

Parish of Merstham

PCC report and financial statements



for the year ended 31 December 2024

[The Parochial Church Council of the Ecclesiastical Parish of Merstham]

Charity No. 1139490

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Parish of Merstham

Annual Report for year ended 31 December 2024

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PCC report

The members of the PCC present their annual report and financial statements of the Parish of Merstham for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the governing documents, Charities Act 2011 and 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 (FRS 102).

Objectives and Activities

The primary object of the PCC is the promotion of the Gospel of the Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC is tasked with co-operating with the minister in promoting in the parish the whole mission of the Church; pastoral, evangelistic, social and ecumenical.

As a Parish Church within the Church of England's Diocese of Southwark, St Katharine's Church exists for the benefit of the wider community as well as for those who form part of the week-by-week worshipping community. With this in mind, our activities have been a combination of those for the worshipping community together with others aimed at the wider community through pastoral care or missionary and outreach.

In order to accomplish these objectives, it is important that we maintain the fabric of the church buildings.

The members of the PCC have complied with the duty in Section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

The parish

The parish of Merstham is in the Diocese of Southwark and is within Reigate Deanery. The parish is part of the Merstham and Gatton Team Ministry under the terms of a Pastoral Scheme pursuant to the Pastoral Measure 1983 made by the Church Commissioners on 29 March 2010 and which came into effect on 1 April 2010.

Following the closure of the Church of the Epiphany in January 2015 the parish has only one place of worship: the Parish Church is St Katharine, on Church Hill, Merstham, RH1 3BJ.

Merstham & Gatton Team Ministry is composed of the parishes of Merstham (St Katharine), Gatton (St Andrew), and South Merstham (All Saints).

Team Rector

Revd Nigel Griffiths

The Rectory, Battlebridge Lane, Merstham, RH1 3LH

Team Vicar

Suspended

Associate Priest

Revd Rob Kenyon

Readers

Mrs Christiana Agwuegbo

Churchwarden

Mr Chris Green

Achievements and Performance

Worship and prayer

Within the parish the PCC aims to offer a variety of services during the week and throughout the year to cater for different groups within the community. These range from organised services such as our regular Sunday worship, including Holy Communion, to less formal and less structured meetings such as study groups and prayer meetings. The Parish provides a range of regular and extra festival and seasonal services over the course of the year that our community has found both beneficial and spiritually fulfilling, and regularly provides hospitality for special Team Services.

Regular Service Pattern

During the recent vacancy a Worship Group had been set up and this continues to arrange services, usually once a month. The regular service pattern is: Holy Communion on the first and third Sundays each month, Morning Worship (usually led by either our Licensed Reader or members of the Worship Group) on the second Sunday, and a Team service at All Saints on the fourth Sunday. Arrangements for the fifth Sunday (when this occurs) vary.

Occasional Offices

During 2024 one baptism and two weddings were celebrated in the church. No funeral services were held in the church, but there were four instances of interment of cremated remains in the churchyard.

Electoral Roll and Church Attendance Report

In December 2024 there were 37 members on the Electoral Roll. A completely new Electoral Roll will be prepared in April 2025.

Pastoral Care

St Katharine's has a Pastoral Team which meets regularly to review people in particular need and ensure they can be attended to as appropriate and feasible. Home Communion is also available. A WhatsApp group has been created to allow prompt communication among the team for prayer and practical needs.

The provision of community support and facilities by the local council and charitable trust is patchy. Since the Team Ministry won a grant from the Church of England's Strategic Development Fund there has been scope for the churches – mainly coming out of All Saints, to seek ways of serving the Merstham Estate. At present this consists mainly of connecting with young people through school and ex-curricular activities. However, a Fresh Expression of church, much like St Katharine's Café Churches in past years, is being planned to begin in 2025.

St Katharine's Church Room is used for various church activities, including PCC meetings and after-service coffee on Sundays. The Church Room also has regular weekly bookings by non-church groups. With the PCC's approval the Church Room received a facelift in the form of re-painting the interior, new curtains and a new kitchen. In addition, through social media and other means the intention is to raise awareness of the Room as a rental space and increase regular income from it.

During 2024 one member of the Women's Support Group moved away, and another died, so the decision has been taken to close the Group. The leader continues, however, to support the one remaining member of the Group on an informal basis.

