

# **St Stephen's Shottermill**

## **Annual Financial Statements of the Parochial Church Council**

for the year ended  
31st December 2023

(Registered charity number 1134016)

### **Bankers**

CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4JQ

### **Independent Examiner**

Mr David Sanders BA (Hons) FCA BFP  
Sheen Stickland  
The Engine House  
77 Station Road  
Petersfield  
Hampshire GU32 3EL

**ST STEPHEN'S SHOTTERMILL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st DECEMBER 2023**

**INDEX**

	Page
<b>Annual Report</b>	<b>1 to 7</b>
<b>Independent Examiner's Report</b>	<b>8</b>
<b>Statement of Financial Activities</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Notes to Financial Statements</b>	<b>11 to 20</b>

# **ST STEPHEN'S SHOTTERMILL ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2023**

The Members of the Parochial Church Council (PCC) present their report together with the financial statements for the year ending 31st December 2023. The members of the PCC have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

## **Aim and Purposes**

St Stephen's Parochial Church Council (PCC) has the responsibility of cooperating with the incumbent, or wardens during a vacancy, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church and associated buildings of St Stephen's Church, Shottermill, Haslemere.

## **Objectives and Activities**

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community at St Stephen's. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the gospel; and developing knowledge and trust in Jesus.
- Provision of pastoral care for people living in the parish.
- Provision of Children's and Young People's work in this parish and with other local churches.
- Provision of a Nursery Pre-school (closed 21<sup>st</sup> July 2023).
- Supporting local and global partners.

## **Achievements and Performance**

### **Worship and prayer**

The PCC is dedicated to offering a range of services during the week and over the course of the year. These range from Morning Prayer, evening reflections, services for children, Praise & Prayer and regular Sunday worship services.

Our church buildings have been open, but numbers of worshippers have not yet recovered to pre-covid levels; we continue to stream some Sunday services online.

All are welcome to attend our regular services. At present there are 90 parishioners on the Church Electoral Roll, 48 of whom are not resident within the parish. The average weekly attendance, counted during October, was 65 adults and 9 children. In particular, there are separate events for children not included in the "October Count". Our 'worshipping community' is much larger and has incorporated such activities as Kids Praise (monthly service for our Rainbow Nursery children and parents), Noah's Ark (parents and toddlers), Prime Time and various gathering and fundraising events in the Church.

# **ST STEPHEN'S SHOTTERMILL**

## **ANNUAL REPORT**

### **FOR THE YEAR ENDED 31st DECEMBER 2023**

As well as our regular services, we enable our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the gift of life, in marriage public vows are exchanged with God's blessing and through funeral services friends and family express their grief and give thanks for the life which is now complete in this world and to commend the person into God's keeping.

#### **Vicar, Curate and Ordinands**

After a vacancy of 10 months we were very pleased to welcome our new vicar Rev Tim Radcliffe, instituted by Rt Revd Andrew Watson, Bishop of Guildford and inducted and installed by the Venerable Paul Davies, Archdeacon of Surrey, which took place on 15th June 2023.

Meanwhile Louisa Mason LLM (Licenced Lay Minister) has been training for ordination at Sarum College since September 2022.

Sarah Weldon was licenced as a LLM at a service held at St Stephen's on 24th June 2023, presided over by Rt Revd Andrew Watson, Bishop of Guildford

#### **Deanery Synod**

Two members of the PCC, Fiona Short and Jean Leston, sat on the Godalming Deanery Synod during the year. This Deanery Synod provides the PCC with an important link between the parish and the wider structures of the church. We were able to access mission funding from them to support a new evangelistic event over Christmas (Roaming Nativity), which was a great success.

#### **The Church and Associated Buildings**

General ongoing maintenance is budgeted to come from general church funds and we have to repair and maintain all our properties: The Church, The Church Rooms of St Stephen's (CROSS), Glover's House Flats 2 and 3 and the 'curate's house' in Sunvale Avenue. The total cost during 2023 was £40,819 (2022 £11,472). Significant items during the year were:

**Church** - £4,502 churchyard gates replacement; £3,355 electrical works; **Sunvale** - £7,228 patio replacement; £1,345 carpet replacement. **Flat 2** - £16,611 refurbishment of bathroom and consumer unit.

**Redevelopment** - the congregation is aware of and has been consulted on potential redevelopment of the CROSS and the Church. The intention is to take a phased approach to redevelopment, beginning with installation of an accessible toilet and new office space which will allow us to expand our use of the church building in the week. Providing these basic facilities in the same building as the events will mean we are able to host many more activities, such as coffee mornings, social and discipleship groups and community events. Due to vacancy in the first half of the year with our new vicar then joining us no further action was taken during 2023.

