

St. Peter's Church, Ditton

Annual Report and Financial Statements

of the Parochial Church Council

for the year ended 31st December 2021

Incumbent

The Revd Ross Terranova
The Rectory
2 The Stream
Ditton
ME20 6AG

Treasurer

Mr Stephen Kemp
9 Ditton court Close
Aylesford
Kent
ME20 6PQ

Independent Examiner

Mr Peter Tite
28B Iron Mill Lane
Crayford
Kent
DA1 4RW

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

April 2022

Registered Charity No. 1130864

*‘We are here to demonstrate
God’s love for all,
as shown in Jesus to people
where we live
and work’.*

Annual Report 2021

Introduction

St Peter ad Vincula Ditton Church is situated on The Green, New Road, Ditton and is part of the Diocese of Rochester within the Church of England. There is a Church Office which is part of the Church Centre complex opposite the Church.

The PCC assists, supports and encourages the Rector Revd Ross Terranova in promoting within the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church and Church Centre Complex.

The full PCC met on 6 occasions during the year with an average attendance of 75%. Sub-committees met between meetings as required and a report on their deliberations and recommendations were considered by the PCC and decisions taken as required.

Membership

Members are ex officio, elected at the Annual Parochial Church Meeting, or co-opted.

During the year the following served as members of the PCC:

<i>Rector</i>	Revd Ross Terranova	Chairman
<i>Wardens</i>	Mr Alan Warner Mr John Paul	
<i>Treasurer</i>	Mr Stephen Kemp	
<i>Representatives On Deanery Synod</i>	Mr Simon Webley	Vice Chairman
<i>Elected members</i>	Mrs Caroline Gibbons Mr Stephen Kemp Mr Ian Cropper Mrs Jane Beldham (also Secretary) Mr Geoff Matthews Mrs Maureen Morris Mr Michael Morris Mrs Dierdre Johnson Mr David Grimes Mr Kennedy Emokpaire	

<i>Co-Opted Member</i>	Mrs Sandie Thomas	Safeguarding Officer from November 2016
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Committees

Standing Committee

The Rector
The Wardens
The Treasurer
The Secretary

This is the only committee required by law. It has the power to transact the business of the PCC between its meetings, subject to any directions given by the PCC

Church Fabric and Churchyard Committee

Mr A Warner
Mr J. Paul
Mr I Cropper

Attends to matters relating to the church building and fabric and the churchyard.

Finance Committee

The Rector
The Wardens
The Treasurer (convenor)
Asst. Treasurer
Mr S Webley

Oversees the general finances through budgetary planning, monitoring income and expenditure, and application of financial controls and review of risks.

Church Centre Development and Management Team

Mr A Warner (convenor)
Mrs C Gibbons

Attends to matters relating to the Church Centre Complex in respect of building, fabric, use and letting

Church attendance

At the Annual Parochial Church Meeting in May 2021, it was reported that the Electoral roll showed there were now 85 people on the roll.

This year has seen the gradual opening of many of the Church's activities which had not been possible due to Covid-19 restrictions.

- ❖ **Pre-School Services:** The Pre-School enjoyed meeting once again in the Church building for an end of year leavers service, and Harvest, Christmas and Easter services. It was wonderful to see the Church full again for occasions that are always greatly appreciated.
- ❖ **Junior School:** The Junior School were involved in our Education Sunday service in February a service notable for a power cut which made life a little difficult. It was very encouraging to see so many parents at the service.
- ❖ **Christian books for** pre-school and Junior school children have been purchased and distributed thanks to a generous donation.
- ❖ **The Easter service** (the first since 2019) was a superb occasion with some great new Easter songs.
- ❖ **Papa Panov:** Members of the Church led by Liz Nicolaides performed a play based on the book Papa Panov written by a French minister to help his own children understand the meaning of Christmas. It was a tremendous success with around 70 children and parents attending the play at the beginning of December.
- ❖ **Christmas and Easter:** The two main festivals had been hit by the pandemic, so it was good to be able to sing again and also enjoy the great celebration of Carols on the Green on Christmas Eve.
- ❖ **Church Building:** Very significant work was completed as part of the most significant building works on the Church in recent decades. The building now has gutters – and large soakaways which will help significantly in the battle against damp.
- ❖ **Small Groups:** Most small groups have met online or in a hybrid mode during the past year. We are in the process of reorganising them post pandemic. We met during Lent to study the Passion for Christ: Cover to Cover, based on Corinthians.
- ❖ **JAM Club:** It has been really encouraging seeing our JAM club (Jesus and Me) grow over the past year.
- ❖ **New Church Bibles:** Following a successful appeal and some very generous donations we were able to purchase new pew bibles and a new lectern bible.
- ❖ **Church Gates:** Thanks to some generous donations we have been able to purchase new gates for the church which will be fitted in early 2022.

