



**The Parochial Church Council of the Ecclesiastical Parish
of St Swithun's, East Grinstead**

**Annual Report and
Financial Statements**

For the year ended 31 December 2019

Incumbent

Reverend Andrew Hawken
St. Swithun's Church Parish Office
St. Swithun's Close
East Grinstead
West Sussex
RH19 3BB

Bank

Barclays Bank
High Street
East Grinstead
West Sussex
RH19 3AH

Independent Examiners

Richard Place Dobson Services Limited
1 – 7 Station Road
Crawley
West Sussex
RH10 1HT

Charity Registration Number 1131405

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Annual Report and Financial Statements

of the

Parochial Church Council for the year ended 31 December 2019

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Administrative information and Membership

St. Swithun's Church is situated just off the High Street in East Grinstead. It is part of the Diocese of Chichester within the Church of England. The correspondence address is The Parish Office, St. Swithun's Church, East Grinstead, West Sussex, RH19 3BB.

The Parochial Church Council (PCC) has registered with the Charity Commission as required by the Charities Act 2011 as at 27 August 2009.

During the year the following served as members of the Parochial Church Council:

Clergy:	The Reverend Andrew Hawken	Vicar and Chairman
	The Reverend Canon Julia Peaty	Associate Priest and Self Supporting Minister
	The Reverend Karen Higgs	Assistant Curate Self Supporting Minister

Churchwardens:

Linda Bryant *	Vice Chairman
Dave Rosslee	Vice Chairman
Nicola Pickstock	Deputy Church Warden
John Ellis	Deputy Church Warden

Representatives on the East Grinstead Deanery Synod:

Linda Bryant *	
Jeremy Kaye	Hon Treasurer
Deborah Matthews	
John Ellis	
Lynn Ellis	

Elected members:

Roger Collins	(St Barnabas)
Penny Fisher	(St Luke's)
Myra Latham	
Caroline Metcalfe	(Co-opted)
Andrew Milton-Thompson	
Jean Parsons	(St Luke's)
Alexandra Byrne	
Vivienne Hobbs	
Christopher Russell	
Moena Winsor	
Elaine Racliffe	
Kate Mooney	
Frank Allum	
Nicola Pickstock	PCC Secretary

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2019

Structure, Governance and Management

The Parochial Church Council (PCC) is the executive committee of a Church of England parish. Legally the council is responsible for the financial affairs of the church parish and the maintenance of its assets, such as churches and church halls, but the council also acts as a focus for church affairs in the parish.

Membership of the Parochial Church Council is determined under the Church Representation Rules and consists of certain ex-officio members (eg. the Vicar and Curate), the Churchwardens and members of the Deanery, Diocesan or General Synods and up to 15 members of the church who are elected at the Annual Parochial Church Meeting (APCM).

Members of the Parish are warmly encouraged to stand for election to the PCC and Deanery Synod and we try to ensure a balance of skills and experience where possible.

Objectives and Activities

The parish of East Grinstead St. Swithun is a parish of the Church of England in the Diocese of Chichester. Our Patron is the Bishop of Chichester.

The primary objectives of the PCC remains the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England, as well as maintaining the buildings of the parish and ensuring good financial management.

The PCC had agreed that the priorities for 2019 were to continue to follow the Diocesan strategy, to *'know, love and follow Jesus'*, and to encourage parishioners and members of our community to participate in the Bishop's initiative of the "The Year of Our Calling" as a way to maintain and grow our parish.

Our second St Swithun's Festival of the Arts in June was a great opportunity for us to work in partnership with our two local Secondary Schools, East Grinstead Meridian Rotary Club and two primary schools. This community event displayed GCSE and A level Examination Artwork in the church with an opportunity for local people and visitors to vote for the most popular work. The Mayor of East Grinstead and the Chairman of Rotary presented the prizes for the artwork in the church.

During the year we welcomed the Diocesan Advisory Committee members for a site visit. They asked questions of the Vicar and members of the re-ordering Project Group. Together with our newly appointed Inspecting Architect, Mr Nick Lee Evans, and the Project Group we presented our plans to the DAC and subsequently hosted meetings with members of the Amenity Societies, notably with the Georgian Group. Following this our Faculty Application was passed to the Diocesan Chancellor for his consideration. At the end of 2019 we awaited the granting of the Faculty which we must have in order to proceed.

The PCC updated the Parish Mission Action Plan this year to include the appointment of a Children and Families Worker. The importance of this work is deemed to be paramount to the overall mission of the parish and its future development. The MAP helps us plan and execute our work with a clear overview of what is possible within a given timescale. It also assists us in reviewing the work we have completed.

In addition to dealing with matters to do with buildings, safeguarding, and finance, work continued in 2019 on church worship service rota planning, led by Andrew, music planning with Adrian, planning youth and children's work, baptism and marriage preparation courses, lent courses, house groups, as well as care of the bereaved. The Vicar led a successful Pilgrimage to St Alban's Abbey where we had a guided tour and shared in the Eucharist in the Lady Chapel at midday. Safeguarding training and identifying those needing to update their training is constantly reviewed by Anne Ivorson, as are any Special Safeguarding Agreements within the parish. Pastoral care within the parish continued with both the clergy and our lay pastoral volunteers visiting those at home, in hospital and in our local nursing and care homes. This year we added Acorn Lodge Nursing Home to our regular visiting list.

