

Annual Accounts for St Andrew's Church Malvern

FINANCIAL YEAR ENDING 31 DECEMBER 2020

CHARITY REGISTRATION NUMBER 1128973

ST ANDREW'S CHURCH, MALVERN

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ST ANDREW'S CHURCH, MALVERN

I report to the trustees on my examination of the financial statements of St Andrew's Church, Malvern (the Church) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the Church you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Church's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 Church as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



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WR14 2JS

Dated: 1 April 2021

ST ANDREW'S CHURCH, MALVERN
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
Notes							
<u>Income and endowments from:</u>							
Donations and legacies	4	12,398	-	6,592	-	18,990	-
Church activities	5	14,537	22,783	-	-	37,320	39,504
Voluntary income	6	156,853	419	11,576	-	168,848	191,656
Investments	7	44	-	-	-	44	113
Other incoming resources	8	8,925	-	5,000	-	13,925	21,042
Total income		<u>192,757</u>	<u>23,202</u>	<u>23,168</u>	<u>-</u>	<u>239,127</u>	<u>252,315</u>
<u>Expenditure on:</u>							
Charitable activities	9	174,478	16,458	27,851	-	218,787	220,484
Net gains/(losses) on investments	13	-	-	-	591	591	226
Net movement in funds		<u>18,279</u>	<u>6,744</u>	<u>(4,683)</u>	<u>591</u>	<u>20,931</u>	<u>32,057</u>
Fund balances at 1 January 2020		<u>79,197</u>	<u>4,345</u>	<u>30,954</u>	<u>1,454</u>	<u>115,950</u>	<u>83,893</u>
Fund balances at 31 December 2020		<u>97,476</u>	<u>11,089</u>	<u>26,271</u>	<u>2,045</u>	<u>136,881</u>	<u>115,950</u>

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

All income and expenditure derive from continuing activities.

ST ANDREW'S CHURCH, MALVERN
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year as restated

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>						
Church activities	5	36,612	2,892	-	-	39,504
Voluntary income	6	152,640	664	38,352	-	191,656
Investments	7	113	-	-	-	113
Other incoming resources	8	16,042	-	5,000	-	21,042
Total income		<u>205,407</u>	<u>3,556</u>	<u>43,352</u>	<u>-</u>	<u>252,315</u>
<u>Expenditure on:</u>						
Charitable activities	9	195,005	1,230	24,249	-	220,484
Net gains/(losses) on investments	13	-	-	-	226	226
Gross transfers between funds	14	(4,714)	1,437	3,277	-	-
Net movement in funds		<u>5,688</u>	<u>3,763</u>	<u>22,380</u>	<u>226</u>	<u>32,057</u>
Fund balances at 1 January 2019		<u>73,509</u>	<u>582</u>	<u>8,574</u>	<u>1,228</u>	<u>83,893</u>
Fund balances at 31 December 2019		<u><u>79,197</u></u>	<u><u>4,345</u></u>	<u><u>30,954</u></u>	<u><u>1,454</u></u>	<u><u>115,950</u></u>

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

All income and expenditure derive from continuing activities.

ST ANDREW'S CHURCH, MALVERN

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	15		15,423		12,297
Investments	16		2,045		1,454
			<u>17,468</u>		<u>13,751</u>
Current assets					
Debtors	17	5,119		2,416	
Cash at bank and in hand		116,651		100,706	
		<u>121,770</u>		<u>103,122</u>	
Creditors: amounts falling due within one year	18	<u>(2,357)</u>		<u>(923)</u>	
Net current assets			119,413		102,199
Total assets less current liabilities			<u>136,881</u>		<u>115,950</u>
Capital funds					
Endowment funds			2,045		1,454
Income funds					
Restricted funds	19		26,271		30,954
<u>Unrestricted funds</u>					
Designated funds		11,089		4,345	
General unrestricted funds		<u>97,476</u>		<u>79,197</u>	
			<u>108,565</u>		<u>83,542</u>
			<u>136,881</u>		<u>115,950</u>

The financial statements were approved by the Trustees on 25th March 2021

Rev D C Bruce MA
Chair



Dr D H Barnes
Deputy Chair



ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

St Andrew's Church, Malvern is an unincorporated charity and its office is Churchdown Road, Malvern, WR14 3JX.

1.1 Accounting convention

The financial statements have been prepared in accordance with 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) (effective 1 January 2019)", having regard to the Church Representation Rules (last updated 2020) 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 have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Church has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees 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 trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 Income

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.

