

**Parochial Church Council of the Ecclesiastical Parish
of St John the Baptist, Woking**

Registered Charity number 1128277

Financial Statements for the year ended 31st December 2023

**INDEPENDENT EXAMINER'S REPORT
TO THE PAROCHIAL CHURCH COUNCIL (PCC) OF THE
ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, WOKING
FOR THE YEAR ENDED 31st DECEMBER 2023**

I report on the Accounts of the PCC for the year ended 31st December 2023 which are set out on pages 1 to 9.

Respective responsibilities of trustees and examiner

The PCC is responsible for the preparation of the accounts. The PCC consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The PCC's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- Follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act and;
- State whether particular matters have come to my attention.

Basis of independent examiner's statement

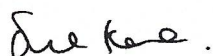
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and the seeking of explanations from you as the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records; or
- The accounts did 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 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.



Susan Keane FCA
Fuller Spurling
Chartered Accountants & Statutory Auditors
Mill House, 58 Guildford Street
Chertsey
Surrey KT16 9BE

Parochial Church Council of the Ecclesiastical Parish of St John the Baptist, Woking

Statement of Financial Activities for the year ended 31 December 2023

	Note	TOTAL FUNDS	
		2023	2022
		£	£
INCOME AND ENDOWMENTS	2		
Voluntary income	(a)	340,664	317,381
Income from investments	(b)	6,820	9,316
Income from church activities	(c)	32,106	30,009
TOTAL INCOME		<u>379,590</u>	<u>356,706</u>
EXPENDITURE	3		
Outward giving	(a)	47,048	43,026
Church activities	(b)	319,730	242,924
Church management and administration	(c)	61,706	58,906
Governance costs	(d)	1,038	1,038
TOTAL EXPENDITURE		<u>429,522</u>	<u>345,894</u>
NET (DEFICIT) / INCOME IN YEAR		(49,932)	10,812
BALANCES BROUGHT FORWARD AT 1 JANUARY 2023 (2022)		946,502	935,690
Write down of investment asset to sale price agreed		(10,500)	0
BALANCES CARRIED FORWARD AT 31 DECEMBER 2023 (2022)		<u>886,070</u>	<u>946,502</u>

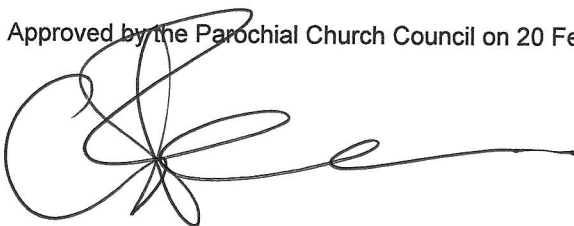
The notes on pages 3 to 9 form part of these accounts

Parochial Church Council of the Ecclesiastical Parish of St John the Baptist, Woking

Balance Sheet as at 31 December 2023

	Note	TOTAL FUNDS	
		2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	4(a)	595,385	611,839
Investment asset (designated)	4(b)	219,500	230,000
		<u>814,885</u>	<u>841,839</u>
CURRENT ASSETS			
Debtors	5	9,103	6,687
Cash at bank and in hand		151,013	128,253
		<u>160,116</u>	<u>134,940</u>
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	88,931	30,277
NET CURRENT ASSETS/(LIABILITIES)		71,185	104,663
NET ASSETS	7	<u>886,070</u>	<u>946,502</u>
FUNDS			
Designated but non-restricted Funds		219,500	230,000
Unrestricted		666,570	716,502
		<u>886,070</u>	<u>946,502</u>

Approved by the Parochial Church Council on 20 February 2024 and signed on its behalf by Rev G Lucas



The notes on pages 3 to 9 form part of these accounts

Notes to the Financial Statements for the year ended 31 December 2023

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006, together with the Charities SORP (FRS 102) '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.'

The financial statements have been prepared under the historical cost convention and include all transactions, assets and liabilities for which the PCC is responsible in law.

The financial statements represent the transactions of both churches in the Parish, St John's the Baptist, Woking and Emmanuel Church, Mayford.

Income

All income is recognised in the Statement of Financial Activities once the church has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Voluntary Income

Donations to the church (with the exception of legacies) are recognised on receipt and the related income tax recoverable on Gift Aid donations is recognised when the income is recognised.

Legacies, however, are recognised when the church has been formally notified of the amount.

Other income

Rental income is recognised when due and interest when it is receivable.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Resources expended include attributable VAT which cannot be recovered.

Fund accounting

Unrestricted (or General) Funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. They include funds held for Emmanuel Church, Mayford.

Funds designated for a particular purpose by the PCC are also unrestricted funds. The flat originally purchased for the Youth Minister in 2007 has been treated as designated but non-restricted with effect from 1 January 2015, following confirmation from the Charity Commission that this is in order.

Notes to the Financial Statements for the year ended 31 December 2023

Fixed Assets

Consecrated land and buildings and movable church furnishings

Consecrated and benefited property of any kind is excluded from the accounts by s.96(2)(a) of the Charities Act 1993.

Movable church furnishings held by the churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected (at any reasonable time).

For inalienable property acquired prior to 1996 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since January 1996 have been capitalized and depreciated in the accounts over their currently anticipated useful economic life (not exceeding ten years) on a straight line basis.

All expenditure incurred during the year on consecrated or benefice buildings and individual items under £700, or on the repair of moveable church furnishings acquired before 1 January 1996, whether maintenance or improvement, is written off as expenditure in the SOFA.

Freehold land and buildings

All these are valued at historical cost and are depreciated on a straight-line basis over an estimated 50 year life. Improvements to the buildings are depreciated on a straight-line basis over an estimated life of 30 years.

Impairment of fixed assets

Fixed assets are reviewed annually as to their existence, viability and value.

Other fixtures, fittings and office equipment

Individual items of equipment used within the church are depreciated on a straight-line basis over their estimated life. Individual items of equipment with a cost of £700 or less are written off when acquired.

Depreciation on all assets is charged for a full year in the year of purchase, regardless of when in the year they were acquired. No depreciation is charged in the year of disposal.

Investment Asset

The youth worker's flat is held primarily for investment purposes and is valued at the PCC's estimate of its open market value as determined by available market information.

Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

Cash at bank and in hand

Cash at bank and cash in hand includes cash at bank and in hand, and demand deposits with banks. Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank.

Creditors

Creditors and provisions are recognised where the church has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any discounts due.

Taxation

The church is exempt from corporation tax on its charitable activities.

Cash Flow Exemption

Exemption has been taken from preparing a cash flow statement in accordance with the Financial Reporting Standard using the disclosure exemptions permitted by section 1 of FRS 102.

Notes to the Financial Statements for the year ended 31 December 2023

2 INCOMING RESOURCES

	TOTAL FUNDS	
	2023	2022
	£	£
2(a) <u>Voluntary Income</u>		
Planned inward giving:		
Gift Aid donations	180,609	172,863
Income tax recoverable on Gift Aid donations	45,949	43,239
Other Planned Giving	52,402	41,187
Other donations received:		
Other giving and sundry donations	45,335	44,729
Income tax recoverable on other giving	8,776	5,801
Open plate collections	6,074	7,650
Income tax recoverable on cash collections	1,519	1,912
	340,664	317,381
2(b) <u>Income from investments</u>		
Interest	3,901	366
Rent from investment asset	2,919	8,950
	6,820	9,316
2(c) <u>Income from Church activities</u>		
Lettings	27,213	25,589
Fees	4,893	4,420
	32,106	30,009
TOTAL INCOMING RESOURCES	379,590	356,706

Notes to the Financial Statements for the year ended 31 December 2023

3 RESOURCES EXPENDED

	TOTAL FUNDS	
	2023	2022
	£	£
3(a) <u>Outward giving (as detailed in note 8)</u>		
-overseas	32,078	29,172
-home	12,999	11,836
-secular	1,971	2,018
	47,048	43,026
3(b) <u>Church activities</u>		
Ministry: Diocesan Parish Share	115,649	116,493
Working expenses of incumbent including vicarage	2,727	3,506
Assistant staff	79,713	72,025
Church-running expenses and maintenance	31,663	22,988
Upkeep of services	3,907	3,569
Upkeep of churchyard	49	321
Events, mission, publicity and training	5,146	4,544
Youth Centre running costs and maintenance	9,421	9,250
Other PCC property upkeep	22,418	5,688
Major repairs (over £1000)	49,037	4,540
	319,730	242,924
3(c) <u>Church management and administration</u>		
Administrative costs including salaries	40,061	37,393
Depreciation fixtures and fittings	7,396	7,264
Depreciation buildings	14,249	14,249
	61,706	58,906
3(d) <u>Governance costs</u>		
Independent Examiners fee	1,038	1,038
	1,038	1,038
TOTAL RESOURCES EXPENDED	429,522	345,894

Notes to the Financial Statements for the year ended 31 December 2023

4 FIXED ASSETS

4(a) Assets used by the PCC

	St John's Buildings £	St John's Equipment £	Total £	Emmanuel Buildings £	Emmanuel Equipment £	Total £	TOTAL £
COST							
At 1 January 2023	620,452	96,836	717,288	92,000	5,684	97,684	814,972
Additions	0	5,191	5,191	0	0	0	5,191
Disposals	0	1,132	1,132	0	0	0	1,132
At 31 December 2023	620,452	100,895	721,347	92,000	5,684	97,684	819,031
DEPRECIATION							
At 1 January 2023	74,747	70,803	145,550	53,360	4,223	57,583	203,133
Disposals	0	1,132	1,132	0	0	0	1,132
Charge for year	12,409	6,934	19,343	1,840	462	2,302	21,645
At 31 December 2023	87,156	76,605	163,761	55,200	4,685	59,885	223,646
NET BOOK VALUE							
At 1 January 2023	545,705	26,033	571,738	38,640	1,461	40,101	611,839
At 31 December 2023	533,296	24,290	557,586	36,800	999	37,799	595,385

St John's unrestricted freehold land and buildings comprises a house in Hermitage Woods Crescent and the Youth Centre. Emmanuel Church is owned freehold and is dedicated not consecrated. All have been valued at historical cost, including the cost of improvements.

VALUATIONS

The Associate Minister's house was purchased in September 2020 for £550,000, which is believed to be a fair valuation. Valuations for insurance purposes of other buildings capitalised are as follows:
Youth Centre: £1,446,385 (2022: £1,320,000)
Emmanuel Church: £641,666 (2022: £586,000)

As explained in Note 1 to the Financial Statements, St John's church is a consecrated building and as such is not owned by the PCC. However, the PCC is responsible for insuring the building and the value for insurance purposes is £9,541,282 (2022: £8,710,000).

Notes to the Financial Statements for the year ended 31 December 2023

4(b) Investment fixed asset

The flat was originally purchased for the Youth Minister in 2007 for £149,527; in recent years it has been commercially let and held at an estimated market value of £230,000. During the year, the PCC decided to sell the property, after undertaking a refurbishment. At the year end a sale at £219,500 had been agreed but not yet completed; the value in the accounts at the year end has accordingly been reduced by 10,500.

The flat is owned leasehold and has 952 years remaining on the lease.

5 DEBTORS

	TOTAL FUNDS	
	2023	2022
	£	£
Income tax recoverable	5,396	6,045
Bank interest due	945	115
Pre-payments	2,762	527
	<u>9,103</u>	<u>6,687</u>

6 LIABILITIES - Amounts falling due within one year

	TOTAL	
	2023	2022
	£	£
Payroll taxes and pension contributions	1,456	1,594
Expenses and utilities	8,629	4,620
Parish share temporarily withheld	50,000	0
Associate Minister	9,500	9,952
Governance costs	1,100	1,100
Outward Giving	11,324	7,528
Held Funds	6,922	5,483
	<u>88,931</u>	<u>30,277</u>

7 NET ASSETS

	TOTAL	
	2023	2022
	£	£
Tangible fixed assets	595,385	611,839
Investment asset (designated)	219,500	230,000
Debtors (Note 5)	9,103	6,687
Cash in banks and in hand	151,013	128,253
Liabilities: amounts falling due within one year (Note 6)	(88,931)	(30,277)
	<u>886,070</u>	<u>946,502</u>

The church policy is to keep cash reserves equal to three months' expenditure (roughly £85,000), subject to a minimum of £40,000. The reserves are currently higher than this as £50,000 is owed in Parish Share and £33,000 has been set aside for the employment of a Youth Minister.

Notes to the Financial Statements for the year ended 31 December 2023

8 GRANTS Missionary and Charitable Giving

	St John's	Emmanuel	TOTAL	
	£	£	2023	2022
			£	£
<u>Home</u>				
UCCF	7,918	0	7,918	7,126
Across Cultural Ministry	1,533	0	1,533	1,533
Engage (SCATS)	1,500	0	1,500	1,500
Christian Institute		1,018	1,018	1,097
Church Society	500	0	500	500
Surrey Gospel Partnership		0	0	50
Diocesan Evangelical Fellowship	30	0	30	30
Evangelical Alliance	500	0	500	0
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	11,981	1,018	12,999	11,836
<u>Overseas</u>				
Crosslinks (2 families)	15,835	0	15,835	14,367
Interserve	7,918	407	8,325	7,622
SIM UK	7,918		7,918	7,183
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	31,671	407	32,078	29,172
<u>Secular</u>				
York Road Project	1,360	611	1,971	2,018
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	45,012	2,036	47,048	43,026

9 RELATED PARTY TRANSACTIONS

PCC members during the year included the Associate Minister, an office administrator (whose term on the PCC ceased in March 2023), and close relatives of the Parish Manager, a member of the Children's Ministry Team, the events verger, and the Sunday verger.

In total, employment costs (including employer's NIC and pension contributions) and expenses for these staff members totalled £60,110. In 2022, employment costs and expenses of staff members who were members of the PCC or who had close family connections to PCC members totalled £71,758.

In addition, a member of the PCC received £4,800 (2022: £1,600) from the church to reimburse accommodation costs of the Ministry Trainee.

Apart from the above, no other payments were made to members of the PCC or any other connected persons.