The solar panels on the South Aisle roof of St Swithun's continue to provide energy subsequently reducing our electricity bills. Donations have been encouraged for the floodlighting at the Parish Church to celebrate anniversaries and birthdays throughout the year. The new gas boiler continues to give us a very warm church upon which many have commented favourably.

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The St Luke's Community Room continues to be in demand for various groups. We now have three regular commitments and some ad hoc bookings for children's parties. The kitchen has been re-ordered to accommodate a separate hand-washing sink and the new fridge used by The Quarry Crew Community Café as it continues to expand its work for the people of this community. A Strategic Partnership involving Police, Housing Association, Crawley Football Club and many others including the Church, meets regularly to discuss the needs of The Quarry Crew and its financial and moral support. Sarah Howland attended the Annual Meeting of the PCC and gave a short presentation on the work of the Quarry Crew, its value to the community and its invaluable support network.

Planned work from the Quinquennial Inspection (2016) is ongoing with work on the West Window in the Tower and adjacent stonework (originally planned for 2019) being postponed until 2020 (third quarter). In the fourth quarter of 2019 the PCC organised and executed long overdue maintenance on the organ. Two new solenoids were fitted and some new electrical works were undertaken by qualified trades. The result is that the organ now has a brighter and cleaner sound. New steel steps were also installed in the boiler room to facilitate safer access. The old wooden steps were removed and taken away.

Under the reports of the church organisations at our three church communities, you will read that there has been much activity in the parish, and we are so appreciative of this work as it contributes to the life of the parish and into to the wider community of East Grinstead and the surrounding area.

We continued to enjoy the benefits of ChurchDesk® as a mission and administrative tool for our Parish. Isabella Barton continues to lead an able group of volunteer workers and together they contribute to a smooth operation of church administration and a valued ministry of welcome at the Parish Office during weekday hours.

In November Julia Peaty and I held a training session for new Lay Assistants for the distribution of Holy Communion. These were commissioned at a service in St Swithun's Church in December and subsequently they have served on the rota.

To all those involved at our three churches, the willing volunteers, the faithful parishioners and the supportive clergy my thanks are due. It is together that we go forward and achieve all that we do within our church and the wider community.

The Reverend Andrew Hawken
Vicar

Statement on Public Benefit

The members of the PCC are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the PCC.

The PCC believes that, by promoting the work of the Church of England in the Parish of St. Swithun, East Grinstead, it helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively and that in doing so, it provides a benefit to the public by:

- (i) providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- (ii) promoting Christian values, and service by members of the Church in and to the community, to the benefit of individuals and society as a whole.

Achievements and Performance

Church Attendance

As at 31 December 2019 there were 357 parishioners on the electoral roll, 94 of whom are not resident within the Parish. 9 names were added during the year and 10 were removed, either through death or because they moved away from the area.

The average Sunday attendance, in October 2019, was 182. This number increases at festivals. On Easter Sunday 362 adults and 56 children attended worship in the parish and 1756 adults and 409 children attended on Christmas Eve and Christmas Day. *(Two Christmas Eve Crib Services at St. Swithun's saw over 1350 adults and 395 children attending.)*

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The Civic Service was held on 15th September with an attendance of 148.

During December 2019, several local schools, Brambletye, Escots, Halsford Park, The Meads and Sackville School used St. Swithun's Church for their Christmas Carol and Nativity Services with over 2,000 children and adults attending.

During the Calendar year, the clergy officiated at 39 baptisms, 14 weddings, and 56 funerals of which 24 took place in church.

Review of the Year

The full PCC met 7 times, of which one meeting was an extra ordinary meeting to agree the plans and budget for the Church re-ordering project. Average attendance at PCC meetings by elected members was approximately 80%. The Standing Committee met seven times between meetings and minutes of their deliberations were received by the full Parochial Church Council and discussed where necessary.

Copies of the minutes of the meetings of both the Standing Committee and Parochial Church Council are held in the Parish Office.

There are currently 23 members of the PCC, comprising 3 Clergy, 2 Churchwardens, 14 elected PCC members and 6 elected Deanery Synod representatives.

The Parish of St. Swithun and its three Churches has continued to play a substantial part in the life of our community, relating to people at some of the most important times of their lives. In addition to caring for individuals, the organisations and clubs associated with the parish reached many people, from the very young to the very old.

The priorities for the PCC in 2020 will be to continue to work at our Mission Action Plan and decisions in relation to that plan, co-ordinating these with the Diocesan Strategy and making decisions in relation to those plans with the Vicar. In addition, the PCC will support the significant piece of work carrying out the re-ordering scheme in creating a new baptistry area by moving the font from its current position to a position in the south east area of the church in front of the Memorial Chapel.

The last year has been a time of considerable prayer, activity, decision-making, reflections in line with the Diocese Strategy and actions as reported in the Objectives and Activities section of this Annual Report. Matters to do with worship and pastoral care will rightly claim our attention, as will the administration, property matters, finance and stewardship. We would like to thank our many volunteers for the very important part they play in the on-going life of the Parish and its outreach to the community of East Grinstead and beyond.