#### **Pastoral care**

St Stephen's continues to provide pastoral care to the community through trained pastoral assistants, clergy visits and schools work. A team of volunteers also administers communion in local care homes. The church has a pastoral team headed by a trained counsellor that meets monthly and includes three Diocesan trained Pastoral Assistants.



# **ST STEPHEN'S SHOTTERMILL ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2023**

## **Evangelism**

St Stephen's continues to place high importance on evangelism and making a difference both locally and globally. We have worked hard to "bridge the gap" between Church and the Community, finding different ways to make connections within the parish and further afield. This has included a mixture of activity such as a community lunch (monthly) and an Alpha course for those interested in exploring faith.

The church continued to give financially to external partners most of which were registered charities. Further details can be seen in the Financial Review Local and Global Partnership Team section.

## **Ecumenical Relationships**

St Stephen's works closely with other local churches through community service events such as youth work and a ministers' network and now we have a new vicar relationships will be strengthened.

## **FINANCIAL REVIEW**

### **Examination of Accounts**

Under the Charities Acts, St Stephen's Shottermill PCC is a registered charity (number 1134016) and with an income of over £250,000 is required to have its Accounts examined by an independent professionally qualified accountant.

The 2023 Annual Financial Statements of the Parochial Church Council ('the Accounts') were prepared by the Treasurer and the independent examination was carried out by Sheen Stickland, Chartered Accountants, 77 Station Road, Petersfield, Hampshire GU32 3FQ.

### **Assets**

The church and surrounding land including the graveyard are not shown as an asset in the Accounts as they are registered in the name of the Diocese and not the PCC.

Leases of Glover's House Flats 2 & 3 were acquired by St Stephen's many years ago. Both Flats 2 & 3 are let on a commercial basis. The flats were revalued during the year and the current market value of £430,000 (2022: £380,000) as shown on the Balance Sheet is accepted as realistic by the PCC.

The parish also owns the freehold of a residential house at 33 Sunvale Avenue (known as 'the curate's house'). The PCC accepts the current realistic market value is around £550,000 (£550,000).

The PCC arranges and pays for Employers Liability and contents insurance on both the Church and the CROSS, and pays buildings insurance on 33 Sunvale Avenue directly, and for Glovers House flats via its management company.

The Log Cabin and Storage Sheds were treated as additions during 2018 at their cost of £29,786 and depreciated over their expected life of at least ten years. During 2021 the old AV System was replaced at a cost of £5,250; this enables online streaming of selected services to reach a wider audience.

# **ST STEPHEN'S SHOTTERMILL ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2023**

## **Income**

### **Voluntary income**

Voluntary income from donations excluding gift aid was £118,635 (2022 £112,194) which included Special Projects designated giving of £29,806 (2022 £21,567). Income, excluding Special Projects, shows a reduction of 2% (2022 24%) year on year. Income of course is not guaranteed and can fluctuate for many reasons not least of which are people moving away, unemployment, illness, retirement, and new people moving into the area. Not having an incumbent during the first half of 2023 shows in the figures. Quarterly updates are provided to the congregations showing total actual income against budget figures. Finances are discussed regularly at Standing Committee and PCC who review how best to manage our Stewardship activities to further enhance giving from the congregation.

### **Gift Aid**

The Treasurer and Churchwardens continue to ask all givers who are taxpayers to sign a Gift Aid Declaration. Gift Aid allows us to reclaim the income tax already paid to HMRC and is worth 25% of gift aided donations received by the church.

During 2023 Gift Aid amounted to £27,372 (2022 £25,066) which included £360 (2022 £168) from HMRC's Gift Aid Small Donations Scheme (GASDS).

Some regular and one-off donations are made via employment (GAYE) or from CAF, Stewardship or private trusts – all of which are received 'gross' so gift aid and tax reclaims are not involved.

### **Other income**

During the year a legacy of £10,000 was received which the PCC designated to special projects. Other income includes rent from the commercially let Glover's House Flat 2 £9,150 (2022 £8,800), Flat 3 £10,800 (2022 £10,800), 33 Sunvale Avenue £19,050 (2022 £18,000) and CROSS hall hire £7,410 (2022 £11,235). During 2023 CROSS hall hire was £7,410 from Rainbow Nursery which ceased in August 2023 due to the nursery's closure.

## **Expenditure**

### **Charitable Activities**

Charitable Activities totalling £190,560 (2022 £158,989) are broken down into Ministry Expenses £119,442 (2022 £128,913) and Property Expenses £71,118 (2022 £30,076) to give a better understanding of the great variety and nature of expenditure by St Stephen's.

