

St Margaret's Church, Chipstead Parish

Annual Report and Accounts of the Parochial Church Council

**For the year ended
31 December 2021**



Registered Charity No: 1139738

Church Lane, Chipstead, Surrey CR5 3RD

Tel. no: 01737 552160

www.stmargaretschipstead.org

Financial Statements and Annual Report for the year ended 31st December 2021

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ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021

The Annual Report of the Parochial Church Council will be read to the Annual Meeting, and copies will be available from the Church Office

Introduction

St Margaret's Church Parochial Church Council (PCC) is required, as stated in the Parochial Church Councils (Powers) Measure 1956, to cooperate with the minister in promoting in the ecclesiastical parish the whole mission of the Church – pastoral, evangelistic, social and ecumenical.

Membership of the Parochial Church Council

Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. PCC Members serve for a period of three years and are then eligible to be re-elected for one further three year term. After six years, an elected PCC member must stand down for a period of at least one year.

During the year the following served as members of the PCC:

Officers:

Chairman:	The Rev'd Susan Merrilyn Marsh Williams # - (To 31 January 2022)
Vice Chair	Christopher Howard Taylor # (Chairman from 1 February 2022)
Churchwarden:	Ray King # Shirley Page # - stood down at 2021 APCM
Secretary:	Sarah Anne Bowes #
Treasurer:	Martin Mabbutt # - to 25/7/2021

PCC members

Rev John Norman Wates #
Madeleine MacCallum
Andrew James Christie Britton
Tom Sanderson
Ian Thirlwall
Kat Wicksteed
Perry George Lee Esparon
Steve Cheng Whitehead - to 12//7/2021
Kim Michelle Honey - to 12/7/2021
Eamonn Davern - co-opted 22/11/2021
The following members stood down at the 2021 APCM held on 19th April 2021)
Katy Deragon
Madeleine MacCallum
Andrew James Christie Britton
Ann Jennifer Elliott Nee Reading
David MacCallum
Wendy Morgan
David Wetherall
Fofo Lappin
Angela Robertson

Management personnel

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Key Management Personnel

The PCC listed on page 1 are also considered to be key management personnel as they are in charge of directing, controlling, running and operating the church on a day- to-day basis. Details of PCC members' expenses and other related party transactions are disclosed in Note 8 to the financial statements.

Other than The Rev'd Susie Williams, none of the key management receives any remuneration. The Rev'd Susie Williams is remunerated by the Diocese of Southwark. She receives no remuneration from the PCC.

Advisers

Bankers

Natwest
Wallington Branch
27 Woodcote Road
Wallington
Surrey
SM6 0LN

Independent Examiners

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

Correspondence Address

The Parish Office
Church Lane
Chipstead
Surrey CR5 3RD

St Margaret's Church, Chipstead Parish

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Our aims and purposes as a charity

The Parochial Church Council (PCC) of St Margaret's, Chipstead has the responsibility for co-operating with the incumbent, the Reverend Susie Williams, in promoting in the ecclesiastical parish of Chipstead, the gospel and whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is specifically responsible for the maintenance of the Church building, the Orchard and the churchyard, the Peter Aubertin Hall in Chipstead, and the Mission Hall in Mugswell. Our Mission Statement reflects our ethos:

*To know and share God's transforming love with one another,
with our local community and with the wider world.*

What we planned to do to achieve our charitable objectives

When planning our activities for the year the PCC considered the Charity Commission's guidance on public benefit. The council has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016, fully recognising its duty to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults.

Our aims:

- To enable as many people as possible to know Christ, worship him and grow in faith within our church and parish.
- To teach, baptise and nurture new and existing believers.
- To involve and seek to build bridges between the many, often varied, groups that live within the parish.
- To put faith into practice, through prayer and scripture, music and sacrament.
- To build upon our worship and prayer and learning about the Gospel in small group situations.
- To assist people of all ages and from all walks of life to develop their knowledge of, and trust in, Jesus.
- To provide pastoral care for people living in the parish and also for the members of the congregation who live outside of the parish.
- To support the homeless in the deanery.
- To continue to provide assistance to the poor and needy.
- To assist other organisations financially.

