

**The Parochial Church Council of the Ecclesiastical Parish
of St Mary Bredin, Canterbury**

Annual Report

For the year ended 31 December 2017

Charity Number 1137431

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Annual report and financial statements for the year ended 31 December 2017

Trustees and Advisers

Principal office: St. Mary Bredin Church
Church Office
59 Nunnery Fields
Canterbury
Kent CT1 3JN

Membership of the Parochial Church Council (PCC) and Charity Trustees:

Incumbent and ex officio Chairman: The Reverend Barney de Berry
Vice-Chairman: Marian Nicholson (appointed April 2017)
Churchwardens: Marian Nicholson (re-elected April 2017)
Martin Collings (re-elected April 2017)
Honorary PCC Secretary: Svenja Powell (re-appointed April 2017)
Honorary Treasurer: Simon Webster (co-opted April 2017)

Members of the PCC during 2017 were as follows:

Ex-officio members

The Reverend Barney de Berry - Incumbent
The Reverend Craig Hunt - Associate Vicar
The Reverend Stephen Carter - Curate
Martin Collings
Marian Nicholson

Ex-officio members elected to Synod

Zac Bawtree (Deanery and Diocesan Synod)
Karien Downes (Deanery and Diocesan Synod)
Harry Macdonald (Deanery and Diocesan Synod)
Callum Elwood (Deanery Synod)
Margaret Griffin (Deanery Synod)
Charlotte Sleigh (Deanery Synod)

Elected PCC members prior to the 2017 AGM:

Philip Lewis
Anne Ovenden
Rosemary Wade
Lizzie Worthen

Members elected at the 2017 AGM:

Graham Bough
Tom Gilbert
Sam Locke
Andrew Willmoth

Members who retired at the 2017 AGM

Graham Bough
Andrew Swindley
Pauline Whitehouse
Paul Williams

Members who joined during the year

Simon Webster - Co-opted in April 2017

Members who left during the year

None

Individuals attending PCC who have no vote in decision making

Svenja Powell - Honorary PCC Secretary
Callum Elwood as student representatives by invitation until April 2017.

Bank:

Lloyds Banking Group PLC
49 High Street
Canterbury
Kent CT1 2SE

Independent Examiner:

Mark Laughton FCCA
Burgess Hodgson LLP
Camburgh House
27 New Dover Road
Canterbury
Kent CT1 3DN

Annual Report for the year ended 31 December 2017

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. Under the terms of the Parochial Church Councils (Powers) Measure 1956 the Parochial Church Council of St. Mary Bredin (the PCC) has the responsibility of co-operating with the incumbent, the Reverend Barney de Berry, in promoting in the parish of St. Mary Bredin the whole mission of the Church; pastoral, evangelistic, social and ecumenical. It has the responsibility for the maintenance of the grounds and fabric of the Church premises and the furniture, furnishings, equipment, etc. within the various buildings on the site.

Day to day operating management of the charity's activities is delegated by the PCC to the Standing Committee. This is the only committee required by law. It has the power to transact the business of the PCC between its meetings, subject to any directions given by the Church Council. The Incumbent, Churchwardens, Honorary Treasurer, Associate Vicar, Curate and one elected member, currently Lizzie Worthen, make up this committee.

The Parochial Church Council and Charity Trustees

Members of the PCC are Trustees of the charity and are responsible for ensuring compliance with legislation governing matters including health and safety, safeguarding, disability discrimination, employment and financial matters.

Membership of the Parochial Church Council and Charity Trustees

Members of the PCC are either ex-officio, elected at the Annual Parochial Church Meeting in accordance with Church Representation Rules or co-opted. Those persons who were members of the PCC and Trustees are disclosed on Page 1 of the Annual Reports and Financial Statements.

Recruitment, induction and training of PCC members and Trustees

As part of the application process PCC members are given an explanation of what it means to become a PCC member and Trustee. This includes why the church has a PCC, what the PCC works for and with, what the PCC does and when, and what qualities and qualifications a PCC member and Trustee requires.

Public benefit

The charity constitutes a public benefit entity as defined by FRS102.

