

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, SEVENOAKS

England & Wales - Charity number 1132854

Details

Other names ST NICHOLAS, SEVENOAKS

Status Registered

Legal form Previously excepted

Registered 2009-11-21

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: We are committed to the historic teaching of the Church of England, which can be found in the thirty-nine Articles of Religion. Our church mission statement expresses our commitment to: One aim - to see God the Father, Son and Holy Spirit honoured Two essentials - Bible and prayer One task - to make disciples of Jesus Christ.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Area of benefit: UNDEFINED. IN PRACTICE, LOCAL.
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,319,161	£1,431,013	£3,099,888	12
2023-12-31	£1,321,587	£1,237,432	£3,158,689	10
2022-12-31	£1,222,537	£1,276,999	£3,070,584	11
2021-12-31	£1,226,566	£1,224,508	£2,698,648	11
2020-12-31	£1,260,038	£1,175,481	£2,690,635	11

Trustees

Name	Role	Appointed
Rev ANGUS MURDO MACLEAY	Chair	
Andrew Stuart Coates		2020-09-29
BRIGADIER IAN DOBBIE		
Charlotte Ruth Barker		2024-05-15
Christine Brindley		2024-05-15
Diane Joan McKenzie-Boyle		2024-07-31
Henry John Warde		2026-05-13
JOHN CHARLES COLLETT BSC, ACA		
James Penn		2026-05-13
Jessica Candlish Long		2024-05-15
Katie Charmian David		2023-05-17
Lindsay Helen Griffiths		2026-05-13
Mark Walkington		2017-04-27
Nicholas David Pocknall		2026-05-13
PETER ANTHONY HARLOW		2020-09-29
Peter Scott		2017-04-27
Rev James Read		2021-11-10
Rev Nicholas Ross		2022-01-19
Robert William von Kaufmann		2020-09-29

Accounts

Charity number: 1132854



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2024

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are the members of the Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks ("the PCC") present their annual report together with the financial statements for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, the Charities Act 2011, the Church Accounting Regulations 2006, and the requirements of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)).

Objectives and Vision Statement

The PCC has the responsibility of co-operating with the incumbent, the Revd Canon Angus MacLeay, in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical, in the ecclesiastical parish and beyond.

The PCC, with the St Nicholas Church family has adopted the following Vision Statement to express its objectives, help guide its decision-making and allocate resources to activities which will support and help to fulfil its objectives.

ST NICHOLAS' VISION STATEMENT

To know Jesus and make Him known locally and globally and so we prayerfully and lovingly proclaim Him in order to Reach, Nurture, Equip and Send for His glory.

Based on this vision statement, the main objectives for the year were to bring glory to God by ensuring that His word continued to be faithfully preached to all congregations at St Nicholas Church; to help members of the Church family grow in Christian knowledge and maturity; to provide teaching in God's word to the children and young people in the Church family; to reach out to the wider community in Sevenoaks, in the UK and around the world to proclaim the Gospel of our Lord Jesus Christ and to provide practical support demonstrating our love for our neighbours near and far. As the church invests in "the next generation" we continue to pray for the youth, a desire for more Timothy Scheme volunteers and a heart to work with the Bishop, seeking a Bishop Mission Order or other avenue, praying for people to be sent from St. Nics.

We operate in the context of what is happening within the Church of England and especially since the publication and commendation of the "Prayers of Love and Faith". We need to recognise that decisions made either nationally or even at a diocesan level could have a significant effect on how we operate in the future.

One of our distinctives as a whole church family is that our three main morning congregations have many attending of different backgrounds and ages. We are also privileged to have an evening congregation involving young people in our Contact group. As we look to the future, we will especially want to develop this 'next generation' aspect of ministry, though we will want to do so in a genuinely multi-generational way, where young and old interact and serve each other. We must ensure that our Vision really does embrace every age group. Having said that, every age group will have an interest in seeking to build the church for the future and therefore each age group will want to welcome a focus on building for the next generation and seeing our ministries amongst children and young people thrive in every way.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Long and short-term objectives

As we come to the constituent parts of our Vision it has been helpfully stated that a Vision needs to be articulated in terms of what we want to see and is expressed in what we are praying for. These include:

- **We long to see stronger foundations / deeper roots (nurture)**

Stronger foundations, or deeper roots, come through the means of God's grace i.e. through the Bible, prayer, fellowship and the breaking of bread (Acts 2:42) and these things will be particularly delivered at the congregational level but supported by whole-church initiatives.

Through the Bible having greater traction in our lives: we encourage daily Bible reading for adults, young people and children.

Through a significant increase in the regular attendance at monthly prayer gatherings and in believers being involved in prayer triplets as a sign of our dependence on the Lord.

Through a deeper commitment to one another and to the Lord with a higher proportion of believers committed to nurture groups and people attending Sunday gatherings more frequently.

- **We long to see warmer engagement (broader outreach) (reach)**

Warmer engagement with Christ happens as we embrace the grace and truth of Christ. Day to day outreach will spring from individual relationships, but these may also be supported and encouraged by various other initiatives at both congregational and whole-church level.

Through believers having greater confidence to make a difference in their workplaces, neighbourhoods and the local area by being able to articulate and defend their faith within an increasingly hostile culture.

Through new people and families being actively welcomed into the life of our different congregations as a priority for the whole church family.

Through the clear articulation of the message of Christ at regular Christianity Explored and Hope Explored courses throughout the year.

Last year we advertised for a Youth/School's minister role but this position has yet to be filled. In February 2025, a new advert was posted with the aim to hire someone for September 2025. One new hire does not fulfill a vision but it is our prayer that all within St. Nics will serve and support the youth ministry within St Nics. We want to see the youth ministry grow, equipping the next generation to stand for Christ.

There is also agreement that the position should be female, to enhance and support our current male Youth Minister, especially as youth work spans multiple congregations which meet at similar times. With a schools and female ministry focus, there would be a clear differentiation between the two youth minister roles.

- **We long to see wholehearted service / equipped leaders (equip)**

Though some equipping can be done at a personal level, other aspects are best delivered through "on the job" training, there may well be a particular role for whole-church training initiatives to assist each of the different congregations.

We pray for a significant number of people being trained to lead in our children's and youth ministries, particularly in areas where we are currently particularly stretched.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

For a new generation of leaders being equipped to serve across the church family so that we can resource leadership roles in the coming year.

So we are better equipped to face the challenges posed within our culture through the provision of the appropriate resources and training, to enable all to articulate the Gospel with clarity and compassion.

- **We long to see effective partnership to make a wider impact (send)**

Though there may be aspects of this that can be delivered at congregational level, any major initiatives almost certainly need to be done at a whole-church level and would require support from right across the whole church family.

Through developing a regular programme for those about to go to university, we aim to see our young people being equipped to stand for Christ as they prepare to leave Sevenoaks to pursue further education.

Through the development of a new congregation or church plant / graft within the wider Sevenoaks area to gather together people and families not currently connected to any church.

Activities

Specific activities carried out in 2024 in pursuit of these objectives are described in the Annual Report which can be found on our website (www.stnicholas-sevenoaks.org). These activities include Nurture Groups, Christianity Explored Courses, Youth meetings and services, live streaming of services, daytime bible study meetings, and care for Ukrainian refugees, toddler groups, Church wide and congregational evangelism.

The presentation, monitoring and review of these objectives are directed by the Strategic Planning Group (SPG) and through wider church feedback which will lead to formal resolutions for the PCC to vote and implement using the funds currently ring fenced during the period 2024-2027.

Church activities (links to Vision in brackets)

- Each Sunday we offer 5 regular services: 4 in the church building and 1 in Lady Boswell's Primary School. The early service at 8am is a spoken Holy Communion Service. The other three morning services include worship, music, teaching, children & young people's groups. The evening service includes our youth group. Holy communion is offered at these services on a monthly basis. One of our four main services is livestreamed each week. (Nurture / Equip / Reach)
- On the first Sunday of the month and on alternate Wednesdays, we offer a service in two local care homes, including music, worship, prayers and teaching. (Nurture / Reach)
- Nurture groups, where people study the Bible together and share fellowship and support, meet across the week in a variety of locations and are arranged via the specific congregations. (Nurture / Equip)
- We run a Bumps & Babies group for those expecting / who have children up to 12 months old and we also offer a Music themed preschool group each week. (Nurture / Reach)
- We deliver assemblies in our local schools, both primary and secondary, and are involved in school worship councils and religious studies delivery. (Reach)
- Our teenagers meet mid-week and on Sundays for both study and fun, sharing meals, games and outings. The highlight of their year is the summer house parties when they spend time together away from Sevenoaks. (Nurture / Equip / Send)
- For our more mature members, we offer weekly fellowship groups for our ladies and study sessions/ regular lunches for the men. (Nurture / Equip)
- Welcoming refugees is important to us and we offer English conversation practice. Until Dec 2024 we offered structured English language classes. One of our Sunday morning services shows a live Ukrainian translation. (Nurture / Reach)
- Throughout the year, we offer courses open to anyone where there is an opportunity to explore the Christian faith together with a variety of evangelistic events to share the gospel. (Equip / Reach)
- Teaching and training is delivered in small groups. (Equip)

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- Weddings and wedding preparation, Funerals and Baptisms are carried out for the church family and those in the local community. (Nurture / Reach)
- Social events are organised regularly to encourage people to share fellowship, get to know one another and to support one another. (Nurture)

Missionary activity (links to Vision in brackets)

- Mission activity is at the heart of St Nicholas. We provide significant support to many mission partners including those who have gone out from our Church family. (Reach / Send)
- Members of the Mission Committee maintain regular contact with those mission partners and receive regular updates of the work they are doing. This is shared with the church family by means of prayer letters and video updates etc. Most of the mission partners are linked to one of the congregational nurture groups for prayer and practical support.
- When in the UK, mission partners visit us and give updates in Sunday services or at monthly prayer meetings.
- The Mission Committee meets quarterly to consider requests for financial support and allocates mission grants accordingly.

Achievements and performance

The Christian faith is a relationship with God and one another, we are called by Jesus to 'love the Lord your God with all your heart, with all your soul and with all your mind'. And to: 'Love your neighbour as yourself'. (Mark 22 v37-39). Throughout 2024 it was encouraging to see church attendance grow across the congregations with some congregations nearing capacity during some weeks of the year.

The estimated average attendance in 2025, based on counts made on the first three Sundays in October, was 639 (624 in 2023). These figures include adults and children. As at 31 December 2024 there were 572 on the Electoral Roll (2023: 568). The roll was last renewed in April 2019 and will be renewed again this year.

During 2025 we will need to review the work of the Rochester Good Stewards Trust (RGST). Over the last three years we have reduced our parish share and sent the equivalent monies to help fund a Youth Worker in Wilmington. This year we will pay our parish share in full but with the Wider Diocesan Mission contribution paid to the Rochester Diocese, via the Ephesian Fund to safeguard our giving. We have been informed by the Diocese this money has been used to help fund the parish share for the following three parishes: St Michael, Wilmington, St Peter, Bexleyheath and St James, Blendon.

Use of the Church and Undercroft which houses our book room, as well as a suite of meeting rooms, was well used throughout 2024, with a mixture of Church events and public bookings. We continue to provide grants to our overseas missionaries and are excited to hear stories of those coming to faith through God's work through them.

Future and ongoing plans

The key challenge for the Church family and leadership is to continue to broaden and increase our giving and serving teams. Many of the roles within the life of the church are filled by volunteers and in order to continue our vision of making Jesus known locally and globally, we are relying on God's Holy Spirit to be working powerfully in all those who attend, work or are supported by the Church.

Book Shop Review

During 2024 we audited the book ministry with the aim to advertise literature appropriate with our Vision to Reach, Nurture, Equip and Send. A working party is in place to review this ministry and will feed recommendations to the PCC during 2025.

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Working with Diocese, CEEC and The Alliance

2025 will be a key year for discussions around the Prayers of Love and Faith. As we seek to align with orthodox ministries we want to continue to support our Bishop and the wider team in Rochester. The diocesan vision aligns with the vision of St. Nics and we look for opportunities for gospel growth through those avenues even though the national landscape is challenging and key decisions will be made in General Synod during 2025.

Mission Fund

We prayerfully trust that God will meet the needs in the coming year through the generous giving of the Church family. During the year Guy Branson completed a short-term assignment in Liberia with SIM, George McIlroy attended the International Theology and Leadership Course in Portugal, Tabitha von Kaufmann commenced a year on the CARE Programme and Ben Petersen joined the staff at Trinity Church, Chester.

The Mission Committee has always been grateful for the provision of funds to support our mission expenditure.

Staff changes

Reverend Nicholas Ross was licensed on the 26th January 2025 by the Bishop of Rochester as an Associate Rector. Jonny van Es left having completed his second year of the St Nicholas Timothy Scheme (the Ordained Ministry track).

Our Operations Director Sue Stimson left in April 2024 after 10 years in the post and was succeeded by Beverlea Parkhill. In December 2024 Lois Davis joined the team as Office Administration Assistant following the leaving of Vicky McIlroy (April 2024) and Lynn Rushton (April 2024-October 2024). Brenda Beckett joined on 16 September 2024 as Women's & Children's Minister, succeeding Hannah Blake who left on 31 August 2024 to return to Australia.

Grant making policy

Mission activity is at the heart of St Nicholas. We provide significant support to several mission partners including many who have gone out from our Church family. These include individuals and families who have served in Africa, Australia, Italy, Japan, Malaysia and Thailand, these are detailed in the Appendix to the Accounts.

The Church's policies provide for the making of grants to organisations whose activities are an integral part of the overall vision of St Nicholas Church as previously set out. As well as proclaiming the gospel in and around our own church environment, we seek ways of furthering Christ's mission through various mission initiatives worldwide, in the UK and in the Sevenoaks community. We enjoy strong links with several mission partners. Grants are awarded to organisations and church members working in Christian mission. The task of deciding how to distribute grants for external mission giving is delegated to the Mission Committee.

Grants are awarded to organisations and church members working in mission after an evaluation of each case. All giving follows the Church's mission aim to be wholeheartedly involved in carrying out the Great Commission of the Lord Jesus. Reaching out to God's world with the good news about Jesus Christ, in line with our vision to know Jesus and make him known, locally and globally.

Public Benefit statement

The PCC is aware of its legal duty to have regard to the public benefit guidance and to report on the charity's compliance with the public benefit obligation. In this regard the PCC is totally committed to enable anyone to worship at St Nicholas' services together with any of our activities taking place throughout the week. Our services and worship seek to encourage members of the Church family to live out their faith as part of the local community and further afield. We seek to achieve this through worship, prayer and the faithful teaching from God's word to support people learning about the Gospel, coming to faith in the Lord Jesus Christ and growing in their knowledge of scripture. With this aim the PCC has adopted the objectives and activities described above.

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Financial review

Funds held by St Nicholas PCC

The Church's operations and activities are separated into funds that are either restricted (with limitations as to how income can be spent) or unrestricted (the PCC has discretion with respect to expenditure). These funds are explained below.

Total income received for 2024 was comparable to 2023 and the number of givers remaining consistent through the two years. Most of the church family give by standing order, but we do maintain a pattern of one-off givers who give up to 15% of the unrestricted funds. Total income across all funds for 2024 was £1,319,161 (2023: £1,321,587).

The expenditure in 2024 as predicted increased in the year in part due to higher inflation levels and also due to the cost of the planned repairs to the South Aisle Roof. Total expenditure before gains/ losses on investments for 2024 was £1,431,013 (2023: £1,237,432). The repairs for the south aisle roof are expected to complete this year. The Balance Sheet shows Tangible assets of £1,497,288 (2023: £1,437,862). Total Net Assets decreased to £3,099,888 (2023: £3,158,689) and cash reserves remain strong, to be used in line with our vision.

Further details and the break down by fund can be seen below in the financial statements.

Unrestricted Funds:

The General Fund (GF) is used for the day to day running of the Church. This includes collecting donations earmarked for general use, and the payment of all salaries and general running expenses. This is the main operating entity of the Church.

The Fabric Fund is a savings reserve for large scale capital improvements and quinquennial expenditure for the St Nicholas Church building and grounds. It receives transfers from the GF, usually on an annual basis and incurs expenditure as needs arise.

The Vision Fund this fund was set up in 2022 with the specific aim of Reaching, Nurturing, Equipping & Sending God's people to proclaim the gospel for His glory. Striving towards our vision as detailed above is one of the key objectives of the PCC and this fund was set up to provide for any specific costs required to help achieve the vision. The plan is that this fund will be used in full by the end of 2027. We are thankful for those in the church who increased their giving after church finance updates. Our aim is that during 2025, the fund will be utilised to cater for the new Youth Minister as the church focus' on the next generation of believers. The Youth Minister role is budgeted as a two-year contract with the aim to review at the end of that period.

The Strategic Fund This fund has been used to enable the PCC to take on new opportunities ahead of building a new income stream to sustain them. It was used to provide money towards ministry housing and during 2024 and 2025 as the South Aisle Church Roof has been repaired along with the installation of solar panels, the FSG have recommended to the PCC this fund should be used to cover some of the cost of this work, by transferring £80k to the Fabric Fund with the balance of £20k to be transferred to the Vision Fund. This transfer once approved will happen in 2025 and then this fund will then be closed.

Restricted Funds:

Associate Rector House Fund (ARH) This fund was established in 2010 with the sole purpose of collecting gifts for the purchase of a house and for the payment of costs associated with the purchase of such a property. It received regular income until 2023 and received the proceeds from the St Nicholas Parish Hall Trust (PHT). In 2022, 12 Hurst Way was purchased from the proceeds of selling 26 Woodside Road with the remaining funds from that sale held in cash. Planning permission was granted last year with the aim to bring the property to the specification for an Associate Rector with family. Having received quotes for the work, it was agreed by the PCC

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to pause plans to extend the property as costs would increase the amount spent on the house beyond a fair market valuation. It was also noted that Nicholas Ross is now an Associate Rector and the house is fit for use given his current circumstances.

The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

Mission Fund (MF) This fund collects all donations earmarked for mission activity and allocates expenditure. Income can only be spent on mission activity and there are no operating overheads or ongoing financial commitments. Only income pledged or received in this fund is spent for these purposes.

Curate's House Fund This fund reflects the PCC's interest in the Church's house in South Park. The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

The Endowment Fund has its own assets, and its income is used to fund the upkeep of the graves. The investments in this fund are all part of the General, Churchyard and Graves endowment. This is a restricted fund where money has been given to the Church with the specific instructions that only the income earned from the money can be spent. They are permanent endowments which require income to be spent on the Churchyard, graves, or the general purposes of the PCC. The Endowments are held by the Rochester Diocesan Society and Board of Finance as custodian trustee.

Crisis Appeal Fund This fund collects donations earmarked for use for those suffering as a result of an adversity where there is a connection (either personal or via a relevant organisation) to St Nicholas Church, Sevenoaks. Income of up to £25,000 can be advanced from the General Fund subject to authorised approvals with minimal operating overheads.

2024 Overview:

Unrestricted – General Fund

The voluntary income received in 2024, including gift aid, bank interest, and church activities, was £1,083,590 (2023: £1,085,472).

Total resources used in the General Fund directly relating to work for the Church for 2024 were £1,040,147 (2023: £984,003). We are very thankful for all gifts large and small for the Gospel work of St Nicholas in Sevenoaks.

Unrestricted - The Fabric Fund

£148,666 was spent in the year on works to repair the South Aisle roof. A transfer of £20,000 was made to the fund leaving a balance of £134,934 (2023: £263,600) to pay for the balance of works and for the solar panel installation for the south aisle roof, new organ, savings towards the 2026 quinquennial inspection and major works to repair the clock faces.

Unrestricted - Strategic Reserve

There was no movement in the fund in the year and the balance remains at £100,000 (2023: £100,000). As noted above this fund is planned be utilised in 2025.

Unrestricted – Vision Fund

£120,000 was transferred to this fund in 2022 which is expected to be spent on the aims as defined on page 2 and intended for use for the employment of a Youth Minister over the next two years.

Restricted - Associate Rector House Fund (ARH)

The fund holds the value of 12 Hurst Way £625,000 (2023: £600,000) and cash reserves of £366,880, totalling £991,880 (2023: £956,779). £5,058 was used in the year on fees for plans to extend the property.

Restricted - Curate's House Fund

The fund holds the value of 40 South Park. The value is £860,000 (2023: £833,000).

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Restricted – Mission Fund

The amount that was distributed to our mission partners in 2024 was £235,306 (2023: £212,220). The amount is for the continuing support of individuals and societies to whom we have supported for several years. A list of these grants is shown in the Appendix to the accounts. The fund also includes expenditure of £536 relating to bank charges and sundry expenses incurred in relation to these grants.

Restricted – Endowment

The income and expenditure in 2024 was £1,275 (2023: £1,256).

Crisis Appeal Fund

Income received including gift aid was £7,795 to 31/12/2024 with £8,402 owed to the General Fund and shown as a transfer.

Investment policy

All funds are either held or invested in low-risk short-term deposits, bank accounts, endowments and properties. Our short-term deposits are held within the CBF Church of England Deposit Fund and managed by CCLA Investment Management Ltd. The Fund is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. CCLA supports the Church of England's Ethical Investment Advisory Group (EIAG).

EIAG policies are available at www.churchofengland.org/about/governance/national-church-institutions/ethical-investment-advisory-group. The PCC along with the FSG monitor the risk of these funds and are satisfied they meet the PCC risk, sustainability and ethical standards.

Reserves Policy

The charity's total reserves were £3,099,888 (2023: £3,158,689). The Reserves Policy was reviewed in 2024 and the policy is to maintain a level of reserves in the General Fund which is at least equivalent to six months' normal expenditure. At the end of 2024 the PCC held free reserves (being the balance on the General Fund less office equipment and fixtures and fittings included in tangible fixed assets) of £768,512 (2023: £744,093). This is £168,512 more than the £600,000 required by the policy. The PCC intends to use the excess reserves towards the costs of its long-term ministry objectives.

Principal risks and uncertainties

Throughout the year the PCC, through the work of its committees – particularly the Risk Management Committee - the Churchwardens and designated members of the staff team continued with their systematic risk assessment in Financial, Reputational, Statutory/Legal, Environmental, People, IT and Operational areas, as required by the Diocese. Emma Watson took over from Emma Tibbetts as Parish Safeguarding Officer and was joined by Helen Greig as Deputy Safeguarding Officer in 2024. Emma, Helen and our Parish Lead Recruiter, Beverlea Parkhill, have continued to ensure that we adhere to all relevant safeguarding legislation. Close attention is also paid to the implementation of policies regarding health and safety and to compliance with disability discrimination legislation.

The management of risk is of paramount importance to the decision-making of the Rector, the PCC and all risk owners and to the necessary plans and strategies by which the church will achieve its objectives. The PCC maintains an on-going review of risks to the objectives of the church, through the regular discussion of risk issues in its Risk Management sub-committee, the discussion and analysis of risks recorded in the risk register, by the ownership of and accountability for risks by nominated risk owners and by risk issues being included in the day-to-day decision-making and event-planning processes.

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The main risk issues identified in the risk register comprise the following:

- Lack of income to pay operational expenses and mission commitments;
- Health & safety hazards to church members and visitors;
- Loss or compromise of electronic data and/or hacking;
- Lack of welfare of word ministry and office employees; and
- Safeguarding.

These risks are managed and mitigated by:

- Regular analysis of income and expenditure by the Operations Director and Treasurer and reports to the PCC;
- Clear Health & Safety policies and processes, regular training and risk assessments;
- Use of a dedicated document and email management system;
- Oversight and monitoring of pastoral care of word ministry and office employees by the Employment and Remuneration sub-committee; and
- Regular communication and awareness briefings and independent external audit – Report by 31:8 in January 2023.

As a result, the PCC is satisfied that all reasonable steps are being taken to manage the risks to the objectives of the church.

Structure, governance, and management

Registered Charity

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks was registered on 21 November 2009 with the Charity Commission, number 1132854.

Location

St Nicholas Church is situated at Rectory Lane, Sevenoaks. It is part of the Diocese of Rochester within the Church of England. The correspondence address is St Nicholas Church, Rectory Lane, Sevenoaks, Kent, TN13 1JA. The activities of the Church take place principally at this location but also at other suitable venues in and around Sevenoaks.

Parochial Church Council (PCC)

The PCC is a corporate body established by the Church of England who have agreed with the Charity Commission that for the purposes of agreeing the governing documents, PCCs are governed by two pieces of legislation: The Parochial Church Council (Powers) Measure 1956 as amended and the Church Representation Rules. The PCC Powers Measures defines the principal purpose of the PCC as promoting in the parish the whole mission of the Church. The PCC was formerly an excepted charity and was registered as a charity from 21 November 2009. PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent.

Recruitment, induction and training of PCC members

Recruitment to membership of the PCC, whether by election or 'ex officio' appointment, is carried out in accordance with the Church Representation Rules. New PCC members receive induction training to ensure they are aware of their responsibilities. The Churchwardens, and others with specific responsibilities for matters requiring specialist knowledge, are able to attend training courses offered by the Diocese or appropriate external bodies. Reading matter on relevant topics is disseminated to PCC members.

Committees

The PCC operates through several committees, listed below, which meet between full meetings of the PCC, under an approved Scheme of Delegation which with the terms of reference for each committee lays down their responsibilities and authority.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Standing Committee (this committee is the only committee required by law, it has power to transact the business if the PCC between its meetings, subject to any directions given by the Council), Strategic Planning Group, Finance Strategy Group, Buildings & Maintenance Committee, Mission Committee, Employment and Remuneration Committee, Fellowship Fund Committee and Risk Management Committee.

Reference and administrative information

Membership

Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting ("APCM") in accordance with the Church Representation Rules. During the year the following served as members of the PCC:

Incumbent:	The Revd Canon Angus MacLeay+ Chairman
Churchwardens:	Mr Robert von Kaufmann Mr Giles Witchell
Clergy:	The Revd Matthew Taylor*+ The Revd Nicholas Ross (Curate)*+ The Revd James Read +
Representatives on the Deanery Synod:	Mr Andrew Coates Brig. Ian Dobbie * Mr Anthony Jennings Mr Peter Scott Mr Gerald O'Brien* to August 2024 Mr Leo Sint Nicolaas Mrs Diane Mckenzie-Boyle* from August 2024
Elected Members:	Mr Mark Brennan Mr John Collett (Treasurer) Mrs Katie David Mr Stefano Duranti to May 2024 Miss Beverlea Parkhill to March 2024 Mr Mark Walkington Miss Jessica Long from May 2024 Mrs Christine Brindley from May 2024 Miss Charlotte Barker from May 2024 Mr Peter Harlow*+
	Invited attendees: Mr John Khnana Mrs Sue Stimson to March 2024 Miss Beverlea Parkhill from March 2024
Key:	# also a member of General Synod * also a representative of Diocesan Synod + also a representative of Deanery Synod
PCC Secretary:	Mrs Helen Crusher <i>(not a member of the PCC)</i>

The APCM was held on 15 May 2024.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Auditor

Lindeyer Francis Ferguson Limited
Chartered Accountants and Statutory Auditors
North House
198 High Street
Tonbridge
Kent TN9 1BE

Bankers

National Westminster Bank plc
67 High Street
Sevenoaks
Kent TN13 1LA

Legal Advisors

Edward Connor Solicitors
10 The Point
Market Harborough
Leicestershire LE16 7QU

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales required 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 of the incoming resources and applicable of resources of the charity for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Parochial Church Council on 30 April 2025 and signed on its behalf by:

Revd Canon Angus MacLeay
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2024

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Nicholas, Sevenoaks (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2024

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to the preparation of the financial statements of the charity, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2024

particular we identified: the Charities Act 2011, the Charities SORP, FRS 102 and the Church Accounting Regulations 2006.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the charity's operations and to avoid material penalties, including General Data Protection Regulation and safeguarding of vulnerable people, including children.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with experience with charity and not-for-profit organisations to perform the audit;
- Obtained an understanding of the charity's procedures for ensuring compliance with laws and regulations;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with laws and regulations;
- Obtained and reviewed meeting minutes;
- Reviewed compliance with policies and procedures;
- Confirmed that relevant staff had DBS checks in place;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the charity's control environment, systems and controls including identifying any weaknesses and considering the risk of management override of controls;
- Considering whether there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they are aware of any actual or suspected incidences of fraud;
- Reviewing the accounting policies and accounting estimates, such as the valuation of freehold properties, for signs of management bias; and
- Identifying key risks relating to irregularities as relating to revenue recognition and cut-off, grant payments made to overseas organisations and the revaluation of freehold properties.

We then designed audit procedures in response to the risks identified, including performance of substantive testing on income, revaluation of fixed assets and grant payments.

