

**St. John the Evangelist  
Hildenborough**

**REPORT & ACCOUNTS  
Year ended 31st December 2020**

# PARISH OF HILDENBOROUGH

## Annual report of the Parochial Church Council 2020



### Background.

The Parish of Hildenborough is a village, 3 miles north of Tonbridge in Kent, with about 5000 inhabitants. The Parish Church of St. John the Evangelist was established in 1844, and has a range of services. The Parochial Church Council (PCC) has responsibility for co-operating with the incumbent in promoting within the Parish the whole Mission of the Church, pastoral, evangelistic, social and ecumenical. Revd. Tim Saiet is the incumbent. He is assisted by Mr Marcus Hockley (Children and Families Pastor) and Mrs Susan Trowbridge, (Lay Reader, Anna Chaplain and Seniors Pastor). Together, the PCC and incumbent also have overall responsibility for the administration and financial affairs of the Church including the care and maintenance of the Church, Churchyard and other Church buildings. The latter includes a Church Centre complex and a semi-detached house at 12 Fellowes Way, Hildenborough, which is currently let. There were nine PCC meetings during the year in addition to the APCM which was delayed until October following permission granted by the Church of England on account of COVID restrictions. For the same reason, all but the February meetings have taken place via Zoom. Legislation and guidance surrounding COVID have also resulted in both the Church and Church Centre being closed for much of the year with a consequential effect on income. Live services and activities resumed for a spell in September and October, but as Corona infection rates rose in the area and the village was placed in tier three on the Government's system, the Incumbent and PCC made the decision, with permission from the Bishop, to once again suspend live services. However, the Church has had a very lively presence online with regular services and Kids Church being either recorded, or more recently, streamed from the Church. Viewing figures indicate that these have been a great success. St. John's has also continued to serve the community through its support network and operation of its Food Bank. The business and activities of the PCC and parish during the year are reflected in the document "Reports of the Various Committees and Organisations" which includes the Vicar's Report and is available alongside these accounts. This year it largely reflects "pre-lockdown" activity. A summary of the key outcomes of each PCC meeting is available from the PCC secretary and approved minutes are available to view on request.

### Membership of the P.C.C.

Members of the PCC are either ex-officio or are elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. Churchwardens are elected by the whole of the Parish. During the year the following persons have served as members of the PCC:

Incumbent	Revd. T Saiet	Chairman
Licensed Children & Families Pastor	Mr M. Hockley	
Churchwardens (elected)	Mr D Green (retired 12/10/20) Mr W. Glass Mr G Paterson (appointed 12/10/20 retired 20/12/20) Mr John Bonarius (appointed 18/01/21)	Vice Chair Vice Chair (from 12/10)
Deanery Synod Lay Representatives (elected)	Mrs Rosemary Barton Mrs Coen Kooiman (retired 12/10/20) Mr Nicholas Hawkins	

## Lay Representatives to the PCC (elected)

Mr Chris Mileham (Treasurer)

Mrs Julie Rhodes

Mr Peter Thomas

Mr Gordon Paterson

Mrs Caroline Rodger

Mrs Annie Hawkins (retired 12/10/20)

Mr Josh Hamlyn (retired 18/01/20)

Mr John Bonarius (appointed 12/10/20)

Mr Trevor Long (appointed 12/10/20)

## Persons Co-Opted by the PCC

Mrs Sue Glass (May 2019 - Oct 2020)

Mrs Nancy Mansfield (Nov 2019 - Oct 2020)

## PCC Secretary

Mrs A Willmont

## Committees

The PCC operates through a number of Committees which meet between the full meetings of the PCC. Each Committee (except the Standing and Finance Committee) prepares minutes of its meetings and presents them to the next following PCC for consideration.

### Standing and Finance Committee.

This Committee may transact the business of the PCC between full meetings. In practice its main business consists of the drawing up of the Agenda for PCC meetings and discussions of how particular topics are to be handled.

It also oversees the financial affairs of the Parish, giving advice to the PCC on specific expenditure requests and producing monthly monitoring statements and the annual budget and accounts.

### Mission Support Committee.

Promotes mission at home other than within the Parish and overseas and arranges financial, practical and prayer support through prayer meetings, Home Groups and periodic information via the Church notices. Details of financial support given in the past year is included in the Annual Accounts.

### Church Centre Committee.

Responsible for the care, maintenance and letting of the Church Centre complex.

