

**The Parochial Church Council
of the Ecclesiastical Parish
of St. Stephen, Tonbridge**

Charity no 1132563

Annual Report and Financial Statements

Year ended 31st December 2016

Approved by the PCC at its meeting on 20th March 2017

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ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

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Reference and administrative information

Incumbent: The Reverend M. Barker
The Vicarage, 6 Brook Street, Tonbridge, Kent

Principal office: 35 Waterloo Road, Tonbridge, Kent

Independent examiner: David Stephens FCCA
13 Newlands Road, Tunbridge Wells, Kent

Bank: CAF Bank Ltd
25 Kings Hill Avenue, Kings Hill, West Malling, Kent

Membership:

During the year the following served as members of the PCC:

Ex-officio

Incumbent and Chairman:	The Revd Mark Barker
Associate Vicar:	The Revd Miriam Barker
	The Revd Eric Hornbuckle (from March)
	The Revd John Perkins
	The Revd Sheila Perkins
Curate:	The Revd Dennis Woodward (from September)
Wardens:	Mr Graeme Warwood (to April)
	Mr Douglas Spickernell (from April)
	Mrs Lynn Hams
Deanery Synod Members:	Mr Dave Wilson
	Mrs Wendy Fenn (to April)
	Mrs Carol Wake
	Mrs Edith Wills

Elected members

Elected Lay Representatives:

Up to APCM 2016

Mrs Sue Barritt
Mr Malcolm Maclean
Mr Douglas Spickernell

Whole year

Mrs Melanie Bedford
Mrs Cathi Fredricks
Mrs Glynis Hubble
Mr James Knowles
Mr Matt Lake
Mr Ian Milton
Mr Jonathan Rodgers
Mr Jan Smith
Mrs Ann Wills

From APCM 2016

Mr Daniel Lanstone
Miss Linda Harrington

Co-opted members:

Mr Zachary Ramsden (Treasurer)

Also in attendance:

Mrs Sarah Brown (Children & Families Pastor - from September)
Mrs Pat Hicks (Minute Secretary - until November)
Mrs Isabel Plimmer (PCC Secretary)
Mrs Rachael Plowman (Minute Secretary - from November)

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Structure, governance and management

The PCC is a charity which was excepted from registration under Statutory Instrument 2002 No. 1598 "The Charities (Exception from Registration) (Amendment) Regulations 2002", but during 2009 was registered as a charity under Charity Number 1132563.

The function and purpose of the PCC is outlined in the Parochial Church Councils (Powers) Measure 1956.

Members of the PCC are either ex-officio (by right of office) or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules 2001.

The PCC met 9 times during the year, and during the course of 2016 restructured its sub-committees in order to provide greater governance and support, involving more people and especially those with specialist knowledge or interest in different areas. The new structure therefore consists of the following Resource Support Groups (RSGs):

Standing & Resource Group

This is the Standing Committee and as such has the power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. It monitors reports from the other RSGs. Isabel Plimmer (Operations Manager) chairs this RSG.

Mission Action Group:

The mission action group oversees and advises the PCC on selection and support of mission partners and the allocation of our mission tithe. Christa le Vine chaired this group up to the end of 2016.

Fabric Resource Support Group

The Fabric RSG oversees and advises the PCC on all aspects of the church buildings, including the church, church hall, church office, community centre, St. Eanswythe's Chapel and flats, St. Eanswythe's clergy house, and curates house, to ensure the church buildings and estate is maintained in order that the vision of the church can be implemented. Lynn Hams (Churchwarden) chairs this RSG.

Finance Resource Support Group

The Finance RSG oversees and advises the PCC on all aspects of the finances of the church, monitoring income and expenditure, and proposing the annual budget to PCC, seeking to ensure that the finances help the church implement its vision. Doug Spickernell (Churchwarden) chairs this RSG.

Human Resources Support Group

The HR RSG oversees and advises the PCC on all aspects of HR relating to the church, including the employment and pay structures for staff, in order to ensure our HR appointments and policies support and help implement the vision of the church. Isabel Plimmer (Operations Manager) chairs this RSG.

Risk Resource Support Group

The Risk RSG oversees and advises the PCC on all aspects of risk management, helping to assess the risks posed to the church, to monitor them and to inform PCC of any concerns, together with suggestions for mitigating these risks and so provide an assurance to the PCC that risks of all types are identified, monitored and controlled to an acceptable level, so enabling the church to implement its vision in a culture of safety. Carol Wake chairs this RSG.

Stewardship Resource Support Group

The Stewardship RSG oversees and advises the PCC on the provision of "time, talent and treasure" in order that the vision of the church can be resourced. Revd Mark Barker (Vicar) chairs this RSG.

Safeguarding Resource Support group

The Safeguarding RSG oversees and advises the PCC on all aspects of safeguarding, both of children and of vulnerable adults, ensuring our policies are up to date and that those who need it are DBS checked and trained, helping to ensure that our safeguarding processes enable the vision of the Church to be implemented. Revd Eric Hornbuckle (Associate Vicar) chairs this RSG.