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

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.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Equipment used within the church premises (including the Church Centre and the Chase Team Office) is depreciated on a straight line basis over four years. Individual items of equipment with a purchase price of £1,500 or less are written off when the asset is acquired.

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 net income/(expenditure) for the year.

Consecrated and benefice property is not included in the accounts by virtue of s96(2)(a) of the Charities Act 1993.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the Church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and, therefore, such assets are not valued in the financial statements.

1.6 Fixed asset 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.

1.7 Impairment of fixed 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).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

1.9 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.

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

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

1.10 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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Church's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Prior period restatement

The staff costs reported in the charitable activities, unrestricted funds, in the 2019 Statement of Financial Activities (the prior year) were incorrect and have been re-stated correctly in these 2020 accounts. Unfortunately, there was a typographical error in the 2019 accounts which gave rise to the difference. This error resulted in the 2019 closing balance being incorrectly reported in the 2019 accounts and annual report (corrected in the 2020 accounts). We are happy that this error has not had a material effect on the operation, accounts or reporting of the charity.

ST ANDREW'S CHURCH, MALVERN
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Grant income	12,398	6,592	18,990	-
Grants receivable for core activities				
DEFRA Grant	-	6,592	6,592	-
Covid-19 support	10,000	-	10,000	-
Job Retention Scheme	2,398	-	2,398	-
	<u>12,398</u>	<u>6,592</u>	<u>18,990</u>	<u>-</u>

5 Church activities

	Church activities 2020 £	Church activities 2019 £
Activities	1,954	8,030
Weddings and funerals	3,154	5,915
Capital projects	216	216
Blessings fund	22,421	914
Church hall	9,575	23,254
Octagon coffee shop	-	1,175
	<u>37,320</u>	<u>39,504</u>
Analysis by fund		
Unrestricted funds - general	14,537	36,612
Unrestricted funds - designated	22,783	2,892
	<u>37,320</u>	<u>39,504</u>

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Voluntary income

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
Planned offerings	124,707	-	-	124,707	118,711	-	-	118,711
Other offerings	3,531	-	-	3,531	5,887	-	-	5,887
Donations	1,974	419	8,956	11,349	100	664	35,127	35,891
Gift aid	26,641	-	2,620	29,261	27,942	-	3,225	31,167
Voluntary income	<u>156,853</u>	<u>419</u>	<u>11,576</u>	<u>168,848</u>	<u>152,640</u>	<u>664</u>	<u>38,352</u>	<u>191,656</u>

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	44	113

8 Other incoming resources

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
WDBF support for Youth Minister	-	5,000	5,000	-	5,000	5,000
All Saints expenses share and other income	8,925	-	8,925	16,042	-	16,042
	<u>8,925</u>	<u>5,000</u>	<u>13,925</u>	<u>16,042</u>	<u>5,000</u>	<u>21,042</u>

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Charitable activities

	Church activities 2020 £	Church activities 2019 £
Staff costs (2019 as restated)	65,557	67,361
Depreciation and impairment	7,351	4,728
Parish share	81,600	87,997
Church 'away' giving	9,850	12,421
Clergy expenses and service costs	2,569	4,209
Weddings and funerals (WDBF)	3,173	3,471
Office costs	6,166	5,083
Youth and childrens work	2,661	8,063
Mission and community	28,792	10,716
Buildings running and maintenance costs	7,432	10,678
Miscellaneous	2,466	5,757
	<u>217,617</u>	<u>220,484</u>
Share of support costs (see note 10)	480	-
Share of governance costs (see note 10)	690	-
	<u>218,787</u>	<u>220,484</u>
Analysis by fund		
Unrestricted funds - general	174,478	195,005
Unrestricted funds - designated	16,458	1,230
Restricted funds	27,851	24,249
	<u>218,787</u>	<u>220,484</u>

10 Support costs

	Support costs £	Governance costs £	2020 Support costs £	Governance costs £	2019 £
Accountancy	480	-	480	-	-
Independent examination fees	-	690	690	-	-
	<u>480</u>	<u>690</u>	<u>1,170</u>	<u>-</u>	<u>-</u>
Analysed between Charitable activities	<u>480</u>	<u>690</u>	<u>1,170</u>	<u>-</u>	<u>-</u>

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Trustees

Payments to PCC Members: None (excludes reimbursement for expenses). The expenses paid to clergy may include a small immaterial proportion which related to their function as a PCC member.

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Average number of employees	6	6
Full time equivalents number of employees	3	3

Employment costs

	2020 £	2019 £
Wages and salaries	64,945	66,837
Other pension costs	612	524
	<u>65,557</u>	<u>67,361</u>

There were no employees whose annual remuneration was £60,000 or more.