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities, including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2024

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lindeyer Francis Ferguson Limited

Statutory Auditor
North House
198 High Street
Tonbridge
Kent TN9 1BE

Date: 6 May 2025

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
	Note					
Income from:						
Donations and legacies	4	979,613	215,022	-	1,194,635	1,218,599
Charitable activities	5	59,232	-	-	59,232	52,092
Investments - interest	6	44,745	19,274	1,275	65,294	50,896
Total income		<u>1,083,590</u>	<u>234,296</u>	<u>1,275</u>	<u>1,319,161</u>	<u>1,321,587</u>
Expenditure on:						
Raising funds	7	9,918	-	-	9,918	10,484
Charitable activities	8	1,178,895	240,925	1,275	1,421,095	1,226,948
Total expenditure		<u>1,188,813</u>	<u>240,925</u>	<u>1,275</u>	<u>1,431,013</u>	<u>1,237,432</u>
Net gains on investments	13	-	-	1,051	1,051	3,950
Net (expenditure) / income		<u>(105,223)</u>	<u>(6,629)</u>	<u>1,051</u>	<u>(110,801)</u>	<u>88,105</u>
Gains on revaluation of fixed assets	12	-	52,000	-	52,000	-
Transfers between funds		8,402	(8,402)	-	-	-
Net movement in funds		<u>(96,821)</u>	<u>36,969</u>	<u>1,051</u>	<u>(58,801)</u>	<u>88,105</u>
Reconciliation of funds:						
Total funds brought forward		<u>1,232,555</u>	<u>1,880,200</u>	<u>45,934</u>	<u>3,158,689</u>	<u>3,070,584</u>
Total funds carried forward	16	<u><u>1,135,734</u></u>	<u><u>1,917,169</u></u>	<u><u>46,985</u></u>	<u><u>3,099,888</u></u>	<u><u>3,158,689</u></u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

BALANCE SHEET AS AT 31 DECEMBER 2024

		2024	2023
		£	£
	Note		
Fixed assets			
Tangible assets	12	1,497,288	1,437,862
Investments	13	46,985	45,934
		<u>1,544,273</u>	<u>1,483,796</u>
Current assets			
Stock		7,648	7,733
Debtors	14	126,197	74,899
Short-term deposits		1,088,809	1,088,809
Cash at bank and in hand		421,736	541,650
		<u>1,644,390</u>	<u>1,713,091</u>
Creditors: amounts falling due within one year	15	<u>(88,775)</u>	<u>(38,198)</u>
Net current assets		1,555,615	1,674,893
Total net assets		<u>3,099,888</u>	<u>3,158,689</u>
Charity funds			
Unrestricted funds		1,135,734	1,232,555
Restricted funds		1,917,169	1,880,200
Endowment funds		46,985	45,934
Total funds	16	<u>3,099,888</u>	<u>3,158,689</u>

The financial statements were approved by the Parochial Church Council on 30 April 2025 and signed on their behalf by:

Mr John Collett
Treasurer

Revd Canon Angus MacLeay
Chairman

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	£	2024 £	£	2023 £
	Note			
Cash flows from operating activities:				
Net cash (used in) / provided by operating activities	A		(174,192)	14,224
Cash flows from investing activities:				
Interest received		65,294	50,896	
Acquisition of tangible fixed assets		(11,016)	-	
Net cash provided by investing activities			54,278	50,896
Change in cash and cash equivalents			(119,914)	65,120
Cash and cash equivalents at the beginning of the year				
Short-term deposits			1,088,809	358,809
Cash at bank and in hand			541,650	1,206,530
			1,630,459	1,565,339
Cash and cash equivalents at the end of the year				
Short-term deposits			1,088,809	1,088,809
Cash at bank and in hand			421,736	541,650
			1,510,545	1,630,459

A. Reconciliation of net income to net cash flow used in operating activities

	2024 £	2024 £	2023 £	2023 £
Net (expenditure) / income for the year <i>As per the Statement of Financial Activities</i>		(110,801)		88,105
Adjustments for:				
Net gains on investments	(1,051)		(3,950)	
Depreciation	3,590		4,975	
Interest received	(65,294)		(50,896)	
Decrease in stocks	85		286	
Increase in debtors	(51,298)		(19,926)	
Increase / (decrease) in creditors	50,577		(4,370)	
		(63,391)		(73,881)
Net cash (used in) / provided by operating activities		(174,192)		14,224

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Status

The Parochial Church Council Of The Ecclesiastical Parish Of St. Nicholas, Sevenoaks ("the Church") is a body corporate under the terms of the Parochial Church Council Powers Measure 1956 and a charity subject to the Charities Act 2011 (registered number: 1132854).

2 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1 Basis of preparation

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of Church groups that owe their affiliation to another body, nor those which are informal gatherings of Church members.

The Church meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The members of the PCC consider that there are no material uncertainties about the Church's ability to continue as a going concern and therefore the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

2.2 Income

Income is recognised when the Church has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

For donations, this is usually on receipt. For grants, this is on receipt of a written agreement or offer unless there are terms and conditions outside the Church's control, or time-related conditions which limit the recognition of income.

For legacies, the "probable" criterion is considered met once there has been a grant of probate, the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy, and any conditions attached to the legacy are either within the Church's control or have been met.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2 Accounting policies continued

Income from Church activities or fundraising event is recognised when the activity or event takes place. Sale of goods is accounted for at the point of sale.

Income from investments is recognised in the period in which it relates if all the income criteria has been met.

2.3 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Expenditure has been classified under headings that aggregate all costs related to the category and includes VAT. Grants received for VAT under the Listed Places of Worship Grants Scheme are accounted for as income using the recognition criteria described above.

Grants payable are recognised as liabilities when communicated in writing to the recipient, except where the offer is conditional and fulfilment of the conditions is not considered probable, or where meeting the conditions is not within the control of the recipient. In these circumstances, the grant is recognised when the conditions have been met. Commitments for performance related grants are recognised to the extent that the performance related criteria are met. The expenditure on charitable activities includes supporting mission and mission-related activity, mainly outside the parish, allocated at the discretion of the Mission Committee.

Direct costs are allocated to the activity to which they relate. Where direct costs such as staff costs are shared between more than one activity, they are apportioned between the activities.

Support costs are allocated to the cost of raising funds based on the ratio of the direct costs of raising funds compared to total direct costs, in order to reflect usage.

No support costs have been allocated to the Mission activity on the basis that the activity is delivered almost entirely by volunteers and the activity makes minimal use of the church premises and other overheads, and therefore any allocation would be immaterial.

The majority of support costs are therefore incurred in order to facilitate the delivery of Church activities.

Governance costs are those costs incurred in connection with the administration of the Church and the compliance with constitutional and statutory requirements.

2.4 Fund accounting

Unrestricted funds can be used for the charitable objectives at the discretion of the PCC. Unrestricted funds included designated funds which have been set aside by the PCC for specific purposes.

Restricted funds arise when the donor specifies a purpose narrower than the general charitable objects of the Church, or when funds are raised for such a purpose.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2 Accounting policies continued

2.5 Tangible fixed assets

(i) Consecrated land and buildings and movable Church furnishings

Consecrated and beneficed property is excluded from the accounts by section 10(2) to (4) of the Charities Act 2011.

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 since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable Church furnishings whether on maintenance or improvement is written off as expenditure in the statement of financial activities.

(ii) Other land and buildings

The Church has adopted a policy of revaluation in respect of its freehold property. Professional valuations are conducted on a regular basis, with reviews carried out by the PCC in intervening years to assess whether fair value materially differs from the carrying value at the balance sheet date. Revaluation changes are recognised in the statement of financial activities.

Depreciation is not provided on freehold land. In respect of freehold buildings, the PCC considers that any charge would not be material given the long useful life, high residual value, and frequent revaluation adjustments.

(iii) 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 less than £2,000 are written off in the period in which the asset is acquired.

(iv) Impairment

If the PCC identifies indicators of impairment, a review is undertaken and appropriate provision made for any permanent diminution in value.

2.6 Investments

Fixed asset investments are initially recognised at their transaction cost and are subsequently measured at fair value at each reporting date, with changes in fair value recognised in the statement of financial activities.

2.7 Financial instruments

Financial instruments other than investments qualify as basic financial instruments. Short-term debtors and creditors are measured at the settlement value less provision for any impairment. Any losses from impairment are recognised in the statement of financial activities.

Long-term funding commitments are discounted when the discounting is considered to be material.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2 Accounting policies continued

2.8 Pensions

The Church participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. It has a section known as Pension Builder 2014 which is described below.

Pension Builder 2014 Scheme

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable.

An actuarial valuation of the Pension Builder 2014 (PB 14) Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022 with the next valuation due as at 31 December 2025. The valuation in respect of the PB 14 is carried out on three bases with the valuations listed below. The valuations show there is no requirement for deficit payments at the current time. For further information you can read the full actuarial report by going to:

<https://www.churchofengland.org/sites/default/files/2024-01/pb-2014-actuarial-valuation-report-31-dec-2023.pdf>

The legal structure of the scheme is such that if another employer fails, St Nicholas Church PCC could become responsible for paying a share of that employer's pension liabilities.

PB 14 Valuation as at 31/12/2022	Assets	Liabilities	Surplus
Funding Basis	£49.5m	£41.0m	£8.5m
Security Basis	£49.5m	£29.2m	£20.3m
Accrued Pools Basis	£49.5m	£47.1m	£2.4m

St Nicholas PCC is also registered with The Pensions Regulator, for non clergy word ministry staff, it pays 15% of basic gross salary to their pension provider and for administration staff matches their pension contributions up to a maximum of 7% of basic gross salary, these are accounted for on the basis of contributions payable in the year. The PCC therefore has no liability for final pensions provision for its staff.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

3 Judgements and key sources of estimation uncertainty

In the application of the Church's accounting policies, the PCC are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The key accounting estimate having a significant risk of causing a material adjustment to the carrying amount of assets and liabilities is the valuation of freehold property. Due to the value of the assets held and the policy of revaluation in place, even small percentage changes in value could have a material impact on the financial statements. The PCC mitigate this risk by commissioning valuations on a regular basis from suitably qualified independent advisers, and reviewing available evidence such as comparable sales and property price indices in the intervening years.

4 Income from donations and legacies

	2024 £	2023 £
Donations eligible for Gift aid	657,229	619,620
Gift Aid recovered	164,589	160,174
Other donations	366,093	428,613
Cash collections	6,464	5,192
Grants	260	-
Legacies	-	5,000
	<u>1,194,635</u>	<u>1,218,599</u>

In the preceding period, restricted income from donations and legacies was £210,582.

5 Income from charitable activities

	2024 £	2023 £
Fees and hire income	16,769	12,422
Book shop sales	9,217	9,016
Contributions to houseparties	24,015	25,582
Contributions to outreach events	9,231	5,072
	<u>59,232</u>	<u>52,092</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

6 Income from investments - interest

In the preceding period, restricted income from investments was £16,078 and £1,256 was in relation to the endowment fund.

7 Expenditure on raising funds

		2024 £	2023 £
Staff costs: Raising funds		6,312	7,258
Support costs allocated	9	3,606	3,226
		<u>9,918</u>	<u>10,484</u>

8 Expenditure on charitable activities

	Missionary 2024 £	Church activities 2024 £	Total 2024 £	Total 2023 £
Staff costs: Direct	-	276,060	276,060	275,070
Other direct costs:				
Trading purchases and expenses	-	11,486	11,486	11,911
Diocesan quota	-	239,258	239,258	233,894
Clergy expenses	-	9,875	9,875	7,687
Clergy housing	-	53,201	53,201	36,378
Houseparties	-	32,315	32,315	31,348
Services and outreach	-	31,519	31,519	22,396
Outreach events	-	6,883	6,883	11,174
Grants payable:				
Missionary societies	235,306	-	235,306	212,220
Home missions / UK agencies	8,498	-	8,498	7,318
Support costs allocated	9	516,694	516,694	377,552
	<u>243,804</u>	<u>1,177,291</u>	<u>1,421,095</u>	<u>1,226,948</u>

In the preceding period, expenditure of £216,234 was applied to restricted funds and expenditure of £1,256 was applied to the endowment fund.

Please refer to the Appendix for full details of missionary grants payable.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

9 Support costs

	2024 £	2023 £
Staff costs: Administration	138,620	145,445
Training	6,024	4,062
Ministry trainees	22,572	37,477
Pastoral care	9,421	-
Church running expenses	81,740	56,459
Church maintenance	16,040	14,807
Furniture and fittings expenses	2,676	-
Capital and quinquennial works	-	1,562
Fabric and special projects	157,930	42,154
Beech Road property costs	20,165	20,681
Depreciation	3,590	4,975
Technical support	30,217	23,355
Printing and stationery	2,713	4,787
Office expenses	8,821	7,327
Sundry expenses	2,541	2,610
Bank charges	2,158	2,764
Governance costs:		
PCC expenses	525	1,518
Audit fees	10,848	8,400
Professional fees	3,699	2,395
	520,300	380,778
	520,300	380,778

10 Net movement in funds

	2024 £	2023 £
This is stated after charging:		
Auditor's fees - for audit services	8,698	8,400
Auditor's fees - for other services	2,150	-
Depreciation	3,590	4,975
Operating lease rentals	26,880	26,880
	31,318	30,655
	31,318	30,655

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

11 Staff costs

	2024 £	2023 £
Staff costs comprise:		
Gross salaries	294,851	299,782
Employer's NIC	26,111	25,050
Employer's pension contributions	28,981	27,763
Expenses and housing costs	71,049	75,178
	420,992	427,773
	420,992	427,773

The average number of PCC employees during the year, calculated on a full-time equivalent basis, was 12 (2023: 10). No employee received emoluments in excess of £60,000 (2023: None).

12 Tangible fixed assets

	Freehold property £	Office equipment £	Fixtures & fittings £	Total £
Cost or valuation:				
At 1 January 2024	1,433,000	38,573	43,910	1,515,483
Additions	-	2,316	8,700	11,016
Disposals	-	(3,074)	-	(3,074)
Revaluations	52,000	-	-	52,000
	1,485,000	37,815	52,610	1,575,425
Depreciation:				
At 1 January 2024	-	33,711	43,910	77,621
Charge for the year	-	3,010	580	3,590
Eliminated on disposal	-	(3,074)	-	(3,074)
	-	33,647	44,490	78,137
Net book value:				
At 31 December 2024	1,485,000	4,168	8,120	1,497,288
	1,485,000	4,168	8,120	1,497,288
At 31 December 2023	1,433,000	4,862	-	1,437,862
	1,433,000	4,862	-	1,437,862

The freehold land and buildings comprise a property located at 40 South Park and a property located at 12 Hurst Way, both in Sevenoaks, Kent. The historic cost is £711,000 (2023: £711,000). The last professional revaluation was conducted in February 2021 by an independent Chartered Surveyor on the assumption of vacant possession and there being no serious structural issues or adverse restrictions on title. A structural survey was not conducted. For the year ended 31 December 2024 the PCC conducted a desktop valuation on the basis of available data including previous valuations, estimates from estate agents, repair and maintenance works to the properties, comparable sales and land registry data. They identified a material change in value which has been reflected in these financial statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

13 Investments

	2024 £	2023 £
At 1 January 2024	45,934	41,984
Unrealised change in market value	1,051	3,950
	<u>46,985</u>	<u>45,934</u>
At 31 December 2024	<u><u>46,985</u></u>	<u><u>45,934</u></u>

The historical cost of the investments is £1,394. All the investments are with the Central Board of Finance of the Church of England and are in the United Kingdom. These investments are the asset of the permanent endowment fund.

14 Debtors

	2024 £	2023 £
Gift Aid receivable	45,965	11,549
Prepayments and accrued income	80,232	63,350
	<u>126,197</u>	<u>74,899</u>
	<u><u>126,197</u></u>	<u><u>74,899</u></u>

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	18,412	-
Accruals	58,158	38,198
Tax and social security	5,605	-
Other creditors	6,600	-
	<u>88,775</u>	<u>38,198</u>
	<u><u>88,775</u></u>	<u><u>38,198</u></u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST. NICHOLAS, SEVENOAKS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 Statement of movement in funds

	Brought forward £	Net movement £	Transfers £	Carried forward £
<i>Current period - 2024</i>				
Unrestricted funds:				
General fund	748,955	43,443	(11,598)	780,800
Designated funds:				
Fabric fund	263,600	(148,666)	20,000	134,934
Strategic reserve	100,000	-	-	100,000
Vision fund	120,000	-	-	120,000
Total unrestricted funds	<u>1,232,555</u>	<u>(105,223)</u>	<u>8,402</u>	<u>1,135,734</u>
Restricted funds:				
Mission fund	89,789	(24,500)	-	65,289
Curate's House fund	833,000	27,000	-	860,000
Associate Rector's House fund	956,779	35,101	-	991,880
Crisis Appeal fund	632	7,770	(8,402)	-
Total restricted funds	<u>1,880,200</u>	<u>45,371</u>	<u>(8,402)</u>	<u>1,917,169</u>
Endowment funds:				
General, churchyard & graves	45,934	1,051	-	46,985
Total funds	<u><u>3,158,689</u></u>	<u><u>(58,801)</u></u>	<u><u>-</u></u>	<u><u>3,099,888</u></u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST. NICHOLAS, SEVENOAKS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 Statement of movement in funds continued

	Brought forward £	Net movement £	Transfers £	Carried forward £
<i>Prior period - 2023</i>				
Unrestricted funds:				
General fund	714,345	101,469	(66,859)	748,955
Designated funds:				
Fabric fund	232,680	(35,939)	66,859	263,600
Strategic reserve	100,000	-	-	100,000
Vision fund	120,000	-	-	120,000
Total unrestricted funds	1,167,025	65,530	-	1,232,555
Restricted funds:				
Mission fund	84,669	5,120	-	89,789
Curate's House fund	833,000	-	-	833,000
Associate Rector's House fund	943,906	12,873	-	956,779
Crisis Appeal fund	-	632	-	632
Total restricted funds	1,861,575	18,625	-	1,880,200
Endowment funds:				
General, churchyard & graves	41,984	3,950	-	45,934
Total funds	3,070,584	88,105	-	3,158,689

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16 Statement of movement in funds continued

Net movement comprises:

	Income £	Expenditure £	Gains / (losses) £	Total £
Current period - 2024				
Unrestricted funds:				
General fund	1,083,590	(1,040,147)	-	43,443
Designated funds:				
Fabric fund	-	(148,666)	-	(148,666)
Strategic reserve	-	-	-	-
Vision fund	-	-	-	-
Total unrestricted funds	1,083,590	(1,188,813)	-	(105,223)
Restricted funds:				
Mission fund	211,342	(235,842)	-	(24,500)
Curate's House fund	-	-	27,000	27,000
Associate Rector's House fund	15,159	(5,058)	25,000	35,101
Crisis Appeal fund	7,795	(25)	-	7,770
Total restricted funds	234,296	(240,925)	52,000	45,371
Endowment funds:				
General, churchyard & graves	1,275	(1,275)	1,051	1,051
Total funds	1,319,161	(1,431,013)	53,051	(58,801)

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16 Statement of movement in funds continued

	Income £	Expenditure £	Gains / (losses) £	Total £
Prior period - 2023				
Unrestricted funds:				
General fund	1,085,472	(984,003)	-	101,469
Designated funds:				
Fabric fund	-	(35,939)	-	(35,939)
Strategic reserve	-	-	-	-
Vision fund	-	-	-	-
Total unrestricted funds	<u>1,085,472</u>	<u>(1,019,942)</u>	<u>-</u>	<u>65,530</u>
Restricted funds:				
Mission fund	217,798	(212,678)		5,120
Curate's House fund	-			-
Associate Rector's House fund	13,509	(636)		12,873
Crisis Appeal fund	3,552	(2,920)		632
Total restricted funds	<u>234,859</u>	<u>(216,234)</u>	<u>-</u>	<u>18,625</u>
Endowment funds:				
General, churchyard & graves	1,256	(1,256)	3,950	3,950
Total funds	<u><u>1,321,587</u></u>	<u><u>(1,237,432)</u></u>	<u><u>3,950</u></u>	<u><u>88,105</u></u>

Details of material funds are as follows:

Fabric fund

This fund is used for large capital items and major refurbishment work to the Church and its grounds. Such work mainly arises from quinquennial inspections, and the aim is to build up sufficient funds over a five-year period to cover the costs arising from such inspections.

Strategic reserve

This fund is used to enable the PCC to take on new opportunities ahead of building a new income stream to sustain them. The fund has been used to provide money towards ministry housing and the use of this fund will be determined by the FSG during 2023 and used by the end of 2025.

Vision fund

This fund was set up in 2021 with the specific aim to consider how the church can better reach, nurture, equip & send God's people to proclaim the gospel for His glory. Striving towards our vision as detailed further in our Trustee report is one of the key objectives of the PCC and this fund was set up to facilitate against any costs required to help achieve the vision. The plan is that this fund will be used in full by the end of 2027. Further fundraising may be needed as new resolutions are voted upon by the PCC.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16 Statement of movement in funds continued

Mission fund

This fund is specifically for supporting mission and mission-related activity, mainly outside the parish. Gifts to the fund are allocated at the discretion of the Mission Committee unless the donor expresses a wish that their gift be given to a particular missionary or mission activity.

Curate's House fund

This represents the current value of the property at 40 South Park that was acquired by the PCC in 1989 from proceeds of the sale of a previous property and funds raised specifically to acquire the new property.

Associate Rector's House fund

This fund was set up to purchase a house for the person occupying the post of Associate Rector.

Crisis Appeal fund

This fund collects donations earmarked for use for those suffering as a result of an adversity where there is a connection (either personal or via a relevant organisation) to St Nicholas Church, Sevenoaks. Income of up to £25,000 can be advanced from the General Fund subject to authorised approvals and there are no operating overheads or ongoing financial commitments.

Endowment fund

This represent a permanent endowment given to the Church with the specific instructions that only the income earned from the money can be spent, or an asset donated to be retained, for continuing use by the Church. There are four separate funds which require income to be spent on the Churchyard, graves or the general purposes of the PCC.

17 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Current period - 2024				
Tangible assets	12,288	1,485,000	-	1,497,288
Investments	-	-	46,985	46,985
Net current assets	1,123,446	432,169	-	1,555,615
	<u>1,135,734</u>	<u>1,917,169</u>	<u>46,985</u>	<u>3,099,888</u>
Preceding period - 2023				
Tangible assets	4,862	1,433,000	-	1,437,862
Investments	-	-	45,934	45,934
Net current assets	1,227,693	447,200	-	1,674,893
	<u>1,232,555</u>	<u>1,880,200</u>	<u>45,934</u>	<u>3,158,689</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

18 Operating lease commitments

At 31 December 2024 the Church was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Land and buildings:		
Due within one year	21,720	32,880
In two to five years	51,000	72,720
	<u>72,720</u>	<u>105,600</u>

19 Capital commitments

At 31 December 2024 the charity had contracted capital commitments totalling £104,035 (2023: £13,486).

20 Related party transactions

The key management personnel of the charity are considered to be the incumbent, the Churchwardens and the Operations Director.

The total amount of employee benefits received by key management personnel during the year, including Employer's National Insurance and pension, was £61,095 (2023: £56,054).

The clergy and the incumbent (as listed on page 10) are members of the PCC but also received accommodation related benefits in the year totalling £29,946 (2023: £31,733).

In the current period and in the prior period no trustees received reimbursement for expenses.

Neither the trustees, nor any person connected with them, received any remuneration or benefits in respect of their role as a trustee in the current nor preceding period.

During the year, 21 members of the PCC and their close family (2023: 23), donated £194,400 (2023: £170,502) to the PCC, of which £23,428 (2023: £36,043) were restricted donations.

During the year, a total of £13,958 (2023: £8,874) was paid to Planned Premises Management, a business owed by a close family relative of a member of key management personnel, in relation to repair and maintenance work. £2,453 was due at the balance sheet date (2023: £Nil).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

APPENDIX: GRANTS PAYABLE (MISSION FUND) FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 £	2023 £
A Rocha International		1,020	1,020
A Rocha UK		1,020	1,020
AIM	Hannah Jackson	11,508	8,196
AIM	Paul and Helen Shepherd	12,748	12,748
AMiE		500	500
Anglican Mainstream		1,100	1,100
ANiE		5,000	5,000
C of E Evangelical Council		5,000	5,000
CARE	Tabitha von Kaufmann	2,500	-
Christianity Explored		2,000	2,000
Church by the Bay	Ben Petersen	2,500	5,000
Crosslinks	Alex Smith	3,250	-
Crosslinks	Mark Oden	16,000	16,216
Diocese of Rochester	Diocese of Kondoa (Tanzania)	2,000	2,000
ECM International	Chris Wigram	-	1,500
EFAC	Julia Cameron	7,500	6,000
Falmouth Christian Union		-	500
Gafcon UK		2,000	2,000
Great Truths	Ben Dean	5,000	2,000
Growing Hope	Janet Phythian	4,360	1,360
ITLC	George McIlroy	1,100	-
Japan Christian Link	Philip & Sunny Glass	20,000	19,000
Japan Christian Link	Selvan Anketell	8,400	8,400
Keswick Ministries		5,000	5,000
Langham Trust		2,000	2,000
London City Mission		5,000	5,000
Mission visits	Sam Alberry	1,000	-
Oak Hill College	Joshua Yates	5,000	5,000
OMF	Kathryn Bowen	17,600	18,600
OMF	Other	-	360
OMF	StJohn Perry	28,400	28,400
OMF	Tony Waghorn	3,300	3,300
Penny Trust	Pete Portal	1,000	1,000
Proclamation Trust		2,000	2,000
ReNew Conference		5,000	5,000
Rochester Good Stewards Trust	St Michael and All Angels Wilmington	12,500	-
Sevenoaks Area Youth Trust		8,000	8,000
SIM	Emma Brewster	8,000	10,000
SIM	Guy Branson	-	5,000
The Bridge Church	Issy Pagan	6,000	6,000
The Faith Mission	Arabella Paul	2,000	2,000
Thetford Team Ministry	Susanna Bratby	5,000	5,000
Trinity Chester	Ben Petersen	4,000	-
		235,306	212,220

Accounts

Charity number: 1132854



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2023

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are the members of the Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks ("the PCC") present their annual report together with the financial statements for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, the Charities Act 2011, the Church Accounting Regulations 2006, and the requirements of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)).

Objectives and Vision Statement

The PCC has the responsibility of co-operating with the incumbent, the Revd Canon Angus MacLeay, in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical, in the ecclesiastical parish and beyond.

The PCC, with the St Nicholas Church family has adopted the following Vision Statement to express its objectives, help guide its decision-making and allocate resources to activities which will support and help to fulfil its objectives.

ST NICHOLAS' VISION STATEMENT

To know Jesus and make Him known locally and globally and so we prayerfully and lovingly proclaim Him in order to Reach, Nurture, Equip and Send for His glory.

Based on this vision statement, the main objectives for the year were to bring glory to God by ensuring that His word continued to be faithfully preached to all congregations at St Nicholas Church; to help members of the Church family grow in Christian knowledge and maturity; to provide teaching in God's word to the children and young people in the Church family; to reach out to the wider community in Sevenoaks, in the nation and around the world to proclaim the Gospel of our Lord Jesus Christ and to provide practical support demonstrating our love for our neighbours near and far. Attitudes and willingness to serve have changed in recent years since the COVID pandemic, there is still an element of the need to rebuild and restore our congregations. We continue to be committed to our vision by praying and working through our objectives with the help of the publication of John Truscott's report in 2020, accessing what is best delivered congregationally and what is best worked on as "one church".

We operate in the context of what is happening within the Church of England and especially since the publication and commendation of the "Prayer of Love and Faith". We need to recognise that decisions made either nationally or even at a diocesan level could have a significant effect on how we operate in the future.

One of our distinctives as a whole church family is that our three main morning congregations each have many families with plenty of children in our various children's ministries. We are also privileged to have an evening congregation involving young people in our Contact group. As we look to the future, we will especially want to develop this 'next generation' aspect of ministry, though we will want to do so in a genuinely multi-generational way, where young and old interact and serve each other. We must ensure that our Vision really does embrace every age group. Having said that, every age group will have an interest in seeking to build the church for the future and therefore each age group will want to welcome a focus on building for the next generation and seeing our ministries amongst children and young people thrive in every way.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Long and short-term objectives

As we come to the constituent parts of our Vision it has been helpfully stated that a Vision needs to be articulated in terms of what we want to see and is expressed in what we are praying for. So, what should our Vision encompass for the next three to five years? What do we want to see? What should we be praying for?

- **We long to see stronger foundations / deeper roots (nurture)**

Stronger foundations, or deeper roots, come through the means of grace i.e. through the Bible, prayer, fellowship and the breaking of bread (Acts 2:42) and these things will be particularly delivered at the congregational level but supported by whole-church initiatives.

Through the Bible having greater traction in our lives: a much greater use of daily Bible reading notes for adults, young people and children.

Through a significant increase in the regular attendance at monthly prayer gatherings and in believers being involved in prayer triplets as a sign of our dependence on the Lord.

Through a deeper commitment to one another and to the Lord with a higher proportion of believers committed to nurture groups and people attending Sunday gatherings more frequently.

- **We long to see warmer engagement (broader outreach) (reach)**

Warmer engagement with Christ happens as we embrace the grace and truth of Christ. Day to day outreach will spring from individual relationships, but these may also be supported and encouraged by various other initiatives at both congregational and whole-church level. Christianity Explored and Hope Explored courses are particularly helpful tools that can be delivered at the whole-church level.

Through believers having greater confidence to make a difference in their workplaces, neighbourhoods and the local area by being able to articulate and defend their faith within an increasingly hostile culture.

Through new people and families being actively welcomed into the life of our different congregations as a priority for the whole church family.

Through the clear articulation of the message of Christ at regular Christianity Explored and Hope Explored courses throughout the year.

Earlier this year the PCC voted to appoint a Schools' Minister to help fulfil our vision focused on "the next generation" of believer in Sevenoaks. At present, we have involvement with many local schools, but we do not have a specific strategy around what we're achieving through that work. Outreach within schools would be central to this new role.

There is also agreement that the position should be female, to enhance and support our current male Youth Minister, especially as youth work spans multiple congregations which meet at similar times. With a schools and female ministry focus, there would be a clear differentiation between the two youth minister roles.

- **We long to see wholehearted service / equipped leaders (equip)**

Though some equipping can be done at a personal level and other aspects are best delivered through "on the job" training, there may well be a particular role for whole-church training initiatives to assist each of the different congregations.

As a significant number of people are trained up to lead in our children's and youth ministries, where we are currently particularly stretched.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

As a new generation of leaders are equipped to serve across the church family so that we can resource leadership roles in the coming year.

