

# **St Margaret's Church, Chipstead Parish**

## **Annual Report and Accounts of the Parochial Church Council**

**For the year ended  
31 December 2023**



**Registered Charity No: 1139738**

**Church Lane, Chipstead, Surrey CR5 3RD**

**Tel. no: 01737 552160**

**[www.stmargaretschipstead.org](http://www.stmargaretschipstead.org)**

# Financial Statements and Annual Report for the year ended 31<sup>st</sup> December 2023

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## **St Margaret's Church, Chipstead Parish**

### **ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2023**

The Annual Report of the Parochial Church Council will be read to the Annual Parochial Church Meeting, and copies will be available from the church office

#### **Introduction**

St Margaret's Church Parochial Church Council (PCC) is required, as stated in the Parochial Church Councils (Powers) Measure 1956, to cooperate with the minister in promoting in the ecclesiastical parish the whole mission of the Church – pastoral, evangelistic, social and ecumenical.

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

#### **Officers:**

Chairman: Christopher Howard Taylor- (To 29th May 2023)  
Reverend Hannah Gordon #- (From 30th May 2023)

Vice Chair: Eamonn Davern#

Churchwarden: Sarah Anne Bowes#  
Jennifer Smith#

Secretary: Eamonn Davern#

#### **PCC Members**

Andrew James Christie Britton (Until 23rd April 2023)  
Eamonn Davern  
Perry George Lee Esparon  
Jill Lindsay (Deanery Synod, from 23rd April 2023)  
Rosalind Lundberg (From 23rd April 2023)  
Madeleine MacCallum  
Tom Sanderson  
Ian Thirlwall  
Rev John Norman Wates  
Janice Whittle  
Kat Wicksteed

# Management personnel

**St Margaret's Church, Chipstead Parish**

**ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)**

**Key Management Personnel**

Key Management Personnel are shown on page 1. Details of the expenses of all members of the PCC (including Key Management Personnel) are shown in note 8 to the accounts.

Other than the Reverend Hannah Gordon, none of the key management received any remuneration . From 30th May 2023, the Reverend Hannah Gordon was remunerated by the Diocese of Southwark. She received no remuneration from the PCC.

**Advisers**

**Bankers**

Natwest  
Wallington Branch  
27 Woodcote Road  
Wallington  
Surrey  
SM6 0LN

**Independent Examiners**

Jon Grant

**Correspondence Address**

The Parish Office  
Church Lane  
Chipstead  
Surrey CR5 3RD

### **Our aims and purposes as a charity**

The PCC has the responsibility for co-operating with the incumbent from time to time (and in the absence of an incumbent co-operating with the churchwardens and the Dean of Reigate) in promoting in the ecclesiastical parish of Chipstead, the Gospel and the whole mission of the church, pastoral, evangelistic, social and ecumenical. The PCC is specifically responsible for the maintenance of the Church building, the Orchard and the churchyard, the Peter Aubertin Hall in Chipstead and the Mission Hall in Mugswell.

Our Mission Statement reflects our ethos:

*To know and share God's transforming love with one another,  
with our local community and with the wider world.*

### **What we planned to do to achieve our charitable objectives**

When planning our activities for the year, the PCC considered the Charity Commission's guidance on public benefit. The PCC has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016, fully recognising its duty to have due regard to the House of Bishop's guidance on safeguarding children and vulnerable adults.

Our aims are:

- To enable as many people as possible to know Christ, worship him and grow in faith within our church and parish.
- To teach, baptise and nurture new and existing believers.
- To involve and seek to build bridges between the many, often varied, groups that live within the parish.
- To put faith into practice, through prayer and scripture, music and sacrament.
- To build upon our worship and prayer and learning about the gospel by meeting in small groups.
- To assist people of all ages and from all walks of life to develop their knowledge of, and trust in, Jesus.
- To provide pastoral care for people living in the parish and also for members of the congregation who live outside of the parish.
- To support the homeless in the deanery.
- To provide assistance to the poor and needy.
- To assist financially other organisations who promote our mission.

