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# Trustees Annual Report and Financial Report

of

## The Parochial Church Council of the Ecclesiastical Parish of

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### St. Margaret's, Warnham

### For the year ended 31 December 2017

St Margaret's Church, Church Road, Warnham. RH12 3QW

Registered Charity no. [1132082](#)

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Website: [www. Warnhamchurch.co.uk](http://www.Warnhamchurch.co.uk)

Priest in  
Charge: Revd Jules A. Barnes

Independent  
examiner: Janet Faultey, Kreston Reeves LLP Yeoman Gate, A2 Yeoman Way, Worthing BN13 3QZ

Bankers: Lloyds TSB Bank, 1 West Street, Horsham, RH12 1PA

# St Margaret's, Warnham

## Trustees Annual Report for 2017

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### Our aims and purposes as a charity

The primary objective of the St Margaret's PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC has the responsibility of cooperating with the Priest in Charge, Revd Jules A. Barnes, in promoting in the ecclesiastical parish the whole mission of the Church: pastoral, evangelical, social and ecumenical. The Priest has the 'cure of souls' for all those resident in the Parish, and the PCC is aware of the Charity Commission guidance on public benefit in setting the objectives and activities of the PCC.

The main objectives of the PCC are:

- To promote the Gospel of our Lord Jesus Christ
- To develop discipleship and spirituality within the parish
- To promote the mission of the church to improve lives in our worshipping and wider communities
- To ensure that we do all we can to make our activities safe for all
- To develop and utilise links with organisations inside and outside the parish for the public good
- To provide practical support and care as possible in the parish
- To offer appropriate pastoral support in the parish
- To maintain and maximise use of the church buildings

2017 has been the first full year in post for the new Parish Priest at St. Margaret's Warnham.

We are pleased to report that a Health and Safety Officer has now been appointed, although we still continue in our search for a permanent organist. A major feature of 2017 has been a thoroughgoing review of our safeguarding procedures under the leadership of our PSO (Parish Safeguarding Officer). We are confident that awareness levels and our practice have been further improved, and are also on course to submit a successful SQP (Simple Quality Protects) diocesan audit at Easter 2018.

### What we planned to do to achieve our charitable objectives

During 2017 we continued to work towards the objectives outlined in our previous Trustees Annual Report. These included the following:

- The provision of regular weekly and festival services, and the 'occasional offices'
- Courses and study groups to develop the depth of discipleship
- Supporting and funding children and families' work within the parish
- Outreach through social/fundraising/musical events for the wider community
- Making our full parish share contribution, and attending Synods, in support of the wider diocesan mission
- Provision of pastoral care and assistance for people living in the parish
- Maintenance of the fabric of the church building.
- Recruitment: Health and Safety officer, and Organist

A full 2017 report of the activities and achievements of each of our church groups is available on request.

## What we achieved and how we affected beneficiaries' lives

### *Attendance at worship*

Regular services and the occasional offices continued during 2017. As at 31<sup>st</sup> December 2017 there were 219 parishioners on the St. Margaret's Warnham church electoral roll, 82 of whom are not resident in the parish. The comparable year end figure for 2016 was 218.

Average weekly reach, based on the suggested sample month of October 2017, was 189. Services over the Christmas weekend and on Christmas Day, saw a total attendance of 835 persons, and the Easter weekend, 279. We always extend a warm welcome to those who come into church, no matter where they live, or how often they attend, and we were especially pleased to have over 550 families and children attend for our Christmas Nativity and Christingle celebrations on 23<sup>rd</sup> December.

Capitalising upon the draw of our music, we invited non-regular church singers to join us in an augmented choir for Midnight Mass this year. Also, for several Festal Evensongs, marking occasions such as the 60<sup>th</sup> anniversary of the Queen's accession.

Reflective Taizé style services have added a new strand to our range of worship during 2017, and are steadily building a following from those who appreciate the style.

Our 'Jesus and Me' Sunday School has been re-configured somewhat during 2017 with a change in leadership. New helpers have joined too, and children regularly enjoy the activities during Parish Communion, coming back in to show their work at the end.

