

Parochial Church Council of **St Mary's Church** Reigate
ANNUAL REPORT FOR 2020

St Mary's Church, Reigate

ANNUAL REPORT AND FINANCIAL STATEMENTS OF
THE PAROCHIAL CHURCH COUNCIL

for the year ended

31 December 2020

Charity Registration No: 1129140

Parochial Church Council of **St Mary's Church** Reigate

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INCUMBENT

Vicar
The Revd Richard Wilson
The Vicarage
76 Church Street
Reigate
Surrey
RH2 0SP

AUDITOR

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

BANKERS

HSBC UK Bank Plc
9 The Boulevard
Crawley
RH10 1UT

The Central Board of Finance of the Church of England
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Skipton Building Society
43 Church Street
Reigate
Surrey
RH2 0AE

National Westminster Bank Plc (Reigate)
Southampton Customer Service Centre
23 Brunswick Gate
Southampton
SO15 2AQ

ALL CORRESPONDENCE TO PRINCIPAL PLACE OF OPERATIONS:

St Mary's Parish Office
St Mary's Church Centre
Chart Lane
Reigate
Surrey
RH2 7RN
Tel: 01737 221100

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BACKGROUND

St Mary Magdalene Parochial Church Council (PCC) has the responsibility of co-operating with the incumbent in promoting within the ecclesiastical parish the whole mission of the Church of Christ. The PCC is also responsible for the maintenance of our buildings, which include the historic church of St Mary Magdalene (Reigate Parish Church), our Church Centre, the Heath Church and our staff housing.

The Parochial Church Council is a corporate body (PCC Powers Measure 1956, Church Representation Rules 2006) and is a charity registered with the Charity Commission under registration number 1129140.

MEMBERSHIP

Members of the PCC are either elected by the Annual Parochial Church Meeting in strict accordance with the Church Representation Rules or serve as ex officio members. The PCC can also exercise its right to invite co-opted members as it deems fit.

PCC MEMBERSHIP FOR THE YEAR ENDED 31 DECEMBER 2020

Elected Members

Deanery Synod

Mr P Chesterton
Mr P Darwent
Mr G Evans (from 28 Sept 2020)
Mr J Good (to 28 Sept 2020)
Mrs W Gregory (to 28 Sept 2020)
Miss E Gunn
Mr L Jackson (to 28 Sept 2020)
Mr M Johnson (from 28 Sept 2020)
Mr I Nott (from 28 Sept 2020) and also a Reader for all of 2020
Mrs P Parry (from 28 Sept 2020)
Mr N Pettitt (to 28 Sept 2020)

Ex Officio Members

| | |
|------------------|----------------------------------|
| Revd R Wilson | Chair |
| Revd K Capper | Associate Vicar |
| Revd H Fraser | Self Supporting Minister |
| Revd N Griffiths | Associate Vicar |
| Revd E Gilmour | Curate |
| Mr L Jackson | Churchwarden (from 28 Sept 2020) |
| Mr T Leask | Churchwarden (to 28 Sept 2020) |
| Mrs L Plowman | Churchwarden |

PCC

Mr T Andrew
Mr M Beard (to 17 January 2020)
Mrs R Beggs
Mrs A Brown (from 28 September 2020)
Mrs K Cornish (from 28 September 2020)
Mr A Course (from 28 September 2020)
Mrs V Dewar (to 28 September 2020)
Mr C Gladstone (to 23 May 2020)
Mrs F Handley (to 28 September 2020)
Mr R Harse (to 28 September 2020)
Mr M Hetherington (to 28 September 2020)
Mrs N Peck (to 28 September 2020)
Mrs G Moore (from 28 September 2020)
Mr A Morgan (from 28 September 2020)
Mr N Rayner
Mr A Rubie
Mrs M Wood (from 28 September 2020)

Hon Secretary

Mrs J Perrett

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COMMITTEES

The PCC operates through a number of committees that report to the main PCC meeting from time to time. The PCC members, who are also Trustees for the purpose of charity law, are nominated and elected (other than those holding ex officio positions or who are co-opted) at the Annual Parochial Church Meetings. New members of the PCC are inducted into the workings of the Parochial Church Council through meetings with existing members of the PCC, the churchwardens and the Incumbent. Information in relation to matters to be discussed at PCC meetings is circulated to members prior to each meeting. PCC members, who include the Clergy, Wardens and holders of other offices, are considered to be the Key Management Personnel as they are responsible for directing church affairs. All such personnel give of their time freely and receive no remuneration for their service on the PCC directly from St Mary's. Details of PCC members' expenses, other than reimbursements of costs incurred on behalf of the church, and related party transactions are disclosed in Notes 4 and 11 to the financial statements.

The pay of staff is reviewed annually and normally increased in line with the Diocese of Southwark salary and stipend increases. In accordance with this, salaries were increased by 1% from 1 January 2020. All staff are paid at or above the Living Wage Foundation minimum wage.

The following committees supported the work of the PCC during the past year:

Standing Committee

The Standing Committee exists to transact the business of the PCC between meetings and may form the agenda for meetings of the PCC. It consists of the incumbent, the Associate Vicars, the Churchwardens, two deputy churchwardens, the Treasurer and may include other co-opted members. The Standing Committee meets on an ad hoc basis as needs arise. There were 6 meetings of the Standing Committee in 2020.

St Mary's Global

This committee exists to promote our involvement in the church's mission across the world. The committee is active in encouraging support for our link Mission Partners (serving God around the world), financially, practically, and through prayer. The Committee seeks to ensure that the financial support for our Mission Partners and other mission organisations is appropriate for their needs within the resources available.

Fabric and Facilities Committee

This committee exists to oversee all repairs, maintenance and building works affecting the church, the church centre and PCC owned housing.

Parochial Church Council of **St Mary's Church** Reigate

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OBJECTIVES AND ACTIVITIES

As a Parish Church within the Church of England's Diocese of Southwark, St Mary's Church (also known as Reigate Parish Church) exists for the benefit of its wider community as well as for those who form part of our week-by-week worshipping community across a number of congregations.

- **Our vision** is to see God changing lives, families and churches again and again.
- **Our mission** is to make whole life disciples of all ages, to create and support communities of people who worship God with their whole lives and to model and reproduce this as widely as possible.
- **Our strategy** is to draw people into intentional apprenticeship to Jesus through reaching out to a world in need, drawing people into a new identity in Christ, developing a culture of discipleship, loving one another as family and giving ourselves away for the sake of others.

