

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

**Annual Accounts for the year ending 31 December 2012**

**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 £100,840 (2011: £107,566) and are detailed in the financial statements, of which the Church Hall provided a gross income of £13,157 (2011: £14,713).

Voluntary income was slightly higher £79,215 (2011: £78,763) but included a donation from Ibstock Cory Environmental Trust of £9,986.11 to repair the church steps. Consequently, the underlying voluntary giving was down on the previous year.

No legacies were received during the year.

Fees received £2,423 were reduced compared to 2011 £4,239 due to the interregnum.

£85,769 (2011: £86,524) was spent on church activities, including the cost of repairing the steps and a contribution of £15,000 (2011: £15,600) to the diocesan parish share, which largely provides towards the costs of administering the Diocese of Rochester. The sum that the churches in the deanery have to find is shared between the churches according to a formula that is based mainly on both a head count of the congregations and a three-year rolling average of net assessable incomes.

The costs of the Stipend paid during 2012 was £16,107 (2011: £27,014), we therefore paid 6 months stipend in total during 2012. The PCC have incurred expenses of local clergy to take our services during this period.

Minimal costs were incurred to hold the Christmas Tree Festival.

The Church Hall had expenditure of £7,276 (2011: £9,038). The Church Hall account moved £9999.96 to the Main Church Acct.

Charitable giving by St Mary's was £1,454.

The result for the year was net incoming resources of £13,481 (2011: £15,669). Of this, £5,881 surplus was raised by the Church Hall (2011: £5,675). As a result, after adding fund balances brought forward at the beginning of the year, the total fund balances carried forward at 31 December increased to £164,102 (2011: £150,621).

The PCC have retained the Parish Investment Trust of £84,000. Any interest raised from this trust is paid into the General Fund. The Independent Examiner has recommended that the Parish Trust Fund is included within the fund balances from this year onwards (and previous year fund balances restated).

The Church Repair Fund and Hall Repair Fund have year end balances of £8,077 and £5,511 respectively and these are retained towards meeting the cost of repairs to the fabric of the church and hall, including costs arising from future Quinquennial inspections.

The Lunch Fund has received income during the year of £1,613 and incurred costs of £2,034 (mainly related to backdated rental charges for the URC Hall on Kippington Road), the year ending balance is £3,209.

It is PCC policy to invest funds balances with the CBF Church of England Deposit Fund.

Interregnum related savings and costs include, in 2012, saving on stipend payments of £18,131 offset by additional costs of visiting speakers and locums of £2,636, and repairs to the vicarage of £6,334.

I would like to include my thanks to Beryl Ellinor and John Curtis, for their ongoing weekly support.

These accounts have been examined by Jim Metcalf FCMA and the PCC would like to express their thanks to him for undertaking this work.

Elaine Hanham (Treasurer)

March 2013

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

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2012 £	TOTAL FUNDS 2011 £
<b>Incoming resources</b>						
<i>Voluntary income</i>	2a	79,175	40		<b>79,215</b>	78,763
<i>Activities for generating funds</i>	2b	16,495	55		<b>16,550</b>	19,483
<i>Investment income</i>	2c	1,039			<b>1,039</b>	822
<i>Church activities</i>	2d	2,423	1,613		<b>4,035</b>	5,930
<i>Other incoming resources</i>	2e					2,568
		<b>99,132</b>	<b>1,708</b>		<b>100,840</b>	<b>107,566</b>
<b>Resources expended</b>						
<i>Costs of generating voluntary income</i>	3a					1,000
<i>Fund-raising trading costs</i>	3b	1,591			<b>1,591</b>	4,373
<i>Investment management costs</i>						
<i>Church activities</i>	3c	83,735	2,034		<b>85,769</b>	86,524
<i>Governance costs</i>						
<b>Total resources expended</b>		<b>85,325</b>	<b>2,034</b>		<b>87,359</b>	<b>91,897</b>
<b>Net incoming/(outgoing) resources</b>						
Transfers between funds - transfers in		13,807	-326		<b>13,481</b>	15,669
Transfers between funds - transfers in		-7,685			<b>-7,685</b>	2,715
Transfers between funds - transfers out		7,685			<b>7,685</b>	-2,715
<b>Net incoming/(outgoing) resources before other gain</b>		<b>13,807</b>	<b>-326</b>		<b>13,481</b>	<b>15,669</b>
<i>Gains/(losses) on revaluation of fixed assets</i>						
<i>Gains/(losses) on investment assets</i>						
Other recognised gains/losses						
<b>Net movement in funds</b>		<b>13,807</b>	<b>-326</b>		<b>13,481</b>	<b>15,669</b>
Total funds brought forward at 1 January		146,705	3,917		<b>150,621</b>	134,953
<b>Total funds carried forward at 31 December</b>		<b>160,512</b>	<b>3,591</b>		<b>164,102</b>	<b>150,621</b>