### *Reaching out, baptising and nurturing new and existing believers*

During 2017 we were pleased to welcome 12 new members to the church through the sacrament of baptism. We also prepared 6 people for First Communion, and 5 for Confirmation by the local Bishop. 4 marriages also took place, mostly of couples who are not regular worshippers. The number of funerals conducted in church was 7. We keep up our links with those who are married and baptised through circulating general information, and through specific initiatives such as invitations to our annual 'Valentine's Day' service, and sending a card on the anniversary of baptism.

We continued to provide a safe, stimulating and fun environment for the development of our younger people. This year we are very pleased to have re-started a primary age club once again, after several years in abeyance. 'Thursday Club' is for all children aged 7 – year 6, and meets every week during term time. Ichthus for older teenagers, ceased meeting regularly with the new academic year due to falling numbers. The few remaining ex-members have now become junior leaders at Thursday Club, and we have also recruited two new adult helpers. Once again, we attended May camp and the Walsingham pilgrimage with young people from the church and wider parish.

Music continues to be a key part of our worship and outreach. The choir continues strongly, with a new adult member joining towards the end of the year. Youngsters progress through the structured RSCM awards, and we were once again able to offer a residential singing trip away from Warnham. Weekly collective worship in the church primary school has continued, and the whole school community comes to St. Margaret's to worship twice a term.

St. Margaret's prayer and confidential intercessions groups continued throughout the year providing pastoral and spiritual support for individuals and the wider community. At various places and on various occasions our seniors met and shared food and fellowship together. Friday Forum took a rest after the summer (as the leaders retired) but has now restarted once again under two new leaders.

Social events for the whole community have included a first ever Barn Dance, which sold out and saw an organising team that included four or five new faces from the village.

### *Provision of the church building for people to enjoy*

St. Margaret's (and the Vicar!) belong to everyone in the village, and we have repeated that message over and over again this year. We have acted accordingly too: all events are publicised beyond the worshipping community and we take every opportunity to broaden our reach and relevance.

We celebrated the occasional offices (Weddings, Baptisms and Funerals) mentioned above and the church continues to be appreciated by our parishioners and many others, as a space where life events are celebrated with joy and thanksgiving. Also, where solace and hope are present when needed. Our flower and churchyard teams draw in many from the wider village, who take great pride and pleasure in contributing to this offering. The building is kept open daily and this year we have added to the information on offer for visitors by introducing a couple of folders for browsing, listing everything that goes on in the church under the title 'Time and Talents'.

We have always had concerts in the church, but this year we raised their profile by formalising them into a concert series, entitled 'Music at St. Margaret's.' The offerings ranged from coffee time organ recitals, to choirs, to a visit from 'Sussex Harmony', and brought a good number of people into church on each occasion, to enjoy both the musical content and amenity of the building.

In addition to the use of St. Margaret's church building itself, our small Parish Room also provides a venue for local groups from toddlers to seniors, who appreciate the very low rental and well-kept facilities. The Warnham WI for example has moved to use the Parish Room as its regular meeting place during 2017.

Similarly, our bellringing group continues very strongly, using the tower and the peal of ten bells to enjoy weekly fellowship and healthy physical activity. Several new members have once again been added to their number this year.

### *Provision of pastoral care for people living in the parish*

One of the most vulnerable communities within the parish is made up of the residents of Orchard Lodge care home. This year we have visited once a month, to spend time and to offer fellowship to the staff and residents there by offering a simple service.

The Pastoral Team continued to do excellent often unseen work, visiting, taking home communion and generally offering companionship and support across the parish. With decreasing social care and increasing isolation, this is a key way in which we contribute beneficially to the wider community.

Wherever possible, we also encourage the lonely especially, to join in with other events, and have seen a couple of elderly people start to come to church, join Friday Forum, and otherwise make friends in this manner.

Our soup and cheese Lent lunches have been going for some years, but were especially successful in 2017 in drawing in a wider circle of younger and older local residents, for a delicious lunch and some company.

### *Provision of tangible support to the poor and needy*

Members of St. Margaret's continue to help the disadvantaged directly by giving of their time and expertise to local charities, such as the Night Shelter, Horsham Debt Counselling and other Horsham Matters projects, under the auspices of our local Churches Together umbrella group. We also regularly contribute items to food banks locally, and help support individuals in need in the village through our own funds and gifts. We continued our Christian Aid collection, which is a door to door collection from every house in the village.

