

**St. Mary's Church, Leigh**

**Annual Report  
and  
Financial Statements  
of the  
Parochial Church Council**

**for the year ended 31 December 2018**

***Approved by the PCC 18 March 2019***

**Incumbent:**

The Revd. Lionel Kevis  
The Vicarage  
Leigh

**Bank:**

Santander Bank  
Bootle  
Merseyside

**Independent Examiner:**

Mr. Robert Blundell FCA  
4 Birchwood Avenue,  
Southborough,  
Kent.

**Registered Charity No. 1133968**

## **St. Mary's Church, Leigh - Annual Report 2018**

### **Administrative Information**

St. Mary's Church and the surrounding churchyard are situated in a prominent position overlooking the village green and school. It is accessed via paths from both Hildenborough Road and The High Street. It is part of the Tonbridge Deanery and the Diocese of Rochester. Its correspondence address is The Vicarage, The Green, Leigh, Tonbridge, Kent TN11 8QJ.

Members of the Parochial Church Council are either ex-officio, elected by the Annual Parochial Church Meeting (APCM) or co-opted in accordance with the Church Representation Rules. Since 1 January 2018 until the date this report was approved, the following have served as members of the PCC.

<b><i>Vicar (ex officio):</i></b>	<b>The Revd. Lionel Kevis (Chairman)</b>
<b><i>Churchwarden (ex officio):</i></b>	<b>Mr Andrew McClintock</b>
<b><i>Ex officio:</i></b>	<b>Miss Jane Withers (Reader)</b>
<b><i>Deanery Synod (ex-officio):</i></b>	<b>Mrs Julie Porter</b>
<b><i>(to serve until APCM 2019):</i></b>	<b>Mrs Julie Baggott</b>
	<b>Mr Geoff Dalby</b>
	<b>Mr Kelly Wheble</b>
<b><i>(to serve until APCM 2020):</i></b>	<b>Mr James Irving</b>
	<b>Mrs Rachel Littlejohn</b>
<b><i>(to serve until APCM 2021):</i></b>	<b>Mr Graham Cook (Treasurer)</b>
	<b>Mr Richard Nevard</b>
	<b>Mr Ian Vincent</b>
<b><i>Co-opted Members:</i></b>	<b>Miss Rachel Glenney</b>

The Youth and Families Minister, Mr. David Bennie, was invited to attend all meetings of the PCC. Mrs. Lisa Srotyr also attended meetings of the PCC and the Standing Committee in her capacity of PCC Secretary. Both Mr. Bennie and Mrs. Srotyr retired from meetings when matters relating to their employment were discussed.

### ***Structure, governance and management***

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, as a result, are entitled to vote at the APCM and stand for election to the PCC.

The PCC has a Standing Committee, which is empowered to transact the normal business of the PCC between its meetings, subject to any directions given by the Council. The Standing Committee comprises the Vicar, the Churchwarden, and up to two other members of the PCC (currently, Mr. G. Dalby).

The parish donates to missions, relief agencies and other charities based outside of the parish (see note 10 to the accounts), referred to as Away Giving. The beneficiaries are decided by the PCC following a nomination and voting process incorporated into the regular PCC meetings.

## **Objectives and activities**

St. Mary's PCC has the responsibility of co-operating with the Vicar to promote the whole mission of the Church in the ecclesiastical parish - pastoral, evangelistic, social and ecumenical. It is responsible for the maintenance of the Church of St. Mary the Virgin, Leigh, the attached Genner Rooms and the surrounding churchyard.

### **Church membership and attendance:**

	<b>2018</b>	<b>2017</b>
Number on electoral roll	104	107
- number on roll not resident in parish	8	21
Usual Sunday attendance - adults	51	65
- under the age of 16	8	8
Easter attendance	144	156
Christmas attendance	451	471
Baptisms	8	7
Weddings/ blessings	8	6
Funerals in church	3	2

### **Review of the year**

The full PCC met formally six times during the year. The attendance record of PCC Members was 86% (70% in 2017). The Standing Committee met between each meeting of the PCC to conduct routine business. Mrs. Lisa Srotyr continued to be a great asset to the PCC in her capacity as Secretary, a role for which she is remunerated on a monthly basis.