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

BALANCE SHEET AT 31 DECEMBER 2012

	Notes	2012	2011
		£	£
<b>Current Assets</b>			
Debtors	7	10,660	2,800
<b>Cash at bank and in hand</b>			
Bank current account		21,907	15,436
CBF Deposit Funds		28,970	27,982
Diocesan Repair Funds		13,588	10,821
Church Hall Account		7,772	12,451
Parish Trust Fund	9	84,000	84,000
		156,237	150,689
<b>Liabilities</b>			
Amounts falling due within one year	8	2,795	2,868
<b>Net Assets</b>		<b>164,102</b>	<b>150,621</b>
Represented by Funds			
General Fund		139,152	123,593
Church Repair Fund		8,077	6,047
Church Hall Repair Fund		5,511	4,774
Church Hall Account		7,772	12,291
Choir		382	287
Lunch Club		3,209	3,630
total		164,102	150,621

The Financial Statements have been prepared in accordance with Financial Reporting Standard for Smaller Entities ( effective January 2005).

Approved by the Parochial Church Council on 6th March 2013 and signed on its behalf by Rev Martin Booth (Chairman)

The accompanying notes form a part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012

1. Accounting policies

a **Basis of preparation**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Charities SORP (2005).

The financial statements have been prepared under the historical cost convention, except for the valuation of investment assets which are shown at market value. 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 which are informal gatherings of church members.

b **Funds**

Funds held by the PCC are:

*Unrestricted funds* - general funds which can be used for PCC ordinary purposes

*Designated funds* - monies set aside by the PCC out of unrestricted funds for specific future purposes or projects.

*Restricted funds* - a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year is carried forward as a balance on that fund.

*Endowment funds* - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment

c **Incoming resources**

All incoming resources are accounted for gross.

**Voluntary income**

*Collections* are recognised when received.

*Planned giving* receivable is recognised only when received.

*Income tax* recoverable on Gift Aid donations is recognised when the income is recognised.

*Grants and legacies* are recognised when the PCC is legally entitled to the amount due.

**Income from investments**

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

**All other income**

All other income is recognised when it is receivable.

**Gains and losses on investments**

Realised gains are recognised when the investments are sold.

Unrealised gains and losses are accounted for on revaluation on 31 December.

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**d Resources used**

Resources expended are accounted for on an accruals basis and are accounted for gross.

**Grants**

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

**Church Activities**

The diocesan parish contribution is accounted for when paid. Any parish contribution unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

**Wages and payments to PCC members**

During the year the PCC did not employ any staff.

The only payments made to PCC members were to reimburse for expenses incurred on behalf of the PCC

**e Fixed Assets**

**Tangible fixed assets**

Consecrated and beneficed property of any kind is excluded from the accounts by s.96(2) of the Charities Act 1993.

Movable church furnishing held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected. For inalienable property acquired prior to 1 January 2006 there is insufficient cost information available and therefore such assets are not valued in the accounts. Individual items acquired since 1 January 2006 have been capitalised in the accounts and depreciated over their useful economic life (see below).

All expenditure on consecrated or beneficed buildings and individual items costing under £1000 are written off in the year they were incurred.

**Depreciation**

Depreciation is calculated to write down the cost of tangible fixed assets, excluding freehold properties, over their expected useful lives. The rates generally applicable are:

Fixtures and fittings	25% straight line
Computer equipment	25% straight line

No depreciation is provided on freehold property as it is the PCC's policy to maintain these assets in a continual state of sound repair. The useful economic life of these assets is so long and residual values so high that any depreciation would not be material. These assets will be subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

**Investments**

Investments are stated at market value at the balance sheet date.

