

THE PARISH CHURCH OF ST MARY
SHORTLANDS, KENT

ANNUAL REPORT
and
FINANCIAL STATEMENTS
of the
PARISH CHURCH COUNCIL
for the year ended 31st December 2016

Incumbent: Rev Morag Finch

Churchwardens: Mr Adolph Williams
Mrs Coreen Corbin

Secretary: Miss J Rambridge

Treasurer: Mr T M Dawson

Independent Examiner: Mr B Waring

2016 Report and Accounts for the Parochial Church Council of St Mary's Church, Shortlands

Aim and purposes

St Mary's Parochial Church Council (PCC) has the responsibility of cooperating with the incumbent, the Reverend Morag Finch, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the church building and halls of St Mary's, Shortlands.

Objectives and activities

The PCC endeavours to bring the love of God into the everyday lives of the people of Shortlands. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

The PCC has met regularly during the year to consider the running of St Mary's church. We have looked at the way we work as a PCC, mission and the diocesan strategy. Committees which report regularly to the PCC are Children and Youth (CANDY), Pre-School, Mission Beyond the Parish, Stewardship and Twinning. The PCC also receives reports from Deanery Synod, Welcare in Bromley and Churches Together in Beckenham (CTiB).

When planning our activities for the year, consideration has been given to the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the gospel; and developing their knowledge and trust in Jesus.
- Provision of pastoral care for people living in the parish and members of the congregation.
- Mission and outreach work.

To facilitate this work it is important that we maintain the fabric of the Church of St Mary and the Church Halls. To further this we are looking at the redevelopment of the halls and have appointed a steering group with several sub groups.

Achievements and performance

Worship and prayer

The PCC is keen to offer a range of services during the week and over the course of the year that our community find both beneficial and spiritually fulfilling. For example, 8.00 Communion alternates between Common Worship & BCP. In addition to our 10.30 Sunday and 10.00 Wednesday services, services take place on major feast days eg: Ash Wednesday, Maundy Thursday, Good Friday and Ascension Day. Whilst most evening services are led by the choir we also have some contemporary evening worship led by the music group. Weekly services take place at Durham House.

All are welcome to attend our regular services. At the last APCM there were 239 parishioners on the Church Electoral Roll, 115 of whom were not resident within the parish. During the remainder of the year

one name was added and no names were removed from the roll. The average weekly attendance, counted during October, was 124 adults and 27 children, but this number increased at festivals. The crib service once again proved popular. We tried a different format for Remembrance Sunday and many appreciative comments were received.

As well as our regular services, we enable our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the gift of life, in marriage public vows are exchanged with God's blessing and through funeral services friends and family express their grief and give thanks for the life which is now complete in this world and to commend the person into God's keeping. We have celebrated 14 baptisms and 2 weddings and St Mary's clergy officiated at 17 funerals, 6 interment of cremated remains and 3 memorial services in church and at the various crematoria. Six of the younger members of our congregation were admitted to Communion in May and two candidates were confirmed in November.

St Mary's choir had a very successful year including a residency at St Edmundsbury Cathedral.

Deanery Synod

Three members of the PCC sit on the Deanery Synod. This provides the PCC with an important link between the parish and the wider structures of the Church. The PCC has looked at the questions posed to parishes in the deanery about mission.

The Church and halls

Our church is open to our community for private prayer until 1pm during the week and at other times by arrangement.

The church and halls have undergone regular maintenance. The main work to be done in 2016 / 2017 was roof repairs to the church building. A planned schedule of works following the Quinquennial Report has been drawn up.

A full report is attached as an appendix

The hall, choir vestry and Friends room are well used, both by church groups and the wider community. Regular church groups using the rooms downstairs include the mobility group, craft and chatter and the toddlers' groups. Pre-school meets in the hall on weekday mornings during term time.

Pastoral care

Some members of our congregation are unable to attend church due to illness or infirmity. The pastoral team have visited all church members who have requested it, and taken Communion where appropriate either at their homes or in hospital.