The PCC continued to use strategic objectives to reflect Jesus's Great Commission (Matthew 28 v10) 'Go therefore and make disciples of all nations' as follows:

- (i) To bring others to Christ through outreach in the community;
- (ii) To continue to develop the youth and young families programme;
- (iii) To gain greater commitment from all church members to give time voluntarily to helping the community and God's work in the village.

Our vision for the parish remains constant and is summarised by the line at the top of every pew sheet on Sundays:

**We are a warm friendly, Christ centred community that welcomes your company and offers support.**

David Bennie's work with Craft Zone provides an excellent outreach to our younger villagers (and their parents). Junior Church flourishes well on Sundays. David's work continues with our support in the Gambia and each week, David and the Vicar take Tuesday's assemblies at Leigh Primary school.

Services have broadly followed the established pattern. The monthly Family Services (2<sup>nd</sup> and 4<sup>th</sup> Sundays) continue to provide a popular contrast to other more formal liturgies. The 'Service on the Green' was again held in early September and proved popular with a wide range of attendees.

The four House Groups continue to meet on a regular basis and provide their members with the opportunity to explore deeper aspects of their faith together with a fifth group now meeting on Thursday mornings between 10.30am and 11.30am. Attendance at Remembrance Sunday continues to be strong and attracted over 200 people in 2018, with another 100 people at the War Memorial.

The magazine has continued to provide a wide coverage of village activities and topical information and is welcomed by a readership beyond the recognised church membership. The church printing unit also provides limited printing services outside of the Parish, which covers the magazine production costs and makes a contribution to church funds. The PCC is extremely grateful to the team of dedicated volunteers who undertake this work.

The Archdeacon, The Ven. Julie Conalty visited St. Mary's with the news that there will be a re-ordering of the rural parishes in the Tonbridge Deanery. After my retirement (which is not imminent although I am 63) St. Mary's Leigh will not have a resident priest. This is unwelcome news, but only to be expected against the background of falling clergy numbers and declining rural population. Let us plan and pray for positive steps forward.

### ***Safeguarding***

The PCC has complied with this duty as outlined in 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).

### ***Financial Review***

Balance Sheet position (p4). As in prior years, the Church is fortunate to have a strong balance sheet with Net Assets of £608,555 as at 31 December 2018. This is mainly represented by Investments and cash resources. The Net Assets value as at 31 December 2017 was £658,502 and the resulting fall in value in the year of £50,247 is explained immediately below.

SOFA position (p5). In 2018, unfortunately there was a net deficit (costs in excess of income) for the year of £50,247. The net deficit includes a substantial loss of £37,766 on the carrying value of its Investments (due to the market valuation of the underlying holdings) and depreciation of printer of £3,173, which are both 'non-cash' items. In relation to one off items, on the Income side, the net deficit also includes an extremely generous second bequest from the late Hilda Overy of £36,000, for which the PCC is extremely grateful. One off items on the Cost side are the major repairs of £15,468 as detailed in note 9 to these Financial Statements. When stripping out these non-cash and one-off items, an 'operating cash deficit' of £29,840 is relevant. This is comparable to the same amount reported for 2017. This is not sustainable but is in line with the PCC's revised Investment Policy to fund this recurring annual deficit from Unrestricted Reserves over the long term (20 years)0.

### ***Thank you***

We remain immensely grateful to all those who contribute to the running and upkeep of our Church, and givers old and new.

