

ST MARY'S CHURCH HADLOW

**Annual Report and Financial Statements
of the Parochial Church Council**

Year Ended 31 December 2017

Incumbent: The Reverend Paul White

Curate: The Reverend Nicola Harvey

Churchwardens: Martin Massy, Barbara Smith

**Independent Examiner: David Stephens BA FCCA
Chartered Certified Accountant
13 Newlands Road
Tunbridge Wells
Kent TN4 9AS**

ADMINISTRATIVE INFORMATION

St Mary's Church is situated in Church Street, Hadlow, Kent. It is part of the deanery of Paddock Wood and the diocese of Rochester. The correspondence address is The Vicarage, Maidstone Road, Hadlow, Kent TN11 0DJ

The Parochial Church Council is a corporate body established by the Church of England, but was registered as a charity on 7 December 2016 under Charity Number 1170577. The PCC operates under the Parochial Church Council Powers Measure.

Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

PCC members normally serve for three years and this is shown in brackets, together with the year of election. Churchwardens are elected each year. At the APCM in April 2017, several members stood down, their term of office ending.

<i>Incumbent and Chairman</i>	The Reverend Paul White
<i>Curate</i>	The Reverend Nicola Harvey

<i>Churchwardens</i>	Martin Massy (2017) Barbara Smith (2017)
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Elected Deanery Synod Representatives

Francis Griffiths	(re-elected 2017 – 2020)
Val Newell	(re-elected 2017 – 2020)
Kelly Parsons	(re-elected 2017 – 2020)

Elected PCC Members

Penny Brandling-Harris	up to APCM 2017
Kirsty Finch	(2017 – 2020)
David Gater	(2017 – 2020)
Judy Gater	(2017 – 2020)
Jenny Hopkins	(2017 – 2020)
Ellie Livett	(2017 – 2020)
Katerina Nixon	(2017 – 2020)
David Nibloe	up to APCM 2017
Rachel Packham	(co-opted Jan 2017 to APCM, elected 2017 – 2020)
Michael Payne	(2016 – 2019)
Mark Totty	(2017 – 2020)
Sharon Vanns	(2015 – 2018)
Barry Wheeler	up to APCM 2017
Annemarie Woodward	(2015 to summer 2017)
Annie Young	(2016 – 2019)

<i>Honorary Treasurer</i>	David Gater (from 2016)
<i>PCC Secretary</i>	Annemarie Woodward (to summer 2017) Judy Gater (from summer 2017)

STRUCTURE OF PCC; ITS MANAGEMENT AND GOVERNANCE

The PCC operates through committees which meet regularly throughout the year and report to full PCC meetings. Reports by the Convenors of these committees giving fuller details of their activities during the year, can be found in the separate APCM booklet.

Standing Committee

The only committee required by law. It has power to transact the business of the PCC between meetings subject to any directions given by the PCC. The standing committee meets in between full PCC meetings.

Education Committee

Initiates and organises educational activities and experiences aimed at enabling all members of the congregation (a) to live as Christians within a Christian community, and (b) to articulate and defend their faith confidently.

Fabric Committee

Supports the churchwardens in the discharge of their legal responsibilities relating to the maintenance and insurance of church fabric and in respect of any necessary faculty applications. Monitors the condition of the church, churchyard and vicarage and arranges repairs and works as necessary, liaises with the civil parish council on the maintenance of the closed churchyard as required and similarly with the relevant diocesan committees.

Finance Committee

Supports the Treasurer in the preparation of the annual budget, monitors financial progress throughout the year, including gift aided giving and ensures the best use of the parish's financial resources.

Outreach/Fundraising Committee

This committee oversees all the fund raising events and activities held during the year. It initiates and organises outreach activities to foster a close relationship between the church and the parish as a whole, to express the church's sense of social responsibility in the community and to take the lead in promoting the evangelistic mission of the church.

World Mission Committee

Provides a forum for liaison with organisations supported by the parish, for example Delhi Brotherhood and the Kibakwe link, and promotes fund raising for them. Raises awareness in the congregation of issues relating to the Anglican Communion and the worldwide church and makes recommendations to the PCC on charities to be supported through away giving.

