



**ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2018**

CONTENTS:

REFERENCE AND ADMINISTRATIVE INFORMATION	4
STRUCTURE, GOVERNANCE & MANAGEMENT	5
STATEMENT OF TRUSTEES RESPONSIBILITIES	6
OBJECTIVES & ACTIVITIES / PUBLIC BENEFIT	6
RISK MANAGEMENT	7
REMUNERATION	7
ACHIEVEMENTS DURING 2018	8
LOOKING TO THE FUTURE	9
FINANCIAL REVIEW	10
REPORT OF THE INDEPENDENT AUDITOR	11-12
STATEMENT OF FINANCIAL ACTIVITIES	13
BALANCE SHEET AS AT 31ST DECEMBER 2018	14
CASH FLOW STATEMENT	15
NOTES TO THE ACCOUNTS	17-27

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL
For the year ended 31st December 2018

The Parochial Church Council (PCC) presents its annual report for the year ended 31st December 2018, together with the audited accounts for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

St Saviour's Church is situated in Guildford town centre. We are an evangelical Anglican Church in the Guildford Deanery of the Diocese of Guildford.

Our correspondence address is: The Church Office,
St Saviour's Church,
Woodbridge Road,
Guildford,
Surrey, GU1 4QD.

On 19 February 2009 St Saviour's was entered in the Central Register of Charities under Charity Registration Number 1128141. Prior to this date the Church was a charity excepted by statutory instrument from registration with the Charity Commission.

The accounts have been prepared in accordance with the requirements of the Charities Act 2011, the Statement of Recommended Practice "Accounting and Reporting for Charities" (FRS 102) issued by the Charity Commission, The Charities (Accounts and Reports) Regulations 2008 and the Church Accounting Regulations 2006.

Main bankers: Lloyds Bank plc.
147 High Street,
Guildford,
Surrey, GU1 3AD

Solicitors: Charles Russell Speechlys LLP,
One London Square,
Cross Lanes,
Guildford,
Surrey, GU1 1UN

Auditors: HPCA Ltd.,
Station House,
Connaught Road,
Brookwood,
Woking,
Surrey, GU24 0ER

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL
For the year ended 31st December 2018 (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The structure, governance and management of St Saviour's is determined by the rules of the Church of England, in particular the Church Representation Rules 2011. Governance is provided by the Rector, Church Wardens and the PCC. Day to day management is the responsibility of the Rector, the Executive Committee and the Church Leadership Team.

Membership of the PCC:

Members of the PCC are elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules 2011 or are ex-officio. The following people served as members of the PCC for all or part of the year:

Rector:	Revd. Michael Norris ^S (Chairman)
Associate Minister:	Revd. Lucy Webb ^{S F} (from September 2018)
Curate:	Revd. Jane Cronin

Church Wardens:	Deborah Pepper ^{S HR SG} Graham Varley ^S
------------------------	---

Elected Representatives to the Deanery Synod:

Chris Britton
Ted Mayne

Elected PCC members:

Neil Clift ^{S F} (Treasurer)
Julia Evans ^{SG}
Emily Hobbs
Peter Hobbs
Michael Jamison
Matthew Laporte ^{BM S}
Pam Levell (from APCM)
Alan Mezzetti
Andrea Nelson
Lucy Radcliffe
Amy Sanders (from APCM)
Deborah Seabrook ^S (to APCM)
Joanna Sheath (from APCM)
Dave Snell
David Thompson (to APCM)
Yvonne Twum Barima ^S

Key:	S = Member of Standing Committee F = Member of Finance Team HR = Member of HR Team BM = Member of Buildings Management Team SG = Member of Safeguarding Forum
-------------	---

Leadership Team

Day to day management of the church is delegated to the Rector, the Executive Committee and the Church Leadership Team, comprising the Director of Operations and the leaders of each of the Church's ministry areas.

The Executive Committee is: Andy Bagwell, Janie Cronin, Joy Horton (from September 2018), Bex Norris, Mike Norris, Annabelle Varley & Lucy Webb (from September 2018).

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL
For the year ended 31st December 2018 (Continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (Members of the PCC) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The 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:

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

The trustees are responsible for keeping proper 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 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of Church Accounting Regulations 2006. 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.

OBJECTIVES & ACTIVITIES

The primary objective of the PCC is to promote the gospel of our Lord Jesus Christ according to the doctrine and practice of the Church of England. The PCC consults with the Rector on matters of general concern and importance to the parish, co-operates with the Rector, the other clergy and the Church Leadership Team in promoting in the parish the whole mission of the church – pastoral, evangelistic, social and ecumenical. There has been no change in the primary objective of the PCC during the year.

PUBLIC BENEFIT

When planning St Saviour's programme of activities for the year, the Rector and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance to charities for the advancement of religion by:

- offering people the opportunity to gather together for worship, prayer and teaching at our range of Sunday services as well as our programme of mid-week meetings;
- providing pastoral care in a variety of ways e.g. visiting the sick, supporting people and families with special needs, running marriage preparation, marriage enrichment and divorce & separation recovery courses, providing practical help to people in need, offering a Christian Listening Service and CAMEO, a fellowship and self-help group for people of retirement age;
- delivering a discipleship programme through our network of Life Groups/PoDs and by holding "Time out with God" retreats and Alpha Courses;
- offering imaginative programmes of teaching to children, youth and students, in parallel with other relevant events and activities;
- providing a Toddler Group facility;
- providing a weekly breakfast for the homeless and various services to support and welcome migrants into the Guildford area
- promoting and supporting mission partnerships with churches, organisations and people whose primary objective is to proclaim Jesus Christ, Saviour and Lord and who show the faith, love and hope of Christ in action at home and abroad.