**f Current Assets**

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

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2012

2 Incoming resources

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2012 £	TOTAL FUNDS 2011 £
<b>a</b> <i>Voluntary income</i>					
Planned giving - gift aid	42,949			42,949	45,432
Income tax recoverable on planned giving	10,491			10,491	12,210
Other planned giving	7,478			7,478	6,941
Collections	5,323			5,323	6,460
Gift days					
Income tax recoverable on gift days					
Donations and appeals	12,934	40		12,974	7,409
Income tax recoverable on donations and appeals					
Grants					311
Legacies					
	<u>79,175</u>	<u>40</u>		<u>79,215</u>	<u>78,763</u>
<b>b</b> <i>Activities for generating funds</i>					
Church hall lettings to non church organisations	13,157			13,157	14,713
Fetes, bazaars and other fund-raising events	2,436	55		2,491	3,704
Magazine advertising					
Traidcraft	902			902	1,065
Use of photocopier					
	<u>16,495</u>	<u>55</u>		<u>16,550</u>	<u>19,483</u>
<b>c</b> <i>Investment income</i>					
Rental of investment property					
Dividends and interest	1,039			1,039	822
	<u>1,039</u>			<u>1,039</u>	<u>822</u>
<b>d</b> <i>Income from Church Activities</i>					
Chaplaincy					
Lunch Club receipts		1,613		1,613	1,691
Fees from weddings etc	2,423			2,423	4,239
	<u>2,423</u>	<u>1,613</u>		<u>4,035</u>	<u>5,930</u>
<b>e</b> <i>Other incoming resources</i>					
Insurance claims					2,568
					<u>2,568</u>
<b>Total incoming resources</b>	<u>99,132</u>	<u>1,708</u>		<u>100,840</u>	<u>107,566</u>



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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2012

3 Resources expended

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2012 £	TOTAL FUNDS 2011 £
<b>a</b> <i>Costs of generating voluntary income</i>					
Stewardship costs					1,000
					1,000
Fund raising costs					
Traidcraft	834			834	1,054
social events etc	757			757	3,319
	1,591			1,591	4,373
<b>c</b> <i>Church Activities</i>					
Missionary and charitable giving (Note 6):					
Overseas:					
Home:	1,454			1,454	1,401
Ministry costs:					
Diocesan parish contribution	15,000			15,000	15,600
Stipend	16,107			16,107	27,014
Working expenses	1,174			1,174	785
Vicarage expenses	7,949			7,949	2,163
Assistant Staff					272
Church running expenses	5,454			5,454	6,141
Church maintenance	3,213			3,213	4,025
Upkeep of services	8,592			8,592	7,497
Upkeep of churchyard	11,021			11,021	825
Training costs	47			47	374
Church hall running costs	7,276			7,276	9,038
Salary costs					
Administration	6,448			6,448	6,158
Depreciation					
Lunch club		2,034		2,034	501
Property costs					4,730
	83,735	2,034		85,769	86,524
<b>d</b> <i>Governance costs</i>					
Cost of annual accounts - Independent examination fee					
<b>Total resources expended</b>	<b>85,325</b>	<b>2,034</b>		<b>87,359</b>	<b>91,897</b>



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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2012

4 Breakdown of Unrestricted Funds

	Church General Fund £	Church Hall Fund £	2012 Church Repair Fund £	Hall Repair Fund £	Unrestricted Funds £
<i>Voluntary income</i>	79,175				79,175
<i>Activities for generating funds</i>					
Church hall lettings to non church organisations		13,157			13,157
Fetes, bazaars and other fund-raising events	2,436				2,436
Magazine advertising					
Traidcraft	902				902
Use of photocopier					
	3,338	13,157			16,495
<i>Investment income</i>					
Rental of investment property					
Dividends and interest	988		30	21	1,039
	988		30	21	1,039
<i>Income from Church Activities</i>					
Chaplaincy					
Fees from weddings etc	2,423				2,423
	2,423				2,423
<i>Other incoming resources</i>					
Insurance claims					
<b>Total Incoming resources</b>	<b>85,924</b>	<b>13,157</b>	<b>30</b>	<b>21</b>	<b>99,132</b>
<b>Resources expended</b>					
<i>Costs of generating voluntary income</i>					
Stewardship costs					
<i>Fund raising costs</i>					
Traidcraft	834				834
social events etc	757				757
	1,591				1,591
<i>Church Activities</i>					
Missionary and charitable giving (Note 11):					
Overseas:					
Home:	1,454				1,454
Ministry costs:	40,230				40,230
Diocesan parish contribution	15,000				15,000
Stipend	16,107				16,107
Working expenses	1,174				1,174
Vicarage expenses	7,949				7,949
Assistant Staff					
Church running expenses	5,454				5,454
Church maintenance	3,213				3,213
Upkeep of services	8,592				8,592
Upkeep of churchyard	11,021				11,021
Parish magazine					
Training costs	47				47
Church hall running costs		7,276			7,276
Salary costs					
Administration	6,448				6,448
Depreciation					
Lunch club					
Property costs					
	76,459	7,276			83,735
<i>Governance costs</i>					
Cost of annual accounts - Independent examination fee					
<b>Total resources expended</b>	<b>78,050</b>	<b>7,276</b>			<b>85,325</b>
transfer to other funds ( repair funds)	7,685	-10,400	2,000	715	
<b>Net movement in funds</b>	<b>15,559</b>	<b>-4,519</b>	<b>2,030</b>	<b>737</b>	<b>13,807</b>
Total Funds brought forward at 1st Jan 2012	123,593	12,291	6,047	4,774	146,705
Total Funds carried forward at 31st Dec 2012	139,152	7,772	8,077	5,511	160,512