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Structure, governance and management

ICT Resource Support Group

The ICT RSG oversees and advises the PCC on all aspects of technology helping to ensure that our computers, phones, projectors, AV etc. work and enable the vision of the Church to be implemented. Daniel Lanstone chairs this RSG.

Vision Monitoring Resource Support Group

The Vision Monitoring RSG oversees and advises the PCC on the monitoring of our vision, helping to ensure we are moving forward in all areas of our vision. Doug Spickernell (Churchwarden) chairs this RSG.

STEPS Resource Support Group

The STEPS RSG oversees and advises the PCC on all aspects of our pre-school, helping to ensure the vision of the church is implemented in STEPS and the Christian ethos is reflected in day to day practices. Sarah Brown (Children and Families' Pastor) chairs this RSG.

Ministry Enabling Teams (METs)

In addition to the Resource Support Groups, each ministry team leader is in the process of setting up an MET to help advise in the different areas of our vision:

- Evangelism – Revd Mark Barker
- Discipleship – Revd John Perkins
- Fellowship – Revd Eric Hornbuckle
- Community Ministry – Revd Sheila Perkins
- Worship – Revd Mark Barker
- Youth & Children - Sarah Brown
- Creation & Environment – Revd Miriam Barker

They, together with:

- Isabel Plimmer – Operations Manager
- Doug Spickernell and Lynn Hams – Churchwardens
- Revd Dennis Woodward - curate

form the senior leadership of the church.

Induction and training of PCC members

Each year, after the appointment of new members of the PCC at the APCM, papers outlining the role of the PCC are issued to all members of the PCC.

Statement of major risks

A few years ago we completed a programme identifying the major risks which affect the work of the Church in the parish, and these were identified as:

- Child Protection
- Health and safety
- Financial controls and procedures
- Employment legislation

Safeguarding

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).

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Membership and attendance

Our electoral roll stood at 299 as at March 2016 of which 92 (31%) are not resident in the parish and our average weekly attendance in October 2016 (Statistics for Mission) was 247 adults and 75 children.

Objectives and activities

The objectives (vision) of the church for the public benefit have been established as follows;

- Worship - To glorify God and minister in the power of the Holy Spirit.
- Ministry - To serve others with the compassion, grace and generosity of Jesus.
- Evangelism - To proclaim the good news of Jesus through words, work and witness.
- Fellowship - To build a Christ-centred community that welcomes and accepts all.
- Discipleship - To grow in faith, love and knowledge of God and in the character of Jesus.

St Stephen's PCC has the responsibility of co-operating with the incumbent, the Revd Mark Barker, in fulfilling this vision and in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church, Church Hall, the Community Centre, church office, house at Woodfield Road, St Eanswythe's chapel, mission house and three flats. It also has responsibility for the finances of St Stephen's.

The trustees have had regard to Charity Commission guidance on public benefit.

Grant making policy

St Stephen's policy is to tithe 10% of the previous year's donation income.

£2,000 was transferred to the Emergency Support Fund for assisting those going on short term mission.

£5,648 was allocated to be granted according to the recommendation of the Mission Action Group.

£6,000 was transferred to a project fund for Charis (Romanian mission)

£10,000 was transferred to a project fund for Tear Fund.

£4,800 was sent to the Tonbridge Children's Workshop (home mission)

Role of volunteers

Volunteers play a vital role in every area of the ministry and organisation of the parish, and without them much in the life of the church could not take place.

Achievements and performance

Our Vision Statement:

Our vision is to be a church that is:
Powered by the presence of God
and shaped for the purposes of God

These purposes are:

- Worship To glorify God and minister in the power of the Holy Spirit.
- Ministry To serve others with compassion, grace and generosity of Jesus.
- Evangelism To proclaim the good news of Jesus through words, work and witness.
- Fellowship To build a Christ-centred community that welcomes and accepts all.
- Discipleship To grow in faith, love and knowledge of God and in the character of Jesus.

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Achievements and performance (continued)

2016 was a year of change:

1. Firstly, within the staff team at St. Stephen's, with the arrival of Revd Eric Hornbuckle from USA to be Associate Vicar with an emphasis on Fellowship and Pastoral care; with the appointment and arrival of Matt and Sarah Brown to head up our youth and children's ministry; with Revd Dennis Woodward joining us as curate; with the departure of Pat Hicks as Church Administrator and the transfer of Rachael Plowman from STEPS administrator to take her place. At the start of 2017, Craig Spickernell will also be increasing from part-time to full-time as Communications Manager. This has allowed us to look at areas of responsibility and so strengthened how we work as we focus on the areas of ministry and operational aspects we are responsible for.

2. Secondly, within the structures of the church. As we seek to fulfil the 2020 Vision, especially relating to growth, we realised the need to restructure our oversight, devolving responsibilities and so strengthening the management of the church. This has involved the setting up of Resource Support Groups who report to the PCC and Ministry Enabling Teams (see earlier in report).