To facilitate this work it is important that we maintain the fabric of the Church of St Saviour's and the attached Church Centre Complex.

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL
For the year ended 31st December 2018 (continued)

RISK MANAGEMENT

The PCC recognises its responsibilities for managing risk.

Principal Risks and Uncertainties

As with many charitable organisations, the majority of the PCC's income is the result of voluntary giving and in the PCC's case, the vast majority of this comes from the generous, sacrificial and committed giving of the membership of St. Saviour's Guildford. The PCC recognises that church membership fluctuates year-by-year and that any prolonged period of change and transition, as currently being experienced by St. Saviour's, can heighten the risk of this fluctuation. To help manage and mitigate this risk, the church operates an annual spring gift day under the direction of the Finance Team, at which church members are asked to review and pledge their financial support to the PCC for the year ahead. In combination with a monthly review of both income and expenditure, good financial visibility for the church is maintained. An autumn gift day is often utilised to meet shortfalls and raise additional funds for special projects and initiatives. Day-by-day financial management is with the Director of Operations, Financial Controller and ministry leaders, who in conjunction with the treasurer, tailor and adjust expenditure throughout the year to respond to any agreed financial constraints.

Operations

An annual programme of essential routine maintenance and decorating work was completed at the church centre. Major renovation and refurbishment works to the church centre took place in the summer of 2018 to respond to issues raised at the Quinquennial inspection and the general state of deteriorating fabric. All obligatory annual inspections to safety, electrical and security equipment were completed as was portable appliance testing. A plan is in place for evacuating the Church and Centre in the event of fire or some other emergency. Fire notices are exhibited throughout the complex.

Safeguarding

Given the relatively wide ranging and innovative programme of ministry with children and young people and vulnerable adults provided at St Saviour's, the health, safety and protection of these individuals is regarded as being of paramount importance. We operate a formal policy for the safeguarding of children and vulnerable adults, in line with Diocesan guidelines. Continual review of Safeguarding policies, procedures and practice is ongoing and overseen by the PCC's Safeguarding representatives and Safeguarding Forum who report to the PCC at each of its meetings.

Finance

The handling of cash is subject to dual control procedures with the objective of minimising the risk of loss or fraud. Expenditure is also subject to strict monitoring and control by the Director of Operations and Financial Controller in association with the PCC Finance Team and relevant ministry leaders with a view to ensuring that budgetary limits are respected and not exceeded without prior authorisation. We operate an effective and comprehensive management accounting system that enables the Treasurer and the Finance Team, to monitor and actively manage St Saviour's finances on behalf of the PCC on a monthly basis as compared with budget.

Reserves Policy

As part of our contingency planning and risk management the PCC operates a reserves policy whereby we seek to ensure that our unrestricted general fund reserve does not fall below the approximate equivalent of the aggregate of three months of staff costs (Salary, Employers NI and Pension contributions). The value of reserves agreed to be in place at the end of the 2018 financial year (for 2019) by the PCC Finance Team was £73,659. Reserves held above this value are purposed to smooth fluctuations in cash flow, meet emergencies and to allocate towards the activities of the church over the coming years and expected fabric and fixtures expenditure.

REMUNERATION

The PCC delegates the oversight of remuneration of its staff and key management personnel to its HR Team. In 2017 the HR Team conducted a review of remuneration, benchmarking itself against other similar size churches in the South East of England, drawing upon research conducted by UCAN (United Kingdom Church Administrators Network). The resultant grading structure is in use and due for review in 2019.

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL
For the year ended 31st December 2018

ACHIEVEMENTS DURING 2018

Our aim at St Saviour's is to 'Love God, Love People & Make a Difference'. In 2018, we have particularly focused on living this out through developing the community life of our church family - we have held a welcome course, run a number of socials, launched a 'Come dine with me' initiative as well as a monthly community lunch. These have all helped us grow a sense of 'Big Family' as we seek to worship and glorify God and serve his church and the surrounding community.

Two Alpha courses ran during 2018 which were well attended and resulted in several people making commitments to faith and new members joining St. Saviour's. These courses were run under the leadership of James Cronin and the many other volunteers who host, lead groups, speak and cook each week. Throughout the year, we have also run several courses designed to serve our church family and wider community across various stages of life. It was a privilege to launch a new marriage course 'Created for connection' as well as courses to support parenting, for those dealing with separation and divorce and depression.

We continue to provide pastoral support to our church family in a variety of ways. Many are members of small groups (lifegroups or PODs) and these have developed throughout 2018, with a number of new groups forming. These groups meet together in a variety of locations to encourage one another's discipleship journey. Additionally, we have a number of pastoral assistants who visit those who are unwell or in need. We also operate a mentoring programme and have a number of trained listeners. All of these are ways that we can support one another and encourage each other to grow as disciples of Jesus.