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2012

5 Statement of funds

	At 1 Jan 2012 £	Income £	Expenditure £	Transfers, other gains and losses £	At 31 Dec 2012 £
<b>Unrestricted Funds - undesignated</b>	123,593	85,924	-78,050	7,685	<b>139,152</b>
<b>Unrestricted Funds - designated</b>					
Church Repair Fund	6,047	30	0	2,000	<b>8,077</b>
Church Hall Repair Fund	4,774	21	0	715	<b>5,511</b>
Church Hall Account	12,291	13,157	-7,276	-10,400	<b>7,772</b>
	<u>23,112</u>	<u>13,208</u>	<u>-7,276</u>	<u>-7,685</u>	<u>21,360</u>
<b>Restricted Funds</b>					
Choir	287	95	0		<b>382</b>
Lunch Club	3,630	1,613	-2,034		<b>3,209</b>
					<b>0</b>
					<b>0</b>
					<b>0</b>
	<u>3,917</u>	<u>1,708</u>	<u>-2,034</u>	<u>0</u>	<u>3,591</u>
<b>Endowment Funds</b>					<b>0</b>
					<b>0</b>
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total funds</b>	<u>150,621</u>	<u>100,840</u>	<u>-87,359</u>	<u>0</u>	<u>164,102</u>

The Church Repair Fund and Church Hall Repair Fund are deposit accounts held with Rochester Diocese Board of Finance and have been designated by the PCC for the repair of the respective buildings.

The restricted funds comprise:

**Choir Fund:** This fund is run on behalf of the choir. It receives money through the choir singing at weddings and other services, and covers expenditure by the choir to purchase music, affiliate with the Royal School of Church

**Luncheon Club Fund:** Members of St Mary's church, together with the United Reformed Church, run the Littlecourt Lunch Club for senior citizens in Sevenoaks. This fund covers the receipts and payments of the Lunch Club.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2012

**6 Missionary and charitable giving**

	2012 £
Charities	
Friends of Kent Churches	10
The Children's Society (Christingle)	741
Friends of Rochester Cathedral	2
UN association	15
Poverty & Hope	105
Delmelza House (proceeds from Christmas tree Festival)	314
The Royal British Legion	100
	<u>1,287</u>
Dunton Green Fun Day	167
<b>total</b>	<u><u>1,454</u></u>

**7 Debtors**

Income tax recoverable	<u><u>10,660</u></u>
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**8 Liabilities : amounts falling due within one year**

accrual for URC hall rental ( Lunch Club)	1,500
Council Tax due (July - Dec 2012)	1,295
	<u><u>2,795</u></u>

**9** The assets of the Parish Trust Fund are held by the Rochester Diocesan Society and Board of Finance as custodian trustee. The PCC is responsible for managing the assets as managing trustee. The assets are available to the PCC on application to the Diocesan Board of Finance.

**10 Staff costs**

**a Wages and salaries**

During the year the PCC did not employ any staff.

**b Payments to PCC members**

There were no payments made to any PCC member, persons connected to them or related parties.

## **Independent Examiner's Report to the PCC of St. Mary the Virgin, Riverhead with Dunton Green**

This report on the financial statements of the PCC for the year ended 31 December 2012, which are set out on pages 6 and 7, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and s.43 of the Charities Act 1993 ('the Act').

### **Respective responsibilities of the PCC and the examiner**

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and section 43(2) 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 Regulations.

### **Basis of this report**

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 43(7)(b) of the Act and to be found in the Church guidance, 2006 edition. 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 me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with Section 41 of the Act; and
  - to prepare financial statements, which accord with the accounting records and comply with the requirements of the Act and the Regulations 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 Jim Metcalf, FCMA

Tile House, Bessels Green Road, SEVENOAKS, Kent TN13 2PS

21 March 2013