However, we have continued to sustain all areas of church life and to look at how we might move forward with our vision. To highlight a few areas:

- Prayer – in line with the Archbishops' appeal, we decided to focus on a week of prayer leading up to Pentecost ("Thy Kingdom Come"), and then had a smaller version of this leading up to Advent. This plan will continue into 2017.
- Mission – a small group went out to our mission partners in Romania (Charis) in the Autumn to show support, do some work and build on our partnership with them. 2017 will see a mission trip to our partnership in Tanzania.
- STEPS – Gina Darling took over as Manager of STEPS from the start of 2016 and the pre-school has gone from strength to strength, being fuller than it has ever been. Our new Children's and Families Pastor, Sarah Brown, is now overseeing this ministry, which we have incorporated much more into the wider life of the church, and she is going in regularly to read stories with the children and lead services for them.
- St. Eanswythe's has now been fully integrated into St. Stephen's and we continue to have an 11.00am service in the chapel each Sunday, and the building is being used by church groups throughout the week.
- Congregation Planting – a small task group has been set up to look at how we might create space for growth especially at our 10.30am service, and also reach out to new groups of people. 2017 will hopefully see some decisions being made on this.
- Bishop Chavasse Primary School – after a long search, a site was eventually acquired for this new Church of England Primary School within the parish, and it will start in September 2017 with the first intake being housed in temporary classrooms whilst the permanent school is built. This school is being run by Tenax Trust.
- Other developments – we are aware that there is quite a bit of new housing going up and being planned for the parish, and as well as Bishop Chavasse, Ridgeway School will open in the parish in 2017, a new care home is being built opposite church, and the old Woodgate nursing home is being redeveloped by Abbeyfield and will house more people needing care. All of this will have a profound effect upon the parish and our ministry.

Details of the many activities that take place within the life of the church can be found on our website www.ststephenstonbridge.org

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Financial review

We have three types of funds, restricted funds which can only be spent in accordance with the donor's wishes, i.e. they are ring-fenced, unrestricted funds which the PCC can apply for the general purposes of the church, and endowment funds which are capital funds which are kept long-term.

Our unrestricted income decreased in 2016 from £1,666,903 to £509,630, a decrease of 69%, This breaks down into income received from donations, down from £1,477,488 to £300,282, (-80%), (although one-off income of £1,124,464 in 2015 related to the transfer of assets from St Eanswythe's Mission Trust), and income from other activities, up from £189,415 to £209,348. The main other income-generating activities were STEPS, fees for weddings and funerals, and income from use of the community centre and church.

Our unrestricted expenses increased from £476,334 to £542,656 i.e. by 14 %. After transfers the result is an unrestricted fund deficit of £33,942.

The general fund (our normal operating fund) decreased by £7,031 in the year.

Giving towards restricted funds was £18,149 and spending from restricted funds was £21,049.

Unrestricted funds of £1,939,290 consists mainly of the properties owned by the PCC at their net book value of £1,775,836.

Of the remaining amount of £163,454, £53,754 has been allocated to property matters leaving £109,700 for other purposes.

Restricted funds (funds subject to a restriction by the donor regarding their use) are £11,158.

Cash reserves policy: It is our aim to keep in reserve an amount of at least six weeks of unrestricted cash expenditure (£62,614 for 2016). At 31st December 2016 our unrestricted cash reserves were above this amount. Excess funds are held to finance future growth.

Investment policy: It is our policy to invest cash not required in the short term with the CBF Church of England Deposit Fund or the Rochester Diocesan Board of Finance.

Plans for future periods

Some of the plans for 2017 have already been mentioned:

Prayer – joining in the 2017 Archbishops' Prayer Initiative.

Mission Partners – a mission trip to our mission partners in Tanzania.

Congregation Planting – continued work by the task group to ascertain best way to support growth.

Bishop Chavasse Primary School – the opening of this new Church of England Primary School in the parish.

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Plans for future periods (continued)

In addition:

Structures – we will continue to consolidate the structural changes that took place in 2016 ensuring that the Resource Support groups are doing what they were set up to do, and that the Ministry Enabling Teams are formed and start to do their work.

Phase 3 – we are planning to look at the possibility of developing the wider church buildings on Waterloo Road having completed Phases 1 and 2 over 6 years ago.

But in particular we hope to continue to build on our 2020 Vision:

- To grow in Christlikeness
- To be an open and welcoming church
- To grow in number and in discipleship
- To resource our vision

and all of this so that God may be glorified and many others come to faith in Him.