### Churchyard Committee.

This committee generally consists of two Church representatives and two Parish Council representatives and is responsible with the Parish Council for the upkeep of the churchyard. The committee currently has no members.

### Church Electoral Roll.

See separate report.

### Church Attendance.

The average adult attendance on Sunday has been difficult to ascertain accurately as the majority of services have been online. However it is clear that online viewings have exceeded the average numbers usually attending in church which for 2019 was 170 (children 45).

## Safeguarding

The Parochial Church Council has complied with its 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).

# Parochial Church Council of St John the Evangelist, Hildenborough

## Statement of Financial Activities

For the year ending 31 December 2020

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS £ 2020	TOTAL FUNDS £ 2019
INCOMING RESOURCES						
Incoming resources from donors	2(a)	108,040	-	500	108,540	118,334
Other voluntary incoming resources	2(b)	-	3,067	29,702	32,769	23,636
Incoming resources from operating activities						
to further the Council's objects	2(c)	42,120	-	733	42,853	51,460
to generate funds	2(d)	-	12,817	-	12,817	14,889
Income from investment	2(e)	1,296	71	-	1,367	1,278
		=====	=====	=====	=====	=====
TOTAL INCOMING RESOURCES		151,456	15,955	30,935	198,346	209,597
		=====	=====	=====	=====	=====
RESOURCES EXPENDED						
Grants	3(a)	3,200	-	1,116	4,316	13,584
Activities directly relating to the work of the Church	3(b)	98,363	11,533	23,879	133,775	147,134
Church management and administration	3(c)	49,804	-	500	50,304	49,925
Exceptional item	3(d)	-	-	-	-	20,605
		=====	=====	=====	=====	=====
TOTAL RESOURCES EXPENDED		151,367	11,533	25,495	188,395	231,248
		=====	=====	=====	=====	=====
NET INCOMING / (OUTGOING) RESOURCES		89	4,422	5,440	9,951	(21,651)
FUND TRANSFERS	9	7,973	(7,973)	-	-	-
		=====	=====	=====	=====	=====
NET MOVEMENT IN FUNDS		8,062	(3,551)	5,440	9,951	(21,651)
		=====	=====	=====	=====	=====
BALANCES BROUGHT FORWARD AT						
1 JANUARY 2020 (2019)		37,015	30,381	63,498	130,894	152,545
Church and House Repair (reclassified to Designated Funds)		(23,131)	23,131	-	-	-
		=====	=====	=====	=====	=====
1 JANUARY 2020 Restated		13,884	53,512	63,498	130,894	152,545
		=====	=====	=====	=====	=====
BALANCES CARRIED FORWARD AT						
31 December 2020 (2019)		21,946	49,961	68,938	140,845	130,894
		=====	=====	=====	=====	=====

# Parochial Church Council of St John the Evangelist, Hildenborough

## Balance Sheet at 31 December 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	5	48,257 =====	48,257 =====
CURRENT ASSETS			
Debtors	7	18,295	25,002
Diocesan General Fund	10	54,301	65,095
Diocesan Repair Funds	10	23,850	23,131
Cash at bank and in hand		32,988 -----	8,468 -----
		129,434 =====	121,696 =====
LIABILITIES			
Amounts falling due within one year	8	(36,846) -----	(39,059) -----
NET CURRENT ASSETS		92,588 =====	82,637 =====
NET ASSETS		140,845 =====	130,894 =====
FUNDS	6, 9		
Unrestricted			
As previously stated			37,015
Restated as Designated Funds			(23,131)
		21,946	----- 13,884
Designated			
As previously stated			30,381
Restated as Designated Funds			23,131
		49,961 -----	----- 53,512
Restricted		68,938 -----	63,498 -----
		140,845 =====	130,894 =====

The Financial Statements have been prepared in accordance with Financial Reporting Standard for Smaller Entities (effective June 2002)

Approved by the Parochial Church Council on \_\_\_\_\_ and signed on its behalf by:

Rev T Sallet

The notes on pages 3 to 10 form part of these accounts.