### **Parish Share**

Parish Share paid was £64,100 (2022 £70,319). As a reminder, Parish Share is our parish's annual contribution to Guildford Diocese. As well as covering the vicar's salary and pension contributions (stipend) and vicarage (accommodation), plus any curate's stipend (but not accommodation), the parish share contributes towards the running of the Diocese and indirectly helps those parishes less fortunate and numerically strong as ourselves. Guildford Diocese is particularly strong in offering subsidised training for ordinands, local ordained ministry, licensed lay ministry, pastoral assistants, worship leaders, occasional preaching, communion assistants – to name but a few and most of which



# **ST STEPHEN'S SHOTTERMILL**

## **ANNUAL REPORT**

### **FOR THE YEAR ENDED 31st DECEMBER 2023**

we take advantage of. During 2023 due to the income drop of 24% in 2022 and 2% in 2023 (see 'Voluntary income' above) Parish Share was paid at 75% of the requested amount.

#### **Expenditure Detail**

Expenditure on charitable activities as a whole was £190,560 (2022 £158,989). Main one-off items of maintenance on property assets are shown in this report above under 'The Church and Associated Buildings'.

#### **Local and Global Partnership Team**

The PCC delegates its outward giving to a PCC sub-committee whose members are drawn from both inside and outside the PCC. The vicar is a permanent member. The church aims to give a minimum of 10% of its voluntary unrestricted income (excluding designated income), including Gift Aid, allocated by the committee to a range of Christian and secular charities and for projects based locally, nationally and overseas. During 2023 £11,997 (2022 £13,146) was given in the form of gifts and donations.

#### **Other Outward Giving**

During 2023 the church made donations out of its income for special causes from time to time, for example at Harvest (Tearfund) and Christmas (World Vision, Home for Good). In addition, occasionally collections were taken for specific purposes eg Ukraine, Christian Aid, Bishop of Guilford's Fund; Rev John Baxter (leaving present after serving the church in vacancy); Rev T Radcliffe and family (welcome to the parish). In addition, occasionally collections are taken as leaving presents for members moving away or as fundraising for a particular cause or charity. In all these cases monies are treated as 'special collections income and payments' in the Accounts.

It is worth remembering that we also expend money on a number of causes and projects which are outwardly directed but which are not directly classified as outward giving by St Stephens. Examples of this would be significant parts of the children and youth ministries.

#### **The CROSS (Church Hall)**

As shown in note 14.2 to the Accounts, if measured on a standalone basis the CROSS shows a deficit of £5,531 (2022 deficit £4,701). Rent from Rainbow amounted to £7,410 (2022 £11,115) and from elsewhere £nil (2022 £120). Rainbow "rent" is designed to broadly reflect the costs associated with that building and the proportion of time utilised by the Nursery School; also, with the school occupying the CROSS every weekday this makes it unavailable for other outside hire. The Nursery School closed on 21<sup>st</sup> July 2023 and the PCC intends refurbishing and modernising during 2024.

#### **Rainbow Nursery Pre-school**

Under its manager Kim Windebank, Rainbow aimed to operate on a financially self-sustaining basis although with some extra support from the church. Oversight was provided by a steering committee appointed by the PCC comprising the vicar and churchwardens, with others co-opted as the need arises. This met at least once per term. Income and expenditure is consolidated with the church and totals show in notes 3.4 and 4.3 to the Accounts under 'other income' and 'other expenses', and in note 14.1 to the Accounts. Rainbow operated a separate bank account for ease of day-to-day administration. It paid the church £7,410 for rent of the CROSS five days a week; rent included electricity, gas, water, some cleaning and WC supplies, use of photocopier and some admin help. A deficit was recorded of £5,805 (2022 surplus £4,131 but this was after the SCC Early Years Recovery Fund grant of £7,500). The church further helped by letting Rainbow claim all the £5,000 HMRC annual

## **ST STEPHEN'S SHOTTERMILL ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2023**

employment allowance (offsets employer's NIC). The nursery manager gave in her notice for the end of academic year 2022/23 after over 18 years as an employee; although Rainbow had an excellent reputation and was a well-loved community asset it was not possible to recruit both a manager and assistant manager without whom the nursery could not operate legally and safely. It was with reluctance the PCC had no other option but to close at the end of summer term in July 2023.

### **Funds**

Note 13 to the Accounts contains full details of all the church funds. No restricted income was received during 2022 or 2023. The restricted Organ Fund has £1,734 remaining. The designated Special Projects fund has £108,096 in hand which includes during 2023 a gift of £20,000 plus gift aid; and a gift of £6,000 plus gift aid and a church grant of £2,000 both with the suggestion, without being a restriction, that they could contribute towards additional staff employment starting during 2024.