As a Church we firmly believe that prayer is at the heart of what we are about – in 2018 we held a half week of 24/7 prayer and participated in 'Thy Kingdom Come' a national CofE initiative. Twice a term we also hold 'Furnace' a worship and prayer gathering, and a place where we can spend extended times in intercessory prayer.

We are very privileged to have a wonderful additional needs ministry 'Trekks' at St Saviour's. In 2018 it has grown and flourished, partly due to the appointment of its new pastor, Joanne Gillard, from September. The Trekks holiday club in August was a real highlight again with the children enjoying a variety of tailored activities and the parents enjoying a cafe running throughout, as an opportunity for them to meet and chat with others. It continues to be so encouraging each year to see many children and their parents encounter the love of Christ and experience his life transforming power through this special ministry.

Additionally, we have many age & life-stage specific ministries at St Saviour's and these continue to thrive, including our Sunday and midweek children and youth groups, our student and young adults ministry and Cameo for those who have reached retirement age as well as ministries for both men and women. All these ministries have greatly benefitted from the passionate and committed leadership of many church members who give so much to make them happen. It has been great that we have been able to hold weekends away, take groups camping and have so many other opportunities to develop discipleship and build community through these ministries.

2018 has also been a year when we sense that God was asking us to do more to serve the needs of our local community in Guildford. We have continued to run a breakfast for the homeless every Saturday, and we further developed this over the winter with a Tuesday evening soup café. We have also been supporting a number of Syrian refugees through hosting language classes and a café. Again, members of our church family have given a great deal to enable this outreach to take place.

Our Sunday services have been great times of worship, teaching and ministry. All 3 weekly congregations have continued to develop their own feel and attract new people and the post 6pm service cafe (afterHours) continues to support a growing sense of community in the evening. During Lent and Easter, we had several special services – our Tenebrae service on Maundy Thursday followed by reflections on Good Friday gave us space to reflect on Jesus' journey to the cross. Our Easter services were a great time of celebration of Jesus' resurrection and all 3 were well attended. We are hugely grateful to the hundreds of volunteers who serve each week to make our services possible.

2018 reached a finale with a fantastic Christmas season. This began with our Women's Christmas Market - over 200 women attended throughout the evening, supported by a team of volunteers. We also held several carol services, with nearly 1000 people in attendance. Jonathan Veira once again conducted our community choir in a wonderful choir-led service as well as a service specifically for our Emergency services, and Joy Horton and her talented team led our incredible Contemporary Carol Service, supported by our production team.

**ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL
For the year ended 31st December 2018 (continued)**

A significant focus of the PCC during 2018 was the oversight and discernment regarding the major renovation works to the church centre. These renovations took place over the Summer and are a significant improvement to our facilities. We are already appreciating how these works are enabling and supporting the mission of St Saviour's.

Behind the scenes, much developmental, review and oversight work was again conducted by the PCC, HR, Finance & Leadership Teams on the roles of governance, management and leadership within the church, helping us to structure appropriately for future growth and we are grateful to all these teams have done.

We are particularly thankful for the faithful service and diligent leadership of Mike & Bex Norris, who with the staff team, churchwardens and the PCC, care for the church community and lead us into all that God has in store for us.

During the year, Ianthe Wicks and Jill Pearson moved on from their posts in the administration team after many years of faithful and diligent service. New recruits to the church's staff team this year have included; Alex Nicholls (Additional Needs Administrator), Beth Halloum (Communications Officer) and Joanne Gillard (Additional Needs Pastor). We were also very pleased to have welcomed our new Associate Minister, Lucy Webb, who joined us in the autumn upon the completion of her curacy at Redland Parish Church in Bristol.

LOOKING TO THE FUTURE

It continues to be the aim of St. Saviour's church to 'Love God, Love People & Make A Difference'. We aim to achieve this by 'building a big family that is Jesus focused, bible centred and Spirit led, ready to transform lives and change the world.'

For 2019 the church will continue to seek simplification, focusing our resources and capacity towards areas of life and ministry which are fruitful for the extension of God's kingdom. The Leadership team are continuing to review and develop strategy to facilitate the implementation of our vision and to hone the emerging DNA and character of our 3 Sunday services.

We aim to invest in discipleship through our PoDs network, build community and sharpen welcome & integration and continue to develop ministry across all the age groups.

In all these plans we aim to be obedient to God's leading and direction for his church.

**ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL
For the year ended 31st December 2018 (Continued)**

FINANCIAL REVIEW

In 2018, the church had much to be thankful for. St. Saviour's celebrates and recognises God's provision in all seasons, much of which comes through the committed and generous giving of its members.

The church continues to be in a significant time of change and transition. Regular planned giving decreased by approximately 13% from £779,615 to £677,576, representing the fourth consecutive year of reduction.

Total income (incorporating restricted giving, as well as activity, rental and investment income) amounted to £1,120,917 (2017 £1,435,092). The 2017 total figure was 'inflated' predominantly as a result of large one-off donations including legacies totalling circa £445,000. The 2018 total includes a further legacy disbursement of £118,500. We are enormously grateful to our church members for continuing to give so generously to the work of the Church in terms of both their time and money. It is worth noting that regular row-by-row offerings within Sunday worship continues to generate a significant level of income although reduced for the third consecutive year from that of the previous year, (£10,754 in 2018 compared with £12,071 in 2017).