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Safeguarding Report

The church implements the 'Safe Church' diocesan policy. A copy of the policy is displayed in the church porch and a copy is also kept securely. Regular updates are inserted into the policy and where appropriate members of the PCC are encouraged to attend the Safeguarding and Vulnerable adults training provided by the Diocese. Regular newsletters are shared with PCC and Junior church leaders. All DBS checks are up to date or being renewed. We are grateful for the work of Mr Simon Beirne and Mrs Maggie Kippen, our Safeguarding officers, who generously share their overview with St Andrew, Gatton.

Mission and outreach

The Team Ministry endeavours to provide information and communication to parishioners and the general public by several means.

The *Messenger*, the parish magazine for Merstham and Gatton, is produced monthly online, with a very few paper copies distributed to those unable to access the internet. It contains information regarding church-associated events held within the Team Ministry together with general local services and charity/alternative events held within the wider community.

The website for the Team Ministry is at www.mgtmchurches.org. The intention is that it will provide details of church services and activities, as well as information about weddings, marriages and funerals and how to make contact with parish staff.

Information is also displayed on notice boards at the church and published in a monthly news-sheet.

Quality Street Fair is now a predominantly community-led, rather than church-led, event, and takes place in September. St Katharine's Supper, celebrating our Patronal Saint, took place in the Church Room at the end of November.

The weekly ecumenical prayer meeting has been able to continue at the Community Hub; it includes members of St Katharine's and the wider Merstham Team.

Ecumenical relationships

The churches continue to be involved in ecumenical activities as part of the *Churches Together in Merstham* group and would usually hold joint activities such as the World Day of Prayer, Lent Groups and Lent Lunches, Good Friday Walk of Witness, and Carol singing at Christmas.

Fabric

Amongst other duties, the PCC is responsible for the maintenance of our buildings, which include the historic church of St Katharine (Merstham Parish Church) and St Katharine's Church Room. The last Quinquennial Inspection was carried out in March 2018 by Thomas Ford & Partners. The architect's conclusion was that the church was well looked after by the PCC and significant repairs had been undertaken in the last ten years; although a number of repair issues remain these do not reflect poor care or management on the part of the Parish. Due to the ongoing work (see below) the next Quinquennial was arranged for January 2025 with no major problems raised.

Fundraising events

Quality Street Fair brought in a respectable £4,000.

The Deanery Synod

The Deanery Synod is the link between the parishes and the Diocese. Merstham Parish is part of Reigate Deanery Synod and is represented there by Jill Gunn and Judith Hanson. The Synod not only provides a link with the governance structures of the Church of England in the Diocese and nationally but also provides a link for the PCC to raise matters at a Deanery level and potentially higher.

Financial Review

Net income after gains on investments of £34.7k was generated in 2024 (2023 £37.2k).

Income fell to £67.2k (2023 £73.0k) with some significant differences in the underlying sources of income. Voluntary income fell £26.7k to £21.7k (2023 £48.4k). The principal reason for the fall was a reduction in grant income following work on the church extension being placed on hold (2024 £0.4k vs 2023 £17.4k). In addition, remaining voluntary income fell to £21.3k (2024 £31.0k) reflecting the death or movement away of several donors. Income from activities for generating funds was £4.3k, very similar to 2023 (£4.2k). Income from church activities was also very similar to 2023 at £5.2k (2023 4.8k). Income from investments increased significantly to £36.0k (2024 15.5k), with the main difference arising from interest gained on a deposit fund account opened in order to obtain interest on the money anticipated to be used for the church extension. This account generated £20.3k in income in 2024. Income from other investments was £15.7k, (2023 £15.5k).

Expenditure fell significantly to £45.4k (2023 £84.8k), principally as a consequence of the work on the church extension being put on hold (2024 £nil vs 2023 £48.4k). This saving vs 2023 was partially offset by an upgrade to the Church Room (£4.3k) and some less significant expenditure incurred to upgrade the heating in the church and maintain the organ.

The net gain on investments was a more modest £13.0k in 2024 (2023 £49.0k) reflecting the movement in general stock markets. The amounts held in investments during 2024 were unchanged compared to 2023.

The church silver was revalued in 2024 at £15.7k, £9.1k lower than its previous valuation.

As a result of the activity detailed above, the Net Assets increased by £25.6k during 2024. The PCC had total net assets of £1.326m at the end of 2024 (2023 £1.300m).

