

**ANNUAL REPORT AND ACCOUNTS**  
for year ended 31<sup>st</sup> December 2017  
Volume 2

**PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, CHIPSTEAD**  
**STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended 31  
December 2017

	Notes	Unrestricted Funds 2(a) £	Restricted Funds 2(b) £	Restricted Endowment Funds (Note 9) £	TOTAL FUNDS	
					2017 £	2016 £
<b>INCOMING RESOURCES</b>						
Incoming resources from donors		213,507	2,238		215,745	244,334
Other voluntary incoming resources		13,033	0		13,033	15,980
Incoming resources from operating activities						
- to further the Council's objectives		13,475	17,349		30,824	54,900
- to generate funds		12,985			12,985	13,485
Income from investments		0	68	440	508	868
Other incoming resources		0			0	0
<b>TOTAL INCOMING RESOURCES</b>		<b>253,000</b>	<b>19,655</b>	<b>440</b>	<b>273,095</b>	<b>329,567</b>
<b>RESOURCES EXPENDED</b>						
Grants		14,590			14,590	12,891
Activities directly related to the work of the church		205,358	25,929		231,287	246,815
Costs of generating funds		2,649			2,649	505
Church management & admin.		28,776	4,000		32,776	30,004
Church improvements		0			0	0
<b>TOTAL RESOURCES EXPENDED</b>		<b>251,373</b>	<b>29,929</b>	<b>0</b>	<b>281,302</b>	<b>290,215</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		1,627	-10,275	440	-8,208	39,352
BALANCES B/F AS AT 1 JANUARY 2017(2016)		118,308	66,929	138,945	324,182	284,830
<b>BALANCES C/F AS AT 31 DECEMBER 2017(2016)</b>		<b>119,935</b>	<b>56,654</b>	<b>139,385</b>	<b>315,974</b>	<b>324,182</b>

## BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Investment Assets	3	0	0
<b>CURRENT ASSETS</b>			
Debtors	4	40,229	49,436
Cash at bank and in hand		282,007	294,085
		<b>322,237</b>	<b>343,521</b>
<b>LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	5	7,048	19,339
<b>NET CURRENT ASSETS</b>			
		<b>315,188</b>	<b>284,824</b>
<b>NET ASSETS</b>			
		<b>315,188</b>	<b>284,824</b>
<b>FUNDS</b>			
	6		
Unrestricted		119,935	118,308
Restricted		56,654	66,929
Endowment (Designated)		139,385	138,945
		<b>315,974</b>	<b>324,182</b>

## Note 2(a) Unrestricted General Church Funds

<b>INCOMING RESOURCES</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<u>Incoming Resources From Donors</u>		
Planned Giving	173,026	198,700
Collections (plate) at services	6,054	6,178
Income tax recoverable	34,428	36,627
	<hr/>	<hr/>
	213,507	241,505
 <u>Other Voluntary Incoming Resources</u>		
Grants received	25	25
Donations etc.	9,988	10,955
Legacies	3,020	0
	<hr/>	<hr/>
	13,033	10,980
 <u>Income From Operating Activities:</u> <u>To Further The Council's Objectives</u>		
Magazine sales	1,104	1,221
Wedding, Baptism and Funeral fees	9,992	16,774
Sparkfish share of youth worker salary	999	11,987
Orchard Hire	1,380	1,780
	<hr/>	<hr/>
	13,475	31,762
 <u>Income From Operating Activities:</u> <u>To generate Funds</u>		
Magazine advertising	3,053	3,028
Printing	0	50
Fetes and other fund raising events	9,932	10,407
	<hr/>	<hr/>
	12,985	13,485
 <u>Income From Investments</u>		
Dividends and interest including any reclaimed tax	0	657
 <u>Other Incoming Resources</u>	 0	 0
	<hr/>	<hr/>
<b>TOTAL INCOMING RESOURCES</b>	<b>253,000</b>	<b>298,389</b>

**RESOURCES EXPENDED**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<u>Grants</u>		
Overseas mission societies	9,620	9,766
Christian relief & development agencies	500	500
Home mission & other church societies	4,470	2,625
Secular charities	0	0
	<hr/>	<hr/>
	14,590	12,891
<u>Activities Directly Related To The Work Of The Church</u>	0	0
Parish Share	117,534	115,200
Clergy expenses	2,864	2,625
Church building maintenance	18,356	5,180
Churchyard maintenance	7,565	2,303
Cost of services (including youth and children's workers)	25,329	42,345
Church running expenses	32,820	37,849
Organ costs	890	868
	<hr/>	<hr/>
	205,358	206,370
<u>Costs of Generating Funds</u>		
Costs of social fundraising events	<hr/>	<hr/>
	2,649	505
<u>Church Management &amp; Administration</u>		
General & secretarial expenses	20,756	17,033
Printing and stationery	8,020	7,971
	<hr/>	<hr/>
	28,776	25,004
Church improvements	0	0
<b>TOTAL RESOURCES EXPENDED</b>	<hr/>	<hr/>
	<b>251,373</b>	<b>244,770</b>

## Note 2 (b) Restricted Funds

<b><u>Fabric Fund</u></b>	<b>2017</b>	<b>2016</b>
<b>Incoming Resources</b>		
Grant received from Friends of St. Margaret's	0	5,000
Donations and legacies	0	0
Interest	0	0
Income Tax Recoverable	0	0
	<hr/>	<hr/>
	0	5,000
<b>Resources Expended</b>		
St. Margaret's Projects	0	11,333
	<hr/>	<hr/>
<b>Net Incoming/(Outgoing) Resources</b>	<b>0</b>	<b>(6,333)</b>
Balance at 1 January	0	6,333
	<hr/>	<hr/>
<b>Balance at 31 December</b>	<b>0</b>	<b>0</b>
	<hr/>	<hr/>
<b><u>Trust Funds</u></b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>		
Dividends & Interest	0	0
<b>Resources Expended</b>		
Flowers & upkeep of graves	0	0
	<hr/>	<hr/>
<b>Net Incoming/(Outgoing) Resources</b>	<b>0</b>	<b>0</b>
Balance at 1 January	367	367
	<hr/>	<hr/>
<b>Balance at 31 December</b>	<b>367</b>	<b>367</b>
	<hr/>	<hr/>
<b><u>Bell Fund</u></b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>		
Interest	60	40
Surplus from weddings	210	550
	<hr/>	<hr/>
	<b>270</b>	<b>590</b>
<b>Resources Expended</b>	0	0
Balance at 1 January	27,606	27,016
	<hr/>	<hr/>
<b>Balance at 31 December</b>	<b>27,876</b>	<b>27,606</b>
	<hr/>	<hr/>

**Specific Donations**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>		
Collections	2,103	2,047
Donations etc		0
Events		0
	<hr/> 2,103	<hr/> 2,047
<b>Resources Expended</b>		
Overseas mission societies		0
Christian relief & development agencies	2,103	2,047
Home mission & other church societies		0
Secular charities		0
Total Grants	<hr/> 2,103	<hr/> 2,047
Costs of Events	0	0
Church Equipment	0	0
	<hr/> 2,103	<hr/> 2,047
<b>Net Incoming/(Outgoing) Resources</b>	<hr/> <b>0</b>	<hr/> <b>0</b>
Balance at 1 January	<b>0</b>	<b>0</b>
<b>Balance at 31 December</b>	<hr/> <b>0</b>	<hr/> <b>0</b>

**Appeal Fund**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>		
Grant by CVPS	0	0
Donations	100	625
Events	0	0
Income Tax Recoverable	0	156
	<hr/> 100	<hr/> 781
<b>Resources Expended</b>		
Grants to home mission & other church societies	0	6,000
Costs of Fundraising	0	0
Architect & Planning Fees and Construction Costs	0	792
	<hr/> 0	<hr/> 6,792
<b>Net Incoming/(Outgoing) Resources</b>	<hr/> 100	<hr/> (6,011)
Balance at 1 January	18,267	24,278
<b>Balance at 31 December</b>	<hr/> <b>18,367</b>	<hr/> <b>18,267</b>

**Peter Aubertin Hall**

	2017 £	2016 £
<b>Incoming Resources</b>		
Operating activities to generate funds		
Church hall lettings	15,677	20,752
	15,677	20,752
Dividends & interest	8	13
Other Income	35	28
	<u>15,720</u>	<u>20,793</u>
<b>Resources Expended</b>		
Church hall running costs	11,592	10,058
Church hall building maintenance	10,905	8,177
Administration of Hall Bookings	4,000	5,000
	<u>26,498</u>	<u>23,235</u>
<b>Net Incoming/(Outgoing) Resources</b>	(10,778)	(2,442)
Balance at 1 January	18,060	20,502
<b>Balance at 31 December</b>	<u><b>7,282</b></u>	<u><b>18,060</b></u>

**Mugswell Hall**

	2017 £	2016 £
<b>Incoming Resources</b>		
Operating activities to generate funds		
Donations		0
Church hall lettings	1,462	1,768
	<u>1,462</u>	<u>1,768</u>
<b>Resources Expended</b>		
Church hall running costs	1,148	1,559
Church hall building maintenance	180	477
	<u>1,328</u>	<u>2,036</u>
<b>Net Incoming/(Outgoing) Resources</b>	134	-268
Balance at 1 January	2,629	2,897
<b>Balance at 31 December</b>	<u><b>2,763</b></u>	<u><b>2,629</b></u>

<b>Note 3 Fixed Assets</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Investments held at cost	0	0

<b>Note 4 Debtors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Income Tax recoverable	35,276	40,210
Prepayments	4,501	4,128
Other Debtors	452	5,097
	40,229	49,436

<b>Note 5 Liabilities: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Deferred Income	348	0
Accruals	6,700	19,339
	7,048	7,275

**Note 6 Analysis of Net Assets by Fund**

	2017			2016	
	Fixed Asset Investment £	Current Assets £	Current Liabilities £	Fund Balance £	Fund Balance £
Unrestricted Funds	0	126,983	7,048	119,935	118,308
Fabric Fund	0	0	0	0	0
Trust Funds	0	367	0	367	367
Bell Fund	0	27,876	0	27,876	27,606
Appeal Fund	0	18,367	0	18,367	18,267
Specific Donations	0	0	0	0	0
PA Hall	0	7,282		7,282	18,060
Mugswell Hall	0	2,763	0	2,763	2,629
Endowment Fund	0	139,385	0	139,385	138,945
<b>Total Funds</b>	<b>0</b>	<b>323,023</b>	<b>7,048</b>	<b>315,974</b>	<b>324,182</b>



**Note 7 - Reserves Policy**

The PCC needs reserves to cover short term shortfalls in income and to cover unexpected expenditure. The vast majority of the PCC's income derives from voluntary donations. Whilst a significant proportion of these donations are planned, there is a level of unplanned giving which is not always predictable. In addition, due to changes in circumstances within the congregation, planned giving may not always match the level pledged at the start of the year. Reserves allow the PCC to better manage short term fluctuations in the expenditure which may arise from time to time. The PCC aims to maintain reserves at between three and six months expenditure.

**Note 8 - Investment Policy****Note 9 - Endowment Fund**

The Endowment Fund, a portion of which was originally donated in the 1970s, was done so with the restriction that it should not be spent on any activities outside of the parish, or routine running costs of the church. It is the policy of the PCC that it should be used as a reserve against major expenditure on the church fabric and churchyard.'

-o0o-

**Independent Examiner's Report to the PCC of St. Margaret's Chipstead**

This Report on the accounts of the PCC for the year ended 31 December 2017, which consist of the Statement of Financial Activities, the Balance Sheet and the related notes, is in respect of an examination carried out under section 145 of the Charities Act 2011 (the Act).

Respective Responsibilities of the Trustees and the Examiner

As members of the PCC you are responsible for the preparation of the accounts; you consider that the audit requirement of section 144(2) of the Act does not apply. It is my responsibility to issue this report on those accounts in accordance with the terms of the Charities Act (Accounts and Audit) Order 2015.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Direction given by the Charity Commissioners under section 145(5)(b) of the Act. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

1. which gives me cause to believe in any material respect the requirements to keep accounting records in accordance with section 130 of the Act; and to prepare accounts which accord with the accounting records and comply with the regulations, as also contained in the Church Accounting Regulations, have not been met; or
2. to which in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Keith Foreman ACA**  
**Mar-18**