Due to financial constraints the PCC has continued to carefully monitor and curtail expenditure where necessary. Against an initial budget of £827,432 set in November 2017, total unrestricted expenditure for the year (excluding the renovation and refurbishment works and fixed asset depreciation) was £844,490, (2017 £829,384) with this figure including a significant amount of activity spend (£35,105). Therefore 'net' of activity spend (which generated a similar amount of income), operational expenditure was down on budget (approx. £815,000) and well within regular (general fund) income levels (approx. £930,000). This resulted in an 'operational surplus' of circa £115,000. Despite the need to set a reduced budget from that of 2017, St. Saviour's was pleased to be able to pay in full the requested sum of £203,252 to the Diocese of Guildford by way of Parish Share. (2017: £202,352). The church is greatly encouraged by confirmation from the Diocese that the parish share request will reduce by circa 40% between 2020-2024.

The sum paid to our mission partners was £45,910, with £8,410 being drawn from the related designated reserve, the balance of which decreased to £11,390.

Overall expenditure totalled £1,469,428 (2017: £852,909), the increase predominantly resulting from the one-off renovation and refurbishment work to the church centre.

The PCC and Finance Team recognise that income and expenditure figures are likely to continue to fluctuate due to the ongoing season of church transition and will seek to monitor these carefully at all points.

Our reserves at the end of the year amounted to £1,299,533 comprising:

- ☐ A designated housing fund of £1,095,000
- ☐ Designated legacy funds of £15,587
- ☐ Other designated funds of £16,017
- ☐ Restricted funds totalling £71,745
- ☐ An unrestricted general fund of £101,184

These reserves are represented by fixed assets of £1,153,332 and net current assets of £146,201. The unrestricted general fund reserve currently exceeds the 3 month's staff costs which corresponds to our reserves policy and is held to smooth fluctuations in cash flow, meet emergencies and to allocate towards the activities of the church over the coming years and expected fabric and fixtures expenditure.

As part of the PCC funding strategy for the renovation works, and due to the surplus nature of the property, the PCC decided to sell 16 Cunningham Avenue in the summer of 2018. The property was marketed in August 2018, and at year end a sale had been agreed with completion expected for January 2019. This sale will represent the conversion of circa £600,000 of fixed assets to current assets which will aid the cash-flow requirements for the church and increase the value of the general fund.

It is not the role of the PCC to make long-term financial investments. Additionally to 16 Cunningham Avenue, the church owns one further residential property (5b Artillery Terrace), which is retained for the purpose of housing ministerial staff members in the future, as the need requires. 5b Artillery Terrace is currently let to residential tenants under an Assured Short term Tenancy agreement. Other funds are held on short-term deposit with CCLA Investment Managers Ltd (The Church of England's Investment Managers) in a triple A-rated fund, or in our current account at Lloyds Bank.

Seen by the Standing Committee on 4th April 2019 and signed on its behalf by

.....Mike Norris (Chairperson)

.....Neil Clift (Treasurer)

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
ST SAVIOUR'S , GUILDFORD PCC**

Opinion

We have audited the financial statements of St Saviour's Guildford (the 'charity') for the year ended 31st December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
ST SAVIOUR'S , GUILDFORD PCC**

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page six, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor'

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of the report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Hodgetts FCA (Senior Statutory Auditor)
for and on behalf of HPCA Ltd
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

Date:

ST SAVIOUR'S, GUILDFORD
STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st December 2018

	notes	unrestricted funds £	restricted funds £	2018 total £	2017 total £
INCOME AND ENDOWMENTS FROM:	2				
Donations and legacies		1,018,653	40,565	1,059,218	1,340,921
Investments		30,329	-	30,329	42,344
Other trading activities		2,393	-	2,393	17,746
Other church activities		28,527	450	28,977	34,081
TOTAL INCOME AND ENDOWMENTS		1,079,902	41,015	1,120,917	1,435,092
EXPENDITURE ON:					
Charitable activities	3/4	1,399,089	70,339	1,469,428	852,909
TOTAL EXPENDITURE		1,399,089	70,339	1,469,428	852,909
NET INCOME before transfers		(319,187)	(29,324)	(348,511)	582,183
Gain/(loss) on revaluation of fixed assets	10	(35,000)	-	(35,000)	6,295
NET MOVEMENT IN FUNDS FOR THE YEAR		(354,187)	(29,324)	(383,511)	588,478
Reconciliation of funds:					
BALANCE AT 1st January 2018	10	1,581,976	101,068	1,683,044	1,094,566
BALANCE AT 31st December 2018	10	1,227,789	71,744	1,299,533	1,683,044

The notes on pages 17 to 27 form part of these financial statements.