Even though this year has been different from any other, numerous members of our wider parish community have benefited from the mission and ministry of the church and its members in a variety of settings and across all age groups. Although many church activities were restricted due to the pandemic, in addition to weekly services on Sunday and mid-week, we continued to serve our community in numerous ways, opening up the Church for prayer, providing funerals and weddings, running youth and children's ministry, supporting parents and families, and hosting a successful on-line Alpha course in the autumn attended by over 300 people. We also continued our financial and practical support for various community activities, working in partnership with others, to help those in food poverty and debt, and to provide schools workers through 'Sparkfish'.

When reviewing these and other activities, the PCC has had due regard to Charity Commission guidance on public benefit.

The church could not operate without the tireless contributions of its staff and its host of volunteers and we are enormously grateful and indebted to all who contribute in so many ways to the life and health of St Mary's Parish Church with the Heath Church.

ACHIEVEMENTS AND PERFORMANCE

2020 has been one of the most challenging St Mary's has faced in many years. Having to close the doors of the church and church centre in order to keep people safe and being unable to meet has impacted every area of church life.

Having said this it is clear that St Mary's has a high level of resilience as an organisation. We have been able to pivot our worship online, develop new ways of reaching out to our community, deepened in our discipleship and maturity, and maintained our connection as a church family.

From the beginning of the pandemic, we focused our attention on:

- **WORSHIPPING FROM HOME** Developing new rhythms of worship and prayer as families and at home, making the most of online technology
- **SUSTAINING COMMUNITY** Deepening our care and love for one another and learning how to connect in new ways
- **GROWING AS DISCIPLES** Learning how to follow Jesus in a changing world and uncertain time
- **LOVING OUR NEIGHBOURS** Sharing our lives with others as we all face the challenges of a generation

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Financially we remained resilient, with a surplus of income over expenditure in 2020, but 2021 will undoubtedly present some challenges in this respect. A comprehensive 'Financial Review of the year' follows below.

Early in the year the Heath Church suffered damage from flooding and while repairing the floor, we took the opportunity to renew our seating bringing the whole church renewal project to a completion. At the end of the year, in order to live stream our services from the church, we initiated a project to update our AV system at St Mary's. There were a few staff changes in our operations and administration team and we decided to make use of the Government furlough scheme at various points through the year.

At the APCM in September 2020 there were 503 names on the electoral roll (466 previous year). Of these 38% live within the parish, and 62% outside the parish.

FINANCIAL REVIEW OF THE YEAR

In our budget projections for 2020 we anticipated that, before charging depreciation, our General Fund income would be matched by expenditure. However, the budget was largely overtaken by the impact of the Covid 19 measures.

In the event 2020 income exceeded expenditure, excluding depreciation, by £54,750. The reasons for this increase were that while planned giving and donations showed an increase from 2019, thanks in part to a very generous response from donors to the loss of income from offertories and hire of church facilities, many expenditure headings reduced very substantially as the church and centre were closed, planned events did not take place and savings were made in staff costs. This surplus is added to the General fund Reserve, but Capital Expenditure of £14,466 is deducted, leaving the General Fund Reserve at £173,032 at 31 December 2020.

Income from donors – Note 2(a)

As previously mentioned, our planned Giving held up well despite the loss of income from some donors due to income constraints caused by the effect of Covid, and was boosted by very generous increases and single donations. In the event planned giving was virtually unchanged from 2019 and single donations were double the 2019 figure. Offertories and income from the envelope scheme were naturally only a fraction of the previous year's figures. Almost 300 regular donations are currently being received, many from couples. Our high level of tax efficient giving has been maintained with £108,263 being received by the General Fund as a result of Gift Aid tax refunds. We are enormously grateful to God for this provision and to everyone who contributed so generously.

Peggy Caffyn-Tees Legacy

The total sum received in 2013/14 was £359,696. Approximately one third of this, £121,589, is restricted specifically for the use of the Heath Church. £7,196 was spent in 2020 mainly on replacing the chairs in the church. The balance of the Heath Church's share now stands at £9,536. The other two thirds, initially £238,107, is held on trust by the PCC for an indefinite period with the income only to be used to maintain Peggy's family graves, and for fabric work on the Church including maintenance of the organ. This sum has been fully invested in 4 CCLA funds as shown in Note 5(b) and a gain of £19,531 was achieved in 2020, bringing the value invested up to £330,632. Income in 2020 from the sum invested amounted to £11,230. During 2020 £1,565 was spent. The balance carried forward and available for use in future years stands at £32,846.

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Income from church activities – Note 2(b)

Net income from the Church and Church Centre bookings were of course substantially lower than in 2019, the former from £11,755 to £4,014 and the latter from £49,724 to £13,819.

This heading also includes rental of church residential properties, where the rentals of £18,727 were received. Net income from fees for weddings, funerals, etc was £3,712.

The Christmas Market, which raised £6,168 in 2019, did not take place in 2020.

Other Income-Note 2(d)

We received £10,469 under the Government's Coronavirus Job Retention Scheme in respect of furloughed staff.

Expenditure – Grants – Note 3

Payments to Mission Partners amounted to £49,384, a slight reduction from 2019 as Bruce and Sarah Clark ceased to be mission partners during the year. Mission Partners received a 1% increment on 1st January 2020. Full details of other donations totalling £18,761 are shown at Note 14 to the accounts. The PCC keeps under regular review the amounts given to mission partners and other donations.

Expenditure – Other - Note 3

In July 2019 the PCC agreed to increase the Diocesan share for 2020 by 2% or £4,665 to £237,916. For 2021, the PCC and the Diocese have agreed a figure of £241,000, an increase of 1.3%, which includes the cost as advised by the Diocese for one full time post, including a share of overheads, in addition to the cost of our own 2 full time clergy posts. Also included under the heading Diocesan Share is £20,008 in respect of the part-time services of one additional clergy, in addition to the 2 full-time clergy posts mentioned above.

Staff costs have decreased from £179,605 to £173,902. The principal reason for this was the non-replacement of certain office staff, after they left employment, less the cost of a full year's service for the Next Generation Minister and an increment of 1% paid in January 2020.