On behalf of the PCC



Rev Mark Barker

**REPORT OF THE INDEPENDENT EXAMINER TO THE MEMBERS OF
ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL**

I report on the accounts of the charity for the year ended 31 December 2016, which are set out on pages 10 to 21.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a 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 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 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:-

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

to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

D. Stephens

6 April 2017

David Stephens FCCA
Chartered Certified Accountant
13 Newlands Road
Tonbridge Wells
Kent
TN9 4AS

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds Year to 31.12.16 £	Restricted Funds Year to 31.12.16 £	Total Funds Year to 31.12.16 £	Unrestricted Funds Year to 31.12.15 £	Restricted Funds Year to 31.12.15 £	Total Funds Year to 31.12.15 £
INCOMING RESOURCES							
Donations and legacies	2(a) Page 15	300,282	10,202	310,484	1,477,488	12,125	1,489,613
Income from charitable activities	2(b) Page 15	208,803	7,947	216,750	188,983	14,246	203,229
Investment income	2(c) Page 15	545	-	545	432	-	432
TOTAL INCOMING RESOURCES		509,630	18,149	527,779	1,666,903	26,371	1,693,274
RESOURCES USED							
Cost of generating funds							
Charitable activities	3 Page 16						
Worship		197,930	-	197,930	139,074	374	139,448
Ministry		210,694	-	210,694	188,059	-	188,059
Evangelism		82,491	12,458	94,949	64,473	13,892	78,365
Discipleship		4,970	-	4,970	10,699	-	10,699
Youth and children		46,571	8,591	55,162	74,029	13,300	87,329
TOTAL RESOURCES USED		542,656	21,049	563,705	476,334	27,566	503,900
NET INCOMING/(OUTGOING) RESOURCES		(33,026)	(2,900)	(35,926)	1,190,569	(1,195)	1,189,374
Transfers between funds		(916)	916	-	496	(496)	-
Net movement in funds		(33,942)	(1,984)	(35,926)	1,191,065	(1,691)	1,189,374
Balances at 1.1.16		1,973,232	13,142	1,986,374	782,167	14,833	797,000
Balances at 31.12.16	13 Page 21	1,939,290	11,158	1,950,448	1,973,232	13,142	1,986,374

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

BALANCE SHEET AS AT 31ST DECEMBER 2016

	Notes	31.12.16			31.12.15		
		£ Unrestricted Funds	£ Restricted Funds	£ Total Funds	£ Unrestricted Funds	£ Restricted Funds	£ Total Funds
FIXED ASSETS							
Tangible fixed assets	7 (Page 19)	1,785,917	-	1,785,917	655,791	-	655,791
CURRENT ASSETS							
Debtors	8 (Page 19)	12,604	-	12,604	1,165,004	2,000	1,167,004
Bank	9 (Page 20)	179,208	11,158	190,366	198,461	11,142	209,603
		191,812	11,158	202,970	1,363,465	13,142	1,376,607
CREDITORS:							
Due within one year	10 (Page 20)	30,106	-	30,106	31,441	-	31,441
NET CURRENT ASSETS		161,706	11,158	172,864	1,332,024	13,142	1,345,166
CREDITORS:							
Due after more than one year	11 (Page 20)	8,333	-	8,333	14,583	-	14,583
NET ASSETS		<u>1,939,290</u>	<u>11,158</u>	<u>1,950,448</u>	<u>1,973,232</u>	<u>13,142</u>	<u>1,986,374</u>
Represented by:							
FUNDS							
Properties		1,775,836	-	1,775,836	647,293	-	647,293
Other funds		163,454	11,158	174,612	1,325,939	13,142	1,339,081
Total	13 (Page 21)	<u>1,939,290</u>	<u>11,158</u>	<u>1,950,448</u>	<u>1,973,232</u>	<u>13,142</u>	<u>1,986,374</u>

The detailed analysis of the balance sheet is stated in notes 7 to 13.

Approved by the Parochial Church Council on 20th March 2017 and signed on its behalf by

Rev Mark Barker

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YEAR ENDED 31ST DECEMBER 2016

CASH FLOW STATEMENT

	Year to 31.12.16		Year to 31.12.15	
	£	£	£	£
Net cash generated by/ (absorbed from) operating activities		(53,959)		41,023
Cash inflows from investing services				
Dividends, interest and rent from investments	48,878		34,360	
Purchase of tangible fixed assets	<u>(7,906)</u>		<u>(5,769)</u>	
Net cash provided by investing activities		40,972		28,591
Cash flows from financing activities				
Repayments of borrowing	(6,250)		(4,167)	
Net cash used in financing activities		(6,250)		(4,167)
Change in cash and cash equivalents in the year		<u>(19,237)</u>		<u>65,447</u>
Cash and cash equivalents at the start of the year		209,603		144,156
Cash and cash equivalents at the end of the year		<u><u>190,366</u></u>		<u><u>209,603</u></u>

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

i) Church Accounting Regulations

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

ii) Accounting Convention

The financial statements have been prepared under the historic cost convention except for the valuation of freehold property. The houses wholly owned by the PCC and their related fixtures and fittings are included at an estimate of their market values made in 2005 and subsequently indexed using the Halifax house price index for the South East. The halls are included at a valuation made in 2001 based on rental income.

As at 1st January 2011 the policy was changed to fix the values at 1st January 2011 and depreciate the buildings element over a 50 year life. The land element is not depreciated. The buildings element is estimated at two thirds of the total value.

The Church and Vicarage are not assets of St Stephen's PCC and are not included in these accounts.

iii) Funds

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

The purpose of any restricted fund is noted in the accounts.