Mission Action Plan (MAP)

Our MAP has three priorities:

- To develop our children and youth activities
- To provide Pastoral Care and Community Support
- To develop our ministry in Netherne

The measures taken to control and mitigate the COVID-19 pandemic have restricted our ability to progress some of these priorities during 2021. Notwithstanding that a review and reconfirmation of these priorities was undertaken during 2019, we believe that as the country emerges from the effects of this pandemic, the church and the

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community we serve are likely to face new challenges. Therefore, we are committed to reviewing our MAP priorities again once we have some experience of post pandemic life.

Achievements and Performance

2021 has continued to be a challenging year for the whole country as we have adapted to the constantly changing restrictions placed on our daily lives in order to control COVID infections. Whilst the church has been open for services for the majority of the year, the number and form of those services has been restricted. For example, over the course of the year we moved from being able to administer communion in one form only to, later in the year, being able to reincorporate wine into the act of communion albeit by intinction only.

Also, for the first part of the year, we were not allowed to include communal singing within our services where they were held inside church buildings. We responded to this in various ways. For example, we held a number of services outside during the spring period so as to allow communal singing. We reintroduced this for our Carols by Candlelight services in December when the Omicron variant started to become prevalent.

At the start of September 2021, our Rector, the Reverend Susie Williams, went on a period of extended sick leave. She resigned from her post with effect from 31 January 2022 without having returned from sick leave.

Also, during the year, one of our Readers, Kim Honey, took up employment in Iceland.

This has put increased pressure on a small but dedicated team of lay service leaders and preachers who have risen to the challenge magnificently in order to ensure that we can continue to provide weekly Sunday worship. However, this resource is limited, and as we emerged from the pandemic we were not able to reintroduce the pre pandemic pattern of worship. We have therefore reverted to one service at 10.00 am on a Sunday where the whole congregation can worship together. We remain committed to keeping the pattern of services under review whilst being mindful of the pressure placed on our lay service leaders and preachers.

In March, we welcomed Josh Askwith as our new Youth and Communities Leader and he has achieved much during his time with us to move the youth ministry forward. He has a number of further exciting initiatives in the pipeline.

In May, our Children and Families leader, Abi Page, left us after having served us wonderfully and created a strong and vibrant Junior Church. A small team of dedicated volunteers is maintaining the junior church activity whilst we search for a new Family and Children's leader.

During the year, the PCC commissioned a review of the administrative structures operated by the church. This review was carried out by John Truscott, an expert in the field of church administration. John reported back to the PCC in March 2021 and since then the PCC has been working through a series of

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ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

initiatives aimed at implementing the recommendations made. This has formed a significant part of the PCC's agenda over the course of the year and, by implementing the recommendations, we aim to position the church to run our affairs more efficiently and effectively.

As we emerge from the pandemic and enter what is likely to be an extended period of interregnum, we will go through a process of redefining our activities as a church and preparing ourselves for the arrival of a new Rector. As part of this, we will be reviewing our Mission Action Plan and deciding on our priorities for the next few years.

In the interim, we are very grateful for the support of the Diocese of Suffolk and of St Mary's Reigate in allowing the Reverend Erin Gilmour to work with us on a part time basis. Amongst other things, Erin is leading the Sunday services twice a month thus relieving some of the pressure on the team of lay service leaders and preachers.

Electoral Roll

At the year end our number stood at 169 (2020 - 180). The whole electoral roll is reconstituted every 6 years and this is next scheduled to be done in 2025.