Review of the Financial Year – Highlights

- ❖ Despite our best efforts a number of things conspired to keep us in deficit.
- ❖ A new boiler was required for the church centre which cost over £3000.
- ❖ Whilst the works on the church for rainwater goods and roof repairs have been budgeted for, VAT although reclaimable, has to be paid at the time of the invoice. Any repayment will be shown in next year's accounts.
- ❖ 'Planned Giving' increased by only 1.7% which was well below inflation. The startling fact is that if you committed to pay the church £100 a month in 2012 it is only worth £77 today. It is therefore vital that giving is reviewed regularly and, where possible, increased in line with inflation.
- ❖ We have done better than some local churches as the vast majority of giving to St Peters is given through electronic payments and that has continued throughout the pandemic. Hopefully all giving to the church will be managed this way in future.

- ❖ Noticeably, and perhaps illustrating this point – Cash Collections were down 60%
- ❖ Rents, Fees and Event income continue to improve showing an increase of 48% however with the diocese now claiming a percentage of fee income this is reduced to 40%.
- ❖ Gift Day raised £15286 which was increased to £18257 with Gift Aid and was shared between our Mission Organisations and Church building works renovations to the heating in the church centre.
- ❖ On realising that we were heading for deficit, we asked the diocese if we could reduce our contributions to Ministry Costs and the Paris Share but whilst early discussions took place no agreement was arrived at. Consequently, we have offered a lower amount for 2022 which has, thankfully, been agreed.
- ❖ The church finances are managed using the Data Developments On-Line accounts package.
- ❖ The Christmas Card collection raised circa £150.00, and Carols on the Green raised over £500 for an appeal in memory of Jared Smith.
- ❖ The grant from the Friends of Kent Churches for £8000 was successfully claimed and applied to offset costs on the rainwater goods and soakaways.
- ❖ Repairs to the church will continue in 2022 & 2023 and we wish to thank everyone for your continued support and prayers whilst we raise these funds.

Review of Financial Situation

The Parochial Church Council is a registered Charity and the annual accounts of the Church are prepared on the accruals basis and submitted to both the Diocese and the Charity Commission.

As in previous years, the PCC has continued the policy to account for Gift Day income and expenditure outside the normal budgetary process and this has been maintained in 2021.

The outturn for 2021 shows a deficit of: £3540.36 (Unrestricted £-9660.38; Restricted £6120.02)

Income

In terms of income, there was only a very small increase in ‘planned giving’ as a result of commitment Sunday in 2021 which will not cover inflation and the predicted rise in utility costs in 2022. Gift Aid returns reflected the amount given in response to appeals, particularly, for the Building Fund, bibles and in response to the tragic passing of Jared Smith. Notice of a rise in Centre Rents to try in some way to cover increased costs, was given at the end of the year. A grant of £8000, towards the provision of rainwater goods and soakaways was gratefully received from the Friends of Kent Churches.

To encourage giving we now have a card reader and whilst there is a fee for its use, the convenience it provides in terms of less administration, is well worth it. We can also run appeals using a QR code and/or the ‘Give A Little’ website which tracks Gift Aid.