As Christians are better equipped to face the challenges posed within our culture through providing them with the appropriate resources and training, to enable them to articulate the Christian position.

- **We long to see effective partnership to make a wider impact (send)**

Though there may be aspects of this that can be delivered at congregational level, any major initiatives almost certainly need to be done at a whole-church level and would require support from right across the whole church family.

Through developing a regular programme for those about to go to university, we aim to see our young people being equipped to stand for Christ as they prepare to leave Sevenoaks to pursue further education.

Through the development of a new congregation or church plant / graft within the wider Sevenoaks area in order to gather people and families not currently connected to any church.

Activities

Specific activities carried out in 2023 in pursuit of these objectives are described in the Annual Report which accompanies these financial statements and can also be found on our website. (<https://www.stnicholas-sevenoaks.org/>). These activities include live streaming of services, daytime bible study meetings, providing English lessons and care for Ukrainian refugees, toddler groups, children and youth groups, evangelism events and many more to reach those in our parish and beyond.

The presentation, monitoring and review of these objectives are directed by the Strategic Planning Group (SPG) and through wider church feedback which will lead to formal resolutions for the PCC to vote and implement using the funds currently ring fenced during the period 2024-2027.

Church activities (links to Vision in brackets)

- Each Sunday we offer 5 regular services: 4 in the church building and 1 in Lady Boswell's Primary School. The early service at 8am is a spoken Holy Communion Service. The other three morning services include worship, music, teaching, children & young people's groups. The evening service includes our youth group. Holy communion is offered at these services on a monthly basis. One of our four main services is livestreamed each week. (Nurture / Equip / Reach)
- On the first Sunday of the month and on alternate Wednesdays, we offer a service in two local care homes, including music, worship, prayer and teaching. (Nurture / Reach)
- Nurture groups, where people study the Bible together and share fellowship and support, meet across the week in a variety of locations and are arranged via the specific congregations. (Nurture / Equip)
- We run a Bumps & Babies group for those expecting / who have children up to 12 months old and we also offer a Music themed preschool group each week. (Nurture / Reach)
- We deliver assemblies in our local schools, both primary and secondary, and are involved in school worship councils and religious studies delivery. (Reach)
- Our teenagers meet mid-week and on Sundays for both study and fun, sharing meals, games and outings. The highlight of their year is the summer house parties when they spend time together away from Sevenoaks. (Nurture / Equip / Send)
- For our more mature members, we offer weekly fellowship groups for our ladies and study sessions/ regular lunches for the men. (Nurture / Equip)
- Welcoming refugees is important to us and we offer English conversation practice and structured English language classes. One of our Sunday morning services shows a live Ukrainian translation. (Nurture / Reach)
- Throughout the year, we offer courses open to anyone where there is an opportunity to explore the Christian faith together with a variety of evangelistic events to share the gospel. (Equip / Reach)

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

- Teaching and training is delivered in small groups. (Equip)
- Weddings and wedding preparation, Funerals and Baptisms are carried out for the church family and those in the local community. (Nurture / Reach)
- Social events are organised regularly to encourage people to share fellowship, get to know one another and to support one another. (Nurture)

Missionary activity (links to Vision in brackets)

- Mission activity is at the heart of St Nicholas. We provide significant support to many mission partners including those who have gone out from our Church family. (Reach / Send)
- Members of the Missionary Committee maintain regular contact with those mission partners and receive regular updates of the work they are doing. This is shared with the church family by means of prayer letters and video updates etc. Most of the mission partners are linked to one of the congregational nurture groups for prayer and practical support.
- When in the UK, mission partners visit us and give updates in Sunday services or at monthly prayer meetings.
- The Missionary Committee meets quarterly to consider requests for financial support and allocates mission grants accordingly.

Achievements and performance

The Christian faith is a relationship with God and one another, we are called by Jesus to 'love the Lord your God with all your heart, with all your soul and with all your mind'. And to: 'Love your neighbour as yourself'. (Mark 22 v37-39). Throughout 2023 we were delighted to be able to hold all our services in person, along with our nurture groups, be able to host evangelist events and see our church attendance grow.

The estimated average attendance in 2023, based on counts made on the first three Sundays in October, was 624 (662 in 2022). These figures include adults and children. As at 31 December 2023 there were 568 on the Electoral Roll (2022: 567). The roll was renewed in April 2019.

This year we once again worked with the Rochester Good Stewards Trust (RGST) to fund a Youth Worker in Wilmington. We continue to help facilitate the long-term integration of Ukrainian refugees into the local community by providing funds and a venue for English lessons.

Since the pandemic, we have continued to offer live streaming of one of our services each Sunday with an average of 12 people tuning in per week during 2023. Use of the Church and Undercroft, which houses our book room as well as a suite of meeting rooms, also increased throughout 2023, by a mixture of Church events and public bookings. We also continue to provide grants to our overseas missionaries and are excited to hear stories of those coming to faith through God's work through them.

Future and ongoing plans

The key challenge for the Church family and leadership is to continue to broaden and increase our giving and serving teams. Many of the roles within the life of the church are filled by volunteers and in order to continue our vision of making Jesus known locally and globally, we are relying on God's Holy Spirit to be working powerfully in all those who attend, work or are supported by the Church.

Mission Fund

We prayerfully trust that God will meet the needs in the coming year through the generous giving of the Church family. During the year Guy Branson commenced a short-term assignment in Liberia with SIM, Issy Pagan began a placement at The Bridge Church Sydney and Mark Ellis became Ministry Director of Keswick Ministries.

The Mission Fund has always been grateful for the provision of funds to support our mission expenditure.

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Staff changes

Jonny van Es is now part way through his second year on the Timothy Scheme (the Ordained Ministry track); Anna Dallaire has moved on from the Youth Ministry track and in September 2023 Emily Walker joined us on the Children's Ministry track. Applications for the September intake are now open.

In November, our Operations Director Sue Stimson advised that she was planning to move away from the area in the Spring of 2024. We will miss Sue after her 10 years in post but were delighted to welcome Beverlea Parkhill to the role in March 2024.

Grant making policy

Mission activity is at the heart of St Nicholas. We provide significant support to several mission partners including many who have gone out from our Church family. These include individuals and families who have served in South Africa, Uganda, Thailand, Malaysia, Japan, Hungary, Ireland and Italy – these are detailed in the Appendix to the Accounts.

The Church's policies provide for the making of grants to organisations whose activities are an integral part of the overall vision of St Nicholas Church as previously set out. As well as proclaiming the gospel in and around our own church environment, we seek ways of furthering Christ's mission through various mission initiatives worldwide, in the UK and in the Sevenoaks community. We enjoy strong links with several mission partners. Grants are awarded to organisations and church members working in Christian mission. The task of deciding how to distribute grants for external mission giving is delegated to the Missionary Committee.

Grants are awarded to organisations and church members working in mission after an evaluation of each case. All giving follows the Church's mission aim to be wholeheartedly involved in carrying out the Great Commission of the Lord Jesus. Reaching out to God's world with the good news about Jesus Christ, in line with our vision to know Jesus and make him known, locally and globally.

Public Benefit statement

The PCC is aware of its legal duty to have regard to the public benefit guidance and to report on the charity's compliance with the public benefit obligation. In this regard the PCC is totally committed to enable anyone to worship at St Nicholas' services together with any of our activities taking place throughout the week. Our services and worship seek to encourage members of the Church family to live out their faith as part of the local community and further afield. We seek to achieve this through worship, prayer and the faithful teaching from God's word to support people learning about the Gospel, coming to faith in the Lord Jesus Christ and growing in their knowledge of scripture. With this aim the PCC has adopted the objectives and activities described above.

Financial review

Funds held by St Nicholas PCC

The Church's operations and activities are separated into funds that are either restricted (with limitations as to how income can be spent) or unrestricted (the PCC has discretion with respect to expenditure). These funds are explained below.

Total income received for 2023 was comparable to 2022 and the number of givers remaining consistent through the two years. Most of the church family give by standing order, but we do maintain a pattern of one-off givers who give up to 15% of the unrestricted funds. Total income across all funds for 2023 was £1,321,587 (2022: £1,222,537).

The expenditure was also in line with 2022 but was expected to increase by 10% in 2023 due to the high inflation levels. Total expenditure before gains/ losses on investments for 2023 was £1,237,432 (2022: £1,276,999).

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The repairs for the south aisle roof are expected to take place within a year, note 16 within the accounts shows the amount kept within the Fabric fund to cover these future costs. The Balance Sheet shows Tangible assets of £1,437,862 (2022: £1,442,837). Total Net Assets increased to £3,158,689 (2022: £3,070,584) and cash reserves remain strong, to be used in line with our vision.

Further details and the break down by fund can be seen below in the financial statements.

Unrestricted Funds:

The General Fund (GF) is used for the day to day running of the Church. This includes collecting donations earmarked for general use, and the payment of all salaries and general running expenses. This is the main operating entity of the Church.

The Fabric Fund is a savings reserve for large scale capital improvements and quinquennial expenditure for the St Nicholas Church building and grounds. It receives transfers from the GF, usually on an annual basis and incurs expenditure as needs arise.

The Vision Fund this fund was set up in 2022 with the specific aim of Reaching, Nurturing, Equipping & Sending God's people to proclaim the gospel for His glory. Striving towards our vision as detailed above is one of the key objectives of the PCC and this fund was set up to provide for any specific costs required to help achieve the vision. The plan is that this fund will be used in full by the end of 2027. Further fundraising may be needed as new resolutions are voted upon by the PCC. Our aim is that during 2024, the fund will start to be utilised to cater for the new Schools' Minister as the church focus' on the next generation of believer. The Schools' Minister role is budgeted as a two-year contract with the aim to review at the end of that period.

The Strategic Fund is used to enable the PCC to take on new opportunities ahead of building a new income stream to sustain them. The fund has been used to provide money towards ministry housing and the use of this fund will be determined by the FSG during 2024 and used by the end of 2025.

Restricted Funds:

Associate Rector House Fund (ARH) This fund was established in 2010 with the sole purpose of collecting gifts for the purchase of a house and for the payment of costs associated with the purchase of such a property. It received regular income until 2023 and received the proceeds from the St Nicholas Parish Hall Trust (PHT). In 2022, 12 Hurst Way was purchased from the proceeds of selling 26 Woodside Road with the remaining funds from that sale held in cash. During the year planning permission has been granted to bring 12 Hurst Way to the specification of an Associate Rector's house by extending the property. The intent is to complete the work using some of the cash in the fund over the course of the next two years. Once the work is complete the PCC will consider the best use of the cash reserves remaining in the fund. The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

Mission Fund (MF) This fund collects all donations earmarked for mission activity and allocates expenditure. Income can only be spent on mission activity and there are no operating overheads or ongoing financial commitments. Only income pledged or received in this fund is spent for these purposes.

Curate's House Fund This fund reflects the PCC's interest in the Church's house in South Park. The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

The Endowment Fund has its own assets, and its income is used to fund the upkeep of the graves. The investments in this fund are all part of the General, Churchyard and Graves endowment. This is a restricted fund where money has been given to the Church with the specific instructions that only the income earned from the money can be spent. They are permanent endowments which require income to be spent on the Churchyard, graves, or the general purposes of the PCC. The Endowments are held by the Rochester Diocesan Society and Board of Finance as custodian trustee.

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Crisis Appeal Fund This fund collects donations earmarked for use for those suffering as a result of an adversity where there is a connection (either personal or via a relevant organisation) to St Nicholas Church, Sevenoaks. Income of up to £25,000 can be advanced from the General Fund subject to authorised approvals with minimal operating overheads.

2023 Overview:

Unrestricted – General Fund

The voluntary income received in 2023, including gift aid and grants, was £1,085,472 (2022: £1,010,277).

Total resources used in the General Fund directly relating to work for the Church for 2023 were £984,003 (2022: £943,028). We are very thankful for all gifts large and small for the Gospel work of St Nicholas in Sevenoaks.

Unrestricted - The Fabric Fund

£35,939 was spent on works required by the 2022 quinquennial report and included painting of the aisles within the Church, roof and masonry repairs, restoration and conservation of a stained-glass window and removal of rotten timber beams in the bell chamber. A transfer of £66,859 was made to the fund leaving a balance of £263,600 (2022: £232,680) to pay for the replacement of the south aisle roof, savings towards the 2026 quinquennial inspection, major works to repair the clock faces and savings towards replacing/repairing the church organ.

Unrestricted - Strategic Reserve

There was no movement in the fund in the year and the balance remains at £100,000 (2022: £100,000).

Unrestricted – Vision Fund

£120,000 was transferred to this fund in 2022 which is expected to be spent on the aims as defined on page 2 and intended for use for the employment of a Schools' Minister over the next two years.

Restricted - Associate Rector House Fund (ARH)

The fund holds the value of 12 Hurst Way £600,000 (2022: £600,000) and cash reserves of £356,779. Total £956,779 (2022: £943,906). £636 was used on fees for plans to extend the property.

Restricted - Curate's House Fund

The fund holds the value of 40 South Park. The value remains at £833,000 (2022: £833,000).

Restricted – Mission Fund

The amount that was distributed to our mission partners in 2023 was £212,220 (2022: £208,359). The amount is for the continuing support of individuals and societies to whom we have supported for several years. A list of these grants is shown in the Appendix to the accounts. The fund also includes expenditure of £458 relating to bank charges incurred in paying these grants.

Restricted – Endowment

The income and expenditure in 2023 was £1,256 (2022: £1,249).

Crisis Appeal Fund

The General Fund paid £12,658 to qualifying Crisis Appeal personnel and organisations during the year. Income received including gift aid was £3,552 to 31/12/2023 with £2,920 repaid to the general fund during the year.

Investment policy

All funds are either held or invested in low risk short-term deposits, bank accounts, endowments and properties. Our short-term deposits are held within the CBF Church of England Deposit Fund and managed by CCLA Investment Management Ltd. The Fund is an actively managed, diversified portfolio of assets designed to help

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protect both present and future beneficiaries from the effects of inflation. CCLA supports the Church of England's Ethical Investment Advisory Group (EIAG).

EIAG policies are available at www.churchofengland.org/about/leadership-andgovernance/ethical-investment-advisory-group/policies-andreviews. The PCC along with the FSG monitor the risk of these funds and are satisfied they meet the PCC risk, sustainability and ethical standards.

Reserves Policy

The charity's total reserves were £3,158,689 (2022: £3,070,584). The Reserves Policy is to maintain a level of reserves in the General Fund at least equivalent to three months' normal expenditure. On behalf of the PCC, the FSG will continue to monitor cash reserves and will review the reserves policy in 2024. At the end of 2023 the PCC held free reserves (being the balance on the General Fund less tangible fixed assets) of £761,093 (2022: £704,508). This is £424,874 more than the £336,219 required by the policy.

Principal risks and uncertainties

Throughout the year the PCC, through the work of its committees – particularly the Risk Management Committee - the Churchwardens and designated members of the staff team continued with their systematic risk assessment in Financial, Reputational, Statutory/Legal, Environmental, People, IT and Operational areas, as required by the Diocese. Parish Safeguarding Officer, Emma Tibbitts and our Parish Lead Recruiter, Mrs Sue Stimson, have continued to ensure that we adhere to all relevant safeguarding legislation. Close attention is also paid to the implementation of policies regarding health and safety and to compliance with disability discrimination legislation.

The management of risk is of paramount importance to the decision-making of the Rector, the PCC and all risk owners and to the necessary plans and strategies by which the church will achieve its objectives. The PCC maintains an on-going review of risks to the objectives of the church, through the regular discussion of risk issues in its Risk Management sub-committee, the discussion and analysis of risks recorded in the risk register, by the ownership of and accountability for risks by nominated risk owners and by risk issues being included in the day-to-day decision-making and event-planning processes.

The main risk issues identified in the risk register comprise the following:

- Lack of income to pay operational expenses and mission commitments;
- Health & safety hazards to church members and visitors;
- Loss or compromise of electronic data and/or hacking;
- Lack of welfare of word ministry and office employees; and
- Safeguarding.

These risks are managed and mitigated by:

- Regular analysis of income and expenditure by the Operations Director and Treasurer and reports to the PCC;
- Clear Health & Safety policies and processes, regular training and risk assessments;
- Use of a dedicated document and email management system;
- Oversight and monitoring of pastoral care of word ministry and office employees by the Employment and Remuneration sub-committee; and
- Regular communication and awareness briefings and independent external audit – Report by 31:8 in January 2023.

As a result, the PCC is satisfied that all reasonable steps are being taken to manage the risks to the objectives of the church.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance, and management

Registered Charity

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks was registered on 21 November 2009 with the Charity Commission, number 1132854.

Location

St Nicholas Church is situated at Rectory Lane, Sevenoaks. It is part of the Diocese of Rochester within the Church of England. The correspondence address is St Nicholas Church, Rectory Lane, Sevenoaks, Kent, TN13 1JA. The activities of the Church take place principally at this location but also at other suitable venues in and around Sevenoaks.

Parochial Church Council (PCC)

The PCC is a corporate body established by the Church of England who have agreed with the Charity Commission that for the purposes of agreeing the governing documents, PCCs are governed by two pieces of legislation: The Parochial Church Council (Powers) Measure 1956 as amended and the Church Representation Rules. The PCC Powers Measures defines the principal purpose of the PCC as promoting in the parish the whole mission of the Church. The PCC was formerly an excepted charity and was registered as a charity from 21 November 2009. PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent.

Recruitment, induction and training of PCC members

Recruitment to membership of the PCC, whether by election or 'ex officio' appointment, is carried out in accordance with the Church Representation Rules. New PCC members receive induction training to ensure they are aware of their responsibilities. The Churchwardens, and others with specific responsibilities for matters requiring specialist knowledge, are able to attend training courses offered by the Diocese or appropriate external bodies. Reading matter on relevant topics is disseminated to PCC members.

Committees

The PCC operates through several committees, listed below, which meet between full meetings of the PCC, under an approved Scheme of Delegation which with the terms of reference for each committee lays down their responsibilities and authority.

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

Strategic Planning Group
Finance Strategy Group
Buildings & Maintenance Committee
Missionary Committee
Employment and Remuneration Committee
Fellowship Fund Committee
Risk Management Committee

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Reference and administrative information

Membership

Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting ("APCM") in accordance with the Church Representation Rules. During the year the following served as members of the PCC:

Incumbent:	The Revd Canon Angus MacLeay+	Chairman
Churchwardens:	Mr Robert von Kaufmann Mr Giles Witchell	
Clergy:	The Revd Matthew Taylor*+ The Revd Nicholas Ross (Curate) The Revd James Read +	
Representatives on the Deanery Synod:	Mr Chris Barton Mr Andrew Coates Brig. Ian Dobbie * Mr Anthony Jennings Mr Peter Scott Mr Gerald O'Brien* Mr Leo Sint Nicolaas	to May 2023 from May 2023
Elected Members:	Mr Mark Brennan Mrs Carol Carpenter Mr John Collett Mrs Katie David Mr Stefano Duranti Mr Peter Harlow Mrs Isabel Hodgson Mrs Sarah Mackenzie Mrs Renate Moerdijk Miss Beverlea Parkhill Mr Mark Walkington	to May 2023 (Treasurer) from May 2023 to May 2023 to May 2023 to May 2023 from May 2023 to March 2024
	Invited attendees:	Mr John Khnana Mrs Sue Stimson to March 2024
Key:	# also a member of General Synod * also a representative of Diocesan Synod + also a representative of Deanery Synod	
PCC Secretary:	Mrs Helen Crusher <i>(not a member of the PCC)</i>	

The APCM was held on 17 May 2023.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Auditor

Lindeyer Francis Ferguson Limited
Chartered Accountants and Statutory Auditors
North House
198 High Street
Tonbridge
Kent TN9 1BE

Bankers

National Westminster Bank plc
67 High Street
Sevenoaks
Kent TN13 1LA

Legal Advisors

Edward Connor Solicitors
10 The Point
Market Harborough
Leicestershire LE16 7QU

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales required 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 of the incoming resources and applicable of resources of the charity for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Parochial Church Council on 1 May 2024 and signed on its behalf by:

Revd Canon Angus MacLeay
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Nicholas, Sevenoaks (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2023

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to the preparation of the financial statements of the charity, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: the Charities Act 2011, the Charities SORP, FRS 102 and the Church Accounting Regulations 2006.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2023

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the [charity's operations and to avoid material penalties, including the General Data Protection Regulation and safeguarding of vulnerable people, including children.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with experience with charity and not-for-profit organisations to perform the audit;
- Obtained an understanding of the charity's procedures for ensuring compliance with laws and regulations;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with laws and regulations;
- Obtained and reviewed meeting minutes;
- Reviewed compliance with policies and procedures;
- Confirmed that relevant staff had DBS checks in place;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the charity's control environment, systems and controls including identifying any weaknesses and considering the risk of management override of controls;
- Assessing the susceptibility of the charity's financial statements to material misstatement, including considering how fraud could occur;
- Considering whether there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they are aware of any actual or suspected incidences of fraud;
- Reviewing the accounting policies and accounting estimates, such as the valuation of freehold properties, for signs of management bias; and
- Identifying key risks relating to irregularities as relating to revenue recognition and cut-off, grant payments made to overseas organisations and the revaluation of freehold properties.

We then designed audit procedures in response to the risks identified, including performance of substantive testing on income and grant payments.

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities, including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2023

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A S Healey FCA CTA DChA
Senior Statutory Auditor
for and on behalf of
Lindeyer Francis Ferguson Limited
Chartered Accountants
Statutory Auditor

Date: 2 May 2024

North House
198 High Street
Tonbridge
Kent TN9 1BE

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Note					
Income from:						
Donations and legacies	4	999,818	218,781	-	1,218,599	1,165,984
Charitable activities	5	52,092	-	-	52,092	48,918
Investments - interest		33,562	16,078	1,256	50,896	7,635
Total income		1,085,472	234,859	1,256	1,321,587	1,222,537
Expenditure on:						
Raising funds	7	10,484	-	-	10,484	10,772
Charitable activities	8	1,009,458	216,234	1,256	1,226,948	1,266,227
Total expenditure		1,019,942	216,234	1,256	1,237,432	1,276,999
Net gains / (losses) on investments	13	-	-	3,950	3,950	(5,602)
Net income / (expenditure)		65,530	18,625	3,950	88,105	(60,064)
Gains on revaluation of fixed assets	12	-	-	-	-	182,000
Net movement in funds		65,530	18,625	3,950	88,105	121,936
Reconciliation of funds:						
Total funds brought forward		1,167,025	1,861,575	41,984	3,070,584	2,948,648
Total funds carried forward	16	1,232,555	1,880,200	45,934	3,158,689	3,070,584

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	12		1,437,862		1,442,837
Investments	13		45,934		41,984
			<u>1,483,796</u>		<u>1,484,821</u>
Current assets					
Stock		7,733		8,019	
Debtors	14	74,899		54,973	
Short-term deposits		1,088,809		358,809	
Cash at bank and in hand		541,650		1,206,530	
		<u>1,713,091</u>		<u>1,628,331</u>	
Creditors: amounts falling due within one year	15	(38,198)		(42,568)	
Net current assets			1,674,893		1,585,763
Total net assets			<u>3,158,689</u>		<u>3,070,584</u>
Charity funds					
Unrestricted funds			1,232,555		1,167,025
Restricted funds			1,880,200		1,861,575
Endowment funds			45,934		41,984
Total funds	16		<u>3,158,689</u>		<u>3,070,584</u>

The financial statements were approved by the Parochial Church Council on 1 May 2024 and signed on their behalf by:

Mr John Collett
Treasurer

Revd Canon Angus MacLeay
Chairman

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	£	2023 £	£	2022 £
	Note			
Cash flows from operating activities:				
Net cash provided by / (used in) operating activities	A		14,224	(34,449)
Cash flows from investing activities:				
Interest received		50,896		7,635
Acquisition of tangible fixed assets		-		(9,725)
		<u>50,896</u>		<u>(9,725)</u>
Net cash used in investing activities			50,896	(2,090)
			<u>65,120</u>	<u>(36,539)</u>
Change in cash and cash equivalents				
Cash and cash equivalents at the beginning of the year				
Short-term deposits			358,809	358,809
Cash at bank and in hand			1,206,530	1,243,069
			<u>1,565,339</u>	<u>1,601,878</u>
Cash and cash equivalents at the end of the year				
Short-term deposits			1,088,809	358,809
Cash at bank and in hand			541,650	1,206,530
			<u>1,630,459</u>	<u>1,565,339</u>
A. Reconciliation of net income to net cash flow used in operating activities				
		2023 £	2023 £	2022 £
Net income / (expenditure) for the year <i>As per the Statement of Financial Activities</i>			88,105	(60,064)
Adjustments for:				
Net (gains) / losses on investments		(3,950)		5,602
Depreciation		4,975		5,602
Interest received		(50,896)		(7,635)
Decrease / (increase) in stocks		286		(200)
(Increase) / decrease in debtors		(19,926)		9,687
(Decrease) / increase in creditors		(4,370)		12,559
			<u>(73,881)</u>	<u>25,615</u>
Net cash provided by / (used in) operating activities			<u>14,224</u>	<u>(34,449)</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Status

The Parochial Church Council Of The Ecclesiastical Parish Of St. Nicholas, Sevenoaks ("the Church") is a body corporate under the terms of the Parochial Church Council Powers Measure 1956 and a charity subject to the Charities Act 2011 (registered number: 1132854).

2 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1 Basis of preparation

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of Church groups that owe their affiliation to another body, nor those which are informal gatherings of Church members.

The Church meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The members of the PCC consider that there are no material uncertainties about the Church's ability to continue as a going concern and therefore the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

2.2 Income

Income is recognised when the Church has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

For donations, this is usually on receipt. For grants, this is on receipt of a written agreement or offer unless there are terms and conditions outside the Church's control, or time-related conditions which limit the recognition of income.

For legacies, the "probable" criterion is considered met once there has been a grant of probate, the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy, and any conditions attached to the legacy are either within the Church's control or have been met.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2 Accounting policies continued

Income from Church activities or fundraising event is recognised when the activity or event takes place. Sale of goods is accounted for at the point of sale.

Income from investments is recognised in the period in which it relates if all the income criteria has been met.

2.3 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Expenditure has been classified under headings that aggregate all costs related to the category and includes VAT. Grants received for VAT under the Listed Places of Worship Grants Scheme are accounted for as income using the recognition criteria described above.

Grants payable are recognised as liabilities when communicated in writing to the recipient, except where the offer is conditional and fulfilment of the conditions is not considered probable, or where meeting the conditions is not within the control of the recipient. In these circumstances, the grant is recognised when the conditions have been met. Commitments for performance related grants are recognised to the extent that the performance related criteria are met. The expenditure on charitable activities includes supporting mission and mission-related activity, mainly outside the parish, allocated at the discretion of the Missionary Committee.

Direct costs are allocated to the activity to which they relate. Where direct costs such as staff costs are shared between more than one activity, they are apportioned between the activities.

Support costs are allocated to the cost of raising funds based on the ratio of the direct costs of raising funds compared to total direct costs, in order to reflect usage.

No support costs have been allocated to the Missionary activity on the basis that the activity is delivered almost entirely by volunteers and the activity makes minimal use of the church premises and other overheads, and therefore any allocation would be immaterial.

The majority of support costs are therefore incurred in order to facilitate the delivery of Church activities.

Governance costs are those costs incurred in connection with the administration of the Church and the compliance with constitutional and statutory requirements.

2.4 Fund accounting

Unrestricted funds can be used for the charitable objectives at the discretion of the PCC. Unrestricted funds included designated funds which have been set aside by the PCC for specific purposes.

Restricted funds arise when the donor specifies a purpose narrower than the general charitable objects of the Church, or when funds are raised for such a purpose.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2 Accounting policies continued

2.5 Tangible fixed assets

(i) Consecrated land and buildings and movable Church furnishings

Consecrated and beneficed property is excluded from the accounts by section 10(2) to (4) of the Charities Act 2011.

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 since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable Church furnishings whether on maintenance or improvement is written off as expenditure in the statement of financial activities.

(ii) Other land and buildings

The Church has adopted a policy of revaluation in respect of its freehold property. Professional valuations are conducted on a regular basis, with reviews carried out by the PCC in intervening years to assess whether fair value materially differs from the carrying value at the balance sheet date. Revaluation changes are recognised in the statement of financial activities.

Depreciation is not provided on freehold land. In respect of freehold buildings, the PCC considers that any charge would not be material given the long useful life, high residual value, and frequent revaluation adjustments.

(iii) 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 less than £2,000 are written off in the period in which the asset is acquired.

(iv) Impairment

If the PCC identifies indicators of impairment, a review is undertaken and appropriate provision made for any permanent diminution in value.

2.6 Investments

Fixed asset investments are initially recognised at their transaction cost and are subsequently measured at fair value at each reporting date, with changes in fair value recognised in the statement of financial activities.

2.7 Financial instruments

Financial instruments other than investments qualify as basic financial instruments. Short-term debtors and creditors are measured at the settlement value less provision for any impairment. Any losses from impairment are recognised in the statement of financial activities.

Long-term funding commitments are discounted when the discounting is considered to be material.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2 Accounting policies continued

2.8 Pensions

The Church participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. It has a section known as Pension Builder 2014 which is described below.

Pension Builder 2014 Scheme

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable.

An actuarial valuation of the Pension Builder 2014 (PB 14) Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022 with the next valuation due as at 31 December 2025. The valuation in respect of the PB 14 is carried out on three bases with the valuations listed below. The valuations show there is no requirement for deficit payments at the current time. For further information you can read the full actuarial report by going to:

<https://www.churchofengland.org/sites/default/files/2024-01/pb-2014-actuarial-valuation-report-31-dec-2023.pdf>

The legal structure of the scheme is such that if another employer fails, St Nicholas Church PCC could become responsible for paying a share of that employer's pension liabilities.

