THE PARISH CHURCH OF ST MARY

SHORTLANDS, KENT

ANNUAL REPORT

and

FINANCIAL STATEMENTS

of the

PARISH CHURCH COUNCIL

for the year ended 31st December 2017

Incumbent:	Rev Morag Finch
Churchwardens:	Mr Adolph Williams Mrs Coreen Corbin
Secretary:	Miss J Rambridge
Treasurer:	Mr T M Dawson
Independent Examiner:	Dr J P Hemsley

Trustees' Annual Report (TAR)

2017 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 routine running and maintenance of the church, safeguarding and have spent much time considering redevelopment of the halls. We have had two additional meetings where we began to look at how we function as a church. 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).

Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, consideration has been given the 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 241 members on the Church Electoral Roll, 119 of whom were not resident within the parish. During the remainder of the year 8 names was added and 11 removed due to moves away from the area and deaths. The average weekly attendance, counted during October, was 114 adults and 23 children, but this number increased at festivals. The crib service once again proved popular. On Remembrance Sunday we rededicated the war memorial as part of our act of remembrance.

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 12 baptisms and 2 weddings and St Mary's clergy and reader were involved in 16 funerals and memorial services in church and at the various crematoria.

Deanery Synod

Four 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 2017 was completion of roof repairs to the church building. Work following the schedule produced following the Quinquennial Report has been undertaken.

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 week 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 reps who attend the meetings. We have supported a number of events - St Mary's hosted the Christian Aid Week service, we assisted with carol singing at Waitrose and some attended worship at the picnic on the green.

Financial review

Unrestricted income for the year was £189,086 (2015 £191,702). Income was relatively flat. There has been a slight fall in planned giving although this has been offset by an increase in income from the hire of the hall. Total unrestricted costs were £181,070 (2015 £184,826). There has been little change to the cost base since last year with the exception of repairs. We completed the rust treatment and painting of the roof trusses this year but the cost (excluding VAT) of £14,000 for this work had been provided for in previous years. In addition it was necessary to carry out a five year electrical inspection, at a cost of £3,000. 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 unrestrictied reserves equivalent to six months normal expenditure, £90,000 and compares with the actual un restrictive reserves held of £87,000. 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.

Our choir continues to grow in strength and sang at various external services including a joint service of Evensong at St Mildred's church, Croydon and Evensong at Southwark Cathedral.

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. We had two facilitated meetings. The standing and finance committee has power to transact the business of the council between the meetings subject to any directions given by the council. Other committees (Children and Youth - CANDY, pre-school, mission beyond the parish, stewardship, twinning and site development) 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 2017 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 Adolph Williams
	Mrs Coreen Corbin (from May 2016)

Elected members:

Mrs Jan Boam, representative on Deanery Synod (from 19 March 2017)
Mrs Kate Buchanan, representative on Deanery Synod (from 19 March 2017)
Mrs Annette German, representative on Deanery Synod
Mrs A-M Jefferys, representative on Deanery Synod
Mrs Sally Aldred
Mrs Pat Chase
Mrs Kay Coleman
Mr Tim Dawson (Treasurer)
Mrs Suzie Evans (from 19 March 2017)
Mrs Julie Fox
Professor Mark Fox
Mr Robin Hogg (Assistant Treasurer)
Dr David Jefferys
Mr Keith Mills
Mrs Marian Parr

Miss Judy Rambridge (Secretary)
Miss Heather Wills
Mr Tony Wright-Jones

Approved by the PCC on 14 March 2018 and signed on their behalf by the Reverend Morag Finch (PCC Chairman)

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STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31st December 2017

