

**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 2016

Incumbent

Reverend Andrew Hawken
St. Swithun's Church Parish Office
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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 2016

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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:

Incumbent: The Reverend Andrew Hawken (Chairman from November 2016)
 The Reverend Canon Julia Peaty (Curate and Rural Dean)

Churchwardens: Kate Mooney Vice Chairman
 Tony Cox Vice Chairman

Representatives on the East Grinstead Deanery Synod:

Linda Bryant
John Ellis
Jeremy Kaye Hon Treasurer
Deborah Matthews
Andrew Milton-Thompson

Elected members:

Frank Allum
John Bryant
Lynn Ellis
Stephen Fallowell
Anne Ivorson
Myra Latham
Jenny Peters
Marion Collins (St Barnabas)
John Cotton (St Luke's)
Jean Parsons (St Luke's)
Tarrilyn Oliver-Reynolds
David Rosslee
Christopher Smith
John Durrant (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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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.

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Membership of the Parochial Church Council is determined under the Church Representation Rules and consists of certain ex-officio members (such as our Vicar and Curates), 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.

As you know - until the 3rd November 2016 when Andrew was welcomed & licensed as our Vicar – we remained in vacancy for most of 2016 with Kate & myself as Churchwardens & the Rural Dean Revd Canon Julia Peaty, our assistant curate, being jointly responsible for the running of the Parish.

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 2016 were to continue to follow the Diocesan strategy and encourage parishioners and members of our community to *'know, love and follow Jesus'*, as the way to maintain & grow our parish.

Given we were in vacancy, 2016 was not a year of major new initiatives, as the main pre-occupation was filling our vacancy, and Kate & I were delighted that Andrew was appointed to the Parish.

The potential re-ordering of St Swithun's is an ongoing consideration and hopefully the feasibility study – with options as to what we *could* do - will now be ready by the Summer 2017.

In addition to dealing with matters to do with buildings, safeguarding, and finance, work continued in 2016 on church worship service rota planning, led by Julia, 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. Pastoral care in the parish continued with both Julia & our lay pastoral assistants visiting those at home, in hospital and in our local nursing and care homes.

A recurring challenge for 2016 remained both Church fabric projects and repairs. The installation of solar panels for the South Aisle roof of St Swithun's, was re-approved by the PCC in March 2016. Since then, the timbers below the lead roof were found to be defective and needed complete replacement. Currently, once air vents above the Church have been approved / installed as a pre-requisite, the installation and commissioning of the panels can take place. I hesitate to put a completion date on this, but we are getting closer!

This expensive work would not have been possible without a very generous initial donation from a parishioner, together with the equally generous support from the Restoration Trust for fabric repairs that were literally uncovered and deemed essential during the course of the project. We hope over 25 years, this 'green' initiative will be proved to be a prudent investment

As I write this, (Mid-February 2017) the community room at the St Luke's site has now been completed and is awaiting a final inspection prior to signing a new lease for use of the room. This is very encouraging news for the patient and supportive St Luke's community.

The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2016

The Quinquennial Inspection reports that took place in October 2016 for St Swithun's & St Barnabas have recently been delivered to the Parish for review and discussion by the Parish Council.

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 its surrounding villages.

There is much to look forward to, especially with Andrew & Sylvia now hopefully settled into the Vicarage!

In closing, it is important that I pay tribute, in particular, to the hard work, commitment & dedicated service of Kate – as Churchwarden for 6 years, to John Durrant - as PCC Secretary and previously decades of service to the Parish, and to Frank Allum as Fabric Manager for 10 years. Hopefully, at the APCM in April 2017, new volunteers will be willing to serve on the Parish Council.

Robert Everest is also stepping down as Parish Administrator at the end of March 2017, and we are also very grateful for his years of service & support, I believe a decade also!

In last year's report, I acknowledged the work that Julia has provided to the parish, especially during the vacancy. Without her knowledge, experience & hard work, the worshipping life of St Swithun's would have been infinitely reduced. This remained equally true for 2016; thank you Julia!

Tony Cox & Kate Mooney, Churchwardens

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 2016 there were 466 parishioners on the electoral roll, 87 of whom are not resident within the Parish. 4 names were added during the year and 13 were removed, either through death or because they moved away from the area.