### **Reserves Policy**

The PCC acknowledges the church is dependent on the Lord and the support of its members and congregations and considers it unnecessary to maintain substantial free reserves. However, it is prudent to maintain the balance on General Fund at a level sufficient to cover day-to-day running expenses of at least three months and this is PCC policy. At the Balance Sheet date free reserves were £128,045 (2022 £140,553),

## **ADMINISTRATIVE INFORMATION**

### **Structure, Governance and Management**

The PCC 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, number 1134016.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Stephen's membership of the PCC consists of the incumbent (our vicar), churchwardens, curate, LLMs registered to St Stephen's, and members elected by those of the congregation who are on the electoral roll of the church. All those who attend our services are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent. New members receive initial training into the workings of the PCC. The full PCC met 6 times during the year; the PCC appoints a treasurer annually and authorises members of the Standing Committee to deal with Church affairs in between meetings.

### **Location**

St Stephen's Church is situated in Shottermill, Haslemere. It is part of the Diocese of Guildford within the Church of England. The correspondence address is: The Church Office, St Stephen's Church, Church Road, Haslemere GU27 1NS. Registered charity number 1134016.



**ST STEPHEN'S SHOTTERMILL  
ANNUAL REPORT  
FOR THE YEAR ENDED 31st DECEMBER 2023**

**PCC MEMBERSHIP**

PCC members who have served at any time from 1st January 2023 until the date this report was approved are:

Role	Name	Position	Stand Down
Vicar	Rev Tim Radcliffe*#	Ex officio	
Interim Priest	Rev John Baxter		15 June 2023
Lay Reader/LLM	Louisa Mason	Ex officio	Resigned 7 July 2023
Lay Reader/LLM	Alan Thain	Ex officio	
Lay Reader/LLM	Sarah Weldon	Ex officio	
Churchwarden/ Lay Vice Chair	Peter Soar*#	Ex-officio	Annually
Churchwarden	Maura Howard*#	Ex-officio	Annually
Deanery Synod Rep	Jean Leston	Elected (DS)	2024
Deanery Synod Rep	Fiona Short	Elected (DS)	2024
Treasurer	Noel Fairbairn*	Co-opted	Annually
PCC Secretary	Julie Fox*		
Member	Brian Baker	Elected (PCC)	2023
Member	Hilary Bicknell	Elected (PCC)	2023
Member	Penelope Cave	Elected (PCC)	2023
Member	Val Porteous	Elected (PCC)	2024
Member	Bill Kennedy	Elected (PCC)	2024
Member	Jill Soar	Elected (PCC)	2024
Member	Jim Honeywood	Elected (PCC)	2025
Member	Simon Burchell	Elected (PCC)	2025
Member	Nicky Lee	Elected (PCC)	2025
Member	Jane Saunders	Elected (PCC)	2026
Member	Jane Harding	Elected (PCC)	2026
Member	Robert Noble	Elected (PCC)	2026

\*Members of the Standing Committee of the PCC at 31 December 2023

# All members of the PCC are trustees of the charity; the vicar and churchwardens as managing trustees are registered with the Charity Commission.

Approved by the PCC on 19 Feb 2024 and signed on their behalf by lay vice-chairman of the PCC.



**Peter Soar - Churchwarden**

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE PCC OF ST STEPHEN'S SHOTTERMILL**

I report to the members of the PCC on my examination of the accounts of the PCC for the year ended 31st December 2023 which consists of the Statement of Financial Activities, the Balance Sheet and notes to the accounts pages 9 to 20.

### **Respective responsibilities of the PCC and the Examiner**

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Church Accounting Regulations 2006 ("the Regulations") and 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 and to be found in the Regulations.

The members of the PCC consider that an audit is not required for this year under section 144(2) of the Act and that an independent examination is needed. Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Certified Accountants in England and Wales which is one of the listed bodies.

### **Independent Examiner's Statement**

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

- (1) accounting records were not kept in respect of the PCC as required by section 130 of the Act; or
- (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.



Mr David Sanders BA (Hons) FCA BFP  
Chartered Accountant  
Sheen Stickland  
The Engine House  
77 Station Road  
Petersfield  
GU32 3FQ

Date:

