

St. Mary's Church

The Parish Church of Riverhead with Dunton Green, Kent



FINANCIAL REVIEW OF PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, RIVERHEAD WITH DUNTON GREEN

for the year ended 31 December 2016

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, RIVERHEAD WITH DUNTON GREEN

Annual Accounts for the year ending 31 December 2016

Financial Review

The Report of the PCC has been prepared in accordance with Financial Reporting Standard for Smaller Entities (effective January 2005).

Total incoming resources were £134,479 (2015: £109,843; 2014: £90,942) and are detailed in the financial statements, of which the Church Hall provided a gross income of £10,114 (2015: £12,867; 2014: £15,637).

Voluntary income overall has increased to £110,404 (+28%) compared to last year (2015: £86,296; 2014: £65,943), with a large proportion of this increase relating to the renewal of the organ appeal.

The underlying voluntary giving for 2016 has generally remained level. Regular giving is a key aspect of funding the work the PCC undertakes. Regular giving through using the monthly or weekly envelopes and bank standing orders, benefit from much needed Git Aid. Giving via legacies is also encouraged and full details are contained on St Mary's website.

There were no legacies received during the year.

A grant of £7,500 was received from Tesco/Groundwork for ecological and soft landscaping improvements to the area around the church buildings. No payments during 2016 were made out of this sum.

Fees received (funerals, weddings etc.) totalled £6,767 and were higher than last year (2015: £5,607; 2014: £4,167)

£125,519 (2015: £115,602 2014: £110,444) was spent on church activities and is 9% higher than last year.

This higher figure includes:

- Lightning protection works
- New kitchen base and wall units, worktop, coffee machine, instant hot water machine and commercial dishwasher
- New church organ, preparation works and professional advice
- Purchased of projector

Contributions to the Diocese now combine both what was previous called the 'parish share' and also includes for the Vicar's Stipend. £42,554 was paid to the Diocese (2015: £60,774). This is the second year of calculating the sum based on the Diocese seeking pledges from each parish on what they will contribute to the Diocese ministry costs and other shared costs. The proposed contribution to the Diocese in 2017 is £45,000. This figure is five per-cent higher than the 2016 contribution, and is above the level of giving suggested by the Diocese.

Utility bills for gas and electric for the church totalled £2,377 for 2016 compared to a figure for 2015 of £2,716.

Minimal costs were incurred to hold the Christmas Tree Festival.

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The Church Hall had expenditure of £8,326 (2015: £7,894; 2014: £9,056). This year, the Church Hall account did not move any funds to the Main Church Account.

Charitable giving by St Mary's was £1,584 (2015: £1,199; 2014: £1,442).

The result for the year was a net outgoing of resources of £1,814 (2015 and 2014: net outgoing resources of £5,759 and £19,502 respectively).

Actions suggested to be reviewed for 2017 include:

- Budgets for income and expenditure have been set and regular monitoring will take place
- Further encouragement to improve the level of regular giving
- Details have been added to the church's website to provide clarity regarding the types of giving and how to do this
- Develop a 'giving' page on the church's website
- Increase the numbers on the electoral roll
- Review where further cost savings can be made. Our utility services contract has just been renewed for the next three years. Alternative quotations were obtained from other shippers but ultimately we retained our existing supplier, Opus. The new contract negotiated has achieved savings in excess of £900 annually. 93% of energy we receive is from renewable generators.
- Maintain reserves and target to replenish these during 2017
- Utilise the procurement policy developed to obtain competitive quotations for work required
- Policies and guidance have been developed and reviewed over 2016 and now comprises documents for: conflict of interest; trustees; environmental; complaints and financial. These will be reviewed during 2017 and added to where identified

The total fund balances carried forward at 31 December were £141,671 (2015: £143,484; 2014: £149,243).

The Church Repair Fund and Hall Repair Fund have year-end balances of £16,793 and £8,666 respectively (2015: £14,186 and £7,824 respectively) and these are retained towards meeting the cost of repairs to the fabric of the church and hall, including costs arising from the Quinquennial inspection. The Quinquennial Inspection Report was issued on 1 February 2016. The works identified within the Report require the contributions set aside for the anticipated repairs to be undertaken. The contribution for the church hall has remained at its current level, with the contribution for the church increased by £70/month to £270/month.

The Lunch Club Fund has received income during the year of £1,202 (2015: £1,471; 2014: £1,451) and incurred costs of £2,301 (2015: £2,280; 2014: £1,707) with the year ending balance of £2,461 (2015: £3,560; 2014: £4,369).

The PCC have retained the Parish Investment Trust of £75,296 (2015: £84,000). Any interest raised from this Trust is paid into the CBF Deposit Account. An important development during 2016 was the receipt of

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confirmation from the Diocese that this Trust fund can be accessed by the PCC for any ecclesiastical purposes of the parish.

It is PCC policy to invest funds balances with the CBF Church of England Deposit Fund. The balance of this fund is £18,216 (2015: £17,748). During 2015, £8,000 was transferred from this account into the General Account. No transfers of money took place during 2016.

We have strived to minimise expenditure, and encourage giving, during 2016 by undertaking the following:

- A review of utilities providers to reduce outgoings for gas and electric for the church and church hall
- Re-negotiated the phone and broadband supply to the church hall, at a reduced cost
- Reviewed our church insurance policy
- Continue to obtain income from the Easyfundraising website
- Received income from the recycling of old mobile phones and printer cartridges through Recycle4Charity

Reserves

Reserves of the church are held by CBF and have not been eroded this year. The CBF Fund at the end of the year was £18,216. This equates to 21% of the payments the church budgeted for 2017. During 2016 we benefited from clarification from the Diocese regarding access to the parish trust fund. The parish trust fund of £75,296 could be used to assist in times of need. The target for reserves is for a sum equivalent to between three and six months of outgoings, which currently broadly equates to £21,000 to £43,000.

Thanks

I would like to include my thanks to Margaret Nicholas, and those assisting with the counting and processing of the weekly collections, and for their ongoing support.

Thank you also to both Susan Allender and Henry Raschen who have attended Stewardship meetings to discuss the finances and approach with regards to policies. We have developed a procurement policy.

It is proposed that these accounts are to be examined by Jim Metcalf FCMA. The PCC would like to express their thanks in advance to him for undertaking this work.

Stuart Wigley (Treasurer)

5 March 2017