The costs of most church activities, building maintenance and utilities, and children's and youth work were significantly lower than in 2019 because of the Covid restrictions, but we increased our expenditure on audio-visual support for live streamed services and on staff training, where we paid for a half-time course for 3 younger staff members for two terms and one member for one term.

Balance Sheet

The Church Centre is included in the Balance Sheet at its cost of £1,857,261. Other Church and Church Centre fixtures and equipment have a book value of £162,436. Capital expenditure of £19,358 was incurred in 2020, including £13,767 on improvements to the audio-visual equipment for live streamed services, and £4,892 on chairs for the Heath Church. The former is part of a larger project which will be completed in 2021.

As in previous years we have used a property valuation website to provide an internal valuation of our 4 residential properties, for Balance Sheet purposes. The value of these properties has increased by 4.3% to £1,641,200.

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2021

The financial prospects for 2021 will clearly be affected considerably by the continuing impact of Covid measures. We have decided to budget for expenditure, before depreciation, to exceed income by £17,700, as we must expect a reduction in income. It is impossible to forecast at present how realistic the budget is. We do however start the year with a high level of reserves (see below).

RISK MANAGEMENT

The PCC has considered the major risks to which the church is exposed including safeguarding children and vulnerable adults (in which regard the PCC follows the Diocese of Southwark Safeguarding procedures in full and has two experienced safeguarding officers to assist it), disability discrimination, health and safety and fire protection. The comprehensive Risk Register is reviewed annually by the PCC. We continue to ensure that we meet GDPR requirements.

The PCC considers the principal financial risk facing the Church is that expenditure is not matched by income. This risk is managed by the preparation of regular monthly financial statements and an annual budget which is regularly reviewed and updated.

FUNDRAISING

The Church's fundraising activities in 2020 consisted of teaching on Christian giving. The majority of the Church's income is derived from standing orders and one-off donations from Church members. A small number of grants also provide a source of income. The Church does not employ outside fundraisers. The Church complies with the principles of the Charities Governance Code.

FUTURE PLANS

The last year was marked by uncertainty and it is only now that we feel able to start making firmer plans for the future. The core strength of the church has been tested and we remain strong. As we emerge out of the pandemic it will be vital to:

- Re-engage our church family in the worship life of the church as we move away from having to rely on online worship, and can begin to safely gather together for worship
- Re-affirm our commitment to seeing God changing lives, families and churches again and again
- Re-envision the church for a new chapter of life together in the post pandemic world
- Review our priorities for the future, leaving behind some aspects of how we used to do things, and moving forward together in unity and with energy
- Re-invest in mission with the vision of passing on our faith to future generations

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RESERVES POLICY

It is PCC policy to hold in unrestricted reserves the equivalent of at least one month's budgeted expenditure. It is also our policy to hold sums in reserve for building works arising from the Quinquennial inspection of the Church and for refurbishment of the Church Centre.

The closing balance of £173,032 on Unrestricted General Reserve on 31st December 2020 represents 3 months budgeted expenditure in the year 2021. This sum, which is significantly higher than in recent years will provide a very helpful buffer if, as is possible, the church recovers only slowly from the effects of the Covid 19 measures. The reserve for Quinquennial repairs at 31st December 2020 stands at £21,530 and the church Centre reserve at £40,000.

INVESTMENT POLICY

The charity (through its trustees) has the power to invest in such stocks, shares, investments and property as deemed fit. The charity has made such investments, principally in relation to the Peggy Caffyn-Tees legacy (see page 6), to generate income and has made no social investments.

On behalf of the PCC on 1 April 2021



Revd Richard Wilson

Vicar

Parochial Church Council of **St Mary's Church** Reigate

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Charity law 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 at the year end and of its incoming resources and resources expended during that year. In preparing those 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which 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 and the Church Accounting Regulations 2006. 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.

Parochial Church Council of **St Mary's Church** Reigate

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF **ST MARY'S CHURCH** REIGATE

Opinion

We have audited the financial statements of the Parochial Church Council of St Mary's Church, Reigate (the "PCC") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 Financial Reporting Standard 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 PCC's affairs as at 31 December 2020 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;
- 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 PCC 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 other 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 opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the PCC members' 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 PCC's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Parochial Church Council of **St Mary's Church** Reigate

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF **ST MARY'S CHURCH** REIGATE

Other information

The other information comprises the information included in the annual report, including the PCC members' report, other than the financial statements and our auditor's report thereon. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

In the light of the knowledge and understanding of the PCC and its environment obtained in the course of the audit, we have not identified material misstatements in the PCC members' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of PCC members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the PCC members

As explained more fully in the PCC members' responsibilities statement, the PCC members 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 they 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 PCC members are responsible for assessing the PCC'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 PCC members either intend to liquidate the PCC or to cease operations, or have no realistic alternative but to do so.

Parochial Church Council of **St Mary's Church** Reigate
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL
CHURCH COUNCIL OF **ST MARY'S CHURCH** REIGATE

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment, financial reporting legislation and health and safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates, valuation of property, presentation of separately disclosed items, government assistance – furlough income and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to agreeing financial statement disclosures to underlying supporting documentation, testing the calculation of claims made under the Coronavirus Job Retention Scheme, identifying and testing journal entries, reviewing PCC meeting minutes, evaluating the charity's internal controls and challenging significant accounting estimates such as valuation of property.

Parochial Church Council of **St Mary's Church** Reigate

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF **ST MARY'S CHURCH** REIGATE

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in the 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. 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

[www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

Use of our report

This report is made solely to the PCC members, as a body, in accordance Part 4 of the charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC members' 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 anyone other than the PCC and the PCC members as a body, for our audit work, for this report, or for the opinions we have formed.

Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants

Jacob Cavenagh
+Skeet

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated: 12/04/2021

Jacob Cavenagh & Skeet is eligible for appointment as auditor of the PCC by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

Parochial Church Council of St Mary's Church Reigate

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2020

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | Total 2020 £ | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | Total 2019 £ |
|--------------------------------------------------------|-------|-------------------------|-----------------------|----------------------|------------------|-------------------------|-----------------------|----------------------|------------------|
| Income from: | | | | | | | | | |
| Donations and legacies | 2(a) | 615,989 | 1,130 | - | 617,119 | 631,307 | 63,245 | - | 694,552 |
| Church activities | 2(b) | 49,634 | 2,491 | - | 52,125 | 130,971 | 7,183 | - | 138,154 |
| Investments | 2(c) | 876 | 11,713 | - | 12,589 | 1,474 | 12,728 | - | 14,202 |
| Other income | 2(d) | 12,469 | 1,000 | - | 13,469 | 7,000 | 1,000 | - | 8,000 |
| Total income | | <u>678,968</u> | <u>16,334</u> | <u>-</u> | <u>695,302</u> | <u>770,752</u> | <u>84,156</u> | <u>-</u> | <u>854,908</u> |
| Expenditure on: | | | | | | | | | |
| Church Activities | 3 | 643,023 | 8,861 | - | 651,884 | 727,261 | 119,522 | - | 846,783 |
| Total expenditure | | <u>643,023</u> | <u>8,861</u> | <u>-</u> | <u>651,884</u> | <u>727,261</u> | <u>119,522</u> | <u>-</u> | <u>846,783</u> |
| Net gains/(losses) on investments | | - | - | 20,306 | 20,306 | - | - | 30,533 | 30,533 |
| Net income/(expenditure) | | <u>35,945</u> | <u>7,473</u> | <u>20,306</u> | <u>63,724</u> | <u>43,491</u> | <u>(35,366)</u> | <u>30,533</u> | <u>38,658</u> |
| Transfers between funds | | 4,892 | (4,892) | - | - | 803 | (803) | - | - |
| Other recognised gains/(losses): | | | | | | | | | |
| Gains/(losses) on revaluation of tangible fixed assets | | 68,329 | - | - | 68,329 | 35,471 | - | - | 35,471 |
| Net movement in funds | | <u>109,166</u> | <u>2,581</u> | <u>20,306</u> | <u>132,053</u> | <u>79,765</u> | <u>(36,169)</u> | <u>30,533</u> | <u>74,129</u> |
| Funds brought forward at 1 January 2020 | | 3,786,293 | 61,165 | 324,037 | 4,171,495 | 3,706,528 | 97,334 | 293,504 | 4,097,366 |
| Funds carried forward at 31 December 2020 | | <u>3,895,459</u> | <u>63,746</u> | <u>344,343</u> | <u>4,303,548</u> | <u>3,786,293</u> | <u>61,165</u> | <u>324,037</u> | <u>4,171,495</u> |

All income arises from the continuing activities of the PCC. The PCC had no recognised gains or losses other than those dealt with in the Statement of Financial Activities. The notes on pages 18 to 28 form part of these accounts.


Parochial Church Council of **St Mary's Church** Reigate

BALANCE SHEET

31 December 2020

| Fixed assets | Notes | 2020 £ | 2019 £ |
|---------------------------------------------------------|--------------|-------------------|-------------------|
| Tangible fixed assets | 5(a) | 3,660,897 | 3,592,015 |
| Investment assets | 5(b) | 344,343 | 324,037 |
| | | <u>4,005,240</u> | <u>3,916,052</u> |
| Current assets | | | |
| Debtors | 6 | 36,071 | 66,676 |
| Cash at bank and in hand | | 290,807 | 227,073 |
| | | <u>326,878</u> | <u>293,749</u> |
| Liabilities: amounts falling due within one year | | | |
| Creditors | 7 | (28,570) | (38,306) |
| Net current assets | | <u>298,308</u> | <u>255,443</u> |
| Net assets | 8 | <u>4,303,548</u> | <u>4,171,495</u> |
| Funds | | | |
| Unrestricted reserves | | 3,895,459 | 3,786,293 |
| Restricted reserves | | 63,746 | 61,165 |
| Endowments | | 344,343 | 324,037 |
| | 9 | <u>4,303,548</u> | <u>4,171,495</u> |

Approved by the Parochial Church Council on **1 April 2021** and signed on its behalf by:



Revd Richard Wilson
Vicar

Parochial Church Council of **St Mary's Church** Reigate

STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

| | 2020 £ | 2019 £ |
|--------------------------------------------------------------------|----------------|-----------------|
| Cash (used in)/provided by operating activities (see below) | 70,503 | (38,335) |
| Cash flows from investing activities | | |
| Interest and dividends received | 12,589 | 14,202 |
| Payments to acquire tangible fixed assets | (19,358) | (18,196) |
| Payments to acquire fixed asset investments | - | (11,500) |
| Proceeds on sale of fixed asset investments | - | 11,500 |
| Cash (used in)/provided by investing activities | (6,769) | (3,994) |
| Net cash (outflow)/inflow | 63,734 | (42,329) |
| Cash and cash equivalents at 1 January 2020 | 227,073 | 269,402 |
| Cash and cash equivalents at 31 December 2020 | 290,807 | 227,073 |
| Cash (used in)/provided by operating activities | | |
| Net (expenditure)/ income | 63,724 | 38,658 |
| Interest and dividends received shown in investing activities | (12,589) | (14,202) |
| Depreciation | 18,805 | 17,735 |
| (Gain)/loss on disposal of fixed asset investments | - | (3,777) |
| Other (gains)/ losses on investments | (20,306) | (26,756) |
| (Increase)/Decrease in debtors | 30,605 | (26,261) |
| Increase/(Decrease) in creditors | (9,736) | (23,732) |
| Cash (used in)/provided by operating activities | 70,503 | (38,335) |

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1. **Accounting Policies**

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

Basis of preparation

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

The financial statements have been prepared under the historical cost convention subject to the revaluation of residential properties and investments. The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

The PCC meets the definition of a public benefit entity under FRS102.

Going concern

The trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

Funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are those monies received by the PCC which have been given for a particular purpose, for example the Community Building Project.

Endowment funds are funds, the capital of which must be maintained; use of the income arising from investment of the endowment varies according to individual trust purposes.

Income

Donations and legacies

Donations and legacies (including collections and income tax recoverable under Gift Aid) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

Other income

Rental income from the letting of church premises is recognised when the rental is receivable.

Income from investments

Dividends are accounted for when receivable, interest is accrued.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Grants

Grants relating to revenue expenditure are recognised in income in the periods in which the related costs are incurred.

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1. **Accounting policies (continued)**

Expenditure

Expenditure is accrued as soon as a liability is incurred. Support and governance costs are included in expenditure on church activities

Church activities

Most mission grants are payable monthly and are accounted for in the month in respect of which they are payable. Other mission grants are accounted for when a decision to make payment has been taken.