Achievements and performance

The Church Life Report, is made available at the Annual Parochial Church Meeting or through the Church Office. This document provides details of the achievements and performance of the Church during 2017 and details how the PCC has due regard to Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Volunteers

At the heart of much of the work of the Church there is a huge foundation of generous support, hard work and love which is supplied voluntarily by members of the congregation. This is often expressed in long hours spent serving in fellowship groups, in outreach programmes, in social action work, welcoming, stewarding, leading children's and youth groups, prayer meetings, training programmes and other areas of service. A huge 'thank you' is extended to all those who serve so willingly to make these events possible and for being the 'Church Life' of St Mary Bredin.

Objectives

Our vision as a church continues to be one in which we seek more fully to 'Proclaim the Good News of Jesus Christ through word and action'.

Church Attendance and Electoral Roll

There are 271 parishioners on the Electoral Roll (2016: 259). During 2017 the Electoral Roll was revised with 18 people being removed and 30 people added. The average weekly attendance counted during October was 290 individuals over the age of 16 years (2016: 275 adults) and 42 young people under the age of 16 (2016: 35 young people).

Annual Report for the year ended 31 December 2017

Activities

The main Church activities, including worship and teaching services, prayer meetings, courses, fellowship groups and social action, continued throughout the year. Community events took place including the annual Community BBQ on the green at Oxford Road in Wincheap, a 'Family Fun Day' in the Church grounds, a Christmas family film and 'Carols on the Green' each of which was attended by many members of the local community. The Children's 'Holiday Club' was busy in the summer and various children's and youth groups continue to run.

Members of the Church are involved in many inter-church projects including: Street Pastors, Healing on the Streets, Stop The Traffic and Canterbury Food Bank. The Church again hosted the Catching Lives winter shelter once each week during the coldest winter months to provide a night shelter for street homeless in the City.

Financial Review of 2017

Total receipts accounted for in the year were £608,619 of which £37,893 was restricted to specified purposes reflected in the restricted funds used to meet the costs of those purposes. Most of the restricted donations were directed to the Mercy Ministries Fund, to the Property Development Fund into which members of the congregation continue to contribute to paying down the Kingdom Bank mortgage that helped to finance the redevelopment and extension of the Church building, and to specific mission support, including the education project in Juba, South Sudan.

£472,963 was spent to provide the Christian ministry of St Mary Bredin Church in 2017, including £19,414 paid out of restricted funds. This sum includes the payment of £98,583 for the Diocesan Parish Share which provides for the stipends, housing and training of the Incumbent and Curate amongst other things. It is the policy of the PCC to commit for mission grant purposes 10% of unrestricted planned giving and collections at services, excluding the related Gift Aid sums reclaimed. In 2017 this policy provided £32,013 for use locally, elsewhere in the UK and abroad. Adding restricted donations received for mission payment purposes and partnership giving, a total of £49,656 was allocated to be paid in grants in respect of the year.

The PCC has no discretion as to the purpose to which restricted funding is put. Unrestricted funds are available to the PCC as it considers appropriate to meet costs, including overheads, the Diocesan Parish Share and payroll costs, and to support the various activities, ministries and mission partners with whom the Church is engaged.

Unrestricted voluntary giving totalling £505,762 is an increase of £126,840 on that received in 2016. Without this generous giving, the PCC would have been unable to fund the activities of the Church in the way it was able to do in 2017 and to have the balance of reserves disclosed at the end of the year. There were two Gift Day Appeals in 2017 but none in 2016.

£19,414 was paid out of restricted funds during the year. A summary of these payments is disclosed in Note 9 to the Financial Statements.

Plans for future periods

The objectives of the PCC continue to be to work and serve in the parish and the City of Canterbury in order to 'Proclaim the Good News of Jesus Christ through word and action'.

Reserves and Investment Policies

The PCC reviewed its Reserves Policy during the year. It is the policy of the PCC, particularly in view of having a number of staff on permanent contracts of employment, to maintain cash reserves of approximately £75,000 at any one time to cover unexpected situations that could lead to a cash flow problem. That criterion is currently met and, whilst there is a surplus beyond that at the end of the 2017 financial year, it is anticipated that the surplus may be utilised during 2018.

