

Report of the Trustees and
Financial Statements for the Year Ended 31st December 2018
for
St. Augustine PCC

Beak Kemmenoe
Chartered Accountants
1-3 Manor Road
Chatham
Kent
ME4 6AE

St. Augustine PCC

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for the year ended 31st December 2018

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St. Augustine PCC

Report of the Trustees for the year ended 31st December 2018

The PCC present their report with the financial statements of the charity for the year ended 31st December 2018. The PCC have adopted the provisions of the Statement of Recommended Practice (FRSSE) Accounting and Reporting by charities issued in January 2015, together with the Church Accounting Regulations 2006 (the Regulations) and Section 145 of the Charities Act 2011 (the 2011 Act).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1128481

Principal address

c/o St Augustine's Vicarage
Rock Avenue
Gillingham
Kent
ME7 5PW

Trustees

The trustees who served during the year were as follows:

Ex-Officio

Priest in charge:	Anthony Lane
Curate:	Nicky Rawlins (from September 2018)
Church Wardens:	Jenny Coe Sheila McSherry

Deanery Synod:	Marjorie Barry Peter Wareing
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Elected members

Elected 2016	Ken Wheeler-retires 2019 retired 2018.
Elected 2016	Trudie Rhodes-retires 2019
Elected 2017	Steven Dawson-retires 2020 resigned 2018.
Elected 2017	Tony Felmingham-retires 2020.
Elected 2017	Glen Jones-retires 2020.
Elected 2018	Tim Andrew-retires 2021.
Elected 2018	Susan Gray-retires 2021.
Elected 2018	Hugh Griffith-retires 2021.
Elected 2018	Patricia Griffith-retires 2021.
Elected 2018	Martin Harris-retires 2021.
Elected 2018	David Hodges-retires 2021.
Elected 2018	Lisa Malone-retires 2021 resigned 2018.
Elected 2018	Christine Hooper -Casual vacancy-retires 2020.

Co-opted members

Treasurer:	Martin Harris (elected 2018)
Secretary:	Caroline Bubb
Project Board Chair:	Andrew Gray (September 2018)

Independent examiner

Natalie Harrison ACA FCCA CTA TEP
Beak Kemmenoe
Chartered Accountants
1-3 Manor Road
Chatham
Kent
ME4 6AE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

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

Induction and training of new trustees

All new members of the PCC are properly mentored by serving members and are advised of their duties and responsibilities.

Organisational structure

Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. The PCC meets at least every 2 months and has 17 members.

The overall structure of the organisation consists of the PCC and Standing Committee as statutory requirements, an Operations Committee, looking at issues around building, property and maintenance, and a Pastoral Committee looking at both the interior life of the Church community and its mission. A group responsible for Finance will continue to advise the Standing Committee and other groups and working parties will be brought into being to deal with issues as they arise.

The PCC operates through a number of committees. These are:

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 to it by the Church.

Pastoral Committee

The committee meets every 2 months to consider matters relating to the interior life of the Church community including some aspects of worship, teaching, music, the care of young people, social events and the ministry of welcome practiced by the Church.

Operations Committee

This committee meets every 2 months and is responsible for the day to day running of Church life along with having an overview on aspects such as communication, logistics, catering, finance, HR and outreach.

Deanery Synod

In terms of church governance, St. Augustine's falls under the Deanery of Gillingham. Membership of the Deanery Synod consists of 2 elected members and the Priest-in-Charge. The Priest-in-Charge also serves as an elected member of the Rochester Diocesan Synod.

Treasurer

The Treasurer is responsible for monitoring the income and expenditure of the Church and its accounts.

Related parties

There were no related party transactions during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The PCC have a duty to identify and review the risks to which the church is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Council have in place a Child and Vulnerable Adult Protection Policy, a Policy on the Recruitment of Ex-Offenders, a set of financial procedures and a Health and Safety Policy.