The PCC met its 2024 Parish Pledge to the Diocese of Southwark in full (2024 £17.1k vs 2023 £16.5k).

The PCC is very aware of the consequences of a reducing congregation with its corresponding effect to the level of giving and many activities are ongoing to attempt to increase the congregation. It has set aside a designated fund to cover the cost of the planned extension works. This work had been started with the vestry roof being removed, as well as the upper part of the wall, prior to the contracted builder entering administration. Mindful of the financial position and its future obligations, the PCC has moved forward with a smaller scale plan which should be built in Q2 and Q3 2025, the exact cost of which is currently unknown but is hoped to be lower than previously anticipated.

Reserves policy

It is the policy of the PCC to seek to maintain adequate reserves, including some reserves for unforeseeable circumstances. Approximately £45k of reserves are restricted and may only be used for the purposes stipulated. Of the remaining reserves, £728k is held in a designated fund to be used for the specific purpose of funding the extension and £146k is held in a non-expendable endowment.

Plans for the future

Work to demolish the Victorian vestries on the north side of the church started at the end of February 2023, and the planned extension (incorporating a new vestry, meeting area and toilets) was expected to be complete by the end of the summer that year. It is regretful that the construction company went into administration the day prior to Maundy Thursday and, as a result of this, we were left with a partly-demolished annexe. Emergency measures were put in place to render it weather-tight and to remove the debris left by the builders. We embarked on a second round of tendering, but the results of this served only to demonstrate that prices had increased considerably over the original estimate. As a consequence, we have reluctantly decided to abandon the original plan.

We have now engaged a new building company and a new architect, and intend to proceed with an extension that, while being significantly smaller than the original plan, will contain a toilet and a small meeting area, while at the same time improving the insulation.

Other information

Related Party Transactions

There have been no transactions between the PCC and related parties, as defined by the Charities Act 2011 and the Charities SORP.

Examiners' Remuneration

Sargent and Co will be paid £1,440 for the examination of these accounts.

Trustee Remuneration and Expenses

All Trustees give freely of their time and do not claim expenses for fulfilling their role. Several Trustees were reimbursed costs they incurred on behalf of the PCC where this was the most efficient means of purchase.

Structure, governance and management

Governing Documents

The Governing Documents relating to the operation of the PCC are:

- The Parochial Church Councils (Powers) Measure 1956 as amended
- The Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended with the 2009 Statutory Instrument and the 2009 update to the Code of Recommended Practice to the Pastoral Measure 1983)

Membership of the PCC

The Parochial Church Council (PCC) is a corporate body established by the Church of England. Members of the PCC, who are also Trustees for the purposes of charity law, 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 co-opt members as it deems fit.

During the year the Council received regular reports on the following topics, amongst other matters:

Finance
Mission and Outreach projects

Team Council
Deanery Synod

Fabric and Churchyard
Safe Church Policy

The PCC usually meets each alternate month.

PCC membership following the 2024 APCM

Ex Officio members:

Revd Nigel Griffiths	Team Rector
Revd Rob Kenyon	Associate Priest
Mrs Christiana Agwuegbo	Reader
Mr Chris Green	Churchwarden (from May 2022)
Mrs Jill Gunn	Deanery Synod Representative (appointed May 2023)
Mrs Judith Hanson	Deanery Synod Representative (appointed May 2023)

Elected members:

Mr Daniel Hopcroft	Treasurer (co-opted in April 2024)
Mrs Maggie Kippen	Safeguarding Officer (co-opted in May 2024)
Mrs Libby Green	(from 2023)
Mr John Turner	(from 2023)

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Mr Robert Prentice	(from 2024)
Mrs Glynis Beazley	(from 2022)
Mrs Gill Buchanan	(from 2023)
Mr Geoff Dixon	(from May 2024)

PCC Secretary

Mrs Ann Beirne
28 Harestone Hill, Caterham, Surrey, CR3 6DG

Independent Examiner

Alison Sargent FCA Sargent & Co.
219 Croydon Road, Caterham, Surrey, CR3 6PH

Bankers

The Central Board of Finance of the Church of England: Cheapside, London EC2Y 5AQ
CAF Bank: 25 Kings Hill Avenue, West Malling, Kent ME19 4TA
NatWest Bank Ltd.: Station Road, Redhill RH1 1QN
CCLA Investment Management Ltd: One Angel Lane, London EC4R 3AB

Correspondence

All correspondence should be sent to the PCC Secretary: 28 Harestone Hill, Caterham, Surrey, CR3 6DG

Registered Charity Number

The Parochial Church Council of the Ecclesiastical Parish of Merstham (Merstham PCC) is a charity registered with the Charity Commission under registration number 1139490.