ST SAVIOUR'S, GUILDFORD
BALANCE SHEET as at 31st December 2018

	notes	2018 £	2017 £
FIXED ASSETS			
Tangible fixed assets	5	1,153,332	1,130,000
CURRENT ASSETS			
Debtors	6	27,807	39,382
Short term deposits		101,172	300,140
Cash at bank		123,956	454,202
		252,935	793,724
CREDITORS due within one year	7	106,734	23,180
NET CURRENT ASSETS		146,201	770,544
TOTAL ASSETS less CURRENT LIABILITIES		1,299,533	1,900,544
CREDITORS due after one year	8	-	217,500
NET ASSETS	9	1,299,533	1,683,044
FUNDS	10		
Unrestricted			
General		101,184	203,966
Designated		1,126,604	1,378,010
		1,227,788	1,581,976
Restricted			
Specific		71,745	101,068
		1,299,533	1,683,044
		-	

Approved by the PCC Standing Committee on 4th April 2019 and signed on their behalf by

..... Revd. Mike Norris (Chairperson)

..... Neil Clift (Treasurer)

The notes on pages 17 to 27 form part of these financial statements

ST SAVIOUR'S, GUILDFORD
CASH FLOW STATEMENT for the year ended 31st December 2018

		2018	2017
	notes	£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash generated from operating activities	A	(238,906)	591,905
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of assets		(73,515)	
Interest received		1,032	336
Net cash provided by investing activities		(72,483)	336
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		-	(6,331)
Loans received		-	217,500
Loan repayments		(217,825)	(223,419)
Net cash (used in)/provided by financing activities		(217,825)	(12,250)
Change in cash and cash equivalents in the reporting period		(529,214)	579,991
Cash and cash equivalents at the beginning of the reporting period		754,342	174,351
Cash and cash equivalents at the end of the reporting period		225,128	754,342
Classified on the balance sheet as:			
Short term deposits		101,172	300,140
Cash at bank		123,956	454,202
		225,128	754,342

The notes on pages 17 to 27 form part of these financial statements

NOTE TO THE STATEMENT OF CASH FLOWS:

A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net (deficit) / surplus for the year	(383,511)	588,478
Gain/(loss) on revaluation of fixed assets	35,000	(6,295)
Interest received	(1,032)	(336)
Interest paid	-	6,331
Depreciation of tangible fixed assets	15,183	-
(Increase)/Decrease in debtors	11,574	13,857
Increase/(Decrease) in creditors	83,880	(10,130)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(238,906)	591,905



Notes to the Accounts for the year ended 31st December 2018

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018

1. ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The accounts are prepared under the historical cost convention, in accordance with the Church Accounting Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Charities Act 2011.

The primary objective of the charity is to promote the gospel of our Lord Jesus Christ according to the doctrine and practice of the Church of England. The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about the charity's ability to continue as a going concern.

The church is a registered charity in England and Wales. The Trustees are the members of the PCC named on page 1. The registered office is St Saviour's Church, Woodbridge Road, Guildford, Surrey, GU1 4QD.

b) Fund accounting

PCC funds are required to be analysed under specific headings, as follows.

General funds represent the 'free' funds of the PCC that are not subject to any restriction regarding their use and are available for application for the general purposes of the PCC.

Designated funds are earmarked by the PCC for particular purposes but are nevertheless still unrestricted as the PCC can redesignate the funds if it wishes.

Restricted funds are funds collected or donated for a particular purpose and cannot be used by the PCC for any other purpose except by agreement with the donor.

The funds of the PCC have been appropriately analysed and the statement of financial activities has been prepared in accordance with this analysis.

c) Accounting Requirements

The accounts are required to include all transactions, assets and liabilities for which the PCC can be held responsible, and therefore include:

- The value of 5b Artillery Terrace and 16 Cunningham Avenue;
- Tax on gifts and donations received during the year;
- Specific giving directed to support individual full-time Christian workers;

The accounts do not include the accounts of church groups that owe an affiliation to another group, nor those which are informal gatherings of church members. Church groups which are largely self-financing, such as the flower fund, are excluded as they do not materially affect the accounts; however subsidies paid to these groups are included.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018

1. ACCOUNTING POLICIES (continued)

d) Income

(i) Donations

Collections and planned giving are included in the SOFA when the funds are received. Income tax recoverable on gift aid donations is recognised when claimable.

(ii) Other donations

Any grants or legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

(iii) Trading and ancillary activities:

All funds raised by parish activities such as the bookstall, and catering etc. are accounted for gross. Rental income from non-investment property and room lettings is recognised when the rental is due. Parochial fees for weddings, funerals etc., are accounted for when due.

(iv) Investments

Income earned on short-term deposits with the bank and Central Board of Finance is accounted for when received. Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at the year-end.

e) Application of Resources

(i) Grants and outward giving are accounted for in the SOFA when paid, unless an obligation, whether constructive or legal, exists to the recipient in accordance with the Charities SORP and FRS 102.

(ii) Parish share and other costs directly relating to the work and activities of the Church are accounted for when they are incurred or become due and payable.

f) Fixed Assets

(i) Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property, including St Saviour's Church Centre, is excluded from the accounts by S10(2)(c) of the Charities Act 2011. No value is attributed to moveable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether for maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

(ii) Other land and buildings

Other land and buildings held on behalf of the PCC for its own purposes are valued at a fair but prudent valuation which is considered to be a reasonable estimate of the current value "in use" of the property. No depreciation has been charged in respect of such properties as they are kept in sound condition and any expenditure on maintenance or improvement following regular review is written off as incurred. It is our policy, as a general rule, to commission a revaluation of our properties at least once every 5 years.