As a PCC, we also made the decision to continue to support other charitable organisations as part of our contribution to the common good; especially those who are engaged in mission, or work for justice and equality, both locally and in the wider world.

## Financial Review

### *Incoming and outgoing resources*

A major challenge which we have had to address head on in 2017, is that of income failing to meet expenditure. While this has in fact been the case for some years, it has been partially masked by a large legacy made in 2010. While it should be stressed that our PCC reserves are still currently healthy, we have accepted this year that the pattern of shortfalls cannot continue.

We have a new Treasurer, who came into office towards the end of 2017 and have also rationalised our activities into one PCC bank account, for greater transparency and accountability. Under the banner of 'Back to Black' we have tried hard to increase income and giving: several new events and campaigns, an online giving site etc. This activity will remain central during the year ahead too.

The total receipts on general unrestricted funds received were £112,339 and are detailed in the Financial Report. The planned giving overall increased by 3%. Our total voluntary income including tax recovered, but excluding legacies increased by 7%. This increase includes a one-off transfer of £5,400 from the Vicars Discretionary Account as the PCC decided to close this account in 2017. The PCC was also grateful to receive a legacy of £2500 during the year.

### *Sharing the ministry costs of the Diocese of Chichester*

By far the largest expenditure of the PCC was the sum of £69,190 paid to the diocese for our share of all churches' Parish Ministry Costs and insurance arranged by the diocese (insurance arrangements due to change for 2018.). This amount covers the housing, stipend and pension costs of the clergy, the church insurance and, also a substantial standard sum for diocesan central costs, clergy training and a contribution to national church funds. This year the contribution from St Margaret's increased by 2% on the previous year.

### *Staff costs*

Costs have risen unavoidably this year, with the Director of Music now receiving a modest stipend. The PCC continues to pay for a part time administrator (postholder has changed during 2017 but not role). In the absence of an employed organist, the cost of engaging organists during 2017 (excluding occasional offices) was £3540. We continue to try and recruit a permanent organist and hope that this cost may be reduced a little once one is found.

### *The Vicarage*

The Priest in Charge lives in Wyvern Place, Warnham, in a house purchased and owned by the Diocese of Chichester. Under schedule 2 of the Licence agreement however, the PCC is responsible for the Council Tax and some other minor charges.

### *Trustee payments and expenses*

The PCC supported the clergy by paying a total of £2192 in Council Tax plus other expenses towards telephone, office supplies and broadband amounting to £544.

## Why we hold some money in reserve

It is PCC policy to maintain a balance on the General Unrestricted Funds which equate to at least six months' worth of unrestricted payments as a contingency against unforeseen situations.

At 31 December 2017 the balance was £74,336 which satisfies compliance with this policy.

## Structure, governance and management of the charity

This year Gytha Hodgson ended her six year term of office as Churchwarden; Richard Smillie was elected in her place at the APCM.

The Parish of St. Margaret's Warnham is part of the Diocese of Chichester within the Church of England. The Parochial Church Council (PCC) is registered with the Charity Commission as required by the Charities Act 2011. PCC members are Trustees of the charity. Its governing document is the Parochial Church Councils (Powers) Measure 1956. St Margaret's Warnham is registered charity no. 1132082. During the calendar year commencing 1<sup>st</sup> January 2017, the following served as members of the Parochial Church Council:

### *Ex Officio members*

|                            |  |
|----------------------------|--|
| Priest in Charge:          | Revd Jules A. Barnes (Chair)             |
| Wardens:                   | Gytha Hodgson (until APCM)               |
|                            | Michael Burgess                          |
|                            | Richard Smillie (appointed at APCM 2017) |
| Patron:                    | Jonathan Lucas                           |
| Safeguarding Officer:      | Penny Hayles                             |
| Health and Safety Officer: | Deryn Foote                              |

*Elected members:*

Steve Lambie (until Oct 2017)  
Liz Weavin (from Oct 2017)

Treasurer  
Treasurer

Olivia Beckwith-Smith  
Claire Edgal  
Lisa Funnell  
Yolanda Wilks  
Caroline Lucas  
Roy Boud  
Sarah Foote  
John Barter  
Kay Hart  
Geoffrey Valentine  
Rebecca Moon

*Deanery Synod:*

Ros Parker  
Martin Rogers  
Margaret Oram

PCC Secretary

The PCC has the following sub-committees, which report to the PCC:

*Standing Committee:* It has the power to transact the business of the PCC between its meetings, subject to any directions given by the full PCC.