The number in our "worshipping community" at the end of 2016 was 335. The average Sunday attendance, also in October 2016, was 215. This number increases at festivals. At Easter, approximately 400 people attended worship in the parish and 300 people attended on Christmas Eve and Christmas Day. Christmas Eve Crib Services at St. Swithun's saw over 1,500 people attending these services.

During December 2016, several local schools used St. Swithun's Church for their Christmas carol and nativity services with over 2,000 attending.

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During the Calendar year, the clergy officiated at 30 baptisms, 20 weddings of which 2 were at Sackville College, and 46 funerals of which 13 took place in church.

Review of the Year

The full PCC met nine times, of which one meeting was an informal gathering to meet The Reverend Andrew and Mrs Hawken on their arrival in the Parish. Average attendance at PCC meetings by elected members was 80%. The Standing Committee met nine 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. Items discussed at PCC meetings are also informed to parishioners through the e-newsletter.

There are currently 23 members of the PCC, comprising 2 Clergy, 2 Churchwardens, 14 elected PCC members and 5 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 2017 are to do with our continuing Mission Action Plan and decisions in relation to that plan, fitting these in to co-ordinate with the Diocesan Strategy plan and making decisions in relation to those plans in conjunction with the Vicar.

The Reverend Canon Julia Peaty as Rural Dean and the Churchwardens, Kate Mooney and Tony Cox, were jointly responsible for running the Parish during the vacancy until November 2016 when we welcomed our new Vicar, The Reverend Andrew Hawken. They all wish to thank all those who contribute so much to the life of our parish in multiple ways. Last year has been a time of considerable prayer, activity, decision making 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. They would like to take this opportunity to thank all those who assisted during the vacancy, including visiting clergy who assisted at some of our services at all three churches, Readers', members of the Parochial Church Council, the Standing Committee and its officers, Robert Everest as the Parish Administrator who retired in March 2017, and the many volunteers for their very important part they play in the on-going life of the Parish and its outreach to the community of East Grinstead and beyond.

John Durrant
PCC Secretary

Financial Review

1. The total receipts on general unrestricted funds received were £215,061 (2015: £194,208) and are detailed in the financial statements.
2. The planned giving through bankers' orders and envelopes fell by 2%.
3. The PCC is grateful for a legacy of £10,000.
4. Parish expenditure excluding items within the restricted or endowment funds totalled £221,302 (2015: £183,376).
5. The net result for the year was an excess of overall income over expenditure of £68,989 after revaluation of investments (2015: £11,359). After adding back bank and deposit balances at the beginning of the year, the unrestricted fund balance carried forward is £59,986 (2015: £67,121).

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PARISH PLANNED GIVING IN 2016

Electoral Roll Giving

Giving by Electoral Roll members through Bank Standing Order or Direct Debit, Weekly Envelope, Gift Aid Envelope and through the Charities Aid Foundation or Workplace Giving Schemes in 2016 totalled £114,133, a shortfall of £2,700 (2.3%) over the equivalent total in 2015.

During the year the number of planned givers on the Electoral Roll fell by 5% from 204 to 193; the losses included several donors who had given very generously in previous years. Had it not been for some of the established donors giving a little more the position would have been far worse. Average giving per person rose by 3% from £10.95 per week in 2015 to £11.27 in 2016. Almost 90% of our Planned Giving was gift aided which added a further £25,288 to our income.

Take-up on the Parish Giving Scheme (PGS) was sluggish during the year after an encouraging increase in 2015 with only 5 new donors joining and 2 leaving. PGS income was nevertheless about 3% higher than in 2015 and accounted for almost half the total given. About half of the current 72 PGS donors have agreed to an annual inflationary increase (1.1% in 2016) on their gifts.

Bank Standing Orders (STOs) accounted for about 40% of our Planned Giving income. There was a 7% reduction in donations due to one person switching to PGS and several others stopping or reducing their giving for various reasons. It was rather disappointing that of the 77 donors continuing to pay by STO, only two increased their monthly or quarterly payments during the year.