OBJECTIVES AND ACTIVITIES

St Mary's PCC shares with the Incumbent the responsibility for

- (a) the promotion of the whole mission of the church – pastoral, evangelistic, social and ecumenical - within the ecclesiastical parish of Hadlow,
- (b) the efficient administration of the parish and its funds. The PCC is responsible for funding the maintenance and repair of the parish church.
- (c) The PCC has considered the Charity Commission guidance on public benefit, and believes the guidelines have been met as the activities of the church are open to the public and are for public benefit.

ACHIEVEMENTS AND PERFORMANCE

Church Attendance 2017

The Electoral Roll was completely rewritten in 2013 and so was simply revised in 2017 by adding new members and adjusting for those who had died or moved away. The new Roll numbered 184, of whom 59 live outside the Parish. Taking October as a typical month, the average attendance at St Mary's was 108 for our services on a Sunday. This number increased at festivals such as Christmas and Easter. There were also regular services at Golden Green Mission Church.

Review of the year

The PCC met eight times during the year, including a brief meeting after the APCM. The Standing Committee met once, in October.

In between the PCC meetings, the various committees met and reported back to the next full PCC meeting. Reports from the PCC committees form part of the separate APCM booklet. The committees always contain at least one PCC member but also depend on the help of other members of the congregation with all the work they do. In addition there are many other active groups working within the church, in both practical and prayerful ways. These groups, and their many activities throughout the year, are reported separately.

In 2017 we were able to complete and pay, with the help of a Heritage Lottery Fund grant, for the repairs to the church tower. A thanksgiving service was held on 11 June. Many from in the village and further afield had contributed to the fundraising and this was an opportunity to thank them and to celebrate a great achievement.

We were delighted to welcome Mrs Nicola Harvey and her family to the parish in the summer prior to her ordination as deacon at Rochester Cathedral on 30 September. Now the Rev'd Nicky, she has become invaluable to us and is gaining lots of experience of parish ministry.

The PCC were visited by Rev'd Chris Dench in May; he was able to tell us about the curacy training programme which is now in place and we are delighted to support her during this time. We are very blessed to have her with us and look forward to her ordination as priest in 2018. We are blessed too by the continuing support and kindness of Rev'd Christopher, who is always ready to help by presiding and preaching and running a well established study group.

None of this could take place without strong and committed leadership from Rev'd Paul. In his inspiring sermons and in his life he has fostered a strong sense of our responsibility as Christians in our community and we are becoming much more aware of what we can do to help those who are in need. While ourselves being sustained by worship and teaching, we are being transformed into a body which reaches out to our neighbours in prayer and action.

Every PCC meeting begins and ends in prayer and our faith underpins all we do.

Judy Gater (PCC Secretary)

It is necessary to mention here the commitment of the PCC to safeguarding issues. It is becoming painfully obvious that it is necessary for all churches to have a robust framework in place, and we can confidently say that 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)

Financial Review

Total unrestricted funds receipts were £103,956; the total expenditure on the provision of Christian Ministry by the Rev'd Paul and the congregation of St Mary's as a whole was £101,343.

This expenditure included payment in the year by St Mary's of £60,000 to the Diocese of Rochester for clergy stipends and for general diocesan funds. It will readily be seen that this latter sum represented approx. 60% of St Mary's unrestricted income – a percentage which compares with the diocesan average of 33% of parish income and the national average of 42%.

Thus the net result for income/expenditure in the 12 months ending 31 December 2017 was a surplus of £2,613 of receipts over total expenditure.

Reserves Policy

The PCC has previously established a policy on the need for a level of reserves ideally to be held ie. where the unrestricted funds not committed or invested in tangible fixed assets (ie. 'free reserves') should equate to a sum between three and six months of normal annual expenditure, ie. in the range £30,000-£50,000. With reserves of that size, it would be possible for the PCC to continue current activities for a limited period in the event of a significant drop

in funds – thereby providing time for the PCC to consider what alternative sources of funding were available and /or to consider how activities could be reasonably altered. The PCC has not been in a position for some years to achieve this level of reserves.

The PCC has considered the situation relating to the level of free reserves, and has agreed that in addition to the yearly objective of achieving a surplus of unrestricted income over day-to-day expenditure, it will take steps over a three year period aimed at increasing the free reserves to the level of three to six months of normal annual expenditure (as indicated above).

Risk Management

There are a number of risks to which the PCC is exposed at any time in respect of (a) safeguarding (b) health and safety (c) buildings insurance and other issues. The PCC continues to assess risk through regular review and takes appropriate steps to deal with or lessen any risks which come to light.