### **Mission Action Plan (MAP)**

The MAP from last year remained in place. Progress added in italics:

- To appoint a new Rector. *Hannah Gordon was appointed in February 2023 and licensed to the post on 30th May 2023.*

- To grow our work with children and families. *Messy Church meeting once a half term. Maggie's Song for under 5s weekly in term time. Junior Church and Youth work continue on a Sunday morning.*
- To grow our outreach and be more visible in the local community. *Community events attended in Summer 2023. Hannah took Harvest and Christmas services at Mugswell.*
- To grow our pastoral care. *Pastoral Team established Summer 2023.*
- To re-establish our two main services *Traditional service at 8:45am and more contemporary service at 10:15am started end of September 2023.*

## **St Margaret's Church, Chipstead Parish**

### **ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)**

#### **Achievements and performance**

On 12th February 2023, Reverend Hannah Gordon, previously Curate at The Good Shepherd, Carshalton Beeches, in the Diocese of Southwark, was appointed Rector for St Margaret, Chipstead. She was instituted and inducted on Tuesday 30th May.

This year has seen a number of people returning to the worshipping community.

Hannah introduced Compline on a Sunday evening in the summer months, followed by fellowship in the White Hart. This was a way of introducing regular prayer into the church building and offering people a way to get to know her in a more informal setting.

The summer also saw the introduction of a said communion service at 8:30am every Sunday, which coincided with the end of pre-recorded communion celebrations.

After a consultation process St. Margaret's moved into two distinct service styles at the end of September. The 8:45 service is more traditional, alternating between morning praise and communion, with hymns sung accompanied by the organ. The 10:15 service is more contemporary and also alternates between communion and morning praise, with worship band. The second Sunday of the month is a service for all ages all together. For festivals and 5th Sundays we held one united service at 10 am. This pattern will be reviewed in Spring 2024.

In September we celebrated our Harvest Festival with a celebration in church followed by a really well attended lunch in The Orchard. It was good to gather as a whole community to mark the end of one morning service, before moving into two distinct service styles. Eating together was joyous and much fun was had.

Groups of children and young people continue to be held during morning worship, now at the 10:15 service. There are a small but steady number of children and young people who attend. Josh Allwith, our youth and community worker, continues his weekly secondment to Sparkfish as a mentor in St. Bede's school. He has run a regular after school drop in on a Wednesday, which moved from church to Starbucks after the clocks changed in October. This year also saw the young people go paddle boarding and sailing on Mercer's lake and swimming at Elmore.

Messy Church has been held once a half term on a Sunday afternoon between 3pm and 5pm, ending with a meal together. This has seen families attending who we do not encounter on a Sunday morning. Each session is based around a theme, and a small but committed group run activities and provide catering.

Maggie's Song continues to be our primary outreach to under 5s, run by a volunteer, Elaine. This is well attended.

Christmas services were well attended. We hosted the Village Carol Service which is held by The Chipstead Singers and attended by children from Chipstead Valley Primary School. We held two carol services back to back, as in previous years, with a wonderful choir. Christmas Eve saw a crib service at 4pm and Midnight Communion for a packed church. The celebrations concluded with Communion on Christmas Morning at 10am.

This year saw a good number of occasional offices with eight weddings, two wedding blessings, and nine baptisms. We also took six funerals.

In the wider parish we attended the Chipstead Flower Show, Netherne Fun Day and the Village BBQ, introducing our wacky but popular toilet game, it has to be seen to be understood! These events provided vital opportunities to engage with the wider parish and to have conversations with people who may drive past our building but never come through the doors.

Hannah has taken the reins from Andrew Britton, who retired this year, with regards to worship at the Mugswell Mission Hall. This year she led a well attended, and lively, Harvest Service in October and a traditional Christmas Carol Service, accompanied by the Chipstead Singers. The atmosphere is lovely, and it is wonderful to take worship to a different part of our parish. Claire Roberts is the new Chair of the Mugswell Committee and is keen to develop our relationship.