Expenditure

A new boiler was required in the church centre to ensure that pre-school is kept at an appropriate temperature. Building works as part of the last quinquennial inspection have started to drain reserves but the work will provide years of protection to the fabric of the church building. The rise in cost of living particularly in terms of energy prices is of particular concern to the PCC as current centre rents increases were made before news of increased tariffs.

Reserves Policy

The Finance Committee meets to discuss a draft budget for the following financial year and makes recommendations to the PCC for consideration. Once the budget is approved progress is monitored at each PCC meeting during the year and any necessary variation approved. The main aim is to operate a balanced budget year on year whilst continuing the maintenance and upkeep of the physical assets under the PCC's stewardship.

- Reserves are maintained to cover at least 3 months' expenditure.
- Special funds are established for any major project or appeals undertaken.
- The use of Designated Funds is considered as the need arises.

Any substantial funds in the current account which are not for immediate use are placed in interest bearing accounts as approved by the PCC.

Risk Management Statement

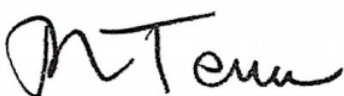
In 2003 the Finance Committee carried out a detailed risk assessment and made recommendations to the PCC. The major risks that impact upon the work of the Church were identified, assessed and minimised. This has been extended to other sub-committees of the PCC to review and report to the PCC as necessary.

The PCC approved the Child Protection Policy and the Disclosure and Child Protection Officer continued the work on obtaining disclosures and training for all those involved in children's activities within the Church.

These have been reviewed this year and amended as necessary in accordance with the Diocesan Policy.

Approved by the PCC on Sunday 1st May 2022

Revd Ross Terranova (PCC Chairman)



Date:04/06/2022....

Independent Examiner's Report to the PCC of St. Peter's Ditton

This report on the financial statements of the PCC for the year ended 31st December 2021, which are set out on pages 9 to 15, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and section 145 of the Charities Act 2011 ('the Act').

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 144 (2) of the Act do not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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.

In connection with my examination, no matter has come to my attention.

- (1) which give me reasonable cause to believe that in any material respect the requirements
 - a. to keep accounting records in accordance with section 130 of the Act; and
 - b. 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.

Signed:

Date:

Mr Peter Tite
28 B Iron Mill Lane
Crayford
Kent
DA1 4RW

Parochial Church Council of St Peter, Ditton
Statement of financial activities
For the year ending 31 December 2021

FUNDS 2020			Unrestricted funds	Restricted Funds	TOTAL 2021
£		Note	£	£	£
INCOME & ENDOWMENTS					
88,989.74	Donations & legacies	1	76,404.36	33,574.46	109,978.82
570.57	Activities for generating funds	2	345.26	0.00	345.26
0.00	Investments	3	0.00	0.00	0.00
5,502.00	Other trading activities	4	3,607.60	4,565.00	8,172.60
8,433.96	Other income	5	63.91	14,367.50	14,431.41
103,496.27	TOTAL INCOMING RESOURCES		80,421.13	52,506.96	132,928.09
RESOURCES EXPENDED					
223.80	Cost of generating funds	6	44.49	0.00	44.49
920.00	Grants & Charitable giving	7	30.00	342.00	372.00
5,590.80	Parish share	8	5,822.40	0.00	5,822.40
56,134.91	Staffing Costs	9	57,924.67	0.00	57,924.67
18,002.83	Church Running	10	8,135.69	23,172.69	31,308.38
15,268.00	Centre & Cottage Running	11	12,621.75	4,625.00	17,246.75
100.00	Governance Costs	12	100.00	0.00	100.00
5,639.80	Church Administration	13	4,469.07	0.00	4,469.07
90.00	Other resources expended	14	923.44	0.00	923.44
13,157.03	Gift day allocation	15	0.00	18,257.25	18,257.25
115,127.17	TOTAL RESOURCES EXPENDED		90,071.51	46,396.94	136,468.45
-11,630.90	NET INCOMING RESOURCES		-9,650.38	6,110.02	-3,540.36
	Debtors (Tax reclaim)				-8,956.21
100.00	Creditors				1,370.00
6,657.03	Gift day /receipt in advance				1,329.98
8,249.04	Adjustments ()				
3,375.17					-9,796.59
					(A-B)
	BALANCES B/FWD 1st JAN 2021	?	34,142.13	4,419.63	38,561.76
35,186.59	BALANCES C/FWD 31 DEC 2021	?	18,693.04	10,072.13	28,765.17
Petty Cash					
39.97	Various Payments, Postage				39.97
39.97	Cash in hand				0.00