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.

iv) Incoming Resources

Voluntary income and capital sources

Collections are recognised when received by or on behalf of the PCC.

Planned giving under covenants or gift aid donations is recognised when received.

Income tax recoverable on gift aid donations is recognised when the related income is recognised.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its entitlement and the likely amount due.

Funds raised by church events and activities are accounted for gross, i.e. before any associated expenses.

Other ordinary income

Rental from the letting of church premises is recognised when the rental is due.

Parochial fees due to the PCC for weddings, funerals etc. are accounted for when the event occurs.

Income from investments

Dividends and interest are accounted for when receivable. Tax recoverable on such income is recognised in the same accounting year.

v) Resources used

Grants

Grants and donations are accounted for when paid, or when awarded, if that award creates a binding obligation on the PCC.

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YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

v) Resources used (continued)

Activities directly related to the work of the Church

The Diocesan Parish Share and Stipend/Salary payments in respect of the clergy are accounted for when payable. Any amounts unpaid at 31st December are shown as creditors in the balance sheet.

vi) Fixed Assets

Consecrated land and buildings and movable church furnishings:

Consecrated land and beneficed property (the Vicarage) and moveable church furnishings which require a faculty for disposal are excluded from the accounts by s.10 (2)(a) of the Charity Act 2011.

Land and buildings

Properties are valued in accordance with note 1(ii).

Expenditure on maintenance or improvements is written off as incurred.

Other fixtures, fittings and office equipment

Equipment used within the Church, Church Hall and Community Centre is depreciated on a straight line basis over five years (except computers 4 years). Equipment with a purchase price of £1,000 or less are written off when the asset is acquired. Computers and audio-visual equipment are written off over 4 years.

vii) Debtors

Amounts owing to the PCC at 31st December in respect of income tax fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

At 31.12.15 the grant of properties from St Eanswythes Mission Trust was shown in debtors, as legal title had not yet passed to St Stephen's. Title has been passed to St Stephen's in 2016.

viii) Diocesan Church Repair Fund - Quinquennial Funds

The Diocesan Church Repair Fund consists of funds designated by the PCC for future repairs to the Church, Church Hall, Community Centre, 35 Waterloo Road and 20 Woodfield Road, and St Eanswythe's Mission House.

These properties are surveyed every five years.

A contribution rate into the fund is agreed to pay for these repairs. The repairs specified in the survey report are funded by the Diocesan Church Repair Fund. Where insufficient funds are available, a loan (currently interest free) may be obtained from the diocese which is repayable over five years.

ix) Pensions

From April 2016 the PCC contributes to an auto-enrolment pension scheme for its lay staff.

Contributions are accounted for as they are paid.

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

2. INCOMING RESOURCES

	Unrestricted Funds Year to 31.12.16 £	Restricted Funds Year to 31.12.16 £	Total Funds Year to 31.12.16 £	Unrestricted Funds Year to 31.12.15 £	Restricted Funds Year to 31.12.15 £	Total Funds Year to 31.12.15 £
2(a) Donations and legacies						
Planned giving:						
Monthly standing orders	214,128	-	214,128	215,562	-	215,562
Envelopes	3,412	-	3,412	4,019	-	4,019
Other individual amounts	12,241	9,652	21,893	46,788	7,047	53,835
Income tax recoverable	41,445	-	41,445	49,368	578	49,946
Collections	17,744	-	17,744	15,511	-	15,511
Grants	11,199	550	11,749	1,124,464	4,500	1,128,964
Sundry donations	113	-	113	230	-	230
Legacies	-	-	-	21,546	-	21,546
	300,282	10,202	310,484	1,477,488	12,125	1,489,613
2(b) Income from charitable activities						
STEPS	134,121	2,082	136,203	127,631	-	127,631
Community centre	12,801	-	12,801	11,557	-	11,557
Other church activities	9,565	-	9,565	9,090	-	9,090
20 Woodfield Road rental	14,593	-	14,593	14,256	-	14,256
St Eanswythes flats rental	20,939	-	20,939	8,115	-	8,115
Fees	9,660	-	9,660	11,288	-	11,288
Event income	964	5,865	6,829	803	14,246	15,049
Mission trip	4,000	-	4,000	-	-	-
Church use income	1,797	-	1,797	4,017	-	4,017
Fundraising	363	-	363	2,226	-	2,226
	208,803	7,947	216,750	188,983	14,246	203,229
2(c) Investment income						
Dividends and interest	545	-	545	432	-	432
TOTAL INCOMING RESOURCES	509,630	18,149	527,779	1,666,903	26,371	1,693,274