Mission and evangelism

Helping those in need is a demonstration of our faith. The Mission Beyond the Parish has highlighted some interesting charities locally, nationally and internationally. We had speakers from some at our 10.30 services. Money donated at coffee is distributed to our 12 chosen charities along with £275 from our giving. Nominations are asked for annually.

We continue to support Welcare in Bromley, both with a regular financial contribution and with gifts from our toy service. Our harvest gifts this year were donated to Bromley and Croydon Women's Aid (BCWA).

SPAN is distributed 11 times a year to all homes in the parish and copies for non-residents are available at the church and halls. This keeps our parishioners informed of the important matters affecting our church and community as well as articles about our faith.

Ecumenical relationships

The church is a member of Churches Together in Beckenham. Reverend Morag attends the monthly clergy meeting and we have two parish representatives who attend the meetings. We have supported a number of events - Christian Aid Week / Pentecost service, carol singing at Waitrose and our music group assisted with the worship at the annual picnic on the green.

Financial review

Unrestricted income for the year was £191,702 (2015 £193,190). Income was relatively flat over all categories. Total unrestricted costs were £184,826 (2015 £184,827). While costs were flat overall there were some individual variances. During the year, at the request of the Diocese, we agreed to make an addition to our Parish Share of £2,500 as a one off payment. We have also provided an additional £11,000 to complete the treatment of the Church roof beams for rusting. While the Church has ample reserves at present it is disappointing that pledge income has not increased since 2008.

Reserves policy

Our reserves policy is to maintain unrestricted reserves equivalent to six months normal expenditure, £90,000 and compares with the actual reserves held of £95,000. This reserve is invested in a CCLA fund and shown as investments on the balance sheet. It is also our policy that restricted liabilities are matched with deposits held at the Diocese or as bank deposits.

Volunteers

We would like to thank all the volunteers who work so hard to make our church the lively and vibrant community it is. The time and effort put in by so many is greatly appreciated. In particular we want to mention our churchwardens, Mr Williams and Mrs Corbin, who have worked so tirelessly on our behalf and Mr Dawson and Mr Hogg who have helped us all to understand the church's accounts and its finances.

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a Registered Charity.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Mary's the membership of the PCC consists of the incumbent (our vicar), associate vicars (2), churchwardens (2), Deanery Synod reps (3) and members elected (14) by those members of the congregation who are on the electoral roll of the church. All those who attend our services / members of the congregation are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent. The PCC met six times during the year for regular meetings and had an extra meeting in December. The Standing and Finance Committee has power to transact the business of the PCC between the meetings subject to any directions given by the PCC.

Other committees (Children and Youth - CANDY, Pre-School, Mission Beyond the Parish, Stewardship and Twinning) report back to the PCC regularly.

The Friends of St Mary's are a separate charity which supports the church in practical ways, raising funds through subscriptions from members and fund-raising social events.

The PCC has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults).

Administrative information

St Mary's Church is situated in Shortlands. It is part of the Diocese of Rochester within the Church of England. The correspondence address is The Parish Office, Church House, 39 Kingswood Road, Bromley, BR2 0HG. Registered charity number 1130802.

PCC members who have served at any time from 1 January 2016 until the date this report was approved are:

Ex Officio members:

Incumbent: The Reverend Morag Finch (Chair)
Associate Vicars: The Reverend Richard Finch
The Reverend Jane Peters
Wardens: Mr David Jefferys (Vice-Chair until May 2016)
Mr Adolph Williams (Vice Chair from May 2016)
Mrs Coreen Corbin (from May 2016)

Elected members:

