

# *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 2019**

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

**Annual Accounts for the year ending 31 December 2019**

**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 £102,789 (2018: £99,613; 2017: £88,220) and are detailed in the financial statements, of which the Church Hall provided a gross income of £13,887 (2018: £12,604; 2017: £10,450).

Voluntary income overall has increased to £78,313 compared to last year (2018: £77,835; 2017: £69,072), with a significant contribution coming from three legacies.

The underlying voluntary giving for 2018 is slightly higher than last year, and Planned Giving has decreased by 1.5%. 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. Three legacies totalling £14,250 were received during the year and their use is being targeted and reviewed by the PCC.

There was the final works undertaken for ecological and soft landscaping improvements as a result of a grant from Tesco/Groundworks, to the area around the church buildings. The expenditure this year totalled £720.

Fees received (funerals, weddings etc.) totalled £6,895 and were higher than last year (2018: £6,666; 2017: £4,405)

£84,012 (2018: £93,903; 2017: £95,350) was spent on church activities and is lower than last year.

Contributions to the Diocese during 2019 includes both what was previous called the 'parish share' – a payment towards the Diocese's running costs - and the payment to cover the Vicar's Stipend. £48,878 was paid to the Diocese (2018: £46,800; 2017: £45,000). The budgeted contribution for 2020 to the Diocese is £48,878. This Indicative Offer is greater than the Indicative Offer Calculation from the Diocese.

Utility bills for gas and electric for the church totalled £2,566 (2018: £2,462; 2017: £2,486).

The Church Hall had expenditure of £6,270 (2018: £6,580; 2017: £6,897).

Charitable giving by St Mary's was £1,528 (2018: £1,735; 2017: £1,626).

The result for the year was a net incoming of resources of £16,906 (2018: net incoming of £4,749; 2017: net outgoing resources of £8,820).

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Actions suggested to be reviewed for 2020 include:

- Budgets for income and expenditure have been set and regular monitoring will take place
- We need to encourage improvements to the level of regular giving
- Details continue to be refined on 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
- Explore further methods of accepting donations, increasing the prominence of the current digital methods of making payments, both by card and contactless
- 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 and now comprise documents for: conflict of interest; trustees; environmental; complaints, GDPR and financial. These will be reviewed during 2020 and added to where identified

The total fund balances carried forward at 31 December 2019 were £163,208 (2018: £146,302; 2017: £141,555).

The Church Repair Fund and Hall Repair Fund have year-end balances of £15,567 and £11,210 respectively (2018: £12,824 and £10,360 respectively) and these are retained towards meeting the future 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 £588 (2018: £606; 2017: £1,234) and incurred costs of £1,581 (2018: £1,501; 2017: £1,974). The deficit in the year of £993 exceeded the opening balance of £824 by £169 which was met by general reserves leaving a closing Lunch Club Fund balance of £0 (previous years closing balances: 2018: £824; 2017: £1,720). A review of the income and expenditure will need to be undertaken during the coming year.

The PCC have retained the Parish Investment Trust of £75,296 (2018: £75,296; 2017: £75,296). Any interest raised from this Trust is paid into the CBF Deposit Account. As recorded previously, 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.

We have striven to minimise expenditure and encourage giving during 2019 by undertaking the following:

- Continue to obtain income from the Easyfundraising and AmazonSmile websites
- Received income from the recycling of old mobile phones and printer cartridges through Recycle4Charity

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#### **Annual Accounts for the year ending 31 December 2019**

- Promoted different ways of giving, which can now be done contactless and by card
- We successfully re-negotiated the renewal of the utilities contract

#### **Reserves**

It is PCC policy to deposit money not needed for day-to-day activities in the CBF Church of England Deposit accounts. The amounts totalled £94,949 (2018: £94,241; 2017: £93,775).

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 £19,653. This equates to 23% of the payments the church budgeted for in 2019.

As indicated above, during 2016 the Diocese clarified access to the Parish Trust Fund. These funds are retained in a deposit account. The Parish Trust Fund of £75,296 is to be used for ecclesiastical purposes and it is the intention of the PCC to retain these funds as a Parish Trust Fund against a time of need. In the previous accounts this fund was shown as 'Investments'. The Fund is now included within 'Short term deposits'.

The target for general reserves is for a sum equivalent to between three and six months of outgoings, which currently broadly equates to £22,000 to £45,000. The general reserves of £56,532 falls above this range.

#### **Thanks**

I would like to include my thanks to Margaret Nicholas, Barry Sharp, Bryan Nicholas, John Curtis and all 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 (Hon Treasurer)

9 March 2020