Six life groups met regularly across the parish, at a variety of times and locations. These provide an opportunity for prayer, fellowship, Bible study and time together. Tom and Rachelle Sanderson coordinate these and hold regular meetings for life group leaders. Groups choose their own material and meeting patterns.

In the summer of 2023 the Pastoral Team was formally created, and held regular meetings to establish its working methods, safeguarding and communication. This team is now active, visiting people in the parish, and keeping each other up to date. People can contact the team on a dedicated email address, or via the Rector.

### **2023 Financial Review**

The church continues to enjoy a very strong overall financial position thanks to the substantial legacies received in recent years, totaling over £910k between 2019 and 2021, and a further donation of £150k from a single donor received during 2023. At the end of 2023 we enjoyed a net cash and investment position of £1,038k.

A number of factors resulted in a better reported financial result than in the past three years with unrestricted funds growing by £150k. The main factor was the donation of £150k and an associated £12.5k of gift aid, but this still left underlying unrestricted funds in negative territory by around £20k during 2023. This is significantly better than previous years where the church had reported a significant and steadily growing underlying deficit, which reached over £92k in 2022. There were a number of reasons behind this.

Firstly, a decision was made by the newly formed finance committee to invest a substantial portion of these monies (£500k) in financial assets managed by CCLA (a church financial institution) with the aim of improving our long term returns relative to holding cash. This was implemented in early 2023 and at the end of 2023 the gain was £35k, or 7%.

Secondly, we reduced our parish share commitment to the diocese from an annual payment of £120k to £100k in 2023.

Thirdly the interest rates available on those reserves remaining in cash were far higher in 2023 than in previous years, with the result that interest income rose to over £20k for 2023 relative to £5.8k in 2022 despite a reduction in our average cash balances.

These three factors alone improved income during 2023 by £70k relative to 2022. Our underlying loss excluding these three items together with the donation and associated gift aid was just under £20k. The deficit has been growing since 2016 as a result of a steep decline in planned giving amounting to £92k since 2016. However as in 2022 planned giving, together with the associated gift aid, was flat at just under £150k.

Inflationary pressures eased somewhat during the latter stages of 2023 and helped to keep underlying operating costs stable for the year.

Revenue from hire of the PA hall saw a solid increase over 2022 from £12.5k to £15.8k but a loss for the year was reported of £4.8k as major refurbishment work was carried out to the hall floor. This was partially funded by a £7.5k grant from Reigate and Banstead Borough Council. .

The financial outlook for 2024 has improved somewhat following the better than expected result in 2023. However interest rates are beginning to ease back at present and there are no guarantees regarding the investment performance. In some future years there is a chance that this could be negative.

Our concern is that the church will continue to operate at a deficit, albeit reduced from our previous expectations for the foreseeable future.

At 31 December 2023, total funds amounted to £1,054,590 (2022: £910,406) of which £95,406 (2022: £101,484) were restricted and £132,278 (2022: £132,278) were in the Endowment Fund.

The PCC has designated funds (a minimum of £40k) from the Denise Baker bequest for an upgrade to the video system in the church to improve access to Church services and activities. This bequest flowed exclusively from regular pastoral visits by Revd. John Wates and the late Freda Honey.

#### **Statement of PCC responsibilities**

The Parochial Church Council (PCC) is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Church Accounting Regulations 2006 require the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Council and of its financial activities for that period. In preparing those financial statements, the PCC is required to:

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

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC has taken into account the Charity Commission Guidance on Public Benefit.

**Risk assessment**

The PCC is satisfied that there are procedures in place to mitigate exposure to major risks. The PCC considers the principal risks and uncertainties facing the Church and their plans and strategies for managing these risks to be:

Potential Risk	Potential Impact	Steps to mitigate risk
Security of assets	<ul style="list-style-type: none"> <li>• loss or damage</li> <li>• theft of assets</li> </ul>	<ul style="list-style-type: none"> <li>• review security arrangements</li> <li>• asset register and inspection programme</li> <li>• review insurance cover</li> </ul>
Fund-raising	<ul style="list-style-type: none"> <li>• unsatisfactory returns</li> <li>• reputational risks of campaign or methods used</li> <li>• actions of agents and commercial fund-raisers</li> <li>• compliance with law and regulation</li> </ul>	<ul style="list-style-type: none"> <li>• implement appraisal, budgeting and authorisation procedures</li> <li>• review regulatory compliance</li> <li>• monitor the adequacy of financial returns achieved</li> <li>• stewardship reporting in annual report</li> </ul>
Disaster recovery and planning	<ul style="list-style-type: none"> <li>• computer system failures or loss of data</li> <li>• destruction of property, equipment, records through fire, flood or similar damage</li> </ul>	<ul style="list-style-type: none"> <li>• agree IT recovery plan</li> <li>• implement data backup procedures and security measures</li> <li>• review insurance cover</li> <li>• create disaster recovery plan</li> </ul>
Cash flow sensitivities	<ul style="list-style-type: none"> <li>• inability to meet commitments</li> <li>• lack of liquidity to cover variance in costs</li> <li>• impact on operational activities</li> </ul>	<ul style="list-style-type: none"> <li>• ensure adequate cash flow projections (prudence of assumptions)</li> <li>• identify major sensitivities</li> <li>• ensure adequate information flow from operational managers</li> <li>• monitor arrangements and reporting</li> </ul>

**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 level of giving. In addition, the running costs of the church are not always predictable and reserves allow the PCC to cope with unexpected expenditure which may arise from time to time. It is PCC policy to try to maintain a balance on free reserves which equates to at least three months of unrestricted payments, which would equate to £75k. At the end of 2023 unrestricted reserves were £826k.

**Fundraising**

The PCC engaged in fundraising, in the form of receiving donations, some of which were gift-aided, from members of our fellowship. The PCC did not contract the service of any professional fundraisers as defined by section 58 of the Charities Act 1992. The PCC is satisfied that its fundraising practices are ethical. No complaints were received about our fundraising practices.

**Investment policy**

The PCC's appetite for risk is low to moderate in its investment policy placing surplus cash on deposit with the CBF Church of England Deposit Fund or with large banks. The investment with CCLA is considered to be a low to moderate, but worthwhile, risk.

Hannah Gordon

Chairman

Date 21st April 2024

**St Margaret's Church, Chipstead Parish**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL**

I report to the charity trustees on my examination of the accounts of the St Margaret's Parochial Church Council (the Church) for the year ended 31 December 2023 set out on pages 10 to 21.

**Responsibilities and basis of report**

As the charity's trustees 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 Trust's accounts as 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 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 Church 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 Report) 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; or
4. the accounts have not been prepared in accordance with the methods and principles of 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 the Republic of Ireland (FRS 102).

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.

Jon Grant FCCA

Date: 31st March 2024

St Margaret's Church, Chipstead Parish

**Statement of Financial Activities for the year ended 31 December 2023**

For the year ended 31	2023				2022			
	Unrestricted	Restricted	Endowment	TOTAL	Unrestricted	Restricted	Endowment	TOTAL
	Funds	Funds	Funds	2023	Funds	Funds	Funds	2022
Notes	2(a)	2(b)	10		2(a)	2(b)	10	
<b>INCOME</b>	£	£	£	£	£	£	£	£
Voluntary income	325,114	1,542	-	326,656	159,303	350	-	159,653
Income from church activities	16,715	-	-	16,715	14,198	-	-	14,198
Activities for generating funds	5,141	25,340	-	30,481	2,635	17,221	-	19,856
Income from investments	22,465	-	-	22,465	5,814	-	-	5,814
<b>Total Income</b>	369,435	26,882	-	396,317	181,950	17,571	-	199,521
<b>EXPENDITURE</b>								
Church activities	253,838	30,781	-	284,619	274,876	13,951	-	288,827
Raising funds	1,010	2,179	-	3,189	340	2,445	-	2,785
<b>Total Expenditure</b>	254,848	32,960	-	287,808	275,216	16,396	-	291,612
Excess (deficit) of income over expenditure	114,587	(6,078)		108,509	(93,266)	1,175	-	(92,091)
Net gains/(losses) on	35,675	-	-	35,675	-	-	-	-
<b>Net Income/(Expenditure)</b>	150,262	(6,078)	-	144,184	(93,266)	1,175	-	(92,091)
Transfer between funds	-	-	-	-	-	-	-	-

Total funds brought forward	676,644	101,484	132,278	910,406	769,910	100,309	132,278	1,002,497
<b>Total funds carried forward</b>	826,906	95,406	132,278	1,054,590	676,644	101,484	132,278	910,406

St Margaret's Church, Chipstead Parish  
Balance sheet as 31 December 2023

	Notes		2023		2022
			£		£
<b>FIXED ASSETS</b>					
Tangible assets	3	1,302		3,540	
Investments		535,675		-	
<b>Total fixed assets</b>			<b>536,977</b>		<b>3,540</b>
<b>CURRENT ASSETS</b>					
Debtors	5	25,989		33,994	
Cash at bank and in hand		503,017		891,476	
			<b>529,006</b>		<b>925,470</b>
<b>LIABILITIES: AMOUNTS FALLING</b>					
<b>DUE WITHIN ONE YEAR</b>	6	11,393		18,604	
<b>NET CURRENT ASSETS</b>			<b>517,613</b>		<b>906,866</b>
<b>NET ASSETS</b>			<b>1,054,590</b>		<b>910,406</b>
<b>PARISH FUNDS</b>					
Unrestricted	7		826,906		676,644
Restricted	7		95,406		101,484

Endowment	7		132,278		132,278
			<b>1,054,590</b>		<b>910,406</b>

The accounts were approved by the PCC on 21st April 2024 and signed on behalf of the PCC by:

Rev'd Hannah Gordon  
Chairman

## **1. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are as follows:

### **Basis of preparation**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the historical cost convention. The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The financial statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts in these financial statements are rounded to the nearest £. The PCC meets the definition of a public benefit entity under FRS102.

### **Going concern**

The PCC have prepared detailed forecasts which they believe are based upon reasonable assumptions. The forecasts show that the church should be able to operate for the foreseeable future and thus the trustees consider it appropriate to prepare the financial statements on a going concern basis.

## **FUNDS**

1. **Unrestricted Funds** represent the resources of the PCC that are not subject to any restrictions regarding their use and are available for the general purposes of the PCC.
2. **Restricted Funds** represent resources which the PCC has indicated to donors and fundraisers will be used for specified purposes:

**The Fabric Fund** mainly derives from major donations and special events to meet major expenses on repairs and renewals of the Church and the Churchyard.

**Trust Funds** consist of donations made specifically for the upkeep of certain graves.

**The Bell Fund** contains specific donations and surpluses from the use of bells at weddings set aside to meet future maintenance of and improvements to the bells and to meet bell ringer expenses.

**Specific Donations** consist of donations received at services and other Parish occasions for purposes specified at the time of collection.

**The Appeal Fund** contains donations made and the proceeds of special events undertaken for the purposes of funding the construction of The Orchard.

**The Peter Aubertin Hall Fund** consists of income from operating activities of the Hall, specific fundraising events and donations for the improvement of the Hall.

**The Mugswell Hall Fund** consists of income from the operating activities of the Hall and specific donations for the maintenance and improvement of the Hall

- 3 **The Endowment Fund** represents resources provided to build up a fund to ensure the future financial wellbeing of the Church. 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.

## **St Margaret's Church, Chipstead Parish**

### **Notes to the Financial Statements for the year ended 31st December 2023 (continued)**

#### **1. ACCOUNTING POLICIES (continued)**

##### **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 the income receivable can be measured reliably.

##### **1. Voluntary Income**

- Collections at services are recognised when received on behalf of the PCC.
- Planned giving is recognised when received and related Gift Aid is accrued for.
- Funds raised through events are accounted for gross.
- Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount is quantifiable and the ultimate receipt by the PCC is considered probable.

##### **Other Income**

- Operating income from other sources such as letting of church premises, magazine sales/ advertising and parochial fees is recognised when due.
- Income from bank and CBF deposits is recognised when received. Income from investments is accumulated within the fund.

##### **Expenditure**

- All expenditure is accounted for on an accruals basis.

##### **Fixed Assets**

##### **Consecrated Property and Movable Church Furnishings**

- Consecrated land/buildings and equipment are not included in the financial statements by virtue of the Charities Act 2011 Under the PCCs (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 in the year.
- Movable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church inventory which can be inspected at any time.

##### **Other church buildings**

- The accounts for the PA Hall and Mugswell Hall are both shown under restricted funds. The PCC has made a decision not to show these buildings within fixed assets. Both of these halls were built before the start of the 20th century and the PCC believes that in the context of today's accounts showing these at cost would be immaterial.
- The Orchard - The PCC believes that since the Diocese of Rochester owns the church, the churchyard and the land on which the Orchard is built, it would be inappropriate to capitalise the Orchard as if it belonged to us.

- Depreciation is provided at the following rates to write off the cost of fixed assets over their useful lives:  
Furniture, fittings & equipment- Straight line over 3 - 5 years

**St Margaret's Church, Chipstead Parish**

**Notes to the Financial Statements for the year ended 31st December 2023 (continued)**

**1. ACCOUNTING POLICIES (continued)**

**Investments**

These represent CBF equity investments and are valued at market value at the end of the year

**Current assets**

Income tax recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid. Cash at bank and in hand includes cash deposits with a short maturity date.

**Creditors and provisions**

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

**2 Income and Expenditure**

The PCC has chosen to show income and expenditure on a fund by fund basis for both the historic and current periods. This gives greater clarity rather than the amalgamated basis for the historic period which is outlined in the PCC Accountability Manual (published 2006 and updated to incorporate SORP 2015).

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2023 (continued)

Note 2a Unrestricted general church funds	2023	2022
INCOME	£	£
<u>Voluntary income</u>		
Planned Giving	122,773	122,418
Collections (plate) at services	2,546	3,135
Income tax recoverable	39,033	25,724
Grants received	25	2,600
Donations	157,000	4,926
Refunds	3,237	-
Legacies	500	500
	325,114	159,303
<u>Income From Church Activities:</u>		
Wedding, Baptism and Funeral fees	16,715	14,198
	16,715	14,198
<u>Activities for generating funds</u>		
Magazine sales	1,500	1,816
Magazine advertising	1,155	460
Fetes and other fundraising events	2,111	-
Orchard hire	375	359
	5,141	2,635
Interest income	22,465	5,814
<b>TOTAL INCOME</b>	<b>369,435</b>	<b>181,950</b>
<b>EXPENDITURE</b>		
<u>Church Activities</u>		
Parish Share	100,000	120,000

Clergy expenses	343	-
Church building maintenance	6,539	5,646
Churchyard maintenance	997	1,486
Youth, children, music and hospitality	37,615	39,673
Church running expenses	50,190	51,064
Organ costs	-	-
General & secretarial expenses	32,963	32,535
Printing and stationery	7,661	7,547
Depreciation	4,191	4,654
	240,499	262,605
<u>Grants</u>		
Overseas mission societies	5,456	10,156
Christian relief & development agencies	500	500
Home mission & other church societies	7,389	1,615
	13,339	12,271

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2023 (continued)

Note 2a Unrestricted general church funds (continued)

Fund raising costs	1,010	340
<b>TOTAL EXPENDITURE</b>	<b>254,848</b>	<b>275,216</b>

<b>Restricted Funds - Summary</b>				
	<b>Income (£)</b>	<b>Expenditure (£)</b>	<b>As at 31st Dec 2023 (£)</b>	<b>As at 31st Dec 2022 (£)</b>
Trust Funds	-	-	367	367
Bell Fund	-	-	28,576	28,576
Specific donations	793	2,179	168	1,554
Appeal Fund	100	-	7,103	7,003
PA Hall Fund	23,328	28,155	(2,968)	1,859
Mugswell Hall	2,661	2,626	2,170	2,135
Fabric fund	-	-	59,988	59,988
	<b>26,882</b>	<b>32,960</b>	<b>95,406</b>	<b>101,484</b>

Note: Totals may not add due to rounding

<b>Note 2 (b) Restricted Funds - detail</b>			
<b>Trust Funds</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Income</b>			
Dividends & Interest		-	-
<b>Expenditure</b>			
Flowers & upkeep of graves		-	-
<b>Net Income</b>		-	-
Balance at 1 January		367	367
<b>Balance at 31 December</b>		<b>367</b>	<b>367</b>

<b>Bell Fund</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Income</b>			
Interest		-	-
Surplus from weddings		-	-
<b>Net income</b>		-	-
Transfers		-	-
Balance at 1 January		28,576	28,576
<b>Balance at 31 December</b>		<b>28,576</b>	<b>28,576</b>
<b>Specific Donations</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Income</b>			
Collections		683	-
Donations etc		100	100
Events		-	-
		793	100
<b>Expenditure</b>			
Overseas mission societies			
Christian relief & development agencies		2,179	
<b>Total Grants</b>		<b>2,179</b>	

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2022 (continued)

Note 2 (b) Restricted Funds (continued)

<b>Net Income</b>		(1,386)	100
Balance at 1 January		1,554	1,454
<b>Balance at 31 December</b>		<b>168</b>	<b>1,554</b>

		<b>2023</b>	<b>2022</b>
<b><u>Appeal Fund</u></b>		<b>£</b>	<b>£</b>
<b>Income</b>		100	100
<b>Expenditure</b>			
Grants to home mission & other church societies		-	-
Costs of Fundraising		-	-
Equipment purchases		-	-
		-	-
<b>Net Income/(expenditure)</b>		<b>100</b>	<b>100</b>
Balance at 1 January		7,003	6,903
<b>Balance at 31 December</b>		<b>7,103</b>	<b>7,003</b>
<b><u>Peter Aubertin Hall</u></b>		<b>2023</b>	<b>2022</b>
<b>Income</b>		<b>£</b>	<b>£</b>
Operating activities to generate funds		12	250
Grants received		7,494	
Church hall lettings		15,822	12,535
		23,328	12,785
Dividends & interest		-	-
Other Income		-	-
		23,328	12,785

<b>Expenditure</b>			
Church hall running costs		13,053	8,874
Church hall building maintenance		15,102	3,056
Administration of Hall Bookings			-
		28,155	11,930
<b>Net Income</b>		<b>(4,827)</b>	<b>855</b>
Transfers			-
Balance at 1 January		1,859	1,004
<b>Balance at 31 December</b>		<b>(2,968)</b>	<b>1,859</b>

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2023 (continued)

**Note 2(b) Restricted funds (continued)**

<b>Mugswell Hall</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Income</b>			
Donations		649	-
Church hall lettings		2,012	2,240
		2,661	427
<b>Expenditure</b>			
Church hall running costs		2,249	1,646
Church hall building maintenance		377	375
		2,626	2,021
<b>Net Income</b>		<b>35</b>	<b>219</b>
Balance at 1 January		2,135	1,916
<b>Balance at 31 December</b>		<b>2,170</b>	<b>2,135</b>

		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Fabric Fund</b>			
<b>Income</b>			
Bequest			
<b>Expenditure</b>			
<b>Net Income</b>		-	-
Balance at 1 January		59,988	59,988
<b>Balance at 31 December</b>		<b>59,988</b>	<b>59,988</b>

**St Margaret's Church, Chipstead Parish**

**Notes to the Financial Statements for the year ended 31st December 2023 (continued)**

<b>3: Fixed assets for use by the PCC</b>		
		Furniture, fittings and equipment
Cost	At 1 January 2023	22,218
	Additions at cost	1,953
	At 31 December 2023	24,171
Depreciation	At 1 January 2023	18,678
	Charge for the year	4,191
	At 31 December 2023	22,869
Net book value	At 31 December 2023	1,302
	At 31 December 2022	3,540

<b>4: Staff Costs</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Wages and salaries		45,033	57,954
Social security costs		664	1,121
Employers Pension costs		1,412	2,196
Total		47,109	61,271
Average number of employees		2	2

Throughout the year the PCC employed a finance assistant and a youth worker, none of whom earned £60,000 pa or more. None of the employees were members of the PCC during 2023. There were no employee benefits to key management personnel in the previous or current year.

<b>5 Debtors</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Due within one year			
Income Tax recoverable		17,947	25,975

Prepayments		5,906	6,234
Other Debtors		2,137	1,785
Total debtors		25,989	33,994
<b>6 Liabilities</b>		<b>2023</b>	<b>2022</b>
Amount falling due within one year		<b>£</b>	<b>£</b>
Deferred Income		625	670
Accruals		10,768	17,934
Total liabilities		11,393	18,604

St Margaret's Church, Chipstead Parish

Notes to the Financial Statements for the year ended 31st December 2023 (continued)

<b>7 Analysis of Net Assets by Fund</b>				
	<b>2023</b>			
	Current	Fixed assets	Current	Fund
	Assets		Liabilities	Balance
	£	£	£	£
Unrestricted Funds	833,129	1,302	(7,525)	826,906
Fabric Fund	59,988			59,988
Trust Funds	367			367
Bell Fund	28,576			28,576
Appeal Fund	7,103			7,103
Specific Donations	168			168
PA Hall	900		(3,868)	(2,968)
Mugswell Hall	2,170			2,170
Endowment Fund	132,278			132,278
Total Funds	1,064,681	1,302	(11,393)	1,054,590
	<b>2022</b>			
	Current	Fixed assets	Current	Fund
	Assets		Liabilities	Balance
	£	£	£	£
Unrestricted Funds	691,708	3,540	(14,794)	676,644
Fabric Fund	59,988			59,988
Trust Funds	367			367
Bell Fund	28,576			28,576

Appeal Fund	7,003			7,003
Specific Donations	1,554			1,554
PA Hall	5,669		(3,810)	1,859
Mugswell Hall	2,134			2,134
Endowment Fund	132,278			132,278
Total Funds	925,467	3,540	(18,604)	910,406

**St Margaret's Church, Chipstead Parish**

**Notes to the Financial Statements for the year ended 31st December 2023 (continued)**

8. Related party transactions

During the year there were no related party transactions

9. Lease Commitments

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

		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Within 1 year		1,430	1,430
Within 2 to 5 years		-	1,430
		<b>1,430</b>	<b>2,860</b>
Lease payments during the year		1,430	1,430

10. Endowment fund

The Endowment Fund, a portion of which was originally donated in the 1970s, was done with the restriction that it should not be spent on any activities outside of the parish, or on routine running costs of the church. During 2018 the cost of strengthening the Bell Tower and adding a wooden gallery, were charged against the fund. There was no expenditure charged against the fund in the past five years.