



St. John the Evangelist Merrow

Annual Report 2018-2019

Our Vision is:

A Community Growing in Faith.

The Church of St. John the Evangelist, Merrow.

Our Vision:

A Community Growing in Faith.

St. John's Church is the Parish Church of Merrow. It is part of the Diocese of Guildford within the Church of England. The correspondence address is The Parish Office, 222 Epsom Road, Guildford GU4 7AA. The Parochial Church Council (PCC) of St John's was registered with Charity Commission in January 2008. Officially called The Parochial Church Council of the Ecclesiastical Parish of Merrow, its registration number is 1127555.

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Annual Report for St John the Evangelist, Merrow 2018-2019.

Review of the Year.

In the February Parish Magazine, Barbara Lawrence kindly printed the prayer which I quoted at my interview, and in my first Parish Magazine; *This is the Church of my dreams*. This annual report represents 10 months and 11 days of my leadership of this Church, and therefore it is encouraging and heartening to see how focused we have been as a Church in creating the Church of our dreams.

The strapline on the Parish Magazine changed during 2018 to 'A Community growing in Faith' and this very aptly describes the year for me. As a PCC we have maintained our focus on the three areas which the Parish Profile highlighted as key for your new incumbent. By writing our agenda around these three areas of Spirituality and Prayer, Mission and Community, it has enabled us to remain clear about the task in front of us. This introduction to the annual report will therefore remain consistent with this strategy.

Spirituality and Prayer – a personal relationship with God

- SHAPE Course. Rev Margaret Dean and Rev Rona S-B ran a 6 week course exploring the shape which God has made us in. We were delighted with a large attendance, and very positive feedback from the difference the course made to those who attended.
- Contemplative Prayer on Monday mornings. Every Monday morning we read the readings for the following Sunday, reflect on them to quiet music, discuss them, and pray. The small but loyal following will hopefully increase as this is a valuable opportunity to reflect on the Bible and engage more fully with the readings and sermon the following Sunday.
- Daily Offices. I pray Morning and Evening Prayer in Church most days (apart from my day off, and the evening before and morning after). The Church of England calls these the 'daily offices' as they are the work of the priest. There will be a link to the format and the readings on the website by the time you read this report. Very few people have joined me in Church, but I would like to encourage people to join me from home or work in future.
- Quiet retreat on prayer to Ripon College Cuddesdon. This was put to me as an idea early in my time in St John's. Cuddesdon was delighted to host us, and a small group of us enjoyed 3 days reflecting on different prayer styles and enjoying the beauty and peace of my former theological college.

- Healing team. One of the gifts which came out of the SHAPE course was that there were people who would like to pray for healing of those on our prayer list. This valuable resource was the brainchild of Michael Stoughton, and the group have faithfully met and prayed for those on our prayer list, and included those who have asked them for prayer.
- Regular Meditation and Compline. Every third week of the month we have a Meditation and Compline evening service.
- *Pray as you can and not as you can't.* This regular monthly column in our Parish Magazine has been really interesting for the variety of the contributions. Please keep them coming. I hope we all pray, so there must be many more of these – can I urge you to send yours to Barbara Lawrence. (Barbara.lawrence@virginmedia.com)

Community – worshipping God as a congregational family

We all share the responsibility of sharing our faith in a relevant manner and with integrity. This can often feel uncomfortable within our Churchmanship: and what I mean by that is that as we are not so evangelical in our style of worship we can feel that sharing faith is just 'not us'. However, St John's has had an amazing year helping to create and sustain community in Merrow through inner and outer activities:

- Wednesday Coffee Mornings, with the valuable offer of a lift for those without transport.
- Carols on the Green for the whole community, made possible through engagement with other churches in Merrow.
- Jumble Sales which are valued by the community.
- Summer Fayre and Christmas Bazaar
- Provision of the Centre as an offering to those even if they don't come to Church; complete with Michelle's friendly face and frequent offers of 'Coffee/Tea?'
- Finance. We were fortunate to have had Dick Pyper care for our finances for 4 years, and we are equally fortunate to have Lindsay Dobson who has taken over and is bringing fresh ideas into her tenure. Handling our finances well is part of our community responsibility: we are seen as an organisation which cares for, stewards wisely and encourages responsible stewardship. This includes our Church buildings and the Churchyard.
- Gospel Choir burst onto the scene in September 2018 and has been eagerly creating a community ever since. With a welcome, hospitality, and a blessing at the end this has become a congregation all on its own! If you haven't been, or haven't heard the Merrow Community Gospel Choir, I recommend it highly.

- Schools engagement. As the representative of St John's I have been to our local schools on numerous occasions for formal and informal events. This is a way in which we are spreading our community out into Merrow.
- The War Memorial is in our Churchyard, but is a Village of Merrow memorial, and as such it is the scene for our Remembrance Sunday commemoration. We were delighted to have had it renovated in time for 11th Nov 2018, and Merrow Residents' Assoc generously helped with the costs of that.
- Remembrance Sunday this year was a significant one, and in recognition of the importance of this service to the wider community we re-wrote the liturgy. The new service did not include a communion, but was shorter, and hopefully appealed to the older and younger community alike, it was certainly very well supported.
- Regular Choral Evensong has proved popular in Merrow, and we are grateful to the organists and choir for turning out for this each month.
- New Service booklets help the Church not to feel too alien to newcomers and visitors.
- New Hymn Books – which say on their cover 'for refreshing worship'. It appears that they are right!

Mission – Taking God's light and love into the local area and the wider world

This list will grow as we return to a great complement of staff at St John's.

- Christingle Messy Crafts session
- Toddlers (including Christmas tree decorations and crib service)
- Advent film The Nativity, which was for the Together in Christ group.
- Matrix Trust involvement
- Send Prison connection
- Bible Book Club – two of these have been running during the year. I commend it highly to people.
- Merrow Pages – a regular letter from St John's continues to open to the community what we are doing within our doors. It's fascinating how many times people actually stop me as I walk around Merrow to comment on something I have written!
- Italia Conti regularly use our hall for rehearsing, and their Christmas show is worthy of West End prices. We welcome them into our Church as another outward display of our vision.
- Merrow Residents Association. Apart from attending, this is something I think we can get more involved with.

Ministry Team

In February when I was installed as Rector, Rev Dermot Verschoyle acted as the Bishop's Chaplain. From that day Dermot and I began a superb partnership. We led services together, prayed together, attended the Sunday evening service together, and Dermot took on baptisms, weddings and confirmation classes. Holy Week was a particularly successful, albeit tiring week as we took alternate services every evening. It was encouragingly well supported, and I think we all benefitted – this being the most fruitful Holy Week I have experienced in ministry. During that week we shared morning prayer together each morning and this created a symmetry and a wholeness to the week.

As you all know Dermot had to stop 'outdoor' ministry in the summer, but he continued throughout the remainder of the year seeing countless visitors for pastoral care, fun, laughter, support, theological input, guidance and all round general silliness from his current place of ministry – his bed.

In addition to me as your full time Rector, Rev Diana Matthews has been persuaded to remain a part time colleague on the ministry team, particularly focusing on Wednesdays, some Sundays and funeral ministry. Sometimes I wonder how we can call Diana part time as she does so much, and I know we all are grateful for her gentle loving ministry.