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

3. RESOURCES USED	Notes	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds	Funds	Funds	Funds	Funds
Charitable activities		31.12.16	31.12.16	31.12.16	31.12.15	31.12.15	31.12.15
		£	£	£	£	£	£
Worship							
Heat and light (church/chapel) *		10,607	-	10,607	8,927	-	8,927
Insurance (church/chapel) *		4,123	-	4,123	3,090	-	3,090
Depreciation	7	24,640	-	24,640	13,593	-	13,593
Fees costs		2,354	-	2,354	2,037	-	2,037
Upkeep of services		5,722	-	5,722	4,515	67	4,582
Verger, caretaker and cleaning materials		32,664	-	32,664	29,332	-	29,332
Running costs (church/chapel) *		8,471	-	8,471	8,215	-	8,215
Maintenance (church/chapel) *		23,406	-	23,406	1,858	307	2,165
Allocated support costs		34,917	-	34,917	28,255	-	28,255
Allocated clergy costs		51,026	-	51,026	39,252	-	39,252
		197,930	-	197,930	139,074	374	139,448
Ministry							
STEPS staff costs		97,097	-	97,097	85,813	-	85,813
STEPS other costs		10,685	-	10,685	17,431	-	17,431
Church Hall running expenses		2,425	-	2,425	1,967	-	1,967
Church Hall maintenance		369	-	369	78	-	78
Other activities expenses		9,030	-	9,030	10,412	-	10,412
Community centre expenses		4,311	-	4,311	4,419	-	4,419
Community centre maintenance		834	-	834	432	-	432
Allocated support costs		34,917	-	34,917	28,255	-	28,255
Allocated clergy costs		51,026	-	51,026	39,252	-	39,252
		210,694	-	210,694	188,059	-	188,059
Evangelism							
Grants	5	34,069	12,332	46,401	30,465	10,004	40,469
Evangelism		930	126	1,056	256	3,388	3,644
Mission trip		4,521	-	4,521	-	500	500
Allocated support costs		17,459	-	17,459	14,127	-	14,127
Allocated clergy costs		25,512	-	25,512	19,625	-	19,625
		82,491	12,458	94,949	64,473	13,892	78,365
Discipleship							
Associate vicar expenses		2,791	-	2,791	5,254	-	5,254
Lay training		2,179	-	2,179	5,445	-	5,445
		4,970	-	4,970	10,699	-	10,699
Youth and children							
Youth and Children's Workers		44,156	-	44,156	71,712	-	71,712
Youth activities		2,415	8,591	11,006	2,317	13,300	15,617
		46,571	8,591	55,162	74,029	13,300	87,329
TOTAL RESOURCES USED		542,656	21,049	563,705	476,334	27,566	503,900

* Church = St Stephen's Church, Chapel = St Eanswythe's Chapel

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

4. Cost allocation

	Unrestricted Funds 31.12.16 £	Restricted Funds 31.12.16 £	Total Funds 31.12.16 £	Unrestricted Funds 31.12.15 £	Restricted Funds 31.12.15 £	Total Funds 31.12.15 £
Support costs						
Salaries	70,402	-	70,402	55,039	-	55,039
ICT costs	4,519	-	4,519	4,525	-	4,525
Printing, stationery and communications	6,695	-	6,695	7,211	-	7,211
Trustee indemnity insurance	168	-	168	-	-	-
Legal fees	2,408	-	2,408	900	-	900
Independent Examiner's fee	804	-	804	787	-	787
Bank charges	10	-	10	-	-	-
35 Waterloo Road running expenses	2,287	-	2,287	2,175	-	2,175
	<u>87,293</u>	<u>-</u>	<u>87,293</u>	<u>70,637</u>	<u>-</u>	<u>70,637</u>
Allocated to						
Worship (40%)	34,917	-	34,917	28,255	-	28,255
Ministry (40%)	34,917	-	34,917	28,255	-	28,255
Evangelism (20%)	17,459	-	17,459	14,127	-	14,127
	<u>87,293</u>	<u>-</u>	<u>87,293</u>	<u>70,637</u>	<u>-</u>	<u>70,637</u>
Clergy costs						
Diocesan offer	110,760	-	110,760	93,900	-	93,900
Vicars expenses	1,922	-	1,922	213	-	213
Vicarage running costs/maintenance	3,154	-	3,154	3,642	-	3,642
St Eansythe's Mission House costs	8,126	-	8,126	-	-	-
20 Woodfield Road running costs	336	-	336	315	-	315
20 Woodfield Road maintenance	3,266	-	3,266	59	-	59
	<u>127,564</u>	<u>-</u>	<u>127,564</u>	<u>98,129</u>	<u>-</u>	<u>98,129</u>
Allocated to						
Worship (40%)	51,026	-	51,026	39,252	-	39,252
Ministry (40%)	51,026	-	51,026	39,252	-	39,252
Evangelism (20%)	25,512	-	25,512	19,625	-	19,625
	<u>127,564</u>	<u>-</u>	<u>127,564</u>	<u>98,129</u>	<u>-</u>	<u>98,129</u>