At the end of the financial year the PCC held £50,000 (2016: £50,000) on Market Linked Deposits subject to 3 months' notice with Lloyds Bank with whom it also maintains two current accounts. At the end of the financial year the PCC also held balances with The Church of England Deposit Fund including the restricted flower investment fund, income from which is used for the provision of flowers in the church.

Annual Report for the year ended 31 December 2017

Statement of responsibilities of the PCC members

The PCC members are responsible for ensuring that the Annual Report and the financial statements are prepared in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the PCC members to ensure that financial statements are prepared 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 PCC members are required to:

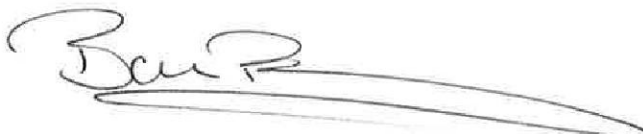
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The PCC members are responsible for ensuring that proper accounting records are kept that are sufficient to 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 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

At the date of signing these reports and financial statements, the PCC considers that there are no material financial uncertainties about the PCC's ability to continue to operate.

Rev Barney de Berry (Incumbent)

Dated: 19 March 2018

A handwritten signature in dark ink, appearing to read 'Barney de Berry', with a long horizontal flourish extending to the right.

Independent Examiner's Report
for the year ended 31 December 2017

I report on the accounts of the charity for the year ended 31 December 2017, which are set out on pages 6 to 17.

Respective responsibilities of trustees and examiner

The members of the PCC are responsible for the preparation of the accounts. The members of the PCC consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed. The charity's gross income exceeded £250k and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of the Independent Examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of 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 present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

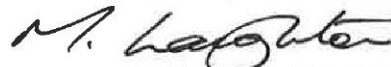
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting 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.



Mark Laughton FCCA
Independent Examiner

Burgess Hodgson LLP
Camburgh House
27 New Dover Road
Canterbury
Kent CT1 3DN

Dated: 19 March 2018

Statement of Financial Activities

For the year ending 31 December 2017

Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £	Total 2016 £
2 INCOMING RESOURCES					
Incoming resources from generated funds					
2(a) Voluntary income	505,762	36,124	-	541,886	402,555
2(b) Activities for generating funds	31,418	-	-	31,418	29,369
2(c) Income from investments	331	669	-	1,000	1,788
Incoming resources from charitable activities					
2(d) Church activities	33,215	1,100	-	34,315	9,300
2(e) Other incoming resources	-	-	-	-	-
TOTAL INCOMING RESOURCES	570,726	37,893	-	608,619	443,012
3 RESOURCES EXPENDED					
Cost of generating funds					
3(a) Cost of generation of voluntary income	-	-	-	-	-
3(b) Fund-raising costs	18,746	-	-	18,746	15,452
Charitable activities					
3(c) Church activities	432,796	19,414	-	452,210	413,934
3(d) Governance costs	2,007	-	-	2,007	1,655
TOTAL RESOURCES EXPENDED	453,549	19,414	-	472,963	431,041
NET INCOMING RESOURCES BEFORE TRANSFERS	117,177	18,479	-	135,656	11,971
9 Gross transfers between funds	17,000	(17,000)	-	-	-
NET (OUTGOING)/ INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES	134,177	1,479	-	135,656	11,971
Other recognised gains/losses					
Gains/(Losses) on revaluation of investments	-	-	1,706	1,706	1,889
NET MOVEMENT IN FUNDS	134,177	1,479	1,706	137,362	13,860
Reconciliation of funds					
Balances brought forward 1 January 2017	529,328	23,294	18,902	571,524	557,664
Balances carried forward 31 December 2017	663,505	24,773	20,608	708,886	571,524