All figures in £'s

	Note	Unrestricted Funds	Restricted Funds	Total 2017	*Total 2016*
INCOME AND ENDOWMENTS					
Voluntary Income	2(a)	124,271	0	124,271	*130,804*
Activities for generating funds	2(b)	14,844	0	14,844	*15,613*
Income from investments	2(c)	3,418	338	3,756	*3,593*
Income from Church activities	2(d)	46,553	0	46,553	*43,062*
TOTAL INCOME		189,086	338	189,425	*193,072*
EXPENDITURE					
Church Activities	3(a)	180,938	360	181,298	*185,751*
Raising Funds	3(b)	132	0	132	*143*
TOTAL EXPENDITURE		181,070	360	181,430	*185,894*
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		8,016	(22)	7,995	*7,178*
NET GAIN ON INVESTMENTS		9,284		9,284	*9,831*
NET INCOME/(EXPENDITURE)		17,301	(22)	17,279	*17,009*
TRANSFER BETWEEN FUNDS		(12,360)	12,360		
NET MOVEMENT IN FUNDS		4,941	12,338	17,279	*17,009*
BALANCES BROUGHT FORWARD		94,009	106,354	200,363	*183,355*
BALANCES CARRIED FORWARD		98,950	118,692	217,642	*200,364*

BALANCE SHEET AS AT 31ST DECEMBER 2006

	Note	2017	*2016*
FIXED ASSETS			
Tangible fixed assets	6(a)	750,000	*750,000*
Investment assets	6(b)	107,747	*95,057*
		857,747	*845,057*
CURRENT ASSETS			
Debtors	7	4,110	*1,000*
Short term deposits:			
Diocese of Rochester		120,315	*107,973*
Cash at bank and in hand		30,596	*46,018*
		155,021	*154,991*
LIABILITIES			
Creditors: - Amounts fall due within one year	8	(45,126)	*(49,685)*
NET CURRENT ASSETS		109,895	*105,306*
TOTAL NET ASSETS		967,642	*950,363*
FUNDS			
Unrestricted - General	10	86,686	*81,245*
Unrestricted - Development fund	10	12,264	*12,764*
Restricted - Church revaluation reserve	10	75,072	*68,856*
Restricted - Hall revaluation reserve	10	43,621	*37,499*
		217,642	*200,363*
Restricted - Hall valuation reserve		750,000	*750,000*
TOTAL FUNDS		967,642	*950,363*

Approved by the Parochial Church Council on 14/3/18 and signed on its behalf by:

The Reverend Morag Finch (Chairman) Morag A. H. Finch

Tim Dawson (Honorary Treasurer) T M Dawson

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

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31st December 2017

All figures in £'s

	Note	Unrestricted Funds	Restricted Funds	Total 2017	*Total 2016*
INCOME AND ENDOWMENTS					
Voluntary income	2(a)	124,271	0	124,271	*130,804*
Activities for generating funds	2(b)	14,844	0	14,844	*15,613*
Income from investments	2(c)	3,418	338	3,756	*3,593*
Income from Church activities	2(d)	46,553	0	46,553	*43,062*
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Raising Funds	3(b)	132	0	132	*143*
TOTAL EXPENDITURE		181,070	360	181,430	*185,894*
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		8,016	(22)	7,995	*7,178*
NET GAIN ON INVESTMENTS		9,284		9,284	*9,831*
NET INCOME/(EXPENDITURE)		17,301	(22)	17,279	*17,009*
TRANSFER BETWEEN FUNDS		(12,360)	12,360		
NET MOVEMENT IN FUNDS		4,941	12,338	17,279	*17,009*
BALANCES BROUGHT FORWARD		94,009	106,354	200,363	*183,355*
BALANCES CARRIED FORWARD		98,950	118,692	217,642	*200,364*

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

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
SORP 102 was introduced in 2016 and allows three different bases for valuing fixed assets. We have opted to include the Church Hall in the accounts at its valuation on the introduction of SORP 102, in 2016. The Church Hall is therefore included in the accounts at its value on 1 January 2016. This represents the insurance value in 2006. No depreciation will be charged as any charge would be offset by an increase in the 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. All repairs are written off in the year the work is completed.