PCC Responsibilities

Individual members of the PCC are charitable trustees and have a duty to comply with charity law. St Mary's is now registered with the Charity Commission (Number 1170577); the charity is known as 'The Parochial Church Council of the Ecclesiastical Parish of St Mary, Hadlow.

Each year, at the first meeting after the APCM, each member of the PCC signs a document to record their understanding of their responsibilities.

Charity law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and its financial activities for that period.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time of the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The PCC adopted this Report and Accounts on 2018

Signed on behalf of the PCC.....

Revd Paul White, Chairman

**INDEPENDENT EXAMINER'S REPORT TO THE PCC OF ST MARY'S CHURCH
HADLOW FOR THE YEAR ENDED 31 DECEMBER 2017**

This Report on the financial statements of the PCC for the year ended 31 December 2017, which is set out on the following pages, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the Regulations") and S145 of the Charities Act 2011 ("the Act").

**Respective responsibilities of Trustees
and Examiner**

As the members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and S145 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 Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission under S145 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:

- (i) 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 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
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

..... **Dated:** 2018

David Stephens BA FCCA,
Chartered Certified Accountant
13 Newlands Road
Tunbridge Wells
Kent TN4 9AS

St. Mary's Hadlow Church Accounts

STATEMENT OF FINANCIAL ACTIVITIES, 01 JAN 2017 TO 31 DEC 2017

01 Jan 2016- 31-Dec-16			1 Jan 2017 – 31 Dec 2017		
All Funds£	Notes	Activity	Unrestricted Funds	Restricted Funds	Total Funds
Incoming Resources					
82,896	2.1	Voluntary Giving	81,107		81,107
145,664	2.2	Special Donations/Collections	374	25,194	25,568
9,407	2.3	Income from Church Activities	11,703		11,703
5,920	2.4	Income from Fund Raising Events	7,058		7,058
727	2.5	Income from Investments	193	472	665
2,615	2.6	Other Ordinary Income	1,191		1,191
1,680	2.7	Fees for Choir/Organist/Bells	2,330		2,330
248,909		Total Incoming resources	103,956	25,666	129,622
Resources Expended					
7,079	3.1	Away Giving and Special Collections	2,000	5,004	7,004
276	3.2	Training Education and Support	269		269
195,196		Church Activities	81,449	41,231	122,680
621		Fund Raising Events	1,437		1,437
10,525	3.3	Management and Admin	11,701		11,701
8,306	3.4	Church Repair and Maintenance	1,857		1,857
2,092	2.7	Fees paid to Choir/Organ/Bells	2,630		2,630
224,095		Total Resources Used	101,343	46,235	147,578
24,814	10	NET RESOURCES BEFORE TRANSFERS	2,613	-20,569	-17,956
0	10	Transfers between Funds	2,059	-2,059	0
24,814		NET MOVEMENT IN FUNDS	4,672	-22,628	-17,956
35,944	10	Fund Balances Bt Fwd 01 Jan 2017	9,922	50,836	60,758
60,758	12	FUND BALANCES CD FWD 31 DEC 2017	14,594	28,208	42,802

(See notes on following pages)

St. Mary's Hadlow Church Accounts

BALANCE SHEET AT 31 DECEMBER 2017

31 Dec 16			31 Dec 17
		ASSETS AND LIABILITIES	
	notes		
		Investments	
<u>5,233</u>	9	CBF Investment Fund	<u>5,705</u>
		<u>CURRENT ASSETS</u>	
		Debtors	
7,127	4	Debtors	4,467
		Diocesan Church Repair Fund	
1,976	6	Church Repair Fund Savings Acc	2,398
		Cash At Bank and In Hand	
6,137		General Current Account	17,152
200		FWO Current Account	1,770
693	8	Young People's Work Current A/C	1,254
40,528	7	Capital Reserve Account	15,253
40		Rochester Diocese Deposit A/C	0
<u>300</u>		Petty Cash in Hand	<u>300</u>
49,910		Total Cash at Bank and In Hand	38,127
57,037		Total Current Assets	42,594
		<u>CURRENT LIABILITIES</u>	
		Creditors Due Within One Year	
(1,512)	5	Sundry creditors	(5,497)
		NET CURRENT ASSETS/LIABILITIES	
55,525			37,097
		TOTAL ASSETS LESS CURRENT LIABILITIES	
60,758			42,802
		REPRESENTED BY FUNDS	
	10	Unrestricted Funds	
9,922		General Church Fund	13,150
-		Young People's Work	1,444
9,922		Total Unrestricted Funds	14,594
	11	Restricted Funds	
1,161		Away Giving (Restricted)	2,196
464		Choir Fund	-
5,233		Chancel Emergency Fund	5,705
1,595		Church Repair Fund	-
40,501		Church Improvements	18,425
1,882		Lighthouse 2	1,882
50,836		Total Restricted Funds	28,208
60,758		TOTAL FUNDS	42,802