8th March 2024

**ST STEPHEN'S SHOTTERMILL PCC**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total this year 2023 £	Total last year 2022 £
<b>INCOME AND ENDOWMENTS</b>	<b>3</b>					
Donations and legacies	3.1	156,007	0	0	156,007	137,260
Charitable activities	3.2	13,597	0	0	13,597	15,008
Other trading activities		0	0	0	0	0
Investment income	3.3	42,594	0	0	42,594	38,260
<b>Separate material item of income:</b>						
Other income	3.4	88,467	0	0	88,467	100,572
<b>Total</b>		<b>300,665</b>	<b>0</b>	<b>0</b>	<b>300,665</b>	<b>291,100</b>
<b>EXPENDITURE ON</b>	<b>4</b>					
Raising funds	4.1	0	0	0	0	0
Charitable activities	4.2	190,560	0	0	190,560	158,989
<b>Separate material item of expense</b>						
Other expense	4.3	84,359	0	0	84,359	95,441
<b>Total</b>		<b>274,919</b>	<b>0</b>	<b>0</b>	<b>274,919</b>	<b>254,430</b>
<b>NET INCOME</b>		<b>25,746</b>	<b>0</b>	<b>0</b>	<b>25,746</b>	<b>36,670</b>
Gains (losses) on investments		50,000	0	0	50,000	100,000
Extraordinary items		0	0	0	0	0
Transfers between funds		0	0	0	0	0
<b>NET MOVEMENT IN FUNDS</b>		<b>75,746</b>	<b>0</b>	<b>0</b>	<b>75,746</b>	<b>136,670</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,140,395	1,734	0	1,142,129	1,005,459
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,216,141</b>	<b>1,734</b>	<b>0</b>	<b>1,217,875</b>	<b>1,142,129</b>



**ST STEPHEN'S SHOTTERMILL PCC**  
**BALANCE SHEET AT 31st DECEMBER 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31st December 2023 £	31st December 2022 £
<b>FIXED ASSETS</b>						
Tangible assets	9	991,916	0	0	991,916	946,644
<b>Total Fixed Assets</b>		<b>991,916</b>	<b>0</b>	<b>0</b>	<b>991,916</b>	<b>946,644</b>
<b>CURRENT ASSETS</b>						
Debtors & prepayments	10	12,081	0	0	12,081	12,682
Cash at bank		221,132	1,734	0	222,866	191,782
<b>Total Current Assets</b>		<b>233,213</b>	<b>1,734</b>	<b>0</b>	<b>234,947</b>	<b>204,464</b>
<b>CURRENT LIABILITIES</b>						
Creditors & accruals: amounts falling due within one year	11	8,988	0	0	8,988	8,979
<b>Net Current Assets</b>		<b>224,225</b>	<b>1,734</b>	<b>0</b>	<b>225,959</b>	<b>195,485</b>
<b>Total Assets less Current Liabilities</b>		<b>1,216,141</b>	<b>1,734</b>	<b>0</b>	<b>1,217,875</b>	<b>1,142,129</b>
Creditors: amount falling due after one year		0	0	0	0	0
Provisions for liabilities & charges		0	0	0	0	0
<b>NET ASSETS</b>		<b>1,216,141</b>	<b>1,734</b>	<b>0</b>	<b>1,217,875</b>	<b>1,005,459</b>
represented by:						
<b>FUNDS OF THE CHARITY</b>						
General fund	13	128,045	0	0	128,045	151,247
Designated funds		1,088,096	0	0	1,088,096	989,148
Restricted income funds		0	1,734	0	1,734	1,734
Endowment funds			0	0	0	0
<b>TOTAL FUNDS</b>		<b>1,216,141</b>	<b>1,734</b>	<b>0</b>	<b>1,217,875</b>	<b>1,142,129</b>

Signed by two trustees on behalf of all the trustees:

  
 Peter Soar - Churchwarden

  
 Date

  
 Noel Fairbairn - Treasurer

  
 Date



**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**Note 1 Summary of significant accounting policies**

**a) General information and basis of preparation.**

The PCC is a registered charity in England. The nature of the charity's operations and principal activities are shown in the annual report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) the Charities Act 2011, and UK Generally Accepted Practice.

The charity has taken advantage in the provisions in the Charities SORP for smaller charities, not to prepare a statement of cash flows.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**b) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Note 2 Accounting policies**

This standard list of accounting policies has been applied by the charity. Where a different or additional policy has been adopted then this is detailed in the notes below.

**INCOMING RESOURCES**

**Recognition of incoming resources.** These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**Incoming resources with related expenditure.** Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SOFA.

**Grants and donations.** Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

**Tax reclaims on donations and gifts.** Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

**Gifts in kind.** Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts of assets are included at market value.

**Donated services and facilities.** These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

**Volunteer help.** The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Investment income.** This is included in the accounts when receivable.

**Investment gains and losses.** This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

## **EXPENDITURE AND LIABILITIES**

**Liability recognition.** Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

**Governance costs.** Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

## **ASSETS**

**Tangible fixed assets for use by charity.** These are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or a reasonable value on receipt.

**Investments.** Investment assets are included at trustees' best estimate of market value.

**Depreciation.** Leasehold and freehold properties are not depreciated. Office equipment is fully depreciated over three years. Fixtures and fittings are fully depreciated over ten years or the life of the asset if less.