Balance sheet

As at 31 December 2017

Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
FIXED ASSETS					
5(a) Tangible	797,763	-	-	797,763	814,470
5(b) Investments	-	-	20,608	20,608	18,902
	<u>797,763</u>	<u>-</u>	<u>20,608</u>	<u>818,371</u>	<u>833,372</u>
CURRENT ASSETS					
6 Debtors	19,747	3,400	-	23,147	34,262
Short term deposits	50,000	-	-	50,000	50,000
Cash at bank and in hand	181,080	22,708	-	203,788	77,821
	<u>250,827</u>	<u>26,108</u>	<u>-</u>	<u>276,935</u>	<u>162,083</u>
LIABILITIES					
7 Creditors - amounts falling due in one year	16,707	1,335	-	18,042	30,226
	<u>234,120</u>	<u>24,773</u>	<u>-</u>	<u>258,893</u>	<u>131,857</u>
<i>Net current assets</i>					
<i>Total assets less current liabilities</i>	<u>1,031,883</u>	<u>24,773</u>	<u>20,608</u>	<u>1,077,264</u>	<u>965,229</u>
7 Creditors - amounts falling after one year	368,378	-	-	368,378	393,705
	<u>663,505</u>	<u>24,773</u>	<u>20,608</u>	<u>708,886</u>	<u>571,524</u>
TOTAL NET ASSETS					
PARISH FUNDS					
9 Funds	<u>663,505</u>	<u>24,773</u>	<u>20,608</u>	<u>708,886</u>	<u>571,524</u>

Approved by the Parochial Church Council on 19 March 2018 and signed on its behalf by :

Simon Webster (Honorary Treasurer)

Rev Barney de Berry (Incumbent)

Notes to the financial statements**For the year ending 31 December 2017****1. Accounting policies****a) Statement of Compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis, except for the valuation of investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those that are informal gatherings of church members. The financial accounts are prepared in pounds sterling, which is the functional currency of the entity.

c) Going concern

There are no material uncertainties about the charity's ability to continue.

d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the PCC to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

e) Incoming resources

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received unless notification of the entitlement is not received in time for this to be processed. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends and interest are accounted for when receivable. Income relating to premises lettings is recognised when each letting is completed. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

f) Resources expended

Grants and donations are accounted for when awarded if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. All other expenditure including attributable VAT is generally recognised when it is incurred and is accounted for gross.

Direct payroll costs are allocated to the appropriate activity. Support payroll costs and other support costs are allocated to activities on the basis of estimated time spent on that particular activity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the PCC and include the Independent Examiner's fee and costs linked to the strategic management of the PCC.

Notes to the financial statements**For the year ending 31 December 2017****1 Accounting policies (continued)****g) Tangible fixed assets**

Consecrated and benefice property is not included in the accounts in accordance with section 10 (2)(a) of the Charities Act 2011.

Movable church furnishings held by the incumbent and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected on request at any reasonable time.

Individual assets or relevant groups of assets with a purchase price of more than £1,000 are depreciated on a straight-line basis. Furniture is depreciated over 5 years and technology equipment (including audio/visual, computers and printers) is depreciated over 3 years.

Buildings and building improvements, specifically the Church Centre, Kendall Hall and the residential property, are depreciated over 50 years from the date of completion or acquisition. The additional work carried out on Kendall Hall in 2004 is depreciated over 15 years from 1 January 2005. Other assets are depreciated over a period between 10 and 15 years.

h) Investments

Investments held as fixed assets are revalued at the balance sheet date. Realised and unrealised gains and losses on investments are taken to the Statement of Financial Activities.

i) Funds

Endowment Funds are funds, the capital element of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

Restricted Funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may be expended only on the specific object for which they were given. Any balance remaining unspent at the end of each year is required to be carried forward as a balance on that fund. It is not normal practice for the PCC to invest separately for each fund. Interest generated by holding these funds is very small and no allocation of interest received is made to restricted funds.

Designated Funds are funds set aside by decision at a PCC meeting out of unrestricted general funds for specific future purposes or projects.