PB 14 Valuation as at 31/12/2022	Assets	Liabilities	Surplus
Funding Basis	£49.5m	£41.0m	£8.5m
Security Basis	£49.5m	£29.2m	£20.3m
Accrued Pools Basis	£49.5m	£47.1m	£2.4m

St Nicholas PCC is also registered with OPRA, for non clergy word ministry staff, it pays 15% of basic gross salary to their pension provider and for administration staff matches their pension contributions up to a maximum of 7.5% of basic gross salary, these are accounted for on the basis of contributions payable in the year. The PCC therefore has no liability for final pensions provision for its staff.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

3 Judgements and key sources of estimation uncertainty

In the application of the Church's accounting policies, the PCC are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The key accounting estimate having a significant risk of causing a material adjustment to the carrying amount of assets and liabilities is the valuation of freehold property. Due to the value of the assets held and the policy of revaluation in place, even small percentage changes in value could have a material impact on the financial statements. The PCC mitigate this risk by commissioning valuations on a regular basis from suitably qualified independent advisers, and reviewing available evidence such as comparable sales and property price indices in the intervening years.

4 Income from donations and legacies

	2023 £	2022 £
Donations eligible for Gift aid	619,620	658,992
Gift Aid recovered	160,174	162,759
Other donations	428,613	327,805
Cash collections	5,192	5,428
Grants	-	10,000
Legacies	5,000	1,000
	<u>1,218,599</u>	<u>1,165,984</u>

In the preceding period, restricted income from donations and legacies was £210,582.

5 Income from charitable activities

	2023 £	2022 £
Fees and hire income	12,422	16,043
Book shop sales	9,016	14,712
Contributions to houseparties	25,582	13,767
Contributions to outreach events	5,072	4,396
	<u>52,092</u>	<u>48,918</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

6 Income from investments - interest

In the preceding period, restricted income from investments was £429 and £1,249 was in relation to the endowment fund.

7 Expenditure on raising funds

		2023 £	2022 £
Staff costs: Raising funds		7,258	6,915
Support costs allocated	9	3,226	3,857
		10,484	10,772

8 Expenditure on charitable activities

	Missionary 2023 £	Church activities 2023 £	Total 2023 £	Total 2022 £
Staff costs: Direct	-	275,070	275,070	219,118
Other direct costs:				
Trading purchases and expenses	-	11,911	11,911	14,957
Diocesan quota	-	233,894	233,894	210,894
Clergy expenses	-	7,687	7,687	7,881
Clergy housing	-	36,378	36,378	84,756
Houseparties	-	31,348	31,348	16,710
Services and outreach	-	22,396	22,396	29,885
Outreach events	-	11,174	11,174	16,161
Grants payable:				
Missionary societies	212,220	-	212,220	208,359
Home missions / UK agencies	7,318	-	7,318	4,145
Support costs allocated	9	377,552	377,552	453,361
	219,538	1,007,410	1,226,948	1,266,227

In the preceding period, expenditure of £267,092 was applied to restricted funds and expenditure of £1,249 was applied to the endowment fund.

Please refer to the Appendix for full details of missionary grants payable.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

9 Support costs

	2023 £	2022 £
Staff costs: Administration	145,445	134,276
Training	4,062	12,532
Ministry trainees	37,477	10,062
Pastoral care	-	1,502
Church running expenses	56,459	54,282
Church maintenance	14,807	17,340
Capital and quinquennial works	1,562	60,565
Fabric and special projects	42,154	62,491
Beech Road property costs	20,681	30,853
Depreciation	4,975	5,602
Technical support	23,355	23,752
Printing and stationery	4,787	3,786
Office expenses	7,327	9,172
Sundry expenses	2,610	6,997
Bank charges	2,764	2,869
Governance costs:		
PCC expenses	1,518	403
Audit fees	8,400	9,550
Professional fees	2,395	11,184
	380,778	457,218
	380,778	457,218

10 Net movement in funds

	2023 £	2022 £
This is stated after charging:		
Audit fees	8,400	9,550
Depreciation	4,975	5,602
Operating lease rentals	26,880	26,880
	34,255	32,032
	34,255	32,032

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

11 Staff costs

	2023 £	2022 £
Staff costs comprise:		
Gross salaries	299,782	293,346
Employer's NIC	25,050	23,006
Employer's pension contributions	27,763	15,040
Expenses and housing costs	75,178	28,917
	<u>427,773</u>	<u>360,309</u>

The average number of PCC employees during the year, calculated on a full-time equivalent basis, was 10 (2022: 11). No employee received emoluments in excess of £60,000 (2022: None).

12 Tangible fixed assets

	Freehold property £	Office equipment £	Fixtures & fittings £	Total £
Cost or valuation:				
At 1 January 2023	1,433,000	41,647	43,910	1,518,557
Additions	-	-	-	-
Disposals	-	(3,074)	-	(3,074)
Revaluations	-	-	-	-
	<u>1,433,000</u>	<u>38,573</u>	<u>43,910</u>	<u>1,515,483</u>
At 31 December 2023	1,433,000	38,573	43,910	1,515,483
Depreciation:				
At 1 January 2023	-	31,810	43,910	75,720
Charge for the year	-	4,975	-	4,975
Eliminated on disposal	-	(3,074)	-	(3,074)
	<u>-</u>	<u>33,711</u>	<u>43,910</u>	<u>77,621</u>
At 31 December 2023	-	33,711	43,910	77,621
Net book value:				
At 31 December 2023	<u>1,433,000</u>	<u>4,862</u>	<u>-</u>	<u>1,437,862</u>
At 31 December 2022	<u>1,433,000</u>	<u>9,837</u>	<u>-</u>	<u>1,442,837</u>

The freehold land and buildings comprise a property located at 40 South Park and a property located at 12 Hurst Way, both in Sevenoaks, Kent. The historic cost is £711,000 (2022: £711,000). The last professional revaluation was conducted in February 2021 by an independent Chartered Surveyor on the assumption of vacant possession and there being no serious structural issues or adverse restrictions on title. A structural survey was not conducted. For the year ended 31 December 2023 the PCC conducted a desktop valuation on the basis of available data including previous valuations, repair and maintenance works to the properties, comparable sales and land registry data and identified a material change in value which has been reflected in these financial statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

13 Investments

	2023 £	2022 £
At 1 January 2023	41,984	47,586
Unrealised change in market value	3,950	(5,602)
	<u>45,934</u>	<u>41,984</u>
At 31 December 2023	<u><u>45,934</u></u>	<u><u>41,984</u></u>

The historical cost of the investments is £1,394. All the investments are with the Central Board of Finance of the Church of England and are in the United Kingdom. These investments are the asset of the permanent endowment fund.

14 Debtors

	2023 £	2022 £
Gift Aid receivable	11,549	47,089
Prepayments and accrued income	63,350	1,129
Other debtors	-	6,755
	<u>74,899</u>	<u>54,973</u>
	<u><u>74,899</u></u>	<u><u>54,973</u></u>

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	38,198	36,380
Tax and social security	-	6,188
	<u>38,198</u>	<u>42,568</u>
	<u><u>38,198</u></u>	<u><u>42,568</u></u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST. NICHOLAS, SEVENOAKS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

16 Statement of movement in funds

	Brought forward £	Net movement £	Transfers £	Carried forward £
<i>Current period - 2023</i>				
Unrestricted funds:				
General fund	714,345	101,469	(66,859)	748,955
Designated funds:				
Fabric fund	232,680	(35,939)	66,859	263,600
Strategic reserve	100,000	-	-	100,000
Vision fund	120,000	-	-	120,000
Total unrestricted funds	<u>1,167,025</u>	<u>65,530</u>	<u>-</u>	<u>1,232,555</u>
Restricted funds:				
Mission fund	84,669	5,120	-	89,789
Curate's House fund	833,000	-	-	833,000
Associate Rector's House fund	943,906	12,873	-	956,779
Crisis Appeal fund	-	632	-	632
Total restricted funds	<u>1,861,575</u>	<u>18,625</u>	<u>-</u>	<u>1,880,200</u>
Endowment funds:				
General, churchyard & graves	41,984	3,950	-	45,934
Total funds	<u><u>3,070,584</u></u>	<u><u>88,105</u></u>	<u><u>-</u></u>	<u><u>3,158,689</u></u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST. NICHOLAS, SEVENOAKS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

16 Statement of movement in funds continued

	Brought forward £	Net movement £	Transfers £	Carried forward £
<i>Prior period - 2022</i>				
Unrestricted funds:				
General fund	721,107	67,249	(74,011)	714,345
Designated funds:				
Fabric fund	224,299	(65,630)	74,011	232,680
Strategic reserve	100,000	-	-	100,000
Vision fund	120,000	-	-	120,000
Total unrestricted funds	1,165,406	1,619	-	1,167,025
Restricted funds:				
Mission fund	82,469	2,200	-	84,669
Curate's House fund	700,000	133,000	-	833,000
Associate Rector's House fund	953,187	(9,281)	-	943,906
Total restricted funds	1,735,656	125,919	-	1,861,575
Endowment funds:				
General, churchyard & graves	47,586	(5,602)	-	41,984
Total funds	2,948,648	121,936	-	3,070,584

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 Statement of movement in funds continued

Net movement comprises:

	Income £	Expenditure £	Gains / (losses) £	Total £
<i>Current period - 2023</i>				
Unrestricted funds:				
General fund	1,085,472	(984,003)	-	101,469
Designated funds:				
Fabric fund	-	(35,939)	-	(35,939)
Strategic reserve	-	-	-	-
Vision fund	-	-	-	-
Total unrestricted funds	<u>1,085,472</u>	<u>(1,019,942)</u>	<u>-</u>	<u>65,530</u>
Restricted funds:				
Mission fund	217,798	(212,678)	-	5,120
Curate's House fund	-	-	-	-
Associate Rector's House fund	13,509	(636)	-	12,873
Crisis Appeal fund	3,552	(2,920)	-	632
Total restricted funds	<u>234,859</u>	<u>(216,234)</u>	<u>-</u>	<u>18,625</u>
Endowment funds:				
General, churchyard & graves	1,256	(1,256)	3,950	3,950
Total funds	<u><u>1,321,587</u></u>	<u><u>(1,237,432)</u></u>	<u><u>3,950</u></u>	<u><u>88,105</u></u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 Statement of movement in funds continued

	Income £	Expenditure £	Gains / (losses) £	Total £
Prior period - 2022				
Unrestricted funds:				
General fund	1,010,277	(943,028)	-	67,249
Designated funds:				
Fabric fund	-	(65,630)	-	(65,630)
Strategic reserve	-	-	-	-
Vision fund	-	-	-	-
Total unrestricted funds	<u>1,010,277</u>	<u>(1,008,658)</u>	<u>-</u>	<u>1,619</u>
Restricted funds:				
Mission fund	211,001	(208,801)	-	2,200
Curate's House fund	-	-	133,000	133,000
Associate Rector's House fund	10	(58,291)	49,000	(9,281)
Total restricted funds	<u>211,011</u>	<u>(267,092)</u>	<u>182,000</u>	<u>125,919</u>
Endowment funds:				
General, churchyard & graves	1,249	(1,249)	(5,602)	(5,602)
Total funds	<u><u>1,222,537</u></u>	<u><u>(1,276,999)</u></u>	<u><u>176,398</u></u>	<u><u>121,936</u></u>

Details of material funds are as follows:

Fabric fund

This fund is used for large capital items and major refurbishment work to the Church and its grounds. Such work mainly arises from quinquennial inspections, and the aim is to build up sufficient funds over a five-year period to cover the costs arising from such inspections.

Strategic reserve

This fund is used to enable the PCC to take on new opportunities ahead of building a new income stream to sustain them. The fund has been used to provide money towards ministry housing and the use of this fund will be determined by the FSG during 2023 and used by the end of 2025.

Vision fund

This fund was set up in 2021 with the specific aim to consider how the church can better reach, nurture, equip & send God's people to proclaim the gospel for His glory. Striving towards our vision as detailed further in our Trustee report is one of the key objectives of the PCC and this fund was set up to facilitate against any costs required to help achieve the vision. The plan is that this fund will be used in full by the end of 2027. Further fundraising may be needed as new resolutions are voted upon by the PCC.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 Statement of movement in funds continued

Mission fund

This fund is specifically for supporting mission and mission-related activity, mainly outside the parish. Gifts to the fund are allocated at the discretion of the Missionary Committee unless the donor expresses a wish that their gift be given to a particular missionary or mission activity.

Curate's House fund

This represents the current value of the property at 40 South Park that was acquired by the PCC in 1989 from proceeds of the sale of a previous property and funds raised specifically to acquire the new property.

Associate Rector's House fund

This fund was set up to purchase a house for the person occupying the post of Associate Rector.

Crisis Appeal fund

This fund collects donations earmarked for use for those suffering as a result of an adversity where there is a connection (either personal or via a relevant organisation) to St Nicholas Church, Sevenoaks. Income of up to £25,000 can be advanced from the General Fund subject to authorised approvals and there are no operating overheads or ongoing financial commitments.

Endowment fund

This represent a permanent endowment given to the Church with the specific instructions that only the income earned from the money can be spent, or an asset donated to be retained, for continuing use by the Church. There are four separate funds which require income to be spent on the Churchyard, graves or the general purposes of the PCC.

17 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Current period - 2023				
Tangible assets	4,862	1,433,000	-	1,437,862
Investments	-	-	45,934	45,934
Net current assets	1,227,693	447,200	-	1,674,893
	<u>1,232,555</u>	<u>1,880,200</u>	<u>45,934</u>	<u>3,158,689</u>
Preceding period - 2022				
Tangible assets	9,837	1,433,000	-	1,442,837
Investments	-	-	41,984	41,984
Net current assets	1,157,188	428,575	-	1,585,763
	<u>1,167,025</u>	<u>1,861,575</u>	<u>41,984</u>	<u>3,070,584</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

18 Operating lease commitments

At 31 December 2023 the Church was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Land and buildings:		
Due within one year	32,880	26,880
In two to five years	72,720	24,600
	<u>105,600</u>	<u>51,480</u>

19 Capital commitments

At 31 December 2023 the charity had contracted capital commitments totalling £13,486 (2022: £nil).

20 Related party transactions

The key management personnel of the charity are considered to be the incumbent, the Churchwardens and the Operations Director.

The total amount of employee benefits received by key management personnel during the year, including Employer's National Insurance and pension, was £56,054 (2022: £52,643).

The clergy and the incumbent (as listed on page 10) are members of the PCC but also received accommodation related benefits in the year totalling £31,733 (2022: £84,756).

In the current period and in the prior period no trustees received reimbursement for expenses.

Neither the trustees, nor any person connected with them, received any remuneration or benefits in respect of their role as a trustee in the current nor preceding period.

During the year, 23 members of the PCC and their close family (2022: 24), donated £170,502 (2022: £165,162) to the PCC, of which £36,043 (2022: £31,288) were restricted donations.

During the year, a total of £11,000 (2022: £12,000) was paid in rent under lease entered into in July 2021 with William Grieg, the son of Justin Grieg, who was a member of the PCC until 17 May 2022. The lease agreement relates to accommodation at 18 The Green for ministry housing. No balances were due at the balance sheet date (2022: £Nil).

During the year, a total of £8,874 (2022: £112,186) was paid to Planned Premises Management, a business owned by a close family relative of a member of key management personnel, in relation to repair and maintenance work. No balances were due at the balance sheet date (2022: £Nil).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

APPENDIX: GRANTS PAYABLE (MISSIONARY FUND) FOR THE YEAR ENDED 31 DECEMBER 2023

		2023 £	2022 £
A Rocha International		1,020	1,520
A Rocha UK		1,020	1,520
AIM	Hannah Jackson	8,196	8,196
AIM	Paul and Helen Shepherd	12,748	12,748
All Saints Preston	Ukrainian Refugees	-	5,000
AMiE		500	500
Anglican Mainstream		1,100	1,100
ANiE		5,000	5,000
C of E Evangelical Council		5,000	1,000
Christian Unions Ireland	Mark Ellis	-	8,000
Christianity Explored		2,000	2,000
Church by the Bay	Ben Petersen	5,000	5,000
Cross Teach Trust	Sophie-Ann Rebettes	-	5,000
Crosslinks	Anna Poor	-	16,800
Crosslinks	Mark Oden	16,216	16,115
Diocese of Rochester	Diocese of Kondoa (Tanzania)	2,000	2,000
ECM International	Chris Wigram	1,500	1,500
EFAC	Julia Cameron	6,000	6,000
Falmouth Christian Union		500	-
Gafcon UK		2,000	2,000
Great Truths	Ben Dean	2,000	-
Growing Hope	Janet Phythian	1,360	360
Janet Phythian		-	400
Japan Christian Link	Philip & Sunny Glass	19,000	4,000
Japan Christian Link	Selvan Anketell	8,400	8,400
Keswick Ministries		5,000	-
Langham Trust		2,000	2,000
London City Mission		5,000	5,000
Oak Hill College	Joshua Yates	5,000	5,000
OMF	Beverlea Parkhill	-	8,800
OMF	Kathryn Bowen	18,600	17,600
OMF	Other	360	-
OMF	StJohn Perry	28,400	28,400
OMF	Tony Waghorn	3,300	3,300
Penny Trust	Pete Portal	1,000	1,000
Proclamation Trust		2,000	2,000
ReNew Conference		5,000	-
Sevenoaks Area Youth Trust		8,000	6,000
SIM	Emma Brewster	10,000	8,000
SIM	Guy Branson	5,000	-
Tearfund		-	100
The Bridge Church	Issy Pagan	6,000	-
The Faith Mission	Arabella Paul	2,000	2,000
Thetford Team Ministry	Susanna Bratby	5,000	5,000
		212,220	208,359

Accounts

Charity number: 1132854



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2022

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are the members of the Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks ("the PCC") present their annual report together with the financial statements for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, the Charities Act 2011, the Church Accounting Regulations 2006, and the requirements of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)).

Objectives and Vision Statement

The PCC has the responsibility of co-operating with the incumbent, the Revd Canon Angus MacLeay, in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical, in the ecclesiastical parish and beyond.

The PCC, with the St Nicholas Church family has adopted the following Vision Statement to express its objectives, help guide its decision-making and allocate resources to activities which will support and help to fulfil its objectives.

ST NICHOLAS' VISION STATEMENT

To know Jesus and make Him known locally and globally and so we prayerfully and lovingly proclaim Him in order to Reach, Nurture, Equip and Send for His glory.

Based on this vision statement, the main objectives for the year were to bring glory to God by ensuring that His word continued to be faithfully preached to all congregations at St Nicholas Church; to help members of the Church family grow in Christian knowledge and maturity; to provide teaching in God's word to the children and young people in the Church family; to reach out to the wider community in Sevenoaks, in the nation and around the world to proclaim the Gospel of our Lord Jesus Christ and to provide practical support demonstrating our love for our neighbours near and far. We are still emerging from the Covid pandemic which undeniably affected us in various ways. We also need to recognise that quite a few families and individuals have not returned to the worshipping community. Attitudes and willingness to serve have also changed in recent years, therefore, there is still an element of the need to rebuild and restore our congregations. We continue to be committed to our vision by praying and working through our objectives with the help of the publication of John Truscott's report in 2020, accessing what is best delivered congregationally and what is best worked on as "one church".

We operate in the context of what is happening within the Church of England and especially in relation to 'Living in Love and Faith'. We need to recognise that decisions made either nationally or even at a diocesan level could have a significant effect on how we operate in the future.

One of our distinctives as a whole church family is that our three main morning congregations each have many families with plenty of children in our various children's ministries. We are also privileged to have an evening congregation involving young people in our Contact group. As we look to the future, we will especially want to develop this 'next generation' aspect of ministry, though we will want to do so in a genuinely multi-generational way, where young and old interact and serve each other. We must ensure that our Vision really does embrace every age group. Having said that, every age group will have an interest in seeking to build the church for the future and therefore each age group will want to welcome a focus on building for the next generation and seeing our ministries amongst children and young people thrive in every way.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Long- and short-term objectives

As we come to the constituent parts of our Vision it has been helpfully stated that a Vision needs to be articulated in terms of what we want to see and is expressed in what we are praying for. So, what should our Vision encompass for the next three to five years? What do we want to see? What should we be praying for?

- **We long to see stronger foundations / deeper roots (nurture)**

Stronger foundations, or deeper roots, come through the means of grace i.e. through the Bible, prayer, fellowship and the breaking of bread (Acts 2:42) and these things will be particularly delivered at the congregational level but supported by whole-church initiatives.

Through the Bible having greater traction in our lives: a much greater use of daily Bible reading notes for adults, young people and children.

Through a significant increase in the regular attendance at monthly prayer gatherings and in believers being involved in prayer triplets as a sign of our dependence on the Lord.

Through a deeper commitment to one another and to the Lord with a higher proportion of believers committed to nurture groups and people attending Sunday gatherings more frequently.

- **We long to see warmer engagement (broader outreach) (reach)**

Warmer engagement with Christ happens as we embrace the grace and truth of Christ. Much outreach will spring from individual relationships, but these may also be supported and encouraged by various other initiatives at both congregational and whole-church level. Christianity Explored and Hope Explored courses are particularly helpful tools that can be delivered at the whole-church level.

Through believers having greater confidence to make a difference in their workplaces, neighbourhoods and the local area by being able to articulate and defend their faith within an increasingly hostile culture.

Through new people and families being actively welcomed into the life of our different congregations as a priority for the whole church family.

Through the clear articulation of the message of Christ at regular Christianity Explored and Hope Explored courses throughout the year.

- **We long to see wholehearted service / equipped leaders (equip)**

Though some equipping can be done at a personal level and other aspects are best delivered through "on the job" training, there may well be a particular role for whole-church training initiatives to assist each of the different congregations.

As a significant number of people are trained up to lead in our children's and youth ministries, where we are currently particularly stretched.

As a new generation of leaders are equipped to serve across the church family so that we can resource leadership roles in the coming year.

As Christians are better equipped to face the challenges posed within our culture through providing them with the appropriate resources and training, to enable them to articulate the Christian position.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

- **We long to see effective partnership to make a wider impact (send)**

Though there may be aspects of this that can be delivered at congregational level, any major initiatives almost certainly need to be done at a whole-church level and would require support from right across the whole church family.

Through developing a regular programme for those about to go to university, we aim to see our young people being equipped to stand for Christ as they prepare to leave Sevenoaks to pursue further education.

Through the development of a new congregation or church plant / graft within the wider Sevenoaks area in order to gather people and families not currently connected to any church.

Activities

Specific activities carried out in 2022 in pursuit of these objectives are described in the Annual Report which accompanies these financial statements and can also be found on our website. (<https://www.stnicholas-sevenoaks.org/>). These activities include live streaming of services, daytime bible study meetings, providing English lessons and care for Ukrainian refugees, toddler groups, children and youth groups, evangelism events and many more to reach those in our parish and beyond.

The presentation, monitoring and review of these objectives are directed by the Strategic Planning Group (SPG) and through wider church feedback which will lead to formal resolutions for the PCC to vote and implement using the funds currently ring fenced during the period 2023-2027.

Church activities (links to Vision in brackets)

- Each Sunday we offer 5 regular services: 4 in the church building and 1 in Lady Boswell's Primary School. The early service at 8am is a spoken Holy Communion Service. The other three morning services include worship, music, teaching, children & young people's groups. The evening service includes our youth group. Holy communion is offered at these services on a monthly basis. Since the beginning of the pandemic, the four main services are livestreamed each week. (Nurture / Equip / Reach)
- On the first Sunday of the month and on alternate Wednesdays, we offer a service in two local care homes, including music, worship, prayer and teaching. (Nurture / Reach)
- Nurture groups, where people study the Bible together and share fellowship and support, meet across the week in a variety of locations and are arranged via the specific congregations. (Nurture / Equip)
- We run a Bumps & Babies group for those expecting / who have children up to 12 months old and we are looking to start a toddler group. (Nurture / Reach)
- We deliver assemblies in all of our local schools, both primary and secondary, and are involved in school worship councils and RS delivery. (Reach)
- Our teenagers meet mid-week and on Sundays for both study and fun, sharing meals, games and outings. The highlight of their year is the summer houseparties when they spend time together away from Sevenoaks. (Nurture / Equip / Send)
- For our more mature members, we offer weekly fellowship groups for our ladies and study sessions/ regular lunches for the men. (Nurture / Equip)
- Welcoming refugees is important to us and we offer English conversation practice and structured English language classes. One of our Sunday morning services shows a live Ukrainian translation. (Nurture / Reach)
- Throughout the year, we offer courses open to anyone where there is an opportunity to explore the Christian faith together with a variety of evangelistic events to share the gospel. (Equip / Reach)
- Teaching and training is delivered in small groups. (Equip)
- Weddings and wedding preparation, Funerals and Baptisms are carried out for the church family and those in the local community. (Nurture / Reach)
- Social events are organised regularly to encourage people to have fellowship, get to know one another and to support one another. (Nurture)

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Missionary activity (links to Vision in brackets)

- Mission activity is at the heart of St Nicholas. We provide significant support to a number of mission partners including many who have gone out from our Church family. (Reach / Send)
- Members of the Mission Committee maintain regular contact with those mission partners and receive regular updates of the work they are doing. This is shared with the church family by means of prayer letters and video updates etc. Many of the mission partners are linked to one of the congregational nurture groups for prayer and practical support.
- When in the UK, mission partners visit us and give updates in Sunday services or at monthly prayer meetings.
- The Mission Committee meets quarterly to consider requests for financial support and allocates mission grants accordingly.

Achievements and performance

The Christian faith is a relationship with God and one another, we are called by Jesus to 'love the Lord your God with all your heart, with all your soul and with all your mind'. And to: 'Love your neighbour as yourself'. (Mark 22 v37-39). So, in 2022 we were delighted to be able to restart all our services in person, along with our nurture groups, be able to host evangelist events and see our church attendance regrow.

The estimated average attendance in 2022, based on counts made on the first three Sundays in October, was 662 (670 in 2019) no counts were made in 2020 or 2021 due to the pandemic. These figures include adults and children. As at 31 December 2022 there were 567 on the Electoral Roll (2021: 583). The roll was renewed in April 2019.

This year we worked with the Rochester Good Stewards Trust (RGST) to fund a Youth Worker in Wilmington. We supported All Saints Preston to help facilitate the long-term integration of Ukrainian refugees into the local community, many of whom are now connected with All Saints' ministry. We were also able to celebrate an event marking 900 years of the St Nicholas church building being in Sevenoaks – this celebration allowed us to reach the whole of Sevenoaks. It was held in conjunction with the Sevenoaks Historical Society with a walk through the ages exhibition – exploring Sevenoaks through the lives of 13 people who lived in the parish during this time. On the Sunday we invited people from the parish to join us for a civic service, food and children's games. Since the pandemic, we have continued to offer live streaming of all our services with an average of 52 people tuning in per week during 2022. Alongside the 662 attending in person, it was encouraging to note the total number engaging with our services each week has grown due to the offer of live streaming. Use of the Church and Undercroft, which houses our book room as well as a suite of meeting rooms, also increased throughout 2022, by a mixture of Church events and public bookings. We also continue to provide grants to our overseas missionaries and are excited to hear stories of those coming to faith through God's work through them.

Future and ongoing plans

The key challenge for the Church family and leadership is to continue to broaden and increase our giving and serving teams. Many of the roles within the life of the church are filled by volunteers and in order to continue our vision of making Jesus known locally and globally, we are relying on God's Holy Spirit to be working powerfully in all those who attend, work or are supported by the Church.

Mission Fund

We prayerfully trust that God will meet the needs in the coming year through the generous giving of the Church family. During the year the Shepherds commenced their assignment in West Africa, Joshua Yates began training at Oak Hill College, Susanna Bratby joined the Thetford Team Ministry and Philip Glass prepared to start training for ministry in Japan. While Sophie-Ann Rebettes finished working with Crossteach, to join the staff team at St Nicholas Church, Mark Ellis left Christian Unions Ireland to take up a post as Pastor at Christ Church Newcastle, Beverlea Parkhill moved on from her role with OMF and Anna Poor ended her placement with Crosslinks to be a full-time mum. The Mission Fund has always been grateful for the provision of funds to support our mission expenditure.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Staff changes

In January 2023 we welcomed Sophie-Ann Rebbettes as the new Children & Families' Minister, taking over the role over from Cara Smith who stepped down during the year. We also welcomed two trainees onto our newly established Timothy Scheme in September 2022. Jonny van Es joined the Ordained Ministry stream and Anna Dallaire joined the Youth Ministry stream. In March 2022 our long serving Facilities Manager, Martin Levett, retired after more than 22 years of service and the role has now been filled by Nick Hammerton who joined the staff on a part time basis in November 2022. We are very grateful for the years of service from Martin and Cara, they will be missed, and we pray they will continue to serve the Lord in the years ahead. We are equally pleased that their roles have now been filled and that our third Timothy Scheme trainee, on the Children's Ministry stream, will be starting in Sept 2023.

Grant making policy

Mission activity is at the heart of St Nicholas. We provide significant support to several mission partners including many who have gone out from our Church family. These include individuals and families who have served in South Africa, Uganda, Thailand, Malaysia, Hungary, Ireland and Italy – these are detailed in the Appendix to the Accounts.

The Church's policies provide for the making of grants to organisations whose activities are an integral part of the overall vision of St Nicholas Church as previously set out. As well as proclaiming the gospel in and around our own church environment, we seek ways of furthering Christ's mission through various mission initiatives worldwide, in the UK and in the Sevenoaks community. We enjoy strong links with several mission partners. Grants are awarded to organisations and church members working in Christian mission. The task of deciding how to distribute grants for external mission giving is delegated to the Missionary Committee.