2021 Financial Review

The church continues to enjoy a very strong overall financial position thanks to the substantial legacies received in recent years, totalling £900,000 in 2019 and 2020. During 2021 we received further legacies totalling £7,900 in the unrestricted funds and £5,000 specifically for the Fabric fund. The bulk of the £7,900 arose from a residual payment (£7,700) relating to the estate of the late June Jueitt. At the end of 2021 we enjoyed a net cash position of £970,000. A decision was made by the newly formed finance committee to invest a substantial portion of these monies in financial assets managed by CCLA (a church financial institution) with the aim of improving our long term returns relative to holding cash.

Were it not for the legacies the church would not be in a healthy position. The underlying deficit continues to grow as a result of planned giving declining steadily since 2016. The overall deficit for the year was £81k, and would have been £94k without the additional legacy monies received. Planned giving together with the associated gift aid recovered was almost £20k below the levels of 2020 which in turn was £27k less than in 2019 and was the principal reason for our underlying deficit continuing to grow. Since 2016 there has been a £92k decline in planned giving.

Most of the church's income is regular giving rather than received at services and therefore it is unlikely that the lack of people coming into our church as a result of the Covid pandemic will have materially impacted income. As normality has begun to return so costs have stabilised after the substantial fall reported last year. Staff costs fell by £9k in 2021 reflecting the loss of our children and families worker halfway through 2021, partially offset by the recruitment of a new youth worker towards the end of the year.

Our two church halls, Peter Aubertin and Mugswell have begun to see bookings pick up after the problems of the past two years but revenue remains far below the levels seen prior to 2020. Revenue for the PA hall saw a marginal increase over 2020 and we took the opportunity created by the lack of bookings to carry out maintenance projects. As a result the hall accounts show a loss of over £9k.

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The financial outlook for 2022 is poor. Inflation is likely to significantly impact most elements of our costs and even on the basis that planned giving does not decline any further our deficit is forecast to grow further in the current year.

Our expectation is that the church will continue to operate at a deficit for the foreseeable future and while this is no longer a concern in the short term thanks to the substantial resources we enjoy, the size and expected growth of the deficit cannot be ignored longer term

At 31 December 2021, total funds amounted to £1,002,497 (2020: £1,083,015) of which £100,309 (2020: £109,115) were restricted and £132,278 (2020: £132,278) were in the Endowment Fund.

Statement of PCC responsibilities

The Parochial Church Council (PCC) is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Church Accounting Regulations 2006 require the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Council and of its financial activities for that period. In preparing those financial statements, the PCC is required to:

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

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is 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.

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Risk assessment

The PCC is satisfied that there are procedures in place to mitigate exposure to major risks. The PCC considers the principal risks and uncertainties facing the Church and their plans and strategies for managing these risks to be:

Potential Risk	Potential Impact	Steps to mitigate risk
Security of assets	<ul style="list-style-type: none"> • loss or damage • theft of assets 	<ul style="list-style-type: none"> • review security arrangements • asset register and inspection programme • review insurance cover
Fund-raising	<ul style="list-style-type: none"> • unsatisfactory returns • reputational risks of campaign or methods used • actions of agents and commercial fund-raisers • compliance with law and regulation 	<ul style="list-style-type: none"> • implement appraisal, budgeting and authorisation procedures • review regulatory compliance • monitor the adequacy of financial returns achieved • stewardship reporting in annual report
Disaster recovery and planning	<ul style="list-style-type: none"> • computer system failures or loss of data • destruction of property, equipment, records through fire, flood or similar damage 	<ul style="list-style-type: none"> • agree IT recovery plan • implement data backup procedures and security measures • review insurance cover • create disaster recovery plan
Cash flow sensitivities	<ul style="list-style-type: none"> • inability to meet commitments • lack of liquidity to cover variance in costs • impact on operational activities 	<ul style="list-style-type: none"> • ensure adequate cash flow projections (prudence of assumptions) • identify major sensitivities • ensure adequate information flow from operational managers • monitor arrangements and reporting

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ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Reserves policy