The Diocesan parish share is accounted for when payable.

Fixed Assets

Land and buildings and church and church centre fittings

Consecrated and benefice property is excluded from the accounts by s10 (2) (a) of the Charities Act 2011. Residential properties used by the PCC in undertaking its activities (i.e. staff housing) have been included in tangible fixed assets at their estimated market value. The Church Centre has been included at its cost at the year end. No depreciation has been provided on land and buildings as the PCC has adopted a policy of maintaining properties to a standard that prolongs their lives and enhances their residual values. No value is placed on moveable church furnishings held by the churchwardens on a special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All maintenance expenditure incurred during the year on consecrated or benefice buildings and on church and church centre fittings continues to be written off as expenditure in the Statement of Financial Activities (SOFA). Fixtures and equipment costing more than £500 are capitalised and depreciated over their useful life which varies from 4 years to 40 years depending on the asset.

Investments

Investments are valued at market value at 31 December. The Statement of Financial Activities includes the net gains and losses on revaluations and disposals throughout the year and are shown as a component of net income.

Current Assets

Gift Aid recoverable and other debtors are included at the amount due. Prepayments are valued at the amount prepaid. Cash at bank and in hand includes cash and sums placed on deposit available on demand.

Creditors and provisions

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

Financial instruments

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

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

2 Income

| | Unrestricted Funds £ | Restricted Funds £ | Total 2020 £ | Unrestricted Funds £ | Restricted Funds £ | Total 2019 £ |
|-----------------------------------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| (a) Donations and legacies | | | | | | |
| Planned giving and gifts | 500,420 | - | 500,420 | 482,290 | - | 482,290 |
| Income tax recovery (Gift Aid) | 108,263 | 445 | 108,708 | 112,917 | 10,190 | 123,107 |
| Legacies | - | - | - | 3,000 | - | 3,000 |
| Offertories | 3,190 | - | 3,190 | 14,649 | - | 14,649 |
| Heath Church | 2,745 | - | 2,745 | 10,360 | - | 10,360 |
| Community Building Project | - | - | - | - | 6,190 | 6,190 |
| Heath Church annexe | - | - | - | - | 27,020 | 27,020 |
| Vicarage refurbishment | - | - | - | - | 18,625 | 18,625 |
| Other income from donors | 1,371 | 685 | 2,056 | 8,091 | 1,220 | 9,311 |
| | <u>615,989</u> | <u>1,130</u> | <u>617,119</u> | <u>631,307</u> | <u>63,245</u> | <u>694,552</u> |
| (b) Church activities | | | | | | |
| Rental income | 36,560 | - | 36,560 | 74,204 | - | 74,204 |
| Youth income | 170 | - | 170 | 18,869 | - | 18,869 |
| Girls' Brigade income | - | 2,491 | 2,491 | - | 7,183 | 7,183 |
| Hospitality and events | 3,500 | - | 3,500 | 24,610 | - | 24,610 |
| Sundry income | 9,404 | - | 9,404 | 13,288 | - | 13,288 |
| | <u>49,634</u> | <u>2,491</u> | <u>52,125</u> | <u>130,971</u> | <u>7,183</u> | <u>138,154</u> |
| (c) Investments | | | | | | |
| Interest and Dividends | <u>876</u> | <u>11,713</u> | <u>12,589</u> | <u>1,474</u> | <u>12,728</u> | <u>14,202</u> |
| (d) Other income | | | | | | |
| Government Grant - furlough | 10,469 | - | 10,469 | - | - | - |
| Other Grants | 2,000 | 1,000 | 3,000 | 7,000 | 1,000 | 8,000 |
| | <u>12,469</u> | <u>1,000</u> | <u>13,469</u> | <u>7,000</u> | <u>1,000</u> | <u>8,000</u> |
| Total income | <u>678,968</u> | <u>16,334</u> | <u>695,302</u> | <u>770,752</u> | <u>84,156</u> | <u>854,908</u> |

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

3 Expenditure

| | Unrestricted Funds £ | Restricted Funds £ | Total 2020 £ | Unrestricted Funds £ | Restricted Funds £ | Total 2019 £ |
|-----------------------------------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Church activities | | | | | | |
| Grants (See Note 14): | | | | | | |
| Mission Partners | 49,384 | - | 49,384 | 51,141 | - | 51,141 |
| Other mission and donations | 18,761 | - | 18,761 | 27,990 | - | 27,990 |
| | <u>68,145</u> | <u>-</u> | <u>68,145</u> | <u>79,131</u> | <u>-</u> | <u>79,131</u> |
| Other: | | | | | | |
| Diocesan Share | 257,924 | - | 257,924 | 239,655 | - | 239,655 |
| Fees to Diocese | 5,428 | - | 5,428 | 5,718 | - | 5,718 |
| Admin and support staff | 93,208 | - | 93,208 | 104,499 | - | 104,499 |
| Community Building Project | - | - | - | - | 60 | 60 |
| CBP tithe (See Note 14) | - | - | - | - | 30,786 | 30,786 |
| Training and Clergy expenses | 12,207 | - | 12,207 | 9,688 | - | 9,688 |
| Staff housing | 10,783 | - | 10,783 | 35,390 | - | 35,390 |
| Vicarage refurbishment | - | - | - | - | 23,281 | 23,281 |
| Music ministry | 37,894 | - | 37,894 | 39,188 | - | 39,188 |
| Youth & children's ministry | 58,931 | - | 58,931 | 84,239 | - | 84,239 |
| Girls' Brigade expenses | - | 3,969 | 3,969 | - | 104 | 104 |
| Repairs and cleaning | 10,660 | 1,565 | 12,225 | 15,056 | 15,759 | 30,815 |
| Insurance: Church and Centre | 13,037 | - | 13,037 | 12,393 | - | 12,393 |
| Other church activities | 16,992 | 1,023 | 18,015 | 33,832 | 3,104 | 36,936 |
| Administrative expenses | 17,564 | - | 17,564 | 22,939 | - | 22,939 |
| Utilities & Heath Church expenses | 16,225 | 2,304 | 18,529 | 22,698 | 450 | 23,148 |
| Heath Church Annexe | - | - | - | - | 45,978 | 45,978 |
| Depreciation | 18,805 | - | 18,805 | 17,735 | - | 17,735 |
| Governance costs: Audit fees | 5,220 | - | 5,220 | 5,100 | - | 5,100 |
| Total expenditure | <u>643,023</u> | <u>8,861</u> | <u>651,884</u> | <u>727,261</u> | <u>119,522</u> | <u>846,783</u> |