* This figure is reached by subtracting the opening and closing balances from the bank statements and has to be maintained whatever adjustments are made.

FUNDS 2020		INCOME & ENDOWMENTS	Unrestricted Funds	Restricted Funds	TOTAL 2021
£			£	£	£
	Note				
	1	Donations & legacies			
		Planned giving:			
54,348.00		Gift Aid donation	54941.00	350.00	55,291.00
13,730.03		Tax recovered	13,750.26	125.00	13,875.26
2,317.87		Other giving	6139.97		6,139.97
2,309.06		Collections	769.22		769.22
677.11		Tax recovered	336.83		336.83
13,157.03		Gift day		15,286.00	15,286.00
0.00		Tax recovered		2,971.25	2,971.25
24.00		Grants		9,067.54	9,067.54
2,426.64		Donations, appeals etc.	467.08	5774.67	6,241.75
0		Tax recovered			0.00
88,989.74		Total	76,404.36	33,574.46	109,978.82
	2	Activities for generating funds			
90.00		Events			0.00
288.07		Sales	80.26		80.26
192.50		Sponsored events	265.00		265.00
0.00		Awayday			
570.57		Total	345.26	0.00	345.26
	3	Investments			
0.00		Total	0.00	0.00	0.00
		Other trading activities			
3,708.00		Church Centre Rents	1,900.60		1,900.60
		Pre-school Rents		4,140.00	4,140.00
1,794.00	4	Fees	1,707.00	425.00	2,132.00
5,502.00		Total	3,607.60	4,565.00	8,172.60
		Other income			
50.00	5	C Cards 2021		145.00	145.00
27.50		C Cards Tax Recovered		12.50	12.50
35.20		Miscellaneous	0.00		0.00
0.00		Easy Fundraising	40.36		40.36
0.00		Refunds	23.55		23.55
8,321.26		Funds transfer		12,000.00	12,000.00
		Building Fund		2,210.00	2,210.00
8,433.96		Total	63.91	14,367.50	14,431.41
103,496.27		TOTAL INCOMING RESOURCES	80,421.13	52,506.96	132,928.09
		RESOURCES EXPENDED			
		Cost of generating funds			
22.80	6	Stewardship scheme exp.			0.00
201.00	Events	Event Costs	44.49		44.49
223.80		Total	44.49	0.00	44.49
		Grants and Charitable giving			
0.00	7	Overseas CMJ			0.00
0.00		Armonia			0.00
0.00		Crosslinks			0.00
440.00		Tearfund			0.00
0.00	Home	CPAS			0.00
0.00		Poppy Appeal		210.00	210.00
30.00		Churches Together	30.00		30.00
450.00		Link to Hope (Shoebox)		132.00	132.00
920.00		Total	30.00	342.00	372.00