*Stewardship Committee:* this oversees the planned giving and other fund-raising activities of the church, and promotes the associated use of the time and talents of church members. The Terms of Reference of this Committee were reviewed and re-approved during 2017.

Membership of the PCC is determined under the Church Representation Rules and consists of certain ex-officio members (the Incumbent or Priest in Charge, Curate, licensed lay readers), the churchwardens and members of the Deanery, Diocesan or General Synods and eleven lay members of the church who are elected at the Annual Parochial Church Meeting (APCM). We try to ensure a balance of skills, perspectives and experience where possible, so that the PCC represents the breadth of the church and community.

## Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees must act together in the interests of the Charity, and in accordance with its stated aims and objectives.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, Statement of Recommended Practice on Accounting and Reporting by Charities (FRSSE SORP 2015) and Financial Reporting Standard for Smaller Entities (FRSSE).

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Trustees' Annual Report was approved by the PCC at their meeting of ..... and signed on their behalf by The Revd. Jules A. Barnes, Priest in Charge, St Margaret's Warnham.

.....

Date.....

THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2017

|  | Notes | Unrestricted funds | Restricted funds | Endowment funds | TOTAL FUNDS 2017 | TOTAL FUNDS 2016 |
|--|-------|--------------------|------------------|-----------------|------------------|------------------|
|  |       | £                  | £                | £               | £                | £                |
| <b>Income and endowments from:</b>                     |       |                    |                  |                 |                  |                  |
| Donations and legacies                                 | 2a    | 87,322             | 117              | -               | <b>87,439</b>    | 79,270           |
| Charitable activities                                  | 2b    | 12,235             | -                | -               | <b>12,235</b>    | 15,813           |
| Other trading activities                               | 2c    | 12,257             | -                | -               | <b>12,257</b>    | 6,157            |
| Investments  | 2d    | 525                | -                | -               | <b>525</b>       | 958              |
| <b>Total income and endowments</b>                     |       | <b>112,339</b>     | <b>117</b>       | <b>-</b>        | <b>112,456</b>   | <b>102,198</b>   |
| <b>Expenditure on:</b>                                 |       |                    |                  |                 |                  |                  |
| Raising funds  | 3a    | 2,789              | -                | -               | <b>2,789</b>     | 1,441            |
| Charitable activities                                  | 3b    | 117,916            | 913              | -               | <b>118,829</b>   | 114,513          |
| <b>Total expenditure</b>                               |       | <b>120,705</b>     | <b>913</b>       | <b>-</b>        | <b>121,618</b>   | <b>115,954</b>   |
| <b>Net (expenditure)/income</b>                        |       | <b>(8,366)</b>     | <b>(796)</b>     | <b>-</b>        | <b>(9,162)</b>   | <b>(13,756)</b>  |
| <b>Net movement in funds</b>                           |       | <b>(8,366)</b>     | <b>(796)</b>     | <b>-</b>        | <b>(9,162)</b>   | <b>(13,756)</b>  |
| Total funds brought forward at 1 January 2017          |       | 82,702             | 7,940            | 3,000           | <b>93,642</b>    | 107,398          |
| <b>Total funds carried forward at 31 December 2017</b> |       | <b>74,336</b>      | <b>7,144</b>     | <b>3,000</b>    | <b>84,480</b>    | <b>93,642</b>    |

For the split between fund categories for the comparative year, please see note 5.

**THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM**

**BALANCE SHEET AT 31 DECEMBER 2017**

|  | Notes | 2017                 | 2016           |
|--|-------|----------------------|----------------|
|  |       | £                    | £              |
| <b>Fixed assets</b>                            |       |                      |                |
| Tangible assets                                | 6     | <u>-</u>             | <u>-</u>       |
| <b>Current assets</b>                          |       |                      |                |
| Debtors  | 7     | 4,919                | 5,666          |
| Cash at bank                                   |       | <u>96,277</u>        | <u>94,623</u>  |
|  |       | <b>101,196</b>       | 100,289        |
| <b>Liabilities</b>                             |       |                      |                |
| Creditors: amounts falling due within one year | 8     | <u>(16,716)</u>      | <u>(6,647)</u> |
| <b>Net current assets</b>                      |       | <b>84,480</b>        | 93,642         |
| <b>Total assets less current liabilities</b>   |       | <u><b>84,480</b></u> | <u>93,642</u>  |
| <b>Funds</b>                                   | 10    |                      |                |
| Unrestricted funds                             |       | 74,336               | 82,702         |
| Restricted income funds                        |       | 7,144                | 7,940          |
| Endowment funds                                |       | <u>3,000</u>         | <u>3,000</u>   |
|  |       | <u><b>84,480</b></u> | <u>93,642</u>  |

Approved by the Parochial Church Council on ..... and signed on behalf of the Council by

Revd Jules A. Barnes  
Chairman

Liz Weavin  
Treasurer

The accompanying notes form part of these financial statements.

## THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

#### 1 Accounting policies

##### a Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the current Church Accounting Regulations together with applicable accounting standards (FRS 102) and the Charities Statement of Recommended Practice (FRS102 SORP) 2015.

The financial statements have been prepared under the historical cost convention. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### b Funds accounting

Funds held by the PCC are:

*Unrestricted funds* - general funds which can be used for PCC ordinary purposes.

*Designated funds* - monies set aside by the PCC out of unrestricted funds for specific future purposes or projects.

*Restricted funds* - a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year is carried forward as a balance on that fund.

*Endowment funds* - funds the capital, 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.

##### c Income

Income is recognised when the PCC has entitlement to the funds as follows.

##### ***Donations and legacies***

*Collections* are recognised when received.

*Planned giving* is recognised only when received.

*Income tax* recoverable on Gift Aid donations is recognised when the income is recognised.

*Grants and legacies* are recognised when the PCC is legally entitled to the amount due, and an inflow is probable.

##### ***Income from investments***

Interest entitlements are accounted for as they accrue.

##### ***All other income***

All other income is recognised when it is receivable.

## THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

#### **d Expenditure**

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

##### ***Grants***

Grants and donations are accounted for when paid over, or when awarded where the outflow of the amount awarded is probable.

##### ***Church Activities***

Any parish contribution unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

#### **e Fixed Assets**

##### ***Tangible fixed assets***

Movable 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 inventory which can be inspected. Expenditure on these items is written off as it is incurred in accordance with current guidance for the PCC accounts.

All expenditure on individual items costing under £1,000 are written off in the year they were incurred. Any expenditure on functional fixed assets is capitalised.

##### ***Depreciation***

Depreciation is calculated to write down the cost of tangible fixed assets, over their expected useful lives. Equipment used by the PCC is depreciated on a straight line basis over 4 years.