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 with the Diocese or the bank.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

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 2017

2. INCOME AND ENDOWMENTS

		Unrestricted Funds	Restricted Funds	Total 2017	*Total 2016*
2(a)	*Voluntary Income*				
	Planned Giving:				
	- Gift Aid donations	89,965		89,965	*93,178*
	- Income tax recoverable	24,223		24,223	*22,968*
	Collections	3,415		3,415	*2,840*
	Donations	2,051	0	2,051	*5,729*
	Legacies	1,000		1,000	*3,200*
	Sundry income	3,617		3,617	*2,889*
		124,271	0	124,271	*130,804*
2(b)	*Activities for generating funds*				
	Span advertising	6,900		6,900	*4,344*
	Parish Picnic and Christmas Fayre	0		0	*2,835*
	Rent on Church House Flat	7,944		7,944	*8,434*
		14,844		14,844	*15,613*
2(c)	*Income from investments*				
	Dividends on CCLA Investments	3,406		3,406	*3,291*
	Interest on Funds held at the Diocese	13	338	351	*302*
		3,418	338	3,756	*3,593*
2(d)	*Income from Church activities*				
	Fees for weddings and funerals	7,413		7,413	*7,411*
	Hall lettings	39,140		39,140	*35,651*
		46,553		46,553	*43,062*
	TOTAL INCOME	189,086	338	189,425	*193,072*

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st December 2017

3. EXPENDITURE

	Unrestricted Funds	Restricted Funds	Total 2017	*Total 2016*
3(a) *Church Activities*				
Missionary and charity giving				
- Home	4,322	260	4,582	*4,985*
- Overseas	1,100	100	1,200	*1,274*
	5,422	360	5,782	*6,259*
Parish share	74,700		74,700	*75,400*
Other Ministry costs	6,480		6,480	*5,334*
Church running and maintenance costs	32,457		32,457	*35,344*
Repairs and Maintenance	12,768		12,768	*22,790*
Grounds	377		377	*1,344*
Church development	7,354		7,354	-
Expenditure on Span	3,012		3,012	*3,336*
Organist, choir and music	8,357		8,357	*9,763*
Administrator's direct costs	29,314		29,314	*25,248*
Bank charges	697		697	*933*
Other sundry expenses				
	180,938	360	181,298	*185,751*
3(b) *Raising Funds*				
Stewardship expenses	132		132	*143*
	132		132	*143*
TOTAL RESOURCES EXPENDED	181,070	360	181,430	*185,894*

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st December 2017

4. STAFF COSTS

	2017	*2016*
Wages and salaries	34,708	*33,561*
Average number of employees	5	*5*

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*

	2017	*2,016*
Church Hall	750,000	*750,000*
Gross and Net Book Value	750,000	*750,000*

The Hall is included in the accounts at its valuation in 2006. The current insurance vanlue is £2.5 million. We have chosen not to revalue the property as allowed under SORP 102.

6(b) *Investments*

CCLA Investment Account	107,747	*95,057*

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

	2017	*2016*
Debtors	4,110	*1,000*
	4,110	*1,000*

8. LIABILITIES

	2,017	*2,016*
Outstanding donations	4,943	4,789
Outstanding Creditors	5,753	16,485
Retention and provisions	34,430	28,411
	45,126	*49,685*

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st December 2017

9. FUNDS

Certain 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 Quinquenial 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 2017	81,245	12,764	68,856	37,499	*200,363*
Income	8,016	0	216	122	*8,355*
Expenditure			(360)		*(360)*
Investment gains	9,284				*9,284*
Transfer between funds	(11,860)	(500)	6360	6000	*0*
Balance at 31st December 2017	86,686	12,264	75,072	43,621	217,642

11. SUMMARY OF ASSETS BY FUND

	Unrestricted Funds	Development Fund	Church Maintenance Reserve	Hall Maintenance Reserve	*Total*
Fixed Assets	97,106				*97,106*
Current Assets	34,706	12,264	75,072	43,621	*165,662*
Current Liabilities	(45,126)				*(45,126)*
	86,686	12,264	75,072	43,621	*217,642*

12. CONTINGENT LIABILITY

In 2010, improvements were carried out to the patio area out side 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.

Independent examiner's report to the trustees of St Mary's Church

I report to the trustees on my examination of the accounts of the St Mary's Church for the year ended 31 December 2017.

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 all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or

2. the accounts do not accord with those records; or

3. The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

Signed: Paul Hemsl

Name: Paul Hemsley (BSc, Ph.D, MBA)

Address: 63 Elwill Way, Beckenham, Kent, BR3 6RY

Date: 14/3/18