 2021 £ |
|----------------------------------|--|----------------------------------|--------------------|
| <u>Fundraising and publicity</u> | | | |
| Charities committee costs | | 487 | - |
| | | <hr/> | <hr/> |

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

| | 2022 | 2021 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Staff costs | 4,372 | 4,242 |
| Depreciation and impairment | 2,628 | 2,628 |
| Parish share | 89,571 | 87,598 |
| Ministry | 134 | 423 |
| Vicarage | 2,200 | 2,182 |
| Church insurance and utilities | 10,427 | 8,162 |
| Church maintenance | 3,968 | 1,382 |
| Church organ maintenance | 250 | 295 |
| Magazine expenditure | 1,500 | 1,800 |
| Upkeep of churchyard | 5,630 | 4,950 |
| Upkeep of services | 2,127 | 2,229 |
| Curate house | 1,623 | 9,295 |
| Management & Administration | 1,418 | 1,136 |
| Payments to charities | - | 142 |
| Warm spaces | 17 | - |
| | <u>125,865</u> | <u>126,464</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 124,783 | 126,352 |
| Restricted funds | 1,082 | 112 |
| | <u>125,865</u> | <u>126,464</u> |

8 PCC

In June 2022 A P Hughes, husband of a trustee, was paid £100 for clearing the gutters and downspouts. The trustee concerned had no involvement in the decision to use the services of A P Hughes nor the payment thereof. No other payments were made to trustees or related parties except for the reimbursement of expenditure incurred. (2021 – no trustee or related party was paid other than for the reimbursement of expenditure incurred).

No other members of the PCC (or any persons connected with them) received any remuneration or benefits from the church during the year and there were no other disclosable related party transactions during the year.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

9 Employees

Number of employees

The average monthly number of employees during the year was:

| 2022 Number | 2021 Number |
|------------------------|------------------------|
| 2 | 2 |
| <u>2</u> | <u>2</u> |

Employment costs

Wages and salaries

| 2022 £ | 2021 £ |
|-------------------|-------------------|
| 4,372 | 4,242 |
| <u>4,372</u> | <u>4,242</u> |

10 Other

Independent examiners fees

| 2022 £ | 2021 £ |
|-------------------|-------------------|
| 2,700 | 2,700 |
| <u>2,700</u> | <u>2,700</u> |

11 Net gains/(losses) on investments

Revaluation of investments

| Unrestricted funds general 2022 £ | Total 2021 £ |
|--|-----------------------------|
| (713) | 765 |
| <u>(713)</u> | <u>765</u> |

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | | | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| 12 Property, plant and equipment | Land and buildings £ | Organ and fixtures £ | Total £ |
| Cost | | | |
| At 1 January 2022 | 817,364 | 87,433 | 904,797 |
| Disposals | - | (2,340) | (2,340) |
| | <u>817,364</u> | <u>85,093</u> | <u>902,457</u> |
| At 31 December 2022 | | | |
| Depreciation and impairment | | | |
| At 1 January 2022 | - | 70,293 | 70,293 |
| Depreciation charged in the year | - | 2,628 | 2,628 |
| Eliminated in respect of disposals | - | (2,340) | (2,340) |
| | <u>-</u> | <u>70,581</u> | <u>70,581</u> |
| At 31 December 2022 | | | |
| Carrying amount | | | |
| At 31 December 2022 | <u>817,364</u> | <u>14,512</u> | <u>831,876</u> |
| At 31 December 2021 | <u>817,364</u> | <u>17,140</u> | <u>834,504</u> |
| | | | |
| 13 Fixed asset investments | | | Listed investments £ |
| Cost or valuation | | | |
| At 1 January 2022 | | | 6,081 |
| Valuation changes | | | (713) |
| | | | <u>5,368</u> |
| At 31 December 2022 | | | |
| Carrying amount | | | |
| At 31 December 2022 | | | <u>5,368</u> |
| At 31 December 2021 | | | <u>6,081</u> |
| | | | |
| 14 Inventories | | 2022 £ | 2021 £ |
| Stock of consumables | | 394 | 424 |
| | | <u>394</u> | <u>424</u> |

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | | | |
|---------------------------------------|---|----------------------|----------------------|
| 15 Trade and other receivables | | 2022 | 2021 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Other receivables | 11,820 | 10,353 |
| | Prepayments and accrued income | 1,623 | 1,681 |
| | | <u>13,443</u> | <u>12,034</u> |
| | | <u><u>13,443</u></u> | <u><u>12,034</u></u> |
| | | | |
| 16 Current liabilities | | 2022 | 2021 |
| | | £ | £ |
| | Deferred income | 1,650 | 13,200 |
| | Accruals | 6,299 | 4,009 |
| | | <u>7,949</u> | <u>17,209</u> |
| | | <u><u>7,949</u></u> | <u><u>17,209</u></u> |

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | |
|---------------------|------------------------------|-----------------------|-----------------------|-----------------------------------|
| | Balance at 1 January 2022 | Incoming resources | Resources expended | Balance at 31 December 2022 |
| | £ | £ | £ | £ |
| Mainly Music fund | - | 150 | (150) | - |
| Charities committee | 348 | 858 | (487) | 719 |
| War graves | - | 12 | (12) | - |
| Cushions | 9 | - | - | 9 |
| Streaming | 275 | - | - | 275 |
| Church maintenance | - | 5,000 | (920) | 4,080 |
| | <u>632</u> | <u>6,020</u> | <u>(1,569)</u> | <u>5,083</u> |
| | <u><u>632</u></u> | <u><u>6,020</u></u> | <u><u>(1,569)</u></u> | <u><u>5,083</u></u> |

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ALL SAINTS, CHEADLE HULME
ALL SAINTS PCC, CHEADLE HULME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Analysis of net assets between funds

| | General 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|---|-------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Fund balances at 31 December 2022 are represented by: | | | | |
| Property, plant and equipment | 831,876 | - | 831,876 | 834,504 |
| Investments | 5,368 | - | 5,368 | 6,081 |
| Current assets/(liabilities) | 100,700 | 5,083 | 105,783 | 123,478 |
| | <u>937,944</u> | <u>5,083</u> | <u>943,027</u> | <u>964,063</u> |