4 Staff costs

| | 2020 £ | 2019 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 162,519 | 166,536 |
| Social security costs | 6,360 | 7,717 |
| Pension costs | 5,023 | 5,352 |
| | <u>173,902</u> | <u>179,605</u> |

Average number of employees (full time equivalents) during year was

6 7

Payments, excluding reimbursement of expenses incurred on church business, made to PCC members or their spouses in the year were £16,749 (2019: £3,654). These expenses are mainly in respect of salaries £14,884 (2019: Nil) and travel & books for training purposes. Salaries were paid to:

| | |
|----------------------------------------|--------|
| Mrs K Cornish (PCC member) | £680 |
| Mr J Brown (Spouse of PCC member) | £6,313 |
| Mrs G Griffiths (Spouse of PCC member) | £7,891 |

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

4 Staff Costs (continued)

Payments made to third parties on behalf of PCC members in the year were £3,917 (2019: £1,020.) These were in respect of housing and conference costs. These payments were received by or on behalf of 7 (2019: 5) PCC members. No employee received employee benefits of more than £60,000 (2019: Nil).

| 5 | Fixed assets for use by the PCC | Freehold/ Leasehold Property £ | Fixtures & Equipment £ | Total £ |
|-----|---------------------------------|-----------------------------------------|------------------------------|------------|
| (a) | Tangible fixed assets | | | |
| | Cost or valuation | | | |
| | At 1 January 2020 | 3,430,132 | 245,458 | 3,675,590 |
| | Additions | - | 19,358 | 19,358 |
| | Disposals | - | - | - |
| | Revaluation of properties | 68,329 | - | 68,329 |
| | At 31 December 2020 | 3,498,461 | 264,816 | 3,763,277 |
| | Depreciation | | | |
| | At 1 January 2020 | - | 83,575 | 83,575 |
| | Charge for the year | - | 18,805 | 18,805 |
| | Disposals | - | - | - |
| | At 31 December 2020 | - | 102,380 | 102,380 |
| | Net book Value | | | |
| | At 31 December 2020 | 3,498,461 | 162,436 | 3,660,897 |
| | At 31 December 2019 | 3,430,132 | 161,883 | 3,592,015 |

Tangible fixed assets comprise the following freehold/leasehold land and buildings held as assets by the PCC:

- i) **63 Chart Lane, 9 Lynden Gardens and Flat 11 Monks Court, Reigate**
These properties are held in trust for the PCC of St Mary's and the full maintenance and insurance costs are the responsibility of the PCC.
- ii) **3 St Clair Close, Reigate**
The parish has a 20% interest in this property, the remaining 80% being owned by the diocese. The PCC is responsible for 20% of the maintenance and insurance costs.
- iii) **Church Centre, Chart Lane, Reigate**
The land and buildings are owned by the PCC who have responsibility for maintaining and insuring the property.

Residential properties are included in the Balance Sheet at their estimated market value using a property valuation website. The Church Centre is included at its cost.

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

5(b) Investments

| | Market value 31 December 2020 £ | Market value 31 December 2019 £ |
|----------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Graveyard Trusts (CBF Investment Fund Shares & Deposits) | | |
| Buckle | 1,264 | 1,184 |
| Davidson | 225 | 210 |
| Godfrey | 961 | 899 |
| Keay | 925 | 921 |
| Riddock | 409 | 382 |
| Seeley | 200 | 200 |
| Yglesian | 102 | 96 |
| | <u>4,086</u> | <u>3,892</u> |
| Parish Trusts (COIF Charities Investment Fund Shares) | | |
| Grice | 3,272 | 3,074 |
| Stennett | 3,308 | 3,108 |
| Maseres | 3,045 | 2,862 |
| | <u>9,625</u> | <u>9,044</u> |
| Caffyn-Tees Endowment Fund (CBF Church of England Funds) | | |
| CBF Investment Fund | 84,976 | 79,487 |
| CBF Global Equity Fund | 94,778 | 79,631 |
| CBF Property Fund | 71,877 | 75,635 |
| CBF Fixed Interest Fund | 79,001 | 76,348 |
| | <u>330,632</u> | <u>311,101</u> |
| Total investments | <u>344,343</u> | <u>324,037</u> |

The historical cost of the Graveyard and Parish Trust investments is not known and cannot be traced as these investments were donated or acquired many years ago. The historical cost of the Caffyn-Tees Endowment Investments is £238,107.

6 Debtors

| | 2020 £ | 2019 £ |
|----------------------|---------------|---------------|
| Gift Aid recoverable | 22,545 | 39,254 |
| Other debtors | 5,733 | 16,999 |
| Prepayments | 7,793 | 10,423 |
| | <u>36,071</u> | <u>66,676</u> |

7 Liabilities: amounts falling due within one year

| | 2020 £ | 2019 £ |
|-----------------|---------------|---------------|
| Other creditors | 28,310 | 36,835 |
| Deferred Income | 260 | 1,471 |
| | <u>28,570</u> | <u>38,306</u> |

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

8 Analysis of net assets by fund

| 2020 | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | 2020 £ |
|---------------------|-------------------------|-----------------------|----------------------|------------------|
| Fixed assets | 3,660,897 | - | 344,343 | 4,005,240 |
| Current assets | 263,132 | 63,746 | - | 326,878 |
| Current liabilities | (28,570) | - | - | (28,570) |
| | <u>3,895,459</u> | <u>63,746</u> | <u>344,343</u> | <u>4,303,548</u> |
| | | | | |
| 2019 | Unrestricted Funds £ | Restricted Funds £ | Endowment Funds £ | 2019 £ |
| Fixed assets | 3,592,015 | - | 324,037 | 3,916,052 |
| Current assets | 224,169 | 69,580 | - | 293,749 |
| Current liabilities | (29,891) | (8,415) | - | (38,306) |
| | <u>3,786,293</u> | <u>61,165</u> | <u>324,037</u> | <u>4,171,495</u> |

