



**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 2017**

**Incumbent**

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

**Bank**

Barclays Bank  
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East Grinstead  
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**Independent Examiners**

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West Sussex  
RH10 1HT

Charity Registration Number 1131405

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

## **Annual Report and Financial Statements**

of the

### **Parochial Church Council** for the year ended 31 December 2017

	<b>Page</b>
Contents	2
Administrative Information and Membership	3
Structure, Governance and Management	3
Objectives and Activities	4
Statement on Public Benefit	5
Achievements and Performance	5
Review of the Year	6
Financial Review	6
Parish Planned Giving in 2017	7
Reserves Policy	8
Investment Policy	8
Risk Management	8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12
1. Accounting Policies	12-13
2. Incoming Resources	13-14
3. Resources Expended	15
4. Allocation of Support and Governance Costs	15
5. Staff Costs	16
6. Parish Contribution	16
7. Fixed Assets	16-17
8. Investments	17-18
9. Debtors	18
10. Creditors	18
11. Statement of Funds 2017	19-20
12. Statement of Funds 2016	20

#### Detailed notes to the Statement of Financial Activities:

Incoming Resources	21
Resources Expended	22
Outward Giving Donations	23

# **The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2017**

## **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 2006 as at 27 August 2009.

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

<b>Clergy:</b>	The Reverend Andrew Hawken	Vicar and Chairman
	The Reverend Canon Julia Peaty	Rural Dean and Self Supporting Minister
	The Reverend Alice Whalley	Assistant Curate

<b>Churchwardens:</b>	Linda Bryant*	Vice Chairman
	Tony Cox	Vice Chairman

### **Representatives on the East Grinstead Deanery Synod:**

Linda Bryant*	PCC Secretary
Tarrilyn Oliver-Reynolds	Hon Treasurer
Jeremy Kaye	
Deborah Matthews	

### **Elected members:**

John Bryant	
Marion Collins	(St Barnabas)
John Ellis	
Lynn Ellis	
Stephen Fallowell	
Penny Fisher	(St Luke's)
Anne Ivorson	
Myra Latham	
Caroline Metcalfe	
Andrew Milton-Thompson	
Jean Parsons	(St Luke's)
Jenny Peters	
David Rosslee	
Christopher Smith	

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.

## **The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2017**

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.

The primary objective 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 2017 were to continue to follow the Diocesan strategy, to *'know, love and follow Jesus'*, and to encourage parishioners and members of our community to participate in the Bishop's initiative of the "Year of the Bible" as a way to maintain and grow our parish.

The re-ordering of St Swithun's is an ongoing project and a successful Away Day, in September, was enjoyed by our PCC. The vision of our church was re-explored in more depth with the result that at the following PCC Meeting it was agreed to form a Steering Committee to carry this forward.

In addition to dealing with matters to do with buildings, safeguarding, and finance, work continued in 2017 on church worship service rota planning, led by Andrew, music planning with Adrian, planning youth and children's work, baptism and marriage preparation courses, lent courses, house groups, as well as care of the bereaved. All who required the Safeguarding training attended the C1 course during the year, the Clergy also completed C2 training and received their certificates. Pastoral care within the parish continued with both the clergy and the lay pastoral volunteers visiting those at home, in hospital and in our local nursing and care homes.

The installation of solar panels for the South Aisle roof of St Swithun's was completed and handed over on the 13<sup>th</sup> April 2017. Air vents in the roof above the south aisle have been installed to prevent condensation in the roof space. This expensive work would not have been possible without a generous initial donation from a parishioner and a sizeable donation from the Restoration Trust for fabric repairs that were literally uncovered and deemed essential during the course of the project.

The St Luke's Community Room was completed, the 10-year lease signed, and worship there is now taking place regularly on Saturday mornings. We are beginning to attract bookings and lettings enquiries for the Community Room, which is very encouraging.

We are in the process of working through the list of planned works from the Quinquennial Inspection.

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 the wider community of East Grinstead and its surrounding villages.

We welcomed Isabella Barton in April 2017 as our new Parish Administrator and she has been a wonderful addition to our team.

During 2017 we have implemented Churchdesk® as a mission and administrative tool for our Parish and although it is still early days we are finding it a very worthwhile investment of time and money.