(See notes on following pages)

The PCC approved these accounts on 2018

Signed on behalf of the PCC Revd. Paul White, Chairman

..... David Gater, Hon. Treasurer

Notes to the Accounts and the Accounting Policies for the year ended 31 December 2017

1 . Accounting Policies

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: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Charities Act 2011.

The financial statements have been prepared under the historical cost convention, except for investment assets, which are shown at market value. All figures are stated in pounds sterling (£).

1.1 Funds

General Funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The purpose of restricted funds is as noted.

The accounts include all transactions, assets and liabilities for which the PCC is liable 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.

1.2 Incoming Resources

Incoming resources are accounted for depending on their category as follows:

Voluntary Income and Capital Resources

Collections are recognised when received by the PCC.

Planned giving receivable under Gift Aid arrangements is recognised when the income to which they relate is received.

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

Sales of books, magazines or any other items are accounted for gross.

Other Ordinary Income

Income for the letting of the Upper Room is recognised when the rental is due.

Income from Investments

Dividends and interest are accounted for when receivable.

Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

1.3 Resources Expended

Grants

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

Activities relating to the Work of the Church

The Diocesan Offer (formerly Parish Share) is accounted for when payable. Any share unpaid at 31 December is provided for as an operational (though not a legal) liability and as a creditor in the balance sheet.

1.4 Fixed Assets

Consecrated Land and Buildings and Moveable Church Furnishings

Consecrated and beneficed property is excluded from the Accounts by s.96(2)(a) of the Charities Act 1993. No value is placed on moveable Church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal as this is regarded by the PCC to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable Church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

1.5 Other Fixtures, Fittings and Equipment

Items with a purchase price of £2000 or less are written off when the asset is acquired. Other equipment is depreciated on a straight line basis over four years.

1.6 Investments

Investments are valued at market value at 31 December.

1.7 Current Assets

Amounts owing to the PCC at 31 December are shown as debtors, less reasonable provision for amounts that may be uncollectable. Short-term deposits include cash held with CBF Church of England Funds or at the Bank.

2. Incoming Resources

2.1 Voluntary Income

Total unrestricted voluntary income is shown in the Table below, with comparative figures for 2016. YPW Fund donations are now included in unrestricted funds (see Note 8). Unrestricted voluntary income from the Church Wall Boxes was included in the 2017 figures.

Unrestricted Voluntary Income	2016 (£)	2017 (£)
Cash Collections	5,197	6,597
Planned Giving	54,194	54,597
Gift Aid Recovered	15,651	15,333
Sundry Donations	7,184	3,414
YPW Fund Donations	670	888
Church Wall Boxes	-	278
TOTALS	82,896	81,107

2.2 Special Collections, Donations and Away Giving

The main external giving from restricted funds was funded by special collections as shown in the Table below with comparative figures for 2016.

Special Collections/Donations	2016 (£)	2017 (£)
Children's Society	1,722	1,013
Delhi Brotherhood Society	912	930
Christian Aid	218	273
Kibakwe Link	841	2,146 *
Water Aid (Lent collections)	331	- *
TOTALS	4,024	4,362

* The total raised for the Kibakwe Link in 2017 included £1,756 of Lent collections and donations for water filters for clean drinking water.

Other special collections of £1,677 (£1,386 in 2016) were donated to a number of charities for UK and Overseas work. These donations represent special collections at Services, Carols in the Square, and other sundry donations. An additional £2,000 (£2,000 in 2016) was designated from general income and fund raising to be distributed to 9 charities recommended by the World Mission Committee.

The total funds raised for Away Giving to various charities and overseas projects in 2017 was £8,029 (£7,210 in 2016).

The bulk of the restricted funds was £19,156 (over £139,000 in 2016) from grants, donations and VAT returns for the Tower Fund (see Note 7).