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

5. GRANTS - Missionary and charitable giving

	2016 Unrestricted £	2016 Restricted £	2016 Total £	2015 Unrestricted £	2015 Restricted £	2015 Total £
Overseas Missions						
Overseas Missionary Fellowship	500	-	500	-	-	-
Wycliffe Bible Translators	-	-	-	500	-	500
Charis	1,588	-	1,588	1,669	4,344	6,013
Charis project	7,065	-	7,065	6,006	-	6,006
Other overseas missions	-	-	-	1,000	100	1,100
Water filters for Tanzania	-	3,175	3,175	-	-	-
	9,153	3,175	12,328	9,175	4,444	13,619
Relief and Development Agencies						
Tear Fund	4,000	-	4,000	9,978	-	9,978
Tear Fund project	10,925	-	10,925	1,500	1,789	3,289
	14,925	-	14,925	11,478	1,789	13,267
Home Missions and Church Societies						
Church Pastoral Aid Society	-	-	-	1,000	-	1,000
Tonbridge Children's Workshop	4,800	-	4,800	3,500	-	3,500
West Kent Debt Advice	1,000	-	1,000	1,000	-	1,000
Tunbridge Wells Winter Shelter	500	559	1,059	-	-	-
Other Home Missions	3,691	8,598	12,289	4,312	3,771	8,083
	9,991	9,157	19,148	9,812	3,771	13,583
Total missions and development	34,069	12,332	46,401	30,465	10,004	40,469

6. STAFF COSTS AND PAYMENTS TO MEMBERS OF THE PAROCHIAL CHURCH COUNCIL AND RELATED PARTIES

Staff costs (excluding clergy)

	2016	2015	
Wages and salaries	226,337	233,425	No employees earn more than £60,000.
Employers NI	11,398	11,400	
Employers pension contributions	651	-	
	238,386	244,825	

Number of employees
(average full-time equivalent - 35 hours per week)

	2016	2015	
Administrators	3.20	3.33	Included in Support Services
Youth and Children's Workers	2.00	2.68	Included in Youth and Children's Workers
Cleaner	0.90	0.86	Included in Community Centre expenses
STEPS	5.50	5.50	Included in STEPS staff costs
Caretaker	1.00	1.00	
Total	12.60	13.37	

Payments to members of the Parochial Church Council and related parties

Mrs Edith Wills daughter Rachael Plowman received £6,804 in her capacity as STEPS/church administrator.
 Mr Douglas Spickernell's son Craig Spickernell received £10,221 in his capacity as Communications Coordinator.
 Mr Daniel Lanstone's wife Ruth Lanstone received £9,020 in her capacity as a STEPS worker.
 There was no trustee remuneration in the year and no trustee expenses paid relating to trustee services.

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

7. TANGIBLE FIXED ASSETS	Freehold Land and Buildings £	Equipment £	Total £
Brought forward value			
At 1st January 2016	693,528	81,098	774,626
Additions in the year	1,146,860	7,906	1,154,766
At 31st December 2016	<u>1,840,388</u>	<u>89,004</u>	<u>1,929,392</u>
Accumulated Depreciation			
At 1st January 2016	46,235	72,600	118,835
For the year	18,317	6,323	24,640
At 31st December 2016	<u>64,552</u>	<u>78,923</u>	<u>143,475</u>
Net Book Values			
At 31st December 2016	<u>1,775,836</u>	<u>10,081</u>	<u>1,785,917</u>
At 31st December 2015	<u>647,293</u>	<u>8,498</u>	<u>655,791</u>

The property breakdown is as follows, valued in accordance with note 1(ii).

	2016 £	2015 £
Office, 35 Waterloo Road, Tonbridge	216,364	219,500
House, 20 Woodfield Road, Tonbridge	283,682	287,793
Church Hall, 37 Waterloo Road, Tonbridge	69,000	70,000
Community Centre, Waterloo Road, Tonbridge	69,000	70,000
St Eanswythe's chapel, Priory Road, Tonbridge	230,400	-
St Eanswythe's Court flats, Priory Road, Tonbridge	485,000	-
St Eanswythe's Mission House, Priory Road, Tonbridge	422,390	-
Total	<u>1,775,836</u>	<u>647,293</u>

8. DEBTORS	Unrestricted Funds	Restricted Funds	Endowment Funds	2016 £	2015 £
Income tax recoverable	6,815	-	-	6,815	16,262
Prepaid expenses	5,789	-	-	5,789	3,882
Properties receivable	-	-	-	-	1,146,860
	<u>12,604</u>	-	-	<u>12,604</u>	<u>1,167,004</u>

Properties receivable in 2015 consisted of St Eanswythe's properties where title was in the course of being transferred to St Stephen's. During 2016 title was transferred to St Stephen's.

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

9. CASH AT BANK AND IN HAND

	2016	2015
	£	£
Bank accounts		
CBF General Fund (Deposit account)	84,318	83,924
CBF Church Improvements Fund (Deposit account)	2,057	2,047
DBF General Fund (Deposit account)	1,551	1,544
DBF Church Repair Fund (Deposit account - property maintenance)	27,001	36,643
CAF current account	12,441	15,389
CAF restricted funds current account	3,042	1,934
STEPS CAF account	54,621	62,807
STEPS DBF account	4,795	4,775
Cash in hand		
Petty Cash	240	240
Church Activities	300	300
	<u>190,366</u>	<u>209,603</u>

Of the total, £179,208 is for unrestricted purposes, and £11,158 for restricted purposes.