#### **f Current Assets**

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2017

2 Income

|  | Unrestricted<br>funds | Restricted<br>funds | Endowment<br>funds | TOTAL<br>FUNDS<br>2017 | TOTAL<br>FUNDS<br>2016 |
|--|-----------------------|---------------------|--------------------|------------------------|------------------------|
|  | £                     | £                   | £                  | £                      | £                      |
| <b>a Donations and legacies</b>            |                       |                     |                    |                        |                        |
| Planned giving                             | 53,862                | -                   | -                  | <b>53,862</b>          | 52,217                 |
| Collections at all services                | 8,104                 | 117                 | -                  | <b>8,221</b>           | 7,098                  |
| Sundry donations and appeals               | 9,511                 | -                   | -                  | <b>9,511</b>           | 4,253                  |
| Income tax recoverable                     | 13,335                | -                   | -                  | <b>13,335</b>          | 14,834                 |
| Grants                                     | 10                    | -                   | -                  | <b>10</b>              | 668                    |
| Legacies                                   | 2,500                 | -                   | -                  | <b>2,500</b>           | 200                    |
|  | <b>87,322</b>         | <b>117</b>          | <b>-</b>           | <b>87,439</b>          | <b>79,270</b>          |
| <b>b Income from Charitable Activities</b> |                       |                     |                    |                        |                        |
| Church hall lettings etc                   | 1,940                 | -                   | -                  | <b>1,940</b>           | 1,530                  |
| Fees from weddings etc                     | 3,790                 | -                   | -                  | <b>3,790</b>           | 7,589                  |
| Parish magazine                            | 6,505                 | -                   | -                  | <b>6,505</b>           | 6,656                  |
| Office services                            | -                     | -                   | -                  | <b>-</b>               | 38                     |
|  | <b>12,235</b>         | <b>-</b>            | <b>-</b>           | <b>12,235</b>          | <b>15,813</b>          |
| <b>c Other trading activities</b>          |                       |                     |                    |                        |                        |
| Fund-raising events                        | 12,005                | -                   | -                  | <b>12,005</b>          | 5,753                  |
| Bookstall                                  | 252                   | -                   | -                  | <b>252</b>             | 404                    |
|  | <b>12,257</b>         | <b>-</b>            | <b>-</b>           | <b>12,257</b>          | <b>6,157</b>           |
| <b>d Income from Investments</b>           |                       |                     |                    |                        |                        |
| Interest                                   | 525                   | -                   | -                  | <b>525</b>             | 958                    |
|  | <b>525</b>            | <b>-</b>            | <b>-</b>           | <b>525</b>             | <b>958</b>             |
| <b>Total income</b>                        | <b>112,339</b>        | <b>117</b>          | <b>-</b>           | <b>112,456</b>         | <b>102,198</b>         |

In 2016, income attributable to the restricted fund totalled £2,797. No income was attributable to the endowment fund in 2016.

THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2017

3 Expenditure

|  | Unrestricted<br>funds | Restricted<br>funds | Endowment<br>funds | TOTAL<br>FUNDS<br>2017 | TOTAL<br>FUNDS<br>2016 |
|--|-----------------------|---------------------|--------------------|------------------------|------------------------|
|  | £                     | £                   | £                  | £                      | £                      |
| <b>a</b> <i>Expenditure on raising funds</i>         |                       |                     |                    |                        |                        |
| Book stall   | 11                    | -                   | -                  | 11                     | 1,405                  |
| Fund-raising events                                  | 2,778                 | -                   | -                  | 2,778                  | 36                     |
|  | <u>2,789</u>          | <u>-</u>            | <u>-</u>           | <u>2,789</u>           | <u>1,441</u>           |
| <b>b</b> <i>Expenditure on charitable activities</i> |                       |                     |                    |                        |                        |
| Missionary and charitable giving                     | 13,107                | -                   | -                  | 13,107                 | 10,392                 |
| Ministry costs:                                      |                       |                     |                    |                        |                        |
| diocesan parish contribution                         | 69,190                | -                   | -                  | 69,190                 | 67,830                 |
| other clergy costs                                   | 3,394                 | 400                 | -                  | 3,794                  | 4,205                  |
| Church running expenses                              | 8,460                 | -                   | -                  | 8,460                  | 8,532                  |
| Church maintenance                                   | 6,017                 | 74                  | -                  | 6,091                  | 7,706                  |
| Upkeep of services                                   | 9,997                 | 361                 | -                  | 10,358                 | 7,329                  |
| Messy Church expenses                                | 253                   | 78                  | -                  | 331                    | 513                    |
| Parish magazine                                      | 5,357                 | -                   | -                  | 5,357                  | 5,364                  |
| Church hall running costs                            | 1,001                 | -                   | -                  | 1,001                  | 1,213                  |
| Depreciation   | -                     | -                   | -                  | -                      | 325                    |
| Independent examiners fees                           | 1,140                 | -                   | -                  | 1,140                  | 1,104                  |
|  | <u>117,916</u>        | <u>913</u>          | <u>-</u>           | <u>118,829</u>         | <u>114,513</u>         |
| <b>Total expenditure</b>                             | <u>120,705</u>        | <u>913</u>          | <u>-</u>           | <u>121,618</u>         | <u>115,954</u>         |

In 2016, expenditure attributable to the restricted fund totalled £4,115. No expenditure was attributable to the endowment fund in 2016.

4 Staff costs

|                                    | 2017<br>£    | 2016<br>£    |
|------------------------------------|--------------|--------------|
| <b>a</b> <i>Wages and salaries</i> | <u>4,893</u> | <u>2,652</u> |

The PCC employed a Parish Administrator and a Director of Music during the year.

