

**THE PAROCHIAL CHURCH COUNCIL OF
GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)**

**AUDITED TRUSTEES ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2023

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)

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**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
ADMINISTRATIVE INFORMATION AT 31 DECEMBER 2023**

CHARITY REGISTRATION NUMBER 1128305

TRUSTEES as at 31/12/23:	The Rev Simon Taylor The Rev Simon Willetts The Rev Patrick Samuels The Rev Andrew Spencer Sir Andrew Baker Mrs. Sarah Black Mr David Brockman Mr Patrick Elshen Mr Christopher Garner Mrs Susan Hardy Mrs Penny Harris	Dr Karen Hart Mr Dudley Hilton Mr Stephen Kinder Mr Martin Lambert Mrs Jill Mace Mr Graham Sopp Mr Ian Tomes Mr David Wilkin Mr James Wilson
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PRINCIPAL OFFICE: Church Office
 Old Rectory, Old Rectory Gardens
 Godalming, Surrey GU7 1XB

MANAGEMENT ACCOUNTS: Lesley Reeves
 Tuesley Tax & Accounts
 6 Tuesley Corner
 Godalming, GU7 1TB

PAYROLL: AJ Bennewith and Co., Chartered Accountants
 3 Wey Court, Mary Road
 Guildford, Surrey GU1 4QU

AUDITORS: Moore (South) LLP
 Suite 3, Second Floor, Friary Court
 13-21 High St, Guildford, Surrey, GU1 3DG

BANKERS: NatWest Bank Limited
 280 Bishopsgate
 London EC2M 4RB

INVESTMENTS: The CBF Church of England Funds
 Senator House, 85 Queen Victoria Street
 London EC4V 4ET

SOLICITORS: Charles Russell Speechlys LLP
 One London Square, Cross Lanes
 Guildford, Surrey GU1 1UN

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Introduction

The PCC members, who are also the charity's trustees, submit their annual report and the audited financial statements for the year ended 31 December 2023. The trustees have adopted the Church Accounting Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland, FRS102 second edition, and the Charities Act 2011.

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of Busbridge (PCC) was registered with the Charity Commission on 27th February 2009 and its governing document is the Parochial Church Council (Powers) Measure (1956) and under this measure the PCC has the responsibility of "co-operation with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical". It is also responsible for the maintenance of Busbridge Church and other parish buildings.

Objectives, Activities and Public Benefit

The mission of Busbridge Church is expressed as "Loving God", "Making Disciples" and "Transforming Communities". Specific objectives in support to that mission are:

- To build a worshipping and praying community
- To evangelise and spread the gospel of Jesus Christ
- To provide excellent youth and children's work
- To support our church school
- To provide a care network for the bereaved, elderly and lonely
- To develop and empower church and lay leaders
- To provide facilities at the centre of our community

The PCC is aware of the Charity Commission's guidance on public benefit in "The advancement of religion for the Public Benefit" and has regard to it in their administration of the church.

The PCC believes that by promoting the Christian faith it provides a benefit to the public by:

1. Providing facilities for public worship, building community, pastoral care and spiritual development, both for existing church members and for anyone who wishes to benefit from what the church offers.
2. Promoting Christian values, and service by members of the church in and to their community, to the benefit of individuals and society as a whole.

Achievements and Performance

The number of people on the electoral roll as at 31 December 2023 was 229 (2022: 240). For 2023, average weekly attendance was 128 adults and 31 children (under 16) (2022: 115 adults and 30 children).

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2023 (continued)**

Achievements and Performance (continued)

During 2023, most services continued to be livestreamed, and the availability of services to view online at a later date proved particularly popular.

Youth and Children's work provided a broad range of activities during the year. An average of 23 children attended various groups on Sunday morning, plus an average of 7 at the youth group on Sunday evening. As new initiatives during the year a Youth Café was started at St. Marks Church with an average of 17 young people attending and a Friday night social began in Busbridge in December 2023 ABC toddler group took place during the week, and Sunday children's groups, Pathfinders and Ichthus for teenagers met regularly and some trips away took place. In June 2023, Marcus Hockley joined the team as Children and Families Pastor.

The Older Person's Ministry continued to provide very valuable pastoral support with hearing aid clinics and social activities throughout the year.

The church continued to use volunteers to support activities as much as possible, although it has proved more difficult to attract volunteers following the Covid disruption. In particular, volunteers continued to be active in providing pastoral support, organising small group and children's activities, leading worship and providing technical support.

Having opened in March 2022, the Yew Tree Café continued to grow through 2023, as part of the church's outreach to the wider community. It continues to involve the employment of a full time manager and two part-time assistant managers as well as around 20 volunteers. Revenue continued a generally upward trend through the year, reaching a level at which VAT registration was required from October 2023. Recognising the outreach aspect of the café, PCC has budgeted for a small deficit each year. The deficit was a little higher than planned for 2023, but prices have now been increased to address this.

The church supported various organisations with grants during the year as detailed in Note 11. Total grants to organisations in 2023 totalled £19,278 (2022: £16,978). Following the Russian invasion of Ukraine in 2022, the remit of the Church Family Support Fund had been expanded to provide support to Ukrainian families seeking refuge in the UK. Total CFSF grants to individuals in 2023 totalled £6,450 (2022: £7,650).