Donations of £64 (£1,054 in 2016) were received for the Choir Fund.

2.3 Income from Church activities

This includes the income from events which are part of the Church's usual activity, but which are not intended to be fund-raising, or even to pay for themselves. They include the gross receipts from the sale of, or contributions received towards, refreshments, and from Outreach events, including concerts, of £990 (£627 in 2016), and Men's and Women's Breakfasts of £140 (£232 in 2016). Income of £10,000 (£7,250 in 2016) relates to fees for weddings and funerals.

2.4 Activities for Generating Funds

The Boot Fair raised £745 (£883 in 2016)

Market Stalls raised a total of £459 (£781 in 2016)

Christmas Market Stall raised £1,257 (£1,105 in 2016)

Quiz Night raised £412 (£410 in 2016)

Opera concert raised £917

Scarecrow Trail raised £914.

The Grand Total of Fund Raising and Outreach Events in 2017 was £7,058 (£6,241 in 2016).

2.5 Income from Investments

Interest on bank deposits was £1 (£2 in 2016).

Income from investments in unrestricted funds relates to interest of £192 ((204 in 2016).

2.6 Other Incoming Resources

Donations and rent paid for the use of the Upper Room amounted to £1,625 (£848 in 2016).

Sundry ordinary income was £1,858 (£1,768 in 2016), which included a gas usage refund of £415, an office copier hire refund of £351, a payment from the Ride and Stride event of £178, and other miscellaneous income.

2.7 Fees for Choir, Organist, Bells etc.

This category reflects those fees, which the church receives on behalf of, and then pays on to, those providing music etc at weddings, funerals and other 'special' services.

3. Resources Expended

3.1 Away Giving and Special Collections.

This category consists of funds the PCC set aside from ordinary income (designated) and money raised by special collections or events (restricted).

3.2 Training and Education

£269 (£276 in 2016) was spent on books and educational resources.

3.3 Generating Voluntary Income, Governance Costs and Management and Administration

Generation of voluntary income relates to the envelope scheme. Governance costs of £625 relate to the independent examination of the accounts. General management and administration refers to stationery, postage and copying, computer expenses and the secretarial honorarium.

3.4 Church Repair and Maintenance

General repairs and maintenance are paid from General Funds. This category includes maintenance of the organ and piano, general internal electrical work, and inspections, repairs and cleaning of the Church roofs, gullies and gutters.

3.5 Investments

Having sold the Hall and King investments funds during the early part of 2015, only the Chancel Emergency Fund investment remains. Full details of the investment funds are shown in Note 9 – Trust Funds below.

3.6 Staff Costs

Salary of £5,243 was paid for secretarial work (2016: £5,850)

Salary of £4,137 was paid for Choir Director/Organist fees (2016: £5,170).

No employee received more than £60,000. No pension schemes were involved (see Note 13).

3.7 Trustees

No Trustee received remuneration as trustee. Trustees were reimbursed for expenses incurred on behalf of the PCC.

4. Debtors and Prepayments

	31 Dec 2016	31 Dec 2017
Tax recoverable	6,936	4,367
Diocesan Diary Account	191	Nil
CAF cheque for DBS	-	100
TOTALS	7,127	4,467

The Diocesan Diary Account, £190.72, was closed during 2017 and the funds were transferred to the Church Repair Fund at the Diocese.

5. Creditors

	31 Dec 2016	31 Dec 2017
General Church Expenses	600	1,860
Special Collections/Away Giving	912	3,637
TOTALS	1,512	5,497

6. Church Repair Savings Account

This is a savings account with the Diocese to which we made no additions in 2016. We received dividends and interest of £192 (£194 in 2016) on the funds in this account. Generally these funds are restricted to meeting the cost of the Quinquennial inspection repairs. During 2016 a sum of £15,000 was transferred to the Capital Reserve account to stabilise cashflow for the Tower restoration and associated works. It is anticipated that any excess funds in the Capital Reserve account will be returned to the Church Repair Savings Account when the final invoices for the Tower Restoration and associated works have been paid during 2018 (see Item 7 below).