Safeguarding Officers

Mrs Margaret Kippen, Mr Simon Beirne

Standing Committee

The Standing Committee is the only committee required by law. It exists to transact the business of the PCC between meetings and may construct the agenda for meetings of the PCC.

Team Council

This was set up at the creation of the Team Ministry. It consists of the clergy, churchwardens and secretaries from across the churches. It has not met during 2024. Its purpose is to share news and sustain an overview of Team life, help determine what activities may be achieved better across the team (e.g. various training), and support one another, particularly in the mission and outreach of the Team churches.

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Statement of Parochial Church Council Responsibilities

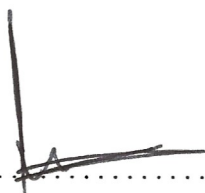
Charity Law requires the Parochial Church Council to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Church and of its financial activities for that period.

In preparing those financial statements the Parochial Church Council is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the church will continue in business.

The Parochial Church Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Church and enables PCC members to ensure that the financial statements comply with regulations made under the Church Accounting Regulations 2006. It is also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Parochial Church Council and signed on its behalf by



Chris Green (Churchwarden)



Glynis Beazley (PCC member)

Date: 7th May 2025

Independent Examiner's Report to the Members of the PCC of the Parish of Merstham

I report to the members of the Parochial Church Council (PCC), being the charity's trustees, on my examination of the accounts of the charity for the year ended 31st December 2024 which are set out on pages 9 to 20.

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

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

1. accounting records were not kept in respect of the charity 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.



Alison Sargent FCA

Sargent and Co
Chartered Accountants
219 Croydon Road
Caterham
Surrey
CR3 6PH

Date:

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Statement of Activities for the Year Ended 31st December 2024

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2024	Total funds 2023
<u>Incoming resources</u>						
Voluntary income	2(a)	21,463	250	-	21,713	48,443
Activities for generating funds	2(b)	4,284	-	-	4,284	4,249
Income from investments	2(c)	32,036	3,970	-	36,005	15,462
Church activities	2(d)	5,169	-	-	5,169	4,818
Total incoming resources		62,952	4,220	-	67,172	72,973
<u>Resources expended</u>						
Church activities	3(a)	34,410	9,326	-	43,736	82,136
Fundraising costs	3(b)	249	-	-	249	1,218
Governance costs	3(c)	1,440	-	-	1,440	1,450
Total resources expended		36,099	9,326	-	45,425	84,804
Net income before investment gains/(losses)		26,853	(5,106)	-	21,747	(11,832)
Net gains/(losses) on investments	4	5,654	-	7,305	12,959	49,031
Net income/(expenditure)		32,507	(5,106)	7,305	34,706	37,200
Transfers between funds		-	-	-	-	-
Gains/(losses) on revaluation of fixed assets	6	-	(9,100)	-	(9,100)	-
Net movement in funds		32,507	(14,206)	7,305	25,606	37,200
<u>Reconciliation of funds</u>						
Total funds brought forward		922,112	59,586	318,596	1,300,295	1,263,095
Total funds carried forward		954,619	45,380	325,901	1,325,900	1,300,295

The notes on pages 11 to 20 form part of these accounts

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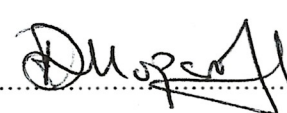
Balance Sheet as at 31st December 2024

	Note	Total funds 2024	Total funds 2023
<u>Fixed assets</u>			
Tangible assets	6	15,650	24,750
Investments			
Mrs Puckle's bequest	7(a)	146,274	143,001
Expendable endowment	7(b)	179,599	175,580
Other	7(c)	252,719	247,052
Total fixed assets		594,242	590,383
<u>Current assets</u>			
Debtors	8	8,858	1,531
Cash at bank and in hand		725,450	711,230
		734,307	712,761
<u>Liabilities</u>			
Creditors			
due in 1 year	9	(2,649)	(2,850)
Net current assets		731,658	709,911
Total net assets		1,325,900	1,300,295
<u>Parish funds</u>			
unrestricted	12	954,619	922,112
restricted	10	45,380	59,586
endowment	11	325,901	318,596
Total funds		1,325,900	1,300,295