(iii) Other fixtures, fittings and office furniture

Equipment used for church purposes is capitalised and written off on a straight line basis:

Organ and pianos – over 10 years

Projection, computer and sound system equipment – over 3 years

Routine replacements and renewals to the projection, computer and sound equipment systems are written off as expenditure in the SOFA. Other equipment purchases of under £7,500 are also written off as expenditure in the SOFA.

g) Current Assets

Amounts owing to the PCC at the year end in respect of tax reclaims and other income are shown as debts less any provision for amounts which may prove to be uncollectable. Short-term deposits include cash held on deposit either with the Central Board of Finance or at a bank.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

1. ACCOUNTING POLICIES (continued)

h) Pensions Policy

St Saviour's (Guildford) PCC participates and auto enrolls lay workers into the Pension Builder scheme of the Church Workers Pension Fund. Further details of the church's pension arrangements are given in note 17.

i) Tax Status

As a charity, the PCC is exempt from paying income and corporation tax, but does have to pay value added tax.

2. INCOME

	unrestricted funds £	restricted funds £	2018 total £	2017 total £
DONATIONS AND LEGACIES				
Planned giving:				
Gift aid and other tax efficient giving	531,498	-	531,498	636,608
Income tax recoverable	135,324	-	135,324	130,848
Other gifts	339,241	22,616	361,857	553,587
	1,006,063	22,616	1,028,679	1,321,043
Church collections	10,754	-	10,754	12,071
Special collections & support (including tax recoverable)	1,836	17,949	19,785	7,807
	1,018,653	40,565	1,059,218	1,340,921
INCOME FROM INVESTMENTS				
Interest received	1,032	-	1,032	336
Rental income	29,297	-	29,297	42,008
	30,329	-	30,329	42,344
OTHER TRADING ACTIVITIES				
Room hire and catering	2,393	-	2,393	17,746
OTHER CHURCH ACTIVITIES				
Youth, mission development, and other ministries	5,522	-	5,522	13,485
Trips, retreats and events	15,526	-	15,526	15,157
Parochial fees	4,190	-	4,190	1,875
Other	3,289	450	3,739	3,564
	28,527	450	28,977	34,081
TOTAL	1,079,902	41,015	1,120,917	1,435,092

In 2017, £119,097 of donation income related to restricted funds, with the balance of all other income totalling £1,315,995 relating to unrestricted funds.

In 2018, the Other gifts category of income includes a further disbursement of £118,500 from a legacy received in 2017. The total of income received from legacies in 2017 (under this same category) was approximately £445,000.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018

3. THE WORK OF THE CHURCH

(continued)

	notes	unrestricted funds £	restricted funds £	2018 total £	2017 total £
MISSIONARY AND CHARITABLE GIVING					
Outward giving	10/13/14	45,910	-	45,910	56,750
Special collections and individual support	10/15		4,774	4,774	6,632
		45,910	4,774	50,684	63,382
MINISTRY					
Parish share	11	203,252	-	203,252	203,252
Staffing costs	12	322,315	25,000	347,315	333,156
Students		3,037		3,037	3,788
Children, youth and families		14,178	8,459	22,637	22,167
Worship		11,295	-	11,295	9,300
Mission development		5,004	-	5,004	4,699
Discipleship, prayer and pastoral		20,998	-	20,998	3,595
		580,079	33,459	613,538	579,957
BUILDINGS & EQUIPMENT					
Heat, light, power and water		24,303	-	24,303	22,685
Insurance		6,479	-	6,479	6,571
Building repairs and maintenance		46,052	-	46,052	44,467
Building renovation		521,347	22,616	543,963	
External Contractors		9,007	-	9,007	-
Equipment maintenance and renewals		8,246	-	8,246	11,628
Furniture Replacement		18,069		18,069	
Organ replacement		530		530	
Trinity Gate		18,485	9,040	27,525	27,390
Rectory		3,512	-	3,512	2,941
5b Artillery Terrace		4,949	450	5,399	5,376
16 Cunningham Avenue		3,109		3,109	12,024
27 Agraria Rd		15,830		15,830	
Hire of Boiler Room		-	-	-	480
		679,918	32,106	712,024	133,562
ACTIVITIES					
Hospitality, books and other costs		11,727	-	11,727	14,667
Trips, retreats and events		23,378	-	23,378	20,786
		35,105	-	35,105	35,453
ADMINISTRATION					
Printing, photocopying, Stationery & Brand		11,973	-	11,973	9,279
Telephone		6,281	-	6,281	8,351
Banking & Governance Fees		5,121	-	5,121	5,580
DBS Safeguarding		567		567	
IT, subscriptions and sundries		18,952	-	18,952	17,345
Depreciation		15,183		15,183	
		58,077	-	58,077	40,555
TOTAL		1,399,089	70,339	1,469,428	852,909

In 2017, £23,525 of expenditure on the work of the church related to restricted funds, with the balance of £829,384 relating to unrestricted funds.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

4. SUPPORT COSTS	2018	2017
	£	£
Staffing costs	148,146	164,826
Equipment maintenance and renewals	8,246	11,628
Administration costs (total as above)	<u>58,077</u>	<u>40,555</u>
All support costs are for the work of the church	<u><u>214,469</u></u>	<u><u>217,009</u></u>

Included within administration costs is £3,500 (2017: £5,580) for the auditors remuneration.