Grants are awarded to organisations and church members working in mission after an evaluation of each case. All giving follows the Church's mission aim to be wholeheartedly involved in carrying out the Great Commission of the Lord Jesus. Reaching out to God's world with the good news about Jesus Christ, in line with our vision to know Jesus and make him known, locally and globally.

Public Benefit statement

The PCC is aware of its legal duty to have regard to the public benefit guidance and to report on the charity's compliance with the public benefit obligation. In this regard the PCC is totally committed to enable anyone to worship at St Nicholas' services together with any of our activities taking place throughout the week. Our services and worship seek to encourage members of the Church family to live out their faith as part of the local community and further afield. We seek to achieve this through worship, prayer and the faithful teaching from God's word to support in people learning about the Gospel, coming to faith in the Lord Jesus Christ and growing in their knowledge of scripture. With this aim the PCC has adopted the objectives and activities described above.

Financial review

Funds held by St Nicholas PCC

The Church's operations and activities are separated into funds that are either restricted (with limitations as to how income can be spent) or unrestricted (the PCC has discretion with respect to expenditure). These funds are explained below.

Total income received for 2022 was comparable to 2021 and the number of givers remaining consistent through the two years. Most of the church family give by standing order, but we do maintain a pattern of one-off givers who give up to 15% of the unrestricted funds. Total income across all funds for 2022 was £1,222,537 (2021: £1,226,566).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The expenditure was also in line with 2021 as originally stated but is expected to increase by 10% in 2023 due to the high inflation levels. Total expenditure before prior year adjustments or gains/ losses on investments for 2022 was £1,276,999 (2021: £1,224,508). The 2021 expenditure figures have been restated to £1,074,508 to exclude provisions as the expenditure for the roof repairs and quinquennial reserves were not committed as at the balance sheet date.

The repairs for the south aisle roof are expected to take place within a year, note 15 within the accounts shows the amount kept within the Fabric fund to cover these future costs. The Balance Sheet shows Tangible assets of £1,442,837 (2021: £1,256,714). This increase is mainly due to the revaluation by the PCC of the properties at 40 South Park and 12 Hurst Way (£58,281 was spent on refurbishing 12 Hurst way in 2022). The revalued amounts were £833,000 and £600,000 respectively. As giving to the PCC was consistent with the expenditure in 2022 and the properties held on behalf of the PCC increased in value during the year, Total Net Assets increased to £3,070,584 (2021: as restated £2,948,648) and cash reserves remain strong, to be used in line with our vision.

Further details and the break down by fund can be seen below and in financial statements.

Unrestricted Funds:

The General Fund (GF) is used for the day to day running of the Church. This includes collecting donations earmarked for general use, and the payment of all salaries and general running expenses. This is the main operating entity of the Church.

The Fabric Fund is a savings reserve for large scale capital improvements and quinquennial expenditure for the St Nicholas Church building and grounds. It receives transfers from the GF, usually on an annual basis and incurs expenditure as needs arise.

The Vision Fund this fund was set up in 2021 with the specific aim of Reaching, Nurturing, Equipping & Sending God's people to proclaim the gospel for His glory. Striving towards our vision as detailed above is one of the key objectives of the PCC and this fund was set up to provide for any specific costs required to help achieve the vision. The plan is that this fund will be used in full by the end of 2027. Further fundraising may be needed as new resolutions are voted upon by the PCC.

The Strategic Fund is used to enable the PCC to take on new opportunities ahead of building a new income stream to sustain them. The fund has been used to provide money towards ministry housing and the use of this fund will be determined by the FSG during 2023 and used by the end of 2025.

Restricted Funds:

Associate Rector House Fund (ARH). This fund was established in 2010 with the sole purpose of collecting gifts for the purchase of a house and for the payment of costs associated with the purchase of such a property. It received regular income until 2022 and received the proceeds from the St Nicholas Parish Hall Trust (PHT). Having sold the property held in the 'Associate Rector's House Fund' during 2021, part of the proceeds of sale were used to buy 12 Hurst Way with the remaining funds held in cash. During the year the property was refurbished, and the planning permission process to extend the property has commenced. The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

It is proposed that the PCC will seek legal advice and will consult with the Charity Commission regarding renaming the fund, while respecting its restricted status.

Mission Fund (MF). This fund collects all donations earmarked for mission activity and allocates expenditure. Income can only be spent on mission activity and there are no operating overheads or ongoing financial commitments. Only income pledged or received in this fund is spent for these purposes.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Curate's House Fund. This fund reflects the PCC's interest in the Church's house in South Park. The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

The Endowment Fund has its own assets, and its income is used to fund the upkeep of the graves. The investments in this fund are all part of the General, Churchyard and Graves endowment. This is a restricted fund where money has been given to the Church with the specific instructions that only the income earned from the money can be spent. They are permanent endowments which require income to be spent on the Churchyard, graves, or the general purposes of the PCC. The Endowments are held by the Rochester Diocesan Society and Board of Finance as custodian trustee.

2022 Overview:

Unrestricted – General Fund

The voluntary income received in 2022, including gift aid and grants, was £955,402 (2021: £973,408).

Total resources used in the General Fund directly relating to work for the Church for 2022 were £1,008,658 (2021: £1,008,145). We are very thankful for all gifts large and small for the Gospel work of St Nicholas in Sevenoaks.

Unrestricted - The Fabric Fund

£65,630 was spent on works required by the 2021 quinquennial report and included painting of the aisles within the Church, roof and masonry repairs, restoration and conservation of a stained-glass window and removal of rotten timber beams in the bell chamber. A transfer of £74,011 was made to the fund leaving a balance of £232,680 (2021: £224,299) to pay for the replacement of the south aisle roof, savings towards the 2026 quinquennial inspection, major works to repair the clock faces and savings towards replacing/repairing the church organ.

Unrestricted - Strategic Reserve

There was no movement in the fund in the year and the balance remains at £100,000 (2021: £100,000).

Unrestricted – Vision Fund

£120,000 was transferred to this fund in 2021 which is expected to be spent on the aims as defined on page 2 and potentially used for setting up a new Church plant over the coming years.

Restricted - Associate Rector House Fund (ARH)

The fund holds the value of 12 Hurst Way £600,000 (2021: £551,000) and cash reserves of £343,906. Total £943,906 (2021: £953,187). £58,291 was used to refurbish and maintain the property in 2022.

Restricted - Curate's House Fund

The fund holds the value of 40 South Park. The property was revalued in the year to £833,000 (2021: £700,000).

Restricted – Mission Fund

The amount that was distributed to our mission partners in 2022 was £208,359 (2021: £211,312). The amount is for the continuing support of individuals and societies to whom we have supported for several years. A list of these grants is shown in the Appendix to the accounts.

Restricted – Endowment

The income and expenditure in 2022 was £1,249 (2021: £1,208).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Investment policy

All funds are either held or invested in low risk short- term deposits, bank accounts, endowments and properties.

Our short-term deposits are held within the CBF Church of England Deposit Fund and managed by CCLA Investment Management Ltd. The Fund is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. CCLA supports the Church of England's Ethical Investment Advisory Group (EIAG).

EIAG policies are available at www.churchofengland.org/about/leadership-andgovernance/ethical-investment-advisory-group/policies-andreviews. The PCC along with the FSG monitor the risk of these funds and are satisfied they meet the PCC risk, sustainability and ethical standards.

Reserves Policy

The charity's total reserves were £3,070,584 (2021: as restated £2,948,648). The Reserves Policy is to maintain a level of reserves in the General Fund at least equivalent to three months' normal expenditure. Following the sale of Beech Road in 2020 for £410,000 reserves in the general fund increased above the three-month normal expenditure amount. The PCC have therefore transferred an extra £100,000 to the Fabric Reserve to bring forward the replacement of the south aisle roof and also set up a Vision Fund with an initial transfer of £120,000 to be used during the next few years. On behalf of the PCC, the FSG will continue to monitor cash reserves and will review the reserves policy in 2023. At the end of 2022 the PCC held free reserves (being the balance on the General Fund less tangible fixed assets) of £704,508. This is £368,289 more than the £336,219 required by the policy.

Principal risks and uncertainties

Throughout the year the PCC, through the work of its committees – particularly the Risk Management Committee - the Churchwardens and designated members of the staff team continued with their systematic risk assessment in Financial, Reputational, Statutory/Legal, Environmental, People, IT and Operational areas, as required by the Diocese. Parish Safeguarding Officer, Emma Tibbitts and our Parish Lead Recruiter, Mrs Sue Stimson, have continued to ensure that we adhere to all relevant safeguarding legislation. Close attention is also paid to the implementation of policies regarding health and safety and to compliance with disability discrimination legislation.

The management of risk is of paramount importance to the decision-making of the Rector, the PCC and all risk owners and to the necessary plans and strategies by which the church will achieve its objectives. The PCC maintains an on-going review of risks to the objectives of the church, through the regular discussion of risk issues in its Risk Management sub-committee, the discussion and analysis of risks recorded in the risk register, by the ownership of and accountability for risks by nominated risk owners and by risk issues being included in the day-to-day decision-making and event-planning processes.

The main risk issues identified in the risk register comprise the following:

- Lack of income to pay operational expenses and mission commitments;
- Health & safety hazards to church members and visitors;
- Loss or compromise of electronic data and/or hacking;
- Lack of welfare of word ministry and office employees; and
- Safeguarding.

These risks are managed and mitigated by:

- Regular analysis of income and expenditure by the Operations Director and Treasurer and reports to the PCC;
- Clear Health & Safety policies and processes, regular training and risk assessments;

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

- Use of a dedicated document and email management system;
- Oversight and monitoring of pastoral care of word ministry and office employees by the Employment and Remuneration sub-committee; and
- Regular communication and awareness briefings and independent external audit – Report by 31:8 in January 2023.

As a result, the PCC is satisfied that all reasonable steps are being taken to manage the risks to the objectives of the church.

Structure, governance, and management

Registered Charity

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks was registered on 21 November 2009 with the Charity Commission, number 1132854.

Location

St Nicholas Church is situated at Rectory Lane, Sevenoaks. It is part of the Diocese of Rochester within the Church of England. The correspondence address is St Nicholas Church, Rectory Lane, Sevenoaks, Kent, TN13 1JA. The activities of the Church take place principally at this location but also at other suitable venues in and around Sevenoaks.

Parochial Church Council (PCC)

The PCC is a corporate body established by the Church of England who have agreed with the Charity Commission that for the purposes of agreeing the governing documents, PCCs are governed by two pieces of legislation: The Parochial Church Council (Powers) Measure 1956 as amended and the Church Representation Rules. The PCC Powers Measures defines the principal purpose of the PCC as promoting in the parish the whole mission of the Church. The PCC was formerly an excepted charity and was registered as a charity from 21 November 2009. PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent.

Recruitment, induction and training of PCC members

Recruitment to membership of the PCC, whether by election or 'ex officio' appointment, is carried out in accordance with the Church Representation Rules. New PCC members receive induction training to ensure they are aware of their responsibilities. The Churchwardens, and others with specific responsibilities for matters requiring specialist knowledge, are able to attend training courses offered by the Diocese or appropriate external bodies. Reading matter on relevant topics is disseminated to PCC members.

Committees

The PCC operates through several committees, listed below, which meet between full meetings of the PCC, under an approved Scheme of Delegation which with the terms of reference for each committee lays down their responsibilities and authority.

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

Strategic Planning Group
Finance Strategy Group
Buildings & Maintenance Committee
Mission Committee
Employment and Remuneration Committee
Fellowship Fund Committee
Risk Management Committee

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Reference and administrative information

Membership

Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting ("APCM") in accordance with the Church Representation Rules. During the year the following served as members of the PCC:

Incumbent:	The Revd Canon Angus MacLeay+	Chairman
Churchwardens:	Mrs Christine Brindley Mr Justin Greig Mr Robert von Kaufmann Mr Giles Witchell	(to 17 May 2022) (to 17 May 2022) (from 17 May 2022) (from 17 May 2022)
Clergy:	The Revd Matthew Taylor*+ The Revd Nicholas Ross (Curate) The Revd James Read +	
Representatives on the Deanery Synod:	Mr Chris Barton Mr Andrew Coates Brig. Ian Dobbie * Mr Anthony Jennings Mr Peter Scott Mr Gerald O'Brien*	
Elected Members:	Mr Mark Brennan Mrs Carol Carpenter Mr John Collett Mr Stefano Duranti Mr Peter Harlow Mrs Isabel Hodgson Mrs Sarah Mackenzie Mrs Renate Moerdijk Mr Mark Walkington	(Treasurer) (from 17 May 2022)
Invited attendees:	Mr John Khnana Mrs Sue Stimson	
Key:	# also a member of General Synod * also a representative of Diocesan Synod + also a representative of Deanery Synod	
PCC Secretary:	Mrs Helen Crusher (not a member of the PCC)	(from March 2022)

The APCM was held on 17 May 2022.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Auditor

Lindeyer Francis Ferguson Limited
Chartered Accountants and Statutory Auditors
North House
198 High Street
Tonbridge
Kent TN9 1BE

Bankers

National Westminster Bank plc
67 High Street
Sevenoaks
Kent TN13 1LA

Legal Advisors

Edward Connor Solicitors
10 The Point
Market Harborough
Leicestershire LE16 7QU

Auditors

Our auditors Norman Cox & Ashby retired their business on 31 December 2022 and our new auditors, Lindeyer Francis Ferguson Limited, were appointed on 6 February 2023.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales required 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 of the incoming resources and applicable of resources of the charity for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH
OF ST. NICHOLAS, SEVENOAKS**

**TRUSTEES' REPORT
*FOR THE YEAR ENDED 31 DECEMBER 2022***

Approved by the Parochial Church Council on 3 May 2023 and signed on its behalf by:

**Revd Canon Angus MacLeay
Chairman**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Nicholas, Sevenoaks (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applying to the charity and the procedures that management adopt to ensure compliance, and have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: the Charities Act 2011, the Charities SORP FRS102 and the Church Accounting Regulations 2006.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the charity's operations including regulations relating to safeguarding of vulnerable people and children and GDPR.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

FOR THE YEAR ENDED 31 DECEMBER 2022

- Assigned an engagement team to the audit with particular familiarity in dealing with charity and not-for-profit organisations.
- Obtained and reviewed internal policies and procedures and external guidance.
- Made enquiries of the Board of Trustees, reviewed meeting minutes, and reviewed compliance with policies.
- Checked that relevant staff have DBS checks in place.
- Reviewed the completeness and accuracy of associated disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement and fraud, and in doing so we:

- Assessed the systems and controls in place, and whether any weaknesses were identified which could suggest or allow fraud.
- Considered how fraud might occur, and considered whether management have incentives and opportunities to manipulate the financial results (including overriding controls).
- Evaluated management's assessment of risk of fraud and whether they are aware of any actual or suspected fraud.
- Identified key risks of fraud as revenue recognition and cut-off, payments of grants to overseas organisations, the revaluation of the freehold land and buildings, and management override of controls.
- Designed and performed audit procedures to obtain sufficient appropriate audit evidence including reviewing and challenging accounting estimates, including the valuation of freehold properties, performing substantive testing on income and grant payments.

The audit has been planned and performed in such a way as to best identify risks of material misstatement, however the inherent limitations of audit procedures means that there remains a risk that material misstatements may not be identified. In particular we are aware of the inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, due for example, to override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A S Healey FCA CTA DChA (Senior Statutory Auditor)
for and on behalf of
Lindeyer Francis Ferguson Limited
Chartered Accountants
Statutory Auditor

Date: 9 May 2023

198 High Street
Tonbridge
Kent TN9 1BE

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total Funds 2022 £	<i>As restated</i> Total Funds 2021 £
	Note					
Income from:						
Donations and legacies	4	955,402	210,582	-	1,165,984	1,176,916
Charitable activities	5	48,918	-	-	48,918	47,435
Investments - interest		5,957	429	1,249	7,635	2,215
Total income		1,010,277	211,011	1,249	1,222,537	1,226,566
Expenditure on:						
Raising funds	7	10,772	-	-	10,772	7,914
Charitable activities	8	997,886	267,092	1,249	1,266,227	1,066,594
Total expenditure		1,008,658	267,092	1,249	1,276,999	1,074,508
Net (losses) / gains on investments	13	-	-	(5,602)	(5,602)	5,955
Net income / (expenditure)		1,619	(56,081)	(5,602)	(60,064)	158,013
Transfers between funds		-	-	-	-	-
Gains on revaluation of fixed assets	12	-	182,000	-	182,000	-
Net movement in funds		1,619	125,919	(5,602)	121,936	158,013
Reconciliation of funds:						
Total funds brought forward:						
As originally stated		915,406	1,735,656	47,586	2,698,648	2,690,635
Prior period adjustment	20	250,000	-	-	250,000	100,000
As restated		1,165,406	1,735,656	47,586	2,948,648	2,790,635
Total funds carried forward	16	1,167,025	1,861,575	41,984	3,070,584	2,948,648

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	£	2022 £	£	As restated 2021 £
Fixed assets					
Tangible assets	12		1,442,837		1,256,714
Investments	13		41,984		47,586
			<u>1,484,821</u>		<u>1,304,300</u>
Current assets					
Stock		8,019		7,819	
Debtors	14	54,973		64,660	
Short-term deposits		358,809		358,809	
Cash at bank and in hand		1,206,530		1,243,069	
		<u>1,628,331</u>		<u>1,674,357</u>	
Creditors: amounts falling due within one year	15	(42,568)		(30,009)	
Net current assets			1,585,763		1,644,348
Total net assets			<u>3,070,584</u>		<u>2,948,648</u>
Charity funds					
Unrestricted funds			1,167,025		1,165,406
Restricted funds			1,861,575		1,735,656
Endowment funds			41,984		47,586
Total funds	16		<u>3,070,584</u>		<u>2,948,648</u>

The financial statements were approved by the Parochial Church Council on 3 May 2023 and signed on their behalf by:

Mr John Collett
Treasurer

Revd Canon Angus MacLeay
Chairman

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	£	2022 £	£	As restated 2021 £
	Note			
Cash flows from operating activities:				
Net cash (used in) / provided by operating activities	A		(34,449)	96,969
Cash flows from investing activities:				
Interest received		7,635		2,215
Acquisition of tangible fixed assets		(9,725)	(551,000)	
Net cash used in investing activities			(2,090)	(548,785)
Change in cash and cash equivalents			(36,539)	(451,816)
Cash and cash equivalents at the beginning of the year				
Short-term deposits			358,809	358,809
Cash at bank and in hand			1,243,069	1,694,885
			<u>1,601,878</u>	<u>2,053,694</u>
Cash and cash equivalents at the end of the year				
Short-term deposits			358,809	358,809
Cash at bank and in hand			1,206,530	1,243,069
			<u>1,565,339</u>	<u>1,601,878</u>

A. Reconciliation of net income to net cash flow used in operating activities

	2022 £	2022 £	2021 £	2021 £
Net (expenditure) / income for the year <i>As per the Statement of Financial Activities</i>		(60,064)		158,013
Adjustments for:				
Net (gains) / losses on investments	5,602		(5,955)	
Depreciation	5,602		2,857	
Interest received	(7,635)		(2,215)	
(Increase) / decrease in stocks	(200)		1,744	
Decrease / (increase) in debtors	9,687		(8,775)	
Increase / (decrease) in creditors	12,559		(48,700)	
		<u>25,615</u>		<u>(61,044)</u>
Net cash (used in) / provided by operating activities		<u>(34,449)</u>		<u>96,969</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Status

The Parochial Church Council Of The Ecclesiastical Parish Of St. Nicholas, Sevenoaks ("the Church") is a body corporate under the terms of the Parochial Church Council Powers Measure 1956 and a charity subject to the Charities Act 2011 (registered number: 1132854).

2 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1 Basis of preparation

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of Church groups that owe their affiliation to another body, nor those which are informal gatherings of Church members.

The Church meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The members of the PCC consider that there are no material uncertainties about the Church's ability to continue as a going concern and therefore the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

2.2 Income

Income is recognised when the Church has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

For donations, this is usually on receipt. For grants, this is on receipt of a written agreement or offer unless there are terms and conditions outside the Church's control, or time-related conditions which limit the recognition of income.

For legacies, the "probable" criterion is considered met once there has been a grant of probate, the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy, and any conditions attached to the legacy are either within the Church's control or have been met.

Income from Church activities or fundraising event is recognised when the activity or event takes place. Sale of goods is accounted for at the point of sale.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies continued

2.3 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Expenditure has been classified under headings that aggregate all costs related to the category and includes VAT. Grants received for VAT under the Listed Places of Worship Grants Scheme are accounted for as income using the recognition criteria described above.

Grants payable are recognised as liabilities when communicated in writing to the recipient, except where the offer is conditional and fulfilment of the conditions is not considered probable, or where meeting the conditions is not within the control of the recipient. In these circumstances, the grant is recognised when the conditions have been met. Commitments for performance related grants are recognised to the extent that the performance related criteria are met. The expenditure on charitable activities includes supporting mission and mission-related activity, mainly outside the parish, allocated at the discretion of the Mission Committee.

Direct costs are allocated to the activity to which they relate. Where direct costs such as staff costs are shared between more than one activity, they are apportioned between the activities.

Support costs are allocated to the cost of raising funds based on the ratio of the direct costs of raising funds compared to total direct costs, in order to reflect usage.

No support costs have been allocated to the Missionary activity on the basis that the activity is delivered almost entirely by volunteers and the activity makes minimal use of the church premises and other overheads, and therefore any allocation would be immaterial.

The majority of support costs are therefore incurred in order to facilitate the delivery of Church activities.

Governance costs are those costs incurred in connection with the administration of the Church and the compliance with constitutional and statutory requirements.

2.4 Fund accounting

Unrestricted funds can be used for the charitable objectives at the discretion of the PCC. Unrestricted funds included designated funds which have been set aside by the PCC for specific purposes.

Restricted funds arise when the donor specifies a purpose narrower than the general charitable objects of the Church, or when funds are raised for such a purpose.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies continued

2.5 Tangible fixed assets

(i) Consecrated land and buildings and movable Church furnishings

Consecrated and beneficed property is excluded from the accounts by section 10(2) to (4) of the Charities Act 2011.

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 since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable Church furnishings whether on maintenance or improvement is written off as expenditure in the statement of financial activities.

(ii) Other land and buildings

The Church has adopted a policy of revaluation in respect of its freehold property. Professional valuations are conducted on a regular basis, with reviews carried out by the PCC in intervening years to assess whether fair value materially differs from the carrying value at the balance sheet date. Revaluation changes are recognised in the statement of financial activities.

Depreciation is not provided on freehold land. In respect of freehold buildings, the PCC considers that any charge would not be material given the long useful life, high residual value, and frequent revaluation adjustments.

(iii) 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 less than £2,000 are written off in the period in which the asset is acquired.

(iv) Impairment

If the PCC identifies indicators of impairment, a review is undertaken and appropriate provision made for any permanent diminution in value.

2.6 Investments

Fixed asset investments are initially recognised at their transaction cost and are subsequently measured at fair value at each reporting date, with changes in fair value recognised in the statement of financial activities.

2.7 Financial instruments

Financial instruments other than investments qualify as basic financial instruments. Short-term debtors and creditors are measured at the settlement value less provision for any impairment. Any losses from impairment are recognised in the statement of financial activities.

Long-term funding commitments are discounted when the discounting is considered to be material.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies continued

2.8 Pensions

The Church participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. It has a section known as Pension Builder 2014 which is described below.

Pension Builder 2014 Scheme

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022. For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas Church PCC could become responsible for paying a share of that employer's pension liabilities.

St Nicholas PCC is also registered with OPRA, for non clergy word ministry staff, it pays 15% of basic gross salary to their pension provider and for administration staff matches their pension contributions up to a maximum of 7.5% of basic gross salary, these are accounted for on the basis of contributions payable in the year. The PCC therefore has no liability for final pensions provision for its staff.

3 Judgements and key sources of estimation uncertainty

In the application of the Church's accounting policies, the PCC are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The key accounting estimate having a significant risk of causing a material adjustment to the carrying amount of assets and liabilities is the valuation of freehold property. Due to the value of the assets held and the policy of revaluation in place, even small percentage changes in value could have a material impact on the financial statements. The PCC mitigate this risk by commissioning valuations on a regular basis from suitably qualified independent advisers, and reviewing available evidence such as comparable sales and property price indices in the intervening years.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST. NICHOLAS, SEVENOAKS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4 Income from donations and legacies

	2022	2021
	£	£
Donations eligible for Gift aid	658,992	666,703
Gift Aid recovered	162,759	166,061
Other donations	327,805	322,349
Cash collections	5,428	3,072
Grants	10,000	12,500
Legacies	1,000	5,000
Government grants	-	1,231
	<u>1,165,984</u>	<u>1,176,916</u>

In the preceding period, restricted income from donations and legacies was £202,277.

5 Income from charitable activities

	2022	2021
	£	£
Fees and hire income	16,043	27,820
Book shop sales	14,712	12,126
Contributions to houseparties	13,767	6,270
Contributions to outreach events	4,396	1,219
	<u>48,918</u>	<u>47,435</u>

6 Income from investments - interest

In the preceding period, restricted income from investments was £666 and £1,208 was in relation to the endowment fund.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

7 Expenditure on raising funds

		2022 £	2021 £
Staff costs: Raising funds		6,915	5,528
Support costs allocated	9	3,857	2,386
		<u>10,772</u>	<u>7,914</u>

8 Expenditure on charitable activities

	Missionary 2022 £	Church activities 2022 £	Total 2022 £	Total 2021 £
Staff costs: Direct	-	219,118	219,118	229,705
Other direct costs:			-	
Trading purchases and expenses	-	14,957	14,957	12,981
Diocesan quota	-	210,894	210,894	178,735
Clergy expenses	-	7,881	7,881	13,017
Clergy housing	-	84,756	84,756	58,165
Houseparties	-	16,710	16,710	4,598
Services and outreach	-	29,885	29,885	19,477
Outreach events	-	16,161	16,161	1,439
Grants payable:			-	
Missionary societies	208,359	-	208,359	211,312
Home missions / UK agencies	4,145	-	4,145	15,640
Support costs allocated	9	453,361	453,361	321,525
		<u>212,504</u>	<u>1,053,723</u>	<u>1,066,594</u>

In the preceding period, expenditure of £215,155 was applied to restricted funds and expenditure of £1,208 was applied to the endowment fund.

Please refer to the Appendix for full details of missionary grants payable.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	2022 £	2021 £
Staff costs: Administration	134,276	112,453
Training	12,532	4,875
Ministry trainees	10,062	23,330
Pastoral care	1,502	2,582
Church running expenses	54,282	57,469
Church maintenance	17,340	7,651
Capital and quinquennial works	60,565	34,767
Fabric and special projects	62,491	2,249
Beech Road property costs	30,853	13,831
Depreciation	5,602	2,857
Technical support	23,752	21,973
Printing and stationery	3,786	3,994
Office expenses	9,172	8,095
Sundry expenses	6,997	16,795
Bank charges	2,869	2,555
Governance costs:		
PCC expenses	403	500
Audit fees	9,550	5,520
Professional fees	11,184	2,415
	457,218	323,911
	457,218	323,911

10 Net movement in funds

	2022 £	2021 £
This is stated after charging:		
Audit fees	9,550	5,520
Depreciation	5,602	2,857
Operating lease rentals	26,880	26,880
	36,032	24,757
	36,032	24,757

11 Staff costs

	2022 £	2021 £
Staff costs comprise:		
Gross salaries	293,346	291,789
Employer's NIC	23,006	22,969
Employer's pension contributions	15,040	14,726
Expenses and housing costs	28,917	18,202
	360,309	347,686
	360,309	347,686

The average number of PCC employees during the year, calculated on a full-time equivalent basis, was 11 (2021: 11). No employee received emoluments in excess of £60,000.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets

	Freehold property £	Office equipment £	Fixtures & fittings £	Total £
Cost or valuation:				
At 1 January 2022	1,251,000	35,539	43,910	1,330,449
Additions	-	9,725	-	9,725
Disposals	-	(3,617)	-	(3,617)
Revaluations	182,000	-	-	182,000
	1,433,000	41,647	43,910	1,518,557
Depreciation:				
At 1 January 2022	-	29,825	43,910	73,735
Charge for the year	-	5,602	-	5,602
Eliminated on disposal	-	(3,617)	-	(3,617)
	-	31,810	43,910	75,720
Net book value:				
At 31 December 2022	1,433,000	9,837	-	1,442,837
At 31 December 2021	1,251,000	5,714	-	1,256,714

The freehold land and buildings comprise a property located at 40 South Park and a property located at 12 Hurst Way, both in Sevenoaks, Kent. The historic cost is £711,000 (2021: £711,000). The last professional revaluation was conducted in February 2021 by an independent Chartered Surveyor on the assumption of vacant possession and there being no serious structural issues or adverse restrictions on title. A structural survey was not conducted. For the year ended 31 December 2022 the PCC conducted a desktop valuation on the basis of available data including previous valuations, repair and maintenance works to the properties, comparable sales and land registry data and identified a material change in value which has been reflected in these financial statements.