# Parochial Church Council of St John the Evangelist, Hildenborough

## Notes to the Financial Statements For the year ended 31 December 2020

### 1 ACCOUNTING POLICIES

Please see notes below

### 2 INCOMING RESOURCES

	Unrestricted Funds £	Designated Funds £	*Restricted Funds £	TOTAL FUNDS £ 2020	TOTAL FUNDS £ 2019
2(a) Incoming resources from donors **					
Planned giving - Gift Aid donations	71,662	-	-	71,662	75,547
Income tax recovered and recoverable	17,915	-	-	17,915	20,886
Other planned giving	12,191	-	-	12,191	8,564
Collections	2,233	-	-	2,233	10,178
Legacies	-	-	-	-	-
Sundry donations	4,039	-	500	4,539	3,159
	<u>108,040</u>	<u>-</u>	<u>500</u>	<u>108,540</u>	<u>118,334</u>

### 2(b) Other voluntary incoming resources \*\*

Contributions to cost of:

Chancel	-	-	5,275	5,275	15,071
Church Computer and New Services	-	-	376	376	3,337
Donations for third parties	-	-	3,398	3,398	679
"Keys" Magazine	-	2,932	-	2,932	2,532
Bright Sparks (formerly Sunbeams)	-	135	-	135	600
Vicar's Discretionary	-	-	10,725	10,725	1,367
Who Let The Dads Out	-	-	-	-	50
Food Bank	-	-	9,928	9,928	-
	<u>-</u>	<u>3,067</u>	<u>29,702</u>	<u>32,769</u>	<u>23,636</u>

\* The Restricted Funds are those allocated for a specific purpose

\*\* During the year £26,336 was donated as Unrestricted Funds and £11,387 as Restricted Funds by members of the PCC

### 2(c) Income from operating activities to further the Council's objects

Church Centre lettings etc	9,377	-	-	9,377	25,942
Rental - Fellowes Way	15,600	-	-	15,600	15,600
Fees	6,646	-	-	6,646	9,918
HMRC Job Support Grants received	6,830	-	-	6,830	-
Other Grants received	3,667	-	733	4,400	-
	<u>42,120</u>	<u>-</u>	<u>733</u>	<u>42,853</u>	<u>51,460</u>

# Parochial Church Council of St John the Evangelist, Hildenborough

## Notes to the Financial Statements (continued) For the year ended 31 December 2020

	Unrestricted Funds £	Designated Funds £	*Restricted Funds £	TOTAL FUNDS £ 2020	TOTAL FUNDS £ 2019
2(d) Income from operating activities: to generate funds					
Receipts for "Keys" advertising	-	12,817	-	12,817	13,445
Tea & Coffee Corner	-	-	-	-	1,444
	-	12,817	-	12,817	14,889
2(e) Income from investment:					
Solar income	1,090	-	-	1,090	950
Bank and other interest	206	71	-	277	328
	1,296	71	-	1,367	1,278
TOTAL INCOMING RESOURCES	151,456	15,955	30,935	198,346	209,597
<b>3 RESOURCES EXPENDED</b>					
	Unrestricted Funds £	Designated Funds £	*Restricted Funds £	TOTAL FUNDS £ 2020	TOTAL FUNDS £ 2019
3(a) Grants (see also Note 12)					
Missionary and charitable giving					
Church overseas:					
missionary and societies	750	-	582	1,332	3,330
relief & development agencies	350	-	534	884	2,504
Home missions & other Church Societies	2,100	-	-	2,100	7,750
	3,200	-	1,116	4,316	13,584

