

REGISTERED CHARITY NUMBER: 1127555

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

FOR

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

CMB Partnership Limited
Chartered Accountants & Registered Auditors
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Guildford
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THE PAROCHIAL CHURCH COUNCIL OF
THE CHURCH OF ST JOHN THE EVANGELIST, MERROW

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Page
Legal and Administrative Information	1
Annual Report of the Parochial Church Council	2
Report of the Independent Examiners	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8

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

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

Churchwardens

Mr Peter Tappin
Mrs Carole Burtonwood

PCC Secretary

Mr Nicholas Bond
Mrs Tricia Tappin

Treasurer

Mrs Lindsay Dobson

Other PCC members

Mrs Helen Chambers
Mrs Sonya Graham
Mrs Kate Verschoyle
Mr Joe Bullock
Mr Robert Avis
Mrs Jane Farquharson
Mr David Hunt
Mrs Cathy Thompson

CENTRE MANAGER

Mr Barry Dickinson

YOUTH WORKER

Mrs Hannah Harvey

INDEPENDENT EXAMINER

Mr Russell Brown ACA
CMB Partnership Limited
Chartered Accountants & Registered Auditors
7 Wey Court, Mary Road
Guildford
GU1 4QU

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

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2019.

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 £85,487 (£92,999).

Collections and other giving

As well as service collections and envelopes, this category includes donations for Mission and Charitable Giving, amounting to £18,655.

Other receipts, including charitable funds generated

Fund raising events generated income of £1,944 (£9,375) including for Mission and Charitable purposes.

Receipts from church activities

This category includes wedding and funeral fees of £11,200 (£6,508).

Centre letting income was £26,380 (£23,363).

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

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Expenditure

The largest single item of expenditure was the Diocesan Parish Share of £88,356 (£83,357).

Mission and Charitable Giving was £4,280 (£6,732), which in these austere times is a testimony to the generosity of all at St Johns.

Church Centre running costs, excluding depreciation, were £24,893 (£58,098).

Overall position

During the year our income has exceeded our expenditure. We extend our thanks as always to the continuing support of our parishioners.

At year end our cash position was £354,262 (£224,003). This is partly due to the disposal of the curate's house during the year.

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 2021

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 14th March 2022

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 2021

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 2021 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

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
7 Wey Court, Mary Road
Guildford
Surrey GU1 4QU

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 2021

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total £	2020 Total £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	124,511	31,610	-	156,121	163,903
Activities for generating funds	3	42,365	-	-	42,365	31,474
Investment income	4	1,387	-	947	2,334	1,996
Incoming resources from charitable activities		-	-	-	-	-
TOTAL INCOMING RESOURCES		168,263	31,610	947	200,820	197,373
RESOURCES EXPENDED						
Costs of generating voluntary income	5	1,147	-	-	1,147	488
Grants and charitable giving	6	3,200	977	892	5,069	6,732
Direct costs of church activities	7	115,038	29,216	-	144,254	173,033
Church centre running costs	8	24,893	6,304	-	31,197	64,531
Church management and administration	9	4,280	-	-	4,280	5,124
Governance costs	10	2,340	-	-	2,340	2,280
TOTAL RESOURCES EXPENDED		150,898	36,497	892	188,287	252,188
NET INCOMING/(OUTGOING) RESOURCES		17,365	(4,887)	55	12,533	(54,815)
TRANSFERS						
Transfers between funds	17	8,671	(8,872)	201	-	-
OTHER RECOGNISED GAINS/(LOSSES)						
Gains/(losses) on disposal of tangible fixed assets		178,741	-	-	178,741	-
Gains/(losses) on investment assets	14	10,387	-	4,654	15,041	2,732
NET MOVEMENT IN FUNDS		215,164	(13,759)	4,910	206,315	(52,083)
Total funds as at 1st January 2021		334,192	533,503	38,739	906,434	958,577
TOTAL FUNDS AS AT 31ST DECEMBER 2021		549,356	519,744	43,649	1,112,749	906,494

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 14 form part of these accounts

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


BALANCE SHEET AS AT
31 DECEMBER 2021

	Notes	<u>2021</u>		<u>2020</u>	
		£	£	£	£
FIXED ASSETS					
Tangible	13		409,307		641,478
Investments	14		<u>352,511</u>		<u>42,470</u>
			761,818		683,948
CURRENT ASSETS					
Debtors	15	449		1,928	
Cash at bank		<u>354,262</u>		<u>224,003</u>	
		354,711		225,931	
CREDITORS : Amounts falling due within one year	16	<u>(3,780)</u>		<u>(3,445)</u>	
NET CURRENT ASSETS			<u>350,931</u>		<u>222,486</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,112,749</u>		<u>906,434</u>
FUNDS	17				
Unrestricted general funds			549,356		334,192
Restricted funds			519,744		533,503
Endowment funds			<u>43,649</u>		<u>38,739</u>
			<u>1,112,749</u>		<u>906,434</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

The notes on pages 8 to 14 form part of these accounts

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

NOTES TO THE ACCOUNTS
31 DECEMBER 2021

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 2019.