9 Analysis of fund movements during the year

| 2020 | Bal b/fwd 1 Jan 2020 £ | Income £ | Expenditure £ | Other gains / (losses) £ | Transfers £ | Bal c/fwd 31 Dec 2020 £ |
|-------------------------------|------------------------------|----------------|------------------|--------------------------------|----------------|-------------------------------|
| Unrestricted reserves: | | | | | | |
| General Fund | 132,748 | 678,968 | (624,218) | - | (14,466) | 173,032 |
| Capital Reserve | 3,592,015 | - | (18,805) | 68,329 | 19,358 | 3,660,897 |
| Church Centre Reserve | 40,000 | - | - | - | - | 40,000 |
| Quinquennial Reserve | 21,530 | - | - | - | - | 21,530 |
| | <u>3,786,293</u> | <u>678,968</u> | <u>(643,023)</u> | <u>68,329</u> | <u>4,892</u> | <u>3,895,459</u> |
| Restricted reserves: | | | | | | |
| Graveyard Trusts | 3,216 | 84 | - | - | - | 3,300 |
| Parish Trusts | 6,274 | 277 | - | - | - | 6,551 |
| Easter Project | 4,766 | 1,685 | (1,023) | - | - | 5,428 |
| Caffyn-Tees – St Marys | 23,181 | 11,230 | (1,565) | - | - | 32,846 |
| Caffyn-Tees – Heath | 16,610 | 122 | (2,304) | - | (4,892) | 9,536 |
| Girls' Brigade Reserve | 7,118 | 2,936 | (3,969) | - | - | 6,085 |
| | <u>61,165</u> | <u>16,334</u> | <u>(8,861)</u> | <u>-</u> | <u>(4,892)</u> | <u>63,746</u> |
| Endowments: | | | | | | |
| Graveyard Trusts | 3,892 | - | - | 194 | - | 4,086 |
| Parish Trusts | 9,044 | - | - | 581 | - | 9,625 |
| Caffyn-Tees – St Marys | 311,101 | - | - | 19,531 | - | 330,632 |
| | <u>324,037</u> | <u>-</u> | <u>-</u> | <u>20,306</u> | <u>-</u> | <u>344,343</u> |
| Total Funds | <u>4,171,495</u> | <u>695,302</u> | <u>(651,884)</u> | <u>88,635</u> | <u>-</u> | <u>4,303,548</u> |

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

| 2019 | Bal b/fwd 1 Jan 2019 | Income | Expenditure | Other gains / (losses) | Transfers | Bal c/fwd 31 Dec 2019 |
|-------------------------------|-------------------------|----------------|------------------|---------------------------|-----------|--------------------------|
| | £ | £ | £ | £ | £ | £ |
| Unrestricted reserves: | | | | | | |
| General Fund | 97,965 | 770,752 | (708,576) | - | (27,393) | 132,748 |
| Capital Reserve | 3,556,083 | - | (17,735) | 35,471 | 18,196 | 3,592,015 |
| Church Centre Reserve | 30,000 | - | - | - | 10,000 | 40,000 |
| Quinquennial Reserve | 22,480 | - | (950) | - | - | 21,530 |
| | 3,706,528 | 770,752 | (727,261) | 35,471 | 803 | 3,786,293 |
| Restricted reserves: | | | | | | |
| Graveyard Trusts | 3,134 | 82 | - | - | - | 3,216 |
| Parish Trusts | 6,002 | 272 | - | - | - | 6,274 |
| Spearhead | 803 | - | - | - | (803) | - |
| Commun Bldg Project | 23,314 | 7,532 | (30,846) | - | - | - |
| Easter Project | 5,650 | 2,220 | (3,104) | - | - | 4,766 |
| Caffyn-Tees - St Marys | 26,975 | 11,965 | (15,759) | - | - | 23,181 |
| Caffyn-Tees - Heath | 31,456 | 402 | (450) | - | (14,798) | 16,610 |
| Girls' Brigade Reserve | - | 7,222 | (104) | - | - | 7,118 |
| Heath Church Annexe | - | 31,180 | (45,978) | - | 14,798 | - |
| Vicarage refurbishment | - | 23,281 | (23,281) | - | - | - |
| | 97,334 | 84,156 | (119,522) | - | (803) | 61,165 |
| Endowments: | | | | | | |
| Graveyard Trusts | 3,451 | - | - | 441 | - | 3,892 |
| Parish Trusts | 7,670 | - | - | 1,374 | - | 9,044 |
| Caffyn-Tees - St Marys | 282,383 | - | - | 28,718 | - | 311,101 |
| | 293,504 | - | - | 30,533 | - | 324,037 |
| Total Funds | 4,097,366 | 854,908 | (846,783) | 66,004 | - | 4,171,495 |

Unrestricted Funds comprise:

- General Reserve**, which contains that part of the PCC's income which is freely available for spending.
- Capital Reserve**, which represents the value of invested income (principally in freehold and leasehold properties) which would become available for spending when realised.
- Church Centre Reserve**, an unrestricted reserve, which comprises income set aside by the PCC to meet future refurbishment costs relating to the church centre.
- Quinquennial Reserve**, which contains income set aside by the PCC to meet the costs of repairs to the church buildings identified by the Quinquennial (five-yearly) inspection.

Restricted Funds comprise:

- Graveyard Trusts**, which contain income from endowment funds to maintain named graves.
- Parish Trusts**, which contain income from endowment funds for specific purposes e.g. care of the poor in the Parish.
- Spearhead/1823 Fund**, contained gifts restricted to subsidising a Christian residential activity for youth. This was used in 2019 for the final Soul Survivor event.
- Community Building Project Fund**, contained gifts restricted for use in the reordering of the church, the redevelopment of the church centre, the refurbishment of the Parish Church organ and the 10% tithe to overseas development projects. The Community Building Project was completed in 2019 with the payment of the final tithes. The CBP Fund has been fully utilised and is now closed.
- Easter Project Fund**, which contains gifts restricted for use in this community project.

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

- (f) **Caffyn-Tees Fund (St Mary's)**, which contains income from the endowment fund to be used to cover expenditure relating to the fabric of St Mary's church, maintenance of the organ and upkeep of family graves.
- (g) **Caffyn-Tees Fund (Heath)**, which contains a legacy which can only be used for Heath Church general purposes.
- (h) **Girls' Brigade Reserve**, which contains gifts restricted for use by the Girls' Brigade.
- (i) **Heath Church Annexe Fund**, contained gifts restricted for use in the construction of an annexe to the Heath Church. The annexe was completed in 2019 and the fund is now closed.
- (j) **Vicarage Refurbishment Fund**, contained gifts restricted for use in the refurbishment of the vicarage. The refurbishment was completed in 2019 and the fund is now closed.