**Lionel Kevis, Vicar**

### Balance Sheet as at 31st December 2018

	Notes	2018		2017	
		£	£	£	£
<b>FIXED ASSETS</b>					
Land & Buildings	12	0			
Fixtures, fittings and equipment		9,517		12,690	
Investments	12	518,802		556,568	
			<b>528,319</b>		<b>569,258</b>
<b>CURRENT ASSETS</b>					
Stock		1,009		695	
Debtors	13	8,219		10,676	
Central Board of Finance Deposit Account		58,530		2,000	
Church Repair Fund (Rochester Diocese)		6,350		12,388	
Current Account (Santander Bank)		11,276		68,920	
		<b>85,384</b>		<b>94,679</b>	
<b>LIABILITIES</b>					
Creditors (amounts falling due <b>within one year</b> )	14	5,148		5,435	
<b>NET CURRENT ASSETS</b>			<b>80,236</b>		<b>89,244</b>
			<b>608,555</b>		<b>658,502</b>
Creditors (amounts falling due <b>after one year</b> )			0		0
<b>TOTAL NET ASSETS</b>			<b>608,555</b>		<b>658,502</b>
<b>FUNDS</b>					
<b>Unrestricted funds</b>					
General Fund	15	581,175		627,560	
Memorial Wall Fund	15	15,753		15,259	
Church Repair Fund	15	6,350		12,388	
			<b>603,278</b>		<b>655,207</b>
<b>Restricted Funds</b>					
Friends of St. Mary's	15		5,277		3,595
<b>TOTAL FUNDS</b>			<b>608,555</b>		<b>658,802</b>
Approved on behalf of the PCC					
L.W.G. Kevis	8/4/19				
Rev. Lionel Kevis, Vicar	Graham Cook FCA, Treasurer				

**Statement of Financial Activities (SOFA) for the year ended 31 December 2018**

	Notes	Unrestricted Fund (General)	Designated Funds (Memorial Wall) (Church Repair)	Restricted Fund (Friends of St. Mary's)	TOTAL FUNDS	
					2018	2017
<b>INCOMING RESOURCES</b>						
Voluntary income	2(a)	81,898		1,682	83,580	92,500
Activities for generating income	2(b)	13,787	494		14,281	20,405
Income from investments	2(c)	23,117	106		23,223	23,696
Income from church activities	2(d)	4,632			4,632	5,687
Other incoming resources	2(e)				0	0
<b>TOTAL INCOMING RESOURCES</b>		123,434	600	1,682	125,716	142,288
<b>RESOURCES EXPENDED</b>						
Church activities	3(a)	130,752			130,752	115,139
Cost of generating voluntary income	3(b)	0			0	0
Fundraising costs	3(c)	4,341			4,341	5,218
Other resources expended	3(d)	3,104			3,104	3,580
<b>TOTAL RESOURCES EXPENDED</b>		138,197	0	0	138,197	123,937
<b>NET INCOMING RESOURCES BEFORE OTHER GAINS AND LOSSES</b>		-14,763	600	1,682	-12,481	18,351
<b>GAINS/LOSSES ON INVESTMENT ASSETS</b>						
- realised					0	41
- unrealised		-37,766			-37,766	32,607
<b>TRANSFERS BETWEEN FUNDS</b>		6,144	-6,144		0	0
<b>NET MOVEMENT IN FUNDS</b>		-46,385	-5,544	1,682	-50,247	50,999
<b>Balances b/f: 1 January 2018</b>		627,560	27,647	3,595	658,802	607,803
<b>Balances c/f: 31 December 2018</b>		581,175	22,103	5,277	608,555	658,802

## **Notes to the Financial Statements for the year ended 31 December 2018**

### **1. ACCOUNTING POLICIES**

The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standard and the SORP 2005. They have been prepared under the historical cost convention except for the valuation of investment assets, the values of which have been calculated using selling prices at the end of the year, in accordance with Diocesan accounting policy. 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 main affiliation to another body, nor those that are informal gatherings of church members. All accounts are shown to the nearest pound, which may give rise to rounding errors in summation.

