

# *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 2017**

**Annual Accounts for the year ending 31 December 2017**

**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 £88,220 (2016: £134,479; 2015: £109,843) and are detailed in the financial statements, of which the Church Hall provided a gross income of £10,450 (2006: £10,114; 2015: £12,867).

Voluntary income overall has decreased to £69,072 compared to last year (2016: £110,404; 2015: £86,296), with a large proportion of this decrease relating to the previous year's appeal towards the renewal of the church organ.

The underlying voluntary giving for 2017 is slightly lower than last year, although Planned Giving has decreased by 12%. 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 Gift Aid. Giving via legacies is also encouraged and full details are contained on St Mary's website. A single legacy of £1,000 was received during the year and used as a significant contribution towards the costs of the new hymn books.

A grant of £7,500 was received last year from Tesco/Groundwork for ecological and soft landscaping improvements to the area around the church buildings. There was no expenditure last year against this grant. The spending this year totalled £6,786.

Fees received (funerals, weddings etc.) totalled £4,405 and were lower than last year (2016: £6,767; 2015: £5,607)

£95,350 (2016: £125,519; 2015: £115,602) was spent on church activities and is lower than last year.

Contributions to the Diocese now combine both what was previous called the 'parish share' and also includes for the Vicar's Stipend. £45,000 was paid to the Diocese (2016: £42,554; 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 for next year to the Diocese in 2018 is £46,800. This figure is five per-cent higher than the 2017 contribution.

Utility bills for gas and electric for the church totalled £2,486 for 2017 (2016: £2,377; 2015: £2,716).

The Church Hall had expenditure of £6,897 (2016: £8,326; 2015: £7,894).

Charitable giving by St Mary's was £1,137 (2016: £1,584; 2015: £1,199).

The result for the year was a net outgoing of resources of £8,820 (2016: net Incoming of £6,890; 2015: net outgoing resources of £5,759).

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Actions suggested to be reviewed for 2018 include:

- Budgets for income and expenditure have been set and regular monitoring will take place
- Further encouragement to improve the level of regular giving, with a stewardship presentation to be programmed
- Details have been added to the church's website to provide clarity regarding the types of giving and how to do this and increase awareness of the benefit of Gift Aid.
- Increase the numbers on the electoral roll
- Review where further cost savings can be made
- Maintain reserves as targeted
- Utilise the procurement policy developed to obtain competitive quotations for work required
- Policies and guidance have been developed and reviewed over 2017 and now comprises documents for: conflict of interest; trustees; environmental; complaints, GDPR and financial. These will be reviewed during 2018 and added to where identified

The total fund balances carried forward at 31 December 2017 were £141,555 (2016: £150,375; 2015: £143,484).

The Church Repair Fund and Hall Repair Fund have year-end balances of £19,547 and £9,512 respectively (2016: £16,792 and £8,666 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 Lunch Club Fund has received income during the year of £1,234 (2016: £1,202; 2015: £1,471) and incurred costs of £1,974 (2016: £2,301; 2015: £2,280) with the year ending balance of £1,720 (2016: £2,461; 2015: £3,560).

The PCC have retained the Parish Investment Trust of £75,296 (2016: £75,296; 2015: £84,000). Any interest raised from this Trust is paid into the CBF Deposit Account. As recorded last year, an important development during 2016 was the receipt of 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 £18,479 (2016: £18,216; 2015: £17,748).

We have strived to minimise expenditure and encourage giving during 2017 by undertaking the following:

- Reviewed our church insurance policy and achieved better terms at no additional premium
- Continue to obtain income from the Easyfundraising website
- Received income from the recycling of old mobile phones and printer cartridges through Recycle4Charity

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- Promoted difference ways of giving, which can now be done online and by text
- We are negotiating the renewal of the photocopier lease scheduled for April 2018

**Reserves**

The CBF Deposit Funds for the church are held by CBF and have not been eroded this year. The CBF Fund at the end of the year was £18,479. This equates to 20% of the payments the church budgeted for 2017. As indicated above, 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 general reserves is for a sum equivalent to between three and six months of outgoings, which currently broadly equates to £21,000 to £43,000. The general reserves of £31,269 falls within this range.

**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.

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)

19 March 2018