I wish to thank all those involved with our three churches, the willing volunteers, the faithful parishioners and the supportive clergy. It is together that we achieve all that we do within our church and the wider community.

**The Reverend Andrew Hawken**  
Vicar

## **The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2017**

### **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 2017 there were 449 parishioners on the electoral roll, 87 of whom are not resident within the Parish. 4 names were added during the year and 9 were removed, either through death or because they moved away from the area.

The average Sunday attendance, in October 2017, was 297. This number increases at festivals. At Easter with Holy Baptism, 520 people attended worship in the parish and 2,197 people attended on Christmas Eve and Christmas Day. *(Two Christmas Eve Crib Services at St. Swithun's saw over 1500 people attending.)*

During December 2017, several local schools, Brambletye, Escots, Halsford Park, The Meads and Sackville School used St. Swithun's Church for their Christmas carol and Nativity Services with over 2,000 children and adults attending.

During the Calendar year, the clergy officiated at 45 baptisms, 17 weddings, 1 wedding at Sackville College, and 65 funerals of which 25 took place in church.

## **The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2017**

### **Review of the Year**

The full PCC met nine times, of which one meeting was an away day where the PCC members met to re-explore the vision for the Parish of St Swithun and its three churches. Average attendance at PCC meetings by elected members was 80%. The Standing Committee met eight 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 22 members of the PCC, comprising 3 Clergy, 2 Churchwardens, 14 elected PCC members and 4 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 2018 will be to continue to work at our Mission Action Plan and decisions in relation to that plan, co-ordinating these with the Diocesan Strategy and making decisions in relation to those plans with the Vicar.

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

**Tarrilyn Oliver -Reynolds**  
**PCC Secretary**

### **Financial Review**

1. The total receipts on general unrestricted funds received were £233,005 (2016: £215,061) and are detailed in the financial statements.
2. The planned giving through bankers' orders and envelopes rose by 1%.
3. The PCC is grateful for legacies totalling £10,300.
4. Parish expenditure excluding items within the restricted or endowment funds totalled £246,778 (2016: £221,302).
5. The net result for the year was an excess of expenditure over income of £10,374 after revaluation of investments (2016: excess of income £68,989). After adding back bank and deposit balances at the beginning of the year, the unrestricted fund balance carried forward is £42,213 (2016: £59,986).

## **The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2017**

### **PARISH PLANNED GIVING IN 2017**

#### **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 2017 totalled £114,665, an increase of 1.3% over the equivalent total in 2016.

During the year the number of planned givers on the Electoral Roll fell from 193 to 190; although we gained some new givers, the losses included several donors who had given very generously in previous years. Average giving per person rose marginally from £11.27 per week in 2016 to £11.61 in 2017. About 90% of our Planned Giving was gift aided which added a further £25,782 to our income.

Income from the Parish Giving Scheme (PGS) fell slightly last year for the first time since it was introduced. Although 3 new donors joined the scheme, several existing donors passed away or stopped or reduced giving for various reasons. PGS Income accounted for just under half of the total given.

Bank Standing Orders (STOs) accounted for just under 40% of our Planned Giving income. There was a small increase in donations, although we had only 1 new donor and lost 6 during the year. 15 of the 78 donors paying by STO in 2017 increased their monthly or quarterly payments during the year.

Giving by Weekly Envelope is continuing to decline in popularity; there were only 13 regular donors during the year. However those that remained gave more generously as there was a 13% increase in donations over the previous year. There was also a small increase in revenue of about 3% from electoral roll donors giving by the yellow Gift Aid Envelopes and through workplace giving schemes.

It is of concern that the level of increase in donations is falling behind the annual rate of inflation (2.7%). It continues the trend in recent years where the level of our planned giving income has only been maintained by a relatively small number of members – the majority of whom are long standing donors in the older age group – increasing their giving. This situation cannot continue indefinitely and unless we make renewed efforts to encourage more new donors to start giving, however modestly, in a planned way and maintain our present level of income, let alone increase it to enable the church to expand its ministry over the next few years.