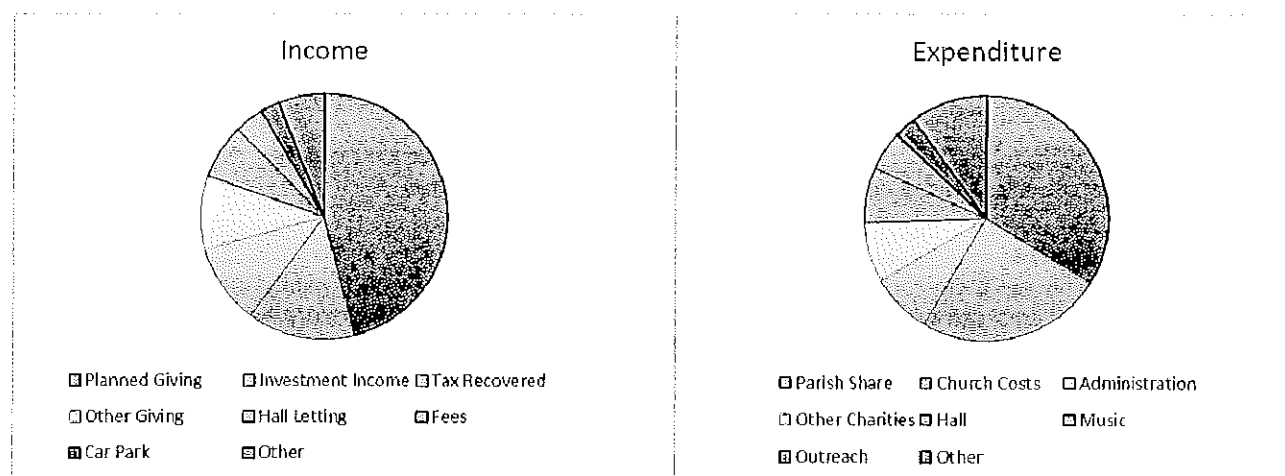
Nicola Pickstock
PCC Secretary

Financial Review

1. The total receipts on general unrestricted funds received were £232,916 (2018: £241,960) and are detailed in the financial statements.
2. The planned giving through bankers' orders and envelopes was similar to the previous year.
3. The PCC did not receive any legacies during the year but received a donation of £1,000 in memory of a member of the congregation.
4. Parish expenditure excluding items within the restricted or endowment funds totalled £212,106 (2018: £216,450).
5. The net result for the year was an excess of income over expenditure of £77,947 after revaluation of investments (2018: £16,423). After adding back bank and deposit balances at the beginning of the year, the unrestricted fund balance carried forward is £88,533 (2018: £67,723).

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6. The following charts show the total contribution to income and expenditure:



PARISH PLANNED GIVING IN 2019

Electoral Roll Giving

Giving by Electoral Roll members through Bank Standing Order or Direct Debit, Weekly Envelope, Gift Aid Envelope, Cashless Giving and through the Charities Aid Foundation (CAF) or Workplace Giving Schemes in 2019 totalled £116,569 which is similar to 2018.

The number of people on the Electoral Roll who donated at some point during the year rose slightly to 182. Although we gained a few new givers, the losses included several donors who had given very generously in previous years. Average giving per donor fell by 1.8% from £12.55 per week in 2018 to £12.32 last year. One third of donors gave less than £5 a week and 60% of donors gave less than £10 a week on average.

Income from the Parish Giving Scheme (PGS) fell by 2.4% last year. One existing donor switched into the scheme, but 3 donors stopped giving for various reasons. 32 of our 75 donors opted in to the facility to increase their payments by the annual rate of inflation at some point during the year. PGS income remains at just under half of our total Planned Giving income.

Bank Standing Orders (STOs) accounted for 36% of our Planned Giving income. During the year two of our 72 donors stopped giving. Only 2 of the 72 STO donors increased their monthly or quarterly payments during the year and one had to reduce their giving. This resulted in donations falling by 4% compared with 2018.

We had 13 regular Weekly Envelope donors last year. Income from their donations fell by 1.5% from 2018 partly due to one former donor switching to PGS during the year. Despite a fall in the number of donors, there was an 8% increase in revenue from the yellow Gift Aid Envelopes. Income from CAF and other workplace giving schemes increased by 22%, but it will be lower in 2020 as one of our very generous donors has now stopped giving. Both schemes are a small proportion of overall income so the increases were insufficient to cover the losses on the other schemes.

Just under 88% of our Planned Giving was gift aided which added a further £26,881 to our income. This was 4.3% lower than last year.

For several years I have been reporting that the level of donations by Electoral Roll givers was falling behind the annual rate of inflation. Very few new congregation members are joining any of the planned giving schemes and seem to be putting cash donations in the collection plates instead. Whilst very welcome, this is not a tax-efficient way of giving and makes additional work for volunteers dealing with the cash receipts. It is also clear that only a relatively small number of planned giving donors are increasing their donations to keep up with inflation which is not offsetting the losses from donors who stopped giving during the year.

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Residents' and Visitors' Giving

Gift Aided donations from 27 other East Grinstead residents – ie those not on the Electoral Roll but with an RH19 address – totalled £552, over 50% up on the 2018 figure. We had a very generous gift of £4,000 from a visitor outside the RH19 area and a further total of £696 from 26 other visitors over the year. This is an improvement over 2018 although there is little we can do to manage the level of giving by these people.