#### **Funds**

*Unrestricted funds* are general funds which can be used for ordinary purposes, as the PCC chooses.

*Designated funds* are unrestricted funds set aside by the PCC for specific purposes. Funds so designated may be re-designated by the PCC as designation does not restrict the use of these funds. There are two designated funds:

*The Memorial Wall Fund* is for the periodic extension, modification and maintenance of the Memorial Wall on the northern boundary of the churchyard.

*The Church Repair Fund* is held by the Diocese on behalf of the PCC. It is part of a larger fund comprising contributions from most parishes in the Diocese to cover the costs of work arising from the Quinquennial inspection. Parishes may withdraw their deposits from the Fund at any time for whatever purpose.

*Restricted funds* represent (a) money received from trusts and endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants raised for a specific object. The funds may only be expended on the specific objects for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not invest separately for each fund and interest is apportioned to individual funds on the average balance basis.

*The Genner Trust* holds the unspent balance of Winifred Genner's bequest; this is technically a restricted fund which, at Miss Genner's request, may be spent only for the general purposes of St Mary's Church, Leigh. In 2012 PCC decided, with the written support of the Diocese, to merge this fund with the General Fund.

*The Friends of St. Mary's Fund* was established late in 2013 to hold donations given by those in the village who choose not to worship in the church or to engage in its spiritual life, but value the church's presence in the community.

*Endowment funds* are funds, the capital of which must be maintained. The PCC no longer has any Endowment Fund.

#### **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. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends and interest on invested income are accounted for when due. Realised gains and losses are accounted for on revaluation of investments each year on 31 December. Trading income is recognised when it is invoiced. Funds raised by the annual fete and other social activities are accounted for net since the costs involved are not material. All income and costs relating to the production of the magazine are accounted for gross.

#### **Resources Expended**

Grants and donations are accounted for when paid over or, where an award creates a binding or constructive obligation on the PCC, when awarded. All other expenditure is generally recognised when it is incurred and is accounted for gross (except where the amounts are not material).

#### **Fixed Assets and Depreciation**

Consecrated and beneficed property is not included in the accounts in accordance with s.96(2) of the Charities Act 1993. Moveable church furnishings, which are held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal, are inalienable property and are listed in the church's inventory which is available for inspection. All expenditure incurred during the year on consecrated or beneficed property, whether maintenance or improvements, is written off. Individual items purchased for £5,000 or less are written off in the period in which the asset is acquired. The only item which exceeds this value is the printer which was purchased in 2017 and which is being written down in equal instalments over a period of four years, starting in 2018.



**Notes on Financial Statements for the year ended 31 December 2018**

	Notes	Unrestricted Fund (General)	Designated Funds (Memorial Wall) (Church Repair)	Restricted Fund (Friends of St. Mary's)	TOTAL FUNDS	
					2018	2017
<b>2. INCOMING RESOURCES</b>						
<b>2(a) Voluntary Income</b>						
Planned Giving: Gift Aided		24,361			24,361	25,427
CAF		4,417			4,417	3,538
Other		701			701	890
Collections		6,112			6,112	4,614
Sundry donations: Gift Aided		86		1,387	1,473	2,447
Other		1,295			1,295	2,434
Income Tax Recoverable		6,956		295	7,251	5,552
Grants	4	1,600			1,600	1,600
Legacies		36,370			36,370	46,000
<b>2(b) Activities for generating funds</b>						
Printing Income	8	3,258			3,258	7,574
Magazine (sales and advertising)	8	7,464			7,464	6,653
Fund raising - social events	7	3,065			3,065	4,030
Memorial Wall			494		494	2,148
<b>2(c) Income from Investments</b>		23,117	106		23,223	23,696
<b>2(d) Income from church activities</b>						
Fees		4,632			4,632	5,687
<b>TOTAL INCOMING RESOURCES</b>		<b>123,434</b>	<b>600</b>	<b>1,682</b>	<b>125,716</b>	<b>142,288</b>
<b>3. RESOURCES EXPENDED</b>						
<b>3(a) Church activities</b>						
Mission giving and donations	10	4,220			4,220	5,250
Ministry costs	6	60,811			60,811	58,290
Youth and Families Ministry	5	27,821			27,821	25,768
Other training costs		0			0	44
Church running and maintenance		16,546			16,546	13,743
Major repairs	9	15,468			15,468	5,734
Depreciation of printer		3,173			3,173	1,950
Churchyard upkeep		2,448			2,448	4,370
Genner Room		265			265	0
<b>3(b) Generation of voluntary income</b>						
Stewardship costs		0			0	0
<b>3(c) Fundraising costs</b>						
Magazine and printing costs	8	4,341			4,341	5,218
<b>3(d) Other resources expended</b>						
PCC secretarial costs		1,870			1,870	1,860
Other miscellaneous admin. costs		1,234			1,234	1,720
<b>TOTAL RESOURCES EXPENDED</b>		<b>138,197</b>	<b>0</b>	<b>0</b>	<b>138,197</b>	<b>123,937</b>