#### **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 £274, 25% down on the 2016 figure. The number of donors (20) was the same as the previous year. Visitors outside the RH19 area gave a total of £815 over the year, more than double the amount given in 2016. One visitor gave a donation of £500; without this the figure would have been lower than in 2016 as the number of visitor donors fell from 40 to 22 last year.

#### **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 £2,257 on money received from plate collections during 2017, a 7% increase on the previous year.

During 2018 the Giving records will be fully integrated into the church's SAGE accounting system. The church has purchased a dedicated laptop computer for this purpose. This should ultimately make the job less demanding and will provide greater protection for the confidential donor information I keep at present on my home PC.

## **The Parochial Church Council of the Ecclesiastical Parish of St Swithun, East Grinstead – Annual Report for 2017**

My thanks go to Marion Collins, John Cotton, Sarah Gualtieri, Mavis Merwood and Jan Paul who helped to collect 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

19 February 2018

### **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 will involve some re-ordering following a feasibility study and the relevant approvals. These, together with work arising following the last quinquennial inspection, would make significant inroads on the existing reserves. It is the PCC policy to invest fund balances in excess of immediate requirements in the C.B.F. Church of England deposit fund. From the end of 2015 the Parochial Church Council amended its investment policy 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 21 March 2018 and signed on their behalf by;**

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



## **INDEPENDENT EXAMINER'S REPORT**

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

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2017 which are set out on pages 10 to 20

#### **Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

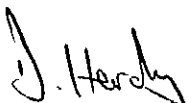
#### **Independent examiner's statement**

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



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

Dated: 27/03/18 .....

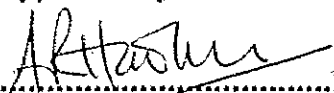
**The Parochial Church Council of the Ecclesiastical Parish of  
St Swithun's, East Grinstead  
Statement of Financial Activities  
for the year ended 31 December 2017**

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Year Ended 31 Dec 2017 Total Funds £	Year Ended 31 Dec 2016 Total Funds £
	Notes						
<b>INCOMING RESOURCES</b>							
Donations and Legacies	2a	158,435	-	9,506	-	167,941	197,135
Other fundraising Activities	2b	6,482	-	2,084	-	8,566	8,466
Investments	2c	34,644	-	-	347	34,991	34,223
Church Activities	2d	33,444	-	10,697	-	44,141	116,181
<b>Total Incoming Resources</b>		<b>233,005</b>	<b>-</b>	<b>22,287</b>	<b>347</b>	<b>255,639</b>	<b>356,005</b>
<b>RESOURCES EXPENDED</b>							
<u>Costs of Raising Funds</u>							
Voluntary Income	3a	170	-	-	-	170	78
Fundraising Costs	3b	1,138	-	-	-	1,138	765
Costs of renting property	3c	3,415	-	-	-	3,415	3,544
<u>Expenditure on Charitable Activities</u>							
Church Activities	3d	196,055	46,000	30,730	12	272,797	312,664
<b>Total Resources Expended</b>		<b>200,778</b>	<b>46,000</b>	<b>30,730</b>	<b>12</b>	<b>277,520</b>	<b>317,051</b>
<b>Net Incoming Resources before gains / (losses) on investments and transfers</b>		<b>32,227</b>	<b>(46,000)</b>	<b>(8,443)</b>	<b>335</b>	<b>(21,881)</b>	<b>38,954</b>
Revaluation on investments		-	10,703	-	804	11,507	30,035
Transfers between funds		(50,000)	50,000	-	-	-	-
<b>Net Movement in Funds</b>		<b>(17,773)</b>	<b>14,703</b>	<b>(8,443)</b>	<b>1,139</b>	<b>(10,374)</b>	<b>68,989</b>
<b>Reconciliation of Funds</b>							
Total Funds Brought Forward At 1 January 2017		59,986	951,393	34,689	15,127	1,061,195	992,206
Total Funds Carried Forward at 31 December 2017		42,213	966,096	26,246	16,266	1,050,821	1,061,195

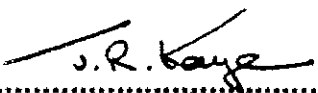
**The Parochial Church Council of the Ecclesiastical Parish of  
St Swithun's, East Grinstead  
Balance Sheet as at  
31 December 2017**