**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**Note 3 Income; all funds consolidated**

	2023		2022	
	£	£	£	£
<b>3.1 Donations and legacies</b>				
Donations - CAF, GAYE & trusts	6,200		6,395	
Donations - gift aid monthly	75,749		79,565	
Donations - no gift aid monthly	5,088		4,676	
Cash collections	2,198		1,188	
One off gifts - gift aid	28,110		20,000	
One off gifts - no gift aid	1,290		370	
Legacies	10,000		-	
Tax recoverable	<u>27,372</u>	156,007	<u>25,066</u>	137,260
<b>3.2 Charitable Activities</b>				
Cross hall hire	7,410		11,235	
<b>Service fees</b>	1,750		2,166	
Special collections income	4,281		1,470	
Special Projects activities	<u>156</u>	13,597	<u>137</u>	15,008
<b>3.3 Investment Income</b>				
Bank interest	3,594		660	
<b>Glovers House Flat 2 income</b>	9,150		8,800	
Glovers House Flat 3 income	10,800		10,800	
33 Sunvale Avenue	<u>19,050</u>	42,594	<u>18,000</u>	38,260
<b>3.4 Other Income</b>				
Rainbow fee income	77,966		91,592	
<b>Rainbow SCC Early Years Recover</b>	-		7500	
Rainbow other income	<u>588</u>		<u>480</u>	
	78,554		99,572	
Guildford Diocese energy grant	1,000		1,000	
Congregation Energy Appeal	5,215		0	
Church Grant towards Mission	2,000		0	
Donations for Rainbow assets	<u>1,698</u>	88,467	<u>0</u>	100,572
		<u>300,665</u>		<u>291,100</u>



**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**Note 4. Expenditure; all funds consolidated**

	2023		2022	
	£	£	£	£
<b>4.1 COST OF RAISING FUNDS</b>				
Stewardship costs		-		-
<b>4.2a MINISTRY EXPENSES</b>				
<b>Parish Contribution to Diocese</b>		64,100		70,319
<b>Salaries &amp; NIC</b>				
Youth & Children's Minister	0		7,483	
Church Administrator	22,276		21,125	
Pension contributions	608		709	
Payroll bureau	559	23,443	540	29,857
<b>Personal Expenses</b>				
Vicar	300		-	
Curate & ordinands	-		-	
Youth & Children's Minister		300	45	45
<b>Parish Ministry</b>				
<b>Church Services</b>				
Worship & music group	517		469	
Publicity & website	438		431	
Clergy fees	0		179	
Speakers fees, gifts, travel	0		0	
Upkeep of Service	1,346	2,301	695	1,774
<b>Community Outreach</b>				
Community resources	0		100	
Social & Hospitality	817	817	423	523
<b>Youth &amp; Children's work</b>				
Noah's Ark	0		-	
Breakout	252		268	
Rainbow pre-school	1,054		462	
Liquid Youth	0		-	
Training, books & resources		1,306	0	730
<b>Training, books &amp; materials</b>				
Ordinand training grants	-		1,081	
Training - courses, accom & travel	614		120	
Books and resource materials	71	685	244	1,445
<b>Mission &amp; Giving</b>				
Special collections payments	4,281		1,470	
Home	3,142		4,482	
Overseas	8,855	16,278	8,664	14,616
<b>Church Office</b>				
Office telephone	593		454	
Office sundry costs	0		53	
Copy costs and paper supplies	789		637	
Bank charges	61		82	
Postage & carriage	71		34	
Stationery & office equipment	207		76	
Computer expenses & software	1,528		1,292	
Staff recruitment & DBS checks	795		1,018	
Independent Examiner fee	1,440		1,230	
Depreciation of assets	4,728	10,212	4,728	9,604
		<u>119,442</u>		<u>128,913</u>



**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**Note 4. Expenditure (continued); all funds consolidated**

	2023		2022	
	£	£	£	£
<b>4.2b PROPERTY EXPENSES</b>				
<b>Church Property Expenses</b>				
Repairs & maintenance	10,712		1,560	
Architect's fees	1,161		0	
Cleaning	1,560		1,452	
Electricity	1,898		1,373	
Gas	8,857		4,348	
Water	108		96	
Insurance	<u>2,277</u>	26,573	<u>2,131</u>	10,960
<b>CROSS Property Expenses</b>				
Electricity	1,944		2,150	
Gas	2,937		1,751	
Water	1,572		463	
Insurance	1,455		1,421	
Cleaning	3,111		2,733	
Repairs & maintenance	<u>1,922</u>	12,941	<u>7,418</u>	15,936
<b>Other Property Expenses</b>				
Flat 2	17,612		1,000	
Flat 3	1,323		1,110	
Vicarage	3,419		686	
Sunvale - repairs & maintenance	<u>9,250</u>	31,604	<u>384</u>	3,180
		<u>71,118</u>		<u>30,076</u>
<b>4.3 OTHER EXPENSES</b>				
Rainbow admin, fees, training		796		761
Rainbow equipment, materials, stationery		1,301		1,984
Rainbow food and milk		5		12
Rainbow salaries, NIC and payroll costs		70,856		77,257
Rainbow - other expenses		<u>11,401</u>		<u>15,427</u>
		<u>84,359</u>		<u>95,441</u>