Giving by Weekly Envelope is continuing to decline in popularity with a 16% fall in donations in 2016 after 11% and 17% reductions in the previous 2 years. It accounted for about 5% of our Planned Giving income. Given the cost of printing the sets of envelopes (we currently have 12 weekly envelope donors and the minimum order quantity is 30 sets), we may have to consider whether it is cost effective to continue this scheme in 2018.

I pointed out last year that our income in 2015 had only been maintained at the level of previous years by some individuals – the majority of whom are long-standing members in the older age group - increasing their giving. This situation cannot continue indefinitely and unless we make constant efforts to encourage more new donors to start giving, however modestly, in a planned way and for existing donors to review their level of giving more regularly, we will struggle to maintain our present level of income, let alone increase it to enable the church to expand its ministry over the next few years. At the time of writing, a Stewardship initiative is being planned during Lent and it is hoped that this will reverse the decline in income by the end of 2017.

Residents' and Visitors' Giving

Gift Aided donations from other East Grinstead residents – i.e. those not on the Electoral Roll but with an RH19 address – totalled £366, less than half the 2015 total. Visitors outside the RH19 area gave a total of £337 over the year, down by 35% on 2015. It may be that donors are preferring to place money in plate collections rather than using the yellow Gift Aid Envelopes available in the pews.

Small Donations

Through the HM Revenue & Customs Gift Aid for Small Donations Scheme we can claim a top-up payment on small cash donations received 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 £2,106 on money received from plate collections during 2016. This is an increase over the previous year as we were able to claim more on the collections at St Swithun's due to the raising of the maximum donation amount from £5,000 to £8,000 per building per annum on which we can claim Gift Aid from April 2016. However plate collections from the daughter churches fell by around a quarter during the year, possibly due to the temporary arrangements during the rebuilding at St Luke's and the reduction of services at St Barnabas'.

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My thanks go to Marion Collins, Pat Coomber, John Cotton, Sarah Gualtieri, Irene Jackson, Mavis Merwood, Jan Paul and others who helped to collect some of the information from all three churches without whom my job of collating the figures would have been a great deal more difficult

JOHN MONKS
Confidential Giving Secretary

February 2017

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. The Parochial Church Council has a list of projects for outreach and improvements to the parish church which may involve re-ordering following a feasibility study. These, together with work likely to arise following the recent 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. At the end of 2015 the Parochial Church Council amended its investment policy in relation to the sale proceeds arising from St. Luke's Church and Clergy House to place funds in the C.B.F Church of England fixed interest and investment funds as well as its deposit fund.

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.

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.

Approved by the Parochial Church Council on 22 March 2017 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 on the accounts of the charity for the year ended 31 December 2016, which are set out on pages 10 to 20.

Respective responsibilities of PCC Members and Examiner

The PCC's members are responsible for the preparation of the accounts. The PCC's members 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. The charities gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

It is my responsibility to:

- (i) examine the accounts 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.

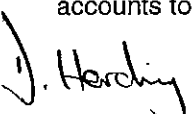
Basis of independent examiner's report

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 these records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees 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 statement below:

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 accounts which accord with the accounting records, 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 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:27/03/17.....

**The Parochial Church Council of the Ecclesiastical Parish of
St Swithun's, East Grinstead
Statement of Financial Activities
for the year ended 31 December 2016**

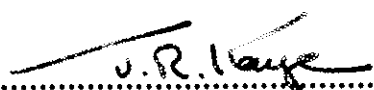
		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Year Ended 31 Dec 2016 Total Funds £	Year Ended 31 Dec 2015 Total Funds £
	Notes						
INCOMING RESOURCES							
Donations and Legacies	2a	162,284	-	34,851	-	197,135	164,625
Other fundraising Activities	2b	6,958	-	1,508	-	8,466	6,745
Investments	2c	15,404	18,449	-	370	34,223	15,323
Charitable Activities	2d	30,415	-	85,766	-	116,181	38,748
Total Incoming Resources		215,061	18,449	122,125	370	356,005	225,441
RESOURCES EXPENDED							
<u>Costs of Raising Funds</u>							
Voluntary Income	3a	78	-	-	-	78	76
Fundraising Costs	3b	765	-	-	-	765	672
Costs of renting property	3c	1,146	-	-	-	1,146	-
<u>Expenditure on Charitable Activities</u>							
Church Activities	3d	216,915	-	95,737	12	312,664	200,006
Total Resources Expended		221,302	-	95,737	12	317,051	200,754
Net Incoming Resources before gains / (losses) on investments and transfers		(6,241)	18,449	26,388	358	38,954	24,687
Revaluation on investments		-	29,146	-	889	30,035	(13,328)
Transfers between funds		(894)	17,552	(16,658)	-	-	-
Net Movement in Funds		(7,135)	65,147	9,730	1,247	68,989	11,359
Reconciliation of Funds							
Total Funds Brought Forward At 1 January 2016		67,121	886,246	24,959	13,880	992,206	980,847
Total Funds Carried Forward at 31 December 2016		59,986	951,393	34,689	15,127	1,061,195	992,206