We were fortunate to have won the local tussle to receive the gifted Rev Tim and Rev Canon Margaret Dean onto our ministry team in the summer as well. Tim and Margaret bring a wealth of gifts, and a knowledge of the Merrow and Guildford area having kept their house in Merrow while working in Norfolk. They focus on Sundays, and various other ministry opportunities such as teaching the SHAPE course, funerals, baptisms and sharing some of the pastoral work. Both are always available to take services or help when we are short staffed, and having this support is invaluable in our parish.

We have also enjoyed the presence of our Bright Young Friend Natasha Quinn-Thomas who is training for ordination with the Church in Wales. It has been refreshing to have someone onboard with a generational difference of perspective!

Ministers – all of us

In Portsmouth our Parish Magazine had this title above the names of the volunteers and other staff, reminding us that, as Christians we are **all** ministers of God's love. We must reserve a special thank you for Michelle Hayward who celebrated 10 years of dedicated service with us in December 2018. In the face of a nest of hornets, a boiler breaking down just before Christmas, multiple phone calls and door knocks while she is in the middle of doing some complex work, Michelle maintains a calm, and most importantly, loving presence. I want to thank her enormously for this, because this is what our Church community is striving to reflect to the world, and Michelle does a wonderful job of this.

Helen Chambers must also receive a very special thank you for going above and beyond on many, many occasions. The job of the Churchwarden can feel thankless, but I sincerely hope you don't feel that Helen. We wouldn't be the Church we are without you. Thank you also to Barry Dickinson who has glided into the role of Churchwarden without any obvious appearance of being fazed (a fact which I still wonder at!). Barry shares the chairing of the PCC with me and Helen, focuses largely on practical things such as heating, and is a wonderful bridge between many in the congregation, choir and your Rector. What none of you will know is that Barry constantly checks in on me via text, something that is remarkably affirming and touching in equal measure. I am extremely grateful for Barry's support of me during good and tough times. No paragraph on the Churchwardens would be complete without a further enormous thank you to Robert Avis who was Churchwarden until the Annual Meeting last year, completing the first quarter of the year (plus a bit!) and welcoming me into my role and helping me settle. It is reassuring to have Robert remaining on the PCC and so willingly helping the parish with his unique skill set.

A few weeks ago I met with the Archdeacon, and he asked me about the PCC. I informed him that St John's PCC is the best I have worked with in terms of their engagement, investment in the task, efficiency (thank you Nick Bond!), and support of me; but that it is never platitudinous or sycophantic, but often robust and challenging in a way which means we get the best out of our meetings. I thank all the PCC for what you do, the help you give the Church, and for being such sterling ministers!

There is a fear that I will forget people, and therefore I won't even try to name any more people. However, I feel keenly that it is important to reflect that St John's wouldn't be the Church of our Dreams if it was down to one fallible human being, namely me.

It is because of those who
serve coffee, clean, greet, sing,
play, pray, read, care, serve,
organise, drive, decorate, plan,
support, dust, dig, cut, trim,
sweep and generally move things around
that we are who we are.

Thank you to all of you, **sincerely**. I would like to encourage you in 2019 to hear God's call to you, whether it be to keep praying the intercessions in Church, or to start to organise something different: if we could all hear what God's call is to us, and would act upon it, this would truly become the Church of our Dreams.

Rev Rona Stuart-Bourne

Rector.

Property and Land

During the past year we have been in the fortunate position of not having to deal with any major building issues in the Church. However, there have been a number of small projects that have been undertaken as follows:

- Archdeacon's approval was granted for hanging the picture, given by Rev'd. J Drake-Smith when she left St. John's, in the Children's Area of the Church.
- A faculty was granted for the new lectern which was commissioned to match the existing furniture in the Sanctuary. The new lectern was financed by a legacy left to the Church.
- Towards the end of 2018 and in the early part of the New Year there were improvements to the sound system, including a new lectern microphone and some adjustment to the position of some of the speakers.
- The external light on the south east corner of the Church has been re-instated.

In April 2018 the Quinquennial Inspection of the Church was undertaken by our appointed architect. The subsequent report stated that overall the Church is in a good state of repair and there are no major issues requiring immediate attention. Some repair to the tower stonework will need to be done and it is our intention to undertake this work at the same time as carrying out external sound work on the tower to make efficient use of access equipment. The report did highlight that there are some areas of the roof that will require remedial works but this is not an immediate issue.

We currently have two faculty applications for works to the bell tower. Firstly, we will be improving the sound proofing within the bell chamber of the tower and secondly, upgrading the external shutters on the bell tower to reduce the external noise level of the bells.

Following a routine tuning and inspection of the organ, our organ tuner recommended that we consider cleaning the organ – to include all the pipework, and upgrading of the electrical components of the organ. Following this recommendation we arranged for a visit by Adrian Mumford, the Diocesan organ advisor. As a result of this visit and his detailed inspection of the organ he has made recommendations for a scope of works and the tender process will begin shortly.

During the year as well as the general day to day maintenance of the Church Centre there were a number of more serious issues that required remedial works to be done, namely:

- Replacement of the boiler following the terminal breakdown of the original one.
- Remedial work to the roof following the ingress of water.
- Removal of a hornets' nest
- A programme of maintenance work was completed during the summer closure of the Centre

The start of 2018 saw the completion of decorating and making good works in the Rectory as Rona and her family moved in. During the year we had to undertake repair work to the Rectory security alarm.

In the spring of 2018 work was completed in the Curate's house prior to it being commercially let. Some redecoration was completed, the flooring in the kitchen was replaced and a new oven and fridge freezer were installed. A small working group tidied the garden before the tenants moved in. A recent visit to the house shows that it has been well cared for and we should not have to undertake much work at the end of the tenancy.

Helen Chambers and Barry Dickinson
Churchwardens

Safeguarding Report 2018-2019

The safeguarding of children and vulnerable adults has continued to underpin the life and work at St John's. It is not treated as a subject in isolation.

The PCC is aware that it is ultimately accountable for safeguarding. As Parish Safeguarding Officer I have submitted written reports for each PCC meeting or attended in person. All members have been encouraged to undertake relevant training to enable them to make informed decisions.

Other post holders have attended training in addition to an Everyday First Aid session which was delivered by the British Red Cross in St John's Centre last May.

Risk assessments on groups attended by vulnerable people were considered by the PCC. Some changes were made and the relevant group leaders were advised. Safeguarding policies have been reviewed and are on display on parish notice boards.

Data held is in line with the 2018 GDPR regulations.

Applications for criminal record checks (DBS) are now completed online. The aim is for relevant post holders to receive their disclosures promptly thus assisting in the recruitment process.

Safeguarding issues have been addressed in line with Diocesan procedures. Advice and support have been sought from the Diocese, when necessary.

As a parishioner, if you ever have any safeguarding concerns then please contact the Rector or Parish Safeguarding Officer as soon as possible without investigating matters for yourself. We might be able to find the right help for that person.