	2018	2017
<b>4. GRANTS</b>		
Crandall Trust (for youth work)	1,300	1,300
Leigh Parish Council (for Leigh Directory)	300	300
	1,600	1,600
<b>5. STAFF COSTS</b>		
Net Salary, National Insurance and Pension contributions	25,849	24,357
Expenses and training costs	1,972	1,401
	27,821	25,758
<b>6. MINISTRY COSTS</b>		
Diocesan Share (including Stipend)	54,070	51,990
Incumbent Expenses	1,994	1,846
Vicarage Expenses	4,577	4,339
Visiting Clergy	170	115
	60,811	58,290
<b>7. FUND RAISING</b>		
Summer Fete	2,424	3,237
Festivals (Tenebrae and Harvest Supper)	17	76
Superstars	0	137
Sponsored Bike Ride	86	93
Coffee Stop	150	150
Penshurst Car Parking	388	337
	3,065	4,030
<b>8. MAGAZINE AND THIRD PARTY PRINTING</b>		
Sales Revenue	2,155	2,200
Advertising Revenue	5,309	4,453
Third Party Printing Income	3,258	7,574
<b>Total Income</b>	10,722	14,227
<b>less: Production and Distribution Expenses</b>	(4,341)	(5,218)
	6,381	9,009
<b>9. MAJOR REPAIRS</b>		
Maintenance and refurbishment of church bells	0	3,712
Electrical works	0	2,022
Churchyard path	4,374	0
Quinquennial inspection works	8,544	0
Replacement of Genner Rooms kitchen (net of insurance receipt)	2,550	0
	15,468	5,734

<b>10. CHARITABLE DONATIONS</b>		<b>2018</b>	<b>2017</b>
The PCC maintains a policy of giving a minimum of 10% of its donated income (excluding restricted income) to missions and charities, with particular emphasis given to those which operate from a Christian base.			
<b>Overseas Missionary Societies</b>			
Oasis International		0	200
<b>Overseas Relief and Development Agencies</b>			
DEC East Africa Appeal		0	500
Gambia Projects Overseas		1,400	1,400
<b>Home Missions &amp; other Church Organisations</b>			
West Kent Debt Advisory		0	1,400
Friends of Rochester Cathedral		10	10
Friends of Kent Churches		10	10
Tonbridge Sunday Fun Day		0	30
The Langley Trust		1,400	100
The Bishop of Rochester		0	50
The Bible Society		0	0
<b>Secular Charitable Organisations</b>			
Tunbridge Wells Street Teams		0	0
The Bridge Trust		1,400	0
Family Matters UK		0	150
The Childrens' Workshop		0	1,400
<b>TOTAL</b>		<b>4,220</b>	<b>5,250</b>
In addition to the PCC's allocation to Away Giving, £750 (£493 in 2017) was donated to the Earl Haig Fund, being the cash collection on Remembrance Sunday.			
<b>11. PAYMENTS TO PCC MEMBERS AND RELATED PARTIES</b>			
Members of the PCC may act as agents of the PCC and make minor routine purchases or incur expenditure on its behalf for which they are reimbursed. During 2018 this amounted to £1,304 (£1,187 in 2017). The PCC ensures that all transactions with related parties are kept "at arm's length" and relate to the activity of the Church.			