**The Parochial Church Council of the Ecclesiastical Parish of
St Swithun's, East Grinstead
Balance Sheet as at
31 December 2016**

	Notes	Unrestricted Fund	Designated Fund	Restricted Fund	Endowment Funds	2016	2015
				£	£	£	£
FIXED ASSETS	7	1,402	450,000	-	-	451,402	452,192
INVESTMENTS							
Investment Fund	8	-	455,393	-	12,438	467,831	447,438
TOTAL FIXED ASSETS		1,402	905,393	-	12,438	919,233	899,630
CURRENT ASSETS							
Debtors	9	18,443	-	18,908	-	37,351	14,817
Bank Current Accounts		12,271	46,000	3,827	2,689	64,787	18,874
Bank Reserve Accounts		78	-	-	-	78	78
Central Board of Finance		34,124	-	2,841	-	36,965	51,564
Designated Bank & Building Society Accounts		-	-	9,115	-	9,115	12,008
Cash in Hand		163	-	203	-	366	623
Total Current Assets		65,079	46,000	34,894	2,689	148,662	97,964
LIABILITIES							
Amounts Falling Due Within One Year	10	(6,495)	-	(205)	-	(6,700)	(5,388)
Net Current Assets		58,584	-	34,689	2,689	141,962	92,576
NET ASSETS		59,986	951,393	34,689	15,127	1,061,195	992,206
FUNDS							
Unrestricted	11	59,986	-	-	-	59,986	67,121
Designated	11	-	951,393	-	-	951,393	886,246
Restricted	11	-	-	34,689	-	34,689	24,959
Endowment	11	-	-	-	15,127	15,127	13,880
		59,986	951,393	34,689	15,127	1,061,195	992,206

Approved by the PCC on 22 March 2017 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 2016

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 which are included at market value, as modified by the revaluation of certain assets.

(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 contribution 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 2016

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.

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 6. 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 2016 £
(a) Voluntary Income	162,284	-	34,851	-	197,135
Including planned giving and income tax recoverable					
(b) Activities for Generating Funds	6,958	-	1,508	-	8,466
Including car park charges and fund raising events					
(c) Investment Income	15,404	18,449	-	370	34,223
(d) Income from Church Activities	30,415	-	85,766	-	116,181
Including hall lettings and church fees					
Total Incoming Resources	215,061	18,449	122,125	370	356,005

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 2016

2. INCOMING RESOURCES (cont)

2015 COMPARATIVES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2015 £
(a) Voluntary Income	159,955	-	4,670	-	164,625
Including planned giving and income tax recoverable					
(b) Activities for Generating Funds	5,498	-	1,247	-	6,745
Including car park charges and fund raising events					
(c) Investment Income	1,507	13,397	-	419	15,323
(d) Income from Church Activities	27,248	-	11,500	-	38,748
Including hall lettings and church fees					
Total Incoming Resources	194,208	13,397	17,417	419	225,441

Income tax recoverable amounting to £33,368 (2015: £27,826) includes a provision of £11,457 (2015: £9,706), which represents tax recoverable on gift aided donations for the period from 6 April 2016 to 31 December 2016 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 2016.

