

Report of the Independent Examiner to the Parochial Church Council of St John the Evangelist, Dormansland

Charity Number 1127745

I report on the financial statements of the Parochial Church Council of St John the Evangelist, Dormansland, for the year ended 31st December 2020 which are set out on pages 2 to 5.

Respective responsibilities of the Council members and Examiner

The Charity's Council members are responsible for the preparation of the financial statements and they consider that an audit is not required for this year under section 144 of the Charities Act 2011 ('the Charities Act') and that an independent examination is needed.

It is my responsibility to:

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

Basis of Independent Examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from the Charity's Council members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no material matters have come to my attention which give me cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the financial statements did not accord with the accounting records; or
- the financial statements did not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 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.



R J E Bamford, FCA
Chartered Accountant

Dated: 11 March 2021

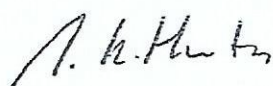
9 Peter Avenue
Oxted
Surrey
RH8 9LG

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2020	2019
Receipts and Payments Account	£	£	£	£	£
Receipts					
<i>Voluntary Receipts</i>					
<i>Regular Giving</i>					
Planned Giving	27479			27479	27471
Collections and other giving	929			929	3889
Income tax recovered	8543		125	8668	10712
<i>Other voluntary receipts</i>					
Donations (note2)	3280		5250	8530	13638
Grant for upkeep of churchyard		2000		2000	4000
<i>Receipts from activities for generating funds</i>					
Village Voice- donations and adverts		3188		3188	4457
Letting the Parish Room & Centenary Room	410	8627		9037	14168
Fundraising and Appeals (note 3)	6989			6989	6045
<i>Receipts from church activities</i>					
Fees for weddings and funerals	6504			6504	5776
<i>Receipts from investments</i>					
CBF deposit account interest	473		10	483	627
Total Receipts	54607	13815	5385	73807	90783
Payments					
<i>Church activities</i>					
Diocesan parish share	43100			43100	42240
Church running expenses	10590			10590	12753
Clergy expenses	3404			3404	2858
Cost of services	1373			1373	5352
Cost of AV system	0			0	11390
Maintenance of buildings and organ	2426		100	2526	2488
Quinquennial review	0			0	1028
Printing, stationary and computer	642			642	204
Printing the Village Voice	530	3188	500	4218	6635
Maintenance of Parish Room	0	3679	2052	5731	5982
Maintenance of churchyard	4668	2000		6668	4500
Charitable giving (note 4)	1367		2990	4357	3659
<i>Cost of generating funds</i>					
Cost of fundraising	0			0	647
Total Payments	68100	8867	5642	82609	99736
Excess of payments over receipts (-)	-13493	4948	-257	-8802	-8953
Transfers between funds (note 6)	4948	-4948	0	0	0
	-8545	0	-257	-8802	-8953
Cash funds at 1 January 2020	26906	70000	4596	101502	110455
Cash funds at 31 December 2020	18361	70000	4339	92700	101502


	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2020	2019
	£	£	£	£	£
Cash Funds					
Nat West Bank current account	10184	0	0	10184	14009
CBF Deposit Funds	8168	70000	4339	82507	87484
Petty Cash float	9	0	0	9	9
Total cash assets	18361	70000	4339	92700	101502
Other Monetary Items					
Income Tax Recoverable for 2020	8500	0	0	8500	8500
Other Assets					
Chalice	1200	0	0	1200	1200
Collator	1	0	0	1	1
Boiler	2172	0	0	2172	3022
Cooker	59	0	0	59	89
Hand dryers	221	0	0	221	346
Blinds	480	0	0	480	640
AV Equipment	10413	0	0	10413	15620
	14546	0	0	14546	20918
Liabilities					
Other Liabilities	0	0	0	0	0

The attached notes on pages 4 and 5 form part of these financial statements

The Financial Statements on pages 2 to 5 were approved by the Parochial Church Council on 11 March 2021 and are signed on their behalf by:



The Reverend Nigel Hinton (Chairman)



David Jessup (Honorary Treasurer)

Notes to the Financial Statements

1 Accounting Policies

Basis of Accounting

The Financial Statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006, as amended by the provisions of the Charities Act 2006 using the Receipts and Payments basis with items recognised at cost or transaction value and in accordance with applicable accounting standards.

2 Restricted Donations

	2020	2019
	£	£
<i>Mission Fund donations:</i>		
Donations by individuals (2020 £481 credited to general funds see note 6)	0	1583
Donations from the League of Friends of St Johns	0	5000
Total Mission Fund Donations	0	6583
Grants for introduction of a chairlift	1000	1300
Grants for the production of the Village Voice	500	800
Grants for the maintenance of the Parish Room	0	250
Grant for Messy Church	0	227
Grant for the Christmas Tree	100	100
Donations for Dormansland people suffering unduly from Covid	3650	0
	5250	9260

3 Fundraising and Appeals (gross income)

	2020	2019
	£	£
Fundraising and social events	66	2100
Bishop's Lent Appeal	145	345
Harvest Appeal	90	623
Haig Fund - Remembrance Day	69	310
Christmas Appeal to include Christingle collections	422	1552
Floodlighting Appeal	370	1115
September General Appeal	5827	0
	6989	6045

4 Charitable Giving

	2020	2019
	£	£
Age Concern-Oxted	600	600
Bishops Lent Appeal	145	594
Haig Fund (Remembrance)	200	310
<i>From Harvest Appeal (in 2020 the Harvest Appeal was limited due to Covid)</i>		
(2019 Water Aid)	0	483
(2019 Toilet Twinning)	0	120
<i>From Christmas Appeal and Christingle collections:</i>		
Welcare (2019 Crisis from Christmas)	197	442
Children's Society (2020 and 2019)	225	669
(2019 Starlight Children's Foundation)	0	442
Covid relief in Dormansland payments	2990	0
	4357	3659

5 Emoluments, Fees and Honoraria paid to members of the PCC, their related parties and others.

	2020	2019
Organists and musicians, including temporary organists	£130	£3,574
Parish Room management--collecting hire charges and maintenance	£87	£1,040

None of the above were to members of PCC and all were for services to PCC. There were no other payments to PCC members or their related parties except for reimbursement of Parish expenditure incurred in the course of their normal duties.

6 Funds**Designated Funds**

These funds are general funds which have been designated by the PCC for the particular purpose shown. These funds remain unrestricted and the PCC will move any surplus to other general funds as deemed appropriate.

	Parish Room Maintenance	Village Voice	Churchyard	Church Building Improvement	Total
	£	£	£	£	£
At 1 January 2020	20000	0	0	50000	70000
Income	8627	3188	2000	0	13815
Expenditure in the year	3679	3188	2000	0	8867
Transfer to general fund	4948	0	0	0	4948
At 31 December 2020	20000	0	0	50000	70000

The Church Building Improvement and Parish Room Funds comprises cash designated for future improvements. Income from Parish Room lettings, the Village Voice and Churchyard Grant are designated for related expenditure. All the reserved amounts above are set by the PCC and are reviewed annually.

Restricted Funds

These funds comprise revenue donations or grants for a specific PCC activity intended by the donors

	Mrs J Rever Parish Room Fund	Stairlift Fund	Covid Relief	Other restricted Donations and Appeals	Total Restricted Funds
	£	£	£	£	£
At 1 January 2020	3296	1300	0	0	4596
Donations received in the year (note 2)	10	1000	3775	600	5385
Expenditure in the year	2052	0	2990	600	5642
At 31 December 2020	1254	2300	785	0	4339

At 31 December 2019, the Audio Visual project to which the Mission fund was applied was complete. At that date, expenditure was in excess of £542 of income. This excess was charged to general funds at 31 December 2019. In the year to 31 December 2020, £481 was received for the Mission fund which was hence credited directly to general funds. This Mission Fund is therefore regarded as closed.

The Covid Relief fund is for the benefit of people living in Dormansland suffering undue stress and hardship as a result of Covid. At 31 December 2020 this comprised;

	Donations received	Donations made	Remaining balance
	£	£	£
Donations received directly by the PCC, including related Gift Aid	1275	651	624
Amounts donated to third parties and held to their account by the PCC	2500	2339	161
	3775	2990	785

St John the Evangelist, Dormansland

Annual Report of the Parochial Church Council

For the year ended 31 December 2020

Reference and Administrative Details

The Parochial Church Council of St John the Evangelist, Dormansland ("the PCC") has the responsibility of co-operating with the incumbent, a vacant position during the year subsequently filled by the Reverend Ian Whitley and with the Associate Vicar, the Reverend Nigel Hinton, in promoting the ecclesiastical Parish of Dormansland in the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The Parish is joined with that of Lingfield to comprise a United Benefice. It is a charity registered with the Charity Commission in England and Wales, registration number 1127745. The address for correspondence is St John's Vicarage, The Platt, Dormansland, Surrey, RH7 6QU.

The attached financial statements are prepared under the Church Accounting Regulations 2006 using the Receipts and Payments basis with items recognised at cost or transaction value unless otherwise stated and in accordance with applicable accounting standards.

Structure, Governance and Management

Members of the PCC are the managing Trustees of St John's and therefore have the responsibility of Charity Trustees. They are either ex officio or elected by the Annual Parochial Church Meeting ("APCM") in accordance with the Church Representation Rules and a list of those can be found in the minutes of the APCM to be held on 18 April 2021. These minutes are attached to the report accompanying these financial statements. The PCC members who served during the year were:

<i>Ex officio</i> The Reverend Nigel Hinton (<i>Incumbent</i>)	<i>Other elected Members</i> Katherine Cobby William Davies Ann Mackie Zoe Nichols John Pordum Wendy Rose Rosemary Williams
<i>Elected Members</i> Raymond Daines (<i>Church Warden</i>) Clive Cobby (<i>Church Warden</i>) David Jessup (<i>Treasurer</i>) Susan Calamassi (<i>Deanery Synod</i>) Jim Lee (<i>Deanery Synod</i>) Cynthia Taylor (<i>Deanery Synod</i>) Graham Taylor (<i>Deanery Synod</i>)	<i>Secretary to PCC but not a member of PCC</i> Phil Durell (<i>Resigned in the year</i>)

The full PCC meets at least six times during the year. The process for appointment of PCC members is set out in the Church Representation Rules and they are elected by those members of the congregation of St John's who are on the electoral roll of the Church. They are responsible for making decisions on all matters of general concern and importance to the Parish including decisions on how the funds of the PCC are to be spent.

Objectives and Activities (including Public Benefit)

The PCC is committed to enabling as many people as is possible to worship at the Church and to become part of the community at St John's. The PCC maintains an overview of Anglican worship throughout the Parish and makes suggestions on how it services the many groups that live within it. Services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning activities for the year, consideration is given to the Charity Commission's guidance on public benefit and in particular, the supplementary guidance on charities for the advancement of religion. This is enabled through worship and prayer, provision of pastoral care as well as missionary and outreach work.

Financial Review

The results for the year have been severely impacted by the Covid pandemic. However, despite that, overall, the deficit in cash flow has been contained as marginally less than in 2019.

The following table is an estimate of the impact that Covid has had on the net deficit in comparison to last year, plus other factors that have resulted in only this relatively small net year-to-year movement.

	£'000	£'000
Covid related impact		
Reduction in amounts from collections in services	-3.0	
Lost income from lettings of Parish Room and Centenary Room	-5.1	
Lost revenue from Village Voice advertising	-1.3	
Lost income from regular donors, appeals and fundraising activity	-4.9	
	<u>-14.3</u>	
But the organist was not replaced, and other service costs were less	4.0	
Church running costs such as electricity and gas were less	<u>2.2</u>	
Net estimated Covid related impact		-8.1
Resultant general appeal in September -- donations		5.8
Other fluctuations year to year that would have occurred anyway		
Reduced recovery of Gift Aid tax 2020 because income dropped 2019	-2.0	
The AV Mission appeal ended 2019 & negative cash flow not repeated	4.8	
2019 had an artificial doubling up of churchyard grant due to timing	-2.0	
2019 quinquennial review costs were non-recurring	<u>1.0</u>	
		1.8
Other fluctuations year to year (net)		0.6
Net fluctuation year to year (2019 £8953 cf 2020 £8802 per page 2)		<u>0.1</u>

Hence it could be argued that the Covid impact could have been a lot worse.

In seeking to understand the underlying trends, at a high level, if the annual appeal is maintained at the sort of amounts that were produced in September 2020, then as things return to normal after Covid, the financial situation would be getting closer to a breakeven point. In addition, the PCC have agreed a reduction of 5% in the Parish Share for 2021, rather than the more normal inflationary increase. That will reduce costs in 2021 by approximately £2,000.

That said, it is still a fragile financial situation because a lot of recurring income is vested in regular giving from relatively few people. Sadly, as people pass on, the regular planned giving, which is our main source of income, needs to be replaced. Ultimately that must come from less senior members of the church. One focus for 2021 must be to encourage more new younger members to join St Johns and contribute regularly to the costs of running the church. PCC are grateful to a few younger members in 2020 who have made that move.

The PCC is mindful that a number of our regular supporters such as the Roland Callingham Foundation and the Dormansland Carnival Committee have been unable to help us financially to the extent they have in previous years. The League of Friends of St John's have kindly signalled their ability to help financially, but the church's own projects and initiatives have themselves been limited by Covid. We acknowledge the long-term commitment and work in supporting us to date and in the future, from all our loyal supporters.

We are grateful to Dormansland Parish Council and Surrey County Council for their valuable grants and gifts that have helped on a number of fronts and are also grateful to a number of individuals for their generous donations.

Income from the Parish Room was considerably reduced as above but nonetheless we are grateful to Anne van Vliet for managing the collection of hiring dues and the premises, in addition to editorial support to Village Voice. We are also pleased that Dormansland Pre-School has continued to use the facilities for their activities where practical and are grateful for that. We are also grateful to our other regular Parish Room users who have grappled with changing rules and constraints.

The income generated by Village Voice from advertising and donations was also reduced as above. We continue to support the enhanced appearance and quality of printing, commensurate for such an important source of news, editorial and service advertising to the village, aided by some grant income. Thanks are due to Roz Daly for co-ordinating advertising income, Tom Windsor for editorial, En Route for printing and the distribution team for their work.

The charitable giving has had to drop this year as a natural consequence of the factors described above. The PCC are committed to restoring charitable giving by St John's to more usual levels in normal times.

Capital Commitments

At 31 December 2020, the PCC had non-contracted commitments to install a chairlift at a cost of c. £2,700. This project has been greatly assisted by a generous grant of £1,300 from Surrey County Council and a further donation of £1,000 from a kind individual. The chairlift will connect the main

body of the church to the Centenary Room, to ease movement around the building for those less mobile. These funds are included within these financial statements with the expenditure to be incurred in 2021.

Reserves Policy

The PCC is committed to a policy of retaining sufficient free reserves in order to be able to sustain continued activities in the event of any unforeseen temporary reduction in income or unexpected major expense. At 31 December 2020 this requirement for free reserves was approximately £20,000 (2019 £20,000). It is estimated as 3 months normal expenditure which is in accordance with PCC intent and adopted policy.

Free reserves at 31 December 2020 amounted to £17,961 (2019 £24,842). This amount is calculated as total general funds less the unfunded commitment to purchase church equipment. These free reserves do not include designated reserves of £70,000, which have not been committed.

Continued Operations

The cash results for the last two years are not totally satisfactory. Whilst the PCC are taking actions to reduce future deficits, a successful program to return to a small surplus situation is required in 2021. There are significant reserves to absorb deficits, but it is important to manage finances in order to produce at least recurring surpluses and hence secure a long term sustainable situation.

The PCC will continue to focus on further integration with community activities in the village of Dormansland, in order to attract additional church attenders and also those interested in engaging with its wider activities, with the objective of continually striving to become more relevant.

The PCC encourage any attenders at church who are not already members of one of the planned giving schemes to consider joining one and where possible, to do that under Gift Aid provisions, which enable recovery of 25% of amounts donated from HMRC.

The PCC is not aware of any concerns that might impact the Charity's ability to continue operating in normal fashion for the foreseeable future.



David Jessup FCA Honorary Treasurer to the PCC

11 March 2021