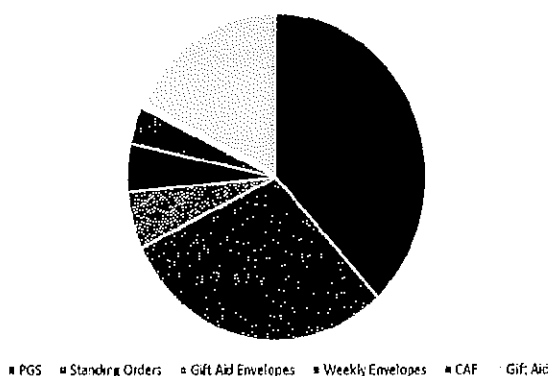
The Cashless (mobile phone) Giving Scheme for visitors attracted only 1 donation last year. New ways will need to be found to promote the scheme in 2020 if the PCC wish to continue with it.

Plate Collections

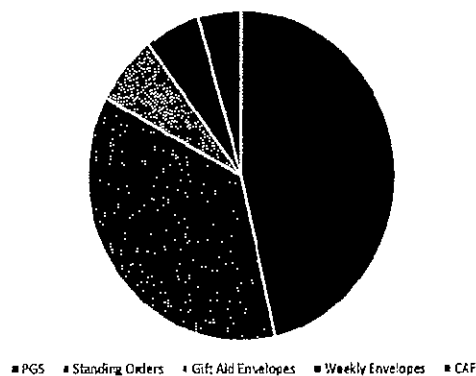
Through the HM Revenue & Customs Gift Aid for Small Donations Scheme we can claim a top-up payment from some of the cash put into collections in each of our three churches without the donors having to sign Gift Aid declarations. Despite some fairly stringent regulations for churches about what donations qualify, we were able to claim an additional £2,021 on money received during 2019. This was down on last year as there were large reductions in collections at St Luke's and St Barnabas' churches and a slight reduction at St Swithun's.

As always, my thanks go to Roger & Marion Collins, John & Pauline Cotton and Jan Paul who helped to collect information from all three churches without whom my job of collating the figures and making Gift Aid claims would have been more difficult.

Electoral Roll Giving 2019 (including Gift Aid)



Electoral Roll Giving 2019 (excl Gift Aid)



JOHN MONKS
Confidential Giving Secretary

7 February 2020

Reserves Policy

It is PCC policy to maintain a balance on unrestricted cash resources which equates to at least six months unrestricted payments to cover emergency situations that may arise from time to time. Current unrestricted cash resources have been maintained at six months budgeted expenditure. This includes certain cash resources held in deposit accounts and the investment funds, which are included within the accounts in the designated fund balance. The Parochial Church Council has a list of projects for outreach and improvements to the parish church which will involve some re-ordering following a feasibility study and the relevant approvals. These, together with work arising following the last quinquennial inspection, would make significant inroads on the existing reserves. It is the PCC policy to invest fund balances in excess of immediate requirements in the C.B.F. Church of England deposit fund. From the end of 2015 the Parochial Church Council has amended its investment policy to place funds in the C.B.F. Church of England fixed interest, investment and property funds as well as its deposit fund.

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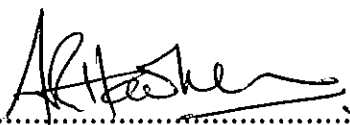
Investment Policy

Assets not immediately required for the Charity's own use will be invested to achieve a balance of income and capital growth, subject to accepting only a moderate level of risk. The Parochial Church Council has adopted a responsible investment policy. All investments are held in accordance with Church of England ethical investment guidelines.

Risk Management

The principal risks faced by the Charity have been assessed by the trustees and a risk register has been produced to manage the risks and is regularly updated and monitored. A fresh review is being undertaken in accordance with the Criminal Finances Act 2017.

Approved by the Parochial Church Council on 11th March 2020 and signed on their behalf by;


.....

The Reverend Andrew Hawken (PCC Chairman)

INDEPENDENT EXAMINER'S REPORT

TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST SWITHUN'S, EAST GRINSTEAD

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019 which are set out on pages 10 to 21

Responsibilities and basis of report

As the charity's trustees 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 charity's accounts carried out under section 145 of the 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.

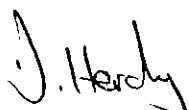
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants for England and Wales, which is one of the listed bodies.

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 charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



D Harding ACA FCCA DChA
Richard Place Dobson Services Limited
Chartered Accountants
1 – 7 Station Road
Crawley
West Sussex
RH10 1HT

Dated: 17/03/2020

**The Parochial Church Council of the Ecclesiastical Parish of St Swithun's,
East Grinstead
Statement of Financial Activities
for the year ended 31 December 2019**