Unrestricted Funds are general funds which can be used for normal church activities for which the PCC is responsible.

j) Pension costs

The PCC contributes to a defined contribution pension scheme for permanent employees. Contributions to this scheme are charged to the Statement of Financial Activities in the period in which they are paid.

k) Taxation

As a registered charity the PCC is exempt from corporation tax.

l) Financial instruments

The PCC has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the financial statements

For the year ending 31 December 2017

2. INCOMING RESOURCES	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £	Total 2016 £
2(a) Voluntary income					
Planned giving:					
Gift Aid donations	248,221	9,056	-	257,277	258,092
Tax recoverable	62,055	2,264	-	64,319	64,524
Other	47,051	30	-	47,081	48,745
Collections at services (open plate)	19,548	-	-	19,548	14,653
Tax recoverable for unidentified giving	1,500	-	-	1,500	2,000
Collections at groups (open plate)	3,218	-	-	3,218	3,063
Gift days:					
Gift Aid donations	9,670	5,870	-	15,540	-
Tax recoverable	2,417	1,468	-	3,885	-
Other	101,676	11,260	-	112,936	-
Donations, appeals, etc.:					
Gift Aid donations	-	2,920	-	2,920	2,344
Tax recoverable	-	730	-	730	586
Other	230	2,526	-	2,756	6,548
Gift Aid received re donation in the prior year	5,176	-	-	5,176	-
Legacies	5,000	-	-	5,000	2,000
	505,762	36,124	-	541,886	402,555
2(b) Activities for generating funds					
Church property lettings (for non-church purposes)	30,303	-	-	30,303	28,404
Fund-raising events	-	-	-	-	-
Other	1,115	-	-	1,115	965
	31,418	-	-	31,418	29,369
2(c) Income from investments					
Dividends	(50)	669	-	618	591
Interest	382	-	-	382	1,197
	331	669	-	1,000	1,788
2(d) Income from church activities					
Church property lettings (for church purposes)	718	-	-	718	475
Fees for weddings and funerals	3,027	-	-	3,027	2,753
Fees for courses and events	29,470	1,100	-	30,570	6,072
	33,215	1,100	-	34,315	9,300
2(e) Other incoming resources					
Gain on sale of fixed assets	-	-	-	-	-
Total incoming resources	570,726	37,893	-	608,619	443,012

Notes to the financial statements

For the year ending 31 December 2017

3. RESOURCES EXPENDED	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £	Total 2016 £
3(a) Generation of voluntary income					
Costs of appeals, grants, etc.	-	-	-	-	-
3(b) Fund-raising costs					
Attributable to church property lettings	18,746	-	-	18,746	15,452
Cost of fund raising events	-	-	-	-	-
	18,746	-	-	18,746	15,452
3(c) Charitable activities					
Total Missionary and Charitable giving	36,313	13,343	-	49,656	48,405
Ministry: Diocesan parish share	98,583	-	-	98,583	93,003
Other ministry costs	44,231	235	-	44,466	23,227
Incumbent expenses	15,170	-	-	15,170	13,605
Parsonage houses	2,550	-	-	2,550	8,577
Music	9,087	-	-	9,087	14,192
Pastoral	2,524	-	-	2,524	2,828
Youth and children	42,046	-	-	42,046	47,034
Students	1,460	-	-	1,460	1,228
Church running	43,217	683	-	43,900	52,129
Church maintenance and repairs	12,038	-	-	12,038	8,964
Upkeep of services	116	-	-	116	756
Upkeep of churchyard	2,363	-	-	2,363	1,916
Cost of courses and events	23,431	-	-	23,431	3,007
Cost of group meetings	8,766	5,153	-	13,919	9,083
Training costs	6,140	-	-	6,140	4,245
Church Hall and Centre					
running costs and repairs	42,683	-	-	42,683	47,880
Finance charges	14,747	-	-	14,747	11,571
Depreciation charges on:					
Furnishings and equipment	4,727	-	-	4,727	2,974
Church Hall and Church					
improvements	22,604	-	-	22,604	19,310
	432,796	19,414	-	452,210	413,934
3(d) Governance costs					
Staff costs	425	-	-	425	482
Independent Examiner's fees	1,495	-	-	1,495	1,080
Adjustment re prior year fees	8	-	-	8	8
Professional fees	-	-	-	-	-
Support costs	79	-	-	79	85
	2,007	-	-	2,007	1,655
TOTAL RESOURCES EXPENDED	453,549	19,414	-	472,963	431,041

Included in the Resources Expended, Fund Raising and Charitable Activities costs, disclosed in Notes 3(b) and 3(c) above are wages and support costs allocated on the basis of the proportion of time that members of staff spend being involved in the various areas of activity. The balance of the total costs for each category of expense which is shown above represents direct costs incurred during the year. Further analysis of some of the activity headings above is shown in Note 3 (continued) on Page 14.