5. FIXED ASSETS

Cost or valuation	freehold land and buildings £	musical instruments £	sound system £	computer network £	vision system £	total £
Balance at 1st January 2018	1,130,000	42,478	19,042	13,303	27,573	1,232,396
Revaluation	(35,000)					(35,000)
Additions	-	39,950	-	-	33,565	73,515
Disposals	-	-	-	-	-	-
Balance at 31st December 2018	<u>1,095,000</u>	<u>82,428</u>	<u>19,042</u>	<u>13,303</u>	<u>61,138</u>	<u>1,270,911</u>
Depreciation						
Balance at 1st January 2018	-	42,478	19,042	13,303	27,573	102,396
Charge for the year	-	3,995	-	-	11,188	15,183
Released on disposal	-	-	-	-	-	-
Balance at 31st December 2018	<u>-</u>	<u>46,473</u>	<u>19,042</u>	<u>13,303</u>	<u>38,761</u>	<u>117,579</u>
Net book value						
At 1st January 2018	<u>1,130,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,130,000</u>
At 31st December 2018	<u><u>1,095,000</u></u>	<u><u>35,955</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>22,377</u></u>	<u><u>1,153,332</u></u>

NOTES

The freehold land and buildings comprise:

1. 5b Artillery Terrace is shown at a valuation of £495,000 which is its estimated saleable value at 31st December 2018 and a fair estimate of its current "value in use". The original cost is not known.
2. 16 Cunningham Avenue is shown at a valuation of £600,000 which is its estimated sale value at 31st December 2018 and is considered to be a fair estimate of its current "value in use". The property was disposed of in January 2019 for net proceeds of £603,335.
3. The valuations at 31st December 2018 in the financial statements are based on valuations carried out by Knight Frank LLP, an RCIS Chartered Surveyor independent of the trustees and staff of St Saviour's Church, on 1st February 2017 (5b) and 17th August 2018 (16CA). The latter valuation was for the purpose of sale.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

6. DEBTORS

	2018	2017
	£	£
Income tax recoverable	3,373	18,928
Prepayments	24,434	8,733
Other debtors	-	11,721
	<u>27,807</u>	<u>39,382</u>

7. CREDITORS due within one year

	2018	2017
	£	£
Equipment loan - Andertons	-	325
Sundry creditors	49,975	22,855
Outward Mission Giving	45,910	-
Parish Share	10,252	-
Deferred Income	597	-
	<u>106,734</u>	<u>23,180</u>

8. CREDITORS due after more than a year

	2018	2017
	£	£
Loans from Members	-	217,500
	<u>-</u>	<u>217,500</u>

In 2017 church members provided new loans totalling £217,500 to enable to the church to settle the outstanding balance of a value linked loan on 16 Cunningham Avenue. These loans were repaid in full in March 2018 using proceeds from a legacy received by the church.

9. ANALYSIS OF NET ASSETS BY FUND as at 31st December 2018

	unrestricted funds		restricted funds	total
	general	designated		
	£	£	£	£
Tangible fixed assets	58,332	1,095,000	-	1,153,332
Current assets	149,586	31,604	71,745	252,935
Current liabilities	(106,734)	-	-	(106,734)
Long term liabilities	-	-	-	-
	<u>101,184</u>	<u>1,126,604</u>	<u>71,745</u>	<u>1,299,533</u>

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

10. MOVEMENT OF FUNDS DURING THE YEAR

	balance b/f	income	expenditure	transfers and revaluations	balance c/f
	£	£	£	£	£
UNRESTRICTED FUNDS					
General funds	203,966	959,566	(790,618)	(271,730)	101,184
Designated funds:					
Legacies received fund	442,919	118,500	(562,562)	16,730	15,587
Mission Committee	19,800	-	(45,910)	37,500	11,390
Accessibility Fund	2,791	1,836	-	-	4,627
Housing fund	912,500	-	(35,000)	217,500	1,095,000
Total designated funds	1,378,010	120,336	(643,472)	271,730	1,126,604
<i>Total unrestricted funds</i>	1,581,976	1,079,902	(1,434,090)	-	1,227,788
RESTRICTED FUNDS					
Special collections	-	25,725	(25,533)	-	192
Children Youth Families fund	97,012	-	(33,458)	-	63,554
Specific support	4,056	14,840	(10,897)	-	7,999
Tenancy Deposit	-	450	(450)	-	-
<i>Total restricted funds</i>	101,068	41,015	(70,338)	-	71,745
TOTAL	1,683,044	1,120,917	(1,504,428)	-	1,299,533

No separate revaluation reserve has been identified within the Housing Fund on the grounds that the original cost of one of the properties is not known.

UNRESTRICTED FUNDS

General

This is the main fund of the PCC and there is no restriction on its use.

Designated

These are funds set aside by the PCC for a special purpose.

Legacies received

When certain legacies are received they are credited to this fund awaiting an appropriate use

Mission committee

Funds designated for outward giving are disclosed in notes 13 and 14.

Accessibility fund

Provides finance for the purchase of equipment to enhance the Trekkers additional needs ministry and for alterations/additions to the church centre to improve the usability for those with physical disabilities and additional learning needs.

Housing fund

The net worth of the houses owned by the church (revalued amount less outstanding loans) is not available for use in the day to day work of the church and is excluded from the general fund.