The PCC has complied with the duty under Section 5 of the Safeguarding and Clergy Discipline Measures Act 2016 to have due regard to the House of Bishops' guidance on safeguarding children and vulnerable adults. The PCC appoint Officers to deal with the requirements of the Disclosure and Barring Service, Child and Vulnerable Adult Protection.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The PCC has the responsibility of co-operating with the Vicar in promoting in the ecclesiastical parish the whole mission of the Church. It also has the responsibility to maintain the Church buildings and surrounding grounds and buildings.

Significant activities

When planning activities the Vicar and PCC consider the Commissions' guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

The PCC is committed to enabling as many people as possible to worship at the Church and to become part of our parish community. The services reflect this through prayer, Bible readings, worship and sacrament.

Grantmaking

The PCC continues to make institutional grants at their discretion. The PCC recognise the need for financial prudence and do not intend making institutional grants in the foreseeable future but have encouraged charities to come and speak on Sunday mornings and for church members to contribute as they wish over and above their church giving.

Public benefit

The PCC is continuing to reach out to those within the community and offering help, especially of a pastoral nature. This is achieved through:

Worship and prayer, learning about the Bible and developing a knowledge and trust in Jesus.

Provision of pastoral care for people living in the parish.

Missionary and outreach work, including gathering proposals for future work. In 2018 a Project

Board Committee was established and appointed by the PCC to overview the sale of the Shaw

Memorial Hall and redevelop the Church building to form a community hub.

Volunteers

Members of the PCC act in a voluntary capacity and very much rely on the assistance outside of Council. It has not been possible to quantify the value of volunteers.

ACHIEVEMENT AND PERFORMANCE

There are 115 names on the electoral roll, 90 of whom reside in the parish. Church attendance has remained steady with a modest increase throughout the year. 155 people attended church on Easter Eve and Easter Day. 247 people attended on Christmas Eve and Christmas Day.

The PCC held 6 regular meetings during the year and 3 extraordinary meetings.

FINANCIAL REVIEW

Reserves policy

It is the policy of the PCC to maintain sufficient reserves to meet its financial commitments as and when they fall due, at the same time maintaining restricted funds to ensure all necessary repairs are carried out with due expediency.

St. Augustine PCC
Report of the Trustees
for the year ended 31st December 2018

FINANCIAL REVIEW

Principal funding sources

The principal source of income is rent receivable and planned giving. The PCC are disappointed to report a substantial decrease in income from planned giving of £11,233.

Rental income increased by £2,058

Income from plate collections fell by £4,036.

FUTURE DEVELOPMENTS

The Independent Examiner considered the need for a going concern qualification in her report for the year ended 31 December 2016. The Diocese agreed to reduce the Parish Share to £10,000 for 2017. The PCC was able to pay an additional £5,000 in that year making a total of £15,000. The PCC paid £15,000 in 2018.

The financial results over the last 2 years have been very encouraging, turning a deficit of £35,947 in 2016 to a surplus in 2017 and 2018 of £27,488 and £9,232 respectively. The large surplus in 2017 was mainly due to the gift aid claim of nearly £18,000 which had fallen into arrears. In 2018 the PCC was able to settle historical utility bills, meter readings are now being submitted monthly to avoid any reoccurrence of these arrears. Once these anomalies have been discounted the results for 2017 and 2018 remain static. However, the reduction in the Parish Share was essential to the financial viability of the PCC.

In 2018 the Diocese introduced a new formula for calculating the Parish Share. Over the next 3 years the PCC has been asked to pay £27,640, £40,281 and £52,923 in 2019, 2020 and 2021 respectively. Whilst the 2019 Parish Share is feasible those for 2020 and 2021 present a major problem. The PCC consider that they can only afford half a stipend in the future and are working with St. Barnabas and St. Mary Magdalene to provide ongoing priestly ministry to reduce overhead costs. A concerted effort with fundraising is essential to pay the increased Parish Share but by taking the decision to share a priest when the present incumbent retires we are effectively capping the Parish Share.

The future of the Church looks brighter than in 2016. The PCC has continued to work with the Priest-in-Charge in pursuing a future development of the church building to take the form of a community hub as well as a place of worship. Funding would have to come from the sale of the Shaw Memorial Hall with the possibility of match funding. In 2018 the PCC set up a Project Board to oversee the proposals and significant headway has been made on the plans with positive feedback from community bodies in the Gillingham and Diocese of Rochester areas. In the long run the PCC hope this scheme will ensure the future of the parish church with increased footfall and income source from modern facilities.