The accounts were approved by the PCC on 7th May 2025 and signed on behalf of the PCC by


Green – Churchwarden

Date: 7th May 2025


Dan Hopcroft – Treasurer

Date: 7th May 2025

Notes to the Accounts for the Year Ended 31st December 2024

1. Accounting Policies

(a) Basis of Preparation

The accounts have been prepared under the current Church Accounting Regulations and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) - (Charities SORP (FRS102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The accounts have been prepared on a going concern basis on the grounds that no material uncertainties exist and under the historical cost convention modified to include certain items at fair value as stated in the relevant notes to the accounts. The accounts are presented in Sterling and rounded to the nearest £.

The Church constitutes a public benefit entity as defined by FRS102.

(b) Income Recognition

All income is recognised once the Church has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The income of the Church includes income from Church activities, donations, grants, known legacies and letting income for Church premises.

All incoming resources have been recognised on a receivable basis except for voluntary donations and income from investments which is accounted for when received.

Legacy gifts are recorded on a case-by-case basis following the granting of probate when the administrator/executor of the estate has communicated in writing both the amount and settlement date.

(c) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure is directly attributable to various Church activities and has been included in the relevant cost categories.

Fundraising costs comprise the costs associated with any fundraising event.

(d) Tangible Fixed Assets

The Church silver has been included at market value based on an independent valuation report obtained in 2024.

Under the PCC's (Powers) Measure 1956, all PCCs are trustees of income and expenditure but not necessarily of assets, so that any expenditure whether maintenance or improvement, incurred on consecrated or benefice buildings or moveable church fittings, is written off as expenditure during the year.

(e) Investment Fixed Assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(f) Debtors and Creditors Receivable/Payable Within One Year

Debtors and creditors receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(g) Cash at Bank and In Hand

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

(h) Realised Gains and Losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(i) Funds

Permanent endowment funds are funds which have been given to the Parish of Merstham in trust with the restriction that the funds are invested to generate income for specific Church activities.

Expendable endowments are those funds which are mainly to be used as permanent endowments but the capital can also be used for the purposes of the Church in certain circumstances.

Restricted funds relate to income which is made available to the Parish of Merstham for specific purposes and which must be used solely for those purposes. The aim and use of the restricted fund is set out in the notes to the financial statements.

Unrestricted funds relate to the income which is available to meet the general objectives of the Parish of Merstham. General funds are unrestricted funds which are available for use at the discretion of the Members of the PCC in the furtherance of the general objectives of the Church and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the members of the PCC for particular purposes. The aim and use of the designated funds are set out in the notes to the financial statements.

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2. Incoming Resources

Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2024	Total funds 2023
2a Voluntary income					
Gift Aid donations	14,412	250	-	14,662	19,875
Income tax recovered	3,666	-	-	3,666	5,641
Non-Gift Aid donations	2,720	-	-	2,720	3,019
Grants	430	-	-	430	17,434
Donations & legacies	-	-	-	-	2,000
Outward Giving collections	-	-	-	-	223
Sundry income	235	-	-	235	252
	<u>21,463</u>	<u>250</u>	<u>-</u>	<u>21,713</u>	<u>48,443</u>
2b Activities for generating funds					
Quality Street Fair	4,113	-	-	4,113	3,549
Other (parish) fundraising	171	-	-	171	700
	<u>4,284</u>	<u>-</u>	<u>-</u>	<u>4,284</u>	<u>4,249</u>
2c Income from investments					
Bank Interest	20,304	-	-	20,304	-
UK dividends and investment	11,731	3,970	-	15,701	15,462
	<u>32,036</u>	<u>3,970</u>	<u>-</u>	<u>36,005</u>	<u>15,462</u>
2d Income from church activities					
Church Room/Hall lets	2,937	-	-	2,937	2,555
Parish magazine	-	-	-	-	-
Fees for services	2,232	-	-	2,232	2,263
	<u>5,169</u>	<u>-</u>	<u>-</u>	<u>5,169</u>	<u>4,818</u>
Total Incoming Resources	<u>62,952</u>	<u>4,220</u>	<u>-</u>	<u>67,172</u>	<u>72,973</u>