Notes to the financial statements

For the year ending 31 December 2017

3. RESOURCES EXPENDED (continued)

Allocation of wages and support costs

	Direct Payroll £	Support Payroll £	Total Payroll £	Other Support costs £	Direct costs £	Total Allocated Costs £
Attributable to church property lettings	10,500	4,046	14,546	2,716	1,484	18,746
Diocese re Associate Vicar and other ministry costs	-	-	-	-	44,231	44,231
Incumbent activities	-	9,846	9,846	1,839	3,485	15,170
Music	5,008	882	5,890	1,100	2,097	9,087
Pastoral	-	2,127	2,127	397	-	2,524
Youth and Children	29,464	2,897	32,361	6,044	3,641	42,046
Students	-	-	-	-	1,460	1,460
Training costs	-	1,063	1,063	199	4,878	6,140
Church running	5,925	23,181	29,106	5,436	8,675	43,217
Church maintenance and repairs	5,385	1,341	6,726	1,256	4,056	12,038
Upkeep of services	-	-	-	-	116	116
Cost of group meetings	-	-	-	-	8,766	8,766
Church Hall/Centre	10,017	1,763	11,780	2,200	28,703	42,683
Governance	-	425	425	79	1,503	2,007
	66,299	47,571	113,870	21,266	113,095	248,231

Other support costs included above:

	Total 2017 £	Total 2016 £
Printing, postage and stationery	5,722	5,129
Telephone	1,405	1,351
Website and IT costs	8,393	8,980
Recruitment and staff training	1,977	2,279
Repairs and maintenance	2,984	1,587
Payroll services	587	597
Travelling	198	228
Canteen	-	-
Other costs mainly related to leaving gifts for members of staff	-	1,480
	21,266	21,631

Notes to the financial statements

For the year ending 31 December 2017

4. STAFF COSTS

	Total 2017 £	Total 2016 £
4(a) Wages and salaries		
Wages and salaries	107,210	117,066
Employers National Insurance	3,300	4,387
Pension costs	3,360	3,337
	<hr/>	<hr/>
	113,870	124,790
	<hr/>	<hr/>

The average number of employees including temporary staff during the year, calculated on the basis of full time equivalents, was as follows:

	2017 Number	2016 Number
Church Hall/Centre	1	1
Youth and children	1	1
Administration and management	4	4
	<hr/>	<hr/>
	6	6
	<hr/>	<hr/>

The full time equivalent information represents 8 (2016: 8) paid members of staff, some of whom work full time and some part time. Volunteers who serve in church activities and ministries are not included in these statistics.

During the year the PCC contributed to the defined contribution pension scheme £3,361 (2016 - £3,337) on behalf of employees who have opted-in to the scheme. Of these contributions no amounts remained outstanding at the year end (2016 - £Nil).

The incumbent, associate vicar and curate are remunerated by the Diocese. Part of the Diocesan parish share disclosed above contributes towards the cost of the incumbent and curate.

No member of staff earned over £60,000 during the year (2016: None).

4(b) **Payments to PCC Members**

No member of the PCC received remuneration or benefits in respect of their services as members of the PCC during the year (2016: None). No PCC members were reimbursed expenses during the year other than for operating costs incurred on behalf of the PCC (2016: £Nil).

During the year £2,400 (2016: £2,570) was paid for IT services to Iain Nicholson, IT Contractor, husband of PCC member Marian Nicholson. The fees charged by Iain Nicholson are at a discounted rate.

Use of the Family Fund is at the discretion of the incumbent and churchwardens. No payments were made out of the Family Fund in 2017 to individuals related to PCC members (2016: £Nil).