7. Capital Reserve Account

This is a savings account for funds to be used for major capital building projects. It has not been used in recent years, but is now being used for the Tower restoration and associated works. During 2017 a total of £19,156 (£139,531 in 2016) was paid into this account, comprising £9,770 final Heritage Lottery Fund grant, and £6,184 VAT reclaims. At the end of 2017 a total of £41,231 (£114,569 in 2016) had been paid out on Tower restoration and associated works. As mentioned in Note 6 above, £15,000 was transferred from the Church Repair Savings account to the Capital Reserve account to stabilise cashflow during 2016/17.

8. Young People's Work Fund, YPW

It had been decided in 2016 to rename the YPW Fund a Designated Fund, and not a Restricted Fund enabling the transfer of most of the YPW Fund to the General Church Fund, with the approval of those still making donations to the YPW. This allowed for a sum of £1,882 to be retained as a Restricted Fund for Lighthouse, now renamed Lighthouse 2.

9. Trust Funds

The CBF Investment Fund – Income Shares

As was mentioned in Item 3.5 Investments above, the PCC decided to sell all its portfolio of King Fund and Hall Fund shares in 2015. The only investment fund now remaining is the Chancel Emergency Fund (see note below table). The gain in value is shown in the Table below.

Fund Name	No. of shares	Value at 31 Dec 2016 (£)	Value at 31 Dec 2017 (£)	Gain/ (Loss) (£)
Chancel Fund	348	5233	5705	472

A Tithe Chancel Fund has existed since the Tithe Act of 1936 and is reserved for repair and maintenance of the Chancel in special circumstances. It is included in the accounts at the current market value.

10. Summary of Unrestricted and Designated Funds

	General Church Fund	Away Giving Designated	Young People's Work	Total
Balance at 01 Jan 2017	9,165	Nil	757	9,922
Movements in Funds	3,926	(2,000)	687	2,613
Transfers	59	2,000	Nil	2,059
Balance at 31 Dec 2017	13,150	Nil	1,444	14,594

11. Summary of Restricted Funds

	Away Giving (Restrict)	Light House 2	Choir Fund	Church Repair Fund	Church Improvement Fund	Chancel Emergency Fund	Total
Balance at 01 Jan 2017	1,161	1,882	464	1,595	40,501	5,233	50,836
Incoming Resources	6,039	Nil		Nil	19,155		25,194
Outgoing Resources	(5,004)	Nil		Nil	(41,231)		(46,235)
Increase in value, investments						472	472
Transfer from Unrestricted Reserves							
Adjustment							
TRANSFERS			(464)	(1,595)			(2,059)
Balance at 31 Dec 2017	2,196	1,882	Nil	Nil	18,425	5,705	28,208

12. Summary of Assets by Fund

Asset	Unrestricted and Designated Funds	Restricted Funds	Total Funds
Investments	-	5,705	5,705
Current Assets	18,154	24,440	42,594
Current Liabilities	(3,560)	(1,937)	(5,497)
Totals	14,594	28,208	42,802

13. Pension Act 2008

During the year 2017, the PCC complied with its responsibilities under the provisions of the Pension Act 2008 to inform its two part-time employees (ie. the Parish Administrator and the Choir Director) of their right to ask to join a workplace pension scheme which, under the abovementioned statute, the PCC would be obliged (a) to facilitate if those employees so requested, and under certain circumstances (b) to contribute to the pension scheme on their behalf (this is now a legal obligation applying to all UK employers, even where the employer has only one employee). The basis under which the PCC is obliged to make this offer was explained to the PCC's employees in a detailed letter in September 2017.

In the event neither employee opted to pursue this opportunity.

The Government's Pension Regulator organisation was informed, as required under the Act, in order to confirm the PCC's compliance with the requirements of the Act.

14. PCC as a 'going concern'

The basis of the PCC being a 'going concern is not in doubt.

St Mary's is a thriving and innovative church supported by a larger than average electoral roll for the size of its community. The level of voluntary giving (plus gift aid where possible) from the congregation and others locally, plus proceeds from fund raising events throughout the year enable St Mary's both to pay its way on a yearly basis; and currently to provide an annual contribution to diocesan running costs which exceeds national and diocesan parish averages by a very considerable margin.

The church building is in a sound condition, and inancial support is rendered to other appropriate charities (mostly locally based). Initiatives relating to the parish's own community area are in place and growing in terms of the support received.

13. Detailed Income and Expenditure Accounts

These are shown on the following three pages for both Unrestricted and Restricted Funds.

ST. MARYS HADLOW CHURCH ACCOUNTS 2017

UNRESTRICTED FUNDS

.....2016..... 2017.....