13 Net gains/(losses) on investments

	Endowment funds 2020 £	Endowment funds 2019 £
Revaluation of investments	591	226

14 Transfers

The transfers between unrestricted and restricted funds represent the recharge of costs on the projects. shown. The transfer within the designated fund represents an inter fund transfer.

ST ANDREW'S CHURCH, MALVERN
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

15 Tangible fixed assets

	Hall Equipment £	Church Equipment £	Total £
Cost			
At 1 January 2020	9,860	9,050	18,910
Additions	10,476	-	10,476
	<u>20,336</u>	<u>9,050</u>	<u>29,386</u>
At 31 December 2020			
Depreciation and impairment			
At 1 January 2020	2,465	4,148	6,613
Depreciation charged in the year	5,085	2,265	7,350
	<u>7,550</u>	<u>6,413</u>	<u>13,963</u>
At 31 December 2020			
Carrying amount			
At 31 December 2020	<u>12,786</u>	<u>2,637</u>	<u>15,423</u>
At 31 December 2019	<u>7,395</u>	<u>4,902</u>	<u>12,297</u>

16 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	1,454
Valuation changes	591
	<u>2,045</u>
At 31 December 2020	
Carrying amount	
At 31 December 2020	<u>2,045</u>
At 31 December 2019	<u>1,454</u>

17 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	<u>5,119</u>	<u>2,416</u>

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	737	-
Trade creditors	331	923
Accruals and deferred income	1,289	-
	<u>2,357</u>	<u>923</u>

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and purposes:

	Movement in funds				
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
CAP Malvern	28,354	18,168	(22,851)	-	23,671
Youth Minister	-	5,000	(5,000)	-	-
Youth Evangelism	2,600	-	-	-	2,600
	<u>30,954</u>	<u>23,168</u>	<u>(27,851)</u>	<u>-</u>	<u>26,271</u>
	<u>7,100</u>	<u>35,212</u>	<u>(17,235)</u>	<u>3,277</u>	<u>28,354</u>
CAP Malvern	7,100	35,212	(17,235)	3,277	28,354
Youth Minister	-	5,540	(5,540)	-	-
Youth Evangelism	-	2,600	-	-	2,600
Steadman Bibles	1,474	-	(1,474)	-	-
	<u>8,574</u>	<u>43,352</u>	<u>(24,249)</u>	<u>3,277</u>	<u>30,954</u>

The restricted funds are derived from income received and expended to run the projects shown above.

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Unrestricted funds - designated

These are unrestricted funds which are material to the Church's activities made up as follows:

	Movement in funds				Balance at 31 December 2020 £
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	
Octagon					
Cafe	3,031	-	-	-	3,031
Defibrillator	60	60	-	-	120
Little					
Treasures	439	146	(137)	-	448
Ladies					
Ministry	199	-	-	(199)	-
Capital Fund					
Projects	-	156	-	-	156
Blessings					
Fund	408	22,421	(16,321)	199	6,707
Special					
Collections	208	419	-	-	627
	<u>4,345</u>	<u>23,202</u>	<u>(16,458)</u>	<u>-</u>	<u>11,089</u>
	Balance at 1 January £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 January 2020 £
Octagon					
Cafe	294	1,175	124	1,437	3,031
Defibrillator	-	60	-	-	60
Little					
Treasures	288	388	(237)	-	439
Ladies					
Ministry	-	199	-	-	199
Capital Fund					
Projects	-	156	(156)	-	-
Blessings					
Fund	-	914	(506)	-	408
Special					
Collections	-	664	(455)	-	208
	<u>582</u>	<u>3,556</u>	<u>(1,230)</u>	<u>1,437</u>	<u>4,345</u>

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	2020	2020	2020	2020	2020	2019	2019	2019	2019	2019
	£	£	£	£	£	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:										
Tangible assets	15,423	-	-	-	15,423	12,297	-	-	-	12,297
Investments	-	-	-	2,045	2,045	-	-	-	1,454	1,454
Current assets/(liabilities)	82,052	11,089	26,272	-	119,413	66,900	4,345	30,954	-	102,199
	<u>97,475</u>	<u>11,089</u>	<u>26,272</u>	<u>2,045</u>	<u>136,881</u>	<u>79,197</u>	<u>4,345</u>	<u>30,954</u>	<u>1,454</u>	<u>115,950</u>

ST ANDREW'S CHURCH, MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

22 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).