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3. Resources Expended

Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2024	Total funds 2023
3(a) Church activities					
Diocesan Parish Share	17,100	-	-	17,100	16,500
Other ministry costs	1,189	-	-	1,189	475
Outward Giving payments	-	400	-	400	223
Church running & maintenance	11,528	1,664	-	13,192	11,397
Church Room & Hall costs	2,203	4,277	-	6,480	1,555
Music & Organists	1,410	-	-	1,410	1,545
Organ maintenance	-	1,671	-	1,671	787
Parish magazine costs	-	-	-	-	-
Churchyard upkeep	-	1,314	-	1,314	864
Cost of services	975	-	-	975	435
Sundry expenses	5	-	-	5	-
New build (extension)	-	-	-	-	48,355
	<u>34,410</u>	<u>9,326</u>	<u>-</u>	<u>43,736</u>	<u>82,136</u>
3(b) Costs of generating funds					
Fundraising events	125	-	-	125	1,055
Credit Card Fees	125	-	-	125	163
	<u>249</u>	<u>-</u>	<u>-</u>	<u>249</u>	<u>1,218</u>
3(c) Governance costs					
Accountancy fees -					
Independent Examination	1,440	-	-	1,440	1,450
	<u>1,440</u>	<u>-</u>	<u>-</u>	<u>1,440</u>	<u>1,450</u>
Total resources expended	<u>36,099</u>	<u>9,326</u>	<u>-</u>	<u>45,425</u>	<u>84,804</u>

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4. Gains/Losses on Investment Assets

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2024	Total funds 2023
Realised gain (loss) on sale of investments	-	-	-	-	-
Profit (loss) on revaluation of Permanent Endowment	-	-	3,273	3,273	12,395
Profit (loss) on revaluation of investments	5,654	-	4,032	9,686	36,636
Total gains (losses) on investment assets	5,654	-	7,305	12,959	49,031

5. Staff Costs

	2024	2023
(a) Wages and salaries		
Wages paid to 1 individual (cleaner)	786	534

No payments to staff were large enough to warrant Social Security costs. The salary, pension and housing costs of Stipendiary Clergy are paid by the Diocese from the Diocesan Parish share, which is included in total resources expended on Church activities (see note 3 (a)).

(a) Payments to PCC Members

During the year no payments were made to PCC Members other than the reimbursement of agreed expenditure, all of which is included in the accounts.

The PCC members neither received nor waived any remuneration for their services during the year as trustees (2023-nil)

6. Tangible Fixed Assets

Cost	Freehold properties	Silverware	Total
As at 1 January 2024	-	24,750	24,750
Disposal	-	-	-
At 31 December 2024	-	24,750	24,750
Diminution in value			
At 1 January 2024	-	-	-
Disposal	-	-	-
Diminution in value during the year	-	9,100	9,100
At 31 December 2024	-	9,100	9,100
Net Book Value			
At 31 December 2024	-	15,650	15,650
At 31 December 2023	-	24,750	24,750

The Parish owns several items of historic silver which were valued in July 2024 at £15,650.

7. Fixed Asset Investments

(a) Mrs Puckle's bequest	2024	2023
CBF Investment Fund shares		
Market value at start of year	143,001	130,606
Unrealised investment gain / (loss)	<u>3,273</u>	<u>12,395</u>
Market value at end of year	<u>146,274</u>	<u>143,001</u>
The historic cost of the listed investment was	46,375	46,375
<i>Dividends from this fund are paid into the Fabric Fund (a Restricted fund)</i>		
(b) Expendable endowment investment		
CBF Investment Fund income shares		
Market value at start of year	175,580	160,357
Additions	-	-
Disposals	-	-
Unrealised investment gain / (loss)	<u>4,019</u>	<u>15,223</u>
Market value at end of year	<u>179,599</u>	<u>175,580</u>
The historic cost of this investment was	67,897	67,897
<i>Dividends from this fund are paid into the General Fund (an Unrestricted fund)</i>		
(c) Other investments		
Listed investments - UK		
Market value at start of year	15	21
Unrealised investment gain / (loss)	<u>13</u>	<u>(6)</u>
Market value at end of year	<u>28</u>	<u>15</u>
<i>This investment refers to Royal Bank of Scotland shares received as a donation</i>		
CBF Investment Fund income shares		
Market value at start of year	247,037	225,618
Additions	-	-
Disposals	-	-
Unrealised investment gain (loss)	<u>5,654</u>	<u>21,419</u>
Market value at end of year	<u>252,691</u>	<u>247,037</u>
The historic cost of this investment was	250,000	250,000