13 Investments

	2022 £	2021 £
At 1 January 2022	47,586	41,631
Unrealised change in market value	(5,602)	5,955
At 31 December 2022	41,984	47,586

The historical cost of the investments is £1,394. All the investments are with the Central Board of Finance of the Church of England and are in the United Kingdom. These investments are the asset of the permanent endowment fund.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST. NICHOLAS, SEVENOAKS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14 Debtors

	2022	2021
	£	£
Gift Aid receivable	47,089	56,552
Prepayments	1,129	8,108
Other debtors	6,755	-
	<u>54,973</u>	<u>64,660</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	36,380	30,009
Tax and social security	6,188	-
	<u>42,568</u>	<u>30,009</u>

16 Statement of movement in funds

	Brought forward	Net movement	Transfers	Carried forward
	£	£	£	£
<i>Current period - 2022</i>				
Unrestricted funds:				
General fund (as restated)	721,107	67,249	(74,011)	714,345
Designated funds:				
Fabric fund	224,299	(65,630)	74,011	232,680
Strategic reserve	100,000	-	-	100,000
Vision fund	120,000	-	-	120,000
Total unrestricted funds	<u>1,165,406</u>	<u>1,619</u>	<u>-</u>	<u>1,167,025</u>
Restricted funds:				
Mission fund	82,469	2,200	-	84,669
Curate's House fund	700,000	133,000	-	833,000
Associate Rector's House fund	953,187	(9,281)	-	943,906
Total restricted funds	<u>1,735,656</u>	<u>125,919</u>	<u>-</u>	<u>1,861,575</u>
Endowment funds:				
General, churchyard & graves	47,586	(5,602)	-	41,984
Total funds	<u>2,948,648</u>	<u>121,936</u>	<u>-</u>	<u>3,070,584</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST. NICHOLAS, SEVENOAKS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16 Statement of movement in funds continued

	Brought forward £	Net movement £	Transfers £	Carried forward £
<i>Preceding period - 2021</i>				
Unrestricted funds:				
General fund (as restated)	728,366	189,971	(197,230)	721,107
Designated funds:				
Fabric fund	100,000	(25,701)	150,000	224,299
Strategic reserve	100,000	-	-	100,000
Vision fund	-	-	120,000	120,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	928,366	164,270	72,770	1,165,406
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds:				
Mission fund	91,830	(9,361)	-	82,469
Curate's House fund	700,000	-	-	700,000
Associate Rector's House fund	1,028,808	(2,851)	(72,770)	953,187
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	1,820,638	(12,212)	(72,770)	1,735,656
	<hr/>	<hr/>	<hr/>	<hr/>
Endowment funds:				
General, churchyard & graves	41,631	5,955	-	47,586
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	<u>2,790,635</u>	<u>158,013</u>	<u>-</u>	<u>2,948,648</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16 Statement of movement in funds continued

Net movement comprises:

	Income £	Expenditure £	Gains / (losses) £	Total £
Current period - 2022				
Unrestricted funds:				
General fund (as restated)	1,010,277	(943,028)	-	67,249
Designated funds:				
Fabric fund	-	(65,630)	-	(65,630)
Strategic reserve	-	-	-	-
Vision fund	-	-	-	-
Total unrestricted funds	1,010,277	(1,008,658)	-	1,619
Restricted funds:				
Mission fund	211,001	(208,801)	-	2,200
Curate's House fund	-	-	133,000	133,000
Associate Rector's House fund	10	(58,291)	49,000	(9,281)
Total restricted funds	211,011	(267,092)	182,000	125,919
Endowment funds:				
General, churchyard & graves	1,249	(1,249)	(5,602)	(5,602)
Total funds	1,222,537	(1,276,999)	176,398	121,936

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16 Statement of movement in funds continued

	Income £	Expenditure £	Gains / (losses) £	Total £
<i>Preceding period - 2021</i>				
Unrestricted funds:				
General fund (as restated)	1,022,415	(832,444)	-	189,971
Designated funds:				
Fabric fund	-	(25,701)	-	(25,701)
Strategic reserve	-	-	-	-
Vision fund	-	-	-	-
Total unrestricted funds	<u>1,022,415</u>	<u>(858,145)</u>	<u>-</u>	<u>164,270</u>
Restricted funds:				
Mission fund	202,213	(211,574)	-	(9,361)
Curate's House fund	-	-	-	-
Associate Rector's House fund	730	(3,581)	-	(2,851)
Total restricted funds	<u>202,943</u>	<u>(215,155)</u>	<u>-</u>	<u>(12,212)</u>
Endowment funds:				
General, churchyard & graves	1,208	(1,208)	5,955	5,955
Total funds	<u><u>1,226,566</u></u>	<u><u>(1,074,508)</u></u>	<u><u>5,955</u></u>	<u><u>158,013</u></u>

Details of material funds are as follows:

Fabric fund

This fund is used for large capital items and major refurbishment work to the Church and its grounds. Such work mainly arises from quinquennial inspections, and the aim is to build up sufficient funds over a five-year period to cover the costs arising from such inspections.

Strategic reserve

This fund is used to enable the PCC to take on new opportunities ahead of building a new income stream to sustain them. The fund has been used to provide money towards ministry housing and the use of this fund will be determined by the FSG during 2023 and used by the end of 2025.

Vision fund

This fund was set up in 2021 with the specific aim to consider how the church can better reach, nurture, equip & send God's people to proclaim the gospel for His glory. Striving towards our vision as detailed further in our Trustee report is one of the key objectives of the PCC and this fund was set up to facilitate against any costs required to help achieve the vision. The plan is that this fund will be used in full by the end of 2027. Further fundraising may be needed as new resolutions are voted upon by the PCC.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16 Statement of movement in funds continued

Mission fund

This fund is specifically for supporting mission and mission-related activity, mainly outside the parish. Gifts to the fund are allocated at the discretion of the Mission Committee unless the donor expresses a wish that their gift be given to a particular missionary or mission activity.

Curate's House fund

This represents the current value of the property at 40 South Park that was acquired by the PCC in 1989 from proceeds of the sale of a previous property and funds raised specifically to acquire the new property.

Associate Rector's House fund

This fund was set up to purchase a house for the person occupying the post of Associate Rector.

Endowment fund

This represent a permanent endowment given to the Church with the specific instructions that only the income earned from the money can be spent, or an asset donated to be retained, for continuing use by the Church. There are four separate funds which require income to be spent on the Churchyard, graves or the general purposes of the PCC.

17 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Current period - 2022				
Tangible assets	9,837	1,433,000	-	1,442,837
Investments	-	-	41,984	41,984
Net current assets	1,157,188	428,575	-	1,585,763
	<u>1,167,025</u>	<u>1,861,575</u>	<u>41,984</u>	<u>3,070,584</u>
Preceding period - 2021				
Tangible assets	5,714	1,251,000	-	1,256,714
Investments	-	-	47,586	47,586
Net current assets	1,159,692	484,656	-	1,644,348
	<u>1,165,406</u>	<u>1,735,656</u>	<u>47,586</u>	<u>2,948,648</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

18 Operating lease commitments

At 31 December 2022 the Church was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Land and buildings:		
Due within one year	26,880	26,880
In two to five years	24,660	51,540
	<u>51,540</u>	<u>78,420</u>

19 Related party transactions

The key management personnel of the charity are considered to be the incumbent, the Churchwardens and the Operations Director.

The total amount of employee benefits received by key management personnel during the year, including Employer's National Insurance and pension, was £52,643 (2021: £49,634).

In the current period and in the prior period no trustees received reimbursement for expenses.

Neither the trustees, nor any person connected with them, received any remuneration or benefits in respect of their role as a trustee in the current nor preceding period.

During the year, 24 members of the PCC and their close family (2021: 26), donated £165,162 (2021: £138,696) to the PCC, of which £31,288 (2021: £29,043) were restricted donations.

During the year, a total of £12,000 (2021: £6,000) was paid in rent under lease entered into in July 2021 with William Grieg, the son of Justin Grieg, who was a member of the PCC until 17 May 2022. The lease agreement relates to accommodation at 18 The Green for ministry housing. No balances were due at the balance sheet date (2021: £Nil).

During the year, a total of £112,186 (2021: £57,951) was paid to Planned Premises Management, a business owned by a close family relative of a member of key management personnel, in relation to repair and maintenance work. No balances were due at the balance sheet date (2021: £Nil).

20 Prior period adjustment

During the preparation of the financial statements for the year ended 31 December 2022, it was identified that in prior periods, accruals had been made for planned works including those recommended as a result of the quinquennial reviews. At the balance sheet date there was no legal or constructive obligation to complete the works and no contracts had been entered into. Adjustment was therefore made to remove the accruals.

The effect on the prior period was to increase opening unrestricted funds by £100,000 and to increase the unrestricted net income and net movement in funds by £150,000. In the current period, opening unrestricted funds have therefore increased by £250,000.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS

APPENDIX: GRANTS PAYABLE (MISSIONARY FUND) FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 £	2021 £
A Passion for Life		-	5,000
A Rocha International		1,520	1,020
A Rocha UK		1,520	1,020
AIM	Hannah Jackson	8,196	6,510
AIM	Paul and Helen Shepherd	12,748	12,312
All Saints Preston	Ukrainian Refugees	5,000	-
AMiE		500	500
Anglican Mainstream		1,100	1,100
ANiE		5,000	5,000
C of E Evangelical Council		1,000	1,000
Christian Unions Ireland	Mark Ellis	8,000	16,000
Christianity Explored		2,000	2,000
Church by the Bay	Ben Petersen	5,000	2,500
Cross Teach Trust	Sophie-Ann Rebettes	5,000	5,000
Crosslinks	Anna Poor	16,800	16,800
Crosslinks	Jamie Read	-	2,000
Crosslinks	Mark Oden	16,115	16,000
Diocese of Rochester	Diocese of Kondoa (Tanzania)	2,000	2,000
ECM International	Chris Wigram	1,500	1,500
EFAC	Julia Cameron	6,000	6,000
Gafcon UK		2,000	2,000
Growing Hope	Janet Phythian	360	-
Janet Phythian		400	-
Japan Christian Link	Philip & Sunny Glass	4,000	-
Japan Christian Link	Selvan Anketell	8,400	8,400
Langham Trust		2,000	2,000
London City Mission		5,000	5,000
Oak Hill College	Daniel Halpin	-	1,250
Oak Hill College	Joshua Yates	5,000	-
OMF	Beverlea Parkhill	8,800	17,600
OMF	Kathryn Bowen	17,600	17,600
OMF	StJohn Perry	28,400	-
OMF	StJohn & Ellie Perry	-	26,900
OMF	Tony Waghorn	3,300	3,300
Oxtrad	Bishop Nazir Ali	-	5,000
Penny Trust	Pete Portal	1,000	1,000
Proclamation Trust		2,000	2,000
Sevenoaks Area Youth Trust		6,000	6,000
SIM	Emma Brewster	8,000	8,000
Tearfund		100	-
The Faith Mission	Arabella Paul	2,000	2,000
Thetford Team Ministry	Susanna Bratby	5,000	-
		208,359	211,312

Accounts



**TRUSTEES' ANNUAL REPORT
AND
FINANCIAL STATEMENTS
for the year ended 31 December 2021**

Registered Charity Number 1132854

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

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**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks (PCC) present their report and accounts for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Church Accounting Regulations 2006, the Charities Act 2011 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The PCC has the responsibility of co-operating with the incumbent, the Revd Angus MacLeay, in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical, in the ecclesiastical parish and beyond.

The PCC, with the St Nicholas Church family has adopted the following Vision Statement to express its objectives, help guide its decision-making and allocate resources to activities which will support and help to fulfil its objectives.

ST NICHOLAS' VISION STATEMENT

To know Jesus and make Him known locally and globally and so we prayerfully and lovingly proclaim Him in order to Reach, Nurture, Equip & Send for His glory.

Based on this vision statement, the main objectives for the year were to bring glory to God by ensuring that His word continued to be faithfully preached to all congregations at St Nicholas Church; to help members of the Church family grow in Christian knowledge and maturity; to provide teaching in God's word to the children and young people in the Church family; to reach out to the wider community in Sevenoaks, in the nation and around the world to proclaim the Gospel of our Lord Jesus Christ and to provide practical support demonstrating our love for our neighbours near and far.

The specific activities carried out in 2021 in pursuit of these objectives are described in the Annual Report which accompanies these financial statements and are also published on our website. These activities involve members of our staff team and the voluntary contribution of time, amounting to several hundred hours per week, by many members of the Church family in teaching, provision of pastoral care and a very wide range of other supporting activities.

The Church's policies for grant-making are implemented by the Mission committee. The committee meets regularly during the year to allocate gifts made to the mission fund to support missionaries, mission and relief agencies both in the UK and worldwide.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

Achievements and Performance

Church attendance

As at 31 December 2021 there were 583 on the Electoral Roll (2020: 556). The roll was renewed in April 2019. The estimated average attendance on a 'normal' Sunday for all congregations is usually based on counts made on the first three Sundays in October. However, due to the pandemic, many of our usual attendees – and many visitors - tuned in online rather than being physically in the buildings. Our evening service was only online, therefore the comparative figures are not available.

The Church and Undercroft

Pre-COVID-19 the Church and Undercroft, which houses our book room as well as a suite of meeting rooms, were used extensively each day and most evenings by a mixture of Church events and public bookings. During the pandemic, the usage of these facilities dropped but usage is now increasing.

Young People's Work

In addition to our Sunday groups, there are a number of weekday events for children and young people – most of these group met again in person towards the end of 2021.

Mission and Evangelism

Mission activity is at the heart of St Nicholas. We provide significant support to a number of mission partners including many who have gone out from our Church family. These include individuals and families serving in South Africa, Uganda, Thailand, Malaysia, Hungary, Ireland and Italy – these are detailed in Note 17 to the Accounts.

Financial Review

Funds held by St Nicholas PCC

The Church's operations and activities are separated into funds that are either restricted (with limitations as to how income can be spent) or unrestricted (the PCC has discretion with respect to expenditure).

Unrestricted Funds:

The General Fund (GF) is used for the day to day running of the Church. This includes collecting donations earmarked for general use, and the payment of all salaries and general running expenses. This is the main operating entity of the Church.

The Fabric Fund is a savings reserve for large scale capital improvements and quinquennial expenditure for the St Nicholas Church building and grounds. It receives transfers from the GF, usually on an annual basis and incurs expenditure as needs arise.

The Vision Fund this is a new fund set up with the specific aim of Reaching, Nurturing, Equipping & Sending God's people to proclaim the gospel for His glory.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

The Strategic Fund is used to enable the PCC to take on new opportunities ahead of building a new income stream to sustain them.

Restricted Funds:

Associate Rector House Fund (ARH). This fund was established in 2010 with the sole purpose of collecting gifts for the purchase of a house and for the payment of costs associated with the purchase of such a property. It has received regular income and received the proceeds from the St Nicholas Parish Hall Trust (PHT). Having sold the property held in the 'Associate Rector's House Fund' during 2021, part of the proceeds of sale were used to buy 12 Hurst Way with the remaining funds held in cash. Following questions concerning whether the fund is correctly classified as restricted, so that property held in the fund is available solely for occupation by an Associate Rector of St. Nicholas, the PCC received legal advice confirming that the fund is so restricted. It is proposed that the PCC will consult with the Charity Commission regarding the future use of the fund while respecting its restricted status.

Mission Fund (MF). This fund collects all donations earmarked for mission activity and allocates expenditure. Income can only be spent on mission activity and there are no operating overheads or ongoing financial commitments. Only income pledged or received in this fund is spent for these purposes.

Curate's House Fund. This fund reflects the PCC's interest in the Church's house in South Park. The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

The Endowment Fund has its own assets, and its income is used to fund the upkeep of the graves.

2021 Overview:

Unrestricted – General Fund

The voluntary income received in 2021, including gift aid and grants, was £973,408 (2020: £781,770).

Total resources used in the GF directly relating to work for the Church for 2021 were £1,008,145 (2020: £942,773). We are very thankful for all gifts large and small for the Gospel work of St Nicholas in Sevenoaks.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

2021 Overview (continued)

Unrestricted - The Fabric Fund

£25,701 was spent on works required by the 2021 quinquennial report and included painting of the aisles within the Church. A transfer of £150,000 was made to the fund leaving a balance of £224,299 (2020: £100,000) to pay for further works required by the 2021 quinquennial report which includes replacement of the south aisle roof.

Unrestricted - Strategic Reserve

There was no movement in the fund in the year and the balance remains at £100,000 (2020: £100,000)

Unrestricted – Vision Fund

£120,000 was transferred to this fund in the year which is expected to be spent on the aims as defined on page 2 and potentially used for setting up a new Church plant over the coming years.

Restricted - Associate Rector House Fund (ARH)

In 2020 the house at 26 Woodside Road (26 WSR) was sold for £1,192,500 and the net proceeds were returned to the Fund. In 2021 £551,000 was used to purchase a new property at 12 Hurst Way (12 HW). The fund reimbursed £72,770 to the General Fund for previous expenditure incurred at 26 WSR. The fund holds the purchase price of 12 HW and cash reserves, some of which will be used to refurbish and maintain 12 HW.

Restricted – Mission Fund

The amount that was distributed to our mission partners in 2021 was £211,312 (2020: £190,903). The amount is for the continuing support of individuals and societies to whom we have supported for several years. A list of these grants is shown on page 31 of the accounts.

Restricted - Endowment

The investments in this fund are all part of the General, Churchyard and Graves endowment. This is a restricted fund where money has been given to the Church with the specific instructions that only the income earned from the money can be spent. They are permanent endowments which require income to be spent on the Churchyard, graves, or the general purposes of the PCC. The income and expenditure in 2021 was £1,208. (2020 £1,341)

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

The Year Ahead

General Fund

The key challenge for the Church family and leadership is to continue to broaden and increase our giving and time resources as we pursue our vision to know Jesus and make Him known locally and globally, in order to Reach, Nurture, Equip & Send for His glory.

Mission Fund

The Mission Fund has always been grateful for the provision of funds to support our mission expenditure. We prayerfully trust that God will meet the needs in the coming year through the generous giving of the Church family. During the year the Shepherds started language training in Paris preparing for appointments in West Africa and Hannah Jackson started her posting in Tanzania. Kathryn Bowen returned to the UK for Home Assignment. StJohn Perry took up a role ministering to the Indonesian and Malaysian diaspora in the UK and Ellie Perry retired from OMF.

Reserves Policy

The Reserves Policy is to maintain a level of reserves in the General Fund and the Mission Fund equivalent to three months' normal expenditure. Following the sale of Beech Road in 2020 for £410,000 reserves in the general fund increased above the three-month normal expenditure amount. The PCC have therefore transferred an extra £100,000 to the Fabric Reserve to bring forward the replacement of the south aisle roof and also set up a Vision Fund with an initial transfer of £120,000 to be used during the next few years. On behalf of the PCC, the FSG will continue to monitor cash reserves and will review the reserves policy in 2022.

Statement of the Responsibilities of the Trustees of the Parochial Church Council

The Trustees of the PCC are responsible for preparing the report of the PCC and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees of the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of that charity for that period. In preparing these financial statements the Trustees are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and accounting estimates that are reasonable and prudent;
- d) State whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Church will continue in operation.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

The Trustees of the PCC are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Church, and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

So far as the Trustees of the PCC are aware:

- (a) there is no relevant audit information of which the Auditor is unaware, and
- (b) they have taken all the steps that they ought to have taken as Trustees of the PCC in order to make themselves aware of any relevant audit information and to establish that the Council's Auditor is aware of that information.

Risk Policies

Throughout the year the PCC, through the work of its committees – particularly the Risk Management Committee - the Churchwardens and designated members of the staff team continued with their systematic risk assessment in Financial, Reputational, Statutory/Legal, Environmental, People, IT and Operational areas, as required by the Diocese. Parish Safeguarding Officer, Emma Tibbitts, her Deputy Ros Collett and our Parish Lead Recruiter, Mrs Sue Stimson, have continued to ensure that we adhere to all relevant safeguarding legislation. Close attention is also paid to the implementation of policies regarding health and safety and to compliance with disability discrimination legislation.

Staff Changes

In July 2021 our new Curate, Rev Nic Ross, joined us at the start of a 3-4 year posting. In August, two of our Ministry Associates – Matthew & Jemimah White - moved to Scotland having completed their year of service and training and in November Hannah Jackson moved to Tanzania to serve there with AIM.

After 40 years in full time ministry, Rev Gavin McGrath retired in October and Rev Jamie Read joined us as a new Congregational Pastor.

Changes also took place in the Support Staff with Susan Clarke & Carla Du Preez joining the office team and Abby Chilton taking on the new role of Communications and Content Designer.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

Post year end matters

The principal risk in 2021 has been the continued dealing with the Covid 19 pandemic. This has meant streaming services and other activities; some members of the Church family have had their employment affected, which might impact financial giving in 2022. Furthermore, inflation has increased by nearly 5% in the year and has continued to increase during the first few months of 2022, so costs are expected to increase above the budget set for 2022. The reserves position however, remains very strong. The Trustees will continue to monitor the impact of the pandemic and other world events on the finances of the PCC by reviewing the costs and cash flow forecasts on a regular basis to ensure liabilities can be met for the foreseeable future.

Key challenge for the year ahead

Managing and approving costs will be an important task during the year as costs are expected to exceed the budget set for 2022 due to increasing inflationary pressures. Further, a clear plan with a supporting cost schedule needs to be written and approved for the Vision Fund.

Structure, Governance and Management

Registered Charity

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks was registered on 21 November 2009 with the Charity Commission, number 1132854.

Location

St Nicholas Church is situated at Rectory Lane, Sevenoaks. It is part of the Diocese of Rochester within the Church of England. The correspondence address is St Nicholas Church, Rectory Lane, Sevenoaks, Kent, TN13 1JA. The activities of the Church take place principally at this location but also at other suitable venues in and around Sevenoaks.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

Membership

Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

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

Incumbent:	The Revd Canon Angus MacLeay + Chairman	
Churchwardens:	Mrs Christine Brindley Mr Justin Greig	
Clergy:	The Revd Dr Gavin McGrath+	(to 4 October 2021)
	The Revd Matthew Taylor*+	
	The Revd Nicholas Ross (Curate)	(from July 2021)
	The Revd James Read +	(from 4 October 2021)
Representatives on the Deanery Synod:	Mr Chris Barton Mr Andrew Coates Brig. Ian Dobbie * Mr Anthony Jennings Mrs Emma Osei-Mensah (to 4 October 2021) Mr Peter Scott Mr Gerald O'Brien*	
Elected Members:	Mr Mark Brennan	(from 18 May 2021)
	Mrs Carol Carpenter	
	Mr John Collett	(Treasurer)
	Mr Stefano Duranti	(from 18 May 2021)
	Mr Peter Harlow	
	Mrs Isabel Hodgson	
	Mr Adelbert Jennings	(to 18 May 2021)
	Mrs Sarah Mackenzie	
	Mrs Marion Russell	(to 22 March 2021)
	Mr Ben Stone	(to 18 May 2021)
	Mr Robert Von Kaufmann	
	Mr Mark Walkington	
Invited attendees:	Mr John Khnana Mrs Sue Stimson	
Key:	# also a member of General Synod * also a representative of Diocesan Synod + also a representative of Deanery Synod	
PCC Secretary:	Mrs Katie David	(to Sept 2021)
	<i>(not a member of the PCC)</i>	

The APCM was held on 18 May 2021.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

Auditor

Norman Cox & Ashby
Chartered Accountants and Statutory Auditor
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

Bankers

National Westminster Bank Plc
67 High Street
Sevenoaks
Kent TN13 1LA

Legal Advisors

Cripps
12 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1EG

PCC

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure 1956 as amended and the Church Representation Rules. The PCC was formerly an excepted charity and was registered as a charity from 21 November 2009. PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent.

Recruitment induction and training of PCC members

Recruitment to membership of the PCC, whether by election or 'ex officio' appointment, is carried out in accordance with the Church Representation Rules. New PCC members receive induction training to ensure they are aware of their responsibilities. The Churchwardens, and others with specific responsibilities for matters requiring specialist knowledge, are able to attend training courses offered by the Diocese or appropriate external bodies. Reading matter on relevant topics is disseminated to PCC members.

Committees

The PCC operates through several committees, listed below, which meet between full meetings of the PCC, under an approved Scheme of Delegation which with the terms of reference for each committee lays down their responsibilities and authority.

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

Leadership Team
Finance Strategy Group
Buildings & Maintenance Committee
Mission Committee
Employment and Remuneration Committee
Fellowship Fund Committee
Risk Management Committee

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2021 (continued)

Public Benefit

The PCC is aware of its legal duty to have regard to the public benefit guidance and to report on the charity's compliance with the public benefit obligation. In this regard the PCC is totally committed to enable anyone to worship at St Nicholas' services together with any of our activities taking place throughout the week. Our services and worship seek to encourage members of the Church family to live out their faith as part of the local community and further afield. We seek to achieve this through worship, prayer and the faithful teaching from God's word to support in people learning about the Gospel, coming to faith in the Lord Jesus Christ and growing in their knowledge of scripture. With this aim the PCC has adopted the objectives and activities as noted on page 1 of this report.

Approved by the Parochial Church Council on 4th May 2022 and signed on its behalf by:

Revd Canon Angus MacLeay
Chairman

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

SUMMARY INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2021

	2021 £	2020 £
TOTAL INCOME (on continuing operations)	1,226,566	1,268,777
TOTAL EXPENDITURE (on continuing operations)	1,224,508	1,184,220
NET INCOME for the year	<u>2,058</u>	<u>84,557</u>

STATEMENT OF RECOGNISED GAINS AND LOSSES
for the year ended 31 December 2021

	2021 £	2020 £
Net income for the year	2,058	84,557
Gain on revaluation of:		
- Tangible fixed assets	-	75,000
- Investments assets	5,955	2,767
Total recognised gain relating to the year	<u>8,013</u>	<u>162,324</u>

SPLIT OF NET (EXPENDITURE) / INCOME BY FUND
(before revaluations and transfers between funds)

	2021 £	2020 £
Unrestricted Funds		
General Fund	39,971	(106,840)
Fabric Fund	(25,701)	(50,000)
	<u>14,270</u>	<u>(156,840)</u>
Restricted Funds		
Mission Fund	(9,361)	10,308
Associate Rector's House Fund	(2,851)	231,089
	<u>(12,212)</u>	<u>241,397</u>
Total for all funds	<u>2,058</u>	<u>84,557</u>

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2021**

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Nicholas, Sevenoaks, (the "Charity") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of Opinion

We have been appointed auditors under section 152 of the Charities Act 2011 and report in accordance with regulations made under that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the charity to cease to continue to trade as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2021 (continued)**

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charity's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other Information

The trustees are responsible for the other information.

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2021 (continued)**

Matters on which we are required to Report by Exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or
- the information in the trustees' report is inconsistent in any material respect with the financial statements.

Responsibilities of Trustees of the Parochial Church Council

As explained more fully in the trustees Responsibilities Statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2021 (continued)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned in accordance with the ISAs (UK).

We obtained an understanding of the legal and regulatory frameworks applicable to the charity, and the industry in which they operate and determined which may influence the financial statements. The charity is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; financial reporting legislation (Charities SORP and UK GAAP (FRS 102)), the Finance Act 2020 (specifically related to the Coronavirus Job Retention Scheme), health and safety requirements and data protection.

We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those charged with governance. We corroborated our enquiries through our review of board minutes and a search of the Charities Commission.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur email exchanges with management.

Our audit work also assessed the risks of material misstatement in respect of fraud as follows.

Enquiries were made with trustees and management and verification was sought with third parties. Our analytical review procedures were geared towards identifying any unusual or unexpected relationships and variances (taking account of the inevitable variations caused by the pandemic) and we conducted our audit to identify transactions outside the normal course of business. No unusual transactions were identified. Our audit work reviewed the segregation of duties and ensured that those charged with governance were aware of and accept all matters arising under Ethical Standards. We considered the possibility of management override and carried out tests on journal entries posted and reviewed those relating to estimates or unusual transactions.

Discussed the assumptions and judgements made by management.

Reviewing the correspondence supplied by the Church of England Pensions Board to ensure compliance with legislation.

Obtained title deeds and reviewed supporting documentation relating to the addition of tangible fixed assets.

Ensuring that the charity was complying with regulatory solvency requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2021 (continued)**

Consideration of the potential for fraud in revenue recognition, including claims.

Identifying and testing related party transactions.