	Notes	Unrestricted Fund	Designated Fund	Restricted Fund	Endowment Funds	2017	2016
				£	£	£	£
<b>FIXED ASSETS</b>	7	907	450,000	-	-	450,907	451,402
<b>INVESTMENTS</b>							
Investment Fund	8	-	516,096	-	13,577	529,673	467,831
<b>TOTAL FIXED ASSETS</b>		<b>907</b>	<b>966,096</b>	<b>-</b>	<b>13,577</b>	<b>980,580</b>	<b>919,233</b>
<b>CURRENT ASSETS</b>							
Debtors	9	13,643	-	-	-	13,643	37,351
Bank Current Accounts		13,647	-	1,949	-	15,596	64,787
Bank Reserve Accounts		78	-	-	-	78	78
Central Board of Finance		20,416	-	13,864	2,689	36,969	36,965
Restricted Bank & Building Society Accounts		-	-	9,563	-	9,563	9,115
Cash In Hand		81	-	870	-	951	366
<b>Total Current Assets</b>		<b>47,865</b>	<b>-</b>	<b>26,246</b>	<b>2,689</b>	<b>76,800</b>	<b>148,662</b>
<b>LIABILITIES</b>							
Amounts Falling Due Within One Year	10	(6,559)	-	-	-	(6,559)	(6,700)
<b>Net Current Assets</b>		<b>41,306</b>	<b>-</b>	<b>26,246</b>	<b>2,689</b>	<b>70,241</b>	<b>141,962</b>
<b>NET ASSETS</b>		<b>42,213</b>	<b>966,096</b>	<b>26,246</b>	<b>16,266</b>	<b>1,050,821</b>	<b>1,061,195</b>
<b>FUNDS</b>							
Unrestricted	11	42,213	-	-	-	42,213	59,986
Designated	11	-	966,096	-	-	966,096	951,393
Restricted	11	-	-	26,246	-	26,246	34,689
Endowment	11	-	-	-	16,266	16,266	15,127
		<b>42,213</b>	<b>966,096</b>	<b>26,246</b>	<b>16,266</b>	<b>1,050,821</b>	<b>1,061,195</b>

Approved by the PCC on 21 March 2018 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 2017**

### **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 2017

### 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 98(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 2017 £
<b>(a) Voluntary Income</b>	158,435	-	9,506	-	167,941
Including planned giving and income tax recoverable					
<b>(b) Activities for     Generating Funds</b>	6,482	-	2,084	-	8,566
Including car park charges and fund raising events					
<b>(c) Investment     Income</b>	34,644	-	-	347	34,991
<b>(d) Income from     Church Activities</b>	33,444	-	10,697	-	44,141
Including hall lettings and church fees					
<b>Total Incoming Resources</b>	<b>233,005</b>	<b>-</b>	<b>22,287</b>	<b>347</b>	<b>255,639</b>

# 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 2017

### 2. INCOMING RESOURCES (cont)

#### 2016 COMPARATIVES

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

Income tax recoverable amounting to £27,657 (2016: £33,368) includes a provision of £9,500 (2016: £11,457), which represents tax recoverable on gift aided donations for the period from 6 April 2017 to 31 December 2017 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 2017.

# 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 2017

### 3. RESOURCES EXPENDED

	Church Activities £	Support and Governance costs £	Total 2017 £	Total 2016 £
(a) Cost of generating Voluntary Income	170	-	170	78
(b) Fund Raising Trading Costs	1,138	-	1,138	765
(c) Cost of renting property	3,415	-	3,415	3,544
 (d) Church Activities Including parish contribution, hall running expenses, admin cost, church maintenance and outward giving	 219,157	 53,640	 272,797	 312,664
 <b>Total Resources Expended</b>	 <b>223,880</b>	 <b>53,640</b>	 <b>277,520</b>	 <b>317,051</b>

In 2017 the expenditure on charitable activities was £277,520 (2016: £317,051) of which £246,778 (2016: £221,302) was unrestricted and designated, £30,730 (2016: £95,737) was restricted and £12 (2016: £12) was Endowment costs.