CBF = Central Board of Finance of the Church of England

DBF = Rochester Diocesan Board of Finance

CAF = CAFBank (Charities Aid Foundation)

10. CREDITORS DUE WITHIN ONE YEAR

	2016	2015
	£	£
PAYE accrual	2,715	3,012
Independent Examination fees	804	800
STEPS (Pre School) accruals and deferred income	14,269	16,328
Heat and light accruals	4,925	2,897
Other accruals	1,143	2,154
St Eanswythe's loan	6,250	6,250
	<u>30,106</u>	<u>31,441</u>

11. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
St Eanswythe's loan	<u>8,333</u>	<u>14,583</u>

An individual lent £25,000 to fund the refurbishment of the St Eanswythe's Mission House in 2015. This interest-free loan is being repaid over a period of four years.

12. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	1,785,917	-	1,785,917
Current assets	191,812	11,158	202,970
Current liabilities	(30,106)	-	(30,106)
Liabilities > 1 year	(8,333)	-	(8,333)
Fund Balance	<u>1,939,290</u>	<u>11,158</u>	<u>1,950,448</u>

ST STEPHEN'S TONBRIDGE PAROCHIAL CHURCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

NOTES TO THE FINANCIAL STATEMENTS

13. FUND DETAILS

	Balance	Movement in Funds			Balance	Move- ment	
	1.1.16	Incoming	Outgoing	Transfers	31.12.16		
	£	£	£	£	£	£	
UNRESTRICTED FUNDS							
General Funds	60,821	502,363	(461,313)	(48,081)	53,790	(7,031)	
Property maintenance reserve	17,801	-	(20,748)	6,517	3,570	(14,231)	
20 Woodfield Road maintenance fund	1,500	1,354	(3,266)	1,000	588	(912)	
Phase 3 fund	20,194	-	(10)	10,000	30,184	9,990	
Property improvement fund	20,000	-	-	-	20,000	-	
Emergency and support fund	1,369	-	(3,035)	2,000	334	(1,035)	
Vicars Discretionary fund	836	1,913	(1,403)	-	1,346	510	
MAG discretionary fund	7,560	-	(6,841)	5,648	6,367	(1,193)	
Tear Fund project fund	5,375	-	(10,925)	10,000	4,450	(925)	
Charis project fund	466	-	(7,065)	6,600	1	(465)	
Charis mission trip	-	4,000	(4,521)	600	79	79	
Tonbridge Childrens Workshop fund	-	-	(4,800)	4,800	-	-	
Staff illness fund	10,913	-	-	-	10,913	-	
Vision fund (Made and Grown)	4,732	-	(412)	-	4,320	(412)	
Vision fund (Legacy)	48,345	-	-	-	48,345	-	
Property: St Eanswthe's chapel and flats	1,126,027	-	(9,070)	-	1,116,957	(9,070)	
Property: 35 Waterloo Road	219,500	-	(3,136)	-	216,364	(3,136)	
Property: 20 Woodfield Road	287,793	-	(4,111)	-	283,682	(4,111)	
Property: Church Hall	70,000	-	(1,000)	-	69,000	(1,000)	
Property: Community Centre	70,000	-	(1,000)	-	69,000	(1,000)	
TOTAL UNRESTRICTED FUNDS	1,973,232	509,630	(542,656)	(916)	1,939,290	(33,942)	
RESTRICTED FUNDS							
		Note 3 expense heading					
Kitchenette crockery fund	- Maintenance	244	-	-	-	244	-
Donations forwarded on	- Grants	4,187	9,133	(11,124)	-	2,196	(1,991)
Youth residential event fund	- Youth	-	6,271	(7,187)	916	-	-
Youth event fund	- Youth	224	-	-	-	224	-
Vision fund	- Mission - home	2,714	-	(656)	-	2,058	(656)
Mix resource fund	- Youth	1,006	550	(1,404)	-	152	(854)
Blend	- Youth	1,504	-	-	-	1,504	-
Alpha	- Evangelism	575	(406)	(126)	-	43	(532)
Healing on the Streets		1,000	-	-	-	1,000	-
Love in Action fund	- Mission - home	711	25	(466)	-	270	(441)
Homeless fund	- Mission - home	193	80	(86)	-	187	(6)
Bishop's Fund for Mission Seniors Grant		784	-	-	-	784	-
STEPS fete proceeds		-	2,082	-	-	2,082	2,082
Community fund		-	414	-	-	414	414
TOTAL RESTRICTED FUNDS		13,142	18,149	(21,049)	916	11,158	(1,984)
TOTAL FUNDS		1,986,374	527,779	(563,705)	-	1,950,448	(35,926)

The restricted funds comprise gifts given for specific purposes and the fund names describe that purpose.

Transfers are made from the general fund to other designated funds for property maintenance, mission projects and for the Vicar's and MAG discretionary funds.