We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

Use of our report

This report is made solely to the Charity's trustees as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

NICHOLAS GOWER-SMITH FCA (Senior Statutory Auditor)
for and on behalf of NORMAN COX & ASHBY
Chartered Accountants and Statutory Auditor

Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent
TN1 2AZ

4th May 2022

Norman Cox & Ashby is eligible to act as an auditor in the terms of section 1212 of the Companies Act 2006.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	<u>Note</u>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £	Total funds 2020 £
INCOME						
Voluntary income	2(a)	973,408	202,277	-	1,175,685	988,818
Activities for generating funds	2(b)	12,126	-	-	12,126	11,562
Income from investments and deposits	2(c)	341	666	1,208	2,215	3,665
Income from church activities	2(d)	35,309	-	-	35,309	25,981
Other income	2(e)	1,231	-	-	1,231	238,751
TOTAL INCOME		1,022,415	202,943	1,208	1,226,566	1,268,777
EXPENDITURE						
Church activities						
Missionary and charitable giving	3(a)	15,640	211,312	-	226,952	200,036
Directly relating to the work of the church	3(b)	979,524	3,843	1,208	984,575	918,225
Fund-raising trading costs	3(c)	12,981	-	-	12,981	21,844
Other expenditure	3(d)	-	-	-	-	44,115
TOTAL EXPENDITURE		1,008,145	215,155	1,208	1,224,508	1,184,220
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSS)		14,270	(12,212)	-	2,058	84,557
NET GAIN ON INVESTMENT						
Investment Assets	6	-	-	5,955	5,955	2,767
NET INCOME/(EXPENDITURE)		14,270	(12,212)	5,955	8,013	87,324
OTHER RECOGNISED GAINS						
Revaluation of Tangible Fixed Assets		-	-	-	-	75,000
TRANSFER BETWEEN FUNDS	14	72,770	(72,770)	-	-	-
NET MOVEMENT IN FUNDS		87,040	(84,982)	5,955	8,013	162,324
TOTAL FUNDS BROUGHT FORWARD		828,366	1,820,638	41,631	2,690,635	2,528,311
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2021	16	915,406	1,735,656	47,586	2,698,648	2,690,635

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

BALANCE SHEET as at 31 December 2021

	<u>Notes</u>	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	7		1,256,714		708,571
Investments	6		47,586		41,631
			1,304,300		750,202
CURRENT ASSETS					
Stock	8	7,819		9,563	
Debtors	9	64,660		55,885	
Short term deposits	10	358,809		358,809	
Bank balances and cash	10	1,243,069		1,694,885	
			1,674,357		2,119,142
LIABILITIES					
Creditors- Amount falling due within one year	11	(280,009)		(178,709)	
NET CURRENT ASSETS					
			1,394,348		1,940,433
TOTAL NET ASSETS					
			2,698,648		2,690,635
THE FUNDS OF THE CHARITY					
Unrestricted	13		915,406		828,366
Restricted	14		1,735,656		1,820,638
Endowment	15		47,586		41,631
			2,698,648		2,690,635

Approved by the Parochial Church Council on 4th May 2022 and signed on its behalf by:

..... **John Collett**
Treasurer

..... **Revd Angus MacLeay**
Chairman, Parochial Church Council

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

CASH FLOW STATEMENT as at 31 December 2021

	2021	2020
	£	£
Cash generated from operations	96,992	27,389
Investing activities:		
Interest received	2,215	3,665
Interest paid	(23)	(5,068)
Repayment of loans	-	(125,986)
Fixed Assets Additions	(551,000)	(11,428)
Proceeds on sale of fixed assets	-	1,580,897
Net cash (absorbed)/generated from investing activities	<u>(548,808)</u>	<u>1,442,080</u>
Net (decrease)/increase in cash and cash equivalents	(451,816)	1,469,469
Cash and cash equivalents at beginning of year	2,053,694	584,225
Cash and cash equivalents at end of year	<u>1,601,878</u>	<u>2,053,694</u>
Cash at Bank and in Hand	1,243,069	1,694,885
Short term deposits	358,809	358,809
	<u>1,601,878</u>	<u>2,053,694</u>
Cash generated from operations:		
Net Movement in Funds during the year	8,013	162,324
Adjustments for:		
Fair value (gain) on investments	(5,955)	(2,767)
Revaluation of Tangible Fixed Assets	-	(75,000)
Profit on disposal of Tangible Fixed Assets		(185,897)
Depreciation	2,857	2,857
Finance costs	23	5,068
Interest received	(2,215)	(3,665)
Movement in working capital:		
Decrease in stocks	1,744	7,463
(Increase)/decrease in debtors	(8,775)	52,831
Increase in creditors	101,300	64,175
	<u>96,992</u>	<u>27,389</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

1. ACCOUNTING POLICIES

a. Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with 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 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of Church groups that owe their affiliation to another body, nor those which are informal gatherings of Church members.

The Church constitutes a public benefit entity as defined by FRS 102.

The members of the PCC consider that there are no material uncertainties about the Church's ability to continue as a going concern.

b. Funds

Unrestricted funds (see note 13) represent 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. These include funds designated for a particular purpose by the PCC and are:

- **General Fund:** this is the main fund, which is used for supporting mission within the Sevenoaks area and covers clergy and staff costs, youth work and other outreach/support activities as well as the day to day running and administration of the Church. It also includes the activities of the book shop, plus various house parties and evangelistic events.
- **Strategic Reserve:** this reserve is to enable advantage to be taken of new opportunities, in advance of the building of a new income stream to sustain them.
- **Vision Fund:** this fund has the specific aim of Reaching, Nurturing, Equipping & Sending God's people to proclaim the gospel for his glory.
- **Fabric Fund:** this is used for large capital items and major refurbishment work to the Church and its grounds. Such work mainly arises from quinquennial inspections, and the aim is to build up sufficient funds over a five-year period to cover the costs arising from such inspections.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (continued)

Restricted funds (see note 14) represent sums which have been restricted by the donor for a particular purpose. Restricted funds are:

- **Mission Fund:** this fund is specifically for supporting mission and mission-related activity, mainly outside the parish. Gifts to the fund are allocated at the discretion of the Mission Committee unless the donor expresses a wish that their gift be given to a particular missionary or mission activity.
- **Associate Rector House Fund:** this fund was set up to purchase a house for the person occupying the post of Associate Rector.
- **Curate's House Fund:** this represents the current value of the property at 40 South Park that was acquired by the PCC in 1989 from proceeds of the sale of a previous property and funds raised specifically to acquire the new property.
- **Endowment Fund:** a restricted fund where money has been given to the Church with the specific instructions that only the income earned from the money can be spent, or an asset donated to be retained, for continuing use by the Church. The General, Churchyard and Graves endowment (see note 15) comprises 4 funds. These are permanent endowments which require income to be spent on the Churchyard, graves or the general purposes of the PCC.

c. Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated or received in writing with notification of both the amount and settlement date. Income tax recoverable on Gift Aid donations is recognised when claimable.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator or executor of the estate has communicated in writing both the amount and settlement date.

Interest on funds held on deposit is included upon notification of the interest paid into the bank.

Rental income from the letting of Church premises is accounted for when earned. Parochial fees due to the PCC for weddings, funerals, and other events are accounted for on an event-by-event basis. Sales of books and magazines from the Church bookstall are accounted for at point of sale.

Grants receivable are recognised when received.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

d. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Church. In the case of an unconditional grant offer, this is accrued once approved. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued for when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Church. The expenditure on charitable activities includes supporting mission and mission-related activity, mainly outside the parish, allocated at the discretion of the Mission Committee.

Costs directly relating to the work of the Church are for promoting the primary object, the promotion of the Gospel of Our Lord Jesus Christ, mainly within Sevenoaks. The Diocesan Quota or Parish Share is accounted for when payable, the amount being determined by the PCC.

The fund-raising trading costs consist of resources used to fund the bookstall.

e. Tangible Fixed assets and depreciation

i. Consecrated land and buildings and movable Church furnishings.

Consecrated and beneficed property is excluded from the accounts by section 10(2) to (4) of the Charities Act 2011.

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 since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable Church furnishings whether on maintenance or improvement is written off as expenditure in the Statement of Financial Activities and separately disclosed.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

ii. Other land and buildings.

Other land and buildings held on behalf of the PCC for its own purposes are included at market value. Properties are generally revalued professionally every 5 years. The last professional valuation was conducted on 25 February 2021. Gains and losses are included in the Statement of Financial Activities. Depreciation on properties has not been provided for in these accounts as any charge is considered not to be material, on the basis that the asset either has a very long useful life, or a residual value based on its current value, which is not materially different from its carrying value.

iii. 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 less than £2,000 are written off in the period in which the asset is acquired.

iv. Impairment

Provision will be made should any annual impairment review of fixed assets indicate that a permanent diminution in value has occurred.

f. Fixed asset investments

Investments are initially recognised at transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

g. Realised and unrealised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value.

h. Current assets

Amounts owing to the PCC as at 31 December 2021 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with CBF Church of England Funds, the Rochester Diocesan Board of Finance or at NatWest Bank.

Stock is valued at the lower of cost and net realisable value.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

i. Pensions policy

St Nicholas Church PCC participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

The Church Workers Pension Fund has a section known as Pension Builder 2014 as defined below.

Pension Builder 2014 Scheme

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas Church PCC could become responsible for paying a share of that employer's pension liabilities.

St Nicholas PCC is also registered with OPRA and supports staff if they prefer to take out Stakeholder Pensions by matching any contributions to a maximum of 7.5% of salary and these are accounted for on the basis of contributions payable in the year. The PCC therefore has no liability for final pensions provision for its staff.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

j. Deferred income

Income received for a future year will be included as an incoming resource in the year to which it relates.

k. Contingent liabilities

A contingent liability is identified and disclosed when either a possible but uncertain obligation, or a present obligation that is not recognised because a transfer of economic benefit to settle the possible obligation is not probable, or the amount of the obligation cannot be estimated reliably.

2. INCOME

	Unrestricted funds £	Restricted funds Mission £	ARH £	Endowm't funds £	Total 2021 £	Total 2020 £
[a] Voluntary Income						
Planned giving:						
Gift Aid eligible donations	536,457	130,246	-	-	666,703	583,255
Gift Aid receivable	133,481	32,580	-	-	166,061	147,814
Other donations	283,378	38,851	120	-	322,349	238,316
Cash collections	2,592	480	-	-	3,072	5,933
Grants	12,500	-	-	-	12,500	12,500
Legacies	5,000	-	-	-	5,000	1,000
	973,408	202,157	120	-	1,175,685	988,818
[b] Activities for generating funds						
Trading	12,126	-	-	-	12,126	11,562
[c] Income from investments and deposits						
Dividends and interest	341	56	610	1,208	2,215	3,665
[d] Income from church activities						
Fees & hire income	27,820	-	-	-	27,820	14,343
Contributions to houseparties	6,270	-	-	-	6,270	735
Contributions to outreach events	1,219	-	-	-	1,219	10,903
	35,309	-	-	-	35,309	25,981
[e] Other Income						
Net gain on disposal of tangible asset	-	-	-	-	-	230,012
Government Grants	1,231	-	-	-	1,231	8,739
	1,231	-	-	-	1,231	238,751
TOTAL INCOME	1,022,415	202,213	730	1,208	1,226,566	1,268,777

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

3. EXPENDITURE

	Unrestricted funds £	Restricted funds		Endowm't funds £	2021 £	2020 £
		Mission £	ARH £			
(a) Church Activities						
<i>Missionary and charitable giving</i>						
Missionary societies (note 17)	-	211,312	-	-	211,312	190,903
Home missions/UK based agencies	15,640	-	-	-	15,640	9,133
Total Missionary and charitable	15,640	211,312	-	-	226,952	200,036
(b) Directly relating to the work of the Church						
<i>Ministry</i>						
Diocesan Quota	178,735	-	-	-	178,735	232,466
Clergy expenses	13,017	-	-	-	13,017	4,684
Clergy housing	54,607	-	3,558	-	58,165	18,798
Ministers	219,318	-	-	-	219,318	219,582
Mortgage Interest	-	-	23	-	23	5,068
	465,677	-	3,581	-	469,258	480,598
<i>Support costs</i>						
Training	4,875	-	-	-	4,875	1,256
Apprentices	23,330	-	-	-	23,330	17,640
Pastoral Care	2,582	-	-	-	2,582	2,720
	30,787	-	-	-	30,787	21,616
Church - running expenses	56,261	-	-	1,208	57,469	45,825
Church maintenance	7,651	-	-	-	7,651	20,259
Fabric repair	184,767	-	-	-	184,767	117,579
Fabric repair - car park	2,249	-	-	-	2,249	3,628
Furniture and fittings	-	-	-	-	-	226
Beech Road costs	13,831	-	-	-	13,831	17,481
Depreciation	2,857	-	-	-	2,857	2,857
Houseparties	4,598	-	-	-	4,598	4,833
Services & Outreach	9,116	-	-	-	9,116	11,399
Outreach events	1,439	-	-	-	1,439	11,403
Church plant	10,361	-	-	-	10,361	8,720
Salaries	128,368	-	-	-	128,368	131,293
Technical Support	21,973	-	-	-	21,973	20,172
Printing and stationery	3,994	-	-	-	3,994	1,647
Office expenses	8,095	-	-	-	8,095	5,272
	455,560	-	-	1,208	456,768	402,594
<i>Other expenditure</i>						
PCC costs	500	-	-	-	500	4,708
Audit fee	5,520	-	-	-	5,520	5,320
Bank charges	2,555	-	-	-	2,555	2,096
Professional fees	2,415	-	-	-	2,415	831
Other - sundry	16,510	262	-	-	16,772	462
	27,500	262	-	-	27,762	13,417
Total directly relating to the work of the Church	979,524	262	3,581	1,208	984,575	918,225
(c) Fund-raising trading costs						
Trading purchases and costs	12,981	-	-	-	12,981	21,844
(d) Other expenditure						
Net loss on disposal of tangible assets	-	-	-	-	-	44,115
TOTAL EXPENDITURE	1,008,145	211,574	3,581	1,208	1,224,508	1,184,220

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

4. NET MOVEMENT IN FUNDS	2021	2020
Stated after charging the following:	£	£
Audit Fees	5,520	5,320
Staff costs (see note 5)	329,484	335,967

5. STAFF COSTS	2021	2020
	£	£
Salaries and Wages	291,789	297,773
Social Security costs	22,969	23,106
	314,758	320,879
Pension costs	14,726	15,088
	329,484	335,967

The average number of PCC employees during the year, calculated on a full-time equivalent basis, was 11 (2020: 11). No employee received emoluments in excess of £60,000.

6. INVESTMENTS	Endowment Funds £
Market value:	
At 1 January 2020	38,864
Gain on revaluation	2,767
At 1 January 2021	41,631
Gain on revaluation	5,955
At 31 December 2021	47,586

The historical cost of the investments is £1,394. All the investments are with the Central Board of Finance of the Church of England and are in the United Kingdom. These investments cannot be realised for the reasons stated in Note 1c.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

7. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Office Equipment	Fixtures and Fittings	Total
Cost or valuation:	£	£	£	£
At 1 January 2021	700,000	35,539	43,910	779,449
Additions during the year	551,000			551,000
At 31 December 2021	1,251,000	35,539	43,910	1,330,449
Depreciation:				
At 1 January 2021	-	26,968	43,910	70,878
Charge for year	-	2,857	-	2,857
At 31 December 2021	-	29,825	43,910	73,735
Net book value:				
At 31 December 2021	1,251,000	5,714	-	1,256,714
At 31 December 2020	700,000	8,571	-	708,571

The freehold land and buildings at the year end comprise a property located at 40 South Park and a property at 12 Hurst Way. 12 Hurst Way was purchased on the 7 October 2021 for £551,000. The property at 40 South Park was valued at £700,000 on the 25th February 2021 by a RICS Registered Valuation Surveyor.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

	2021	2020
8. STOCK	£	£
Finished goods for resale	7,819	9,563

Closing stock is valued at lower of cost or net realisable value (market value).

	Unrestricted funds	Restricted funds	2021 Total	2020 Total
	£	£	£	£
Tax recoveries	46,904	9,648	56,552	43,240
Prepayments	8,108	-	8,108	-
Sundry debtors	-	-	-	12,645
	55,012	9,648	64,660	55,885

	Unrestricted funds	Restricted funds	2021 Total	2020 Total
	£	£	£	£
Short term deposits	308,809	50,000	358,809	358,809
Bank balances and cash	818,061	425,008	1,243,069	1,694,885
	1,126,870	475,008	1,601,878	2,053,694

	Unrestricted funds	Restricted funds	2021 Total	2020 Total
	£	£	£	£
11. LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Accruals	280,009	-	280,009	155,778
Sundry creditors	-	-	-	22,931
	280,009	-	280,009	178,709

12. OPERATING LEASE COMMITMENTS

At 31 December 2021, the company had total commitments under non-cancellable leases over the remaining life of those leases of £2,000 in respect of a UK premises.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

13. UNRESTRICTED FUNDS	01-Jan-21	Income	Expenditure	Transfers	Realised	31-Dec-21	31-Dec-20
	£	£	£	£	(loss)	£	£
General fund	628,366	1,022,415	(982,444)	(197,230)	-	471,107	628,366
Designated Funds							
Fabric Fund	100,000	-	(25,701)	150,000	-	224,299	100,000
Strategic Reserve	100,000	-	-	-	-	100,000	100,000
Vision Fund	-	-	-	120,000	-	120,000	-
TOTAL	828,366	1,022,415	(1,008,145)	72,770	-	915,406	828,366

14. RESTRICTED FUNDS	01-Jan-21	Income	Expenditure	Transfers	Realised	31-Dec-21	31-Dec-20
	£	£	£	£	gain	£	£
Mission Fund	91,830	202,213	(211,574)	-	-	82,469	91,830
Curate's House Fund	700,000	-	-	-	-	700,000	700,000
Associate Rector's House Fund	1,028,808	730	(3,581)	(72,770)	-	953,187	1,028,808
TOTAL	1,820,638	202,943	(215,155)	(72,770)	-	1,735,656	1,820,638

15. ENDOWMENT FUNDS	01-Jan-21	Income	Expenditure	Transfers	Unrealised	31-Dec-21	31-Dec-20
	£	£	£	£	gains	£	£
General, Churchyard & Graves	41,631	1,208	(1,208)	-	5,955	47,586	41,631
TOTAL	41,631	1,208	(1,208)	-	5,955	47,586	41,631

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2021 are represented by:	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Total Funds
	£	£	£	£	£
Tangible fixed assets	5,714	1,251,000	-	1,256,714	708,571
Investments	-	-	47,586	47,586	41,631
Current assets	1,189,701	484,656	-	1,674,357	2,119,142
Current liabilities	(280,009)	-	-	(280,009)	(178,709)
Total Net Assets	915,406	1,735,656	47,586	2,698,648	2,690,635

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

17. SUMMARY OF GRANTS PAYABLE FOR MISSIONARY ACTIVITIES

		2021	2020
		£	£
A Passion for Life		5,000	-
A Rocha International		1,020	500
A Rocha UK		1,020	1,000
AIM	Hannah Jackson	6,510	-
AIM	Paul and Helen Shepherd	12,312	10,050
AMiE		500	500
Anglican Mainstream		1,100	1,100
ANiE		5,000	-
C of E Evangelical Council		1,000	1,000
Christian Unions Ireland	Mark Ellis	16,000	16,000
Christianity Explored		2,000	2,000
Church by the Bay	Ben Petersen	2,500	-
Cross Teach Trust	Sophie-Ann Rebettes	5,000	2,500
Crosslinks	Anna Poor	16,800	16,800
Crosslinks	Hazel Maunsell	-	4,000
Crosslinks	Jamie Read	2,000	-
Crosslinks	Mark Oden	16,000	16,213
Diocese of Rochester	Diocese of Kondoa (Tanzania)	2,000	2,000
ECM International	Chris Wigram	1,500	-
EFAC	Julia Cameron	6,000	6,000
GAFCON UK		2,000	7,000
Japan Christian Link	Selvan Anketell	8,400	8,000
Langham Trust		2,000	2,000
London City Mission		5,000	5,000
Oak Hill College	Daniel Halpin	1,250	1,250
OMF	Beverlea Parkhill	17,600	17,000
OMF	Kathryn Bowen	17,600	16,000
OMF	StJohn & Ellie Perry	26,900	24,000
OMF	Tony Waghorn	3,300	3,000
Oxtrad	Bishop Nazir Ali	5,000	5,000
Penny Trust	Pete Portal	1,000	1,000
Proclamation Trust	Sophie-Ann Rebettes	-	2,180
Proclamation Trust		2,000	2,000
Redcliffe College	Kathryn Bowen	-	810
RZIM	Sam Allberry	-	1,000
Sevenoaks Area Youth Trust		6,000	6,000
SIM	Emma Brewster	8,000	8,000
The Faith Mission		2,000	2,000
		<u>211,312</u>	<u>190,903</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)

18. TRANSACTIONS WITH MEMBERS OF THE PCC AND CONNECTED PERSONS

The stipends/salaries and expenses of the clergy, who are all PCC members, are included within the figures shown in note 3 (b).

Transactions with other (non-clergy) members of the PCC and connected persons were as follows: £6,000 (2020: nil). The £6,000 represented a lease the PCC entered into in July 2021 with William Greig, (Justin Greig's son) for £12,000 per annum at 18 The Green to provide accommodation for a ministry member of staff and his family.

Accounts



St Nicholas Church
SEVENOAKS

TRUSTEES' ANNUAL REPORT
AND
FINANCIAL STATEMENTS
for the year ended 31 December 2020

Registered Charity Number 1132854

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

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AND FINANCIAL STATEMENTS**

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**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks (PCC) present their report and accounts for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Church Accounting Regulations 2006, the Charities Act 2011 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The PCC has the responsibility of co-operating with the incumbent, the Revd Angus MacLeay, in promoting the whole mission of the church, pastoral, evangelistic, social and ecumenical, in the ecclesiastical parish and beyond.

The PCC, with the St Nicholas church family has adopted the following Vision Statement to express its objectives, help guide its decision-making and allocate resources to activities which will support and help to fulfil its objectives.

ST NICHOLAS' VISION STATEMENT - 2020

To know Jesus and make Him known locally and globally and so we prayerfully and lovingly proclaim Him in order to Reach, Nurture, Equip & Send for His glory.

Based on this vision statement, the main objectives for the year were to bring glory to God by ensuring that His word continued to be faithfully preached to all congregations at St Nicholas Church; to help members of the church family grow in Christian knowledge and maturity; to provide teaching in God's word to the children and young people in the church family; to reach out to the wider community in Sevenoaks, in the nation and around the world to proclaim the Gospel of our Lord Jesus Christ and to provide practical support demonstrating our love for our neighbours near and far.

The specific activities carried out in 2020 in pursuit of these objectives are described in the Annual Report which accompanies these financial statements and are also published on our website. These activities involve members of our staff team and the voluntary contribution of time, amounting to several hundred hours per week, by many members of the church family in teaching, provision of pastoral care and a very wide range of other supporting activities.

The church's policies for grant-making are implemented by the Mission committee. The committee meets regularly during the year to allocate gifts made to the mission fund to support missionaries, mission and relief agencies both in the UK and worldwide.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Achievements and Performance

Church attendance

As at 31 December 2020 there were 556 on the Electoral Roll (2019: 482). The roll was completely renewed in April 2019 and numbers usually fall in the renewal year. The estimated average attendance on a 'normal' Sunday for all congregations is usually based on counts made on the first three Sundays in October. However, due to the pandemic, many of our usual attendees – and many visitors - tuned in online rather than being physically in the buildings. Our evening service was only online, therefore the comparative figures are not available.

The Church and Undercroft

Pre-COVID-19 the church and Undercroft, which houses our book room as well as a suite of meeting rooms, were used extensively each day and most evenings by a mixture of church events and public bookings. Due to the pandemic, the usage this year has been minimal.

Young People's Work

In addition to our Sunday groups, there are a number of weekday events for children and young people – most of which met online throughout 2020.

Mission and Evangelism

Mission activity is at the heart of St Nicholas. We provide significant support to a number of mission partners including many who have gone out from our church family. These include individuals and families serving in South Africa, Uganda, Thailand, Malaysia, Hungary, Ireland and Italy – these are detailed in Note 17 to the Accounts.

Financial Review

Overview

The church's operations and activities are separated into funds that are either restricted (with limitations as to how income can be spent) or unrestricted (the PCC has discretion with respect to expenditure).

Unrestricted Funds

The General Fund (GF) is used for the day to day running of the church. This includes collecting donations earmarked for general use, and the payment of all salaries and general running expenses. This is the main operating entity of the church.

The Fabric Fund is a savings reserve for large scale capital expenditure projects, improvements and quinquennial expenditure. It receives transfers from the GF, usually on an annual basis and incurs irregular expenditure as needs arise.

The Strategic Fund is used for special unbudgeted items.

The Beech Rd Fund was the entity which reflects the PCC's interest in the property on Beech Rd, Sevenoaks. This property was sold during the year for £410,000 and this fund has now been closed.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Restricted Funds

Mission Fund (MF). This fund collects all donations earmarked for mission activity and allocates expenditure. Income can only be spent on mission activity and there are no operating overheads or ongoing financial commitments. Only income pledged or received in this fund is spent for these purposes.

Associate Rector House Fund (ARH). This was established in 2010 with the sole purpose of collecting gifts for the purchase of a house and for the payment of costs associated with the purchase of such a property. It has received regular income and received the proceeds from the St Nicholas Parish Hall Trust (PHT).

Curate's House Fund. This fund reflects the PCC's interest in the church's house in South Park. The property is held in a custodial trust by the Diocese, all economic benefit will accrue to St Nicholas PCC.

The Endowment Fund has its own assets, and its income is used to fund the upkeep of the graves.

The Equipment Fund was used to fund the refurbishment of church equipment, the purpose for the fund has now been fulfilled and so it was closed during the year.

Unrestricted – General Fund

The voluntary income in 2020, including gift aid and grants, was £781,770 (2019: £658,221).

Total Resources used in the GF directly relating to work for the Church for 2020 were £934,033 (2019: £881,579).

We are very thankful for all gifts large and small for the Gospel work of St Nicholas in Sevenoaks.

Unrestricted - Strategic Reserve

The Reserve Policy, adopted in November 2008, included the provision of a designated fund called the Strategic Reserve. This reserve would enable advantage to be taken of new opportunities ahead of building a new income stream to sustain them. In 2013 £50,000 was lent to the Associate Rector House Fund (ARH) which was repaid in December 2020.

Restricted – Mission Fund

The amount that was distributed to our mission partners in 2020 was £190,903 (2019: £213,702). The amount is for the continuing support of individuals and societies to whom we have supported for several years. A list of these grants are shown on page 28 of the accounts.

Restricted - Building Fund

There were no transactions in the year and this fund has a zero balance.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Restricted - Associate Rector House Fund (ARH)

The purchase of a house for £795,000 was completed in March 2011. This was funded by gifts, interest free loans, a mortgage and the proceeds transferred from the Parish Hall Trust. In 2020 this house was sold for £1,192,500 and the net proceeds will be used to purchase another property.

Restricted - Endowment

The investments in this fund are all part of the General, Churchyard and Graves endowment. This is a restricted fund where money has been given to the church with the specific instructions that only the income earned from the money can be spent. They are permanent endowments which require income to be spent on the churchyard, graves, or the general purposes of the PCC. The income and expenditure in 2020 was £1,341.

The Year Ahead

General Fund

A key challenge for the church family will be to continue to broaden our giving base to enable us to fulfil our vision to know Jesus and make Him known locally and globally, in order to Reach, Nurture, Equip & Send for His glory.

Mission Fund

The Mission Fund has always been grateful for the provision of funds to support our mission expenditure. We prayerfully trust that God will meet the needs in the coming year through the generous giving of the church family. During the year Hazel Maunsell sadly retired due to ill health after a long and dedicated ministry in Ethiopia. The Shepherds moved back to the UK pending language training before taking up appointments in West Africa and the Perrys returned from Malaysia for Home Assignment. Sophie-Ann Rebettes started working with Crossteach and we expect Hannah Jackson be posted to Tanzania during 2021.

Reserves Policy

The Reserves Policy is to maintain a level of reserves in the General Fund and the Mission Fund equivalent to three months normal expenditure. Other designated funds are held to provide adequate reserves against periodic replacement or major renovation of assets. This includes making provision for the costs of repairs to the church buildings arising from quinquennial reviews. In 2008, it was agreed to set up a Strategic Reserve which would enable advantage to be taken of new opportunities, in advance of the building of a new income stream to sustain them; in the intervening years it has proved necessary to utilise the reserve for various purposes.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Statement of the Responsibilities of the Trustees of the Parochial Church Council

The Trustees of the PCC are responsible for preparing the report of the PCC and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees of the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of that charity for that period. In preparing these financial statements the Trustees are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and accounting estimates that are reasonable and prudent;
- d) State whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

The Trustees of the PCC are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the church, and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

So far as the Trustees of the PCC are aware:

- (a) there is no relevant audit information of which the Auditor is unaware, and
- (b) they have taken all the steps that they ought to have taken as Trustees of the PCC in order to make themselves aware of any relevant audit information and to establish that the Council's Auditor is aware of that information.

Risk Policies

Throughout the year the PCC, through the work of its committees – particularly the Risk Management Committee - the Churchwardens and designated members of the staff team continued with their systematic risk assessment in Financial, Reputational, Statutory/Legal, Environmental, People, IT and Operational areas, as required by the Diocese. Parish Safeguarding Officer, Revd Dr Gavin McGrath and our Parish Lead Recruiter, Mrs Sue Stimson, have continued to ensure that we adhere to all relevant safeguarding legislation. Close attention is also paid to the implementation of policies regarding health and safety and to compliance with disability discrimination legislation.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Post year end matters

The principal risk in 2020 has been dealing with the Covid 19 pandemic. This has meant streaming services and other activities; some members of the church family have had their employment affected, which might impact financial giving in 2021 and the consequential impact on the sustainability of certain activities. Furthermore, it is recognised that returning to St Nicholas and Lady Boswell's School will present significant challenges and risk management issues as we seek to be compliant with all Health and Safety requirements. The trustees have therefore considered the impact of the pandemic on the finances of the Parochial Church Council and will monitor the costs and cash flow forecasts on a regular basis to ensure liabilities can be met for the foreseeable future.

Key Challenge

The Finance Strategy Group initiated a review of the financial position at St Nicholas in light of declining giving. A review was undertaken by John Truscott, who was both a trustee of St Nicholas and experienced consultant in church management. Rather than focus on the symptoms he stepped back to initially look at the cause of the problem. There has been a wide consensus that the report and its recommendations reflect the current position within St Nicholas. A key challenge and consequent risk confronting St Nicholas is the successful implementation of the recommendations of the Report.

Staff Changes

Since the end of the year, the Curate – Revd Matt Taylor – has completed his curacy and been licensed as Associate Rector. As part of the new congregational model adopted in September 2020, the posts of Congregational Pastor have been filled by Revd Gavin McGrath, Revd Matt Taylor, Mr John Khnana under the oversight of the Rector, Revd Angus MacLeay. Permission has been given by the Bishop for the appointment of a new Curate who will start with us in September 2021.

Structure, Governance and Management

Registered Charity

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks was registered on 21 November 2009 with the Charity Commission, number 1132854.