**b** *Payments to PCC members*

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

THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2017

5 Comparative Statement of Financial Activities Year Ended 31 December 2016  
analysed by fund type

|                                      | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Endowment<br>funds<br>£ | TOTAL<br>FUNDS<br>2016<br>£ |
|--------------------------------------|----------------------------|--------------------------|-------------------------|-----------------------------|
| <b>Income</b>                        |                            |                          |                         |                             |
| Donations and legacies               | 76,539                     | 2,731                    | -                       | 79,270                      |
| Income from charitable activities    | 15,813                     | -                        | -                       | 15,813                      |
| Other trading activities             | 6,157                      | -                        | -                       | 6,157                       |
| Income from investments              | 892                        | 66                       | -                       | 958                         |
| <b>Total income and endowments</b>   | <b>99,401</b>              | <b>2,797</b>             | <b>-</b>                | <b>102,198</b>              |
| <b>Expenditure</b>                   |                            |                          |                         |                             |
| Expenditure on raising funds         | 1,441                      | -                        | -                       | 1,441                       |
| Expenditure on charitable activities | 110,398                    | 4,115                    | -                       | 114,513                     |
| <b>Total resources expended</b>      | <b>111,839</b>             | <b>4,115</b>             | <b>-</b>                | <b>115,954</b>              |
| <b>Net income/(expenditure)</b>      | <b>(12,438)</b>            | <b>(1,318)</b>           | <b>-</b>                | <b>(13,756)</b>             |
| <b>Net movement in funds</b>         | <b>(12,438)</b>            | <b>(1,318)</b>           | <b>-</b>                | <b>(13,756)</b>             |

6 Tangible fixed assets

|                       | Office<br>equipment<br>£ |
|-----------------------|--------------------------|
| <b>Cost</b>           |                          |
| At 1 January 2017     | 5,193                    |
| At 31 December 2017   | <b>5,193</b>             |
| <b>Depreciation</b>   |                          |
| At 1 January 2017     | 5,193                    |
| Charge for the year   |                          |
| At 31 December 2017   | <b>5,193</b>             |
| <b>Net book value</b> |                          |
| At 31 December 2017   | -                        |
| At 31 December 2016   | -                        |

7 Debtors

|                                | 2017<br>£    | 2016<br>£    |
|--------------------------------|--------------|--------------|
| Income tax recoverable         | 3,049        | 2,969        |
| Prepayments and accrued income | 1,870        | 2,697        |
|                                | <b>4,919</b> | <b>5,666</b> |

THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2017

8 Creditors: amounts falling due within one year

|                  | 2017<br>£     | 2016<br>£    |
|------------------|---------------|--------------|
| Other creditors  | 4,068         | 4,068        |
| Accrued expenses | 12,648        | 2,579        |
|                  | <b>16,716</b> | <b>6,647</b> |

9 Analysis of net assets by fund

|                             | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total Funds<br>2017<br>£ |
|-----------------------------|----------------------------|--------------------------|-------------------------|--------------------------|
| Fixed assets for church use | -                          | -                        | -                       | -                        |
| Debtors                     | 4,919                      | -                        | -                       | 4,919                    |
| Cash at bank                | 86,133                     | 7,144                    | 3,000                   | 96,277                   |
| Current liabilities         | (16,716)                   | -                        | -                       | (16,716)                 |
|                             | <b>74,336</b>              | <b>7,144</b>             | <b>3,000</b>            | <b>84,480</b>            |