## Parochial Church Council of St John the Evangelist, Hildenborough

### Notes to the Financial Statements (continued)

For the year ended 31 December 2020

	Unrestricted Funds £	Designated Funds £	*Restricted Funds £	TOTAL FUNDS £ 2020	TOTAL FUNDS £ 2019
3(b) Activities directly relating to the work of the Church Ministry:					
Diocesan parish share	47,000	-	-	47,000	69,000
Diocesan Board of Finance fees	1,786	-	-	1,786	-
Clergy property expenses	4,779	-	-	4,779	4,857
Clergy and Lay Minister working expense	4,458	-	-	4,458	4,961
Church & Centre maintenance	3,805	3,797	-	7,602	11,281
Teaching materials	75	-	-	75	100
Upkeep of churchyard	2,355	-	-	2,355	1,058
Heating, Lighting & Water	6,252	-	-	6,252	8,371
Organist/Music/Upkeep of services	5,337	-	-	5,337	7,913
Church Computer and New Services	2,554	-	385	2,939	3,328
Expenditure on parish magazine ***	-	7,128	-	7,128	6,439
Vicar's Discretionary	-	-	6,864	6,864	875
Food Bank	-	-	3,062	3,062	-
Donations passed on	-	-	2,282	2,282	425
Young People's work	1,778	-	-	1,778	3,805
Other Outreach & Evangelism	748	-	-	748	1,571
Training	475	-	-	475	1,580
Insurance	5,491	-	-	5,491	5,369
Cleaning	5,820	-	-	5,820	9,824
Bright Sparks (formerly Sunbeams)	-	608	-	608	670
Chancel expenses	-	-	11,286	11,286	993
Fellowes Way	5,468	-	-	5,468	4,302
Bank charges	182	-	-	182	412
	<u>98,363</u>	<u>11,533</u>	<u>23,879</u>	<u>133,775</u>	<u>147,134</u>
*** This expenditure was totally offset by advertising and other income (see Note 11)					
3(c) Church management and administration					
Church Office & Sundries	49,804	-	500	50,304	49,925
3(d) Exceptional item					
Oaks Nursery rent treated as income in 2018	-	-	-	-	17,605
Legal costs related to land and licence to nursery	-	-	-	-	3,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,605</u>
As investigation of title raised significant doubt as to the rightful beneficial ownership of the Oaks Nursery land it was considered prudent to treat all rent received as a creditor pending clarification of ownership.					
TOTAL RESOURCES EXPENDED	<u>151,367</u>	<u>11,533</u>	<u>25,495</u>	<u>188,395</u>	<u>231,248</u>



# Parochial Church Council of St John the Evangelist, Hildenborough

## Notes to the Financial Statements (continued) For the year ended 31 December 2020

### 4 STAFF COSTS

	£ 2020	£ 2019
Wages, salaries and pension costs	43,283 =====	46,713 =====

During the year the PCC employed two Administrators, a Centre Lettings Administrator, a Children and Families Pastor and a Church Cleaner, none of whom earned £50,000 p.a. or more.

Since 19 March 2019 the Children and Families Pastor has also been a member of the PCC. He receives no remuneration or expenses from undertaking that role.

During the Covid 19 Pandemic some employees were furloughed. Wages and salaries have been off-set by Government grants received under the Job Retention Scheme - see Note 2(c).

### 5 FIXED ASSETS FOR USE BY THE PCC

	Freehold land and buildings £
Tangible fixed assets:	
Net Book Value at 1 January 2020	48,257 -----
Net Book Value at 31 December 2020	48,257 =====

The freehold land and buildings comprise the house located at 12 Fellowes Way, Hildenborough. For accounting purposes, the historical cost of this property is deemed to be its purchase cost plus the cost of the refurbishment and rewiring which took place in 2009, which was capitalised in 2009 and 2010.

Due to the likely life of the building no depreciation has been charged.

### 6 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds £	Designated Funds £	*Restricted Funds £	TOTAL £
Fixed Assets for Church use as at 1 January 2020	-	-	48,257	48,257
Current Assets at 1 January 2020	37,015	30,381	15,241	82,637
	-----	-----	-----	-----
Fund Balance at 1 January 2020	37,015	30,381	63,498	130,894
As restated	(23,131)	23,131	-	-
Net movement in year	8,062	(3,551)	5,440	9,951
	-----	-----	-----	-----
Fund Balance at 31 December 2020	21,946 =====	49,961 =====	68,938 =====	140,845 =====

## Parochial Church Council of St John the Evangelist, Hildenborough

### Notes to the Financial Statements (continued) For the year ended 31 December 2020

#### 7 DEBTORS

	£ 2020	£ 2019
Income tax recoverable	16,832	18,624
Prepayments and accrued income	1,002	3,806
Other debtors	461	2,572
	<hr/>	<hr/>
	18,295	25,002
	<hr/>	<hr/>

#### 8 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£ 2020	£ 2019
Accruals of utility and other costs	4,662	8,576
Oaks Nursery rent received	22,182	20,831
“Keys” receipts for the ensuing year	10,002	8,113
Income Tax payable	-	1,539
	<hr/>	<hr/>
	36,846	39,059
	<hr/>	<hr/>