FUNDS 2020			Unrestricted Funds	Restricted Funds	TOTAL 2021
5,590.80	8	Parish share / Pledge	5,822.40	0.00	5,822.40
50,324.20	9	Staffing Costs	52,401.60		52,401.60
1,800.00		Stipend and Pens. / Min. Costs			
3,292.31		Rectors expenses	1,800.00		1,800.00
414.40		Rectory Council tax	3,436.83		3,436.83
0.00		Rectory water and sewerage	186.24		186.24
0.00		Rectory maintenance	0.00		0.00
0.00		Assist. Min. honararium	0.00		0.00
0.00		Assist. Min. expenses	0.00		0.00
304.00		Visiting speakers	100.00		100.00
56,134.91	Total	✓	57,924.67	0.00	57,924.67
714.02	10	Church Running	934.10		934.10
73.74		Energy costs	92.02		92.02
1,905.21		Water	1,688.22		1,688.22
519.92		Insurance	137.81		137.81
1,035.00		General repairs and maint.	0.00		0.00
125.35		Organ Service and Organist	281.09	1,680.15	1,961.24
538.85		Book, materials	630.06		630.06
376.00		Copyright licence		425.00	425.00
2,520.00		Wedding and funeral expenses		24.00	1,483.00
1,600.00		Churchyard	1,459.00		2,000.00
0.00		Repair Fund	2,000.00		0.00
682.00		Training	29.99	0.00	29.99
1,327.48		Childrens Activities	868.40		868.40
0.00		Audiovisual Equipment	15.00		15.00
6,585.26		Miscellaneous		21,043.54	21,043.54
18,002.83	Total	✓	8,135.69	23,172.69	31,308.38
2,394.59	11	Centre & Cottage	500.44	2,665.00	3,165.44
493.20		Energy costs	865.71		865.71
2,385.49		Water	1,201.19	1,840.00	3,041.19
1,960.82		Cleaning	2,090.84	120.00	2,210.84
539.60		Insurance	539.60		539.60
212.00		Cottage repair fund	509.95		509.95
4,246.00		Internet & Software	4,360.31		4,360.31
847.95		General repair and maintenance	1,062.55		1,062.55
1,642.59		Equipment and maintenance	1,469.33		1,469.33
545.76		Office and telephone	21.83		21.83
15,268.00	Total	✓	12,621.75	4,625.00	17,246.75
100.00	12	Governance Cos	100.00	0.00	100.00
4,446.00	13	Church Admin.	3,728.25		3,728.25
1,193.80	& Admin.	Parish administrator	740.82		740.82
0.00		Printing, Stationery and Copy.			0.00
5,639.80	Total		4,469.07	0.00	4,469.07
60.00	14	Other resources expended	96.50		96.50
0.00		Bank charges	800.00		800.00
0.00		Miscellaneous	26.94		26.94
30.00		Other Fees			0.00
90.00	Total		923.44	0.00	923.44
6,657.03	15	Gift day allocation		10,427.27	10,427.27
0.00		Special Projects		1,329.98	1,329.98
1,250.00		Building Works		1,250.00	1,250.00
1,250.00		CMJ		1,250.00	1,250.00
1,500.00		Armonia		1,500.00	1,500.00
1,250.00		Crosslinks		1,250.00	1,250.00
1,250.00		Tearfund		1,250.00	1,250.00
1,250.00		CPAS		1,250.00	1,250.00
13,157.03			0.00	18,257.25	18,257.25
115,127.17	Total Resources Expended		90,071.51	46,396.94	136,468.45

OTHER ACCOUNTS HELD BY THE PCC

YEAR 2020		YEAR 2021	
£	SAVINGS ACCOUNT- CHURCH #	£	
21,864.69	Account balance at 1st January	17,507.00	
1,600.00	Receipts	2,000.00	
-6,021.26	Transfer	-12,000.00	
63.57	Interest	26.75	
17,507.00		7,533.75	✓
	SAVINGS ACCOUNT COTTAGE #		
5,432.07	Account balance at 1st January	3,688.57	
539.60	Receipts	546.46	
-2300.00	Transfer		
	Payments		
16.90	Interest	6.86	
3,688.57		4,241.89	✓
# All these accounts are held at the Diocese			
	CAFCASH ACCOUNT DEVELOPMENT FUND		
10,351.85	Account balance at 1st January	10,291.85	
6,500.00	Receipts		
-60.00	Charges	-96.00	
-6,500.00	Transfer		
	Interest		
10,291.85		10,195.85	✓
	CAF/CASH ACCOUNT BURSARY FUND		
45.20	Account balance 1st January	0.00	
30	Receipts		
-40.00	Charges		
-35.20	Transfer		
0.00		0.00	✓
	CAF/CASH GOLD		
5,171.70	Opening balance	5,175.85	
4.15	Interest / Gift Day	0.52	
5,175.85	Closing balance	5,176.37	✓
4150.00			
2,430.00			
1720.00	2665 3165.44 500.44		
	2921.19 1720 1201.19		