Mrs Annette German, representative on Deanery Synod
Mrs A-M Jefferys, representative on Deanery Synod
Mr Nick Stoffel, representative on Deanery Synod
Mrs Sally Aldred
Mr Adrian Bingham (until 24 April 2016)
Mrs Jan Boam
Mrs Pat Chase
Mrs Kay Coleman (from 24 April 2016)
Mr Derek Cooper (until 24 April 2016)
Mr Tim Dawson (Treasurer)
Mrs Julie Fox
Professor Mark Fox
Mr Robin Hogg (Assistant Treasurer)
Dr David Jefferys (from 24 April 2016)
Mr Keith Mills
Mrs Marian Parr
Miss Judy Rambridge (Secretary)
Mrs Susie Shelton (until 24 April 2016)
Miss Heather Wills

Mr Tony Wright-Jones (from 24 April 2016)

Approved by the PCC on 8 March 2017 and signed on their behalf by the Reverend Morag Finch (PCC Chairman)

Morag Finch

**Independent Examiner's Report
to the St Mary's Shortlands Parochial Church Council**

- 5 -

I report on the accounts of the Church for the year ended 31st December 2016, which are set out in pages x to xx.

Respective responsibilities of trustees and examiner

The Church's trustees are responsible for the preparation of the accounts. The Church's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of Independent Examiners report

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

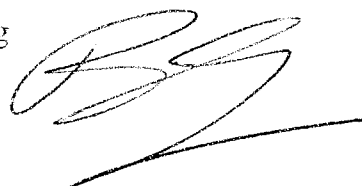
Independent examiner's statement

Since the gross income for the year exceeds the amount provided in section 145 (3) of the Act, I confirm that I am qualified to act as an independent examiner under the provisions of that section of the Act.

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the requirements of the 2011 Act have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Bram Waring
Date


21/3/17

Address 4 GARDEN COURT
OAKLANDS ROAD
BRUMLEY
BR1 3SN

ST MARY'S SHORTLANDS PAROCHIAL CHURCH COUNCIL

- 6 -

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31st December 2016***All figures in £'s*

| | Note | Unrestricted Funds | Restricted Funds | Total 2016 | Total 2015 |
|---|------|-----------------------|---------------------|----------------|----------------|
| INCOME AND ENDOWMENTS | | | | | |
| <i>Voluntary Income</i> | 2(a) | 129,737 | 1,067 | 130,804 | 135,420 |
| <i>Activities for generating funds</i> | 2(b) | 15,612 | 0 | 15,612 | 12,680 |
| <i>Income from investments</i> | 2(c) | 3,291 | 302 | 3,593 | 2,751 |
| <i>Income from Church activities</i> | 2(d) | 43,062 | 0 | 43,062 | 43,447 |
| TOTAL INCOME | | <u>191,702</u> | <u>1,370</u> | <u>193,071</u> | <u>194,298</u> |
| EXPENDITURE | | | | | |
| <i>Church Activities</i> | 3(a) | 184,684 | 1,067 | 185,751 | 185,392 |
| <i>Raising Funds</i> | 3(b) | 143 | 0 | 143 | 261 |
| TOTAL EXPENDITURE | | <u>184,826</u> | <u>1,067</u> | <u>185,894</u> | <u>185,653</u> |
| NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS | | 6,875 | 302 | 7,177 | 8,645 |
| NET GAIN ON INVESTMENTS | | 9,831 | | 9,831 | 1,245 |
| NET INCOME/(EXPENDITURE) | | <u>16,706</u> | <u>302</u> | <u>17,008</u> | <u>9,890</u> |
| TRANSFER BETWEEN FUNDS | | (16,764) | 16,764 | | |
| NET MOVEMENT IN FUNDS | | <u>(58)</u> | <u>17,066</u> | <u>17,008</u> | <u>9,890</u> |
| BALANCES BROUGHT FORWARD | | 81,303 | 102,052 | 183,355 | 173,465 |
| BALANCES CARRIED FORWARD | | <u>81,245</u> | <u>119,118</u> | <u>200,363</u> | <u>183,355</u> |