Location

St Nicholas Church is situated at Rectory Lane, Sevenoaks. It is part of the Diocese of Rochester within the Church of England. The correspondence address is St Nicholas Church, Rectory Lane, Sevenoaks, Kent, TN13 1JA. The activities of the church take place principally at this location but also at other suitable venues in and around Sevenoaks.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Membership

Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

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

Incumbent:	The Revd Canon Angus MacLeay #*+ Chairman
Churchwardens:	Mrs Christine Brindley (from 29 Sept 2020) Mr Justin Greig Mr Ian Nash (to 29 Sept 2020)
Clergy:	The Revd Dr Gavin McGrath+ The Revd Thomas Nash * (to 30 June 2020) The Revd Matt Taylor+
Representatives on the Deanery Synod	Mr Chris Barton (from 29 Sept 2020) Mr Andrew Coates (from 29 Sept 2020) Mr Haydn Cooper (to 29 May 2020) Brig. Ian Dobbie #* Mr Anthony Jennings* Mrs Emma Osei-Mensah (from 29 Sept 2020) Mr Peter Scott (from 29 Sept 2020)
Elected Members:	Mrs Carol Carpenter (from 29 Sept 2020) Mr John Collett (Treasurer from 29 Sept 2020) Mr Peter Harlow (from 29 Sept 2020) Mrs Isabel Hodgson (from 15 April 2020) Mr Adelbert Jennings Mr Ian Leigh (Treasurer to 29 Sept 2020) Mrs Sarah Mackenzie (from 29 Sept 2020) Mr Gerald O'Brien* Mrs Marion Russell (Resigned 22 March 2021) Mr Ben Stone Mr Robert Von Kaufmann (from 29 Sept 2020) Mr Mark Walkington Mr Henry Warde (to 29 Sept 2020) Mr Chris Webb (to 29 Sept 2020) Mr Stephen Wehrle (to 29 Sept 2020)
Invited attendees:	Miss Hannah Blake Mr John Khnana Miss Cara Smith Mrs Sue Stimson Miss Andrea Trevenna
Key:	# also a member of General Synod * also a representative of Diocesan Synod + also a representative of Deanery Synod
PCC Secretary	Mrs Katie David <i>(not a member of the PCC)</i>

The APCM was held on 29 Sept 2020.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Auditor

Norman Cox & Ashby
Chartered Accountants and Statutory Auditor
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

Bankers

National Westminster Bank Plc
67 High Street
Sevenoaks
Kent TN13 1LA

Legal Advisors

Cripps
12 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1EG

PCC

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure 1956 as amended and the Church Representation Rules. The PCC was formerly an excepted charity and was registered as a charity from 21 November 2009. PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent.

Recruitment induction and training of PCC members

Recruitment to membership of the PCC, whether by election or 'ex officio' appointment, is carried out in accordance with the Church Representation Rules. New PCC members receive induction training to ensure they are aware of their responsibilities. The Churchwardens, and others with specific responsibilities for matters requiring specialist knowledge, are able to attend training courses offered by the Diocese or appropriate external bodies. Reading matter on relevant topics is disseminated to PCC members.

Committees

The PCC operates through several committees, listed below, which meet between full meetings of the PCC, under an approved Scheme of Delegation which with the terms of reference for each committee lays down their responsibilities and authority.

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

Finance Strategy Group
Buildings & Maintenance Committee
Mission Committee
Employment and Remuneration Committee
Fellowship Fund Committee
Risk Management Committee

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2020 (continued)

Public Benefit

The PCC is aware of its legal duty to have regard to the public benefit guidance and to report on the charity's compliance with the public benefit obligation. In this regard the PCC is totally committed to enable anyone to worship at St Nicholas' services together with any of our activities taking place throughout the week. Our services and worship seek to encourage members of the church family to live out their faith as part of the local community and further afield. We seek to achieve this through worship, prayer and the faithful teaching from God's word to support in people learning about the Gospel, coming to faith in the Lord Jesus Christ and growing in their knowledge of scripture. With this aim the PCC has adopted the objectives and activities as noted on page 1 of this report.

Approved by the Parochial Church Council on 5th May 2021 and signed on its behalf by:

Revd Canon Angus MacLeay
Chairman

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

SUMMARY INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2020

	2020	2019
	£	£
TOTAL INCOME (on continuing operations)	1,260,038	958,777
TOTAL EXPENDITURE (on continuing operations)	1,175,481	1,102,124
NET INCOME / (EXPENDITURE) for the year	<u>84,557</u>	<u>(143,347)</u>

STATEMENT OF RECOGNISED GAINS AND LOSSES
for the year ended 31 December 2020

	2020	2019
	£	£
Net (expenditure)/income for the year	84,557	(143,347)
Gain on revaluation of:		
- Tangible fixed assets	75,000	-
- Investments assets	2,767	6,047
Total recognised gain/(loss) relating to the year	<u>162,324</u>	<u>(137,300)</u>

SPLIT OF NET (EXPENDITURE) / INCOME BY FUND
(before revaluations and transfers between funds)

	2020	2019
	£	£
Unrestricted Funds		
General Fund	(106,840)	(130,071)
Fabric Fund	(50,000)	-
	<u>(156,840)</u>	<u>(130,071)</u>
Restricted Funds		
Mission Fund	10,308	(14,756)
Associate Rector's House Fund	231,089	1,480
	<u>241,397</u>	<u>(13,276)</u>
Total for all funds	<u>84,557</u>	<u>(143,347)</u>

**INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2020**

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Nicholas, Sevenoaks, (the “Charity”) for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity’s affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2020 (continued)**

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to Report by Exception

We have nothing to report in respect of the following matters in relation to the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or
- the information in the trustees' report is inconsistent in any material respect with the financial statements.

Responsibilities of Trustees of the Parochial Church Council

As explained more fully in the trustees Responsibilities Statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2020 (continued)**

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Other matters which we are required to address:

We planned our audit so that our work was capable of detecting irregularities, including fraud. We reviewed our permanent files to ensure our general understanding of the legal and regulatory framework applicable to the charity. Discussions were held with trustees and management and our work included reviewing the correspondence supplied by the Church of England Pensions Board to ensure compliance with legislation and documentation relating to the disposals and revaluation of tangible assets. Further, our audit work was directed to ensure compliance with both the Charities Act 2011 and FRS 102 and at the date of signing the audit report, the charity was complying with regulatory solvency requirements.

Our audit work also assessed the risks of material misstatement in respect of fraud as follows.

Enquiries were made with trustees and management and verification was sought with third parties. Our analytical review procedures were geared towards identifying any unusual or unexpected relationships and variances (taking account of the inevitable variations caused by the pandemic) and we conducted our audit to identify transactions outside the normal course of business. No unusual transactions were identified. Our audit work reviewed the segregation of duties and ensured that those charged with governance were aware of and accept all matters arising under Ethical Standards. We considered the possibility of management override and carried out tests on journal entries posted. No instances of fraud or irregularities were identified.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS
For the year ended 31 December 2020 (continued)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

NICHOLAS GOWER-SMITH FCA (Senior Statutory Auditor)
for and on behalf of NORMAN COX & ASHBY
Chartered Accountants and Statutory Auditor

Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent
TN1 2AZ

7th May 2021

Norman Cox & Ashby is eligible to act as an auditor in the terms of section 1212 of the Companies Act 2006.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2020

	<u>Note</u>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £	Total funds 2019 £
INCOME						
Voluntary income	2(a)	781,770	207,048	-	988,818	863,899
Activities for generating funds	2(b)	11,562	-	-	11,562	30,480
Income from investments and deposits	2(c)	1,995	329	1,341	3,665	4,489
Income from church activities	2(d)	25,981	-	-	25,981	59,909
Other income	2(e)	-	230,012	-	230,012	-
TOTAL INCOME		821,308	437,389	1,341	1,260,038	958,777
EXPENDITURE						
Church activities						
Missionary and charitable giving	3(a)	9,133	190,903	-	200,036	215,317
Directly relating to the work of the church	3(b)	903,056	5,089	1,341	909,486	861,862
Fund-raising trading costs	3(c)	21,844	-	-	21,844	24,945
Other expenditure	3(d)	44,115	-	-	44,115	-
TOTAL EXPENDITURE		978,148	195,992	1,341	1,175,481	1,102,124
NET (EXPENDITURE)/INCOME BEFORE INVESTMENT GAINS/(LOSS)		(156,840)	241,397	-	84,557	(143,347)
NET GAIN / (LOSS) ON INVESTMENT						
Investment Assets	7	-	-	2,767	2,767	6,047
NET (EXPENDITURE)/INCOME		(156,840)	241,397	2,767	87,324	(137,300)
OTHER RECOGNISED GAINS						
Revaluation of Tangible Fixed Assets	6	-	75,000	-	75,000	-
NET MOVEMENT IN FUNDS		(156,840)	316,397	2,767	162,324	(137,300)
TOTAL FUNDS BROUGHT FORWARD		985,206	1,504,241	38,864	2,528,311	2,665,611
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2020	16	828,366	1,820,638	41,631	2,690,635	2,528,311

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

BALANCE SHEET at 31 December 2020

	<u>Notes</u>	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	6		708,571		2,020,000
Investments	7		41,631		38,864
			<hr/>		<hr/>
			750,202		2,058,864
CURRENT ASSETS					
Stock	8	9,563		17,026	
Debtors	9	55,885		108,716	
Short term deposits	10	358,809		358,809	
Bank balances and cash	10	1,694,885		225,416	
			<hr/>		<hr/>
			2,119,142		709,967
LIABILITIES					
Creditors- Amount falling due within one year	11	<u>(178,709)</u>		<u>(123,129)</u>	
NET CURRENT ASSETS					
			1,940,433		586,838
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<hr/>		<hr/>
			2,690,635		2,645,702
LIABILITIES:					
Creditors - Amount falling due after one year	12		-		(117,391)
TOTAL NET ASSETS					
			<hr/> 2,690,635		<hr/> 2,528,311
THE FUNDS OF THE CHARITY					
Unrestricted	13		828,366		985,206
Restricted	14		1,820,638		1,504,241
Endowment	15		41,631		38,864
			<hr/>		<hr/>
			2,690,635		2,528,311

Approved by the Parochial Church Council on 5th May 2021 and signed on its behalf by:

..... **John Collett**
Treasurer

..... **Revd Angus MacLeay**
Chairman, Parochial Church Council

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

CASH FLOW STATEMENT at 31 December 2020

	2020	2019
	£	£
Cash generated/(absorbed) from operations	27,389	(189,852)
Investing activities:		
Interest received	3,665	4,489
Interest paid	(5,068)	(5,069)
Repayment of loans	(125,986)	(33,472)
Fixed Assets Additions	(11,428)	-
Proceeds on sale of fixed assets	<u>1,580,897</u>	<u>-</u>
Net cash generated/(absorbed) from investing activities	<u>1,442,080</u>	<u>(34,052)</u>
Net increase/(decrease) in cash and cash equivalents	1,469,469	(223,904)
Cash and cash equivalents at beginning of year	584,225	808,129
Cash and cash equivalents at end of year	<u><u>2,053,694</u></u>	<u><u>584,225</u></u>
Cash at Bank and in Hand	1,694,885	225,416
Notice deposits	<u>358,809</u>	<u>358,809</u>
	<u><u>2,053,694</u></u>	<u><u>584,225</u></u>
Cash generated from operations:		
Net Movement in Funds during the year	162,324	(137,300)
Adjustments for:		
Fair value (gain) on investments	(2,767)	(6,047)
Revaluation of Tangible Fixed Assets	(75,000)	-
Profit on disposal of Tangible Fixed Assets	(185,897)	-
Depreciation	2,857	-
Finance costs	5,068	5,069
Interest received	(3,665)	(4,489)
Movement in working capital:		
Decrease/(increase) in stocks	7,463	(1,634)
Decrease/(increase) in debtors	52,831	(48,186)
Increase in creditors	64,175	2,735
	<u>27,389</u>	<u>(189,852)</u>

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

1. ACCOUNTING POLICIES

a. Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with 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 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

The church constitutes a public benefit entity as defined by FRS 102.

The members of the PCC consider that there are no material uncertainties about the church's ability to continue as a going concern.

b. Funds

Unrestricted funds (see note 13) represent 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. These include funds designated for a particular purpose by the PCC and are:

- **General Fund:** this is the main fund, which is used for supporting mission within the Sevenoaks area and covers clergy and staff costs, youth work and other outreach/support activities as well as the day to day running and administration of the church. It also includes the activities of the book shop, plus various house parties and evangelical events.
- **Strategic Reserve:** this reserve is to enable advantage to be taken of new opportunities, in advance of the building of a new income stream to sustain them.
- **Fabric Fund:** this is used for large capital items and major refurbishment work to the church and other properties. Such work mainly arises from quinquennial inspections, and the aim is to build up sufficient funds over a five-year period to cover the costs arising from such inspections.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (continued)

Restricted funds (see note 14) represent sums which have been restricted by the donor for a particular purpose. Restricted funds are:

- **Mission Fund:** this fund is specifically for supporting mission and mission-related activity, mainly outside the parish. Gifts to the fund are allocated at the discretion of the Mission Committee unless the donor expresses a wish that their gift be given to a particular missionary or mission activity.
- **Curate's House Fund:** this represents the current value of the property at 40 South Park that was acquired by the PCC in 1989 from proceeds of the sale of a previous property and funds raised specifically to acquire the new property.
- **Building fund:** this fund was originally set up in 1990 to raise funds for 'Building for the Gospel' which resulted in the reordering of the church and the construction of the undercroft. The remaining funds were held for the building of the exit road and car park extension and have been spent. This fund has a zero balance.
- **ARH fund:** this fund was set up to purchase and maintain a new house for the person occupying the post of Associate Rector.

An **endowment** fund is a restricted fund where money has been given to the church with the specific instructions that only the income earned from the money can be spent or an asset donated to be retained for continuing use by the church. The General, Churchyard and Graves endowment (see note 15) comprises 4 funds. These are permanent endowments which require income to be spent on the churchyard, graves or the general purposes of the PCC.

c. Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated or received in writing with notification of both the amount and settlement date. Income tax recoverable on Gift Aid donations is recognised when claimable.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator or executor of the estate has communicated in writing both the amount and settlement date.

Interest on funds held on deposit is included upon notification of the interest paid into the bank.

Rental income from the letting of church premises is accounted for when earned. Parochial fees due to the PCC for weddings, funerals, and other events are accounted for on an event-by-event basis. Sales of books and magazines from the church bookstall are accounted for at point of sale.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

Grants receivable are recognised when received.

d. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the church to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the church. In the case of an unconditional grant offer, this is accrued once approved. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued for when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the church. The expenditure on charitable activities includes supporting mission and mission-related activity, mainly outside the parish, allocated at the discretion of the Mission Committee.

Costs directly relating to the work of the church are for promoting the primary object, the promotion of the Gospel of Our Lord Jesus Christ, mainly within Sevenoaks. The Diocesan Quota or Parish Share is accounted for when payable, the amount being determined by the PCC.

The fund-raising trading costs consist of resources used to fund the bookstall.

e. Tangible Fixed assets and depreciation

i. Consecrated land and buildings and movable church furnishings.

Consecrated and beneficed property is excluded from the accounts by section 10(2) to (4) of the Charities Act 2011.

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 since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings whether on maintenance or improvement is written off as expenditure in the Statement of Financial Activities and separately disclosed.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

ii. Other land and buildings.

Other land and buildings held on behalf of the PCC for its own purposes are included at market value. Properties are generally revalued professionally every 5 years. The last professional valuation was conducted on 25 February 2021. Gains and losses are included in the Statement of Financial Activities. Depreciation on properties has not been provided for in these accounts as any charge is considered to be not material, on the basis that the asset either has a very long useful life, or a residual value based on its current value, which is not materially different from its carrying value.

iii. 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 less than £2,000 are written off in the period in which the asset is acquired.

iv. Impairment

Provision will be made should any annual impairment review of fixed assets indicate that a permanent diminution in value has occurred.

f. Fixed asset investments

Investments are initially recognised at transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

g. Realised and unrealised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value.

h. Current assets

Amounts owing to the PCC at 31 December 2020 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with CBF Church of England Funds, the Rochester Diocesan Board of Finance or at NatWest Bank.

Stock is valued at the lower of cost and net realisable value.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

i. Pensions policy

St Nicholas Church PCC participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as Pension Builder 2014 as defined below.

Pension Builder 2014 Scheme

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019.

For the Pension Builder 2014 section, the valuation revealed a surplus of £2.3m using the accrued pools valuation method. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas Church PCC could become responsible for paying a share of that employer's pension liabilities.

St Nicholas PCC is also registered with OPRA and supports staff if they prefer to take out Stakeholder Pensions by matching any contributions to a maximum of 7.5% of salary and these are accounted for on the basis of contributions payable in the year. The PCC therefore has no liability for final pensions provision for its staff.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

j. Deferred income

Income received for a future year will be included as an incoming resource in the year to which it relates.

k. Contingent liabilities

A contingent liability is identified and disclosed when either a possible but uncertain obligation, or a present obligation that is not recognised because a transfer of economic benefit to settle the possible obligation is not probable, or the amount of the obligation cannot be estimated reliably.

2 INCOME

	Unrestricted funds £	Restricted funds Mission £	ARH £	Endowm't funds £	Total 2020 £	Total 2019 £
[a] Voluntary Income						
Planned giving:						
Gift Aid eligible donations	448,039	131,756	3,460	-	583,255	574,098
Gift Aid receivable	114,010	32,939	865	-	147,814	145,209
Other donations	201,026	35,470	1,820	-	238,316	123,938
Cash collections	5,195	738	-	-	5,933	15,654
Grants	12,500	-	-	-	12,500	-
Legacies	1,000	-	-	-	1,000	5,000
	781,770	200,903	6,145	-	988,818	863,899
[b] Activities for generating funds						
Trading	11,562	-	-	-	11,562	30,480
[c] Income from investments and deposits						
Dividends and interest	1,995	329	-	1,341	3,665	4,489
[d] Income from church activities						
Fees & hire income	14,343	-	-	-	14,343	24,141
Contributions to houseparties	735	-	-	-	735	22,780
Contributions to outreach events	10,903	-	-	-	10,903	12,988
	25,981	-	-	-	25,981	59,909
[e] Other Income						
Net gain on disposal of tangible assets	-	-	230,012	-	230,012	-
TOTAL INCOME	821,308	201,232	236,157	1,341	1,260,038	958,777

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

3 EXPENDITURE

	Unrestricted funds £	Restricted funds Mission £	ARH	Endowm't funds £	2020 £	2019 £
(a) Church Activities						
<i>Missionary and charitable giving</i>						
Missionary societies (note 17)	-	190,903	-	-	190,903	213,702
Home missions/UK based agencies	9,133	-	-	-	9,133	1,615
Total Missionary and charitable	9,133	190,903	-	-	200,036	215,317
(b) Directly relating to the work of the Church						
<u>Ministry</u>						
Diocesan Quota	232,466	-	-	-	232,466	185,642
Clergy expenses	4,684	-	-	-	4,684	7,768
Clergy housing	18,798	-	-	-	18,798	23,686
Ministers	219,582	-	-	-	219,582	213,066
Mortgage Interest			5,068	-	5,068	5,069
	475,530	-	5,068	-	480,598	435,231
<u>Support costs</u>						
Training	1,256	-	-	-	1,256	14,600
Apprentices	17,640	-	-	-	17,640	29,702
Pastoral Care	2,720	-	-	-	2,720	573
	21,616	-	-	-	21,616	44,875
Church - running expenses	44,655	-	-	1,171	45,826	57,789
Church maintenance	20,089	-	-	170	20,259	14,131
Fabric repair	117,579	-	-	-	117,579	29,632
Fabric repair - car park	3,628	-	-	-	3,628	10,340
Furniture and fittings	226	-	-	-	226	-
Beech Road costs	17,481	-	-	-	17,481	13,376
Depreciation	2,857	-	-	-	2,857	-
Houseparties	4,833	-	-	-	4,833	-
Services & Outreach	11,399	-	-	-	11,399	15,127
Outreach events	11,403	-	-	-	11,403	37,430
Church plant	8,720	-	-	-	8,720	20,380
Salaries	131,293	-	-	-	131,293	146,235
Government Grants	(8,740)	-	-	-	(8,740)	-
Technical Support	20,172	-	-	-	20,172	17,070
Printing and stationery	1,647	-	-	-	1,647	2,751
Office expenses	5,272	-	-	-	5,272	6,060
	392,514	-	-	1,341	393,855	370,321
<u>Other expenditure</u>						
PCC costs	4,708	-	-	-	4,708	355
Audit fee	5,320	-	-	-	5,320	6,365
Bank charges	2,075	21	-	-	2,096	2,688
Professional fees	831	-	-	-	831	1,703
Other - sundry	462	-	-	-	462	324
	13,396	21	-	-	13,417	11,435
Total directly relating to the work of the Church	903,056	21	5,068	1,341	909,486	861,862
(c) Fund-raising trading costs						
Trading purchases and costs	21,844	-	-	-	21,844	24,945
(d) Other expenditure						
Net loss on disposal of tangible assets	44,115	-	-	-	44,115	
TOTAL EXPENDITURE	978,148	190,924	5,068	1,341	1,175,481	1,102,124

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

4. NET MOVEMENT IN FUNDS	2020	2019
Stated after charging the following:	£	£
Audit Fees	5,320	5,525
Staff costs (see note 5)	327,227	350,586
5. STAFF COSTS	2020	2019
	£	£
Salaries and Wages	297,773	310,250
Government Grants	(8,740)	0
Social Security costs	<u>23,106</u>	<u>25,388</u>
	312,139	335,638
Pension costs	<u>15,088</u>	<u>14,948</u>
	327,227	350,586

The average number of PCC employees during the year, calculated on a full-time equivalent basis, was 11 (2019: 12). No employee received emoluments in excess of £60,000.

6. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Office Equipment £	Fixtures and Fittings £	Total £
Cost or valuation:				
At 1 January 2020	2,020,000	24,111	43,910	2,088,021
Additions during the year	-	11,428		11,428
Revaluation during the year	75,000	-	-	75,000
Disposals during year	<u>(1,395,000)</u>	-	-	<u>(1,395,000)</u>
At 31 December 2020	700,000	35,539	43,910	779,449
Depreciation:				
At 1 January 2020	-	24,111	43,910	68,021
Charge for year	-	2,857	-	2,857
At 31 December 2020	-	26,968	43,910	70,878
Net book value:				
At 31 December 2020	700,000	8,571	-	708,571
At 31 December 2019	2,020,000	-	-	2,020,000

The freehold land and buildings at the year end comprise a house located at 40 South Park. This property was valued at £700,000 on the 25th February 2021 by a RICS Registered Valuation Surveyor. 23 Beech Road was sold during the year for £410,000. It was reported in the 2019 accounts at a value of £450,000. 26 Woodside Road was purchased in March 2011 for £795,000 and was sold during the year for £1,192,500 the net proceeds from the sale are held in a restricted fund. It was held in the 2019 accounts at a value of £945,000.

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

7. INVESTMENTS	Endowment Funds £
Market value:	
At 1 January 2019	32,817
Gain on revaluation	6,047
At 1 January 2020	38,864
Gain on revaluation	<u>2,767</u>
At 31 December 2020	<u>41,631</u>

The historical cost of the investments is £1,394. All the investments are with the Central Board of Finance of the Church of England and are in the United Kingdom. These investments cannot be realised for the reasons stated in Note 1c.

8. STOCK	2020 £	2019 £
Finished goods for resale	<u>9,563</u>	<u>17,026</u>

Closing stock is valued at lower of cost or net realisable value (market value), during the year an impairment loss of £9,500 was recognised in cost of sales to account for slow moving or obsolete books held in the book shop.

9. DEBTORS	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Tax recoveries	31,505	11,735	43,240	53,496
Prepayments	-	-	-	5,220
Sundry debtors	12,645	-	12,645	50,000
	<u>44,150</u>	<u>11,735</u>	<u>55,885</u>	<u>108,716</u>

10. BANK

Short term deposits	308,809	50,000	358,809	358,809
Bank balances and cash	614,328	1,080,557	1,694,885	225,416
	<u>923,137</u>	<u>1,130,557</u>	<u>2,053,694</u>	<u>584,225</u>

**11. LIABILITIES: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

Accruals	155,778	-	155,778	64,534
Sundry creditors	1,277	21,654	22,931	50,000
Mortgage	-	-	-	8,595
	<u>157,055</u>	<u>21,654</u>	<u>178,709</u>	<u>123,129</u>

Deferred income	2020 £	2019 £
Balance brought forward at 1st January 2020	-	7,500
Released during the year	-	(7,500)
Balance carried forward at 31st December 2020	<u>-</u>	<u>-</u>

**THE PAROCHIAL CHURCH COUNCIL OF
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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

12. LIABILITIES: AMOUNTS FALLING DUE AFTER ONE YEAR	2020	2019
	£	£
17 year mortgage	-	117,391
	-	117,391

13. UNRESTRICTED FUNDS					Realised		
	01-Jan-20	Income	Expenditure	Transfers	(loss)	31-Dec-20	31-Dec-19
	£	£	£	£	£	£	£
General fund	173,602	821,308	(884,033)	517,489	-	628,366	173,602
Designated Funds							
Fabric fund	261,604	-	(50,000)	(111,604)	-	100,000	261,604
Strategic Reserve	100,000	-	-	-	-	100,000	100,000
Beech Road property fund (note 6)	450,000	-	-	(405,885)	(44,115)	-	450,000
TOTAL	985,206	821,308	(934,033)	-	(44,115)	828,366	985,206

14. RESTRICTED FUNDS					Realised		
	01-Jan-20	Income	Expenditure	Transfers	gain	31-Dec-20	31-Dec-19
	£	£	£	£	£	£	£
Mission fund	81,522	201,232	(190,924)	-	-	91,830	81,522
Curate's house fund (note 6)	625,000	-	-	-	75,000	700,000	625,000
Associate Rector's House Fund	797,719	6,145	(5,068)	-	230,012	1,028,808	797,719
TOTAL	1,504,241	207,377	(195,992)	-	305,012	1,820,638	1,504,241

15. ENDOWMENT FUNDS					Unrealised		
	01-Jan-20	Income	Expenditure	Transfers	Gains	31-Dec-20	31-Dec-19
	£	£	£	£	£	£	£
General, Churchyard & Graves	38,864	1,341	(1,341)	-	2,767	41,631	38,864
TOTAL	38,864	1,341	(1,341)	-	2,767	41,631	38,864

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2020 are represented by:	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Total Funds
	£	£	£	£	£
Tangible fixed assets	8,571	700,000	-	708,571	2,020,000
Investments	-	-	41,631	41,631	38,864
Current assets	976,850	1,142,292	-	2,119,142	709,967
Current liabilities	(157,055)	(21,654)	-	(178,709)	(123,129)
Long term liabilities	-	-	-	-	(117,391)
Total Net Assets	828,366	1,820,638	41,631	2,690,635	2,528,311

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

17. SUMMARY OF GRANTS PAYABLE FOR MISSIONARY ACTIVITIES

		2020	2019
		£	£
A Rocha International		500	-
A Rocha UK		1,000	500
AIM	Paul and Helen Shepherd	10,050	8,160
AMiE		500	500
Anglican Mainstream		1,100	1,100
C of E Evangelical Council		1,000	1,000
Christian Unions Ireland	Mark Ellis	16,000	14,000
Christianity Explored		2,000	2,000
Cross Teach Trust	Sophie-Ann Rebettes	2,500	-
Crosslinks	Anna Poor	16,800	16,800
Crosslinks	Hazel Maunsell	4,000	16,000
Crosslinks	Jamie Read	-	1,150
Crosslinks	Mark Oden	16,213	16,557
Diocese of Rochester	Diocese of Kondoa (Tanzania)	2,000	2,000
ECM International	Chris Wigram	-	3,000
EFAC	Julia Cameron	6,000	6,000
EFAC	Theological & Ministry Conference	-	1,000
Emmanuel Bristol	Ian Taylor	-	1,250
Fowey Anchor Church		-	2,000
GAFCON		7,000	7,000
Japan Christian Link	Selvan Anketell	8,000	8,000
Japan Christian Link	IT Appeal	-	2,000
Langham Trust		2,000	2,000
London City Mission		5,000	5,000
Newcastle University CU	Mission	-	200
Oak Hill College	Daniel Halpin	1,250	1,250
OMF	Beverlea Parkhill	17,000	17,000
OMF	General	-	250
OMF	Kathryn Bowen	16,000	16,000
OMF	StJohn & Ellie Perry	24,000	24,000
OMF	Tony Waghorn	3,000	3,000
Oxtrad	Bishop Nazir Ali	5,000	5,250
Oxtrad	Bicycles South Sudan	-	1,200
Penny Trust	Pete Portal	1,000	1,000
Proclamation Trust		2,000	2,000
Proclamation Trust	Sophie-Ann Rebettes	2,180	1,090
Redcliffe College	Kathryn Bowen	810	-
RZIM	Sam Allberry	1,000	1,000
Sevenoaks Area Youth Trust		6,000	6,000
SIM	Emma Brewster	8,000	8,000
Stewardship	SAGE - Peter Redmayne	-	2,200
Tear Fund	Connected Church	-	245
The Faith Mission		2,000	2,000
Trinity School		-	5,000
		<u>190,903</u>	<u>213,702</u>

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020 (Continued)

18. TRANSACTIONS WITH MEMBERS OF THE PCC AND CONNECTED PERSONS

The stipends/salaries and expenses of the clergy, who are all PCC members, are shown in note 3 (b). Transactions with other (non-clergy) members of the PCC and connected persons were as follows: nil (2019: nil)