STATEMENT OF ASSETS AND LIABILITIES AT 31ST DECEMBER 2021

MONETARY ASSETS

	General Fund	Savings Account Church	Savings Account Cottage	CAFCASH Dev. Fund	CAFCASH Bursera Fund	CAFCASH Gen	CAFCASH Gold	Total 2021	2020
	£	£	£	£	£	£	£	£	£
Petty Cash								0.00	39.97
Accounts Held at Diocese		7,533.75	3,688.57					11,222.32	21,195.57
Account Held at C.A.F.	38,561.76			10,291.85	0.00		5,176.37	54,029.98	54,029.46
Total	38,561.76	7,533.75	4,241.89	10,291.85	0.00	0.00	5,176.37	65,252.30	75,265.00

LIABILITIES

Total

DEBTORS CREDITORS

8956.21
1370.00

RECEIPT IN ADVANCE Gift Day Reclaim

1329.98

NON-MONETARY ASSETS

- i Church and Grounds
- ii Church Centre - on lease
- iii Church Cottage - on lease
- iv Office Equipment including IT - £1,250
- v Projector and screen-Church- £3,200
- vi Audio Equipment £4,600

Accounting Policies

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting statements and the current Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015) on the accruals basis.

Funds

Restricted Funds represent 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 each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Unrestricted Funds are the general funds which can be used for PCC ordinary purposes.

Incoming Resources

Planned-giving, collections and donations are recognised when received. Tax refunds are claimed on a quarterly basis in arrears. Grants and Legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is receivable.

Resources Expended

Grants and donations are accounted for when paid over. The Diocesan Parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed Assets

Consecrated and benefice property is not included in the accounts in accordance with s.10 (2) (a) and (c) of the Charities Act 2011.

Movable church furnishings held by the Rector and Church Wardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the Church's inventory. Equipment within the Church and Church Centre have been purchased from revenue.

Explanation of Funds

The PCC has a number of funds held either by the Diocese or by the Charities Aid Foundation as follows.

(1) Savings Account – Church

This fund is fed by contributions paid by the PCC to the Diocese. Interest is added to the fund on an annual basis. The assets are available to the PCC to meet expenditure incurred on necessary repairs following the Quinquennial review of the Church.

(2) Savings Account – Cottage

This fund is fed by contributions paid by the PCC to the Diocese. Interest is added to the fund on an annual basis. These funds are available to the PCC to meet expenditure incurred on any necessary repairs arising from this review.

(3) Development Fund – CAFCASH Account

This fund is held with the Charities Aid Foundation and has been used in the past to finance the refurbishment of the entrance area of the Church to improve the external lighting, and the renewal of the Church heating system. The major legacy received by the church is held within the fund and has been used to finance these works. The account also holds the balance of the legacy received for use within the churchyard. It has been decided that this account should be closed in 2022 and all funds transferred to the Gold (interest bearing account).

(4) Bursary Fund – CAFCASH Account

In 2003 this Fund was set up by the PCC to assist young members of the Church in undertaking missionary work. The fund has been replenished, as necessary, with contributions from Gift Days. This fund was held with the Charities Aid Foundation. This account is now closed.

(5) CAFCASH – General Fund

This account is the main bank account for the regular finances of the Church.

(6) CAFCASH – Gold Account

This fund contains the initial deposit used to set up the account and will be used for any surplus funds held by the PCC in the future. In 2015 a proportion of the Gift Day monies was transferred to this fund to set up a Church Building Repair Fund. In 2022 this will become the main savings account for the church.