**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**Note 4 Expenditure (continued); all funds consolidated**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>EXPENDITURE SUMMARY</b>		
<b>4.1 Cost of Raising Funds</b>		
<b>4.2 Charitable Activities</b>		
4.2a Ministry expenses	119,442	128,913
4.2b Property expenses	71,118	30,076
	<u>190,560</u>	<u>158,989</u>
<b>4.3 Other Expenses</b>	84,359	95,441
<b>Total expenditure</b>	<u>274,919</u>	<u>254,430</u>

**5. SUPPORT COSTS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total support costs	0	0

**6. DETAILS OF CERTAIN ITEMS OF EXPENDITURE**

**6.1 Trustee Expenses**

Details of the amount of any payment or reimbursement of out-of-pocket expenses made to trustees or to a third party for expenses incurred by trustees in the performance of their duties.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Number of trustees who were paid expenses	1	0
Vicar	300	0
	<u>£300</u>	<u>£0</u>

**6.2 Independent Examination fees**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Independent Examination fees	£1,440	£1,230

**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**7. PAID EMPLOYEES**

**7.1 Staff Costs**

	<b>2023</b>	<b>2022</b>
<b>PCC</b>	<b>£</b>	<b>£</b>
Wages & salaries	20,678	26,555
Employer's NIC	1,598	2,053
Employer's pension contributions	608	709
	<u>22,884</u>	<u>29,317</u>
 <b>RAINBOW</b>		
Wages & salaries	68,214	74,194
Employer's NIC	163	95
Employer's pension contributions	1,786	2,058
	<u>70,163</u>	<u>76,347</u>
	<u><u>£93,047</u></u>	<u><u>£105,664</u></u>

No employees received total employee benefits of more than £60,000

**7.2 Staff Numbers**

Average number of employees engaged  
in each of the following activities:

	<b>2023</b>	<b>2022</b>
Fundraising	0	0
Charitable Activities	1	1
Governance	0	0
Rainbow	5	4
	<u>6</u>	<u>5</u>

**8. GRANT MAKING**

None.

**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**9. TANGIBLE ASSETS**

	Leasehold Property	Freehold Property	Office Equipment	Fixtures and Fittings	Total
	£	£	£	£	£
1st January 2023 b/fwd	380,000	550,000	1,750	14,894	946,644
Additions	0	0	0	0	0
Revaluations	50,000	0	0	0	50,000
Disposals	0	0	0	0	0
Depreciation	0	0	1,750	2,978	4,728
31st December 2023 c/fwd	430,000	550,000	-	11,916	991,916

The PCC owns the leasehold of Glovers House flats 2 & 3; both flats are let at a commercial rent. Flat 2 bathroom and electrics were totally refurbished during the year, after which a valuation was obtained; this has resulted in a market value uplift of £50,000 for both flats. The historical cost of the leasehold property is £260,000.

The PCC also owns the freehold of 33 Sunvale Avenue, Haslemere, Surrey GU27 1PJ which is used by curates when training in the parish, but during 2023 was let at a commercial rent. In 2022 the PCC revalued at £550,000 and they are satisfied this is still a reasonable guide to current market value.

The two leasehold flats and the freehold house are investment assets of the parish, however their actual use changes from time to time with a combination of accommodation for a curate, accommodation for church employees, and commercial lets.