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 2016

3. RESOURCES EXPENDED

	Church Activities £	Support and Governance costs £	Total 2016 £	Total 2015 £
(a) Cost of generating Voluntary Income	78	-	78	76
(b) Fund Raising Trading Costs	765	-	765	672
(c) Cost of renting property	1,146	-	1,146	-
 (d) Church Activities Including parish contribution, hall running expenses, admin cost, church maintenance and outward giving	 265,926	 49,136	 315,062	 200,006
Total Resources Expended	267,915	49,136	317,051	200,754

In 2016 the expenditure on charitable activities was £317,051 (2015: £200,754) of which £221,302 (2015: £183,376) was unrestricted, £95,737 (2015: £17,366) was restricted and £12 (2015: £12) was Endowment costs. There were no designated fund costs in 2015 or 2016.

Payments were made to the Independent Examiner of £3,600 (2015: £3,600) for independent examination fees and £720 (2015: £2,040) 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 2016 £	Total 2015 £
Support Costs		
Staff Costs - Administration	13,325	13,031
Church Running costs and maintenance	13,077	19,530
Hall Running costs	14,072	14,349
Office expenses	4,318	3,830
	<hr/> 44,792	<hr/> 50,740
Governance Costs		
Bank charges	24	24
Independent Examiner costs	4,320	5,640
	<hr/> 4,344	<hr/> 5,664
Total	<hr/> 49,136	<hr/> 56,404

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 2016

5. STAFF COSTS

Number of employees

The average monthly number of employees during the year was:

	2016 Numbers	2015 Numbers
Administrator	1	1
Organist	1	1
Youth Worker	1	1
Verger	1	1
Caretaker	1	1
Cleaners	2	2
	<u>7</u>	<u>7</u>

	2016 £	2015 £
Wages and Salaries	31,952	26,124
Social Security Costs	629	601
Pension costs	18	-
	<u>32,599</u>	<u>26,725</u>

The Youth Worker, Mrs Deborah Matthews, who is a member of the PCC, was paid £5,730 during the year (2015: £5,618). However, she is 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.

6. PARISH CONTRIBUTION

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 £42,263; Church insurance £7,262, training and clergy support £9,649, ministry support costs £2,313, parish support services £9,785, and national church responsibilities £2,863, totalling £74,135 and an additional payment of £5,865. Wedding and funeral fees are also paid to the diocese totalling £9,084.

7. FIXED ASSETS

	Freehold Land & Buildings £	Office Equipment £	TOTAL £
Tangible fixed assets			
Gross Book Value			
At 1 January 2016	450,000	11,509	461,509
Addition	-	-	-
Disposal	-	-	-
At 31 December 2015	<u>450,000</u>	<u>11,509</u>	<u>461,509</u>
Depreciation			
At 1 January 2016	-	9,317	9,317
Provided in the year	-	790	790
Disposal	-	-	-
At 31 December 2015	<u>-</u>	<u>10,107</u>	<u>10,107</u>
Net Book Value			
At 31 December 2015	<u>450,000</u>	<u>2,192</u>	<u>452,192</u>
At 31 December 2016	<u>450,000</u>	<u>1,402</u>	<u>451,402</u>

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 2016

7. FIXED ASSETS (cont)

Comparable Historical cost for the buildings included at valuation:

	Total 2016 £	Total 2015 £
Cost	310,000	310,000
Accumulated Depreciation	-	-
	310,000	310,000

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 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 a Ricoh digital photocopier, two office computers and a Risograph printer.

8. INVESTMENTS

Investment Shares:	Designated Funds £	Endowment Funds £	Total 2016 £	Total 2015 £
Market Value as at 1 January 2016	436,246	8,012	444,258	332,586
Purchases	-	-	-	125,000
Disposals	(10,000)	-	(10,000)	-
Gain/(Loss) on Revaluation	29,147	889	30,036	(13,328)
Market Value as at 31 December 2016	455,393	8,901	464,294	444,258
Accumulated Income:				
As at 1 January 2016	-	3,180	3,180	2,774
Income for the year	-	357	357	406
As at 31 December 2016	-	3,537	3,537	3,180
	455,393	12,438	467,831	447,438

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 2016

8. INVESTMENTS (cont)

Historical Cost (designated investment)

At 31 December 2016	435,000
At 31 December 2015	<u>445,000</u>

Following the sale of St. Luke's Clergy House and church, the Parish invested in the purchase of 164,915.71 CBF Fixed Interest Securities Fund (Income) shares and 3,752.96 CBF Investment Fund (Income) shares and in August 2015 purchased a further 60,679.61 CBF Fixed Interest Securities Fund (Income) shares and 1,805.47 CBF Investment fund (Income) shares. 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. In November 2016 the Parish sold 5,901.10 CBF Fixed Interest Security Fund (Income) shares at 169.46 per share to realise £10,000.