Rosanne Bond

Parish Safeguarding Officer

PCC

The PCC meets bi-monthly (the Standing Committee meets on alternate months except August). Early in the year, Rev Rona introduced three new topics for PCC discussion: Spirituality, Community and Mission. During the year the PCC has also discussed and decided upon, amongst other things, Buildings & minor works including the new Lectern, Tower soundproofing and upgrading of the sound system in church, Parish Safeguarding, refurbishment of the Curate's house, Finance, plans for Junior Church, changes to our Mission & Outreach activities, a Friend's of St. John's scheme, the approval of a new Curate, the new Electoral Roll from 2019 and the completion of our Data Protection responsibilities. I would like to take this opportunity of thanking the PCC for all their hard work and dedicated support of St. John's and the Rector.

Finally, I would like sincerely thank those PCC members for their service who are retiring this year and I look forward to welcoming new members to the PCC.

Nick Bond,

PCC Secretary.

Electoral roll.

At time of writing this report, the New Electoral Roll is being compiled for completion by the 3rd March. This is a large piece of work and I would like to thank church members for returning their completed forms and assisting with the distribution of forms to those who are unable to access services on a regular basis or are housebound. This ensures people can remain connected to their church even though they may be unable to attend physically.

If anyone has not completed a form but would like to be on the Roll, they can do so at any time after the Annual Church Meeting.

Thankfully the next time a new Electoral Roll is required is in six years time.

Number of entries on the new Roll will be available at the APCM. Under Church Regulations, the Diocesan Secretary has to be informed of this number following the Annual Meeting.

Jean Spencer

Electoral Roll Officer

Financial Review

As a Charity registered with the Charity Commission for England and Wales our accounts have to be presented in a prescribed format. There are differences with accounts required for other organisations as most of our income is received from donors, who, in many cases give monies to be used for specific purposes.

A full set of accounts is available; this review will only touch on salient points and is intended as a brief summary of our financial position. Whilst our Accounts are presented in a unified format, internally we deal with matters separately between Church and Centre.

The Church

Once again it is to be emphasised that the Church is almost entirely dependent on the generous and continuing support of our congregation. The figures below in parenthesis are for 2017. As can be seen the church generated a surplus this year, even without taking into account the legacies we received. This is in the main due to the continued support of our congregation which saw a 16% increase in our planned giving.

During the year the total voluntary income for the Church was £177,904. This was made up as follows:

Planned Giving	£91,786 (£78,957)
Collections and other givings	£15,118 (£140,989)
Other receipts and tax	£24,160 (£30,680)
Legacies	£29,730 (£1,861)
Receipts from Church Activities	£17,110 (£9,824)

Expenditure

Total Expenditure	£144,268, (£122,658)
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These costs include the exceptional costs of preparing the Rectory for the new Rector as well as an update to the Curate's house, prior to the renting out of the property whilst the church has no curate.

The Parish Share was, by far, the largest item of Expenditure albeit it has not increased this year. £86,364 (£86,364)

Effective Running Surplus **£33,636 (£1,562)**

The Church Centre

The principal source of income for the Centre is from the hire of the facilities. This was a good year for the centre, which generated a surplus of over £7,000 despite the centre requiring more maintenance than was planned.

During the year the total income was	£63,820 (£59,281)
The costs of running the Centre were	£56,451 (£54,229)

Revenue increased 7.6% and expenditure increased by 4.1%.

Reserves and Cash

Thanks to the generosity of our congregation 2018 generated a surplus through the year in both Church and Centre. For that reason it has not been necessary to use any of our reserves to support 2018. This is the first year since 2014 that this has been achieved.

However it is possible that 2019 may require access to our reserves as we lose the income from Finches Rise. There is also some significant maintenance due to the organ and building fabric which will need to be planned and may need to start during 2019.

At present, we are in a strong position, due to our legacies and gifts. So St. John's is still in a strong financial position for the future.

Thanks

I took on the role of Treasurer in May 2018 and I would like to take the opportunity to thank the previous Treasurer, Dick Pyper. Dick has been so helpful as I have come to grips with the complexity of the processes and the system and I could not have taken on the role without his continued support. In the same way, the PCC has been so welcoming and supportive.

Others I feel I need to mention individually. I would have been lost without our Parish Administrator, Michelle Hayward, who has guided me throughout the year. Finally, I would like to thank Nick Bond. To fall in line with best practise, we have introduced a two-person authorisation of all payments. This has given Nick extra responsibilities, which he has taken on quietly and efficiently. Without Nick, our payment of suppliers would have become very tardy.

Lindsay Dobson – Treasurer.

REGISTERED CHARITY NUMBER: 1127555

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

FOR

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

CMB Partnership Limited
Chartered Accountants & Registered Auditors
1 Chapel St
Guildford
GU1 3UH
Tel: 01483 455508
website: www.cmbpartners.co.uk

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

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FOR THE YEAR ENDED 31 DECEMBER 2018

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THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

LEGAL AND ADMINISTRATIVE INFORMATION

ADDRESS

The Parish Office,
St John's Church, 222 Epsom Road,
Guildford GU4 7AA.

TRUSTEES

The trustees were the members of the Parochial Church Council (PCC) as set out below:

Rector:

The Reverend Rona Stuart-Bourne

Assistant Clergy:

The Reverend Dermot Verschoyle BA (Hons)

Churchwardens

Mr Barry Dickinson
Mrs Helen Chambers

PCC Secretary

Mr Nicholas Bond

Treasurer

Mrs Lindsay Dobson

Other PCC members

Mr Peter Tappin
Mr Michael Newell
Mrs Carole Burtonwood
Mrs Sally Peters
Mrs Sonya Graham
Mr Thomas Mabbort
Mr Joe Bullock
Mr Mark Butcher
Mrs Barbara Lawrence
Mr Robert Avis
Mrs Jean Spencer
Mrs Jane Farquarson
Mr David Hunt
Mrs Jo Stokes

**CENTRE MANAGER AND
PARISH ADMINISTRATOR**

Mrs Michelle Haywood

INDEPENDENT EXAMINER

Mr Russell Brown ACA
CMB Partnership Limited
Chartered Accountants & Registered Auditors
1 Chapel St
Guildford
GU1 3UH

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Parochial Church Council of the Church of St John the Evangelist, Merrow, (the PCC), has the responsibility to promote the whole mission of St John's. It is also responsible for the maintenance and upkeep of the buildings associated with the church.

The PCC confirm that the annual report and financial statements comply with current statutory requirements, the requirements of the PCC's governing documents, accounting standards and the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP (FRS102) effective for accounting periods on or after 1 January 2015.

STRUCTURE AND GOVERNANCE

The PCC is a Charity registered with the Charity Commission and is an unincorporated association governed by the terms of its constitution

OBJECTIVES

To be a vibrant, witnessing and worshipping church at the heart of the community.

REVIEW OF ACTIVITIES

Income

Parish income falls into several categories, of which the main ones are:

- Planned giving
- Collections and other charitable giving comprising collections at services and other one-off donations
- Gift Aid recovered
- Other receipts, which includes our charitable fund-raising
- Receipts from church activities, including centre lettings.

Planned giving

Planned giving is the main source of income which is derived from the Parish Giving scheme and Standing Orders, together with Gift Aid receipts from HM Revenue & Customs. This totalled £97,054 (£86,613).