ST MARY'S SHORTLANDS PAROCHIAL CHURCH COUNCIL

All figures in £'s

- 7 -

BALANCE SHEET AS AT 31ST DECEMBER 2006

| | Note | 2016 | 2015 |
|---|------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 6(a) | 750,000 | 750,000 |
| Investment assets | 6(b) | 95,057 | 81,935 |
| | | <u>845,057</u> | <u>831,935</u> |
| CURRENT ASSETS | | | |
| Debtors | 7 | 1,000 | 1,000 |
| Short term deposits: | | | |
| Diocese of Rochester | | 107,973 | 95,666 |
| Cash at bank and in hand | | 46,018 | 45,550 |
| | | <u>154,991</u> | <u>142,216</u> |
| LIABILITIES | | | |
| Creditors: - Amounts fall due within one year | 8 | (49,685) | (40,796) |
| NET CURRENT ASSETS | | <u>105,306</u> | <u>101,420</u> |
| TOTAL NET ASSETS | | <u>950,363</u> | <u>933,355</u> |
| FUNDS | | | |
| Unrestricted - General | 10 | 81,245 | 81,303 |
| Restricted - Development fund | 10 | 12,764 | 8,000 |
| Restricted - Church revaluation reserve | 10 | 68,856 | 62,657 |
| Restricted - Hall revaluation reserve | 10 | 37,499 | 31,395 |
| | | <u>200,363</u> | <u>183,355</u> |
| Restricted - Hall valuation reserve | | 750,000 | 750,000 |
| TOTAL FUNDS | | <u>950,363</u> | <u>933,355</u> |

Approved by the Parochial Church Council on 19/3/17 and signed on its behalf by

The Reverend Morag Finch (Chairman)

Tim Dawson (Honorary Treasurer)

The notes numbered one to eight on the following pages form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2016

1. ACCOUNTING POLICIES

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the regulations "true and fair view" provisions, it is also the first year that they have been prepared under FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP(FRS102))

2. ASSETS

Consecrated property

Consecrated and beneficed property is excluded from the accounts by Section 10(2) (a) and (c) of the Charities Act 2011.

Movable Church furnishings

Movable church furnishings held by the Incumbent and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. All expenditure incurred during the year on movable church furnishings, whether maintenance or improvement, is separately disclosed and usually written-off as expenditure in the accounts. Any exceptions to this policy are fully disclosed.

Other Property

The Church Hall is included in the accounts at the insurance value and the valuation taken to a Hall Revaluation Reserve. No depreciation will be charged as any charge will be offset by an increase in the insurance value of the Hall.

Other fixtures, fittings and office equipment

Individual assets purchased with a cost greater than £1,000 will normally be capitalised and depreciated over their useful lives. During the year no such purchases were made.

Investments

Investments are carried at their market value and the un-realised gain or loss is reflected in the statement of financial activities.

Short term Deposits

These are cash held with the Diocese or the bank.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2016**

3. FUNDS

Unrestricted Funds

These represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for use for any purposes by the PCC.

Restricted Funds

These represent the funds that may only be used for specific purposes. Details of the restricted funds held and the relevant restriction are shown in the notes to the accounts.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st December 2016