The Investment shares also include 592 shares in the CBF Investment Fund (Income) Shares, held in the East Grinstead St Swithun's Chancel Trust, together with the accumulated interest as detailed above. Investments are held primarily to provide an Investment Return for the church. All Investment Assets are held in the UK.

9. DEBTORS

	Total 2016 £	Total 2015 £
Prepayments and Accrued Income	-	1,080
Gift aid Tax Reclaim	11,457	9,705
Other debtors	<u>25,894</u>	<u>4,032</u>
	<u>37,351</u>	<u>14,871</u>

All Prepayments, gift aid reclaim and other debtors related to unrestricted funds in 2015. Included within debtors for 2016 is unrestricted debtor balances of £18,443 and £18,908 relating to restricted funds.

10. CREDITORS

Amounts Falling Due Within One Year

	Total 2016 £	Total 2015 £
Accruals for Utilities	980	779
Other Creditors	<u>5,720</u>	<u>4,609</u>
	<u>6,700</u>	<u>5,388</u>

Creditor balances were as follows: Unrestricted £6,495 (2015: £5,206), restricted £205 (2015: £182).

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 2016

11. STATEMENT OF FUNDS 2016

	Bal B/fwd 1 Jan 16 £	Income £	Expenditure £	Transfers, Other Gains & Losses £	Bal C/fwd 31 Dec 16 £
Designated Funds					
Land and building	450,000	-	-	-	450,000
Investments	436,246	18,449	-	698	455,393
Repairs	-	-	-	46,000	46,000
	<u>886,246</u>	<u>18,449</u>	<u>-</u>	<u>46,698</u>	<u>951,393</u>
Unrestricted Funds	<u>67,121</u>	<u>215,061</u>	<u>(221,302)</u>	<u>(894)</u>	<u>59,986</u>
Restricted Funds					
Outward Giving Donations	-	5,089	(5,089)	-	-
St Swithun's:					
Flower Fund	833	2,176	(2,519)	-	490
Bell ringers Fund	2,104	2,457	(2,431)	-	2,130
Social Committee	1,237	1,911	(1,906)	-	1,242
Coffee Shop	6,056	2,302	(1,447)	-	6,911
Vicar's Discretion	385	-	-	-	385
Open House	134	474	(472)	-	136
Choir Management Group	1,375	-	(1,038)	-	337
Donations to Floodlighting Sponsorship	-	20	-	-	20
Grants from St Swithun's Restoration Trust	-	59,282	(59,282)	-	-
Listed place of worship grant	-	16,658	-	(16,658)	-
Fabric Fund	6,789	31,250	(21,120)	-	16,919
Youth Donations	440	-	-	-	440
Verger's Fees	280	-	(25)	-	255
St Luke's:					
Flower Fund	135	-	-	-	135
Women's Club	146	48	(54)	-	140
Teddies	293	458	(354)	-	397
Fabric Fund	3,723	-	-	-	3,723
St Barnabas Fabric Fund	182	-	-	-	182
Sunnyside Rent Deposit	847	-	-	-	847
	<u>24,959</u>	<u>122,125</u>	<u>(95,737)</u>	<u>(16,658)</u>	<u>34,689</u>
Endowment Funds					
St Swithun's Chancel Trust	11,192	357	-	889	12,438
Betchley Trust Fund	2,510	12	(12)	-	2,510
St Swithun's Crawford Trust	178	1	-	-	179
	<u>13,880</u>	<u>370</u>	<u>(12)</u>	<u>889</u>	<u>15,127</u>
	<u>992,206</u>	<u>356,005</u>	<u>(317,051)</u>	<u>30,035</u>	<u>1,061,195</u>

The endowment funds comprise the following:

- (i) St. Swithun's Chancel Trust held by the Diocese of Chichester and represented by CBF Investment Fund (Income) Shares, with a market value of £8,901 (2015: £8,012) Income accumulated is £3,537 (2015: £3,180).
- (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 £179 (2015: £178) 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 2016

11. STATEMENT OF FUNDS FOR 2016 CONTINUED

The designated repair fund represents amounts committed to be spent on the church roof and solar panels in the following 12 months.