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2023 (continued)

Structure, Governance and Management

The PCC lay members are elected from the individuals registered on the parish electoral roll. The members holding office during the year 2023, and up to the date of this report, were as follows:

Ex Officio

Incumbent	The Rev Simon Taylor
Associate Minister	The Rev Simon Willetts The Rev John Harkin (from Jan 2024) The Rev Sheila Samuels (from Jan 2024)
Curate (in training)	The Rev Patrick Samuels
Churchwardens	Mrs Susan Hardy (until Dec 2023) Mr William Bryans (from Jan 2024) Mr David Wilkin
Treasurer	Mr Martin Lambert
Licensed Lay Ministers	Mr Dudley Hilton LLM Representative on PCC (Other LLMs: Dr Peter Shaw, Mrs Clare Haddad, Mr Keith Harper and Mrs Philippa Baker)

Elected Lay Members

Ms. Janice Arnold (from Jan 2024)	Mr Michael Hawkey (from Jan 2024)
Sir Andrew Baker (from May to Dec 2023)	Mr Stephen Kinder
Mrs Sarah Black	Mrs Jill Mace
Mr. David Brockman (from May to Dec 2023)	Ms Leonora Miles (from Jan 2024)
Mr. David Chadwick (from Jan 2024)	Mr Robin Morris (until May 2023)
Mr Sebastian Cheek (from Jan 2024)	Mrs Hilary Reeve (from Jan 2024)
Mr Andrew Dunn (from Jan 2024)	Mr Adrian Sadler (from Jan 2024)
Mr Patrick Elshen	Mr Malcolm Smith (from Jan 2024)
Mr Christopher Garner (until December 2023)	Mr Graham Sopp
Mrs Shelagh Godwin (until May 2023)	Mr Ian Tomes
Mr Gavin Harper (from Jan 2024)	Mr James Wilson (from May 2023)
Dr Karen Hart	Mr Mark Williams (until May 2023)
Mrs Penny Harris (until December 2023)	

Co-opted Members

Curate	The Rev Andrew Spencer (until Dec 2023)
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All PCC members are commissioned each year and agree to fulfil their responsibilities as they are best able. An annual declaration of conflicts of interest is completed by each member.

Busbridge and Hambledon churches continued as a United Benefice to end-2023 and members of Busbridge PCC and Hambledon PCC met as one group in a joint PCC. Six regular meetings were held in the year. All PCC members are encouraged to take an active part in one or more sub-committees. The Governance group of Hambledon and Busbridge met to set the agenda for each regular PCC meeting and to consider issues pertaining to management and finances. Day to Day management of the charity is delegated to the Rector, the Reverend Simon Taylor.

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2023 (continued)**

Recruitment and Appointment of Trustees

Lay church members are encouraged to stand for election to the PCC. They are proposed and seconded by anyone on the electoral roll prior to election at the Annual Parochial Church Meeting. Elected lay members of the PCC hold office for three years and are eligible to stand for a second three-year term after which they are required to take a one year break before standing again.

Training of Trustees Policy

New PCC members receive written information on the work of the PCC and their responsibilities as members. Training is tailored to individual needs depending on the experience of the individual involved.

Summary of Results, Achievements and Financial Review

INCOMING RESOURCES

Total income for the year was £576,464 (2022: £609,101).

Total unrestricted income amounted to £518,690 (2022: £505,773), the majority of which related to planned giving, which including gift aid was £254,748 (2022: £271,988). Also included is a further grant of £25,000 from Guildford Diocese to further the Minster project in 2023 (£30,000 was received in 2022).

RESOURCES USED

Total resources expended for the year was £688,559 (2022: £665,786), of which £615,944 (2022: £486,299) was from unrestricted funds, with parish share, £109,596 (2022: £109,330) being the highest single cost.

Total employment costs, including social security and pension contributions totalled £183,535 (2022: £166,580). The increase was partly due to inflation increases and partly to the employment of an additional full time children's worker from mid-2023.

UNRESTRICTED FUNDS

At year end unrestricted funds were £253,581 (2022: £326,066).

Further details of all Unrestricted Funds can be found in note 23 on page 32.

RESTRICTED FUNDS

At the year end restricted funds were £3,653,947 (2022: £3,463,745).

Further details of all Restricted Funds can be found in note 22 on page 30.

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2023 (continued)**

FUTURE PLANS

In July 2022, PCC had made a significant decision (in line with similar decisions of the trustees of Hambledon PCC and Godalming PCC) to work towards a merger of the 3 parishes with effect from 1st January 2024. The move is fully supported by the Diocese of Guildford. The decision was endorsed by an Extraordinary Parochial Church Meeting in October 2022. The process to put the merger into effect continued during 2023, and the assets and liabilities of Hambledon and Godalming were transferred to Busbridge PCC on 1st January 2024. Busbridge PCC has now been renamed Godalming Minster, with both the name change and the merger being registered with the Charity Commission

The Minster was formally launched with a celebratory service in St. Peter and Paul Church, Godalming on 14th January 2024. During 2024, Godalming Minster intends to expand its mission and ministry to the local community, across the entire area of the former parishes of Godalming, Busbridge and Hambledon. A revised Sunday service pattern was launched in January 2024, notably with the Contemporary service relocating from Busbridge Church to St. Peter and Paul Church, allowing space for significant growth. Sunday services covering a full range of worship styles as well as weekday activities will continue to be available at all 4 churches comprising the Minster and at other locations in the local community. A significant building project to refurbish the tower of Busbridge Church was approved by PCC in November 2023 with a budgeted cost of £43,800 plus VAT, with the work expected to be carried out during Q2, 2024.

Grant funding from central church via Guildford Diocese will continue until end 2025, by which time Minster income will need to have grown or there will be a need to scale back some activities commensurate with then available funding.

RISK POLICY

The PCC recognises its responsibilities for managing risk. There are risk assessment protocols in place for all church activities on and off site. The PCC maintains a formal Risk Register, which is reviewed on an annual basis. The principal risks and uncertainties identified relate to (a) loss of income if voluntary giving were to fall substantially and (b) dissatisfaction of key employees or volunteers. These risks are actively managed in line with the risk register.

RESERVES POLICY

It is the policy of the charity and the trustees to maintain unrestricted funds, some of which are designated for specific purposes. The aim is to hold sufficient unrestricted funds to meet the unrestricted expenses of the PCC for at least six months in case of a substantial fall in income - this is felt to be approximately £300,000 on an ongoing basis. The status of unrestricted reserves and decisions regarding those designated for specific purposes are reviewed annually by PCC, normally as part of the budget setting process for the following year.

INVESTMENT POLICY

The PCC has a policy of holding shares in the CBF Church of England Investment Fund to obtain a higher long-term return than available from a standard deposit account, provided that at least £150,000 is retained in immediate access accounts paying little or no interest. In addition, the PCC holds the Investment Properties as detailed in Note 15.

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED AT 31 DECEMBER 2023 (continued)**

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees 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 the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102) second edition;
- 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. 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.

Signed on behalf of the Parochial Church Council on

2024

Martin Lambert, Treasurer

Simon Taylor, Rector

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)**

Opinion

We have audited the financial statements of The Parochial Church of Godalming Minster (formerly The Parochial Church Council of the Ecclesiastical Parish of Busbridge) (the 'charity') for the year ended 31 December 2023 which comprise Statement of Financial Activities, Balance Sheet, Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE) (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
(continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- The engagement partner selected staff for the audit led by persons who had sufficient experience, along with the required competence and skills in the not-for-profit sector to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including due to fraud, management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls and disclosure requirements.
- Completeness of income was also judged a significant risk, most specifically in relation to the café income, as there is a risk income could be recognised in the incorrect period or omitted.
- Some income received is restricted in its use and a significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered the most significant to be Charities Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council, Church Accounting Regulations and Gift Aid compliance. We considered how the charity complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of internal controls in place to mitigate the significant risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls testing, where appropriate, analytical review and substantive procedures, involving tests of transactions and balances. Any irregularities were discussed with management and additional corroborative evidence was obtained as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- reviewed sensitive nominal ledger codes,
- reviewed the disclosures within the financial statements to ensure that they meet the requirements of the accounting standards and relevant legislation; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
(continued)**

To address the risk of fraud through revenue recognition we:

- agreed a sample of income received from source documentation through to the accounting records;
- reviewed and agreed income either side of the year end to ensure income was recorded in the correct period;
- discussed with management to confirm there was no further income to be included; and
- reviewed board minutes for evidence of any further unrecorded income

In response to the classification of income and expenditure between restricted and unrestricted we:

- completed analytical work, compared to prior year and budget;
- agreed a sample of income recorded in the nominal ledger to source documentation to ensure any restrictions were correctly identified;
- agreed a sample of expenditure per the nominal ledger to supporting documentation, confirming any restriction applied met the purpose for which the income was given; and
- reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

**For and on behalf of Moore (South) LLP,
Statutory Auditor**

Moore (South) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Suite 3, Second Floor, Friary Court
13-21 High St
Guildford, Surrey, GU1 3DG**

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
STATEMENT OF FINANCIAL ACTIVITIES
AT 31 DECEMBER 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Donations and legacies	3	294,626	57,774	352,400	418,858
Charitable activities	4	94,893	-	94,893	66,516
Other trading activities	5	9,006	-	9,006	12,419
Investments	6	53,708	-	53,708	49,270
Other	7	66,456	-	66,456	62,038
		518,690	57,774	576,464	609,101
Expenditure					
Raising funds	8	10,915	-	10,915	9,665
Charitable activities	9	580,081	72,615	652,696	635,186
Other costs	10	24,947	-	24,947	20,935
		615,944	72,615	688,559	665,786
Net income before investment gains		(97,254)	(14,841)	(112,095)	(56,685)
Gains / (losses) on investments	15 / 17	24,769	205,043	229,812	92,981
Net income		(72,485)	190,202	117,717	36,296
Transfers between funds	22 / 23	-	-	-	-
Net movement in funds		(72,485)	190,202	117,717	36,296
Reconciliation of Funds:					
Total funds brought forward		326,066	3,463,745	3,789,811	3,753,515
Total funds carried forward		253,581	3,653,947	3,907,528	3,789,811

Notes 1 - 28 on pages 15 - 35 form an integral part of these accounts

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
BALANCE SHEET
AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible assets	14	2,311,828	2,355,448
Investments	15	1,525,000	1,331,000
		<u>3,836,828</u>	<u>3,686,448</u>
Current Assets			
Stock		920	260
Debtors	16	66,477	32,951
Investments	17	320,812	285,000
Cash at bank and in hand		262,757	347,039
		<u>650,967</u>	<u>665,250</u>
Current Liabilities			
Creditors: amounts due within one year	18	(140,267)	(41,887)
Net Current Assets		<u>510,700</u>	<u>623,363</u>
Total Assets less Current Liabilities		<u>4,347,528</u>	<u>4,309,811</u>
Creditors: amounts due after one year	19	(440,000)	(520,000)
Total Net Assets		<u>3,907,528</u>	<u>3,789,811</u>
The Funds of the Charity			
Restricted	22	3,653,947	3,463,745
Unrestricted	23	253,581	326,066
Total Funds		<u>3,907,528</u>	<u>3,789,811</u>

Approved by the Parochial Church Council on:

2024

and signed on its behalf by:

Reverend S Taylor

Mr M Lambert

Rector

Treasurer

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
CASH FLOW STATEMENT
AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash from operating activities	27	(127,075)	(44,140)
Cash flows from investing activities			
Interest & rents from investments	42,793	41,353	
Sale / (purchase) of investments	-	(10,000)	
Purchase of fixed assets	-	(10,543)	
Net cash used in investing activities		42,793	20,811
Cash flows from financing activities			
Repayments of borrowing	-	(15,000)	
Net cash used in financing activities		-	(15,000)
Change in cash and cash equivalents		(84,282)	(38,329)
Cash and cash equivalents at 1 Jan 2023		347,039	385,368
Cash and cash equivalents at 31 Dec 2023		262,757	347,039

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2023**

1. ACCOUNTING POLICIES

1.1 Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, with the exception of investment properties and current asset investments which are included at market value.

The financial statements are prepared in sterling which is the functional currency, and amounts have been rounded to the nearest pound.

The charity is a public benefit entity as defined by FRS102 and is unincorporated.

1.2 Going Concern

The PCC has assessed whether the use of the going concern basis is appropriate and has considered possible events or circumstances that might cast significant doubt on the ability of the charity to continue as a going concern. Particularly on account of a continuing broad base of voluntary giving, the available reserves and the ability to manage expenditure in line with any future variation in income, the going concern basis is still considered appropriate. In addition, considering the formation of Godalming Minster with effect from 1st January 2024, the PCC has also considered the 2024 budget and financial position and future plans across all 3 former parishes and determined that the merger does not affect the appropriateness of the going concern basis.

1.3 Income

- Planned giving, sundry and other donations, and collections are recognised when received by the PCC.
- Income tax recoverable on donations eligible for Gift Aid is recognised when the donation is received and when eligibility (a valid Gift Aid declaration) is established.
- Legacies are accounted for at the earlier of:
 - the date on which the charity is aware that probate has been granted;
 - the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or
 - when a distribution is made from the estate.

Receipt of a legacy, in whole or part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

- Grant Income is recognised when the PCC is notified of its legal entitlement and the amount due.
- Income from charitable activities including the café and the Bridge magazine is subject to VAT, which is payable on a part business basis. VAT on attributable costs is reclaimable.
- Other trading activities include parochial fees from weddings and funerals, and use of the church buildings. Along with income from fundraising, these are recognised in the period in which the event takes place.
- Investment income, including rental income, is accounted for in the period in which the charity is entitled to the receipt.
- Other income includes fees from Hambledon PCC and is accounted for in the period in which the charity is entitled to receipt.

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023**

1. ACCOUNTING POLICIES (continued)

1.4 Resources Expended

All expenditure is accounted for on the accruals basis inclusive of VAT.

- Raising funds includes those costs related to the management and repair of the investment properties and direct costs associated with fundraising activities.
- Charitable expenditure includes the café operating costs and costs related to the production and sale of The Bridge, as well as other expenses including grants relating to relevant projects undertaken. The charity allocates specific costs to the various activities that they undertake and determine those that can be treated as restricted in the accounts.
- VAT is payable on a part business basis and VAT on attributable costs is reclaimed.
- Grants are charged in the year that they are approved for payment. No grants are deferred.
- Other costs include all expenditure not related to raising funds or the charitable activities undertaken.

1.5 Corporation Tax

The charity is exempt from corporation tax according to schedule 3 of the Charities Act 2011.

1.6 Support Costs

Support costs are those functions that assist the work of the charity but do not directly relate to raising funds or charitable activities. These costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whilst others are apportioned on an appropriate basis.

1.7 Donated Services and Goods

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

In accordance with the Charities SORP, the services of volunteers are not reflected in the Statement of Financial Activities as their donated time is not quantifiable.

1.8 Fixed Assets

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is not reported within these financial statements in accordance with the Charities Act 2011. No cost or value is placed on movable church furnishings held by the church wardens on trust for the PCC and which require a faculty for disposal since the PCC considers them to be inalienable property. All expenditure on consecrated buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities.

Freehold properties

Freehold properties held for use by the PCC with a value linked loan are stated at deemed cost. The Trustees deem the residual value to be at least equal to cost. Therefore, no depreciation is charged.

Other freehold properties held for use by the PCC are stated at cost. The non-land cost is depreciated over 10 years on a straight line basis.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

1. ACCOUNTING POLICIES (continued)

1.8 Fixed Assets (cont.)

Office equipment and fixtures and fittings

Individual items with a purchase price of £1,000 or less are written off on purchase.

Office equipment used by the PCC, and fixtures and fittings in its properties, are depreciated so as to spread the cost of each asset, less its estimated residual value, over its expected useful life of 4 years.

1.9 Investment Properties

All Investment properties are included in the accounts on an open market basis as estimated by the trustees.

Unrealised gains and losses are taken to the Statement of Financial Activities.

1.10 Stock

Stock is trading stock held by the Café and is recorded at the lower of cost and net realisable value.

1.11 Debtors

Other debtors are recorded at settlement amount. Prepayments are valued at the amounts prepaid at the balance sheet date.

1.12 Current Asset Investments

Investments are recognised initially at cost, which is the transaction price less transaction costs. Subsequently, the investments are included at closing mid-market value at the balance sheet date. Any gain or loss is taken to the Statement of Financial Activities.

1.13 Cash at Bank and in Hand

Cash at bank and in hand includes cash and short term highly liquid investments with short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Creditors

Trade and other creditors are recognised when the charity has a present obligation resulting from past events and can be measured or estimated reliably. Creditors are recognised at their settlement amounts.

1.15 Public Benefit Concessionary Loans

Interest free loans were generously provided by some church members to facilitate the Old Rectory project. These loans have not been discounted per FRS 102 section 13 and 14.

1.16 Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.17 Pensions

The PCC operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities in the year they are payable. The assets of the scheme are held separately from those of the PCC in an independently administered fund. The pension charge represents the amounts payable by the Charity in the year.

**THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023**

1. ACCOUNTING POLICIES (continued)

1.18 Funds

Unrestricted Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and that are available for application to the general purposes of the PCC. They include Designated Funds earmarked by the PCC for a particular purpose. The PCC has five Designated Funds; the Operational Reserve Fund, The Bridge (magazine) Fund, the Nexus Fund, the Yew Tree Café Fund and the Minster Fund. Note 23 describes the funds and their purposes.

Restricted Funds

Restricted funds are funds of the PCC that are subject to restrictions on their use imposed by the donor, that is, they are funds given for a specific purpose and the PCC cannot use them to meet its general purposes. Note 22 describes the funds and their purposes. The balance on the restricted funds for capital items at the year end is at least equal to the net book value in the accounts.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Determination of values of investment property

The trustees review the valuation of each of the investment properties at the end of each year based on their knowledge of the market and house sales in and around the year from internet research, with validation by local estate agents with knowledge of the market from time to time. If the trustees' valuation is inaccurate then the valuation of investment property in the financial statements will be misstated. The valuation basis of each property is described in Note 15.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

3. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Incoming resources from donors				
Planned giving Gift Aid	174,763	-	174,763	185,430
Tax recoverable - Planned	43,691	-	43,691	46,900
Planned giving non Gift Aid	36,295	-	36,295	39,658
Sundry donations	6,605	-	6,605	7,172
Tax recoverable - Sundry	1,225	-	1,225	1,630
Collections	1,813	-	1,813	72
Special Collections	-	3,707	3,707	7,549
Tax recoverable - Other	18	456	474	1,427
Directed gifts	1,217	-	1,217	1,507
Word and Worship	-	21,173	21,173	22,089
Old Rectory	-	20,608	20,608	39,230
Reordering	-	-	-	3,750
Youth Fund	-	4,950	4,950	4,950
Church Family Support Fund	-	6,881	6,881	5,943
Café project	-	-	-	18,707
Minster project	25,000	-	25,000	30,000
Grant income	1,000	-	1,000	1,844
	291,626	57,774	349,400	417,858
Legacy income	3,000	-	3,000	1,000
	294,626	57,774	352,400	418,858

Included in 2022 was £103,328 of restricted income.

4. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Older Persons activities	733	-	733	459
Youth & Children activities	1,552	-	1,552	1,903
The Bridge magazine	9,483	-	9,483	8,092
Nexus	1,783	-	1,783	1,761
Yew Tree Café	81,342	-	81,342	54,301
	94,893	-	94,893	66,516

All income from charitable activities was unrestricted in 2022.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

5. Other Trading Activities

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2023 £	2022 £
PCC fees and services	8,844	-	8,844	12,089
Facilities use	162	-	162	330
	9,006	-	9,006	12,419

All income from other trading activities was unrestricted in 2022.

6. Income from Investments

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2023 £	2022 £
Bank interest:				
Short term deposit accounts	4,688	-	4,688	1,720
Rents:				
34 High Ridge	10,666	-	10,666	13,500
Church Cottage	16,500	-	16,500	15,800
School House	21,855	-	21,855	18,250
	53,708	-	53,708	49,270

All investment income in 2022 was unrestricted.

7. Other Ordinary Incoming Resources

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2023 £	2022 £
Other income	1,789	-	1,789	1,289
Hambledon	64,668	-	64,668	60,749
	66,456	-	66,456	62,038

All Other Ordinary Incoming Resources in 2022 was unrestricted.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

8. Raising Funds	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Investment property costs	10,915	-	10,915	9,665
	<u>10,915</u>	<u>-</u>	<u>10,915</u>	<u>9,665</u>

All costs for raising funds in 2022 were unrestricted.

9. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Grants				
Outward giving	13,670	-	13,670	10,540
Church Family Support Fund grants	-	6,450	6,450	7,650
Special collections	-	5,608	5,608	6,438
	<u>13,670</u>	<u>12,058</u>	<u>25,728</u>	<u>24,628</u>
Directed gifts	1,217	-	1,217	1,255
	<u>14,887</u>	<u>12,058</u>	<u>26,945</u>	<u>25,883</u>

Included in 2022 are grants from restricted funds of £14,088.

Details of grants made to institutions in the year are set out in Note 11.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Ministry				
Parish share	109,596	-	109,596	109,330
Churches Together	960	-	960	960
Clergy expenses	1,514	-	1,514	2,148
Rectory costs	3,314	-	3,314	2,051
Clergy fees	4,954	-	4,954	4,876
Hambledon clergy	38,098	-	38,098	38,970
Service costs	8,419	-	8,419	8,093
Word & Worship	-	729	729	11,808
Youth & children ministry	73,549	-	73,549	54,154
Older persons & befriending ministry	18,415	-	18,415	17,489
Pastoral	358	-	358	556
Evangelism	1,162	-	1,162	1,157
Other ministry	3,480	-	3,480	4,255
Minster	46,921	-	46,921	211
	310,739	729	311,468	256,056

Included in 2022 are payments from restricted funds of £11,808.

Training

Training	2,828	-	2,828	1,287
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Parish Activities

Youth & children activities	583	-	583	574
The Bridge magazine	9,321	-	9,321	8,696
Nexus	701	-	701	780
Yew Tree Café operations	92,784	-	92,784	62,529
Café depreciation	2,904	-	2,904	2,614
	106,292	-	106,292	75,192

All payments for training and parish activities in 2022 were from unrestricted funds.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
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NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Property Costs				
Church running costs	22,810	-	22,810	14,855
Church maintenance	1,641	-	1,641	6,140
Upkeep of churchyard	5,779	-	5,779	3,614
Re-ordering	-	13,522	13,522	8,143
Quinquennial	-	-	-	1,059
Old Rectory running costs	12,644	-	12,644	8,329
Depreciation Old Rectory	-	38,333	38,333	38,333
Old Rectory project	-	7,973	7,973	-
Café project	-	-	-	107,115
Loan interest Phillips Close	8,128	-	8,128	7,443
Phillips Close running costs	10,657	-	10,657	7,377
	61,660	59,828	121,488	202,409

Included in 2022 are payments from restricted funds of £153,592.

Support Costs				
General administrative costs	28,915	-	28,915	24,279
Administration salaries	54,265	-	54,265	49,586
Depreciation	494	-	494	494
	83,674	-	83,674	74,359

All support costs relate to charitable activities (2022 - all relate to charitable activities from unrestricted funds)

Total Charitable Activities Expenditure	580,081	72,615	652,696	635,186
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THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

10. Other Costs

	Unrestricted	Restricted	Total	Total
	Funds £	Funds £	2023 £	2022 £
Audit fees	12,000	-	12,000	10,000
Audit fees - prior year underaccrual	2,012	-	2,012	302
Accountancy & payroll	9,820	-	9,820	9,469
Bank charges	1,115	-	1,115	1,164
	<u>24,947</u>	<u>-</u>	<u>24,947</u>	<u>20,935</u>

All 'other costs' for 2022 were from unrestricted funds.
Other costs relate to the governance costs of the charity.

11. Grants in Year

	Total
	2023
	£
Grants to organisations in Year	
Warehouse Christian Trust	3,881
Busbridge Junior School	2,000
Trinity Trust	2,000
Salvador Childrens Trust	1,778
Nazareth Way	1,390
Mechanics for Africa	1,300
Milford Hospital	800
A Rocha UK	750
Bible Society	750
CPAS	750
Five Talents UK	750
Guildford Besom	750
Open Doors	750
Tearfund	750
Sanctuary Foundation	500
Citizens Advice	200
Smaller donations < £100	180
	<u>19,278</u>
CFSF grants to Individuals	6,450
	<u>25,728</u>

Included in the grant to the Warehouse Christian Trust is £2,530 from the 2022 Christmas Appeal.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

12. Staff Costs

	2023 £	2022 £
	£	£
Wages and Salaries	172,259	157,875
Employer National Insurance costs	6,490	4,840
Employer pension costs	4,785	3,865
	183,535	166,580

These costs include the youth minister, youth and children's workers, seniors ministry leader, administrative staff and café paid staff.

The average number of full and part-time staff during the year was 10 (2022 - 11).

No employees received emoluments in excess of £60,000 (2022 - None).

13. PCC Members' Remuneration

The PCC members did not receive any remuneration in the year (2022 - None).

PCC members expenses of £3,515 (2022 - £9,580) were reimbursed in the year.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

14. Tangible Fixed Assets

	Freehold Properties £	Office/Other equipment £	Fixtures & Fittings £	Total £
Cost or valuation				
At 1 January 2023	2,514,590	26,498	13,941	2,555,029
Additions	-	-	-	-
(Writedown)	-	-	(2,323)	(2,323)
At 31 December 2023	2,514,590	26,498	11,617	2,552,706
Depreciation				
At 1 January 2023	171,210	25,757	2,614	199,581
(Writedown)			(436)	(436)
Charge in year	38,333	494	2,904	41,732
At 31 December 2023	209,544	26,251	5,083	240,877
Net Book Values				
At 31 December 2022	2,343,380	741	11,327	2,355,448
At 31 December 2023	2,305,046	247	6,535	2,311,828

Fixtures and Fittings are café fittings and equipment, written down in 2023 for VAT now reclaimable.

Freehold Properties

The property at 14 Phillips Close was purchased in 1991 for occupation by assistant clergy for £102,000 plus incidental costs with assistance of a value linked loan of £102,000 from the Church Commissioners. In 2016 the church adopted FRS102 and therefore began to carry 14 Philips Close at a deemed cost of £440,000. The value linked loan is repayable either when the house is sold or ceases to be occupied by a licensed person. The terms of the value linked loan are such that the amount due to the Church Commissioners represents a fixed percentage of 100% of the value of the property. Interest is charged by the Church Commissioners at 3% per annum on the amount originally borrowed, the rate rising annually in line with increases in the retail price index and in 2023 was 7.97%. For 2023 the total interest paid on this value linked loan was £8,128.

The freehold properties are held within the Restricted Property Fund.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

15. Investment Properties

	2023	2022
Cost or valuation	£	£
At 1 January 2023	1,331,000	1,210,000
Transfers in	-	-
Revaluation in year	194,000	121,000
At 31 December 2023	1,525,000	1,331,000

The market value of investment properties has been increased by 15% on average at December 2023.

The property at 34 High Ridge was valued by the trustees at £475,000 in December 2023 with advice from Grantley Estate Agents based on current market conditions. The historic cost of this property is £83,950.

School House was valued by the trustees at £550,000 in December 2023 with advice from Grantley Estate Agents based on current market conditions. The historic cost of this property is £400.

Church Cottage was valued by the trustees at £500,000 in December 2023 with advice from Grantley Estate Agents based on current market conditions. The historic cost of this property is £75,492.

The investment properties are held within the Restricted Property Fund.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
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NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

16. Debtors

	2023	2022
	£	£
Amounts receivable within one year		
Gift Aid recoverable	13,171	14,288
Prepayments & accrued income	1,899	555
Other debtors	51,408	18,108
	66,477	32,951

17. Current Asset Investments

	2023	2022
	£	£
Market value at 1 January 2023	285,000	303,020
Additions / (Disposals)	-	10,000
Unrealised Gain / (Loss) in year	35,812	(28,019)
	320,812	285,000
At 31 December 2023		

The cost of investments is £201,028 (2022 - £201,028)

18. Creditors Falling Due Within One Year

	2023	2022
	£	£
Trade creditors	9,695	9,810
Accruals	46,469	24,114
Taxation and Social Security	(146)	2,025
Other creditors	4,249	5,938
Old Rectory Project loan	80,000	-
	140,267	41,887
At 31 December 2023		

The Old Rectory Project loan is held within the Old Rectory Restricted fund.

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

19. Creditors Falling Due After More than One Year

	2023	2022
	£	£
Church Commissioners Equity Loan	440,000	440,000
Old Rectory Project loan	-	80,000
At 31 December 2023	440,000	520,000

The Church Commissioners loan is not due until 14 Phillips Close is sold and matches the asset value. Interest is payable at 3% per annum on the amount originally borrowed, this rate rising annually in line with increases in the retail price index and in 2023 was 7.97%.

20. Old Rectory Project Loan

	2023	2022
	£	£
Due within one year	80,000	-
Due between two and five years	-	80,000
At 31 December 2023	80,000	80,000

The loans have been provided on an interest free basis.
The remaining £80,000 is due for repayment in December 2024.
The Old Rectory Project loan is held within the Old Rectory Restricted fund.

21. Retirement Benefit Schemes**Defined Contribution Schemes**

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund.

The charge to profit or loss in respect of employer contributions to the scheme was £4,785 (2022 - £3,865).

At the year end, no contributions were outstanding (2022 - £nil).

THE PAROCHIAL CHURCH OF GODALMING MINSTER
(FORMERLY THE PAROCHIAL CHURCH OF THE ECCLESIASTICAL PARISH OF BUSBRIDGE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
AT 31 DECEMBER 2023

22. Restricted Funds

	1 January 2023	Incoming resources	Outgoing resources	Transfers In / (Out)	Unrealised gains	31 December 2023
	£	£	£	£	£	£
Property Fund	3,234,380	-	(38,333)	-	194,000	3,390,046
Church Family Support Fund	66,039	6,881	(6,450)	-	7,032	73,502
Prime Time Fund	2,104	-	-	-	-	2,104
Word and Worship	38,026	21,173	(729)	-	2,182	60,652
Youth and Children	30,199	4,950	-	-	-	35,149
Old Rectory Project	32,843	20,608	(7,973)	-	-	45,478
Re-ordering Project	43,100	-	(13,522)	-	-	29,578
Staniford Children Fund	14,553	-	-	-	1,829	16,382
Special Collections Fund	2,500	4,163	(5,608)	-	-	1,055
Total Restricted Funds	3,463,745	57,774	(72,615)	-	205,043	3,653,947

Restricted funds for the year ended 31 December 2022

	1 January 2022	Incoming resources	Outgoing resources	Transfers In / (Out)	Unrealised gains/(losses)	31 December 2022
	£	£	£	£	£	£
Property Fund	3,151,713	-	(38,333)	-	121,000	3,234,380
Church Family Support Fund	72,651	5,943	(7,650)	-	(4,905)	66,039
Prime Time Fund	2,105	-	-	-	-	2,104
Word and Worship	29,498	22,089	(11,808)	-	(1,753)	38,026
Youth and Children	25,249	4,950	-	-	-	30,199
Old Rectory Project	87,961	39,230	-	(94,349)	-	32,843
Re-ordering Project	47,494	3,750	(8,143)	-	-	43,100
Staniford Children Fund	16,022	-	-	-	(1,469)	14,553
Special Collections Fund	279	8,659	(6,438)	-	-	2,500
Café project	8,001	18,707	(107,115)	80,408	-	0
Total Restricted Funds	3,440,973	103,328	(179,487)	(13,941)	112,873	3,463,745

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22. RESTRICTED FUNDS (continued)

1. The Property Fund - the PCC's properties are held by this fund. 34 High Ridge is currently vacant with refurbishment plans being developed. Church Cottage and School House are currently let. The income from the properties, when let, is not restricted. The Old Rectory was purchased in 2018 and transferred into the Property Fund.
2. The Church Family Support Fund holds funds received to support those in need, as agreed by the Stewards.
3. The Special Collections Fund holds funds raised for specific purposes, and are paid out as grants to the nominated organisations (see Note 11)
4. The Prime Time Fund holds funds received for the activities of Prime Time, the older persons ministry.
5. The Staniford Children Fund holds funds received for the children of the late Lisa Staniford to provide financial support and assistance for their education and wellbeing.
6. The Word and Worship Ministry Fund holds donations specifically provided to fund the cost of a worship leader, along with contributions towards the word and worship ministry costs.
7. The Old Rectory Fund relates to monies raised for the purchase of the former church rectory, its conversion for use as an office / community centre, and related projects. The related projects are principally conversion of Church Cottage (the former office) to residential use as an Investment Property and refurbishment of the Church Centre as a Café, which was completed in 2022. Purchase of the Old Rectory was completed in 2018 and the asset transferred to Tangible Fixed Assets.
8. The Re-Ordering Project holds funds given for the removal of pews from, installation of a wooden floor, and related upgrading work in the main church. Phase 1 of this project was completed in 2019, and further work was done in the following years, although somewhat delayed on account of Covid-19. The work is now largely complete.
9. The Youth and Children Work Fund holds monies given specifically for projects to support work with young people.
10. The Café Project Fund held funds given specifically for the refurbishment of the Centre as a Café serving the congregation and local community. The Yew Tree Café opened in March 2022.

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23. Unrestricted Funds

	1 January 2023	Incoming resources	Outgoing resources	Transfers In / (Out)	Unrealised gains	31 December 2023
	£	£	£	£	£	£
Designated Funds						
Operational Reserve	138,788	-	-	-	17,440	156,227
The Bridge magazine	559	9,483	(9,321)	-	-	721
Nexus	1,110	1,783	(1,921)	(100)	-	872
Yew Tree Café	11,327	81,342	(95,688)	9,617	-	6,598
Minster	29,790	25,000	(46,921)	-	-	7,869
	181,573	117,608	(153,850)	9,517	17,440	172,287
General Fund	144,493	401,082	(462,093)	(9,517)	7,329	81,294
Total Unrestricted Funds	326,066	518,690	(615,943)	-	24,769	253,581

The Yew Tree Café operating deficit of £9,617 (2022: £8,228) has been covered by a transfer from General Funds.

Unrestricted funds for the year ended 31 December 2022

	1 January 2022	Incoming resources	Outgoing resources	Transfers In / (Out)	Unrealised (losses)	31 December 2022
	£	£	£	£	£	£
Designated Funds						
Operational Reserve	152,794	-	-	-	(14,006)	138,788
The Bridge magazine	1,164	8,092	(8,696)	-	-	559
Nexus	1,168	1,761	(1,820)	-	-	1,110
Yew Tree Café	-	54,301	(65,143)	22,169	-	11,327
Minster	-	30,000	(211)	-	-	29,790
	155,126	94,154	(75,869)	22,169	(14,006)	181,573
General Fund	157,416	411,619	(410,430)	(8,228)	(5,886)	144,493
Total Unrestricted Funds	312,542	505,773	(486,299)	13,941	(19,892)	326,066

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23. UNRESTRICTED FUNDS (continued)

1. The Operational Reserve Fund holds funds to ensure that unrestricted expenditure can be met if there is a fall in income.
2. The Bridge Fund holds funds received for the publication of "The Bridge" magazine, published 6 times per year. Income and expenses for The Bridge are shown separately in notes 4 and 9 respectively.
3. The Nexus Fund holds funds raised for the group's activities as well as grants to its chosen charities. The group raised £750 with its 2023 Christmas Quiz, awarded to the Friends of Milford Hospital.
4. The Yew Tree Café Fund holds the operating assets of the café which opened in March 2022. The café's revenue has continued to increase in 2023, and along with the Bridge revenue, the church passed the VAT threshold in October. The deficit in 2023 was £14,346 after depreciation.
5. The Minster Fund holds grants from Guildford Diocese in order to further the Minster merger in 2023. The first £30,000 was received and included in the 2022 financial statements.

24. Analysis of Net Assets between Funds

	Fixed assets	Net current assets	Liabilities over one year	Total 31 December 2023
Restricted Funds	£	£	£	£
Property Fund	3,830,046		(440,000)	3,390,046
Church Family Support Fund		73,502		73,502
Prime Time Fund		2,104		2,104
Word and Worship		60,652		60,652
Youth and Children		35,149		35,149
Old Rectory Project		45,478	-	45,478
Re-ordering Project		29,578		29,578
Staniford Children Fund		16,382		16,382
Special Collections Fund		1,055		1,055
Total Restricted Funds	3,830,046	263,900	(440,000)	3,653,947
Unrestricted Funds	6,782	246,800		253,581
Total Funds	3,836,828	510,700	(440,000)	3,907,528

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24. Analysis of Net Assets between Funds - 2022

	Fixed assets £	Net current assets £	Liabilities over one year £	Total 31 December 2022 £
Restricted Funds				
Property Fund	3,674,380		(440,000)	3,234,380
Church Family Support Fund		66,039		66,039
Prime Time Fund		2,104		2,104
Word and Worship		38,026		38,026
Youth and Children Work		30,199		30,199
Old Rectory Project		112,843	(80,000)	32,843
Re-ordering Project		43,100		43,100
Staniford Children Fund		14,553		14,553
Special Collections Fund		2,500		2,500
Café Project		0		0
Total Restricted Funds	3,674,380	309,365	(520,000)	3,463,745
Unrestricted Funds	12,068	313,998		326,066
Total Funds	3,686,448	623,363	(520,000)	3,789,811

25. Operating Leases

Lessee

The charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Due within one year	1,321	1,321
Due between one and five years	660	1,981
	1,981	3,302

Lessor

The charity was due minimum lease payments under non-cancellable leases of investment properties, which fall due as follows:

	2023 £	2022 £
Due within one year	18,500	11,975
	18,500	11,975

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26. Related Party Transactions

During the year 21 (2022 - 19) trustees gave a total of £63,425 (2022 - £57,601) in donations to the church. Jacob Taylor, son of Simon Taylor (Rector), continued to provide audio visual services under contract. Luke Taylor, son of Simon Taylor (Rector), was contracted for services in a temporary capacity in the Café on occasion. Catherine Garner, wife of Christopher Garner (trustee), continued to be employed as Administrator. David Brockman, editor of The Bridge magazine, became a trustee from May 2023.

Amounts paid under these contracts during 2023 amounted to £18,472.

None of the key management personnel is remunerated by the charity: the Rector and Associate Minister are remunerated by the Guildford Diocesan Board of Finance.

27. Net Cash Provided by Operating Activities

Reconciliation of net income / expenditure to net cash flow from operating activities

	2023	2022
	£	£
Net income for the reporting period	117,717	36,296
Adjustments for:		
Depreciation / writedown	43,620	41,441
Losses / (gains) on investments	(229,812)	(92,981)
Interest & rents from investments	(42,793)	(41,353)
Decrease / (increase) in stock	(660)	(260)
Decrease / (increase) in debtors	(33,526)	(2,271)
(Decrease) / increase in creditors	18,380	14,988
Net cash provided by operating activities	<u>(127,075)</u>	<u>(44,140)</u>

28. Analysis of change in Net Cash

	As at 1 Jan 2023	Cashflow	As at 31 Dec 2023
	£	£	£
Cash at bank and in hand	347,039	(84,282)	262,757
Loans falling due within one year	-	(80,000)	(80,000)
Loans falling due after one year *	(80,000)	80,000	-
	<u>267,039</u>	<u>(84,282)</u>	<u>182,757</u>

* Excludes Church Commissioners loan linked to potential asset sale at estimated value of £440,000

	As at 1 Jan 2022	Cashflow	As at 31 Dec 2022
	£	£	£
Cash at bank and in hand	385,368	(38,329)	347,039
Loans falling due within one year	(7,500)	7,500	-
Loans falling due after one year *	(87,500)	7,500	(80,000)
	<u>290,368</u>	<u>(23,329)</u>	<u>267,039</u>

* Excludes Church Commissioners loan linked to potential asset sale at estimated value of £440,000