2. INCOME AND ENDOWMENTS

| | Unrestricted Funds | Restricted Funds | Total 2016 | Total 2015 |
|---|-----------------------|---------------------|----------------|----------------|
| 2(a) <i>Voluntary Income</i> | | | | |
| Planned Giving: | | | | |
| - Gift Aid donations | 93,178 | | 93,178 | 95,125 |
| - Income tax recoverable | 22,968 | | 22,968 | 25,058 |
| Collections | 2,840 | | 2,840 | 4,369 |
| Donations | 4,661 | 1,067 | 5,729 | 3,590 |
| Legacies | 3,200 | | 3,200 | 1,326 |
| Sundry income | 2,889 | | 2,889 | 5,952 |
| | <u>129,737</u> | <u>1,067</u> | <u>130,804</u> | <u>135,420</u> |
| 2(b) <i>Activities for generating funds</i> | | | | |
| Span advertising | 4,344 | | 4,344 | 4,440 |
| Parish Picnic and Christmas Fayre | 2,835 | | 2,835 | 0 |
| Rent on Church House Flat | 8,434 | | 8,434 | 8,240 |
| | <u>15,612</u> | | <u>15,612</u> | <u>12,680</u> |
| 2(c) <i>Income from investments</i> | | | | |
| Dividends on CCLA Investments | 3,291 | | 3,291 | 2,487 |
| Interest on Funds held at the Diocese | | 302 | 302 | 264 |
| | <u>3,291</u> | <u>302</u> | <u>3,593</u> | <u>2,751</u> |
| 2(d) <i>Income from Church activities</i> | | | | |
| Fees for weddings and funerals | 7,411 | | 7,411 | 7,849 |
| Hall lettings | 35,651 | | 35,651 | 35,598 |
| | <u>43,062</u> | | <u>43,062</u> | <u>43,447</u> |
| TOTAL INCOME | <u>191,702</u> | <u>1,370</u> | <u>193,071</u> | <u>194,298</u> |

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st December 2016

3. EXPENDITURE

| | Unrestricted Funds | Restricted Funds | Total 2016 | Total 2015 |
|--------------------------------------|-----------------------|---------------------|----------------|----------------|
| 3(a) <i>Church Activities</i> | | | | |
| Missionary and charity giving | 4,284 | 701 | 4,985 | 7,133 |
| - Home | 907 | 367 | 1,274 | 538 |
| - Overseas | 5,191 | 1,067 | 6,259 | 7,671 |
| Parish share | 75,400 | | 75,400 | 71,234 |
| Other Ministry costs | 5,334 | | 5,334 | 7,002 |
| Church running and maintenance costs | 35,344 | | 35,344 | 32,908 |
| Major repairs | 12,050 | | 12,050 | 12,050 |
| Other repairs | 10,740 | | 10,740 | 13,917 |
| Grounds | 1,344 | | 1,344 | 1,673 |
| Expenditure on Span | 3,336 | | 3,336 | 3,180 |
| Organist, choir and music | 9,763 | | 9,763 | 9,686 |
| Administrator's direct costs | 25,248 | | 25,248 | 25,197 |
| Bank charges | 933 | | 933 | 874 |
| Other sundry expenses | 184,684 | 1,067 | 185,751 | 185,392 |
| 3(b) <i>Raising Funds</i> | | | | |
| Stewardship expenses | 143 | | 143 | 261 |
| | 143 | | 143 | 261 |
| TOTAL RESOURCES EXPENDED | 184,826 | 1,067 | 185,894 | 185,653 |

ST MARY'S SHORTLANDS PAROCHIAL CHURCH COUNCIL

All figures in £'s

- 12 -

**NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st December 2016****4. STAFF COSTS**

| | 2016 | 2015 |
|-----------------------------|---------------|---------------|
| Wages and salaries | 33,561 | 32,162 |
| Social security costs | 2,789 | 2,576 |
| | <u>36,350</u> | <u>34,738</u> |
| Average number of employees | <u>5</u> | <u>6</u> |

During the year the Church staff comprised: a Director of Music, an Organist, Administrators in the Church Office, a Youth Worker and cleaners. Payments to visiting clergy are also made and included in staff costs. The clergy are paid by the Diocese and their emoluments are therefore not included in this disclosure. All staff are part time.

5. RELATED PARTIES

Rev Morag Finch, Rev Jane Peters and Sally Aldred were all members of the PCC during the year. They did not receive any payments or reimbursement of expenses, during the year, in connection with their role on the PCC.

No other payments or expenses were paid to any other PCC member, persons closely related to them or related parties in connection with their role on the PCC.

6. FIXED ASSETS FOR USE BY THE PCC**6(a) *Tangible fixed assets***

| | 2016 | 2,015 |
|--------------------------|----------------|----------------|
| Church Hall | 750,000 | 750,000 |
| Gross and Net Book Value | <u>750,000</u> | <u>750,000</u> |

The hall was revalued in 2006 at the insurance value and is included in the accounts at this value.