RESTRICTED FUNDS

Special collections

This fund amalgamates special collections made by the church for special appeals. The disbursements made from such gifts during the year are listed in note 15.

Specific support

This is money given to the church by individuals to support specific work or individuals through the fellowship fund.

Children, Youth and Families fund

This money was given to the church by an individual to support our work with children, young people and families. The PCC has allocated 75% of this fund to subsidise staff salaries within this area of ministry while the remaining 25% is being used to seed new initiatives and to develop our existing activities.

Tenancy deposit

This is where deposits from residential tenants (under Assured Shorthold Tenancies) are received prior to their deposit being placed in an external deposit protection scheme.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

11. PARISH SHARE

St. Saviour's, Guildford is a parish church of the Church of England in the Diocese of Guildford and, by means of Parish Share, helps the funding of ministers, particularly parochial clergy, throughout the Diocese, the work of various Diocesan bodies and work of the Church of England as a whole. The Diocese is a community resourcing a common task, and not a charity trying to raise funds to meet a need. In 2018, the amount paid by the PCC was £203,252 (2017: £203,252).

12. STAFF COSTS

The rector and curate are employed and paid by the Diocese and a proportion of the parish share payment relates to their ministry costs.

	2018	2017
	£	£
Salaries and wages	279,842	263,155
Employers NIC	20,728	17,677
Pension contributions	23,040	24,885
Employment costs	323,610	305,717
Staff expenses and other costs	23,705	27,439
Total	<u>347,315</u>	<u>333,156</u>

No employee earned £60,000 or more.

Staff Numbers - average head count

	2018	2017
Administration	4	4
Clergy	3	2
Other	9	10
	<u>16</u>	<u>16</u>

Key management personnel

The charity's key management personnel comprise the trustees, and the Executive Committee, but excluding the Rector and Curate. Total remuneration paid to key management personnel was £70,980 (2017: £67,647).

Transactions with PCC members

No PCC members have been reimbursed for expenses incurred in the course of duties on behalf of the church. (2017: nil)

The aggregate value of donations made by PCC members was £124,872 (2017: £57,821)

There have been no other related party transactions in the reporting period that require disclosure.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

13. OUTWARD GIVING

The Church is commanded by Christ and empowered by the Holy Spirit to be mission minded in sending, supporting, receiving and working in partnership with Christians at home and across the world. The PCC therefore, gives financial support to mission partners, as detailed in Note 14.

14. MISSION COMMITTEE AND GRANTS

	2018	2017
	£	£
Brought forward outward giving not disbursed	19,800	18,050
Mission committee allocation for year	37,500	58,500
Paid during the year to mission partners (below)	<u>(45,910)</u>	<u>(56,750)</u>
Carried forward outward giving not disbursed	<u><u>11,390</u></u>	<u><u>19,800</u></u>

	2018	2017
	£	£
Amounts disbursed during the year:		
Mission partners - individuals	13,385	14,550
Mission partners - organisations (see table below)	<u>32,525</u>	<u>42,200</u>
	<u><u>45,910</u></u>	<u><u>56,750</u></u>

Organisations receiving grants:	2018	2017
	£	£
Church Mission Society	8,500	11,900
SAT 7	1,250	1,250
Future for Iringa Street Children	1,200	1,200
Guildford Town Centre Chaplaincy	3,700	4,625
Christians Against Poverty	1,500	1,500
Friends International	-	2,500
Matrix Trust	-	2,500
Frontiers	4,500	7,000
SIM UK	7,000	-
Wycliffe UK	3,375	4,725
Holy Trinity & St Mary's for Common Ground	-	5,000
Besom	1,000	-
Woodlands Church (vocation support)	<u>500</u>	<u>-</u>
	<u><u>32,525</u></u>	<u><u>42,200</u></u>

15. SPECIAL COLLECTIONS

	2018	2017
	£	£
Amounts disbursed during the year:		
Individuals	1,857	1,700
Organisations	2,917	4,933
Expenditure on Fabric	<u>22,616</u>	<u>-</u>
	<u><u>27,390</u></u>	<u><u>6,633</u></u>

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

16. COMMITMENTS

At 31st December 2018 the total of future minimum lease payments under non-cancellable operating leases for each of the following periods were:

	2018	2017
	£	£
Not later than 1 year	34,480	16,160
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>34,480</u>	<u>16,160</u>

17. PENSIONS

St Saviour's (Guildford) PCC participates in the Pension Builder Scheme (PB Classic) section of 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.

Pension Builder Scheme

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. Bonuses may also be declared, depending upon the 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 to 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 considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and 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 (2018: £20,360, 2017: £22,895).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2016. For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St. Saviour's PCC could become responsible for paying a share of that employer's pension liabilities.

ST SAVIOUR'S, GUILDFORD
NOTES TO THE ACCOUNTS for the year ended 31st December 2018
(continued)

18. CONTINGENT ASSET

During the year the church received a further £118,500 as a further payment against the remaining disbursements from a legacy, first received in 2017. It is expected that a final payment will be received in 2019, although the exact figure is yet to be determined, being dependent upon the final balance of the donors' estates. These financial statements do not reflect the further amount, which is estimated to be in the region of £5,000 - £10,000.

st Saviour's
GUILDFORD