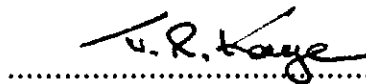
		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Year Ended 31 Dec 2019 Total Funds £	Year Ended 31 Dec 2018 Total Funds £
	Notes						
INCOMING RESOURCES							
Donations and Legacies	2a	157,748	-	10,080	-	167,828	167,522
Other fundraising Activities	2b	7,233	-	-	-	7,233	9,179
Investments	2c	35,989	-	-	389	36,378	35,839
Church Activities	2d	31,946	-	10,858	-	42,804	49,409
Total Incoming Resources		232,916	-	20,938	389	254,243	261,979
RESOURCES EXPENDED							
<u>Costs of Raising Funds</u>							
Voluntary Income	3a	-	-	-	-	-	321
Fundraising Costs	3b	1,236	-	-	-	1,236	598
Costs of renting property	3c	2,290	-	-	-	2,290	2,552
<u>Expenditure on Charitable Activities</u>							
Church Activities	3d	208,535	-	15,272	9,794	233,601	230,708
Total Resources Expended		212,061	-	15,272	9,794	237,127	234,179
Net Incoming Resources before gains / (losses) on investments and transfers		20,855	-	5,666	(9,405)	17,116	27,800
Revaluation on investments		-	60,831	-	-	60,831	(11,377)
Transfers between funds		-	-	-	-	-	-
Net Movement in Funds		20,855	60,831	5,666	(9,405)	77,947	16,423
Reconciliation of Funds							
Total Funds Brought Forward At 1 January 2019		67,723	954,645	28,069	16,807	1,067,244	1,050,821
Total Funds Carried Forward at 31 December 2019		88,578	1,015,476	33,735	7,402	1,145,191	1,067,244

**The Parochial Church Council of the Ecclesiastical Parish of St Swithun's,
East Grinstead
Balance Sheet as at
31 December 2019**

	Notes	Unrestricted Fund	Designated Fund	Restricted Fund	Endowment Funds	2019	2018
				£	£	£	£
FIXED ASSETS	7	-	450,000	-	-	450,000	450,412
INVESTMENTS							
Investment Fund	8	-	565,476	-	4,712	570,188	518,762
TOTAL FIXED ASSETS		-	1,015,476	-	4,712	1,020,188	969,174
CURRENT ASSETS							
Debtors	9	12,961	-	-	-	12,961	16,894
Bank Current Accounts		68,046	-	-	-	68,046	42,024
Bank Reserve Accounts		78	-	-	-	78	78
Central Board of Finance		12,867	-	21,875	2,690	37,432	36,952
Restricted Bank & Building Society Accounts		-	-	11,621	-	11,621	10,935
Cash in Hand		124	-	239	-	363	216
Total Current Assets		94,076	-	33,735	2,690	130,501	107,099
LIABILITIES							
Amounts Falling Due Within One Year	10	(5,498)	-	-	-	(5,498)	(9,029)
Net Current Assets		88,578	-	33,735	2,690	125,003	98,070
NET ASSETS		88,578	1,015,476	33,735	7,402	1,145,191	1,067,244
FUNDS							
Unrestricted	11	88,578	-	-	-	88,578	67,723
Designated	11	-	1,015,476	-	-	1,015,476	954,645
Restricted	11	-	-	33,735	-	33,735	28,069
Endowment	11	-	-	-	7,402	7,402	16,807
		88,578	1,015,476	33,735	7,402	1,145,191	1,067,244

Approved by the PCC on 11 March 2020 and signed on their behalf by;


.....
The Reverend Andrew Hawken (PCC Chairman)


.....
Jeremy Kaye (PCC Treasurer)

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

1. ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments and freehold land and buildings which are included at market value.

(b) Funds Accounting

Funds held by the PCC are:

Unrestricted Funds – general funds which can be used by the PCC for its ordinary purposes.

Restricted funds – monies subject to specific conditions imposed by the donor or fundraising events held for particular purposes. Any balance remaining unspent at the year-end is carried forward as a balance on that fund.

Endowment funds – funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment.

Designated funds – general funds set aside for use by the PCC for a specific purpose.

(c) Incoming Resources

All incoming resources are accounted for gross, with the exception of church fees, which are shown net of the fees paid to the diocese, for whom the PCC acts as an agent.

Voluntary Income; Collections are recognised when received. Planned giving receivable is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income to which they relate is received. Grants and legacies are recognised when the PCC is legally entitled to the amount due.

Income from Investments

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

All Other Income

All other income is recognised when it is receivable.

Gains and Losses on Investments

Realised gains are recognised when the investment is sold. Unrealised gains and losses are accounted for on revaluation.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Church Activities; The diocesan parish share is accounted for when paid.

(e) Support and Governance Costs

Support costs have been split between governance costs and support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, legal fees and bank charges. Support costs relate to all costs associated with running the church and the church hall including costs such as light and heat, insurance, salary costs etc.

All support and governance costs are in relation to charitable activities which only include one heading of church activities.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

1. ACCOUNTING POLICIES (cont)

(f) Fixed Assets

Tangible Fixed Assets; Consecrated and beneficed property of any kind is excluded from the Financial Statements by Section 96(2) of the Charities Act 2011.

Moveable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are accounted for as inalienable property unless consecrated. They are listed in the Church's inventories, which can be inspected. Such assets have not been valued in the Financial Statements. All expenditure on consecrated or beneficed buildings and individual items costing under £700 are written off in the year they were incurred.

Where fixed assets have been donated, they are included in the balance sheet at their current value at the date of the gift and also included in the Statement of Financial Activities as an incoming resource.

Freehold land and buildings are included at a valuation, details of which are included in note 7.

Depreciation; Depreciation is calculated to write down the cost less estimated residual value of tangible fixed assets, excluding freehold properties, over their expected useful lives. The rate applicable to the office equipment is 25% straight line. No depreciation is provided on freehold property and its valuation is detailed in note 7. The residual value is estimated to be in excess of the cost of the property, which makes any depreciation charge immaterial. Such property will be subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

(g) Investments

Investments are initially recognised at their transaction value and subsequently measured at the market value at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The trust does not acquire or use put options, derivatives or other complex financial instruments. All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

(h) Current Assets

Amounts owing to the PCC at 31 December in respect of hall hire charges and other income, as well as repayment of Council Tax are shown as debtors, less any provision for amounts considered uncollectable.

2. INCOMING RESOURCES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
(a) Voluntary Income	157,748	-	10,080	-	167,828
Including planned giving and income tax recoverable					
(b) Activities for Generating Funds	7,233	-	-	-	7,233
Including car park charges and fund raising events					
(c) Investment Income	35,989	-	-	389	36,378
(d) Income from Church Activities	31,946	-	10,858	-	42,804
Including hall lettings and church fees					
Total Incoming Resources	232,916	-	20,938	389	254,243

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

2. INCOMING RESOURCES (cont)

2018 COMPARATIVES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
(a) Voluntary Income	161,822	-	5,730	-	167,552
Including planned giving and income tax recoverable					
(b) Activities for Generating Funds	7,660	-	1,519	-	9,179
Including car park charges and fund raising events					
(c) Investment Income	35,360	-	-	479	35,839
(d) Income from Church Activities	37,118	-	12,291	-	49,409
Including hall lettings and church fees					
Total Incoming Resources	241,960	-	19,540	479	261,979

Income tax recoverable amounting to £26,881 (2018: £28,111) includes a provision of £8,515 (2018: £9,690), which represents tax recoverable on gift aided donations for the period from 6 April 2019 to 31 December 2019 other than under the PGS scheme which credits tax recoverable at the time the donation is made. Repayment of this tax will not be received until the gift aid claim is approved by HM Revenue and Customs for the period to 31 December 2019.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

3. RESOURCES EXPENDED

	Church Activities £	Support and Governance costs £	Total 2019 £
(a) Cost of generating Voluntary Income	-	-	-
(b) Fund Raising Trading Costs	1,236	-	1,236
(c) Cost of renting property	2,290	-	2,290
 (d) Church Activities Including parish contribution, hall running expenses, admin cost, church maintenance and outward giving	 178,204	 55,397	 233,601
 Total Resources Expended	 181,730	 55,397	 237,127

2018 COMPARATIVES

	Church Activities £	Support and Governance costs £	Total 2018 £
(a) Cost of generating Voluntary Income	321	-	321
(b) Fund Raising Trading Costs	598	-	598
(c) Cost of renting property	2,552	-	2,552
 (d) Church Activities Including parish contribution, hall running expenses, admin cost, church maintenance and outward giving	 170,988	 59,720	 230,708
 Total Resources Expended	 174,459	 59,720	 234,179

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

3. Resources Expended (cont)

In 2019 the expenditure on charitable activities was £237,128 (2018: £234,179) of which £212,426 (2018: £216,450) was unrestricted and designated, £14,908 (2018: £17,717) was restricted and £9,794 (2018: £12) was Endowment costs.

Payments were made to the Independent Examiner of £3,000 (2018: £3,000) for independent examination fees and £960 (2018: £840) for other services.

4. ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

A breakdown of the support and governance costs which are included within Church Activities.

	Total 2019 £	Total 2018 £
Support Costs		
Staff Costs - Administration	10,398	10,392
Church Running costs and maintenance	16,393	15,380
Hall Running costs	17,328	23,674
Office expenses	7,294	6,410
	51,413	55,856
Governance Costs		
Bank charges	24	24
Independent Examiner costs	3,960	3,840
	3,984	3,864
Total	55,397	59,720

5. STAFF COSTS

Number of employees

The average monthly number of employees during the year was:

	2019 Numbers	2018 Numbers
Administrator	1	1
Organist	1	1
Youth Worker	-	1
Caretaker	-	1
Cleaners	3	3
	5	7

	2019 £	2018 £
Wages and Salaries	23,871	28,293
Social Security Costs	-	239
Pension costs	114	71
	23,985	28,603

The Youth Worker, Mrs Deborah Matthews, who is a member of the PCC, was paid £2,027 until April 2019 (2018: £5,960). However, she was not present when her salary is discussed / reviewed.

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

There were no other disclosable transactions in respect of PCC members, nor persons closely connected to them nor other related parties.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

6. PARISH SHARE

The contribution of £80,000 paid to the Chichester Diocesan Fund and Board of Finance represents the cost of stipend, pension, national insurance contributions and housing for one clergyman of £42,798; Training and clergy support £11,105, ministry support costs £2,956, parish support services £11,837, and national church responsibilities £3,187, totalling £71,883 and an additional payment of £8,117. Wedding and funeral fees are also paid to the diocese totalling £10,821.

7. FIXED ASSETS

	Freehold Land & Buildings £	Office Equipment £	TOTAL £
Tangible fixed assets			
Gross Book Value			
At 1 January 2019	450,000	11,509	461,509
At 31 December 2019	<u>450,000</u>	<u>11,509</u>	<u>461,509</u>
Depreciation			
At 1 January 2019	-	11,097	11,097
Provided in the year	-	412	412
At 31 December 2018	<u>-</u>	<u>11,509</u>	<u>11,509</u>
Net Book Value			
At 31 December 2018	450,000	412	450,412
At 31 December 2019	<u>450,000</u>	<u>-</u>	<u>450,000</u>

Comparable Historical cost for the buildings included at valuation:

	Total 2019 £	Total 2018 £
Cost	310,000	310,000
Accumulated Depreciation	-	-
	<u>310,000</u>	<u>310,000</u>

The freehold buildings comprise:

21 Bourg de Peage Avenue, purchased for occupation by the curate and his family in April 2008 for £310,000 was funded in part by a Diocesan loan repaid in October 2014. It was included at valuation by Park & Bailey at 26 January 2009 of £290,000. The trustees have looked at market conditions and similar property sales and have revalued this property to £340,000 in December 2014.

Sunnyside Hall, this building became vested in the Parochial Church Council on 25 March 2007, when the previous lease terminated. It is included at valuation by Park & Bailey at 26 January 2009 of £100,000. The trustees have considered the 2009 valuations and after comparing to market conditions, the trustees consider the 2009 valuation is still valid.

The Church Hall is an extension to the church, is built on consecrated land, cannot be sold separately to the main Church and being inalienable it is not considered appropriate to place any value on it.

The Freehold land comprises two plots on the Southside of East Grinstead known as lots 1479 and 1876 in the Deeds. Lot 1479 is on Coombe Hill Road and lot 1876 is at the corner of Coombe Hill Road and West Hoathly Road.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

7. FIXED ASSETS (cont)

The Parochial Church Council considers that these plots have a current value of £10,000 and they have been so valued by Park & Bailey. The trustees have considered the 2009 valuations and after comparing to market conditions, the trustees consider the 2009 valuation is still valid.

In accordance with the Statement of Recommended Practice, the trustees undertook a revaluation of the fixed assets at December 2014.

The office equipment comprises two office computers, a Risograph printer and ChurchDesk@.

8. INVESTMENTS

Investment Shares:	Designated Funds	Endowment Funds	Total 2019	Total 2018
	£	£	£	£
Market Value as at 1 January 2019	504,645	9,779	514,424	525,801
Purchases	-	-	-	125,000
Transfer to diocese	-	(9,779)	(9,779)	(125,000)
Gain/(Loss) on Revaluation	60,831	-	60,831	(11,377)
Market Value as at 31 December 2019	<u>565,476</u>	<u>-</u>	<u>565,476</u>	<u>514,424</u>
Accumulated Income:				
As at 1 January 2019	-	4,338	4,338	3,872
Income for the year	-	374	374	466
As at 31 December 2018	<u>-</u>	<u>4,712</u>	<u>4,712</u>	<u>4,338</u>
	<u>565,476</u>	<u>4,712</u>	<u>570,188</u>	<u>518,762</u>

Historical Cost (designated Investment)

At 31 December 2019	485,000
At 31 December 2018	<u>485,000</u>

Following the sale of St. Luke's Clergy House and the church, the Parish invested the sales proceeds. Income received on investments is initially reflected as investment income within designated funds. This is then transferred to unrestricted funds as it is considered to represent unrestricted income and is available for use as the trustees see fit

Date	Shares acquired	No of shares	Cost (£)
November 2014	CBF Fixed Interest Securities Fund (income)	164,915.71	270,000
November 2014	CBF Investment Fund (income)	3,752.96	50,000
August 2015	CBF Fixed Interest Securities Fund (income)	60,679.61	100,000
August 2015	CBF Investment Fund (income)	1,805.47	25,000
March 2017	CBF Investment Fund (income)	3,208.73	50,000
June 2017	CBF Investment Fund (income)	7,057.03	115,000
April 2018	CBF Investment Fund (income)	3,947.58	62,500
April 2018	CBF Property Fund (income)	44,751.54	62,500
	Shares sold		Proceeds (£)
November 2016	CBF Fixed Interest Securities Fund (income)	5,901.10	10,000
June 2017	CBF Fixed Interest Securities Fund (income)	66,751.80	115,000
April 2018	CBF Fixed Interest Securities Fund (income)	76,627.28	125,000

The investment shares used to include 592 shares in the CBF Investment Fund (income) shares, which has now been transferred. Investments as held primarily to provide an investment return for the church.

All investment assets are held in the UK.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

9. DEBTORS

	Total 2019 £	Total 2018 £
Prepayments and Accrued Income	3,996	6,786
Gift aid Tax Reclaim	8,515	9,690
Other debtors	450	418
	<u>12,961</u>	<u>16,894</u>

Included within debtors for 2019 are unrestricted debtor balances of £12,961 (2018: £16,894) and £Nil (2018: £NIL) relating to restricted funds.

10. CREDITORS

Amounts Falling Due Within One Year

	Total 2019 £	Total 2018 £
Accruals for Utilities	1,880	1,561
Other Creditors	3,618	7,468
	<u>5,498</u>	<u>9,029</u>

Creditor balances were as follows: Unrestricted £5,498 (2018: £9,029), restricted £Nil (2018: £NIL).

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

11. STATEMENT OF FUNDS

The designated fund includes £140,000 (2018: £140,000) of revaluation gains and losses relating to fixed assets and £84,203 (2018: £23,372) relating to fixed asset investments.

STATEMENT OF FUNDS 2019

	Bal B/fwd 1 Jan 19 £	Income £	Expenditure £	Transfers, Other Gains & Losses £	Bal C/fwd 31 Dec 19 £
Designated Funds					
Land and building	450,000	-	-	-	450,000
Investments	504,645	-	-	60,831	565,476
Repairs	-	-	-	-	-
	<u>954,645</u>	<u>-</u>	<u>-</u>	<u>60,831</u>	<u>1,015,476</u>
Unrestricted Funds	<u>67,723</u>	<u>232,916</u>	<u>(212,061)</u>	<u>-</u>	<u>88,578</u>
Restricted Funds					
Outward Giving Donations	45	4,845	(4,890)	-	-
St Swithun's:					
Flower Fund	511	2,556	(2,587)	-	480
Bell ringers Fund	1,986	1,825	(1,630)	-	2,181
Social Committee	1,181	1,129	(1,560)	-	750
Coffee Shop	5,374	1,578	(1,412)	-	5,540
Vicar's Discretion	385	-	(330)	-	55
Open House	347	701	(624)	-	424
Choir Management Group	633	1,600	(1,440)	-	793
Donations to Floodlighting Sponsorship	20	330	(200)	-	150
Fabric Fund	4,919	585	-	-	5,504
Youth Donations	440	70	(142)	-	368
Verger's Fees	255	-	(30)	-	225
Piano Fund	1,710	4,320	-	-	6,030
St Luke's:					
Flower Fund	135	-	-	-	135
Women's Club	158	45	-	-	203
Tea and Toys Toddler Group	-	1,045	(93)	-	952
Teddies	609	309	(334)	-	584
Fabric Fund	3,723	-	-	-	3,723
St Barnabas Fabric Fund	4,791	-	-	-	4,791
Sunnyside Rent Deposit	847	-	-	-	847
	<u>28,069</u>	<u>20,938</u>	<u>(15,272)</u>	<u>-</u>	<u>33,735</u>
Endowment Funds					
St Swithun's Chancel Trust (see note)	14,118	373	(9,779)	-	4,712
Betchley Trust Fund	2,510	15	(15)	-	2,510
St Swithun's Crawford Trust	179	1	-	-	180
	<u>16,807</u>	<u>389</u>	<u>(9,794)</u>	<u>-</u>	<u>7,402</u>
	<u>1,067,244</u>	<u>254,243</u>	<u>(237,172)</u>	<u>60,831</u>	<u>1,145,146</u>

The endowment funds comprise the following:

- (i) From 2019 only the income from St. Swithun's Chancel Trust held by the Diocese of Chichester is available to the parish and income accumulated is £4,711 (2018: £4,338) which may be applied towards the church insurance premium.
- (ii) Betchley Trust Fund held on behalf of St. Luke's Church in the CBF Deposit Fund with a value of £2,510, the interest on which contributes to the curate's stipend.
- (iii) St. Swithun's Crawford Trust Fund held in the CBF Deposit Fund with a value of £180 (2018: £179) the interest on which is available to the maintain a Sanctuary lamp.

The designated fund represents funds which are tied up in the property and the investments held by the client, these funds are not easily accessible and are amended in line with the value of the property and investments held in the accounts.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun's, East Grinstead

Notes to the Financial Statements for the year ended 31 December 2019

11. STATEMENT OF FUNDS CONTINUED

STATEMENT OF FUNDS 2018

	Bal B/fwd 1 Jan 18 £	Income £	Expenditure £	Transfers, Other Gains & Losses £	Bal C/fwd 31 Dec 18 £
Designated Funds					
Land and building	450,000	-	-	-	450,000
Investments	516,096	-	-	(11,451)	504,645
	966,096	-	-	(11,451)	954,645
Unrestricted Funds	42,213	241,960	(216,450)	-	67,723
Restricted Funds					
Outward Giving Donations	-	5,034	(4,989)	-	45
St Swithun's:					
Flower Fund	781	3,544	(3,814)	-	511
Bell ringers Fund	2,263	1,354	(1,631)	-	1,986
Social Committee	1,161	1,693	(1,673)	-	1,181
Coffee Shop	4,692	1,997	(1,315)	-	5,374
Vicar's Discretion	385	-	-	-	385
Open House	239	714	(606)	-	347
Choir Management Group	393	600	(360)	-	633
Donations to Floodlighting Sponsorship	20	-	-	-	20
Grants from St Swithun's Restoration Trust	-	760	(760)	-	-
Listed place of worship grant	-	-	-	-	-
Fabric Fund	4,919	-	-	-	4,919
Youth Donations	440	-	-	-	440
Verger's Fees	255	-	-	-	255
Piano Fund	-	1,710	-	-	1,710
Curate's Leaving Gift	-	1,276	(1,276)	-	-
St Luke's:					
Flower Fund	135	-	-	-	135
Women's Club	208	-	(50)	-	158
Teddies	563	353	(307)	-	609
Fabric Fund	3,723	-	-	-	3,723
St Barnabas Fabric Fund	5,222	505	(936)	-	4,791
Sunnyside Rent Deposit	847	-	-	-	847
	26,246	19,540	(17,717)	-	28,069
Endowment Funds					
St Swithun's Chancel Trust	13,577	467	-	74	14,118
Betchley Trust Fund	2,510	12	(12)	-	2,510
St Swithun's Crawford Trust	179	-	-	-	179
	16,266	479	(12)	74	16,807
	1,050,821	261,979	(234,179)	(11,377)	1,067,244

12. CONTRACTUAL COMMITMENTS

The Parochial Church Council has entered into contract with Riverside Construction Limited for reordering works to the value of £140,000 which, with fees and other materials, will involve an expenditure of not less than £165,000.