INCOME FROM :	£	£	£	£
VOLUNTARY GIVING				
Cash Collections	5,197		6,597	
Planned Giving	54,194		54,597	
Tax Reclaim	15,651		15,333	
Sundry Donations	7,184		3,414	
YPW Donations	670		888	
Choir Fund Donations	-		64	
Tower Fund Collections	72,615	155,511	-	80,893
CHURCH ACTIVITIES				
Outreach	294		1,130	
Funerals	4,274		5,349	
Weddings	2,976		4,651	
Lighthouse 2	1,863	9,407	-	11,130
FUND RAISING				
Market Stalls	1,886		459	
Boot Sales/Fetes	883		745	
Other Events	3,151	5,920	4,724	5,928
INVESTMENTS				
Bank Interest		204	192	192
OTHER INCOME				
Upper Room - Letting	847		1,625	
Sundries	1,768	2,615	1,858	3,483
CHOIR/ORGANIST/BELLS		1,680		2,330
TOTAL INCOME		175,337		103,956
TOTAL EXPENDITURE (from SOFA)		103,125		101,343
SURPLUS/(DEFICIT)		72,212		2,613
TRANSFERS TO/FROM:				
Restricted Funds		(74,084)		2,059
TOTAL SURPLUS/DEFICIT		(1,872)		4,672

ST. MARYS HADLOW CHURCH ACCOUNTS 2017

UNRESTRICTED FUNDS

2016.....	2017.....	
EXPENDITURE ON :	£	£	£	£
AWAY GIVING				
Various Charities		2,000		2,000
TRAINING AND EDUCATION				
Sunday Clubs and Young People	89		11	
Adult	103		10	
Books and Resources	83	275	777	798
CHURCH ACTIVITIES				
Visiting Clergy	468		746	
Diocesan Offer	60,000		60,000	
YPW and Lighthouse	470		200	
Clergy Expenses	(350)		100	
Vicarage Expenses	2,776		2,754	
Sacristy	935		1,058	
Insurance	2,927		2,667	
Gas/Electric/Water	5,730		6,661	
Upper Room Expenses	752		1,453	
Choir Director/Organists	5,170		4,137	
Outreach & Social Events	102		1,401	
General Church Expenses	324	79,305	1,144	82,321
FUND RAISING				
Boot Sales/Fetes	-		36	
Other Events	621	621	-	36
ADMINISTRATION				
Printing, Stationery, Copier	2,386		5,357	
Professional & Legal Fees	1,502		635	
Gift Aid Envelopes	162		110	
Post/Phone/Fax	625		356	
Secretarial Honorarium	5,850	10,525	5,243	11,701
MAINTENANCE				
Church General	7,534		467	
Organ/Piano	773	8,307	1,390	1,857
CHOIR/ORGANIST/BELLS		2,092		2,630
TOTAL EXPENDITURE		103,125		101,343

ST. MARYS HADLOW CHURCH ACCOUNTS 2017

RESTRICTED FUNDS

.....2016..... 2017.....

INCOME FROM :	£	£	£	£
SPECIAL DONATIONS/COLLECTIONS				
Delhi Brotherhood	712		930	
Christian Aid	218		273	
Children's Society	1,584		1,013	
Kibakwe Link	816		2,146	
Choir	1,054			
Church Improvements, Tower Restoration	67,079		19,155	
Others	1,586	73,049	1,677	25,194
INVESTMENT INCOME				
Chancel Fund	523		472	
Church Repair Fund	-	523	-	472
TOTAL INCOME		73,572		25,666
EXPENDITURE				
AWAY GIVING				
SPECIAL COLLECTIONS				
Christian Aid	218		273	
Children's Society	1,722		1,013	
Delhi Brotherhood	912		930	
Kibakwe Link	841		872	
Other Special Collections	1,386	5,079	1,916	5,004
CHURCH ACTIVITIES				
Choir Books/Activities	1,322		-	
Church Improvements	114,569		41,231	
Other Activities	-	115,891	-	41,231
TOTAL EXPENDITURE		120,970		46,235
SURPLUS/(DEFICIT)		(47,398)		(20,569)
TRANSFERS TO/FROM:				
Church Repair Fund, General Fund		74,085		(2,059)
TOTAL SURPLUS/DEFICIT		26,686		(22,628)