Payments were made to the Independent Examiner of £3,000 (2016: £3,600) for independent examination fees and £1,140 (2016: £720) 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 2017 £	Total 2016 £
<b>Support Costs</b>		
Staff Costs - Administration	9,001	13,325
Church Running costs and maintenance	16,601	13,077
Hall Running costs	18,152	14,072
Office expenses	5,722	4,318
	<u>49,476</u>	<u>44,792</u>
<b>Governance Costs</b>		
Bank charges	24	24
Independent Examiner costs	4,140	4,320
	<u>4,164</u>	<u>4,344</u>
 <b>Total</b>	 <b>53,640</b>	 <b>49,136</b>

# 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 2017

### 5. STAFF COSTS

#### Number of employees

The average monthly number of employees during the year was:

	2017 Numbers	2016 Numbers
Administrator	1	1
Organist	1	1
Youth Worker	1	1
Verger	1	1
Caretaker	1	1
Cleaners	3	2
	<u>8</u>	<u>7</u>

	2017 £	2016 £
Wages and Salaries	28,917	31,952
Social Security Costs	227	629
Pension costs	31	18
	<u>29,175</u>	<u>32,599</u>

The Youth Worker, Mrs Deborah Matthews, who is a member of the PCC, was paid £5,844 during the year (2016: £5,730). 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 SHARE

The contribution of £82,000 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 £42,761; Church insurance £7,119, training and clergy support £10,345, ministry support costs £2,330, parish support services £10,605, and national church responsibilities £2,997, totalling £76,157 and an additional payment of £5,843. Wedding and funeral fees are also paid to the diocese totalling £12,389.

### 7. FIXED ASSETS

	Freehold Land & Buildings £	Office Equipment £	TOTAL £
<b>Tangible fixed assets</b>			
Gross Book Value			
At 1 January 2017	450,000	11,509	461,509
Addition	-	-	-
Disposal	-	-	-
At 31 December 2017	<u>450,000</u>	<u>11,509</u>	<u>461,509</u>
Depreciation			
At 1 January 2017	-	10,107	10,107
Provided in the year	-	495	495
Disposal	-	-	-
At 31 December 2017	<u>-</u>	<u>10,602</u>	<u>10,602</u>
Net Book Value			
At 31 December 2016	450,000	1,402	451,402
At 31 December 2017	<u>450,000</u>	<u>907</u>	<u>450,907</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 2017

### 7. FIXED ASSETS (cont)

Comparable Historical cost for the buildings included at valuation:

	Total 2017 £	Total 2016 £
Cost	310,000	310,000
Accumulated Depreciation	-	-
	<u>310,000</u>	<u>310,000</u>

The freehold buildings comprise:

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

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

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

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

	Designated Funds £	Endowment Funds £	Total 2017 £	Total 2016 £
<b>Investment Shares:</b>				
Market Value as at 1 January 2017	455,393	8,901	464,294	444,258
Purchases	165,000	-	165,000	-
Disposals	(115,000)	-	(115,000)	(10,000)
Gain on Revaluation	10,703	804	11,507	30,036
Market Value as at 31 December 2017	<u>516,096</u>	<u>9,705</u>	<u>525,801</u>	<u>464,294</u>
<b>Accumulated Income:</b>				
As at 1 January 2017	-	3,537	3,537	3,180
Income for the year	-	335	335	357
As at 31 December 2017	<u>-</u>	<u>3,872</u>	<u>3,872</u>	<u>3,537</u>
	<u>516,096</u>	<u>13,577</u>	<u>529,673</u>	<u>467,831</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

### 8. INVESTMENTS (cont)

#### Historical Cost (designated investment)

At 31 December 2017	485,000
At 31 December 2016	<u>435,000</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. In March 2017 the Parish purchased 3,208.73 CBF Investment Fund (Income) shares at a cost of £50,000. In June 2017 the Parish realised £115,000 from the sale of £66,751.80 CBF Fixed Interest Securities Fund (Income) shares and invested the proceeds in 7,057.03 CBF Investment Fund (Income) shares.

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 2017 £	Total 2016 £
Prepayments and Accrued Income	1,018	-
Gift aid Tax Reclaim	9,500	11,457
Other debtors	<u>3,125</u>	<u>25,894</u>
	<u>13,643</u>	<u>37,351</u>

Included within debtors for 2017 is unrestricted debtor balances of £13,643 (2016: £18,443) and £Nil (2016: £18,908) relating to restricted funds.