The designated fund includes £160,392 (2015: £140,742) of revaluation gains and losses relating to fixed assets and fixed asset investments.

STATEMENT OF FUNDS FOR 2015

	Bal B/fwd 1 Jan 15 £	Income £	Expenditure £	Transfers, Other Gains & Losses £	Bal C/fwd 31 Dec 15 £
Designated Funds					
Land and building	450,000	-	-	-	450,000
Investments	324,681	13,397	-	98,168	436,246
	774,681	13,397	-	98,168	886,246
Unrestricted Funds	167,892	194,208	(183,376)	(111,603)	67,121
Restricted Funds					
Outward Giving Donations	-	6,408	(6,408)	-	-
St Swithun's:					
Flower Fund	1,376	1,171	(1,714)	-	833
Bell ringers Fund	1,929	2,022	(1,847)	-	2,104
Social Committee	1,213	2,656	(2,632)	-	1,237
Coffee Shop	5,760	2,183	(1,887)	-	6,056
Vicar's Discretion	387	466	(468)	-	385
Open House	216	477	(559)	-	134
Choir Management Group	1,449	-	(74)	-	1,375
Donations to Floodlighting Sponsorship	52	20	(72)	-	-
Grants from St Swithun's Restoration Trust	-	1,235	(1,235)	-	-
Fabric Fund	6,789	-	-	-	6,789
Youth Donations	393	47	-	-	440
Verger's Fees	325	-	(45)	-	280
St Luke's:					
Flower Fund	135	-	-	-	135
Women's Club	160	-	(14)	-	146
Teddies	154	550	(411)	-	293
Fabric Fund	3,723	-	-	-	3,723
St Barnabas Fabric Fund	-	182	-	-	182
Sunnyside Rent Deposit	847	-	-	-	847
	24,908	17,417	(17,366)	-	24,959
Endowment Funds					
St Swithun's Chancel Trust	10,679	406	-	107	11,192
Betchley Trust Fund	2,510	12	(12)	-	2,510
St Swithun's Crawford Trust	177	1	-	-	178
	13,366	419	(12)	107	13,880
	980,847	225,441	(200,754)	(13,328)	992,206

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

Detailed notes to the Statement of Financial Activities

INCOMING RESOURCES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2016 £	Total Funds 2015 £
(a) Voluntary Income						
Planned Giving	114,133	-	-	-	114,133	116,833
Collection at all Services	8,203	-	3,601	-	11,804	12,855
Sundry Donations and Appeals	2,830	-	25,000	-	27,830	6,751
Income Tax Recoverable	27,118	-	6,250	-	33,368	27,826
Legacies	10,000	-	-	-	10,000	360
	162,284	-	34,851	-	197,135	164,625
(b) Activities for Generating Funds						
Advent /Christmas Fair	707	-	960	-	1,667	1,712
Car Park Charges	5,705	-	-	-	5,705	4,851
Other Fund Raising Events	546	-	548	-	1,094	182
	6,958	-	1,508	-	8,466	6,745
(c) Investment Income						
Dividends & Interest	404	18,449	-	370	19,223	15,323
Rental income	15,000	-	-	-	15,000	-
	15,404	18,449	-	370	34,223	15,323
(d) Income from Church Activities						
Church Hall Lettings	20,555	-	-	-	20,555	18,276
Church Fees	7,903	-	-	-	7,903	6,943
Bookstall	751	-	-	-	751	1,015
Tax refund	441	-	-	-	441	562
Restoration Trust Grant	-	-	59,282	-	59,282	1,235
Listed places of interest grant	-	-	16,658	-	16,658	-
Miscellaneous Income	387	-	-	-	387	1,658
Bell ringers Fund	-	-	2,457	-	2,457	2,022
Flower Funds	-	-	2,176	-	2,176	1,171
Social Committee Coffee	-	-	1,911	-	1,911	2,656
Mornings/Shop	378	-	2,302	-	2,680	2,183
Open House	-	-	474	-	474	477
Women's Club	-	-	48	-	48	-
Teddies	-	-	458	-	458	550
St. Swithun's Choir Management Group	-	-	-	-	-	-
	30,415	-	85,766	-	116,181	38,748
Incoming Resources	215,061	18,449	122,125	370	356,005	225,441