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8. Debtors

	<u>2024</u>	<u>2023</u>
Due within one year		
Tax recoverable (unrestricted)	1,704	727
Tax recoverable (restricted)	-	20
Other debtors	7,154	784
Total Debtors	<u>8,858</u>	<u>1,531</u>

9. Creditors

	<u>2024</u>	<u>2023</u>
Amounts falling due within one year		
Accruals for utilities and other costs (unrestricted)	1,015	1,213
Other creditors (unrestricted)	1,500	1,638
Other creditors (restricted)	-	-
Deferred revenue	134	-
Total Creditors	<u>2,649</u>	<u>2,850</u>

10. Restricted Funds

The Organ Fund is a restricted fund to be used solely for the renovation and maintenance of the organ in St Katharine's Church.

The Mission Fund is a restricted fund for promoting the mission of the Church within the Parish of Merstham.

During 2024, the PCC took the decision not to continue to place funds in a restricted fabric fund.

	Balance at 1 January 2024	Incoming resources	Expenditure	Transfers	Diminution in value	Balance at 31 December 2024
Fabric Fund	11,998	4,220	7,255	-	-	8,962
Silverware	24,750	-	-	-	9,100	15,650
Organ Fund	17,661	-	1,671	-	-	15,990
Mission Fund	5,178	-	400	-	-	4,778
	<u>59,586</u>	<u>4,220</u>	<u>9,326</u>	<u>-</u>	<u>9,100</u>	<u>45,380</u>

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11. Endowment Fund

	Balance at 1 January 2024	Incoming resources	Expenditure	Transfers or gains /(losses)	Balance at 31 December 2024
Mrs Puckle's bequest	143,001	-	-	3,273	146,274
Expendable Endowment	175,580	-	-	4,019	179,599
Other	15	-	-	13	28
	<u>318,596</u>	<u>-</u>	<u>-</u>	<u>7,305</u>	<u>325,901</u>

The Endowment Funds of the Parish of Merstham consist of both permanent and expendable endowment funds:

Mrs. Puckle's Bequest is a permanent endowment. This gifted trust fund is managed by the Diocesan Trust. Although the PCC has no authority to realise this investment the income from it is available to the PCC.

The expendable endowment was originally created from the sale of the verger's cottage, which belonged to the PCC. The funds from the sale of the verger's cottage, together with a donation, were used to purchase a freehold property in Mansfield Drive, Merstham. This property was subsequently sold in 2004. The PCC have the authority to use the expendable endowment and investment income for Church running expenses, fabric expenditure and expenditure related to the Mission.

The other fund is a block of Royal Bank of Scotland shares received as a donation. The shares are held by the Diocese but the income, which is unrestricted and undesignated, comes to the Parish.

12. Unrestricted Fund

	Balance at 1 January 2024	Incoming resources	Expenditure	Transfers or gains /(losses)	Balance at 31 December 2024
General funds	192,228	62,522	33,506	5,654	226,897
Designated funds	<u>729,884</u>	<u>430</u>	<u>2,593</u>	<u>-</u>	<u>727,721</u>
	<u>922,112</u>	<u>62,952</u>	<u>36,099</u>	<u>5,654</u>	<u>954,619</u>

The designated funds shown above are for the purpose of constructing and furnishing the planned extension to the north of the church, plus the heating and lighting for the church. The PCC expect this work to be completed in 2025. It is hoped the church extension will now cost less than the value set aside in this designated fund, as it has been scaled back. If this is the case, the balance will be returned to general funds

13. Analysis of Net Assets Between Funds

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2024
Tangible fixed assets	-	15,650	-	15,650
Investment fixed assets	252,691	-	325,901	578,592
Net current assets	701,928	29,730	-	731,658
	954,619	45,380	325,901	1,325,900

14. Post Balance Sheet Events

The latest Quinquennial was undertaken in January 2025. Whilst the report includes a number of areas requiring attention over the medium to longer term, there are no significant items of work requiring expenditure in the short term.

15. Related Parties

There were no related party transactions between any PCC member or other person related to the charity and the charity other than donations by PCC members totalling £5,104 during the year and being made without condition.