Collections and other giving

As well as service collections and envelopes, this category includes donations for Mission and Charitable Giving, amounting to £15,118.

Other receipts, including charitable funds generated

Fund raising events generated income of £18,892 (£23,024) including for Mission and Charitable purposes.

Receipts from church activities

This category includes wedding and funeral fees of £11,066 (£14,243).

Centre letting income was £63,820 (£59,821).

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Expenditure

The largest single item of expenditure was the Diocesan Parish Share of £86,364 (£86,364).

Mission and Charitable Giving was £10,988 (£4,993), which in these austere times is a testimony to the generosity of all at St Johns.

Church Centre running costs, excluding depreciation, were £56,451 (£55,129).

Overall position

Overall the church has had a positive year, with our income exceeding our expenditure. On top of this a number of legacies were received which has increased our capital reserves. Regular giving amounts have also increased substantially, thanks to the continuing support of our parishioners.

Church expenditure increased for this year mainly due to the need to refurbish both the rectory and the curate's house. Centre costs have remained relatively static.

At year end our cash position was £267,322 (£106,493), an increase due to the encashment of some investments. This will look to be reinvested in 2019.

RISK MITIGATION

The major risks to which the PCC is exposed have been identified and considered by the members of the PCC. Systems and procedures have been established to manage those risks identified.

RESERVES POLICY

The PCC seek to maintain a sufficient level of reserves to support its day to day operations and to meet such contingencies as might reasonably be foreseen.

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the members of the PCC who are the trustees of the charity for the purposes of charity law, 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 its financial activities for that year. In preparing those accounts, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- 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 accounts; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees have overall responsibility for ensuring that the charity has appropriate systems of control financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with applicable law. 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 report was approved by the Parochial Church Council and signed on its behalf by:


.....
Lindsay Dobson

Treasurer and member of the Parochial Church Council

Dated 11th March 2019

REPORT OF THE INDEPENDENT EXAMINER TO
THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW
FOR THE YEAR ENDED 31 DECEMBER 2018

I report to the trustees on my examination of the financial statements of the Parochial Church Council of St Johns the Evangelist, Merrow, for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements 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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW 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:

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

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



Mr Russell Brown A.C.A.
CMB Partnership Limited
Chartered Accountants & Registered Auditors
1 Chapel Street
Guildford
Surrey GU1 3UH

Dated

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

**STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total £	2017 Total £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	159,102	1,692	-	160,794	252,487
Activities for generating funds	3	80,930	-	-	80,930	69,645
Investment income	4	11,725	2,814	888	15,427	2,973
Incoming resources from charitable activities		-	-	-	-	-
TOTAL INCOMING RESOURCES		<u>251,757</u>	<u>4,506</u>	<u>888</u>	<u>257,151</u>	<u>325,105</u>
RESOURCES EXPENDED						
Costs of generating voluntary income	5	400	-	-	400	220
Grants and charitable giving	6	5,519	5,469	-	10,988	4,993
Direct costs of church activities	7	147,923	-	-	147,923	124,308
Church centre running costs	8	55,875	8,285	-	64,160	62,976
Church management and administration	9	11,763	-	-	11,763	14,150
Governance costs	10	3,249	-	-	3,249	2,040
TOTAL RESOURCES EXPENDED		<u>224,729</u>	<u>13,754</u>	<u>-</u>	<u>238,483</u>	<u>208,687</u>
NET INCOMING/(OUTGOING) RESOURCES		27,028	(9,248)	888	18,668	116,418
TRANSFERS						
Transfers between funds	17	(6,386)	5,364	1,022	-	-
OTHER RECOGNISED GAINS/(LOSSES)						
Gains/(losses) on disposal of investment assets		(99)	(391)	-	(490)	-
Gains/(losses) on investment assets	14	(119)	-	(390)	(509)	5,110
NET MOVEMENT IN FUNDS		20,424	(4,275)	1,520	17,669	121,528
Total funds as at 1st January 2018		<u>362,740</u>	<u>549,670</u>	<u>29,567</u>	<u>941,977</u>	<u>820,449</u>
TOTAL FUNDS AS AT 31ST DECEMBER 2018		<u><u>383,164</u></u>	<u><u>545,395</u></u>	<u><u>31,087</u></u>	<u><u>959,646</u></u>	<u><u>941,977</u></u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 13 form part of these accounts

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

BALANCE SHEET AS AT
31 DECEMBER 2018

	Notes	<u>2018</u>		<u>2017</u>	
		£	£	£	£
FIXED ASSETS					
Tangible	13		661,566		672,929
Investments	14		<u>33,476</u>		<u>165,457</u>
			695,042		838,386
CURRENT ASSETS					
Debtors	15	1,606		3,882	
Cash at bank		<u>267,322</u>		<u>106,493</u>	
		268,928		110,375	
CREDITORS : Amounts falling due within one year	16	<u>(4,324)</u>		<u>(6,784)</u>	
NET CURRENT ASSETS			<u>264,604</u>		<u>103,591</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>959,646</u>		<u>941,977</u>
FUNDS	17				
Unrestricted general funds			383,164		362,740
Restricted funds			545,395		549,670
Endowment funds			<u>31,087</u>		<u>29,567</u>
			<u>959,646</u>		<u>941,977</u>

These financial statements have been prepared in accordance with the Charities Act 2011 and the Church Accounting Regulations 2006.

SIGNED ON BEHALF OF THE PAROCHIAL CHURCH COUNCIL:

.....
Member of the Parochial Church Council

.....
Member of the Parochial Church Council
Dated 17-3-19

The notes on pages 8 to 13 form part of these accounts

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

NOTES TO THE ACCOUNTS
31 DECEMBER 2018

1. ACCOUNTING POLICIES

Basis of preparation of the financial statements

The accounts have been prepared under the historical cost convention, except for certain investments included at market value, in accordance with the Church Accounting Regulations 2006, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities SORP (FRS 102) effective for accounting periods commencing on or after 1 January 2015.

Fund accounting

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions as to their use. Funds designated by the PCC for a particular purpose are also unrestricted.

Restricted funds are those funds held which are subject to restrictions as to their use imposed by the donor or contained within the terms of a grant.

Endowment funds are funds, the capital of which must be maintained. Income arising from the investment of the endowment may be restricted or unrestricted depending on the purpose for which the endowment was established. The accounts include transactions, assets and liabilities for which the PCC can be held responsible. They do not include the accounts of church groups that owe an affiliation to another body, nor those that are informal gatherings of church members.

Incoming resources

All voluntary giving is included in the financial statements for the period in which it is received. Donations under Gift Aid plus the associated tax recovery are recognised as income when the donation is received.

Legacies are accounted for when their receipt is certain and can be properly quantified.

All other income is recognised when it is receivable.

Resources expended

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

The diocesan parish share is calculated annually and has been accounted for in the year to which it relates.

Other expenditure is accounted for as the liability is incurred and where appropriate includes irrecoverable VAT.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiners fees.

Tangible fixed assets

Consecrated and benefice property of any kind is excluded from the financial statements in accordance with the Charities Act 2011. This includes amounts expended upon such assets by the PCC which is included in the accounts as direct charitable expenditure in the year in which the expenditure occurs.