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

Detailed notes to the Statement of Financial Activities

RESOURCES EXPENDED

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total 2016 £	Total 2015 £
(a) Cost of generating Voluntary Income						
Envelope Scheme	78	-	-	-	78	76
(b) Fund Raising Trading Costs						
Advent Fair and Bookstall	765	-	-	-	765	672
(c) Cost of letting property	3,544	-	-	-	3,544	-
(d) Church Activities						
Missionary & Charitable Giving						
Church Overseas	6,200	-	704	-	6,904	10,115
Home Missions and other Church Societies	5,610	-	4,385	-	9,995	6,801
	11,810	-	5,089	-	16,899	16,916
Ministry Costs:						
Parish Contribution	79,988	-	-	12	80,000	78,000
Other Clergy Costs	9,440	-	-	-	9,440	17,293
Verger Fees	-	-	-	-	-	45
Capital Expenditure	43,405	-	79,314	-	122,719	-
Church Running exps	4,579	-	-	-	4,579	8,384
Church Maintenance	7,410	-	1,088	-	8,498	11,146
Upkeep of Services includes Verger wages	4,423	-	25	-	4,448	3,212
Junior Church & Youth	6,317	-	-	-	6,317	6,043
Lay Readers	135	-	-	-	135	135
Music	9,556	-	-	-	9,556	10,180
Outreach & Evangelism	201	-	-	-	201	204
Church Halls Running Costs	14,072	-	-	-	14,072	14,349
Parish Office Expenses	4,318	-	-	-	4,318	3,830
Administrator	13,325	-	-	-	13,325	13,031
Miscellaneous	3,591	-	-	-	3,591	2,436
Bank Charges	24	-	-	-	24	24
Bell ringers Fund	-	-	2,431	-	2,431	1,847
Flower Funds	-	-	2,519	-	2,519	1,714
Social Committee	-	-	1,906	-	1,906	2,632
Coffee Shop	-	-	1,447	-	1,447	1,887
Open House	-	-	472	-	472	559
Women's Club	-	-	54	-	54	14
Teddies	-	-	354	-	354	411
St. Swithun's Choir Management Group	-	-	1,038	-	1,038	74
Accountancy Fees	3,600	-	-	-	3,600	3,600
Computerisation of accounts	720	-	-	-	720	2,040
	216,915	-	95,737	12	312,664	200,006
Total Resources Expended	221,302	-	95,737	12	317,051	200,754

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

Detailed notes to the Statement of Financial Activities

OUTWARD GIVING DONATIONS - MISSIONARY & CHARITABLE GIVING

Overseas	Total £	Home	Total £
US	1,400	Diocesan Family Support Work	1,000
Mission Aviation Fellowship	800	St. Catherine's Hospice	800
Practical Action	700	Crawley Open House	700
Embrace the Middle East	600	Chestnut Tree House Children's Hospice	600
CMS	500	Church Army	600
Bible Society	500	College of St. Barnabas	300
Mission to Seafarers	400	East Grinstead Street Pastors	300
Friends of Nakuru, Kenya	400	East Grinstead Food Bank	300
Tear Fund	350	Voices in Exile	300
Mercy Ships	350	Samaritans Tunbridge Wells	250
Send a Cow at Harvest	200	Sussex EMMAUS	250
		Church Urban Fund	200
		Zulem Trust	10
	<u>6,200</u>		<u>5,610</u>
From Other Collections and Events	Total £	From Lent Boxes	Total £
Diocesan Family Support Work	1,296	Mission Aviation Fellowship	81
Chestnut Tree House	1,296	Mission to Seafarers	73
Bishop's Ordination Fund	497	US	58
Chichester DBF Harvest Appeal	492		
QVH Charitable Trust	480		<u>212</u>
Jigsaw	480		
St Catherine's Hospice	316		
Stroke Association	20		
	<u>4,877</u>		
TOTAL			<u>16,899</u>