# Parochial Church Council of St John the Evangelist, Hildenborough

## Notes to the Financial Statements (continued)

For the year ended 31 December 2020

### 9 FUND DETAILS

	Opening Balance £	Incoming Resources £	Resources Expended £	Transfers £	Closing Balance £
<b>UNRESTRICTED FUNDS</b>					
General Fund	37,015	151,456	(151,367)	7,973	21,946
Church and House Repair (reclassified to Designated Funds)	(23,131)				
	<u>13,884</u>	<u>151,456</u>	<u>(151,367)</u>	<u>7,973</u>	<u>21,946</u>
<b>DESIGNATED FUNDS</b>					
1. Keys Magazine	-	15,749	(7,128)	(8,621)	-
2. Centre Refurbishment	28,953	-	(3,797)	-	25,156
3. Church & House Repair (reclassified from Unrestricted Funds)	23,131	71	-	648	23,850
4. Who Let The Dads Out	464	-	-	-	464
5. Bright Sparks (formerly Sunbeams)	964	135	(608)	-	491
	<u>53,512</u>	<u>15,955</u>	<u>(11,533)</u>	<u>(7,973)</u>	<u>49,961</u>
<b>RESTRICTED FUNDS</b>					
6. Fellowes Way House	48,257	-	-	-	48,257
7. Specific Donations	-	3,398	(3,398)	-	-
8. Vicar's Discretionary	492	11,458	(6,864)	-	5,086
9. Food Bank	-	9,928	(3,062)	-	6,866
10. Clock Appeal	462	-	-	-	462
11. Church Computer and New Services	9	376	(385)	-	-
12. Chancel/Vision 2020	14,278	5,275	(11,286)	-	8,267
13. Sundries	-	500	(500)	-	-
	<u>63,498</u>	<u>30,935</u>	<u>(25,495)</u>	<u>-</u>	<u>68,938</u>
<b>TOTAL FUND DETAILS</b>	<u>130,894</u>	<u>198,346</u>	<u>(188,395)</u>	<u>-</u>	<u>140,845</u>

The purposes of these Funds are:-

- 1 KEYS - see Note 11 (Page 9).
- 2 The Centre Refurbishment Fund is for use in major improvements in the Centre.
- 3 Funds held on deposit at the Diocese are for major and Quinquennial repairs to the Church and Fellowes Way house.
- 4 Group for fathers and young children run monthly on a Saturday.
- 5 Group for mothers and young children run weekly in term time on a Monday.
- 6 Fellowes Way House - see Note 5 (Page 6).
- 7 These are funds donated for specific missions and projects
- 8 This fund is used by the Vicar for people in need in the parish.
- 9 This fund is to provide food and essential supplies to people in need locally.
- 10 The Clock Appeal was needed to enable the clock to be repaired and renovated.
- 11 These are funds donated for new church computer and items used at new 9 a.m. service.
- 12 Chancel Fund is funds donated for changes to the interior of the church under the Vision 2020 project.
13. Sundry income and expenditure

# Parochial Church Council of St John the Evangelist, Hildenborough

## Notes to the Financial Statements (continued) For the year ended 31 December 2020

### 10 DIOCESAN FUNDS

#### General Fund

	Fund £
Balance at 1 January 2020	65,095
Monies deposited	5,000
Monies withdrawn	(16,000)
Interest from Diocese	206
Fees charged by Diocese	-
	-----
Balance at 31 December 2020	54,301
	=====

#### Repair Funds

	Church * £	Fellowes Way £
Balance at 1 January 2020	17,336	5,795
Monies deposited	-	648
Interest from Diocese	52	19
	-----	-----
	17,388	6,462
Less cost of works	-	-
	-----	-----
Balance at 31 December 2020	17,388	6,462
	=====	=====

\* This is money that the PCC deposit with the Diocese to build up a fund to enable repairs to be carried out following the next Quinquennial review. If this fund is insufficient the Diocese will make an interest free loan to enable the repairs to be carried out.