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 2021
(CONTINUED)

	Unrestricted funds	Restricted funds	Endowment funds	2021 Total	2020 Total
2. VOLUNTARY INCOME	£	£	£	£	£
Planned giving	66,155	-	-	66,155	72,435
Collections and other giving	18,655	-	-	18,655	13,436
Income tax recovered under Gift Aid	19,332	-	-	19,332	20,564
Other receipts	5,612	1,610	-	7,222	9,375
Grants	13,757	30,000	-	43,757	41,822
Legacies and other income	1,000	-	-	1,000	6,271
	<u>124,511</u>	<u>31,610</u>	<u>-</u>	<u>156,121</u>	<u>163,903</u>
3. INCOME FROM ACTIVITIES FOR GENERATING FUNDS	£	£	£	£	£
Receipts from church centre	27,930	-	-	27,930	23,363
Receipts from church activities	11,200	-	-	11,200	5,636
Other activities for generating funds	3,235	-	-	3,235	2,475
	<u>42,365</u>	<u>-</u>	<u>-</u>	<u>42,365</u>	<u>31,474</u>
4. INVESTMENT INCOME	£	£	£	£	£
Dividends and interest	1,387	-	947	2,334	1,996
	<u>1,387</u>	<u>-</u>	<u>947</u>	<u>2,334</u>	<u>1,996</u>
5. COSTS OF GENERATING FUNDS	£	£	£	£	£
Fundraising and publicity expenses	1,147	-	-	1,147	488
	<u>1,147</u>	<u>-</u>	<u>-</u>	<u>1,147</u>	<u>488</u>
6. GRANTS AND CHARITABLE GIVING	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total £	2020 Total £
Missionary and charitable giving	3,200	977	892	5,069	6,732
	<u>3,200</u>	<u>977</u>	<u>892</u>	<u>5,069</u>	<u>6,732</u>

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

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021
(CONTINUED)

	Unrestricted funds	Restricted funds	Endowment funds	2021 Total	2020 Total
	£	£	£	£	£
7. DIRECT COSTS OF CHURCH ACTIVITIES					
Diocesan parish share	88,356	-	-	88,356	83,357
PCC - funerals and weddings	3,700	-	-	3,700	1,225
Staff salaries	5,090	29,096	-	34,186	19,240
Clergy allowances and expenses	915	-	-	915	1,660
Ministry support and training	872	-	-	872	254
Rectory repairs and maintenance	701	-	-	701	1,460
Curates house repairs and maintenance	267	-	-	267	1,138
Organ and choir expenses	510	-	-	510	1,557
Repairs to church	1,220	-	-	1,220	46,202
Church running expenses	8,749	120	-	8,869	9,825
Churchyard upkeep	3,060	-	-	3,060	2,281
Magazine expenses	1,598	-	-	1,598	1,324
Depreciation of fixed assets	-	-	-	-	3,510
	<u>115,038</u>	<u>29,216</u>	<u>-</u>	<u>144,254</u>	<u>173,033</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	2021 Total	2020 Total
	£	£	£	£	£
8. CHURCH CENTRE RUNNING COSTS					
Staff salaries	3,200	-	-	3,200	35,016
Administration	1,747	-	-	1,747	2,381
Cleaning	6,173	-	-	6,173	7,196
Utilities	5,319	-	-	5,319	7,512
Maintenance	3,677	-	-	3,677	1,748
Maintenance PCC	2,100	-	-	2,100	1,744
Insurance	2,552	-	-	2,552	2,381
Bank charges	94	-	-	94	120
Sundries	31	-	-	31	-
Depreciation	-	6,304	-	6,304	6,433
	<u>24,893</u>	<u>6,304</u>	<u>-</u>	<u>31,197</u>	<u>64,531</u>

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

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021
(CONTINUED)

	Unrestricted funds	Restricted funds	Endowment funds	2021 Total	2020 Total
9 CHURCH MANAGEMENT AND ADMINISTRATION	£	£	£	£	£
Insurance	3,516	-	-	3,516	3,597
Rector recruitment and expenses	-	-	-	-	240
Church administration	272	-	-	272	319
Books and stationary	492	-	-	492	968
	<u>4,280</u>	<u>-</u>	<u>-</u>	<u>4,280</u>	<u>5,124</u>
10. GOVERNANCE COSTS	£	£	£	£	£
Independent Examination fees	<u>2,340</u>	<u>-</u>	<u>-</u>	<u>2,340</u>	<u>2,280</u>
	<u>2,340</u>	<u>-</u>	<u>-</u>	<u>2,340</u>	<u>2,280</u>
11. STAFF COSTS					
The church employed the equivalent of one (2020 - two) full time member of staff during the year					
12. TRUSTEES					
Trustees were not remunerated for any services in the year (2020 - nil)					

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

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13 FIXED ASSETS

TANGIBLE ASSETS

	Freehold land and buildings	Furniture and fittings	Other equipment	Total
COST	£	£	£	£
At 1st January 2021	775,135	70,247	18,587	863,969
Disposals	(273,052)	-	-	(273,052)
At 31 December 2021	502,083	70,247	18,587	590,917
DEPRECIATION				
At 1st January 2021	133,657	70,247	18,587	222,491
Charge for year	6,304	-	-	6,304
Disposals	(47,185)	-	-	(47,185)
At 31 December 2021	92,776	70,247	18,587	181,610
NET BOOK VALUE				
At 31 December 2021	409,307	-	-	409,307
At 31 December 2020	641,478	-	-	641,478

The freehold land and buildings comprise the St John's Centre. The curate's house was disposed during the year. The proceeds of the sale were £404,608. This has been put into a designated fund called Mission which will be used for providing Curate housing when required but also for other missional objectives as agreed by the PCC.

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

	2021 £	2020 £
Market value of investments held at 1 January 2021	42,470	39,738
Additions	295,000	-
Disposals	-	-
(Loss) on disposal	-	-
Revaluation gain/(loss)	15,041	2,732
Market value at 31 December 2021	352,511	42,470
The market value at 31 December 2021 represents investments for:		
	2021 £	2020 £
Unrestricted funds	315,323	9,936
Endowment funds	37,188	32,534
	352,511	42,470

£295,000 of the new Mission Fund was invested in a CCLA fund to form part of a longer term investment strategy.

15 DEBTORS

	2021 £	2020 £
Prepayments and accrued income	449	1,928

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

**NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(CONTINUED)**

16 CREDITORS	2021 £	2020 £
Accrued expenses	2,340	2,280
Other creditors	1,440	1,165
	<u>3,780</u>	<u>3,445</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	77,893	125,365	(124,780)	10,387	30,705	119,570
Designated funds						
Church Centre	11,346	39,279	(25,533)	-	-	25,092
Curate's house maint.	30,929	-	(195)	-	(30,734)	-
Curate's house build.	225,867	-	-	178,741	(404,608)	-
Mission	-	-	-	-	404,608	404,608
Tower Fund	(66)	101	-	-	51	86
Organ Restoration	(11,777)	3,518	(390)	-	8,649	-
Churchyard Designated	-	-	-	-	-	-
	<u>334,192</u>	<u>168,263</u>	<u>(150,898)</u>	<u>189,128</u>	<u>8,671</u>	<u>549,356</u>
Restricted funds						
St John's Centre	415,611	-	(6,304)	-	-	409,307
BabyBasics	-	1,510	(1,097)	-	100	513
Church fabric fund	103,875	-	-	-	(8,636)	95,239
Churchyard legacy	5,602	100	-	-	-	5,702
Baring Gould Grave	1,430	-	-	-	-	1,430
Youth Ministry	6,985	30,000	(29,096)	-	(336)	7,553
	<u>533,503</u>	<u>31,610</u>	<u>(36,497)</u>	<u>-</u>	<u>(8,872)</u>	<u>519,744</u>
Endowment funds						
Bequests	15	-	-	-	31	46
The Grant legacy	38,724	947	(892)	4,654	170	43,603
	<u>38,739</u>	<u>947</u>	<u>(892)</u>	<u>4,654</u>	<u>201</u>	<u>43,649</u>
Total	<u>906,434</u>	<u>200,820</u>	<u>(188,287)</u>	<u>193,782</u>	<u>-</u>	<u>1,112,749</u>