Endowment Funds comprise:

- (a) **The Graveyard Trusts**, which are permanent endowments, the income from which is used for maintenance of named graves.
- (b) **The Parish Trusts**, which are permanent endowments, the income from which is used for specified purposes e.g. for the care of the poor in the Parish.
- (c) **Caffyn-Tees Trust (St Mary's)**, which is a permanent endowment, the income from which is to be used to cover expenditure relating to the fabric of St Mary's church, maintenance of the organ and upkeep of family graves.

No transfer was made in 2020 (2019: £10,000) from the General Fund to the Church Centre Reserve to cover anticipated future costs relating to the upkeep of the Church Centre. £14,466 (2019: £18,196) was transferred from the General Fund to the Capital Reserve representing capital expenditure on audio-visual and music equipment during the year. £4,892 was transferred from the Caffyn-Tees Fund (Heath) to the Capital Reserve Fund in respect of the purchase of chairs for the Heath Church. The balance of £803 in the Spearhead/1823 Fund was transferred to the General Fund in 2019 to cover part of the residential costs of sending some youth to the final Soul Survivor event. £14,798 was transferred from the Caffyn-Tees Fund (Heath) to the Heath Church Annexe Fund in 2019 to cover the remaining construction costs of the Heath Church annexe not covered by the Heath Church Annexe Fund.

10 **Taxation**

The charity is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objects.

11 **Related Party Transactions**

PCC members are considered to be related parties and the total employee benefits received by them are set out in note 4 above. PCC members are not remunerated, except as detailed in Note 4.

During the year, donations were received from PCC members as follows:

| | 2020 | 2019 |
|----------------------------|---------------|---------------|
| | £ | £ |
| General Fund | 81,320 | 74,590 |
| Community Building Project | - | 1,000 |
| Vicarage Refurbishment | - | 13,625 |
| | <u>81,320</u> | <u>89,215</u> |

Trustees and individual liability insurance is covered under the Public Liability section of our church insurance. Mr & Mrs J Brown paid rent of £2,400 for the use of a church property for part of 2020. Mr P Chesterton and Revd H Fraser paid rent of £3,450 and £1,155 respectively, which was set at market rates, for the use of church properties in 2019.

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

12 Operating leases

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

| | 2020 | 2019 |
|------------------------------------------------|--------------|--------------|
| | £ | £ |
| Within one year | 679 | 1,297 |
| After one year but within five years | - | 160 |
| | <u>679</u> | <u>1,457</u> |
| The operating lease charges for the year were: | | |
| Hire of plant and machinery | <u>1,297</u> | <u>1,301</u> |

13 Defined contribution scheme

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 and charge represent contributions payable by the charity to the fund or to separate schemes in which employees are members and amounted to £5,023 (2019: £5,352).

14 Mission Grants

| | 2020 | 2019 |
|--------------------------------------------|---------------|---------------|
| | £ | £ |
| Mission Partner Commitments: | | |
| Wycliffe Bible Translators – P & J Fresard | 12,911 | 13,266 |
| T & C Morris – World Horizons | 8,039 | 7,960 |
| M & E Lyth | 8,039 | 5,970 |
| Tearfund – B & S Clark | 1,638 | 6,552 |
| Africa Inland Mission – P & A Guinness | 11,936 | 11,819 |
| CMS – H Kisakye | 6,821 | 4,824 |
| Other Mission Partner expenditure | - | 750 |
| | <u>49,384</u> | <u>51,141</u> |
| Mission & Evangelism – UK: | | |
| Sparkfish – Schools Youth Worker | 6,000 | 6,670 |
| The Children's Society | - | 1,787 |
| London City Mission | - | 294 |
| | <u>6,000</u> | <u>8,751</u> |
| Mission & Evangelism – Global: | | |
| K Madanat | 2,500 | - |
| Fairtrade | 102 | - |
| Tearfund | - | 1,732 |
| Bible Society | 296 | 411 |
| CMS Mid Africa | 611 | 624 |
| Global Connections | - | 210 |
| St Stephen's Society – Jackie Pullinger | - | 3,322 |
| | <u>3,509</u> | <u>6,299</u> |

Parochial Church Council of **St Mary's Church** Reigate

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

14 Mission Grants (continued)

| | 2020 £ | 2019 £ |
|----------------------------------------------------------------------------|-------------------|-------------------|
| Mission & Evangelism – Local & Social Outreach: | | |
| Renewed Hope Trust (including Winter Night Shelter) | 36 | 96 |
| Community Debt Advice | 6,000 | 6,000 |
| Welcare | - | 1,418 |
| Barnardo's Fund | - | 505 |
| Royal British Legion | - | 215 |
| Loveworks | 100 | 672 |
| Women's Refuge Redhill | - | 140 |
| Teenage Cancer Trust | - | 122 |
| Centrepont | 17 | 46 |
| St Bede's & Reigate Parish Church Primary School | 3,099 | 2,500 |
| Other | - | 71 |
| | <u>9,252</u> | <u>11,785</u> |
| Mission & Evangelism – Support for the wider church: | | |
| Bishop of Southwark's Lent Appeal | - | 729 |
| South London Church Fund | - | 181 |
| Reigate Deanery Synod | - | 245 |
| | <u>-</u> | <u>1,155</u> |
| Total Mission Grants from unrestricted funds | <u>68,145</u> | <u>79,131</u> |
| Community Building Project Tithe: | | |
| Alliance Church Jordan – construct multi-purpose hall | - | 16,000 |
| World Horizons – Solar panels on community centre in Burkina Faso | - | 7,736 |
| International Assistance Mission – Equipment for eye clinic in Afghanistan | - | 4,100 |
| Film projection system for Bible Translators in Senegal | - | 1,250 |
| Toilet Twinning – various countries | - | 900 |
| Motorbike for Bible Translators in Senegal | - | 800 |
| | <u>-</u> | <u>30,786</u> |
| Mission Grants from restricted funds | <u>-</u> | <u>30,786</u> |