6(b) *Investments*

| | | |
|-------------------------|---------------|---------------|
| CCLA Investment Account | <u>95,057</u> | <u>81,935</u> |
|-------------------------|---------------|---------------|

The Church investments are held in CCLA Church of England Investment Fund. No purchases or sales have taken place during the year. Any dividends are automatically reinvested in the fund.

7. DEBTORS

| | 2016 | 2015 |
|---------|--------------|--------------|
| Debtors | 1,000 | 1,000 |
| | <u>1,000</u> | <u>1,000</u> |

8. LIABILITIES

| | 2,016 | 2,015 |
|--------------------------|---------------|---------------|
| Outstanding donations | 4,789 | 1,680 |
| Outstanding Supplier | 16,485 | 18,116 |
| Retention and provisions | 28,411 | 21,000 |
| | <u>49,685</u> | <u>40,796</u> |

ST MARY'S SHORTLANDS PAROCHIAL CHURCH COUNCIL

All figures in £'s

- 13 -

**NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st December 2016****9. FUNDS**

Certain restricted funds have been designated for: the Church Maintenance Reserve, the Hall Maintenance Reserve and the Development Fund Reserve. The maintenance reserves are maintained to cover the costs associated with the Quinquennial inspection of the Church. The Development Fund Reserve is maintained to meet initial costs associated with the possible redevelopment of the Church premises.

10. SUMMARY OF FUNDS MOVEMENTS

| | Unrestricted Funds | Development Fund | Church Maintenance Reserve | Hall Maintenance Reserve | Total |
|-------------------------------|--------------------|------------------|----------------------------|--------------------------|----------------|
| Balance at 1st January 2016 | 81303 | 8,000 | 62,658 | 31,395 | 183,355 |
| Income | 6,875 | | 198 | 104 | 7,177 |
| Expenditure | | | | | 0 |
| Investment gains | 9,831 | 0 | 0 | | 9,831 |
| Transfer between funds | (16,764) | 4,764 | 6000 | 6000 | 0 |
| Balance at 31st December 2016 | <u>81,245</u> | <u>12,764</u> | <u>68,856</u> | <u>37,499</u> | <u>200,363</u> |

11. SUMMARY OF ASSETS BY FUND

| | Unrestricted Funds | Development Fund | Church Maintenance Reserve | Hall Maintenance Reserve | Total |
|---------------------|--------------------|------------------|----------------------------|--------------------------|----------------|
| Fixed Assets | 95,057 | 0 | 0 | 0 | 95,057 |
| Current Assets | 35,873 | 12,764 | 68,856 | 37,499 | 154,991 |
| Current Liabilities | (49,685) | 0 | 0 | 0 | (49,685) |
| | <u>81,245</u> | <u>12,764</u> | <u>68,856</u> | <u>37,499</u> | <u>200,363</u> |

12. CONTINGENT LIABILITY

In 2010, improvements were carried out to the patio area outside the Church Hall to provide improved facilities for the Pre School. Whilst undertaking these improvements, a problem with the Church Hall floor was discovered. It was necessary for this problem to be rectified before the improvements to the patio area could be completed. The London Borough of Bromley agreed to pay for the improvements and additionally agreed to pay for the repairs. The London Borough of Bromley agreed to pay for these improvements and repairs as it improved the Pre School facilities in the Borough. As a condition of The London Borough of Bromley paying for these improvements and repairs they require that a Pre School should continue to run in the Church Hall. If the PCC ceases to run a Pre School then the PCC becomes liable to repay The London Borough of Bromley for these improvements and repairs. The gross liability is £47,000 but this will decline to zero on a pro rata basis over the 7 years ending 2017. Should the PCC decide to cease operating a Pre School from the Church Hall the London Borough of Bromley would assist the PCC in finding an alternative operator for the Pre School to help mitigate the liability.