Notes to the financial statements

For the year ending 31 December 2017

5. FIXED ASSETS

	Buildings & Improvements	Furniture & Equipment	Total
	£	£	£
(a) Tangible			
Cost:			
At 1 January 2017	1,023,282	172,778	1,196,060
Additions at cost	1,371	9,253	10,624
Disposals	-	(17,409)	(17,409)
At 31 December 2017	1,024,653	164,622	1,189,275
Depreciation			
At 1 January 2017	213,993	167,597	381,590
Accumulated depreciation on disposals	-	(17,409)	(17,409)
Charge for the year	22,604	4,727	27,331
At 31 December 2017	236,597	154,915	391,512
Net book value			
At 31 December 2017	788,056	9,707	797,763
At 31 December 2016	809,289	5,181	814,470

The buildings comprise the cost of improvements to the Church building, the cost of the Link and Church Centre, the cost of Kendall Hall, the cost of land on which the Kendall Hall stands and the cost of residential accommodation for use by the Associate Vicar together with the cost of improvements to those properties. During the year, some minor improvements were made to the residential property.

The PCC holds in trust for the Diocese of Canterbury, the Church building and land on which the Church building, the gardens, the car park, the Link and Church Centre stand. The PCC is responsible for the maintenance of the grounds and fabric of these premises.

The residential accommodation purchased for use by the Associate Vicar is held by The Canterbury Diocesan Board of Finance as custodian trustee for the PCC. The PCC is responsible for maintenance of the grounds and fabric of this property and also for the council tax and water charges.

(b) Investments	£
Market value 1 January 2017	18,902
Revaluation gain/(loss)	1,706
Market value at 31 December 2017	20,608

The investment consists of 1,257 income shares in the CBF Church of England Investment Fund.

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2017	Total 2016
	£	£	£	£	£
Gift Aid tax recoverable	13,087	-	-	13,087	11,597
Debtors	308	-	-	308	3,589
Accrued income	55	-	-	55	88
Prepayments	6,297	3,400	-	9,697	18,988
	19,747	3,400	-	23,147	34,262

Notes to the financial statements

For the year ending 31 December 2017

7. LIABILITIES	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £	Total 2016 £
Creditors - amounts falling due in one year					
Trade Creditors	2,236	-	-	2,236	2,379
Other Creditors	655	-	-	655	480
Loans (see below)	10,038	-	-	10,038	12,638
Deferred Income	586	-	-	586	9,243
Accruals	3,192	1,335	-	4,527	5,486
	<u>16,707</u>	<u>1,335</u>	<u>-</u>	<u>18,042</u>	<u>30,226</u>
Creditors - amounts falling after one year					
Loans					
Kingdom Bank Limited					
Church renovation	63,162	-	-	63,162	82,841
Residential accommodation	315,254	-	-	315,254	323,502
Included in amounts falling due within one year	(10,038)	-	-	(10,038)	(12,638)
	<u>368,378</u>	<u>-</u>	<u>-</u>	<u>368,378</u>	<u>393,705</u>

A Kingdom Bank Limited loan to finance part of the church premises renovation is repayable over thirty years from 2008. Interest is charged at 2.5% over bank base rate and the loan is secured over freehold property consisting of the Kendall Hall and gardens owned by the PCC. A single sum of £17,000 was paid off this loan during the year together with £2,679 from the regular monthly repayments. At the year end date the balance of the loan amounted to £63,162.

The two Kingdom Bank Limited loans to finance the residential accommodation are repayable over 25 years from 2016. Interest on these loans is charged at 3.5% over bank base rate and the loans are secured partly over the freehold property of the house and partly over the freehold property consisting of the Kendall Hall and gardens. Both properties offered as security for the loans are owned by the PCC. During the year, £8,248 of the loans was repaid from the regular monthly repayments. At the year end date the balance of the loans amounted to £315,254.

8. Financial Instruments

Assets:	2017	2016
Cash and bank balances	253,788	127,821
Debtors and gift aid recoverable	13,395	15,186
	<u>267,182</u>	<u>143,007</u>
Liabilities:		
Mortgage loans (Note 7)	378,416	406,343
Creditors	2,891	2,859
	<u>381,307</u>	<u>409,202</u>

The mortgage loans are in the form of secured loans with a variable interest rate. The risk facing the PCC is that interest rates will rise as the UK economic situation changes. The PCC considers that any increase in interest rate will be covered by increasing gifts or by reducing overheads to ensure that the PCC maintains its reserves policy.

Notes to the financial statements

For the year ending 31 December 2017

9. PARISH FUNDS	Balance at 1 Jan 2017	Incoming Resources	Resources Expended	Transfers	Revaluation Gains	Balance at 31 Dec 2017
Unrestricted Funds:						
General funds	96,382	547,974	(430,945)	17,702	-	231,113
Designated funds :						
Fixed Asset Fund	402,946	-	(22,604)	29,298	-	409,640
General Reserve Fund	30,000	-	-	(30,000)	-	-
Cantercare	-	-	-	-	-	-
Unrestricted Gift Day	-	22,752	-	-	-	22,752
	529,328	570,726	(453,549)	17,000	-	663,505
	Balance at 1 Jan 2017	Incoming Resources	Resources Expended	Capital Repayment	Revaluation Gains	Balance at 31 Dec 2017
Restricted Funds:						
Children	-	-	-	-	-	-
Youth	-	-	-	-	-	-
Flowers Revenue	435	669	(683)	-	-	421
Mission Specified	188	5,541	(5,015)	-	-	714
Family Relief	1,023	500	(1,315)	-	-	208
Property Development	13,906	7,588	-	(17,000)	-	4,494
SMB Groups	-	-	-	-	-	-
Uganda Field Trip	-	1,100	-	-	-	1,100
Regalia & Artefacts	-	-	-	-	-	-
Pastoral	3,354	-	(235)	-	-	3,119
South Sudan - Juba	4,388	2,625	(7,013)	-	-	-
Mercy Ministries	-	19,870	(5,153)	-	-	14,717
	23,294	37,893	(19,414)	(17,000)	-	24,773
Endowment Funds:						
Flower fund	18,902	-	-	-	1,706	20,608
Total Parish Funds	571,524	608,619	(472,963)	-	1,706	708,886

The £17,000 mortgage loan repayment out of a restricted fund is reflected as a transfer between funds as the mortgage loan is an unrestricted fund liability.

Designated Funds:**Fixed Asset Fund**

The fixed asset fund represents the net book value of property fixed assets less any secured loans. The transfer relates to adjustment for fixed asset additions and the mortgage repaid during the year.

Cantercare

A fund to receive donations pledged to Cantercare to sponsor a room. Out of funds received, the church provides gifts and pastoral care to the resident of the room with this fund.

2017 Unrestricted Gift Day

The PCC has resolved to designate 10% of the Unrestricted Gift Day donations, excluding the Gift Aid recoverable, for each of Mission Giving in 2018 and the Mercy Ministries.

Notes to the financial statements

For the year ending 31 December 2017

9. PARISH FUNDS (continued)

Restricted Funds:

Children

A fund to receive donations to support ministry to children.

Youth

A fund to receive donations to support ministry to young people.

Flowers Revenue

A fund to receive the interest from the Flower Endowment Fund. This is used to support the provision of flowers in the church.

Mission Specified

These funds are received from donors who specify the mission partner to whom the funds are to be given over the course of the financial year.

Family Relief

A fund available to the incumbent and churchwardens to provide support to members of the church family who experience financially difficult times.

Property Development

A fund containing money given for building projects and repayment of the associated mortgage loan. During the year, the sum of £17,000 was paid out of this fund to repay part of the loan to fund the Church redevelopment.

SMB Groups

A fund to receive donations by SMB groups for mission partners.

Uganda Field Trip

A fund to receive donations to support a team which will work with Jenga in Uganda in 2019.

Regalia & Artefacts

A fund to receive donations to purchase religious regalia and artefacts.

Pastoral

A fund to receive donations to support the pastoral activities of the church.

South Sudan - Juba

A fund to receive donations to support education work in Juba, South Sudan.

Mercy Ministries

A fund to receive donations to support the mercy ministries operated by the congregation: Christians Against Poverty, Make Lunch and Stop The Traffic.

10. FINANCIAL COMMITMENTS

There are no Financial Commitments at 31 December 2017 (2016: None).

11. EVENTS BEING CONSIDERED SUBSEQUENT TO THE YEAR END

The general condition of the Kendall Hall premises continues to cause some concern and significant repair costs may need to be met in the next 3 years.

The sound desk in the Church is now 11 years old and is nearing the end of its useful life. Consideration is being given to replacing this item of equipment at an estimated cost of £9,000.