**10. DEBTORS AND PREPAYMENTS**

	2023	2022
	£	£
Recoverable Gift Aid	6,589	2,926
Prepayments and accrued income	5,492	9,756
	<u>12,081</u>	<u>12,682</u>

**11. CREDITORS AND ACCRUALS**

	2023	2022
	£	£
Amounts falling due within one year		
Accruals and deferred income	8,988	8,979
	<u>8,988</u>	<u>8,979</u>

**12. TRANSACTIONS WITH RELATED PARTIES**

None



**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**13. SUMMARY OF FUNDS AND MOVEMENTS**

The following funds were in existence during the year and showed movements:

<b>Fund name</b>	<b>Type of fund</b>	<b>Use of fund</b>
Organ Fund	Restricted	Repair and maintenance of church organ
Glovers Flats	Designated	Market value of two flats owned by the church
Sunvale	Designated	Market value of residential property owned by the church
Rainbow Nursery	Designated	To provide working capital for running of nursery school
Special Projects	Designated	Special projects as specified by PCC from time to time
General Fund	Undesignated	General purposes

**Classification of Funds**

<b>Restricted</b>	Donations given for a specific purpose; funds can be used only for this purpose.
<b>Designated</b>	General donations which the PCC wishes to earmark for particular uses and which can be reallocated by them as the need arises.
<b>Undesignated</b>	General donations which are used for any charitable activity.

**Movements in Funds 2023**

<b>Fund name</b>	<b>b/forward 01.01.23</b>	<b>Income</b>	<b>Revaluation</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>c/forward 31.12.23</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Organ	1,734	0	0	0	0	1,734
Glovers	380,000	0	50,000	0	0	430,000
Sunvale	550,000	0	0	0	0	550,000
Rainbow	10,639	78,554	0	84,359	-4,834	0
Projects	59,203	48,893	0	0	0	108,096
General	140,553	173,218	0	190,560	4,834	128,045
	<b>1,142,129</b>	<b>300,665</b>	<b>50,000</b>	<b>274,919</b>	<b>0</b>	<b>1,217,875</b>

During the year £4,834, being Rainbow bank balance on nursery closure, was transferred to Church General Fund.

**Movements in Funds 2022**

<b>Fund name</b>	<b>b/forward 01.01.22</b>	<b>Income</b>	<b>Revaluation</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>c/forward 31.12.22</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Organ	1,734	0	0	0	0	1,734
Glovers	380,000	0	0	0	0	380,000
Sunvale	450,000	0	100,000	0	0	550,000
Rainbow	6,507	99,572	0	95,440	0	10,639
Projects	32,553	26,650	0	0	0	59,203
General	134,665	164,878	0	158,990	0	140,553
	<b>1,005,459</b>	<b>291,100</b>	<b>100,000</b>	<b>254,430</b>	<b>0</b>	<b>1,142,129</b>

**ST STEPHEN'S SHOTTERMILL PCC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 2023**

**14. ADDITIONAL DISCLOSURES**

The following are significant matters that are not shown elsewhere in the Financial Statements:

**14.1 Rainbow Nursery Pre-school**

As Rainbow is wholly owned by the St Stephen's Church, its accounts are fully consolidated with those of the Church. Rainbow Nursery closed at the end of academic year 2022/23 on 21st July 2023.

	<b>2023</b>	<b>2022</b>
	£	£
Income from external sources	78,554	92,072
SCC Early Years Recovery Fund Grant	0	7,500
	<u>78,554</u>	<u>99,572</u>
Expenditure on external items	76,949	84,326
Rent for Cross Hall paid to St Stephen's	7,410	11,115
	<u>84,359</u>	<u>95,441</u>
<b>Deficit for the year</b>	<u>-5,805</u>	<u>4,131</u>

**14.2 CROSS Hall**

	<b>2023</b>	<b>2022</b>
	£	£
Rent received externally	0	120
Rent received from Rainbow	7,410	11,115
	<u>7,410</u>	<u>11,235</u>
Maintenance and repairs	1,922	7,418
Gas, electricity and water	6,453	4,364
Insurance	1,455	1,421
Cleaning and waste disposal	3,111	2,733
	<u>12,941</u>	<u>15,936</u>
<b>Deficit for the year</b>	<u>-5531</u>	<u>-4701</u>

**15. COMPARATIVE FIGURES 2022 BY FUND TYPE**

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	2,022
<b>Income and Endowments</b>				
Donations and legacies	137,260	0	0	137,260
Charitable activities	15,008	0	0	15,008
Investment income	38,260	0	0	38,260
Other income	100,572	0	0	100,572
<b>Total</b>	<u>291,100</u>	<u>0</u>	<u>0</u>	<u>291,100</u>
<b>Expenditure on</b>				
Raising funds	-	0	0	-
Charitable activities	158,989	0	0	158,989
Other expenses	95,441	0	0	95,441
<b>Total</b>	<u>254,430</u>	<u>0</u>	<u>0</u>	<u>254,430</u>
<b>Net Income</b>	36,670	0	0	36,670
Gains (losses) on investments	100,000	0	0	100,000
Net movement in funds	136,670	0	0	136,670
Funds brought forward	1,003,725	1,734	0	1,005,459
<b>Total funds carried forward</b>	<u>1,140,395</u>	<u>1,734</u>	<u>0</u>	<u>1,142,129</u>