Freehold buildings (but not land) are depreciated at 2% of written down value per annum.

St John's Centre furniture and equipment is depreciated on a straight line basis over 10 years. Computer and other equipment is depreciated on a straight line basis over three years.

Investments are included at their market value at 31 December.

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

NOTES TO ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
2. VOLUNTARY INCOME					
	£	£	£	£	£
Planned giving	91,786	-	-	91,786	78,957
Collections and other giving	14,173	945	-	15,118	140,989
Income tax recovered under Gift Aid	5,268	-	-	5,268	7,656
Other receipts	18,156	736	-	18,892	23,024
Legacies and other income	29,719	11	-	29,730	1,861
	<u>159,102</u>	<u>1,692</u>	<u>-</u>	<u>160,794</u>	<u>252,487</u>
3. INCOME FROM ACTIVITIES FOR GENERATING FUNDS					
	£	£	£	£	£
Receipts from church centre	63,820	-	-	63,820	59,821
Receipts from church activities	14,341	-	-	14,341	6,759
Other activities for generating funds	2,769	-	-	2,769	3,065
	<u>80,930</u>	<u>-</u>	<u>-</u>	<u>80,930</u>	<u>69,645</u>
4. INVESTMENT INCOME					
	£	£	£	£	£
Dividends and interest	11,725	2,814	888	15,427	2,973
	<u>11,725</u>	<u>2,814</u>	<u>888</u>	<u>15,427</u>	<u>2,973</u>
5. COSTS OF GENERATING FUNDS					
	£	£	£	£	£
Fundraising and publicity expenses	400	-	-	400	220
	<u>400</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>220</u>
6. GRANTS AND CHARITABLE GIVING	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total £	2017 Total £
Missionary and charitable giving	5,519	5,469	-	10,988	4,993
	<u>5,519</u>	<u>5,469</u>	<u>-</u>	<u>10,988</u>	<u>4,993</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

NOTES TO ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
7. DIRECT COSTS OF CHURCH ACTIVITIES	£	£	£	£	£
Diocesan parish share	86,364	-	-	86,364	86,364
Diocese fees - funerals and weddings	11,771	-	-	11,771	2,944
Staff salaries	5,334	-	-	5,334	5,261
Clergy allowances and expenses	3,528	-	-	3,528	1,385
Ministry support and training	1,101	-	-	1,101	-
Rectory repairs and maintenance	2,000	-	-	2,000	4,572
Curates house repairs and maintenance	4,819	-	-	4,819	2,384
Altar requisites and vestments	3,621	-	-	3,621	738
Organ and choir expenses	3,474	-	-	3,474	2,712
Repairs to church	5,398	-	-	5,398	2,356
Church running expenses	11,817	-	-	11,817	4,556
Church reordering - Enlightening God's Space	-	-	-	-	-
Churchyard upkeep	2,488	-	-	2,488	5,032
Magazine expenses	2,553	-	-	2,553	2,275
Depreciation of fixed assets	3,655	-	-	3,655	3,729
	<u>147,923</u>	<u>-</u>	<u>-</u>	<u>147,923</u>	<u>124,308</u>

The Diocesan parish share is advised by the Diocese of Guildford and is calculated to cover the costs of the Rector (salary, pensions, vicarage costs), a contribution to central overhead costs and support for poorer parishes.

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
8. CHURCH CENTRE RUNNING COSTS	£	£	£	£	£
Staff salaries	21,334	-	-	21,334	21,044
Administration	3,399	-	-	3,399	3,276
Cleaning	8,801	-	-	8,801	8,112
Utilities	8,340	-	-	8,340	7,156
Maintenance	10,687	576	-	11,263	12,016
Insurance	2,592	-	-	2,592	2,438
Bank charges	259	-	-	259	204
Sundries	463	-	-	463	883
Depreciation	-	7,709	-	7,709	7,847
	<u>55,875</u>	<u>8,285</u>	<u>-</u>	<u>64,160</u>	<u>62,976</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

NOTES TO ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
	£	£	£	£	£
9 CHURCH MANAGEMENT AND ADMINISTRATION					
Insurance	3,037	-	-	3,037	2,906
Rector recruitment and expenses	4,607	-	-	4,607	9,959
Church administration	638	-	-	638	633
Books and stationary	3,481	-	-	3,481	652
	<u>11,763</u>	<u>-</u>	<u>-</u>	<u>11,763</u>	<u>14,150</u>
10. GOVERNANCE COSTS	£	£	£	£	£
Independent Examination fees	2,280	-	-	2,280	2,040
Quinquennial review	<u>969</u>	<u>-</u>	<u>-</u>	<u>969</u>	<u>-</u>
	<u>3,249</u>	<u>-</u>	<u>-</u>	<u>3,249</u>	<u>2,040</u>
11. STAFF COSTS					
The church employed the equivalent of one full time member of staff during the year					
12. TRUSTEES					
Trustees were not remunerated for any services in the year (2017 - nil)					

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

13 FIXED ASSETS

TANGIBLE ASSETS

	Freehold land and buildings	Furniture and fittings	Other equipment	Total
COST	£	£	£	£
At 1st January 2018	<u>775,135</u>	<u>70,247</u>	<u>18,587</u>	<u>863,969</u>
At 31 December 2018	<u>775,135</u>	<u>70,247</u>	<u>18,587</u>	<u>863,969</u>
DEPRECIATION				
At 1st January 2018	103,217	69,236	18,587	191,040
Charge for year	<u>10,352</u>	<u>1,011</u>	<u>-</u>	<u>11,363</u>
At 31 December 2018	<u>113,569</u>	<u>70,247</u>	<u>18,587</u>	<u>202,403</u>
NET BOOK VALUE				
At 31 December 2018	<u>661,566</u>	<u>-</u>	<u>-</u>	<u>661,566</u>
At 31 December 2017	<u>671,918</u>	<u>1,011</u>	<u>-</u>	<u>672,929</u>

The freehold land and buildings comprise the curate's house at 42 Finches Rise, Guildford and the St John's Centre. Additional costs were incurred in relation to preliminary works for an extension to 42 Finches Rise and are shown as capitalised above.

Depreciation has been charged in relation to freehold buildings to reflect the cost of the assets in use and in accordance with recommended accounting practice.

14 FIXED ASSETS - INVESTMENTS

	2018 £	2017 £
Market value of investments held at 1 January 2018	165,457	31,171
Additions	-	129,176
Disposals	(130,982)	-
(Loss) on disposal	(490)	-
Revaluation gain/(loss)	<u>(509)</u>	<u>5,110</u>
Market value at 31 December 2018	<u>33,476</u>	<u>165,457</u>

The market value at 31 December 2018 represents investments for:

	2018 £	2017 £
Unrestricted funds	7,832	34,246
Restricted funds	-	105,177
Endowment funds	<u>25,644</u>	<u>26,034</u>
	<u>33,476</u>	<u>165,457</u>

15 DEBTORS

	2018 £	2017 £
Prepayments and accrued income	<u>1,606</u>	<u>3,882</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

**NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

16 CREDITORS	2018 £	2017 £
Accrued expenses	2,160	1,980
Other creditors	<u>2,164</u>	<u>4,804</u>
	<u>4,324</u>	<u>6,784</u>

17 RESTRICTED AND UNRESTRICTED FUNDS

	Balance brought forward £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers between funds £	Total funds £
Unrestricted funds						
General church fund	26,645	184,738	(161,095)	(218)	(6,461)	43,609
Designated funds						
Don Cory legacy	10,000	-	-	-	-	10,000
Church Centre	26,804	59,849	(54,229)	-	-	32,424
Curate's house maint.	32,352	-	(644)	-	-	31,708
Curate's house build.	236,613	-	(3,729)	-	75	232,959
Church Missionary Soc	3,705	-	-	-	-	3,705
Tower Fund	598	-	-	-	-	598
Organ Humidifier	7,118	-	-	-	-	7,118
Churchyard Designated	<u>18,905</u>	<u>7,170</u>	<u>(5,032)</u>	<u>-</u>	<u>-</u>	<u>21,043</u>
	<u>362,740</u>	<u>251,757</u>	<u>(224,729)</u>	<u>(218)</u>	<u>(6,386)</u>	<u>383,164</u>
Restricted funds						
St John's Centre	435,306	-	(8,285)	-	1,587	428,608
CofM - Mission	-	1,692	(5,469)	-	3,777	-
Church fabric fund	106,452	2,814	-	(391)	-	108,875
Churchyard legacy	5,502	-	-	-	-	5,502
Baring Gould Grave	1,430	-	-	-	-	1,430
Disaster Emergency	980	-	-	-	-	980
	<u>549,670</u>	<u>4,506</u>	<u>(13,754)</u>	<u>(391)</u>	<u>5,364</u>	<u>545,395</u>
Endowment funds						
Bequests	15	-	-	-	-	15
The Grant legacy	<u>29,552</u>	<u>888</u>	<u>-</u>	<u>(390)</u>	<u>1,022</u>	<u>31,072</u>
	<u>29,567</u>	<u>888</u>	<u>-</u>	<u>(390)</u>	<u>1,022</u>	<u>31,087</u>
Total	<u>941,977</u>	<u>257,151</u>	<u>(238,483)</u>	<u>(999)</u>	<u>-</u>	<u>959,646</u>

REGISTERED CHARITY NUMBER: 1127555

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

FOR

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

CMB Partnership Limited
Chartered Accountants & Registered Auditors
1 Chapel St
Guildford
GU1 3UH
Tel: 01483 455508
website: www.cmbpartners.co.uk

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

LEGAL AND ADMINISTRATIVE INFORMATION

ADDRESS

The Parish Office,
St John's Church, 222 Epsom Road,
Guildford GU4 7AA.

TRUSTEES

The trustees were the members of the Parochial Church Council (PCC) as set out below:

Rector:

The Reverend Rona Stuart-Bourne

Assistant Clergy:

The Reverend Dermot Verschoyle BA (Hons)

Churchwardens

Mr Barry Dickinson
Mrs Helen Chambers

PCC Secretary

Mr Nicholas Bond

Treasurer

Mrs Lindsay Dobson

Other PCC members

Mr Peter Tappin
Mr Michael Newell
Mrs Carole Burtonwood
Mrs Sally Peters
Mrs Sonya Graham
Mr Thomas Mabbort
Mr Joe Bullock
Mr Mark Butcher
Mrs Barbara Lawrence
Mr Robert Avis
Mrs Jean Spencer
Mrs Jane Farquarson
Mr David Hunt
Mrs Jo Stokes

**CENTRE MANAGER AND
PARISH ADMINISTRATOR**

Mrs Michelle Haywood

INDEPENDENT EXAMINER

Mr Russell Brown ACA
CMB Partnership Limited
Chartered Accountants & Registered Auditors
1 Chapel St
Guildford
GU1 3UH

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Parochial Church Council of the Church of St John the Evangelist, Merrow, (the PCC), has the responsibility to promote the whole mission of St John's. It is also responsible for the maintenance and upkeep of the buildings associated with the church.

The PCC confirm that the annual report and financial statements comply with current statutory requirements, the requirements of the PCC's governing documents, accounting standards and the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP (FRS102) effective for accounting periods on or after 1 January 2015.

STRUCTURE AND GOVERNANCE

The PCC is a Charity registered with the Charity Commission and is an unincorporated association governed by the terms of its constitution

OBJECTIVES

To be a vibrant, witnessing and worshipping church at the heart of the community.

REVIEW OF ACTIVITIES

Income

Parish income falls into several categories, of which the main ones are:

- Planned giving
- Collections and other charitable giving comprising collections at services and other one-off donations
- Gift Aid recovered
- Other receipts, which includes our charitable fund-raising
- Receipts from church activities, including centre lettings.

Planned giving

Planned giving is the main source of income which is derived from the Parish Giving scheme and Standing Orders, together with Gift Aid receipts from HM Revenue & Customs. This totalled £97,054 (£86,613).

Collections and other giving

As well as service collections and envelopes, this category includes donations for Mission and Charitable Giving, amounting to £15,118.

Other receipts, including charitable funds generated

Fund raising events generated income of £18,892 (£23,024) including for Mission and Charitable purposes.

Receipts from church activities

This category includes wedding and funeral fees of £11,066 (£14,243).

Centre letting income was £63,820 (£59,821).

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Expenditure

The largest single item of expenditure was the Diocesan Parish Share of £86,364 (£86,364).

Mission and Charitable Giving was £10,988 (£4,993), which in these austere times is a testimony to the generosity of all at St Johns.

Church Centre running costs, excluding depreciation, were £56,451 (£55,129).

Overall position

Overall the church has had a positive year, with our income exceeding our expenditure. On top of this a number of legacies were received which has increased our capital reserves. Regular giving amounts have also increased substantially, thanks to the continuing support of our parishioners.

Church expenditure increased for this year mainly due to the need to refurbish both the rectory and the curate's house. Centre costs have remained relatively static.

At year end our cash position was £267,322 (£106,493), an increase due to the encashment of some investments. This will look to be reinvested in 2019.

RISK MITIGATION

The major risks to which the PCC is exposed have been identified and considered by the members of the PCC. Systems and procedures have been established to manage those risks identified.

RESERVES POLICY

The PCC seek to maintain a sufficient level of reserves to support its day to day operations and to meet such contingencies as might reasonably be foreseen.

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the members of the PCC who are the trustees of the charity for the purposes of charity law, 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 its financial activities for that year. In preparing those accounts, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- 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 accounts; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees have overall responsibility for ensuring that the charity has appropriate systems of control financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with applicable law. 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 report was approved by the Parochial Church Council and signed on its behalf by:


.....
Lindsay Dobson

Treasurer and member of the Parochial Church Council

Dated 11th March 2019

REPORT OF THE INDEPENDENT EXAMINER TO
THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW
FOR THE YEAR ENDED 31 DECEMBER 2018

I report to the trustees on my examination of the financial statements of the Parochial Church Council of St Johns the Evangelist, Merrow, for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements 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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW 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:

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

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



Mr Russell Brown A.C.A.
CMB Partnership Limited
Chartered Accountants & Registered Auditors
1 Chapel Street
Guildford
Surrey GU1 3UH

Dated

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

**STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total £	2017 Total £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	159,102	1,692	-	160,794	252,487
Activities for generating funds	3	80,930	-	-	80,930	69,645
Investment income	4	11,725	2,814	888	15,427	2,973
Incoming resources from charitable activities		-	-	-	-	-
TOTAL INCOMING RESOURCES		<u>251,757</u>	<u>4,506</u>	<u>888</u>	<u>257,151</u>	<u>325,105</u>
RESOURCES EXPENDED						
Costs of generating voluntary income	5	400	-	-	400	220
Grants and charitable giving	6	5,519	5,469	-	10,988	4,993
Direct costs of church activities	7	147,923	-	-	147,923	124,308
Church centre running costs	8	55,875	8,285	-	64,160	62,976
Church management and administration	9	11,763	-	-	11,763	14,150
Governance costs	10	3,249	-	-	3,249	2,040
TOTAL RESOURCES EXPENDED		<u>224,729</u>	<u>13,754</u>	<u>-</u>	<u>238,483</u>	<u>208,687</u>
NET INCOMING/(OUTGOING) RESOURCES		27,028	(9,248)	888	18,668	116,418
TRANSFERS						
Transfers between funds	17	(6,386)	5,364	1,022	-	-
OTHER RECOGNISED GAINS/(LOSSES)						
Gains/(losses) on disposal of investment assets		(99)	(391)	-	(490)	-
Gains/(losses) on investment assets	14	(119)	-	(390)	(509)	5,110
NET MOVEMENT IN FUNDS		20,424	(4,275)	1,520	17,669	121,528
Total funds as at 1st January 2018		<u>362,740</u>	<u>549,670</u>	<u>29,567</u>	<u>941,977</u>	<u>820,449</u>
TOTAL FUNDS AS AT 31ST DECEMBER 2018		<u><u>383,164</u></u>	<u><u>545,395</u></u>	<u><u>31,087</u></u>	<u><u>959,646</u></u>	<u><u>941,977</u></u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 13 form part of these accounts

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

BALANCE SHEET AS AT
31 DECEMBER 2018

	Notes	<u>2018</u>		<u>2017</u>	
		£	£	£	£
FIXED ASSETS					
Tangible	13		661,566		672,929
Investments	14		<u>33,476</u>		<u>165,457</u>
			695,042		838,386
CURRENT ASSETS					
Debtors	15	1,606		3,882	
Cash at bank		<u>267,322</u>		<u>106,493</u>	
		268,928		110,375	
CREDITORS : Amounts falling due within one year	16	<u>(4,324)</u>		<u>(6,784)</u>	
NET CURRENT ASSETS			<u>264,604</u>		<u>103,591</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>959,646</u>		<u>941,977</u>
FUNDS	17				
Unrestricted general funds			383,164		362,740
Restricted funds			545,395		549,670
Endowment funds			<u>31,087</u>		<u>29,567</u>
			<u>959,646</u>		<u>941,977</u>

These financial statements have been prepared in accordance with the Charities Act 2011 and the Church Accounting Regulations 2006.

SIGNED ON BEHALF OF THE PAROCHIAL CHURCH COUNCIL:

.....
Member of the Parochial Church Council

.....
Member of the Parochial Church Council
Dated 17-3-19

The notes on pages 8 to 13 form part of these accounts

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

NOTES TO THE ACCOUNTS
31 DECEMBER 2018

1. ACCOUNTING POLICIES

Basis of preparation of the financial statements

The accounts have been prepared under the historical cost convention, except for certain investments included at market value, in accordance with the Church Accounting Regulations 2006, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities SORP (FRS 102) effective for accounting periods commencing on or after 1 January 2015.

Fund accounting

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions as to their use. Funds designated by the PCC for a particular purpose are also unrestricted.

Restricted funds are those funds held which are subject to restrictions as to their use imposed by the donor or contained within the terms of a grant.

Endowment funds are funds, the capital of which must be maintained. Income arising from the investment of the endowment may be restricted or unrestricted depending on the purpose for which the endowment was established. The accounts include transactions, assets and liabilities for which the PCC can be held responsible. They do not include the accounts of church groups that owe an affiliation to another body, nor those that are informal gatherings of church members.

Incoming resources

All voluntary giving is included in the financial statements for the period in which it is received. Donations under Gift Aid plus the associated tax recovery are recognised as income when the donation is received.

Legacies are accounted for when their receipt is certain and can be properly quantified.

All other income is recognised when it is receivable.

Resources expended

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

The diocesan parish share is calculated annually and has been accounted for in the year to which it relates.

Other expenditure is accounted for as the liability is incurred and where appropriate includes irrecoverable VAT.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiners fees.

Tangible fixed assets

Consecrated and benefice property of any kind is excluded from the financial statements in accordance with the Charities Act 2011. This includes amounts expended upon such assets by the PCC which is included in the accounts as direct charitable expenditure in the year in which the expenditure occurs.

Freehold buildings (but not land) are depreciated at 2% of written down value per annum.

St John's Centre furniture and equipment is depreciated on a straight line basis over 10 years. Computer and other equipment is depreciated on a straight line basis over three years.

Investments are included at their market value at 31 December.

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

NOTES TO ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
2. VOLUNTARY INCOME					
	£	£	£	£	£
Planned giving	91,786	-	-	91,786	78,957
Collections and other giving	14,173	945	-	15,118	140,989
Income tax recovered under Gift Aid	5,268	-	-	5,268	7,656
Other receipts	18,156	736	-	18,892	23,024
Legacies and other income	29,719	11	-	29,730	1,861
	<u>159,102</u>	<u>1,692</u>	<u>-</u>	<u>160,794</u>	<u>252,487</u>
3. INCOME FROM ACTIVITIES FOR GENERATING FUNDS					
	£	£	£	£	£
Receipts from church centre	63,820	-	-	63,820	59,821
Receipts from church activities	14,341	-	-	14,341	6,759
Other activities for generating funds	2,769	-	-	2,769	3,065
	<u>80,930</u>	<u>-</u>	<u>-</u>	<u>80,930</u>	<u>69,645</u>
4. INVESTMENT INCOME					
	£	£	£	£	£
Dividends and interest	11,725	2,814	888	15,427	2,973
	<u>11,725</u>	<u>2,814</u>	<u>888</u>	<u>15,427</u>	<u>2,973</u>
5. COSTS OF GENERATING FUNDS					
	£	£	£	£	£
Fundraising and publicity expenses	400	-	-	400	220
	<u>400</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>220</u>
6. GRANTS AND CHARITABLE GIVING	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total £	2017 Total £
Missionary and charitable giving	5,519	5,469	-	10,988	4,993
	<u>5,519</u>	<u>5,469</u>	<u>-</u>	<u>10,988</u>	<u>4,993</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

NOTES TO ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
7. DIRECT COSTS OF CHURCH ACTIVITIES	£	£	£	£	£
Diocesan parish share	86,364	-	-	86,364	86,364
Diocese fees - funerals and weddings	11,771	-	-	11,771	2,944
Staff salaries	5,334	-	-	5,334	5,261
Clergy allowances and expenses	3,528	-	-	3,528	1,385
Ministry support and training	1,101	-	-	1,101	-
Rectory repairs and maintenance	2,000	-	-	2,000	4,572
Curates house repairs and maintenance	4,819	-	-	4,819	2,384
Altar requisites and vestments	3,621	-	-	3,621	738
Organ and choir expenses	3,474	-	-	3,474	2,712
Repairs to church	5,398	-	-	5,398	2,356
Church running expenses	11,817	-	-	11,817	4,556
Church reordering - Enlightening God's Space	-	-	-	-	-
Churchyard upkeep	2,488	-	-	2,488	5,032
Magazine expenses	2,553	-	-	2,553	2,275
Depreciation of fixed assets	3,655	-	-	3,655	3,729
	<u>147,923</u>	<u>-</u>	<u>-</u>	<u>147,923</u>	<u>124,308</u>

The Diocesan parish share is advised by the Diocese of Guildford and is calculated to cover the costs of the Rector (salary, pensions, vicarage costs), a contribution to central overhead costs and support for poorer parishes.

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
8. CHURCH CENTRE RUNNING COSTS	£	£	£	£	£
Staff salaries	21,334	-	-	21,334	21,044
Administration	3,399	-	-	3,399	3,276
Cleaning	8,801	-	-	8,801	8,112
Utilities	8,340	-	-	8,340	7,156
Maintenance	10,687	576	-	11,263	12,016
Insurance	2,592	-	-	2,592	2,438
Bank charges	259	-	-	259	204
Sundries	463	-	-	463	883
Depreciation	-	7,709	-	7,709	7,847
	<u>55,875</u>	<u>8,285</u>	<u>-</u>	<u>64,160</u>	<u>62,976</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

NOTES TO ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

	Unrestricted funds	Restricted funds	Endowment funds	2018 Total	2017 Total
	£	£	£	£	£
9 CHURCH MANAGEMENT AND ADMINISTRATION					
Insurance	3,037	-	-	3,037	2,906
Rector recruitment and expenses	4,607	-	-	4,607	9,959
Church administration	638	-	-	638	633
Books and stationary	3,481	-	-	3,481	652
	<u>11,763</u>	<u>-</u>	<u>-</u>	<u>11,763</u>	<u>14,150</u>
10. GOVERNANCE COSTS					
Independent Examination fees	2,280	-	-	2,280	2,040
Quinquennial review	<u>969</u>	<u>-</u>	<u>-</u>	<u>969</u>	<u>-</u>
	<u>3,249</u>	<u>-</u>	<u>-</u>	<u>3,249</u>	<u>2,040</u>
11. STAFF COSTS					
The church employed the equivalent of one full time member of staff during the year					
12. TRUSTEES					
Trustees were not remunerated for any services in the year (2017 - nil)					

THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

13 FIXED ASSETS

TANGIBLE ASSETS

	Freehold land and buildings	Furniture and fittings	Other equipment	Total
COST	£	£	£	£
At 1st January 2018	<u>775,135</u>	<u>70,247</u>	<u>18,587</u>	<u>863,969</u>
At 31 December 2018	<u>775,135</u>	<u>70,247</u>	<u>18,587</u>	<u>863,969</u>
DEPRECIATION				
At 1st January 2018	103,217	69,236	18,587	191,040
Charge for year	<u>10,352</u>	<u>1,011</u>	<u>-</u>	<u>11,363</u>
At 31 December 2018	<u>113,569</u>	<u>70,247</u>	<u>18,587</u>	<u>202,403</u>
NET BOOK VALUE				
At 31 December 2018	<u>661,566</u>	<u>-</u>	<u>-</u>	<u>661,566</u>
At 31 December 2017	<u>671,918</u>	<u>1,011</u>	<u>-</u>	<u>672,929</u>

The freehold land and buildings comprise the curate's house at 42 Finches Rise, Guildford and the St John's Centre. Additional costs were incurred in relation to preliminary works for an extension to 42 Finches Rise and are shown as capitalised above.

Depreciation has been charged in relation to freehold buildings to reflect the cost of the assets in use and in accordance with recommended accounting practice.

14 FIXED ASSETS - INVESTMENTS

	2018 £	2017 £
Market value of investments held at 1 January 2018	165,457	31,171
Additions	-	129,176
Disposals	(130,982)	-
(Loss) on disposal	(490)	-
Revaluation gain/(loss)	<u>(509)</u>	<u>5,110</u>
Market value at 31 December 2018	<u>33,476</u>	<u>165,457</u>

The market value at 31 December 2018 represents investments for:

	2018 £	2017 £
Unrestricted funds	7,832	34,246
Restricted funds	-	105,177
Endowment funds	<u>25,644</u>	<u>26,034</u>
	<u>33,476</u>	<u>165,457</u>

15 DEBTORS

	2018 £	2017 £
Prepayments and accrued income	<u>1,606</u>	<u>3,882</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW**

**NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018
(CONTINUED)**

16 CREDITORS	2018 £	2017 £
Accrued expenses	2,160	1,980
Other creditors	<u>2,164</u>	<u>4,804</u>
	<u>4,324</u>	<u>6,784</u>

17 RESTRICTED AND UNRESTRICTED FUNDS

	Balance brought forward £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers between funds £	Total funds £
Unrestricted funds						
General church fund	26,645	184,738	(161,095)	(218)	(6,461)	43,609
Designated funds						
Don Cory legacy	10,000	-	-	-	-	10,000
Church Centre	26,804	59,849	(54,229)	-	-	32,424
Curate's house maint.	32,352	-	(644)	-	-	31,708
Curate's house build.	236,613	-	(3,729)	-	75	232,959
Church Missionary Soc	3,705	-	-	-	-	3,705
Tower Fund	598	-	-	-	-	598
Organ Humidifier	7,118	-	-	-	-	7,118
Churchyard Designated	<u>18,905</u>	<u>7,170</u>	<u>(5,032)</u>	<u>-</u>	<u>-</u>	<u>21,043</u>
	<u>362,740</u>	<u>251,757</u>	<u>(224,729)</u>	<u>(218)</u>	<u>(6,386)</u>	<u>383,164</u>
Restricted funds						
St John's Centre	435,306	-	(8,285)	-	1,587	428,608
CofM - Mission	-	1,692	(5,469)	-	3,777	-
Church fabric fund	106,452	2,814	-	(391)	-	108,875
Churchyard legacy	5,502	-	-	-	-	5,502
Baring Gould Grave	1,430	-	-	-	-	1,430
Disaster Emergency	980	-	-	-	-	980
	<u>549,670</u>	<u>4,506</u>	<u>(13,754)</u>	<u>(391)</u>	<u>5,364</u>	<u>545,395</u>
Endowment funds						
Bequests	15	-	-	-	-	15
The Grant legacy	<u>29,552</u>	<u>888</u>	<u>-</u>	<u>(390)</u>	<u>1,022</u>	<u>31,072</u>
	<u>29,567</u>	<u>888</u>	<u>-</u>	<u>(390)</u>	<u>1,022</u>	<u>31,087</u>
Total	<u>941,977</u>	<u>257,151</u>	<u>(238,483)</u>	<u>(999)</u>	<u>-</u>	<u>959,646</u>