10 Statement of funds

|  | At start of<br>year<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ | At end of<br>year<br>£ |
|--|--------------------------|----------------|------------------|----------------|------------------------|
| <b>Unrestricted fund</b>               |                          |                |                  |                |                        |
| General fund                           | 73,916                   | 112,339        | (107,598)        | (9,429)        | 69,228                 |
| Designated fund                        | 8,786                    | -              | (13,107)         | 9,429          | 5,108                  |
|  | <b>82,702</b>            | <b>112,339</b> | <b>(120,705)</b> | <b>-</b>       | <b>74,336</b>          |
| <b>Restricted funds</b>                |                          |                |                  |                |                        |
| Youth work Fund                        | 1,027                    | -              | (400)            | -              | 627                    |
| Flower Fund                            | 1,837                    | -              | (111)            | -              | 1,726                  |
| Messy Church                           | -                        | 117            | (78)             | -              | 39                     |
| Joan Barton Endowment fund             | 164                      | -              | -                | -              | 164                    |
| Jean Swiss Crocus Cross Fund           | 323                      | -              | -                | -              | 323                    |
| Mick Hodgson Fabric Fund               | 1,667                    | -              | -                | -              | 1,667                  |
| Junior Choristers Fund                 | 250                      | -              | (250)            | -              | -                      |
| Rev. Christopher Loveless Mission Fund | 2,672                    | -              | (74)             | -              | 2,598                  |
|  | <b>7,940</b>             | <b>117</b>     | <b>(913)</b>     | <b>-</b>       | <b>7,144</b>           |
| <b>Endowment funds</b>                 |                          |                |                  |                |                        |
| Joan Barton Endowment fund             | 3,000                    | -              | -                | -              | 3,000                  |
| <b>Total funds</b>                     | <b>93,642</b>            | <b>112,456</b> | <b>(121,618)</b> | <b>-</b>       | <b>84,480</b>          |

## THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET'S, WARNHAM

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

#### 10 Statement of funds - Restricted fund detail

##### **Designated fund**

Each year the PCC sets aside 10% of its income from certain sources in that year for missionary and charitable giving in subsequent years. The balance of the designated fund represents the amount set aside this year that had not been distributed by the end of the year.

##### **Youth work fund**

This fund is money raised or donated to help with the Church youth organisations in any way.

##### **Flower fund**

This is money donated to cover Church flowers when the cost is not provided by other means.

##### **Messy Church**

Messy Church is a monthly act of worship for adults and children based around shared refreshments and craft activities. This fund represents donations and other income received specifically to support Messy Church. Costs in excess of the sums received have been met out of the General Fund.

##### **Joan Barton Endowment fund**

The endowment was bequeathed by Joan Barton. The income is to be used in keeping the graves and gravestones of her and her family in good order and repair. Any surplus of income after maintenance of the said graves and gravestones is to be used for keeping the grave yard in good order and repair.

##### **Jean Swiss Crocus Cross Fund**

The fund is a bequest from the late Mrs Jean Swiss. The money is to be used for the maintenance of the Crocus Cross.

##### **Mick Hodgson Fabric Fund**

This fund is a bequest from the late Mr Mick Hodgson. The money is to be used for the refurbishment of the fabric of the church.

##### **Junior Choristers Fund**

This represents half the proceeds of a Farlingtonics concert held in the year and the money is to be used to support the training of members of the Junior Choir.

##### **Rev. Christopher Loveless Mission Fund**

This was a bequest from Rev. Christopher Loveless to be used to advance the mission and ministry of St. Margaret's.

#### **Statement of funds - Endowment fund detail**

##### **Joan Barton Endowment fund**

The endowment was bequeathed by Joan Barton. The income is to be used in keeping the graves and gravestones of her and her family in good order and repair. Any surplus of income after maintenance of the said graves and gravestones is to be used for keeping the grave yard in good order and repair.

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF  
THE PAROCHIAL CHURCH COUNCIL OF ST MARGARET'S, WARNHAM  
FOR THE YEAR ENDED 31 DECEMBER 2017**

This report on the accounts of the charity for the year ended 31 December 2017 which are set out on pages 6 to 16, is in respect of an examination carried out in accordance with Church Accounting Regulations 2006 ('the Regulations') and Section 144 of the Charities Act 2011 ('the Act').

**Respective responsibilities of the PCC and the examiner**

As a member of the PCC you are responsible for the preparation of the accounts; you consider that an audit is not required under the regulations and under Section 144 of the Act and that an independent examination is needed.

It is my responsibility to:

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

**Basis of independent examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission and to be found in the Church Guidance, 2006 edition. An examination includes a review of the accounting records kept by the PCC and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as PCC members 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:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act and Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Janet Fautley  
For and on behalf of Kreston Reeves LLP  
Chartered Accountants  
A2 Yeoman Gate  
Yeoman Way  
Worthing  
West Sussex  
BN13 3QZ

Date: