

ST MARY'S CHURCH, FETCHAM

(Registered Charity No. 1128915)

ANNUAL REPORT

and

FINANCIAL STATEMENTS

of the

THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED 31ST DECEMBER 2021

INCUMBENT

THE REV'D POUYA HEIDARI

**THE RECTORY
10a THE RIDGEWAY
FETCHAM
KT22 9AZ**

ANNUAL REPORT

FOR THE YEAR ENDED 31st DECEMBER 2021

Administrative information

St Mary's is the Church of England's Parish Church of Fetcham. It is situated in The Ridgeway, Fetcham and is part of the Diocese of Guildford. The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a registered Charity. It has no other related trusts or charities.

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

Ex officio members:

Rector	The Reverend Pouya Heidari (from 21 st Jun.2021)
Curate	Mrs Julie Partridge
Licensed Youth Minister	Mr Nathan Ghinn
Church Wardens	Mrs Brigitte Furze (to 25 th Apr. 2021)
	Mr Andy Black (to 25 th Apr. 2021)
	Mrs Jennifer Coles
	Miss Janet Clark (from 25 th Apr. 2021)

Elected members:

Vice Chairman	Mr Roger McKinlay (to 25 th Apr. 2021)
Diocesan Synod Representative:	Mr William King
Deanery Synod Representatives:	Mr Andy Black (to 25 th Apr. 2021)
	Mr Christopher Rickard (Hon. Treasurer)
	Mrs Jennifer Coles
	Mr Nigel Hunt

Elected PCC members:

Licensed Lay Minister	Mr Roger McKinlay
Licensed Lay Minister	Mrs Corinne Braid
Licensed Lay Minister	Mr Iain Whitlam (from 25 th Apr. 2021)
	Mr Paul Adair (to 25 th Apr. 2021)
	Mrs Hayley Kiely (to 25 th Apr. 2021)
	Mr Eric Martin (to 25 th Apr. 2021)
	Mr Trevor Paterson (to 25 th Apr. 2021)
	Miss Clare Perryman (to 25 th Apr. 2021)
	Mr Michael Raworth (to 25 th Apr. 2021)
	Mrs Jacky Breadmore
	Dr Caroline Salmon
	Mr Martin Roberts
	Mr Michael Tuddenham
	Mr Richard Furze
	Mrs Meg Frost (from 25 th Apr. 2021)
	Mr Adam Piggott (from 25 th Apr. 2021)

Structure, governance and management

Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

The PCC meets on a monthly basis.

A standing committee, consisting of the incumbent, churchwardens and treasurer meet if business needs to be transacted between PCC meetings.

The above replaces the recent practice of holding PCC meetings quarterly with a management team meeting on a monthly basis.

A much-expanded Ministry Team has been set up with representatives from all sub teams and ministerial and operational activities. This meets on a monthly basis.

Objectives and activities

The Incumbent and PCC have the responsibility of promoting the pastoral, evangelistic, ecumenical and social mission of the church. St Mary's aims to be a growing community of Christian people who desire to know Jesus better, to share our faith confidently with those around us and to demonstrate this in giving loving service to all.

Our vision incorporates the following three key activities:

Knowing Jesus - This is about strengthening our relationship with God, empowered by the bible and enabled by individual and communal prayer.

Sharing Faith - This is about communicating our faith with our Church family, and others we meet each day.

Loving Service - This is about taking actions which demonstrate Jesus' love for us. Through these actions, we aim to make a positive difference to people's lives in our village community and beyond.

Achievements and performance

Church attendance

There are 242 (2020: 247) parishioners on the Church Electoral Roll, a few of whom are not resident within the parish.

During the first quarter of 2021 normal services were suspended because of the lockdown. A virtual Sunday 10am service on Zoom was run during this period with an average number of connections of 74.

From 28th March the church was opened up for the 8am and 9am services with limited numbers and later for a 11.30am informal service. From the 8th of August the normal 8am and 9.30am and 11.15am Sunday services were restored and the online virtual service was discontinued. In September the 10am Thursday communion service was restored. Over all these services the average weekly attendance for adults and young persons was 125.

The weekly average attendance in 2019, the year before Covid, was 146 adults and 19 children and young persons.

Review of the year

Covid-19 continued to have a major impact on church activities with the closure of the church for services and the church hall in the first quarter of 2021. During this period we continued to provide communal worship through a virtual 10am Sunday service using Zoom. This service was accessed by St Mary's and friends in the wider UK but also in Uganda and Kenya. Saturday morning prayers were also continued virtually via Zoom.

The lockdown was eased at the end of the first quarter and the church was opened daily for private prayer and for limited services at 8am and 9am on Sundays and later a 11.30 informal service. The hall was made available to users from mid-May. We are most thankful for the regular cleaners and the volunteers from the church for cleaning the church and hall to meet Covid-19 cleaning requirements.

We had a very good response to the vacancy for the incumbent and in March selected and interviewed five candidates. All were considered a good fit, but one candidate stood out with an exceptional background and very relevant experience. We were therefore very pleased when the Reverend Pouya Heidari accepted to be our new rector. Pouya has a unique background having come to Christianity in Iran where he endured persecution and being a former international footballer. He comes to us after being a curate in the Diocese of Durham. Pouya and his wife Debbo and their two young boys joined us in May. He was installed as rector at a service in St Mary's on 21st June 2021. In October he ran an Ultra Marathon (40 miles) and raised £5,800 for the project to improve the creche and other facilities in the church hall.

From the 8th of August the normal Sunday services of 8am, 9.30am and 11.15am were restored with the latter streamed on You Tube. At this point the 10am zoom service was discontinued. The 10am Thursday service also returned. Most of the hall users from the community which reflect a variety of activities have returned to use the hall.

Messy Church which is a form of church for children and adults involving creativity, celebration and hospitality was reinstated and runs on the 2nd Friday of the month. Alternating with this in term time is **The Lighthouse** which was launched in September. This is a new after-school drop-in for children in school years 3-6 (ages 7-11).

With the easing of the restrictions, we have opened up other activities such as the bereavement café, Women's Breakfast and Who let the Dads out where dads and children can escape to play games etc,

Youth drop ins and activities were restarted, and the youth minister has been able to go back into schools.

We continued to be involved in the community with members being actively involved in Love Fetcham. This is an initiative that allows us to work with other Christians in our community (and with those of no faith), for the benefit of the community, several of our members have strong links with local charities supporting the community.

We are delighted that Ian Whitlam completed his training as a Local Lay Minister and was licensed on the 26th of June.

Our pastoral team was also expanded with four people completing the pastoral visitor's course.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

When planning our activities for the year, our incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on 'charities for the advancement of religion'.

The PCC met 11 times during 2021 to oversee these and other matters.

With the appointment of Pouya and his experience of working with youth and communities we are looking forward to engaging more with the local community and supporting it. This is especially for the elderly, young families and the socially isolated. We will also be looking at combining these initiatives with ones to bring in additional income to ensure the long-term financial stability of St Mary's.

Financial review

Income for the year was £303,300 (£245,300 – 2020). Expenditure was £204,100 (£250,200 – 2020). Overall, there was a surplus for the year of £99,100 (Deficit £4,900 – 2020).

Income

The overall income was up £58,000 on 2020. This was primarily due to receiving a legacy of £81,000 and the release of deferred income of £37,500 following the installation of the new rector. Single donations were received totalling £23,000 (£43,000 2020) including gift aid and including £7,100 from a successful Stewardship Campaign. The latter will also increase regular giving by £9,600 with gift aid. Fetcham Park House no longer require regular parking on the church drive so income from this was £2,600 less. In lieu of the loss of parking income they are willing to provide resources for certain work on the churchyard. In the third quarter they repaired the steps between the house grounds and the church at an estimated cost of £2,200,

Expenditure

The overall expenditure was down £46,000 on 2020 mainly because the 2020 expenditure included £53,900 capital expenditure on the hall. One-time costs relating to the interregnum were incurred as follows. Rectory expenditure included £6,400 for redecoration, repairs and installing a fence and Other Ministry costs included £1,200 for advertising the post.

The PCC made unrestricted donations of £15,200 (£16,900 – 2020)) to home and overseas missions. This was partially offset by the £4,000 refund of the 2020 donation to the Greenhouse Community Centre. Due to insurmountable difficulties, it was decided not to go ahead with the project.

There was an increase of £9,400 in Administration costs with staff costs £3,400 higher and expenditure of £1,600 for a laptop, router and web site set up. This also included a cost of £1,900 for an independent examination required because the income is over £250,000.

Reserves policy

Unrestricted reserves were £191,300 (£100,100 – 2020) at the year end.

The unrestricted reserves have been allocated as follows:

- £48,000 being three month's expenditures to cover cash flow requirements.
- £21,400 for major maintenance and projects.
- £40,000 for replacing church boiler and repairing church roof.

- £10,000 for the future projects which will support the community and also generate supplementary income to support the church.
- £10,100 for unallocated tithed charitable giving.
- £61,800 to cover the planned deficit for 2022 and future years and contingencies.

The restricted reserves were £11,000 (£3,000 – 2020) at the year end and were as follows:

- £8,100 for hall project
- £1,700 for choir fund.
- £1,200 for youth equipment.

The ongoing costs of running the church and providing our ministry exceed the regular income. The gap has in the past been covered by single donations.

The 2021 Stewardship Campaign was very successful in increasing regular giving by £9,600 and adding £7,100 to reserves.

Signed: P.Heidari

Reverend Pouya Heidari

Date: 6th April 2022

Chairman

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
BALANCE SHEET
31ST DECEMBER 2021

	NOTE	2021 £	2020 £
CURRENT ASSETS			
Debtors	7	32,921	43,219
Bank Balances:			
Current Account		7,203	5,259
C B F deposit		178,729	101,728
		<u>218,853</u>	<u>150,206</u>
CURRENT LIABILITIES			
Amounts falling due within one year:			
In respect of usual operating expenses	8	15,594	7,574
Deferred income	9	1,000	39,500
Net Current Assets		<u>202,259</u>	<u>103,132</u>
TOTAL NET ASSETS		<u>202,259</u>	<u>103,132</u>
 FUNDS			
	10 & 11		
Unrestricted general:		109,787	87,798
Unrestricted designated:			
Major Repairs & Projects		21,358	11,126
Church Building Fund		40,000	-
Future Initiatives Fund		10,000	-
Mission & Charity Giving		10,120	1,200
Churchyard		-	-
Restricted:			
Choir		1,738	1,733
Hall Project		8,068	1,275
Youth Fund		1,188	-
Charities		-	-
		<u>202,259</u>	<u>103,132</u>

Approved by the Parochial Church Council on 6th April 2022 and signed on its behalf by:

P.Heidari

C.C.Rickard

Reverend Pouya Heidari
Chairman

Christopher Rickard
Treasurer

The notes on pages 8 to 15 form part of these accounts

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

		2021				2020			
	NOTE	UNRESTRICTED FUNDS	DESIGNATED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS	UNRESTRICTED FUNDS	DESIGNATED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS
INCOME AND ENDOWMENTS									
Donations and legacies	1a	271,377	-	19,113	290,490	181,837	-	50,078	231,915
Other trading activities	1b	150	-	623	773	1,431	-	20	1,451
Charitable activities	1c	11,599	90	-	11,689	11,449	40	-	11,489
Income from investments	1d	264	30	12	306	358	45	52	455
		283,390	120	19,748	303,258	195,075	85	50,150	245,310
EXPENDITURE									
Charitable activities	2a	192,461	(112)	11,762	204,111	179,771	6,343	63,944	250,058
Raising Funds	2b	20	-	-	20	120	-	-	120
		192,481	(112)	11,762	204,131	179,891	6,343	63,944	250,178
NET INCOME/EXPENDITURE		90,909	232	7,986	99,127	15,184	(6,258)	(13,794)	(4,868)
TRANSFER BETWEEN FUNDS		(68,920)	68,920	-	-	-	-	-	-
NET MOVEMENT IN FUNDS		21,989	69,152	7,986	99,127	15,184	(6,258)	(13,794)	(4,868)
Total funds brought forward 1.01.2021		87,798	12,326	3,008	103,132	72,614	18,584	16,802	108,000
Total funds carried forward 31.12.2021		109,787	81,478	10,994	202,259	87,798	12,326	3,008	103,132

The notes on pages 8 to 15 form part of these accounts

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. INCOME AND ENDOWMENTS

	NOTE	UNRESTRICTED FUNDS £	2021 DESIGNATED FUNDS £	RESTRICTED FUNDS £	TOTAL FUNDS £	2020 TOTAL FUNDS £
a) Donations and legacies	4					
Planned Giving		111,280	-	-	111,280	118,893
Open plate collections		2,268	-	-	2,268	1,978
Appeals & Specific Donations		38,859	-	16,855	55,714	52,940
Income tax recoverable		35,651	-	2,258	37,909	36,551
Sundry donations		2,293	-	-	2,293	353
Grants		-	-	-	-	20,200
Legacies		81,026	-	-	81,026	1,000
		271,377	-	19,113	290,490	231,915
b) Other trading activities						
Fund raising events		150	-	-	150	1,431
Charitable appeals		-	-	623	623	20
		150	-	623	773	1,451
c) Income from charitable activities						
Parking - local business		2,600	-	-	2,600	5,200
Sale of Assets		-	50	-	50	-
Church Hall lettings -local community use		4,989	-	-	4,989	2,239
Fees for weddings and funerals		4,010	40	-	4,050	4,050
		11,599	90	-	11,689	11,489
d) Income from investments						
Bank interest		264	30	12	306	455
TOTAL INCOME		283,390	120	19,748	303,258	245,310

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

2. EXPENDITURE		2021				2020
	NOTE	UNRESTRICTED FUNDS £	DESIGNATED FUNDS £	RESTRICTED FUNDS £	TOTAL FUNDS £	TOTAL FUNDS £
a) Charitable activities						
Missionary and charitable giving	5					
Overseas						
-Missionary societies		6,000	-	62	6,062	10,357
-Relief agencies		1,000	-	114	1,114	1,000
Home						
-Church societies		(2,800)	-	-	(2,800)	6,200
-Relief agencies		7,000	-	459	7,459	4,867
		11,200	-	635	11,835	22,424
Ministry						
-Diocesan parish share		101,135	-	-	101,135	101,135
-Youth ministry costs		19,649	-	8,187	27,836	26,101
-Other ministry costs		4,204	-	-	4,204	2,043
-Rectory expenses		4,130	-	2,940	7,070	986
-Upkeep of services		1,613	-	-	1,613	1,641
-Church Music		3,653	-	-	3,653	3,405
Church						
-Running expenses		5,516	-	-	5,516	6,279
-Other maintenance		2,379	(152)	-	2,227	5,950
Hall						
-Running expenses		4,531	-	-	4,531	3,620
- New Facilities		-	-	-	-	53,852
Upkeep of churchyard		4,426	40	-	4,466	2,800
Publicity		1,356	-	-	1,356	637
Administration		28,669	-	-	28,669	19,185
		192,461	(112)	11,762	204,111	250,058
b) Raising funds						
Cost of fundraising activities		20	-	-	20	120
		20	0	0	20	120
TOTAL RESOURCES EXPENDED		192,481	(112)	11,762	204,131	250,178

Administration expenses includes £1,860 (2020: £nil) payable for the independent examination of the PCC's financial statements.

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

3 ACCOUNTING POLICIES

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements and have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from fees for weddings and funerals and from letting the facilities to the local community.

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

3 ACCOUNTING POLICIES CONTINUED

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity. The PCC generally seeks to tithe about 10% of the previous year's unrestricted income to charitable causes outside of the church. When the whole 10% has not been distributed in the year, the left over amount is set aside in a designated fund for distribution in the following year.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. To date, the PCC has not incurred any expenditure that needs to be capitalised.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

4. INCOME

This year's unrestricted income includes a legacy of £81,000 and the release of deferred income totalling £38,500, which became available for the PCC to use in 2021.

Single donations totalling £19,100 (including gift aid) were received to support specific expenditure.

This included £5,800 raised by the rector in running an ultra marathon.

A stewardship appeal was made during November and this with other responses during the year raised £10,800 (including gift aid) for general purposes.

5. MISSIONARY & CHARITABLE GIVING

	2021			2020
	UNRESTRICTED	RESTRICTED	TOTAL	TOTAL
	FUNDS	FUNDS	FUNDS	FUNDS
	£	£	£	£
Overseas Mission				
Church Mission Society	-	-	-	3,000
AMADET - Centre for Urban Mission Kibera	6,000	62	6,062	7,357
Overseas Relief				
Shines Children (Uganda) UK Supporters	1,000	-	1,000	-
Samaras Aid	-	-	-	500
Tearfund	-	-	-	500
Home Mission				
Christians Against Poverty	1200	-	1,200	2,200
Greenhouse Community Centre	(4,000)	-	(4,000)	4,000
Home Relief				
B@titude	1,000	-	1,000	1,500
The Meeting Room	1000	-	1,000	1,300
Transform Housing & Support	1000	-	1,000	1,000
Epsom & Ewell Foodbank Refuge	1000	-	1,000	1,000
1st Fetcham Scouts.	1000	-	1,000	-
Leatherhead Community Hub	1000	-	1,000	-
Besom	500	-	500	-
TAG Youth Club for Disabled Young People	500	-	500	-
DEC- Afghanistan Appeal	-	114	114	-
British Legion - Remembrance Service	-	222	222	-
Bishop of Guildford's Fund	-	209	209	-
Children's Society	-	28	28	67
	-	-	-	-
TOTAL	11,200	635	11,835	22,424

In addition to the above, a further £8,920 (£1,200 - 2020) was set aside in a designated Mission and Charity Giving reserve fund (as part of the PCC's tithe for 2021). By the year end a total of £10,120 had been set aside in this designated fund for distribution in 2022.

Greenhouse Community Centre

The 2020 donation to this organisation was refunded owing to the project not going ahead due to insurmountable difficulties.

Related Parties

Trustees which are also trustees of the receiving charities are:

The Meeting Room Richard Furze and Paul Adair

Leatherhead Community Hub Richard Furze

Shines Children (Uganda) UK Supporters Adam Piggott

Trustees which are employed by the receiving charities are:

Christians Against Poverty Jennifer Coles

During the year the PCC received donations totalling £68,300 (2020: £112,400) from related parties (which includes members of the PCC, any other members of key management and anyone closely connected to them).

Except for the reimbursement of expenses incurred when acting as agent for the charity, or incurred when undertaking clergy duties, no expenses were paid to (or for) the members of the PCC.

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

6. STAFF COSTS

	2021	2020
		£
Gross Salaries	45,922	41,810
Social Security	-	76
Pension Costs	1,010	881
	<u>£46,932</u>	<u>£42,767</u>

The church employs a youth minister and a parish administrator.

The youth minister, Nathan Ghinn, received salary and pension benefits totalling £26,603 (£25,825- 2020) and is an ex officio member of the PCC. These payments are permitted by the PCC's governing document.

Reverend Pouya Heidari (who is a clergy member of the PCC) receives a stipend from the Diocese and so he is not an employee; some of the Diocesan parish share is used to help meet the cost of his stipend.

Reverend Heidari was provided with accommodation (which is customary for clergy) and the cost of this accommodation to the PCC was £7,070 (£986 - 2020).

Most of the PCC's activities are carried out by volunteers; in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

	2021	2020
Average no. of employees	2	2

7. DEBTORS

	2021	2020
	£	£
Income tax recoverable	29,715	43,575
Donations due from Virgin Giving	4,065	-
PCC Fees	1,029	1,009
Car Parking	-	1,300
Sundry	272	100
Advance Hall Letting Fees	(1,370)	(1,760)
Advance Event Funding	(790)	(1,005)
	<u>32,921</u>	<u>43,219</u>

8. CREDITORS

	2021	2020
	£	£
Payroll	730	630
PAYE	822	256
Social Security	553	204
Services	4,946	6,387
Charities	8,000	-
Goods	388	-
Other	155	97
	<u>15,594</u>	<u>7,574</u>

9. DEFERRED LIABILITIES

	2021	2020
	£	£
Balance at the beginning of the reporting period	39,500	3,000
Amount released to income	(38,500)	(1,000)
Amount deferred in year	-	37,500
Balance at the end of the reporting period	<u>1,000</u>	<u>39,500</u>

Deferred income comprises donations received to fund general activities in future years once the related conditions have been satisfied. In 2020 the PCC deferred donations totalling £37,500, which were given to help fund the PCC's activities in 2021 once a new rector had been appointed. Reverend Heidari was appointed as rector in 2021 and the income deferred in 2020 was released in 2021.

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

10. UNRESTRICTED, DESIGNATED and RESTRICTED FUNDS

FUNDS	Opening Balance	Income	Expenditure	Transfers	Closing Balance
	£	£	£	£	£
Unrestricted	87,798	283,390	(192,481)	(68,920)	109,787
Designated:					
- Major Repairs & Projects	11,126	80	152	10,000	21,358
- Church Building Fund	-	-	-	40,000	40,000
- Future Initiatives Fund	-	-	-	10,000	10,000
- Mission & Charity Giving	1,200	-	-	8,920	10,120
- Churchyard	-	40	(40)	-	-
Restricted:					
- Hall Project	1,275	6,793	-	-	8,068
- Choir	1,733	5	-	-	1,738
- Youth Fund	-	9,375	(8,187)	-	1,188
- Charities	-	635	(635)	-	-
- Rectory	-	2,940	(2,940)	-	-
	103,132	303,258	(204,131)	-	202,259

Analysis of Net Assets by Fund

FUNDS	Assets	Liabilities	Fund Balance
	£	£	£
Unrestricted	126,381	(16,594)	109,787
Designated:			
- Major Repairs & Projects	21,358	-	21,358
- Church Building Fund	40,000	-	40,000
- Future Initiatives Fund	10,000	-	10,000
- Mission & Charity Giving	10,120	-	10,120
- Churchyard	-	-	-
Restricted:			
- Hall Project	8,068	-	8,068
- Choir	1,738	-	1,738
- Youth Fund	1,188	-	1,188
- Charities	-	-	-
	218,853	(16,594)	202,259

In the previous year the movements in the PCC's funds were as follows:

FUNDS	Opening Balance	Income	Expenditure	Transfers	Closing Balance
	£	£	£	£	£
Unrestricted	72,614	195,075	(179,891)	-	87,798
Designated:					
- Major Repairs & Projects	11,994	45	(913)	-	11,126
- Mission & Charity Giving	6,590	-	(5,390)	-	1,200
- Churchyard	-	40	(40)	-	-
Restricted:					
- Hall Project	15,059	40,067	(53,851)	-	1,275
- Choir	1,676	57	-	-	1,733
- Youth Fund	-	10,000	(10,000)	-	-
- Charities	-	25	(92)	-	-
	107,933	245,310	(250,178)	-	103,132

PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

10. UNRESTRICTED, DESIGNATED and RESTRICTED FUNDS continued

Analysis of Net Assets by Fund

In the previous year, the assets and liabilities of the various funds were as follows:

FUNDS	Assets	Liabilities	Fund Balance
	£	£	£
Unrestricted	134,872	(47,074)	87,798
Designated:			
- Major Repairs & Projects	11,126	-	11,126
- Mission & Charity Giving	1,200	-	1,200
- Churchyard	-	-	-
Restricted:			
- Hall Project	1,275	-	1,275
- Choir	1,733	-	1,733
- Youth Fund	-	-	-
- Charities	-	-	-
	<u>150,206</u>	<u>(47,074)</u>	<u>103,132</u>

11. FUNDS

Unrestricted general funds

It is policy to hold reserves to cover three months expenditure (£48,000).

The unrestricted fund (£109,787) provides this cover plus additional cover for any planned shortfall between income and expenditure in future years.

Unrestricted designated funds

The Church Building Fund has been set up from the income received from the legacy.

The church boilers are near the end of their life and would cost in the order of £25,000 to replace. The church roof will need expensive repairs in the near future.

The Major Repairs & Projects Fund (£21,358) covers maintenance and projects to improve facilities.

It is recognised that we wish to do more to support the community and that we also need to set up other sources of income to supplement the current income from giving.

The Future Initiatives Fund has been set up from the legacy income to provide seed funding for projects to enable this to happen.

The Mission & Charity Giving Fund (£10,120) represents the balance of funds set aside from a tithing of income that hadn't been distributed by the year end.

These funds will be distributed in 2022.

Restricted funds

The Hall Project Fund (£8,068) represents donations received for the planned new facilities in the hall.

The Choir fund (£1,738) resulted from specific donations given to help meet choir expenses.

The Youth Fund (£1,188) is the balance of funds donated to provide equipment.

The Rectory fund was created from donations received to help maintain the Rectory.

12. EVENTS SINCE THE YEAR END

Since the year end the PCC has received a legacy of £40,000, which was given to help repair and maintain church buildings and grounds. The final accounts for the Estate are not available yet and it may be that the PCC will receive a further distribution in due course. The Executors did not agree on the distribution until after the year-end and so the income from this legacy has not been included in the 2021 accounts.

INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF
PAROCHIAL CHURCH COUNCIL OF ST MARY'S FETCHAM
('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2021 on pages 6 to 15 following, which have been prepared on the basis of the accounting policies set out on pages 10 and 11.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act;
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and 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 accounts to be reached.

Ajay Rajani

Date: 10th May 2022

Ajay Rajani
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB