



**Trustees Annual Report
and Financial Statements of the PCC**

Year Ended 31st December 2019

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Revisions:

R01 – 25.02.2020

R02 – 06.03.2020

R03 – 08.03.2020

Administrative Information

This document is prepared by the Parochial Church Council of the Ecclesiastical Parish of Cranley otherwise Cranleigh.

Rector and Advisers:

Rector: Reverend Roy Woodhams

Registered Charity No.: 1131701

Bankers: Lloyds Bank Plc, Bank Buildings, High Street, Cranleigh, Surrey, GU6 8BD
The CBF Church of England Funds (CCLA Investment Management Limited),
Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Independent Examiner: Oakwood, The Old Forge, Smithbrook Barns, Horsham Road, Cranleigh, Surrey, GU6 8LH

St Nicolas Church Cranleigh is situated in The High Street, Cranleigh, Surrey. It is part of the Diocese of Guildford within the Church of England. The PCC was registered as a charity with the Charity Commission on 18th September 2009. Its registered name is 'The Parochial Church Council of the Ecclesiastical Parish of Cranley otherwise Cranleigh' hereafter referred to as 'PCC St Nicolas Church Cranleigh'.

The following have served on the Parochial Church Council (PCC) during the period from 1st January 2016 until the date this report was approved unless otherwise indicated. Additionally, all PCC members have served as a Trustee of the registered charity:

Chairman:	The Reverend Roy Woodhams (Rector)	
Curate:	The Reverend Ian Maslin	
Young People's Minister:	Miss Gabrielle Clark (Co-opted with voting rights from September 2017)	
Licensed Lay Minister:	Mrs Judith Wedderspoon	
Church Wardens:	Mrs Katherine Tuck	from APCM 2015
	Mr Michael Roberts	from APCM 2017
Hon. Secretary:	Mr Robert Isherwood-Crook	from APCM 2015 (Co-opted without voting rights)
Hon. Treasurer:	Mr Jeffrey Wood	APCM 2013 to date
Parish Administrator:	Mrs Elise Whittington	from January 2018 (without voting rights)
Deanery Synod:	Mr Paul Jenkins	from APCM 2015 to date
	Mrs Jan Goldsmith	from APCM 2017 to APCM 2019
	Mrs Sandra Keeping	from APCM 2017 to date
	Mrs Joan Connolly	from APCM 2017 to date
	Miss Margie Nursey	from APCM 2017 to date
Elected Members:	Mrs Rosemary Burt	from APCM 2016 to APCM 2019
	Mrs Jan Durrant	from APCM 2016 to APCM 2019
	Mr Roy Hislop	from APCM 2016 to APCM 2019
	Mrs Claire Oxborough	from APCM 2016 to APCM 2019
	Mrs Maria Poole	from APCM 2016 to APCM 2019
	Mr Howard Cherry	from APCM 2019 to date
	Mrs Susan Clarke	from APCM 2019 to date
	Mrs Susan Knight	from APCM 2017 to date
	Mr Timothy Oxborough	from APCM 2018 to date
	Mr Antony Garstone	from APCM 2017 to date
	Mr Colin Tilbury	from APCM 2017 to date
	Mr Maurice Bowles	from APCM 2018 to date
	Mrs Steff Shepherd	from APCM 2018 to date
	Mrs Amanda Wigfield	from APCM 2018 to date
	Mr Gordon Cheesman	from APCM 2018 to date

Vision Statement

At the PCC meeting held on 9th July 2014 the following was adopted as the guiding basis towards a 'Vision for the Way Ahead' for St Nicolas Church, Cranleigh:

St Nicolas Cranleigh . . .

***A Community Growing in Faith, Hope and Love
Reaching into the heart of the local community
Leading all to the liberating truth of Christ***

To achieve this, we will seek:

- To be an inclusive church, welcoming all in the love of Christ
- To be a light shining in the community
- To uphold Christian values
- To make a stand for truth and justice on issues local, national and international
- To respond to the changing culture of the 21st Century
- To deepen our faith and understanding of what it means to be Christian
- To encourage All Member Ministry
- To be a church representing the whole age and social profile of the community
- To encourage the building of Community Spirit within the Village
- To grow our current membership

At a local level this Vision seeks to support the 12 goals set out in the Diocese of Guildford's vision and mission strategy 'Transforming Church, Transforming Lives' -

1. Making disciples
2. Increasing believers
3. Growing youth and children's ministry
4. Developing lay leaders
5. Recruiting more clergy
6. Cultivating community partnerships
7. Reaching beyond borders
8. Nurturing education
9. Encouraging generous giving
10. Sharing expertise
11. Communicating effectively
12. Improving church buildings

More information can be found on the Diocese of Guildford website:
www.cofeguildford.org.uk/about/transforming-church-transforming-lives

Public Benefit

As the Parish Church for Cranleigh, St Nicolas is open to all denominations for Christian worship. The church building is at the heart of our community and open every day. It is an active church with a wide age range, aiming to show the love of Christ through all we say and do. There is a rich variety of services to suit different ways of worshiping God ranging from Common Worship Holy Communion to informal Family Services, traditional 1662 Holy Communion and Evensong. Furthermore, St Nicolas appeals to young people and families with an increasing breadth of Christian fellowship, activities and events.

Structure, Governance and Management

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 and is registered with the Charity Commission.

The day-to-day management of the PCC is vested in the Rector (the PCC Chairman) with support from the two Churchwardens.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

Utilising the skills developed in outside careers and experience, the PCC assist in highlighting those individuals appropriate for selection to join the PCC at the Annual Parochial Church Meeting (APCM). A wide range of matters affect the parish, including compliance with Health and Safety, disability discrimination legislation, child protection, safeguarding and inclusion. Appropriate training through the Diocese on specialised subjects takes place. Those attending are able, and encouraged, to report back to the PCC. Training is also provided by parishioners compliant with topics in their day to day careers. Written resources and Information Technology (IT) are also utilised.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law, FRS 102 (Financial Reporting Standards) and SORP 2015 (Statement of Recommended Practice).

The law applicable to charities in England & Wales requires the trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these Financial Statements, the trustees are required to:

- a) Select suitable accounting policies and apply them consistently.
- b) Observe the methods and principles in the current Charities Statement of Recommended Practice (SORP).
- c) Make judgments and estimates that are reasonable and prudent.
- d) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.
- e) Prepare the Financial Statements on an accruals basis.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Financial Statements comply with the Charities Act, Charity Reporting and Accounting Guidance, and the provisions of the trust deed. They are 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 are further responsible for employing staff to undertake key roles in the Church, mindful of the Parochial Church Councils (Powers) Measure 1956, statutory employment legislation and other current Church of England Guidelines. The Standing Committee will first prepare proposals regarding employment and remuneration before consultation with the whole PCC. St Nicolas Church employed the following in 2019:

- A Verger – Part Time
- A Church Administrator – Part Time
- A Young People's Minister – Full Time

Remuneration is calculated and reviewed annually with reference to employee experience/qualifications, Retail Price Index, local comparators and performance, monitored through annual reviews conducted by the Rector.

PCC Meetings

7 meetings excluding APCM with average 80.57% attendance

Team Structure

It is intended that all PCC members serve on at least one of the 'teams', thus providing the means for the PCC to enquire upon any points raised within team meeting minutes presented to the PCC. It also allows the PCC to send thoughts/directives back to the teams. The team structure is organised as shown on the following diagram:

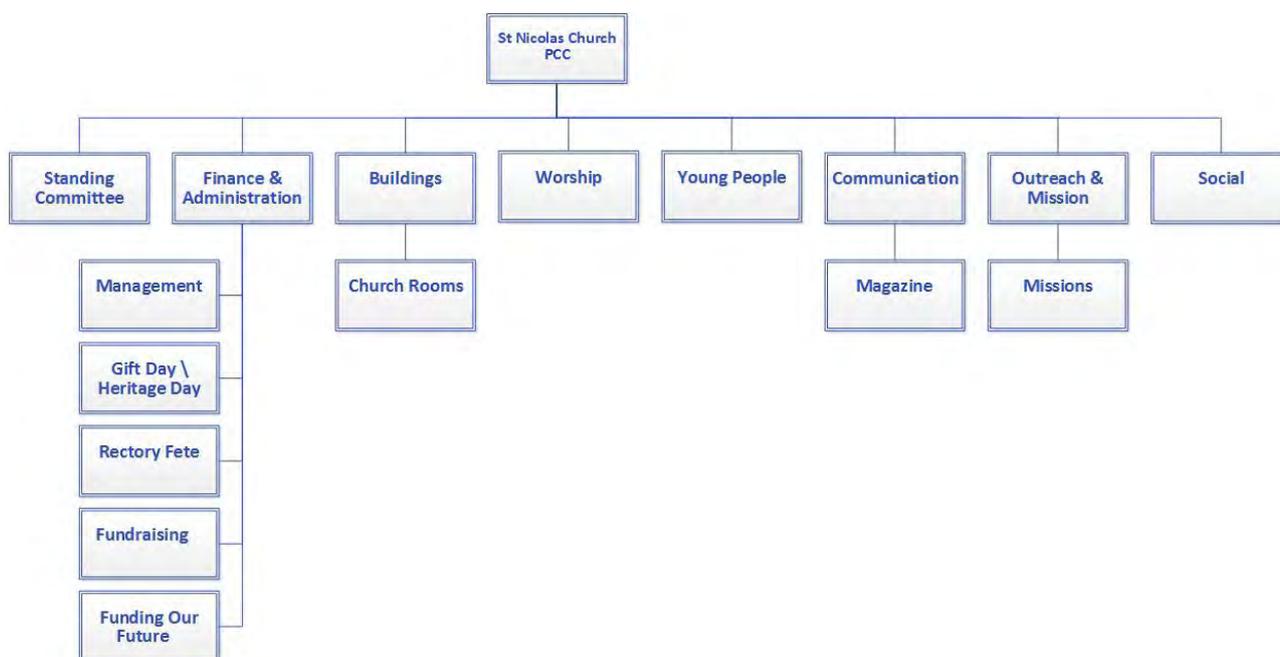


Diagram to illustrate Team structure

- **Standing Committee**

This is the only committee required by law and must have not less than five members; the Rector, two Churchwardens and two others appointed by members of the PCC. In 2019 Katherine Tuck and Mike Roberts were the Churchwardens with Paul Jenkins and Jeffrey Wood filling the other two places. The Standing Committee has the power to transact business of the Council between Council meetings, subject to any direction given by the Council.

- **Finance and Administration Team**

The Finance and Administration Team administers day to day management of Church funds and the central administration of the Church and office. It considers any proposed expenditure greater than £500 before submission to the PCC, and advises the PCC & all teams on financial matters. The Finance and Administration Team is also responsible for ensuring that regular attention is paid to financial planned giving and volunteering, promoting all forms of tax efficient giving, legacies and reviewing all finance and administration activities to ensure that best value for money is attained from procurement. Meeting six times annually, the team records proceedings and reports significant and emerging issues to the PCC at the next PCC meeting.

Reporting to, and under the umbrella of, the Finance and Administration Team are the:

- **Management Team**

This Team ensures the smooth day-to-day running of the Church. It meets a minimum of once a month to coordinate the range of upcoming Church services, notices/weekly sheet additions, administrative issues, and the Church opening and closing roster.

- **Gift Day Team**

The Gift Day Team convenes to coordinate the content of leaflets and their distribution throughout Cranleigh and organises the people and material resources required for cash collections on our annual Gift Days. They, in conjunction with the Communications Team, seek to find different ways in which to engage with, and encourage, the wider Cranleigh community to contribute funds towards the upkeep of the Church building as a principal village asset of great heritage value.

- **Rectory Fete Team**

This group organises the annual fete, initiating ideas for stalls, entertainment and its publicity in alliance with the Communications Team. The team also coordinates the setting up and dismantling of stalls and equipment on the fete day.

- **Building and Resources Team**

This team focuses upon the maintenance of the Church, Churchyard, Church car park, and 22 Orchard Gardens Cranleigh. The Buildings Team has authority to carry out minor works not exceeding £500, and to make recommendations to the PCC via the Finance Team, where appropriate, for major repair or alterations including any matter involving a faculty or Archdeacon's certificate. Reporting to, and under the umbrella of, the Buildings and Resources Team is the:

- **Church Rooms Team**

Managing the maintenance, administration, rental, financial and accounting control of the Church Rooms on Church Lane, and its surrounding grounds. The Church Rooms Team is authorised to put in hand repair works not exceeding £500, and if major repairs or improvements are proposed, submit estimates of costs to the PCC via the Finance Team.

- **Worship Team**

This team manages all Pastoral and Ministry issues and the planning of services. The group includes Clergy, Licensed Lay Ministers, and Pastoral Assistants. It is intended that this group grow to include other members of the Church.

- **Young People's Team**

The Young People's team was formed in 2015 to act as a support for the Youth Minister.

- **Communications Team (refined from what was previously been referred to as 'Marketing')**

The Communications Team promotes the Church, its activities and mission, by ensuring that all activities undertaken by St Nicolas Church are well advertised in advance and receive wide publicity. The Team meets regularly to review past events and arrange advertising and publicity for future ones. Members of the Team keep all the church notice boards up to date and looking attractive.

The team will employ all forms of communication, as appropriate, including local and national press, commercial publications, broadcast and the social media and will support the work of the Magazine Committee and supply information for the Parish Website.

Under the umbrella of the Communications Team is the:

- **Magazine Team**

Overseeing all matters concerning the Parish Magazine relating to editorial, advertising and financial management. The team advises and assists the PCC in matters concerning the bookstall, lending library and sales promotions including accountability for their financing.

- **Outreach and Missions Team**

During the year a change came about by bringing the newly formed Outreach Team together with the long-established Mission Team.

- **Social Team**

Advises, initiates, promotes and assists in providing a wide range of social activities to appeal not only to the Church congregation but also to the wider community.

Risk Management

The PCC has examined the principal areas of Risk Management of the Church operations and considered what risks may arise in each of these areas. In our opinion we are moving towards establishing resources and reviewing systems which in normal conditions should allow those risks identified to be mitigated to an acceptable level in day to day operations. Insurance prevails on major aspects and there is a Fire Risk Assessment and Health and Safety Report formally documented and regularly reviewed. The Church Policy statement for Child Protection and the Implementation Policy Document (implementing Diocesan policy) are both signed.

Child and Adult Safeguarding

In May 2016, the PCC agreed to continue to adopt the Diocese Safeguarding Policy. Brian Boxall, the St Nicolas Church Child/Adult Protection Officer, addresses the PCC annually to introduce himself to new members and to remind existing members of the safeguarding duties and responsibilities of the PCC. An annual report is given later in this document.

Objectives and Activities

The PCC of St Nicolas Church has the responsibility of co-operating with the Rector, the Reverend Roy Woodhams, in promoting the whole mission of the Church; pastoral, evangelistic, social and ecumenical. It has responsibility for the financial affairs, the maintenance and the appropriate insurance of the Church, Churchyard, Church Rooms, and 22 Orchard Gardens, Cranleigh; goods and ornaments thereof. The PCC meets regularly and is assisted by a considerable amount of Team work, which is essential in the smooth operation of St Nicolas Church.

Main Objectives

- Increase admittance to the Church of England.
- Adopt an atmosphere conducive to welcoming new people to the Church.
- Provide appropriate and sympathetic worship in all areas of the parish.
- Encourage improvement in the knowledge of the gospels.
- Strive for a welcoming atmosphere for all.
- Organise regular social events to provide entertainment, and to encourage the wider community to attend.
- Improve, renovate and maintain all church property.
- Undertake regular stewardship renewal programmes to improve income and encourage Planned Giving.
- Promote Diocesan initiatives.
- Undertake Mission Sundays for chosen Missions and provide grants within ten percent of agreed income streams.

Activities to Achieve Objectives

- Confirmation classes for all ages.
- Organisation of social evenings for newcomers.
- Provision of 'welcomers' at services, and after-service refreshments.
- Regular review of worship and music to ensure that content is appropriate to all our needs.
- Home communions.
- Services held at various venues in and around the village.
- Arrange home visits by clergy and pastoral assistants.
- Lent fellowship, and home study groups throughout the year.
- Monthly fellowship and weekly Lent lunches.
- Youth involvement through current groups, Church services and new activities generated by our Children, Youth and Family Worker.
- Social events organised and run by the Social Committee.
- Annual fete held in July for all the village.
- Improvement of income stream through Gift Days.
- Carefully consider advice given at Diocesan meetings to increase giving, especially through the gift aid scheme.
- Highlight Mission Sundays through the Outreach and Mission Team.
- A programme of building maintenance through professional and voluntary means.
- A programme of concerts performed during the year.

Parishioner and Church Member Involvement

The PCC is continuously indebted to all parishioners who give their time and talent to care for all aspects of Church life. Through the various teams, Church groups and individual volunteers, all aspects of worship, social activities, administration, teaching and maintenance are approached in a caring and meticulous fashion. It is an accepted fact that without this large number of faithful helpers, upkeep of the services we provide and the Church property would not be viable. Instead, with the great efforts of many we have healthy and diverse fellowship, and a splendid Church in which to worship. The Rector and the PCC welcome new ideas and offers of help, and there is always room to join Teams and other opportunities for people to

get involved. There will continue to be a concerted drive to encourage as many of the congregation as possible to identify where they can offer their time and talents to best and satisfying use through the whole range of Church activities.

Mission Giving Policy

Whenever possible, ten per cent of agreed income streams is donated. With recommendations set out by the Outreach and Missions Team the PCC approve the charities that are supported year on year. Where income improves the Outreach and Mission Team recommends either increasing the giving to the agreed charities or alternatively making smaller grants to a number of requests received each year.

Achievements and Performance

Church attendance

For the 2019 Electoral Roll: There were 336 Parishioners; of those 10 live outside the GU6 post code but are regular Church goers. We had 18 new members.

We had 18 deletes (12 have died and 6 have moved away)

The average weekly attendance for October was 325 which is an increase of 12 from October 2018.

Review of the year

New Year's Day saw 28 walkers and several dogs set out on a very enjoyable walk followed by a bring-and-share lunch in the Church rooms.

A number of regular groups have continued to be enjoyed by a wide range of ages, mostly run by a team of volunteers assisted by Gabrielle and our Clergy team. The Social committee have also organised a number of successful events raising funds for our Church including a Bingo night, Picnic in the Park, The Harvest Lunch and Desert Island Discs.

Shrove Tuesday saw the return of the much-loved Pancake lunch, the proceeds from which were donated to the Bible Society. This was followed by the weekly Lent lunches with proceeds given to the Bishop of Guildford's Lent Appeal. The Lent Study Course was entitled "The Joy of the Gospel" written by Dr Paula Gooder and was shared with members of the Church of Jesus Christ Redeemer of Mankind.

Palm Sunday was again marked by a short ecumenical service on the common followed by the Procession of Witness led by Chester the donkey. Easter week was marked with 3 talks, The Way of the Cross, Words and Music for Holy Week and Compline.

A new event this year was the 'Prayer Space' in St Andrews room set up by Gabrielle and Rosemary Gooding. This was part of the new Church Vision for St Nicolas, "to be caring, daring and sharing."

In May, our Rector started his Sabbatical which included a visit to Iona and research into children's ministry. In September, he was appointed Area Dean of Cranleigh Deanery.

The Rectory fete was a great success and the weather was perfect.

A number of concerts have been given in the church including a Spring concert by the Surrey Hills Chamber Choir, Picnic in the Park with The Graham Hix quintet, The Reading Phoenix Choir and The Strand Consort; a London-based choir co-founded by Martha Woodhams.

Mid-August saw the church rooms filled with excited 5-11 year olds enjoying a 'Space' themed holiday club.

Throughout the Spring and summer, a group of parishioners worked tirelessly to make the church yard beautiful, as it was entered in the South and Southeast in Bloom. Their hard work was rewarded with a Silver-gilt award.

For over 2 years, a group of members of Cranleigh Arts Society have carried-out a detailed recording of everything in St Nicolas church and a copy of these records will be given to the church.

The busy Christmas season included the usual Nativity plays and school and Community Carol Services and a very successful Christmas Tree Festival with Santa Fir again generously donating the trees.

- **Communications Team**

The Communications Team promotes the church's mission by ensuring that all activities undertaken by St Nicolas Church are well advertised in advance and receive good publicity.

The Team meets regularly to review past events and arrange advertising and publicity for future events. Members of the Team keep all the church notice boards up to date and looking attractive.

We employ all forms of communication, as appropriate, including local and national press, commercial publications, broadcast and the social media. We support the work of the Magazine Committee and supply information for the Parish Website.

We are keen to support all the other teams and any individuals organising events under the auspices of the church. Any suggestions or requests should be sent to communications@stnicolascranleigh.org.uk

- **Deanery Synod**

During the year three meetings have been held. At the February meeting all churches were asked to prepare a short presentation on what was going well in their church and what problems they were facing. Roy Woodhams gave our presentation and we have many exciting projects happening which were of interest to the other churches.

Emma Coy, the Diocesan children's and Family Ministry Adviser and David Welch the Diocesan Youth Adviser gave a talk on ways of involving younger people into the church in June.

At the November meeting the representative on the Diocesan Board of Education gave a presentation on his work. Roy was welcomed as area Dean and put forward his vision for the Deanery, which is threefold, mission, clergy pastoral care and sharing expertise.

- **Choir and Music**

Michael Clarke continued to lead the choir and the music group in providing musical support to the congregation for two services each Sunday and at a number of weekday evening services during the year. The choir sang at morning communion services, all evening services and some weddings and funerals, performed many anthems, participated in ecumenical events and once again enjoyed an annual dinner. Music group members sang and played at twice-monthly All-Age Worship Services, occasional Praise Services and the December Christingle and Crib Services.

It was a particular joy this year to welcome members of other local church choirs to St Nicolas, firstly for a "Small Choirs" workshop in May which was organised by the Royal School of Church Music and led by their Director, Hugh Morris, and secondly for a special service in September to commission our Rector as Area Dean. Other musical highlights so far have included an RSCM Festival Evensong in Guildford Cathedral, two full Choral Evensongs in St Nicolas, and a well-attended Advent Carol Service. On a sadder note, we mourned the passing of former choir member Ken Beck, the choir singing at his funeral in October.

The children's choir led by Catherine Beddison and Emma Unwin sang at an All-Age Worship service and at Easter and Advent and completed 2019 with appearances at the Christingle service, a Christmas Eve Crib Service and the Service of Nine Lessons and Carols.

- **Bell Ringers**

We have rung a total of four quarter peals since our last APCM report for 2018.

One of those quarter peals was rung before the Evensong service to Commission our Rector Roy Woodhams as Area Dean by The Venerable Paul Davis, the Archdeacon of Surrey.

On the 19th of July 2019 eight Guildford Diocesan Guild ringers rang a peal of Grandsire Triples in our tower. They rang for three hours and thirteen minutes. The peal was rung in the same method and using the same composition, to mark the centenary of a peal rung in our tower on Peace Day, 19th July 1919, and to mark the centenary of the Cenotaph, erected to be the focal point of the Peace Day parade in London.

The ringing was superb and we are now in the process of marking the event alongside the 1919 peal board in the tower with another memento of the occasion.

We were able to ring for all the main church services in 2019.

- **Child and Adult Safeguarding**

In May 2019, the PCC agreed to continue to adopt the Diocese Safeguarding Policy. I will attend a PCC meeting early in the new financial year, to introduce myself to new members and to remind all members of the safeguarding duties and responsibilities of the PCC.

I have continued worked with Gabrielle and Katherine (PCC safeguarding lead member). This year (for the first time) the parish had to undertake a safeguarding audit as required by the Dioceses. The audit document and the supporting action plan were agreed by the PCC. The audit needs to be reviewed annually.

I have continued, during the year, to undertake DBS and recruitment checks on a number of individuals, mainly for the volunteer leaders required for the holiday club.

The new national training programme, now well established, enables individuals to access C1 (basic safeguarding awareness) training online. This year we have focused on C2 training. To that end I ran a C2 training event in October 2019 attended by the majority of PCC members Other individuals have attended different Diocesan training events including domestic abuse training.

We were looking to run a Safeguarding Sunday during the year but this did not take place. I hope that we will be able to fit this into the church calendar during the coming year, in order to raise awareness of the issues of safeguarding across the wider church membership.

Whilst we have the policies in place and individuals trained, we need to remember that it is the responsibility of us all to look out for the children, young people and vulnerable adults in our parish and to take positive action if we have concerns.

- **Young People's Minister**

Regular Activities:

Messy Church

Every second Sunday of the month Messy Church has been running in the Church rooms from 4-6pm. This has included crafts, activities, creative worship and a meal together for all ages.

Little Nic's Toddlers

Our St. Nicolas Church toddler group has been running every Friday morning during term time in the church rooms, at 10-11:30am. This is £2 per family.

The Toddler group continues to prove very popular with parents and toddlers, averaging about 20-25 children each week. Each week we enjoy free playtime, a craft, snack and end the morning with a simple Bible story, singing and our Goodbye song. We have an enthusiastic and faithful team of about 15 volunteers on our rotas.

Explorers, Seekers and Adventurers (formerly Kids of Faith)

Every 2nd, 4th and 5th Sunday of the month, during the 10am service, 'Seekers, explorers and adventurers' are available for children, learning about the bible in a fun and interactive way. In this past year, we have looked at People Jesus met, and stories across the Bible. We have had more children coming along to SEA in the last year, with 30 children recorded as attending over the last year.

All Age Services

Every 1st and 3rd Sunday of the month, our 10am services are designed to be for all age, so we can enjoy worship and fellowship together, young and young at heart. Every third Sunday, crafts are available for the children in Baynard's Chapel.

Youth Group (11-14s)

Our Sunday afternoon youth group was started up in September 2018 and has been running on Sunday afternoons from 4-5:30pm during term time. (apart from Messy Church Sundays, where the young people are invited to Messy Church.) We currently have roughly 6-10 young people attending each week.

Youth Alpha

Youth Alpha was launched as a follow up for our young people who were confirmed in December 2018. Members of the youth group were also invited, and we have had 2-7 young people attending each time. This is a 12 week interactive video course exploring faith and life over pizza, comfy sofas and chat. Due to the business of our young people, we run this group roughly every 3 weeks in someone's home. We have a mix of young people who attend Church regularly, and young people who don't.

Tea and Toast

Every Tuesday morning during term time at 8:30-10am in the church rooms we have been running a free drop in, providing tea and toast. This is run by a lovely group of 8 women who help once or twice a month each, and we have around 5 or 6 families that come along each week.

Jesus and Mums (JAM)

This group has been launched by Steph Shepherd and Claire Oxborough and was started in October 2019. This has been a kind of relaunch from a previous group that ran a few years ago called 'Mums and Munchies'. This group is on alternate Wednesday mornings during term time, with tea and coffee for mums to spend some time praying together, reading the bible together and encouraging one another. This is in the St. Andrew's Church room.

Summer Holiday Club

From the 5th-9th of August 2019, St. Nicolas Church ran a Summer Holiday Club for 5-11-year olds ('StarShip Discovery'), following stories from the life of Peter. Around 50 children attended through the week and over 45 people volunteered. It was received well, and the church received lots of positive feedback from the children and families. We finished the week with a joyous all age worship during the Sunday service after the club.

Schools Work:

Assemblies: Ian, Roy and Gabrielle regularly do assemblies in the local CofE school (Cranleigh Primary) based on their 5 Christian values through the year: Friendship, Forgiveness, Endurance, Thankfulness, Compassion and Hope. This is with both Lower School and Upper School.

Worship Club: Gabrielle runs a worship club at Cranleigh Primary on a weekly basis for Cranleigh Primary. This consists of a group of about 8 students each term who practice bible stories which they then act out in school assemblies. This is very popular and often has a waiting list.

Open the Book: Along with the other churches in Cranleigh, St. Nicolas Church runs Open the Book weekly in all three of the local primary schools: Cranleigh Primary, Park Mead and Cuthbert Mayne. This is coordinated by Gabrielle. As of September 2019, the assemblies were changed around at Cranleigh Primary, so they are no longer done with the whole school, but with either Upper School or Lower School.

RE lessons: In the week of the 18th of November, Gabrielle was invited to do some Religious Studies lessons at Glebelands secondary school. This was with year 7 students about Parables.

Mentoring at Glebelands: In January 2019, Andy Turnbull (Youth worker at CBC) and Gabrielle began mentoring with individual students at Glebelands secondary school. Since then, Gabrielle has also formed a partnership with the Bridges mentoring project under Guildford diocese, which provides training and resources for mentors. Clive Biggins (the coordinator of the Bridges project) has trained some new mentors for us, who started in September. We currently have 6 mentors supporting students at Glebelands.

Interactive Prayer Room

On the 7th-9th of April, Rosemary Gooding and Gabrielle Clarke worked together to create an interactive prayer room in St. Andrews hall.

This room had a selection of interactive ways to pray, including colour, drawing, play, smell, taste, reading and more.

The room was open for 30 hours over all and over 30 people of all ages, used to space to pray.

- **Cranleigh Mothers' Union**

The Mothers' Union in Cranleigh is thriving with monthly morning meetings averaging over 45 and evenings between 12-20 members.

In addition to these regular meetings we have a Pre-Christmas Communion followed by mulled wine and mince pies. We had a day out in Brighton of which 28 members attended was a wet August day but all enjoyed.

Under the Mothers' Union we have a monthly Friday Corporate Communion, Prayer and Bible study groups. Also we go to Cedar Court and Knowle Park visiting members and services there once a month.

Our members are also involved in all aspects of Church Life, helping with Toddlers, Tea and Toast, Messy Church, Open the Book, Sewing/Knitting group, flowers.

We are looking into purchasing some new equipment/ furniture for the children in Baynards Chapel of the next few months.

- **Social Events**

The Social Committee has, once again, had a successful year of fund-raising events for our church family and the wider community.

In February 80 people enjoyed another Bingo Evening, always a popular event. In July we had our annual Picnic in the Park, listening and dancing to the Graham Hix Quintet, with very favourable feed-back regarding the new band. The raffle was also a success and 66 people attended the evening in the Rectory Garden. The Harvest Lunch following the Harvest Festival Service on 6th October was well attended, with 70 people including a number of families. All enjoyed jacket potatoes with fillings and delicious deserts. We rounded off the year with a musical evening of Desert Island Discs, with cheese and wine and music and books reviewed by 6 very interesting people.

- **Rectory Fête 2019**

A new team took over organising the fête this year. It started at the earlier time of 11am and finished at 3.30pm. It was felt that this earlier time brought more people into the garden. There were the usual selection of stalls with some new ones such as regifting and the craft stall. The arena events saw the introduction of the Fleur De Lys Morris dancers who proved to be very popular with many people joining in to dance with them. The ever popular Godalming band played, the dancers from Cranleigh Dance and Theatre Arts danced with great flair and the Punch and Judy show entertained more children than we have seen for some years. Over 800 people came through the gate many of whom were attracted by the sound of the barrel organ which played at the rectory gate. The sun shone and a good profit was made for church funds.

- **Outreach and Annual Mission Giving**

The Church has continued through 2018 with supporting CMS – David & Shelley Stokes in Argentina, Children's Society, Mission to Seafarers, Guildford YMCA, United Society Partners in the Gospel, Bible Society, Happy Child International.

Contact is maintained by periodic Church magazine articles as well as the occasional pattern of special Mission Sundays. In 2019 this involved, Bible Society, USPG, YMCA and the Children's Society. The cash collections at all services on those occasions was passed on in addition to any monies allocated at the annual distribution from Church Funds. In 2019 each of the 7 causes received the same amount from this allocation.

During the year the distribution of welcome packs took place to the new residents in the Longhurst estate off the Horsham Road and Amletts Place off Amletts Lane. This will be developed with the other newer estates.

Furthermore, once a month on the third Monday morning with a focus on a particular mission, a half hour prayer group met under the banner 'Prayer for the World'. A simple leaflet suggesting a prayer format to be followed has been produced also complemented by other leaflets with Morning Prayer and Evening Prayer.

In 2019 the representatives for each of missions and charities supported are:

- Children's Society - Katherine Tuck / Marion Glasper
- CMS - Pamela Bigg
- Happy Child International - Mike Roberts
- USPG - Paul Jenkins
- Bible Society - Sheila Smith
- Mission to Seafarers - Margie Nursey
- Guildford YMCA - Jan Durrant

Looking to 2020, the PCC have agreed with the Outreach Team's recommendation that the total number of causes supported should be reduced to 5 and at the end of each period of 2 years a review will be undertaken to assess whether a further change to the causes supported should be made.

This means that in 2020 the charities/causes are Bible Society, USPG, Children's Society, Happy Child and a new cause, A Rocha whose focus is on the environment. Those no longer supported are CMS, YMCA, Mission to Seafarers.

- **Church Rooms**

The Church rooms continue to provide much needed facilities for the Church and the local community (clubs, groups and families). The rooms are in constant use and generate an income for Church Funds.

The Church Room finances are managed by the Treasurer Jeff Wood. Elise Whittington, Parish Administrator has since January 2018 been in charge of bookings, managing the regular hirers, completing all paperwork and invoicing hirers.

The Church Rooms are becoming increasingly popular for one of party and event bookings within the community as well as for business hirers who wish to rent the halls on a set weekly basis. This is a result of increased advertising both online and in our Parish Magazine and weekly newsletter. Word of mouth has also proved effective amongst the local school communities with regards to weekend party bookings due to our competitive yet reasonable rates. The regular hirer fees were increased by £1 per hour for our larger St. Nicolas Hall from April 2019. The ad-hoc hire rate stayed the same as for 2018.

The Church rooms also continual to give strong support to Church functions and groups including Sunday youth groups, Messy Church, coffee, Tea and Toast, Mothers Union, Tuesday lunches, Fridays Toddler Group, PCC meetings and social functions. The costs of running the rooms being met out of fees generated from our Hires. It is important that we look after our hires as their income pays for the upkeep and running costs of our rooms such as lighting, heating, cleaning and day to day maintenance.

- **Parish Magazine**

During 2019 we continued to produce and distribute a full colour magazine each month, thanks to the efforts of everyone on the committee. We have four people on the editorial team but we would welcome the help of additional editors who could reinforce the team.

Feedback on the content and format of the magazine has been very favourable, though we are always seeking interesting new articles and photographs from members of the church and the parish.

The print run for each month is over 700 copies, most of which are distributed by hand to homes and public buildings in the village. 20 copies are placed in the church office for those making inquiries about baptisms, weddings etc. Another 20 copies are posted to interested organisations and people who have moved away. Further copies are used for distribution to the new housing estates and magazines are placed in church for individual purchase. Particular mention must be made of Gordon Cheesman, who was responsible for overseeing our wonderful team of 42 dedicated distributors.

The additional cost of colour printing means that profits are smaller than when we produced a black and white magazine, but the income from advertising and subscriptions still comfortably exceeds the outgoings.

The trend to switch to online advertising, along with the difficult commercial environment, resulted in 12 advertisers deciding not to continue advertising in the magazine at the end of 2019, despite our modest rates. However, we were pleased to be able to find replacements for all of them. Small increases in the advertising rates were introduced for 2020, but the cover price of each magazine remains the same as the previous year. Sincere thanks go to Elise Whittington for all of her hard work in dealing with new and existing advertisers.

I must also mention Alastair May, who continues to provide invaluable advice and assistance with the printing and timely production of the magazine each month.

The members of the magazine committee at the end of 2019 were Edna Bond, Fiona Cantelo, Gordon Cheesman, Margie Nursey, Josephine Scurry, Elise Whittington, Michael Wild and Peter Bond.

- **Church Buildings**

There is much work carried out throughout the year with the routine maintenance of the Church building by the cleaning volunteers led by Celia Jenkins.

As for the Buildings Team their attention is with ensuing the lighting continues to be attended to when replacements are required and loos are blocked (too frequently at times).

However, the major focus has been on taking the plans forward for the installation of the screens and projectors, likely to be in the earlier part of 2020. Furthermore, negotiations have continued to advance the need to replace the entire lighting system in the Church with an imaginative design which will significantly enhance the interior both at Service times, school events and community events. This may be achieved later in 2020.

Security has been enhanced with Smart Water applied to all metal work from gutter level to ground level with relevant signage as required by our Insurers. Similarly, with one of the access doors to the choir vestry which is locked with access restricted to certain volunteers.

Some remedial work to fencing at 22 Orchard Gardens was carried out as was some minor repair work.

All in all, taking care of our plant and premises requires the financial resources to do so. A good example has been the replacement of Quoins made possible from fund raising and donations accumulated over a couple of years. Much of the funds applied as a result of the annual Gift Day for which support is sought from the village as a whole.

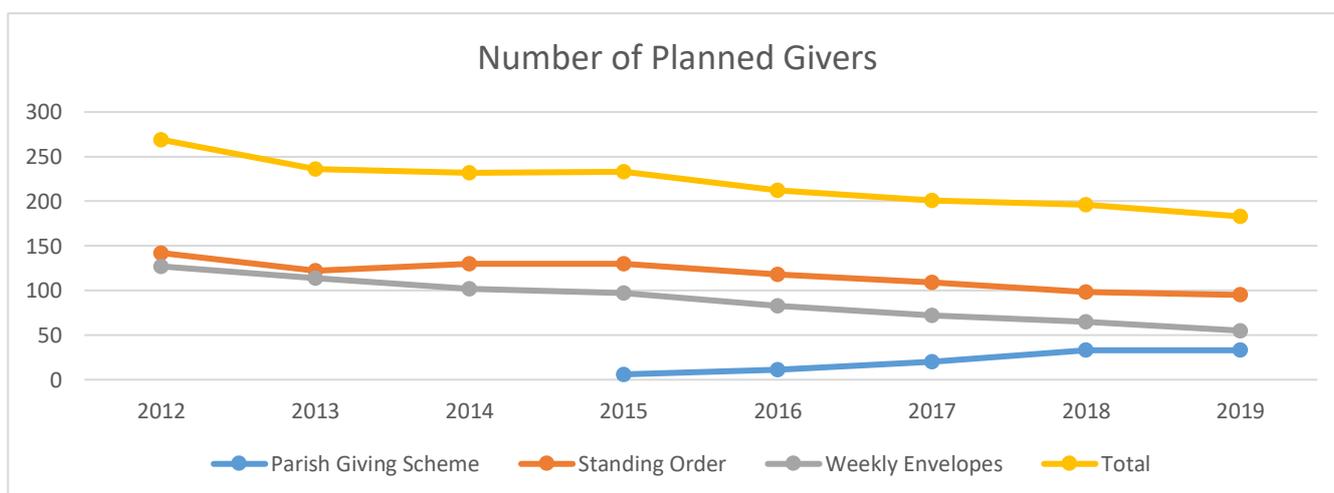
- **General Data Protection Regulations (GDPR)**

St. Nicolas Church fully implemented and complied with the introduction of the GDPR in 2018. St. Nicolas feels they have met all the requirements of the new legislation and are vigilant in their safeguarding of people's personal data. An annual Reviews of the database was completed in May 2019 to ensure that all details remain up to date. We also have change of details forms in Church which can be completed anytime and handed to the Church Office. Unfortunately, when we hear of a deceased member they are removed from the database immediately.

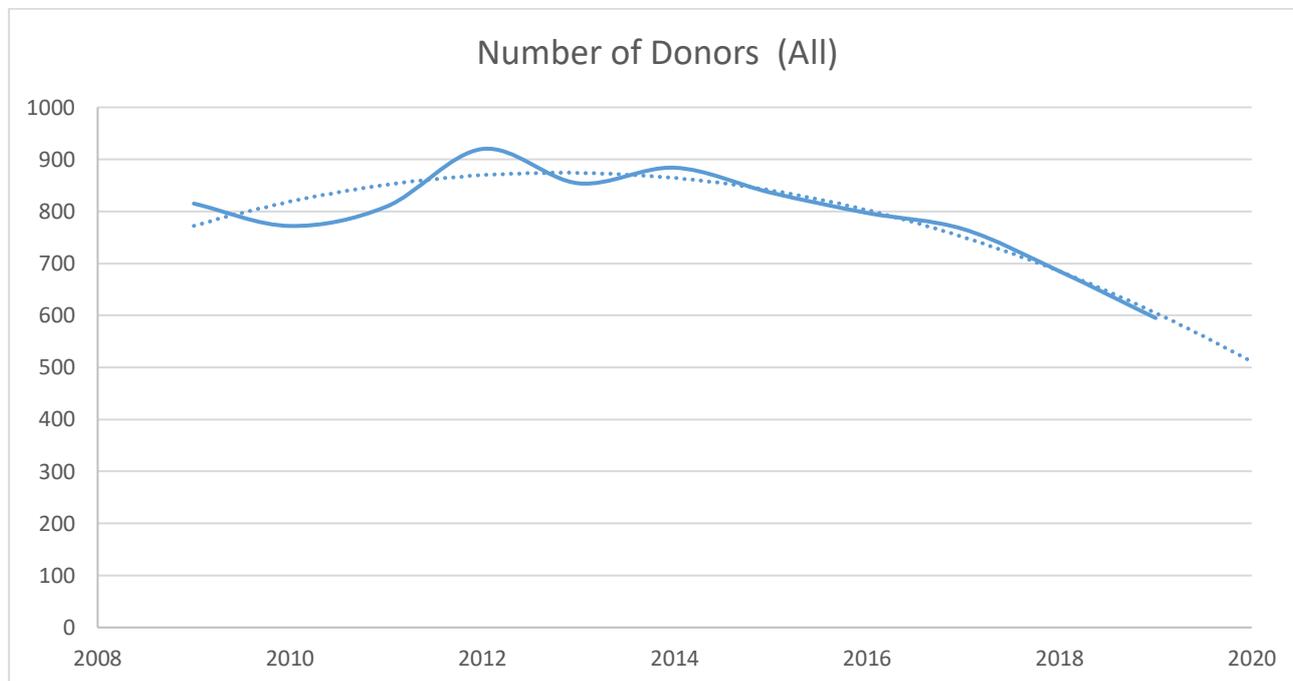
- **Stewardship Recorder's Report**

The year saw decreases in membership of both the Standing Order and Weekly Envelope Schemes, by 3 and 10 people respectively. This was not off set by any changes in the Parish Giving direct debit scheme which remained at 33 members.

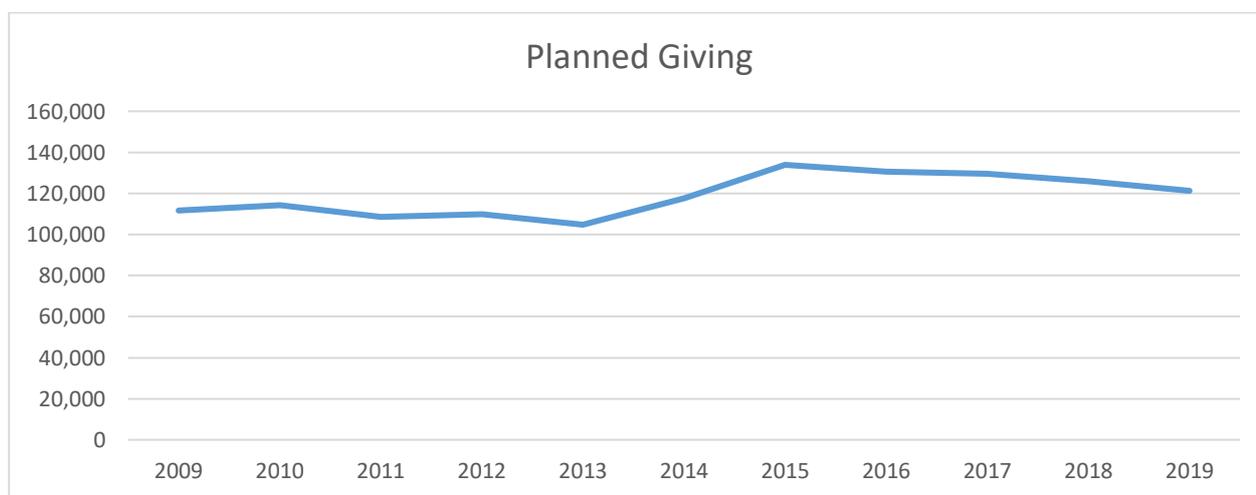
Overall, the number of planned givers continued to fall during 2019 to 183 which was a year on year reduction of 13. This decrease continues the concerning decline seen in previous years.



The overall number of donors (through both planned and unplanned schemes) also continued to fall during the year to its lowest level in over 10 years with 595 individuals making donations through a planned giving scheme or blue envelope during the year.

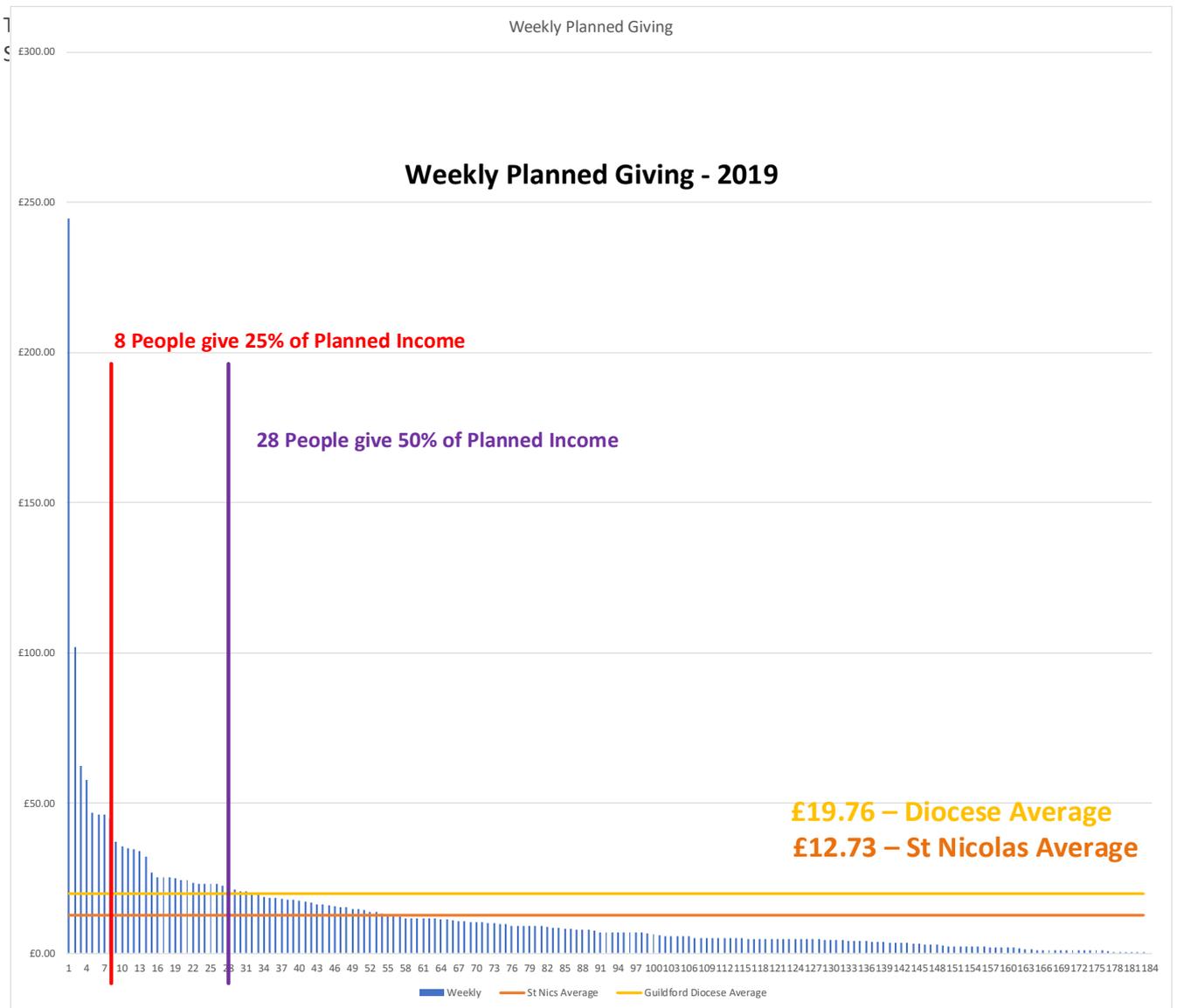


The total amounts giving through planned giving scheme has continued to fall during the last year – by £4,834 on the previous year.

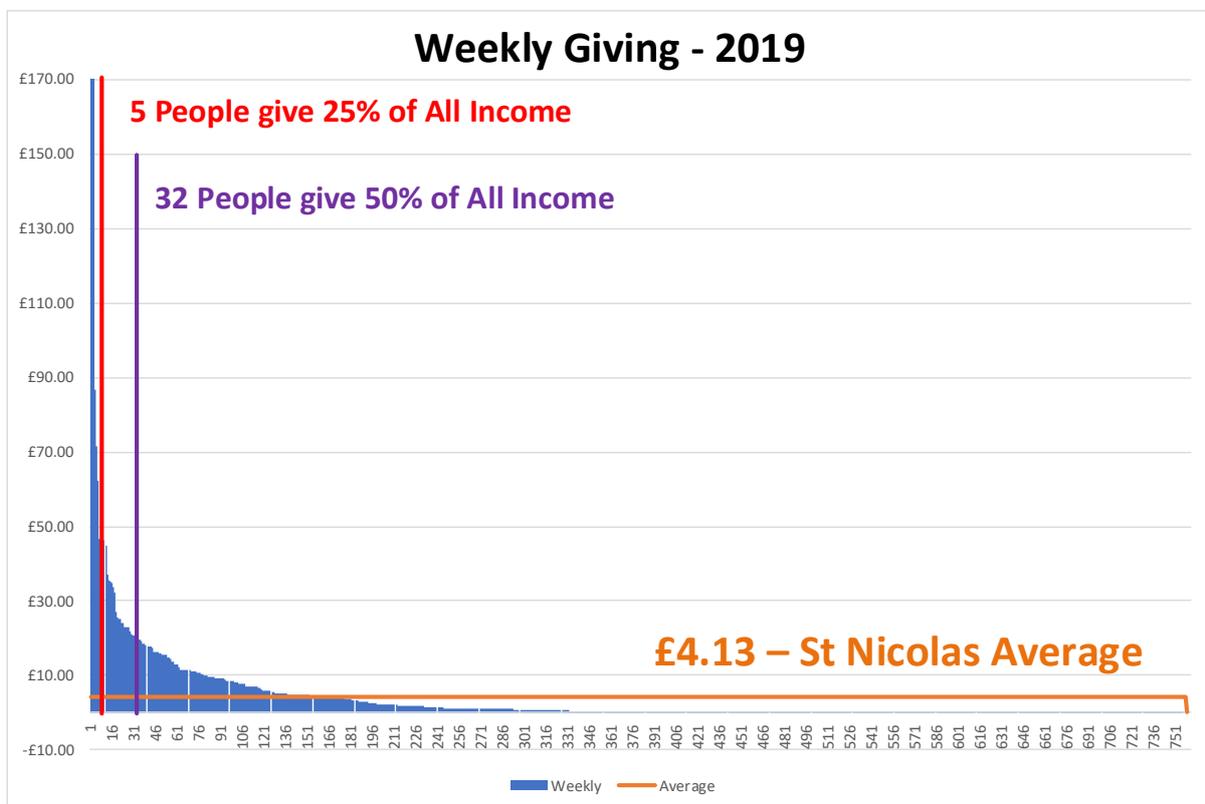


The Church continues to remain dependant on a reducing very small number of individuals. Looking at levels of unrestricted giving across all planned giving schemes, 8 individuals give 25% of our planned income, with 50% of our planned income being given by 28 people – these are both significant decreases on the previous year which were 12 and 33 respectively.

The St Nicolas average weekly planned donation, at £12.73, was lower than the Guildford Diocese average and approximately equal to the UK national Church of England average (based on the latest available figures).



Adding in the Blue Envelopes (unplanned giving) and restricted giving, 32 people gave 50% of our income, this has reduced from 44 people in 2018, with the average amount given through schemes sitting at £4.13 a reduction of 42p on the previous year.



Financial Review

Summary

Total Income for the year: £316,144 - An increase of £20,780 from 2018.

Total Expenditure for the year: £265,130 - An increase of £30,531 from 2018.

Liquid Assets* at 1st January 2019: £131,875

Liquid Assets* at 31st December 2019: £180,867

* Note:

Liquid assets include funds banked in the Lloyds Bank Treasurer Account, St Nicolas Church Rooms Account, Lloyds Bank Term Deposit(s), and CCLA/CBF Church of England Deposit Funds. It also includes creditor and debtor liabilities. Liquid assets include restricted and unrestricted funds. Therefore, the total is not representative as reserve funds. **Please refer to the later section 'Current Liquid Assets and Reserves Policy'.**

In 2019 income exceeded expenditure by approximately 16.13% (£51,014). Increased income was largely attributable to restricted funds given to the church for the purpose of procuring a new projector (AV) system and new lighting, along with the associated gift aid received from HMRC. Increased expenditure was largely attributable to costs incurred in replacing quoins (cornerstones) to the outside of the Church building and interim costs of the AV system. It must be made very clear however that these were expenses covered by funds already received, and saved, as restricted funds.



Graph Illustrating 10-Year Income / Expenditure Trend

Income

- Voluntary Giving

While income from voluntary giving increased by £21,968 in the year it must be noted that £52,437 was received as restricted funds for the proposed new lighting system and works towards the new AV system. A further £3,000 was received through a single legacy, £17,524 less than last year. Income from Standing Orders (including the Parish Giving Scheme) increased from £98,507 in 2018 to £98,811 in 2019. However, this has been offset by changes in patterns of planned-giving - i.e. parishioners converting from one payment method to another. Income received through Gift Aid (white) envelopes decreased by £3,936 in 2019, and the amount received in blue gift aid envelopes decreased by £2,791. Unrestricted collection plate income for the year decreased again, this year by £475.

Sundry donations (restricted and unrestricted funds received outside the methods in place for planned giving) amounted to £54,080, an increase of £43,859 compared to the previous year. Total tax recovered through Gift Aid (including the Parish Giving Scheme) was £47,707, up £11,224 on 2018. The increase in donations and associated gift aid were largely attributed to funds given for specific (restricted) uses.

Gift/Heritage Day donations (envelopes and street collections) amounted to £9,285, an increase of £1,321 on the 2018 total of £7,964. The total amount was set aside as restricted funds towards church building restoration projects.

- Fund Raising Activities

Fund raising activities, including Youth Minister fundraising activities, provided income of £15,447 before expenses, a decrease of £1,038 below the amount raised in 2018. A before-expenses breakdown is as follows:

Rectory Fete (incl. programme advertisements)	£7,893
Christmas Tree Festival	£1,086
Concerts (including 'Picnic in the Park')	£1,456
Morning/Evening After-service Coffee	£879
Bingo Evening	£781
Desert Island Discs	£260
Harvest Lunch	£700
Other (Easyfundraising, Amazon and sundry)	£149
Sound System Breakfast	120
Young People's activities	£2,124

- Charitable Activity Income (Bookstall, Parish Magazine, Fees and Church Rooms)

Income from other Charitable activities amounted to £32,756, a decrease of £233 over the previous year due principally to lower fee income (weddings and funerals) which decreased by £514. Church Rooms income increased marginally by £24, and magazine income increased by £192.

Bookstall income increased by £67 from £148 in 2018 to £215 in 2019.

- Investment Income

Investment income for 2019 came entirely from bank interest (combining interest from term deposits and CCLA CBF deposit accounts) and amounted to £1,172, an increase of £797 compared with 2018. This increase reflects the interest accrued from the additional funds banked in one of the CCLA CBF deposits accounts donated towards the proposed lighting project. Interest rates for reinvested Lloyds Bank Term Deposits remained at 0.75% while funds deposited in the CBF Church of England Deposit Fund returned interest at an average of 0.50% in 2019. The Finance Committee will continue to seek options for the best returns available on investments.

- Legacy Income

One legacy amounting to £3,000 was thankfully received during the year. The full amount was allocated to general unrestricted Church funds.

- Grants Received

No grant applications were made in 2019.

- Other Income

The following additional income was received amounting to £4,476:

Sale of Lent Course books	£56
Photocopying (external users)	£77
DCMS VAT refund	£4,328
Stationery purchase	£15

Expenditure

In 2019 total expenditure was £30,530 higher than 2018. This is largely attributable to the work carried out to replace stone quoins to the exterior of the Church and a deposit payment for the new AV system. In addition to this a fee for the design of the proposed lighting scheme was made and pay rises were awarded to Church employees. It must be noted that restricted funds had already been received and allocated to cover the costs of repairing the stonework and the deposit for the AV system. Together these payments amounted to £37,501. When deducted from the total annual expenditure the 'normal' annual cost of running the Church and PCC properties amounted to £218,691, a reduction in expenditure of £5,374 compared to 2018.

- Fundraising Costs

Expenses for fund-raising activities amounted to £1,283 compared with £2,995 in 2018.

- New Build Projects, Major Repairs, PCC Property Costs (22 Orchard Gardens and Church Rooms) Church Maintenance and Church Yard

Buildings-related expenses during the year amounted to £45,738 of which £39,295 were paid for with restricted funds saved their specific purpose. Therefore, only £6,443 was spent on normal maintenance and repair throughout the year compared to an overall spend of £14,269 in 2018.

• Replacement quoins and associated architect fees	£24,379 (restricted)
• Lighting Design Fees	£1,794 (restricted)
• Deposit for new AV system	£13,122 (restricted)
• Car park white-lining	£262
• Works to Napper graves	£310
• Mower servicing, repairs, and fuel	£419
• Interior lighting – maintenance, repair and lamp replacement	£1,584
• Exterior lighting – repair	£168
• Boiler/heating repair	£720
• Organ tuning	£539
• Fire extinguisher servicing/replacement	£343
• Lightning protection inspection	£240
• Exterior metalwork security marking	£122
• Locks, padlocks, handles and keys	£221
• Church clock servicing	£180
• Electrical appliance (PAT) testing	£97
• Churchyard sundries	£37
• Entry fee for Churchyard of the Year competition	£35
• Sundry hardware and cleaning supplies	£226
• Spur fence and panels	£190
• PCC property revaluation fee	£750

- Parish Share

Thankfully our Parish share did not increase but remained the same as 2018 at £126,345. This worked-out at monthly payments of £10,529. In December 2019 Diocese of Guildford confirmed that these payments will be reduced by £1,744 in 2020 to £124,601; the Diocese of Guildford's Parish Share system is currently in a transition phase which has resulted in the slight reduction in the amount St Nicolas Church contributes.

Parish Share remains by far the single largest expense for St Nicolas and most other Parishes. While it strains our finances the share is essential in helping parish ministry grow, preparing for ministry, involvement with social need, looking after worship spaces, buildings and heritage as well as paying for the stipends and housing for Clergy.

In summary, the Parish Share for 2019 was made up of three main parts – 'Ministry Costs' (including Clergy salaries, national insurance, council tax and pension contributions), 'Shared Costs', and a 'Transition Cost'. The Ministry Cost for St Nicolas Church was £57,915, the Shared Cost was £52,667, and the Transition Cost amounted to £15,763.

- Mission Giving

In line with the Mission Giving policy explained earlier in this report £4,400 was reserved in the annual budget at the start of the year for allocation in 2019. Some of the funds were raised through collections at special Sunday services with the balance of £2,792 to be distributed in early 2020. The beneficiaries of mission funds included the following:

• Childrens Society	£741
• Bible Society	£731
• USPG	£634
• Happy Child International	£559
• A Rocha	£559
• Royal British Legion	£384
• Christian Aid Appeal	£368
• Cranleigh Cof E Primary School	£245
• Bishop of Guildford Communities Fund	£135
• YMCA (Downslink)	£44

- Church Running Expenses (e.g. insurance, water rates, gas and electricity)

Total Church Running expenses increased by £370 in 2019. A summary of the costs are as follows:

	2019	2018
• Gas and Electricity	£4,969	£4,751
• Water	£117	£101
• Insurance	£3,452	£3,391
• Phone line (fire alarm system)	£240	£235
• Broadband	£70	---

- Salaries and Expenses

During the year the PCC employed an organist, office administrator and verger, on a part time basis. A Youth Minister was employed full-time.

£9,791 was reimbursed for expenses for items such as mileage, telephone, broadband, training, publications, printing, stationery and supplies to 9 Trustees in the normal course of their ministries or duties. No other expenses were paid to other persons closely connected to the Trustees or other related parties. However,

professional fees were paid to a company whose principal is a Trustee and further details are recorded in the revaluation section later in this report.

Honoraria/salaries (including tax, National Insurance, and pension contributions) amounted to £40,686 in 2019, an increase of £1,965 over the year owing to pay rises to ensure that salaries reflected reasonable national and regional levels.

St Nicolas benefitted again from HMRC's continued 'Employment Allowance' saving £3,000/annum in the amount of National Insurance Contributions paid for our employees.

Through the process of 'Automatic Enrolment' two employees are now enrolled on a pension scheme. Cranleigh Parochial Church Council (St Nicolas Church, Cranleigh) participates in the Pension Builder (2014) Scheme section of The Church of England Pensions Board (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2019: £1,565, 2018: £994).

- Administration and Communications

Administrative and communications expenses of £4,570 were £1,151 lower than the previous year.

	2019	2018
Fees/memberships/subscriptions	£222	£308
Photocopier	£1,411	£2,205
Postage	£129	£177
Stationery/Office supplies/Equipment	£600	£788
Telephone and Broadband	£527	£304
IT & Tech support (Incl. licences, software)	£450	£655
Website	£734	*
Sundry (Maintenance supplies, services & accessories)	£87	£71
Professional & Trade fees		£415
Receptions (incl. PCC 'Away Day') and gifts	£12	£100

Administrative and communications expenses (continued)

	2019	2018
Prayer Books, Bibles and Cards		£40
Church Office Cleaning	£132	£240
Outsourced Poster/Banner Printing	£106	£202
DBS Checks	£140	£94
Miscellaneous charges	£20	£121
	-----	-----
	£4,570	£5,721

* Note - In 2018 website administration was included in IT & Tech support

Revaluations (Fixed Assets)

Revaluations of Church property assets relating to the Church Rooms and 22 Orchard Gardens were carried out for the preparation of the 2019 accounts; the assets were valued at open market value in order to comply with United Kingdom Generally Accepted Accounting Principles (GAAP). Accordingly, the Church Rooms and associated office space are valued at £735,000. This value is unchanged since 2017. However, 22 Orchard Gardens has been revalued at £545,000. This represents an increase in value of £20,000 since the last revaluation presented in the 2017 Financial Statements. The next revaluation will be carried out for the 2023 accounting period.

Please note: The valuation was carried out by Oxborough Chartered Surveyors, and the Principal of that firm is Tim Oxborough, a Trustee of the PCC.

Current Liquid Assets and Reserves policy

At year-end 2019 the 'liquid' assets of St Nicolas Church were banked, or accounted for, as follows:

	2019	2018	2017
– Lloyds Bank Current Account	£17,217	£14,553	£4,750
– Lloyds Bank Church Rooms Account	-	£880	£1,000
– CCLA CBF Deposit Account #1	£50,535	£59,815	£18,846
– CCLA CBF Deposit Account #2	£72,343	£21,989	-
– Lloyds Bank Term Deposits	£35,000	£35,000	£25,000
– Debtors (after creditor liabilities)	£5,772	(£362)	£21,093
– Petty Cash	£ -	£ -	£154
	-----	-----	-----
TOTAL	£180,867	£131,875	£70,843

Each year we endeavour to save funds to designated deposit accounts to cover larger payments for planned renewal or replacement of plant (mechanical and electrical) and Church building repairs and improvements. Additionally, we strive to maintain a policy whereby we have at least six months of unrestricted funds available to cover situations as they may arise from time to time; these are effectively 'reserves'. We firmly believe that as a charity that we must have the aim of being in existence in perpetuity; that we should not allow our reserves to fall below the six months expenditure threshold recommended as the normal minimum guideline.

The table below illustrates how the 'current assets' for 2019 are divided by account between unrestricted and restricted/designated funds.

	2019 - Unrestricted	2019 – Restricted
– Lloyds Bank Current Account	£17,217	
– CCLA CBF Deposit Account #1	£50,462	£73
– CCLA CBF Deposit Account #2		£72,343
– Lloyds Bank Term Deposits	£35,000	-
– Debtors (after creditor liabilities)	£1,444	£4,328*
	-----	-----
TOTAL	£104,123	£76,744

*** Note:**

Although not recorded as such in the end of year accounts £4,328 will be transferred to restricted funds in 2020 as they represent an accrued VAT reimbursement for works carried out to replace quoin stonework and thus should be allocated back to the restricted buildings fund.

Restricted funds received during the year included covenants towards supporting the employment of our Youth Minister, and donations towards the procurement of a new projector system, and new interior lighting.

Given that restricted funds can only be spent for a specific purpose, the reserves upon which St Nicolas Church relies to cover unexpected expenditure are those that are unrestricted/undesignated. Therefore, at 31st December 2019 the reserve fund amounted to £104,123, an increase of £9,069 above the 2018 unrestricted funds total.

Although the reserve fund has increased to £104,123 it is still short of the reserve policy threshold; this year by approximately £8,640 based on 2019 unrestricted expenditure figures.

Primary reserve funds are banked in Fixed Term Deposit accounts. These funds are tied-up over 6-monthly maturity periods so cannot be relied upon to cover emergencies. That contingency is covered with the CCLA (CBF) funds which can be made available with a few days written notice. The Lloyds Bank Current Account is used when paying 'day-to-day' payments not taken by Direct Debit. Although considered 'reserve funds' in this Financial Review the Lloyds Bank Current Account balance varies considerably each month and if this balance drops below a level whereby immediate payments cannot be made then other reserve funds are relied upon; first the CCLA funds and then the Term Deposits.

Delving into the Term Deposit and deposit account reserves is to be avoided except as a final resort. However, in recent years we had to do this, notably in 2012, 2013, 2014, 2016 and 2017 to overcome considerable cashflow pressures. While the funds have been considerably replenished a concerted effort must be made to further build these reserves to our minimum target level. This is further explained in the next section 'Performance Against Budget and Plans for 2020'.

It is Cranleigh PCC practice to invest as much as possible in either the Lloyds Bank 'Fixed Term Deposit' or the CBF Church of England Deposit account. This way we can glean interest on the savings.

Performance Against Budget and Plans for 2020

For 2019 a break-even budget was set based on anticipated income and expenditure; expenditure was carefully calculated in close consultation with each of the teams to ensure that their financial needs could be met with an emphasis on seeking the best value. In the final analysis both income and expenditure were approximately £5,000 less than the budgeted figure which is in no small part down to frugal expenditure during the year. Had this not been the case the accounts would have shown a deficit in unrestricted funds; i.e. the funds required for the day-to-day running of the Church. The following graph illustrates this point.



While the policy of the Finance Team is always to find ways of reducing expenditure (and achieve end-of-year figures below those in the budget) there is only so much that can be done to achieve this. In order to maintain a break-even position through 2020 and 2021, which is the aim of the PCC, there must be a concerted effort by the whole congregation at St Nicolas Church to increase income. The Stewardship section of this report makes that very clear. This will need to come through ensuring that rates of planned giving are at least maintained in line with inflation, and through other fundraising activities. The main casualty in ensuring that a break-even position is maintained is in the amount that St Nicolas Church is able to spend on Mission giving. This has been reduced considerably in 2018 and 2019 compared to previous years as a necessary means of not only reaching a break-even position but providing surplus towards rebuilding the reserve fund.

While the year-end figures show a nominal surplus (£163) we cannot become complacent, mindful that the legacy received was unexpected. In the forthcoming year(s) we should continue to build the reserve fund to a level that complies with the reserves policy. Therefore, the Finance Committee have once again recommended that the PCC, as Trustees, should agree a budget (and ensure a result for 2020) which, at worse, is breakeven:

- We firmly believe that as a charity, we must have the aim of being in existence in perpetuity; that we must continue to rebuild the reserve fund to the six months expenditure threshold recommended as the normal minimum guideline.
- The Finance Committee have again separated out major work on the building, both on the income (Gift Day, specific bequests, grants etc) and the expenditure side. The Finance Committee has recommended that no major work should be carried out unless there are sufficient monies saved in the restricted/designated building fund.
- The Finance Committee have also recommended that any legacies received, unless restricted, should for the time being be used to increase the reserve funds towards recommended levels. It would be imprudent to use them for current expenditure.
- For the third year the Finance Committee will be proposing the inclusion of 'contingency' expenditure funds within the budget, only to be expended in exceptional/unforeseen circumstances.

Blue Envelopes - Increase the value of your donations by 25%

Please remember that if you are a UK tax payer a cash or cheque donation of, for instance, £10 is boosted by 25% to £12.50 by filling in the details on the back of a blue Gift Aid envelope and placing your donation inside. We are incredibly grateful for all donations, and respectfully ask that if you are a UK tax payer, please help us to make the most of your generosity with the gift aid allowance; over a year it makes a tremendous difference.



Approved by the Parochial Church Council on 11th March 2020 and signed on its behalf by:

Reverend Roy Woodhams (PCC Chairman)

Date

**Statement of Financial Activities (SOFA)
For the Year Ended 31st December 2019**

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
Incoming Resources				
Voluntary income	172642	89651	262293	240325
Activities for generating funds	14642	805	15447	16485
Investment income	1172		1172	375
Incoming resources from charitable activities	32756		32756	32989
Other incoming resources (incl. Grants)	4476		4476	5190
Total Incoming resources	225688	90456	316144	295364
Resources Expended				
Costs of generating voluntary inc.	793		793	145
Fund raising trading	1283		1283	2995
Charitable activities	4400		4400	5015
Church activities	216587	39605	256192	224065
Governance	2462		2462	2379
Total resources expended	225525	39605	265130	234599
Net (outgoing)/incoming resources before other recognized gains and losses	163	50851	51014	60765
Transfers				
Gross transfers between funds - in	16921	18092	35013	276899
Gross transfers between funds - out	(18092)	(16921)	(35013)	(276899)
Other recognised gains / losses				
Revaluation, fixed assets, charity's own use		20000	20000	
Net movement in funds	(1008)	72022	71014	60765
Balances brought forward 1st January 2019	115037	1281049	1396087	1335322
Balances carried forward 31st December 2019	114030	1353071	1467101	1396087

Balance Sheet at 31st December 2019

	2019	2018
Fixed assets		
Tangible	1286233	1264212
	1286233	1264212
Current assets		
Debtors	16967	12333
Short term deposits	157878	116804
Cash in bank and in hand	17217	15433
	192063	144570
Current liabilities		
Creditors - amounts falling due within one year	11195	12695
Total assets less current liabilities	1467101	1396087
Total net assets less liabilities	1467101	1396087
Capital and Reserves		
Unrestricted funds	114030	115038
Restricted funds	1353071	1281049
Total funds	1467101	1396087

Approved by the Parochial Church Council on 11th March 2020 and signed on its behalf by:

R. Woodhams

Reverend Roy Woodhams (PCC Chairman)

11 March 2020

Date

Notes to Financial Statements

Accounting policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with the relevant requirements of FRS102 (Financial Reporting Standards); the recommendations of the SORP 2015 (Statement of Recommended Practice) and the selection of appropriate accounting policies that comply with FRS102 and the SORP (2015).

The financial statements have been prepared under the historical cost convention. Valuation of investment assets and freehold buildings are shown at market value. The financial statements 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.

Restricted funds represent **a)** income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest and **b)** donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Unrestricted funds are general funds, which can be used for PCC ordinary purposes.

Incoming resources

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable and interest is accrued. All other income is recognised when it is receivable and, in respect of contractual income, the related goods or services have been delivered. All incoming resources are accounted for gross.

Resources expended

Grants and donations are accounted for when paid over or when awarded if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and benefice property are not included in the accounts. Moveable church furnishings held by the Rector and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the Church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Subsequently no individual item has a cost of more than £1000 so all such expenditure has been written off when incurred. Equipment with a purchase price of £1000 or more being used within the church premises is capitalised and depreciated on a straight-line basis over consecutive years. Please refer to note 3 for specific rates of depreciation.

The Church Rooms, adjoining office and Hazelwood Room (valued together) and 22 Orchard Gardens are included at open market plus land values as revalued by Oxborough Chartered Surveyors during the winter 2019-2020.

Current assets

Amounts owing to the PCC at 31 December 2019 in respect of fees, rent or other income are shown as debtors less provision for amounts that may prove uncollectible.

Rounding

Amounts shown have been rounded to the nearest pound (£). Therefore, any anomalies in column or row additions are the result of cumulative rounding of +/- 1£.

**Analysis of Income and Expenditure (Refer to SOFA)
For the Year Ended 31st December 2019**

Incoming Resources

	Unrestricted	Restricted	Total 2019	Total 2018
Voluntary Income				
INC001A	Covenants (White Envelopes)	22014		25950
INC001B	Covenants (Other Envelopes)	11725	20	14536
INC002	Covenants (Restricted Envs)			50
INC003A	Covenants (Unrestricted S/O's)	49054		56232
INC003B	Covenants (Restricted S/O's)		10634	11204
INC004	Gift Aid Ur	31250		36483
INC005	Gift Aid Rest		16457	
INC006	CAF and Stewardship	1200	600	2042
INC007	Collections Unrestricted	10348		10823
INC008	Collections Restricted		121	
INC009	Gift Days		9285	7964
INC010	Sundry Donations Unrestricted	1643		10221
INC011	Sundry Donations Restricted		52437	
INC012	Legacy Unrestricted	3000		20524
INC013	Legacy Restricted		—	11000
INC014	Sumup (card-reader) donations	971		
INC015	Gift Aid Small Donations Scheme (GASDS)	2315	97	2222
INC016	Parish Giving Scheme (PGS)	39123		31071
Voluntary Income Totals		172642	89651	240325
Activities for Generating Funds				
INC101	Fetes Fund Raising Unrestricted	13204		15094
INC105	Sound System Income Restricted	120		
INC106	Youth Minister Activities	1319	805	1391
Activities for Generating Funds Totals		14642	805	16485
Investment Income				
INC201	Interest Unrestricted	1172		375
Investment Income Totals		1172	1172	375
Incoming Resources From Charitable Activities				
INC301	Bookstall income	215		148
INC302	Magazine income	6171		5979
INC303	Fees	9623		10137
INC304	Church Rooms Income	16748		16724
Incoming Resources From Charitable Activities Totals		32756	32756	32989
Other Incoming Resources				
INC402	Other Income	4476		5190
Other Incoming Resources Totals		4476	4476	5190
Incoming Resources Grand Totals		225688	90456	295364

Resources Used

	Unrestricted	Restricted	Total 2019	Total 2018
Cost of Generating Voluntary Income				
EXP001☐ Costs of Christian Stewardship	793		793	145
Cost of Generating Voluntary Income Totals	793		793	145
Fundraising Trading Costs				
EXP101 Costs of Fetes and Fundraising	1127		1127	2995
EXP105 Sound System Expenses Restricted	156		156	
Fundraising Trading Costs Totals	1283		1283	2995
Charitable Activities				
EXP204 Home Mission Unrestricted	4400		4400	4929
EXP206 Other Charities Restricted				87
Charitable Activities Totals	4400		4400	5016
Church Activities				
EXP301 Parish Share	126345		126345	126345
EXP302 Curate Accomodation	1127		1127	1735
EXP303 Curate Expenses	1292		1292	1212
EXP304 Rector Accomodation	1564		1564	963
EXP305 Recto Allowance	100		100	400
EXP306 Rector Expenses	4239		4239	4270
EXP307 Church Running Expenses	8848		8848	8478
EXP308 Church Maintenance	4601		4601	8130
EXP309 Upkeep of Services	1805		1805	1906
EXP310 Upkeep of Churchyard	490	310	800	1038
EXP311 Bookstall Expenses	146		146	146
EXP312 Magazine Expenses	5958		5958	5934
EXP312A Communications	596		596	
EXP313 Training	1200		1200	1139
EXP314 Church Rooms Expenses	8961		8961	9778
EXP315 PCC Property Costs	1042		1042	797
EXP316 Major Repairs Unrestricted				4933
EXP318A+B Salaries incl. Pension Contributions	40686		40686	38721
EXP319 New Build Unrestricted		14916	14916	168
EXP320 Depreciation	1339		1339	667
EXP321 Administration	3974		3974	5721
EXP323 Youth Worker Expenses	2273		2273	1585
WXP317 Major Repairs Restricted		24379	24379	
Church Activities Totals	216587	39605	256192	224065
Governance Costs				
EXP401 Audit / Independent Examination	2462		2462	2379
Governance Costs Totals	2462		2462	2379
Resources Used Grand Totals	225525	39605	265130	234600



Section A

Independent Examiner's Report

**Report to the trustees/
members of**

Charity Name
The Parochial Church Council of the Ecclesiastical Parish of Cranley
otherwise Cranleigh

**On accounts for the year
ended**

31 December 2019

Charity no (if any)

1131701

Set out on pages

1-2

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/2019.

**Responsibilities and
basis of report**

As the charity trustees of the Trust, 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 carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed 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 (other than that disclosed below *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:

Date:

5 March 2020

Name:

Jane Briggs

**Relevant professional
qualification(s) or body
(if any):**

FCPA

Address:

The Old Forge, Smithbrook Barns, Horsham Road, Cranleigh Surrey GU6 8LH

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

None to disclose