The PCC needs reserves to cover short term shortfalls in income and to cover unexpected expenditure. The vast majority of the PCC's income derives from voluntary donations. Whilst a significant proportion of these donations are planned, there is a level of unplanned giving which is not always predictable. In addition, due to changes in circumstances within the congregation, planned giving may not always match the level pledged at the start of the year. Reserves allow the PCC to better manage short term fluctuations in the level of giving. In addition, the running costs of the church are not always predictable and reserves allow the PCC to cope with unexpected expenditure which may arise from time to time. It is PCC policy to try to maintain a balance on free reserves which equates to at least three months of unrestricted payments, which would equate to £75k. At the end of 2021 unrestricted reserves were £769,000.

Fundraising

The PCC engaged in fundraising, in the form of receiving donations, some of which were gift-aided, from members of our fellowship. The PCC did not contract the service of any professional fundraisers as defined by section 58 of the Charities Act 1992. The PCC is satisfied that its fundraising practices are ethical. No complaints were received about our fundraising practices.

Investment policy

The PCC is risk averse in its investment policy placing surplus cash on deposit with the CBF Church of England Deposit Fund or with large banks.

Chris Taylor

Chairman

Date 13th March 2022

St Margaret's Church, Chipstead Parish

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL

I report to the charity trustees on my examination of the accounts of the St Margaret's Parochial Church Council (the Church) for the year ended 31 December 2021 set out on pages 10 to 21.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts as 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

I have completed my examination. I confirm that no 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 Church 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 Report) 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; or
4. the accounts have not been prepared in accordance with the methods and principles of 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 the Republic of Ireland (FRS 102).

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.

Miriam Hickson CTA FCA

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW
Date:

St Margaret's Church, Chipstead Parish
Statement of Financial Activities for the year ended 31 December 2021

For the year ended 31 December 2021	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL 2021	Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL 2020
Notes	2(a)	2(b)	10		2(a)	2(b)	10	
INCOME	£	£	£	£	£	£	£	£
Voluntary income	168,978	5,200		174,178	181,182	14,233		195,415
Income from church activities	15,098	0		15,098	12,036	-		12,036
Activities for generating funds	3,604	10,071		13,675	3,974	9,747		13,721
Income from investments	1,165			1,165	3,315	-	-	3,315
Total Income	188,845	15,271		204,116	200,507	23,980	-	224,487
EXPENDITURE								
Church activities	260,332	22,802		283,134	262,396	18,275	-	280,671
Raising funds	225	1,275		1,500	1,464	9,352		10,816
Total Expenditure	260,557	24,077		284,634	263,860	27,627	-	291,487
Net Income/(Expenditure)	(71,712)	(8,806)		(80,518)	(63,353)	(3,647)	-	(67,000)
Transfer between funds					-	-	-	-
Net movement in funds	(71,712)	(8,806)		(80,518)	(63,353)	(3,647)	-	(67,000)
Reconciliation of funds								
Total funds brought forward	841,622	109,115	132,278	1,083,015	904,975	112,762	132,278	1,150,015
Total funds carried forward	769,910	100,309	132,278	1,002,497	841,622	109,115	132,278	1,083,015

St Margaret's Church, Chipstead Parish
Balance sheet as 31 December 2021

	Notes		2021	2020
			£	£
FIXED ASSETS				
Tangible assets	3		8,194	13,240
CURRENT ASSETS				
Debtors	5	31,706		15,967
Cash at bank and in hand		972,205		1,072,718
		1,003,911		1,088,685
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR				
	6	9,608		18,910
NET CURRENT ASSETS			994,303	1,069,775
NET ASSETS			1,002,497	1,083,015
PARISH FUNDS				
Unrestricted	7		769,910	841,622
Restricted	7		100,309	109,115
Endowment	7		132,278	132,278
			1,002,497	1,083,015

The accounts were approved by the PCC on 28th March 2022 and signed on behalf of the PCC by:

Chris Taylor
Chairman

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the historical cost convention. The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The financial statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts in these financial statements are rounded to the nearest £. The PCC meets the definition of a public benefit entity under FRS102.

Going concern

The PCC have prepared detailed forecasts and cash flow projections which they believe are based upon reasonable assumptions. The forecasts show that the church should be able to operate for the foreseeable future and thus the trustees consider it appropriate to prepare the financial statements on a going concern basis.

FUNDS

1. **Unrestricted Funds** represent the resources of the PCC that are not subject to any restrictions regarding their use and are available for the general purposes of the PCC.
2. **Restricted Funds** represent resources which the PCC has indicated to donors and fundraisers will be used for specified purposes:

The Fabric Fund mainly derives from major donations and special events to meet major expenses on repairs and renewals of the Church and the Churchyard.

Trust Funds consist of donations made specifically for the upkeep of certain graves.

The Bell Fund contains specific donations and surpluses from the use of bells at weddings set aside to meet future maintenance of and improvements to the bells and to meet bell ringer expenses.

Specific Collections consist of donations received at services and other Parish occasions for purposes specified at the time of collection.

The Appeal Fund contains donations made and the proceeds of special events undertaken for the purposes of funding the construction of The Orchard.

The Peter Aubertin Hall Fund consists of income from operating activities of the Hall, specific fundraising events and donations for the improvement of the Hall.

The Mugswell Hall Fund consists of income from the operating activities of the Hall and specific donations for the maintenance and improvement of the Hall

The Endowment Fund represents resources provided to build up a fund to ensure the future financial wellbeing of the Church. The Endowment Fund, a portion of which was originally donated in the 1970s, was done so with the restriction that it should not be spent on any activities outside of the parish, or routine running costs of the church. It is the policy of the PCC that it should be used as a reserve against major expenditure on the church fabric and churchyard.

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

1. ACCOUNTING POLICIES (continued)

Income recognition

All income is recognised once the Church has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

1. Voluntary Income

- Collections at services are recognised when received on behalf of the PCC.
- Planned giving is recognised when received and related Gift Aid is accrued for.
- Funds raised through events are accounted for gross.
- Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount is quantifiable and the ultimate receipt by the PCC is considered probable.

Other Income

- Operating income from other sources such as letting of church premises, magazine sales/advertising and parochial fees is recognised when due.
- Income from bank and CBF interest is recognised when received

Expenditure

- All expenditure is accounted for on an accruals basis.

Fixed Assets

Consecrated Property and Movable Church Furnishings

- Consecrated land/buildings and equipment are not included in the financial statements by virtue of the Charities Act 2011 Under the PCCs (Powers) Measure 1956, all PCCs are trustees of income and expenditure but not necessarily of assets, so that any expenditure whether maintenance or improvement, incurred on consecrated or benefice buildings or moveable church fittings, is written off as expenditure in the year.
- Movable church furnishings held by the Rector 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 inventory which can be inspected at any time.

Other church buildings

- The accounts for the PA Hall and Mugswell Hall are both shown under restricted funds. The PCC has made a decision not to show these buildings within fixed assets. Both of these halls were built before the start of the 20th century and the PCC believes that in the context of today's accounts showing these at cost would be immaterial.
- The Orchard - The PCC believes that since the Diocese of Rochester owns the church, the churchyard and the land on which the Orchard is built, it would be inappropriate to capitalise the Orchard as if it belonged to us.
- Depreciation is provided at the following rates to write off the cost of fixed assets over their useful lives:
Furniture, fittings & equipment- Straight line over 3 - 5 years

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

1. ACCOUNTING POLICIES (continued)

Current assets

Income tax recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid. Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

Creditors and provisions

Creditors and provisions are recognised where the Church has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments.

2 Income and Expenditure

The PCC has chosen to show income and expenditure on a fund by fund basis for both the historic and current periods. This gives greater clarity rather than the amalgamated basis for the historic period which is outlined in the PCC Accountability Manual (published 2006 and updated to incorporate SORP 2015).

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

Note 2a Unrestricted general church funds	2021	2020
INCOME	£	£
<u>Voluntary income</u>		
Planned Giving	123,242	136,619
Collections (plate) at services	1,522	1,812
Income tax recoverable	25,192	30,368
Grants received	18	3,092
Donations etc.	11,081	8,791
Legacies	7,923	500
	168,978	181,182
<u>Income From Church Activities:</u>		
Wedding, Baptism and Funeral fees	15,073	11,988
Contractual income	25	48
	15,098	12,036
<u>Activities for generating funds</u>		
Magazine sales	2,031	1,649
Magazine advertising	1,082	1,395
Fetes and other fundraising events	41	-
Orchard hire	450	930
	3,604	3,974
Interest income	1,165	3,315
TOTAL INCOME	188,845	200,507
EXPENDITURE		
<u>Church Activities</u>		
Parish Share	120,000	120,000
Clergy expenses	1,821	884
Church building maintenance	6,520	8,143
Churchyard maintenance	492	151
Youth, children, music and hospitality	31,610	37,150
Church running expenses	47,760	38,692
Organ costs	-	300
General & secretarial expenses	30,419	31,765
Printing and stationery	8,550	8,966
Depreciation	5,046	5,046
	252,218	251,097
<u>Grants</u>		
Overseas mission societies	3,484	7,697
Christian relief & development agencies	500	500
Home mission & other church societies	4,130	3,102
	8,114	11,299

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

Note 2a Unrestricted general church funds (continued)

<u>Fund Raising costs</u>		
Fund raising costs total	225	1,464
TOTAL EXPENDITURE	260,557	263,860

Note 2 (b) Restricted Funds			
Trust Funds		2021	2020
		£	£
Income			
Dividends & Interest		-	-
Expenditure			
Flowers & upkeep of graves		-	-
Net Income		-	-
Balance at 1 January		367	367
Balance at 31 December		367	367
Bell Fund		2021	2020
		£	£
Income			
Interest		-	-
Surplus from weddings		-	-
Net income		-	-
Transfers		-	-
Balance at 1 January		28,576	28,576
Balance at 31 December		28,576	28,576
Specific Donations		2021	2020
		£	£
Income			
Collections		-	30
Donations etc		100	9,202
Events		-	-
		100	9,232
Expenditure			
Overseas mission societies			
Christian relief & development agencies		4,001	459
Home mission & other church societies			-
Secular charities		-	(689)
Refunds		-	9,202
Total Grants		4,001	8,972

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

Note 2 (b) Restricted Funds (continued)

Net Income		(3,901)	260
Balance at 1 January		5,455	5,195
Balance at 31 December		1,554	5,455

	2021	2020
	£	£
Appeal Fund		
Income	100	-
Expenditure		
Grants to home mission & other church societies	-	-
Costs of Fundraising	-	-
Equipment purchases	-	3,136
	-	3,136
Net Income/(expenditure)	100	(3,136)
Balance at 1 January	6,803	9,939
Balance at 31 December	6,903	6,803

	2021	2020
	£	£
Peter Aubertin Hall		
Income		
Operating activities to generate funds	-	-
Church hall lettings	9,644	9,525
	9,644	9,525
Dividends & interest	-	-
Other Income	-	-
	9,644	9,525
Expenditure		
Church hall running costs	6,139	6,849
Church hall building maintenance	8,940	3,500
Administration of Hall Bookings	4,000	4,000
	19,079	14,349
Net Income	(9,435)	(4,824)
Transfers	-	-
Balance at 1 January	10,439	15,263
Balance at 31 December	1,004	10,439

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

Note 2(b) Restricted funds (continued)

Mugswell Hall		2021	2020
		£	£
Income			
Donations		-	-
Church hall lettings		427	235
		427	235
Expenditure			
Church hall running costs		998	1,022
Church hall building maintenance		-	148
		998	1,170
Net Income		(571)	(935)
Balance at 1 January		2,487	3,422
Balance at 31 December		1,916	2,487

Fabric Fund		2021	2020
		£	£
Income			
Bequest		5,000	4,988
Expenditure			-
Net Income		5,000	4,988
Balance at 1 January		54,988	50,000
Balance at 31 December		59,988	54,988

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

3: Fixed assets for use by the PCC		
		Furniture, fittings and equipment
Cost	At 1 January 2021	22,218
	Additions at cost	-
	At 31 December 2021	<u>22,218</u>
Depreciation	At 1 January 2021	8,978
	Charge for the year	5,046
	At 31 December 2021	<u>14,024</u>
Net book value	At 31 December 2021	<u>8,194</u>
	At 31 December 2020	<u>13,240</u>

4: Staff Costs		2021	2020
		£	£
Wages and salaries		49,305	58,096
Social security costs		934	1,204
Employers Pension costs		1,603	1,354
Total		<u>51,842</u>	<u>60,654</u>
Average number of employees		3	3

Wages and salaries include the administration costs charged against the PA Hall accounts. At the start of the year the PCC employed a finance assistant and a children and families worker, none of whom earned £60,000 pa or more. Our children and families worker left during 2021 and we recruited a youth worker. None of the employees were members of the PCC during 2021. There were no employee benefits to key management personnel in the previous or current year.

5 Debtors		2021	2020
		£	£
Due within one year			
Income Tax recoverable		24,809	9,543
Prepayments		5,667	5,491
Other Debtors		1,229	933
Total debtors		<u>31,705</u>	<u>15,967</u>
6 Liabilities		2021	2020
		£	£
Amount falling due within one year			
Deferred Income		150	300
Accruals		9,458	18,610
Total liabilities		<u>9,608</u>	<u>18,910</u>

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

7 Analysis of Net Assets by Fund				
2021				
	Current	Fixed assets	Current	Fund
	Assets		Liabilities	Balance
	£	£	£	£
Unrestricted Funds	769,738	8,194	(8,022)	769,910
Fabric Fund	59,988			59,988
Trust Funds	367			367
Bell Fund	28,576			28,576
Appeal Fund	6,903			6,903
Specific Donations	1,554			1,554
PA Hall	1,982		(976)	1,004
Mugswell Hall	2,525		(610)	1,917
Endowment Fund	132,278			132,278
Total Funds	1,003,911	8,194	(9,608)	1,002,497
2020				
	Current	Fixed assets	Current	Fund
	Assets		Liabilities	Balance
	£	£	£	£
Unrestricted Funds	846,090	13,240	(17,708)	841,622
Fabric Fund	54,988		-	54,988
Trust Funds	367		-	367
Bell Fund	28,576		-	28,576
Appeal Fund	6,803		-	6,803
Specific Donations	6,009		(554)	5,455
PA Hall	11,087		(648)	10,439
Mugswell Hall	2,487		-	2,487
Endowment Fund	132,278		-	132,278
Total Funds	1,088,684	13,240	(18,910)	1,083,015

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2021 (continued)

8. Related party transactions

During the year 1 (2020: 1) member of the PCC was reimbursed £67 (2020: £317) for travel and subsistence expenses.

Abigail Page (daughter of Shirley Page who was a PCC member until April 2021) received remuneration of £10,895 (2020: £18,307) for her role as Children and Families worker

9. Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are payable:

		2021	2020
		£	£
Within 1 year		1,430	1,430
Within 2 to 5 years		2,860	3,934
		4,290	5,364
Lease payments during the year		1,430	1,799

10. Endowment fund

The Endowment Fund, a portion of which was originally donated in the 1970s, was done with the restriction that it should not be spent on any activities outside of the parish, or on routine running costs of the church. During 2018 the cost of strengthening the Bell Tower and adding a wooden gallery, were charged against the fund. There was no expenditure charged against the fund in 2019, 2020 and 2021.