### 10. CREDITORS

#### Amounts Falling Due Within One Year

	Total 2017 £	Total 2016 £
Accruals for Utilities	1,360	980
Other Creditors	<u>5,199</u>	<u>5,720</u>
	<u>6,559</u>	<u>6,700</u>

Creditor balances were as follows: Unrestricted £6,559 (2016: £6,495), restricted £Nil (2016: £205).

# 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 2017

## 11. STATEMENT OF FUNDS 2017

	Bal B/fwd 1 Jan 17 £	Income £	Expenditure £	Transfers, Other Gains & Losses £	Bal C/fwd 31 Dec 17 £
<b>Designated Funds</b>					
Land and building	450,000	-	-	-	450,000
Investments	455,393	-	-	60,703	516,096
Repairs	46,000	-	(46,000)	-	-
	<u>951,393</u>	<u>-</u>	<u>(46,000)</u>	<u>60,703</u>	<u>966,096</u>
<b>Unrestricted Funds</b>	<u>59,988</u>	<u>233,005</u>	<u>(200,778)</u>	<u>(50,000)</u>	<u>42,213</u>
<b>Restricted Funds</b>					
Outward Giving Donations	-	6,500	(6,500)	-	-
St Swithun's:					
Flower Fund	490	2,517	(2,226)	-	781
Bell ringers Fund	2,130	2,074	(1,941)	-	2,263
Social Committee	1,242	390	(471)	-	1,161
Coffee Shop	6,911	2,085	(4,304)	-	4,692
Vicar's Discretion	385	-	-	-	385
Open House	136	545	(442)	-	239
Choir Management Group	337	230	(174)	-	393
Donations to Floodlighting Sponsorship	20	-	-	-	20
Grants from St Swithun's Restoration Trust	-	2,250	(2,250)	-	-
Fabric Fund	16,919	-	(12,000)	-	4,919
Youth Donations	440	-	-	-	440
Verger's Fees	255	-	-	-	255
St Luke's:					
Flower Fund	135	-	-	-	135
Women's Club	140	118	(50)	-	208
Teddies	397	538	(372)	-	563
Fabric Fund	3,723	-	-	-	3,723
St Barnabas Fabric Fund	182	5,040	-	-	5,222
Sunnyside Rent Deposit	847	-	-	-	847
	<u>34,689</u>	<u>22,287</u>	<u>(30,730)</u>	<u>-</u>	<u>26,246</u>
<b>Endowment Funds</b>					
St Swithun's Chancel Trust	12,438	335	-	804	13,577
Betchley Trust Fund	2,510	12	(12)	-	2,510
St Swithun's Crawford Trust	179	-	-	-	179
	<u>15,127</u>	<u>347</u>	<u>(12)</u>	<u>804</u>	<u>16,268</u>
	<u>1,061,195</u>	<u>265,639</u>	<u>(277,520)</u>	<u>11,507</u>	<u>1,050,821</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 £9,705 (2016: £8,901) income accumulated is £3,987 (2016: £3,537).
- (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 (2016: £179) the interest on which is available to the maintain a Sanctuary lamp.

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

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

## Notes to the Financial Statements for the year ended 31 December 2017

### 11. STATEMENT OF FUNDS FOR 2017 CONTINUED

The designated repair fund represented amounts committed to be spent on the church roof and solar panels. These amounts were all spent during 2017.

The designated fund includes £184,673 (2016: £160,392) of revaluation gains and losses relating to fixed assets and fixed asset investments.

### STATEMENT OF FUNDS 2016

	Bal B/fwd 1 Jan 16 £	Income £	Expenditure £	Transfers, Other Gains & Losses £	Bal C/fwd 31 Dec 16 £
<b>Designated Funds</b>					
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>
<b>Unrestricted Funds</b>	<u>67,121</u>	<u>215,061</u>	<u>(221,302)</u>	<u>(894)</u>	<u>59,986</u>
<b>Restricted Funds</b>					
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	(1,908)	-	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>
<b>Endowment Funds</b>					
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>