### 11 RESOURCES EXPENDED

The details relating to "Keys" are as follows:-

	£ 2020	£ 2019
Printing and other costs	(7,128)	(6,439)
Contributions from public	2,932	2,532
Received in respect of advertising in current year issues	12,817	13,445
Transfer of surplus funds	(8,621)	(9,538)
	-----	-----
Surplus / (Deficit) for the year	-	-
	=====	=====

## Parochial Church Council of St John the Evangelist, Hildenborough

### Notes to the Financial Statements (continued) For the year ended 31 December 2020

#### 12 GRANTS

	General Fund £	Designated Funds £	*Restricted Funds £	TOTAL FUNDS £ 2020	TOTAL FUNDS £ 2019
1. Church Overseas-Mission Societies					
Release International	350	-	-	350	2,250
Rev. Fred Njunga	400	-	582	982	400
Tanzania Bishops	-	-	-	-	600
Operation Christmas Child	-	-	-	-	80
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	750	-	582	1,332	3,330
2. Church Overseas-Relief and Development Agencies					
Tearfund	350	-	534	884	2,504
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	350	-	534	884	2,504
3. Home Missions and other Church Societies					
Children's Workshop	1,400	-	-	1,400	4,400
Longbarn	100	-	-	100	600
Tunbridge Wells Street Teams	-	-	-	-	400
Kenward Trust	250	-	-	250	800
Rock UK	350	-	-	350	750
North Tonbridge Prospects	-	-	-	-	100
Crosslight/West Kent Debt Advice	-	-	-	-	500
Absolute Gospel Co (The King is Coming)	-	-	-	-	200
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,100	-	-	2,100	7,750
TOTAL GRANTS					
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,200	-	1,116	4,316	13,584
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

#### Notes

\* Indicates that these amounts resulted from collections, donations and legacies.

In addition £545 was collected and donated to Kent Area Churches Together who then returned £273 to St John's.

## **Independent Examiner's Report to the PCC of St John the Evangelist, Hildenborough**

This report on the accounts of the PCC for the year ended 31 December 2020 which are set out on pages 1 to 10, is in respect of an examination carried out under Regulation 3(3) of the Church Accounting Regulations 1997 to 2001 ('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 accounts; you consider that the audit requirement of Regulation 3(3) and Section 43(20) of the Act do not apply. It is my responsibility to issue this report on those accounts in accordance with the terms of Regulation 25.

### **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, 2001 edition, issued by the Finance Division of the Archbishops' Council. The 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 accounts 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 accounts 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)

M. Ayling A.C.I.S.  
26 Stocks Green Road  
Hildenborough  
Kent

## **The PCC's set of Accounting Policies**

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001, the Financial Reporting Standard for Smaller Entities (effective June 2002) and the Charities SORP.

### **Reserve Policy**

It is the policy of the PCC to maintain a balance of unrestricted funds which equates to a minimum of at least three months unrestricted payments to cover emergency situations that may occur from time to time. If this is not possible in a financial period, the PCC will take action during the ensuing financial period to reduce expenditure and/or increase income as necessary to maintain compliance with this policy.

It is our policy to invest the majority of our funds with the Diocese of Rochester.

### **Funds**

The Unrestricted Fund represents the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. The Designated Fund represents funds designated for specific purposes by the PCC. The Restricted Fund represents funds allocated for particular purposes by the donor.

The accounts 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 or those that are informal gatherings of church members.

### **Incoming Resources**

#### **Voluntary Income and Capital Sources**

Collections are recognized when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognized only when received.

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

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

#### **Other Income**

Rental income from the letting of church premises is recognized when the rental is due.

#### **Income from Investments**

Interest entitlements are accounted for as they accrue.

### **Resources Used**

#### **Grants**

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

## **Activities Directly Relating to the Work of the Church**

The diocesan parish share is accounted for when paid. Any parish share 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.

## **Fixed Assets**

### **Consecrated Property and Movable Church Furnishings**

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

Movable church furnishings 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 (at any reasonable time). For inalienable property acquired prior to 2002 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since 1 January 2002 have been capitalized and depreciated in the accounts over their currently anticipated useful economic life (initially over 10 years) on a straight-line basis.

All expenditure incurred in the year on consecrated or beneficed buildings, individual items under (£1,000) or on the repair of movable church furnishings acquired before January 2002 is written off.

### **Other Properties**

Depreciation on fixed asset properties has not been provided in these accounts as any charge is considered to be not material, on the basis that the asset has either, a very long useful life; or a residual value, based on its current value, which is not materially different from its carrying value.

### **Other Fixtures, Fittings and Office Equipment**

Equipment used within the church premises is depreciated on a straight line basis over 4 years.

Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

## **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 uncollectable.

Short-term deposits include cash held on deposit either with the Diocesan Board of Finance Funds or at the bank.

## **Charity Commission**

The Parochial Church Council of the Ecclesiastical Parish of St John the Evangelist, Hildenborough is registered as a charity with the registered number of 1132021.