<b>12. FIXED ASSETS</b>			
<b>(a) Tangible Assets</b>			
Since the Genner Rooms are constructed on consecrated land as a physical addition to the Church building, they are not considered to be a parish asset. The Church complex is insured with the Ecclesiastical Insurance Group for £7.8m.			
<b>(b) Investments</b>			
M & G Charifund - a 'fixed interest fund' managed by M & G Securities specifically for use by charities managing their own funds	<b>No. of Units</b>	<b>Value 2018 £</b>	<b>Value 2017 £</b>
	12,796	182,218	210,198
M & G Charibond - an equity investment fund managed by M & G Securities specifically for use by charities managing their own funds	44,119	53,883	55,978
CBF Investment Fund - a highly diversified fund incorporating both equities and bonds managed by the Central Board of Finance of the Church of England	9,822	155,961	162,436
CBF Property Fund - specialising in commercial and industrial equities and managed by the Central Board of Finance of the Church of England	55,263	77,059	74,937
CBF Global Equity Fund - a wide ranging investment fund incorporating equities around the world managed by the Central Board of Finance of the Church of England	28,485	49,681	53,019
<b>TOTAL INVESTMENTS</b>		518,802	556,568

<b>13. DEBTORS</b>	<b>£</b>
HMRC (estimated Gift Aid rebate receivable)	6,435.00
Sundry debtors	1,784.00
<b>TOTAL</b>	<b>8,219.00</b>

<b>14. LIABILITIES</b>	<b>£</b>
Away Giving	4,200.00
Sundry Creditors	948.00
	<b>5,148.00</b>

<b>15. FUNDS</b>				
	<b>Unrestricted</b>	<b>Designated</b>		<b>Restricted</b>
	<b>General Fund</b>	<b>Memorial Wall</b>	<b>Church Repair</b>	<b>Friends of St. Mary's</b>
Balance as at 1st January 2018	627,560	15,259	12,388	3,595
Net Incoming/Outgoing	-14,763	494	106	1,682
Transfers (see below)	6,144	0	-6,144	0
Investment Gains	-37,766	0	0	0
Balance as at 31st December 2018	581,175	15,753	6,350	5,277

As in previous years, the sum of £2,400 was transferred to the Church Repair Fund to address works which might arise from future Quinquennial inspections. During 2018 a Quinquennial inspection was undertaken resulting in works costing £8,544 being incurred (see note 9 Major Repairs). This was reclaimed from the Repair Fund and is included in Transfer row above.



## **Independent Examiner's Report to the PCC of St Mary's Church, Leigh**

This report on the financial statements of the PCC for the year ended 31 December 2018, which are set out on pages 4 to 10, is in respect of an examination carried in accordance with s.145 of the Charities Act 2011 ('the Act').

### **Respective responsibilities of the examiner**

As the members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Act does not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Act.

### **Basis of this report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners under section 145(5)(b) of the Act. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the financial statements 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 I do not express an audit opinion on the view given by the accounts.

### **Independent examiner's statement**

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

- (1) which gives reasonable cause to believe that, in any material respect, the requirements (a) to keep accounting records in accordance with Act and (b) to prepare accounts which accord with the accounting records and comply with the requirements of the 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.



**Mr Robert Blundell FCA  
4 Birchwood Avenue  
Southborough  
Kent**

**Date:** 2/4/19