Approved by order of the board of trustees on 23rd April 2019 and signed on its behalf by:

Rev A K Lane - Trustee

Statement of Trustees Responsibilities
for the year ended 31st December 2018

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 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.

I report on the accounts for the year ended 31st December 2018, which are set out on pages seven to twelve.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

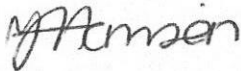
I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.



Natalie Harrison ACA FCCA CTA TEP
Beak Kemmenoe
Chartered Accountants
1-3 Manor Road
Chatham
Kent
ME4 6AE

23rd April 2019

St. Augustine PCC

Statement of Financial Activities
for the year ended 31st December 2018

	Notes	Unrestricted funds £	Restricted fund £	2018 Total funds £	2017 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		36,519	-	36,519	49,730
Activities for generating funds	2	30,138	-	30,138	29,190
Incoming resources from charitable activities					
Church activities		6,262	-	6,262	6,603
Other incoming resources		268	-	268	130
Total incoming resources		73,187	-	73,187	85,653
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs		133	-	133	338
Charitable activities					
Support costs		7,958	-	7,958	9,281
Church activities		54,470	-	54,470	47,119
Governance costs		720	-	720	780
Other resources expended		674	-	674	647
Total resources expended		63,955	-	63,955	58,165
NET INCOMING RESOURCES BEFORE TRANSFERS					
		9,232	-	9,232	27,488
Gross transfers between funds	7	(10,592)	10,592	-	-
Net incoming/(outgoing) resources		(1,360)	10,592	9,232	27,488
RECONCILIATION OF FUNDS					
Total funds brought forward		211,787	21,762	233,549	206,061
TOTAL FUNDS CARRIED FORWARD		210,427	32,354	242,781	233,549

The notes form part of these financial statements

St. Augustine PCC
Balance Sheet
At 31st December 2018

	Notes	Unrestricted funds £	Restricted fund £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	4	139,160	-	139,160	144,338
CURRENT ASSETS					
Debtors	5	4,146	-	4,146	5,068
Cash at bank		67,841	32,354	100,195	84,743
		<u>71,987</u>	<u>32,354</u>	<u>104,341</u>	<u>89,811</u>
CREDITORS					
Amounts falling due within one year	6	(720)	-	(720)	(600)
NET CURRENT ASSETS		<u>71,267</u>	<u>32,354</u>	<u>103,621</u>	<u>89,211</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>210,427</u>	<u>32,354</u>	<u>242,781</u>	<u>233,549</u>
NET ASSETS		<u>210,427</u>	<u>32,354</u>	<u>242,781</u>	<u>233,549</u>
FUNDS	7				
Unrestricted funds				210,427	211,787
Restricted funds				<u>32,354</u>	<u>21,762</u>
TOTAL FUNDS				<u>242,781</u>	<u>233,549</u>

The financial statements were approved by the Board of Trustees on 23rd April 2019 and were signed on its behalf by:

Rev A K Lane -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

2. ACTIVITIES FOR GENERATING FUNDS

	2018	2017
	£	£
Fundraising events	4,731	4,235
Rent receivable	21,884	19,826
Jumble sales	2,450	3,671
Centenary	5	135
100 Club	536	805
Votive candles	532	518
	<u>30,138</u>	<u>29,190</u>

Notes to the Financial Statements - continued
for the year ended 31st December 2018**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2018 nor for the year ended 31st December 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2018 nor for the year ended 31st December 2017.

4. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1st January 2018 and 31st December 2018	<u>257,500</u>	<u>9,036</u>	<u>266,536</u>
DEPRECIATION			
At 1st January 2018	113,300	8,898	122,198
Charge for year	<u>5,150</u>	<u>28</u>	<u>5,178</u>
At 31st December 2018	<u>118,450</u>	<u>8,926</u>	<u>127,376</u>
NET BOOK VALUE			
At 31st December 2018	<u>139,050</u>	<u>110</u>	<u>139,160</u>
At 31st December 2017	<u>144,200</u>	<u>138</u>	<u>144,338</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	<u>4,146</u>	<u>5,068</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other creditors	<u>720</u>	<u>600</u>

Notes to the Financial Statements - continued
for the year ended 31st December 2018**7. MOVEMENT IN FUNDS**

	At 1.1.18 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
Unrestricted funds				
General fund	211,787	9,232	(10,592)	210,427
Restricted funds				
Church repair fund	21,762	-	10,592	32,354
TOTAL FUNDS	<u>233,549</u>	<u>9,232</u>	<u>-</u>	<u>242,781</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	73,187	(63,955)	9,232
TOTAL FUNDS	<u>73,187</u>	<u>(63,955)</u>	<u>9,232</u>

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.17 £
Unrestricted Funds				
General fund	196,030	27,488	(11,731)	211,787
Restricted Funds				
Church repair fund	10,031	-	11,731	21,762
TOTAL FUNDS	<u>206,061</u>	<u>27,488</u>	<u>-</u>	<u>233,549</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	85,653	(58,165)	27,488
TOTAL FUNDS	<u>85,653</u>	<u>(58,165)</u>	<u>27,488</u>

Notes to the Financial Statements - continued
for the year ended 31st December 2018

7. **MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
Unrestricted funds				
General fund	196,030	36,720	(22,323)	210,427
Restricted funds				
Church repair fund	10,031	-	22,323	32,354
TOTAL FUNDS	<u>206,061</u>	<u>36,720</u>	<u>-</u>	<u>242,781</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	158,840	(122,120)	36,720
TOTAL FUNDS	<u>158,840</u>	<u>(122,120)</u>	<u>36,720</u>

St. Augustine PCC

Detailed Statement of Financial Activities
for the year ended 31st December 2018

	2018 £	2017 £
INCOMING RESOURCES		
Voluntary income		
Donations	1,374	2,549
Gift aid	20,803	32,036
Collections	11,082	15,145
Survey project	3,260	-
	<u>36,519</u>	<u>49,730</u>
Activities for generating funds		
Fundraising events	4,731	4,235
Rent receivable	21,884	19,826
Jumble sales	2,450	3,671
Centenary	5	135
100 Club	536	805
Votive candles	532	518
	<u>30,138</u>	<u>29,190</u>
Incoming resources from charitable activities		
Fees	5,500	4,372
Magazines	691	2,123
Bookstall	71	108
	<u>6,262</u>	<u>6,603</u>
Other incoming resources		
Interest receivable	268	130
	<u>73,187</u>	<u>85,653</u>
Total incoming resources		
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Fundraising costs	133	338
Charitable activities		
Books etc.	18	88
Church hall light and heat	4,033	2,141
Insurance	4,951	4,863
Light and heat	3,306	69
Church hall repairs	5,958	881
Repairs and renewals	2,275	6,064
Wages	6,560	5,787
Grants	582	809
Carried forward	27,683	20,702

This page does not form part of the statutory financial statements

St. Augustine PCC

Detailed Statement of Financial Activities
for the year ended 31st December 2018

	2018 £	2017 £
Charitable activities		
Brought forward	27,683	20,702
Parish share	15,000	15,000
Church running costs	2,758	1,947
Sanctuary	1,018	2,030
Vicarage expenses	2,935	3,073
Clergy expenses	1,210	959
Music	392	737
Church hall insurance	1,587	1,505
Church hall consumables	1,732	1,166
	<u>54,315</u>	<u>47,119</u>
Other resources expended		
Security	674	647
Support costs		
Management		
Telephone	517	1,142
Postage and stationery	2,263	2,679
Payroll costs	155	276
Freehold property	5,150	5,150
Fixtures and fittings	28	34
	<u>8,113</u>	<u>9,281</u>
Finance		
Independent examiners fees	720	780
	<u>720</u>	<u>780</u>
Total resources expended	<u>63,955</u>	<u>58,165</u>
Net income	<u>9,232</u>	<u>27,488</u>

This page does not form part of the statutory financial statements