



**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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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 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 (not a member of the PCC)	(to Sept 2021)

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).
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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 4<sup>th</sup> 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
<b>NET INCOME for the year</b>	<b><u>2,058</u></b>	<b><u>84,557</u></b>

**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
<b>Total recognised gain relating to the year</b>	<b><u>8,013</u></b>	<b><u>162,324</u></b>

**SPLIT OF NET (EXPENDITURE) / INCOME BY FUND**  
**(before revaluations and transfers between funds)**

	2021 £	2020 £
<b>Unrestricted Funds</b>		
General Fund	39,971	(106,840)
Fabric Fund	(25,701)	(50,000)
	<b><u>14,270</u></b>	<b><u>(156,840)</u></b>
<b>Restricted Funds</b>		
Mission Fund	(9,361)	10,308
Associate Rector's House Fund	(2,851)	231,089
	<b><u>(12,212)</u></b>	<b><u>241,397</u></b>
<b>Total for all funds</b>	<b><u>2,058</u></b>	<b><u>84,557</u></b>

**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](http://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

4<sup>th</sup> 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 £
<b>INCOME</b>						
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
<b>TOTAL INCOME</b>		<b>1,022,415</b>	<b>202,943</b>	<b>1,208</b>	<b>1,226,566</b>	<b>1,268,777</b>
<b>EXPENDITURE</b>						
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
<b>TOTAL EXPENDITURE</b>		<b>1,008,145</b>	<b>215,155</b>	<b>1,208</b>	<b>1,224,508</b>	<b>1,184,220</b>
<b>NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSS)</b>		<b>14,270</b>	<b>(12,212)</b>	<b>-</b>	<b>2,058</b>	<b>84,557</b>
<b>NET GAIN ON INVESTMENT</b>						
Investment Assets	6	-	-	5,955	5,955	<b>2,767</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>14,270</b>	<b>(12,212)</b>	<b>5,955</b>	<b>8,013</b>	<b>87,324</b>
<b>OTHER RECOGNISED GAINS</b>						
Revaluation of Tangible Fixed Assets		-	-	-	-	75,000
<b>TRANSFER BETWEEN FUNDS</b>	14	72,770	(72,770)	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>87,040</b>	<b>(84,982)</b>	<b>5,955</b>	<b>8,013</b>	<b>162,324</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>828,366</b>	<b>1,820,638</b>	<b>41,631</b>	<b>2,690,635</b>	<b>2,528,311</b>
<b>TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2021</b>	16	<b>915,406</b>	<b>1,735,656</b>	<b>47,586</b>	<b>2,698,648</b>	<b>2,690,635</b>

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

**BALANCE SHEET as at 31 December 2021**

	<u>Notes</u>	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible Assets	7	1,256,714	708,571
Investments	6	47,586	41,631
		<u>1,304,300</u>	<u>750,202</u>
<b>CURRENT ASSETS</b>			
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
		<u>1,674,357</u>	<u>2,119,142</u>
<b>LIABILITIES</b>			
Creditors- Amount falling due within one year	11	<u>(280,009)</u>	<u>(178,709)</u>
<b>NET CURRENT ASSETS</b>		1,394,348	1,940,433
<b>TOTAL NET ASSETS</b>		<u><b>2,698,648</b></u>	<u><b>2,690,635</b></u>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted	13	915,406	828,366
Restricted	14	1,735,656	1,820,638
Endowment	15	47,586	41,631
		<u><b>2,698,648</b></u>	<u><b>2,690,635</b></u>

Approved by the Parochial Church Council on 4<sup>th</sup> 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 £
<b>Cash generated from operations</b>	<b>96,992</b>	<b>27,389</b>
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
<b>Net cash (absorbed)/generated from investing activities</b>	<b><u>(548,808)</u></b>	<b><u>1,442,080</u></b>
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
<b>Cash and cash equivalents at end of year</b>	<b><u>1,601,878</u></b>	<b><u>2,053,694</u></b>
Cash at Bank and in Hand	1,243,069	1,694,885
Short term deposits	358,809	358,809
	<b><u>1,601,878</u></b>	<b><u>2,053,694</u></b>
<b>Cash generated from operations:</b>		
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)
<b>Movement in working capital:</b>		
Decrease in stocks	1,744	7,463
(Increase)/decrease in debtors	(8,775)	52,831
Increase in creditors	101,300	64,175
	<b><u>96,992</u></b>	<b><u>27,389</u></b>

**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 £
<b>[a] Voluntary Income</b>						
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
	<b>973,408</b>	<b>202,157</b>	<b>120</b>	<b>-</b>	<b>1,175,685</b>	<b>988,818</b>
<b>[b] Activities for generating funds</b>						
Trading	<b>12,126</b>	-	-	-	<b>12,126</b>	<b>11,562</b>
<b>[c] Income from investments and deposits</b>						
Dividends and interest	<b>341</b>	<b>56</b>	<b>610</b>	<b>1,208</b>	<b>2,215</b>	<b>3,665</b>
<b>[d] Income from church activities</b>						
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
	<b>35,309</b>	-	-	-	<b>35,309</b>	<b>25,981</b>
<b>[e] Other Income</b>						
Net gain on disposal of tangible asset	-	-	-	-	-	230,012
Government Grants	1,231	-	-	-	1,231	8,739
	<b>1,231</b>	-	-	-	<b>1,231</b>	<b>238,751</b>
<b>TOTAL INCOME</b>	<b>1,022,415</b>	<b>202,213</b>	<b>730</b>	<b>1,208</b>	<b>1,226,566</b>	<b>1,268,777</b>

**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 £	Mission £	Restricted funds ARH £	Endowm't funds £	2021 £	2020 £
<b>(a) Church Activities</b>						
<b><i>Missionary and charitable giving</i></b>						
Missionary societies (note 17)	-	211,312	-	-	211,312	190,903
Home missions/UK based agencies	15,640	-	-	-	15,640	9,133
<b><i>Total Missionary and charitable</i></b>	<b>15,640</b>	<b>211,312</b>	<b>-</b>	<b>-</b>	<b>226,952</b>	<b>200,036</b>
<b>(b) Directly relating to the work of the Church</b>						
<b><i>Ministry</i></b>						
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
	<b>465,677</b>	<b>-</b>	<b>3,581</b>	<b>-</b>	<b>469,258</b>	<b>480,598</b>
<b><i>Support costs</i></b>						
Training	4,875	-	-	-	4,875	1,256
Apprentices	23,330	-	-	-	23,330	17,640
Pastoral Care	2,582	-	-	-	2,582	2,720
	<b>30,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,787</b>	<b>21,616</b>
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
	<b>455,560</b>	<b>-</b>	<b>-</b>	<b>1,208</b>	<b>456,768</b>	<b>402,594</b>
<b><i>Other expenditure</i></b>						
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
	<b>27,500</b>	<b>262</b>	<b>-</b>	<b>-</b>	<b>27,762</b>	<b>13,417</b>
<b><i>Total directly relating to the work of the Church</i></b>	<b>979,524</b>	<b>262</b>	<b>3,581</b>	<b>1,208</b>	<b>984,575</b>	<b>918,225</b>
<b>(c) Fund-raising trading costs</b>						
Trading purchases and costs	12,981	-	-	-	12,981	21,844
<b>(d) Other expenditure</b>						
Net loss on disposal of tangible assets	-	-	-	-	-	44,115
<b>TOTAL EXPENDITURE</b>	<b>1,008,145</b>	<b>211,574</b>	<b>3,581</b>	<b>1,208</b>	<b>1,224,508</b>	<b>1,184,220</b>

**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)**

<b>4. NET MOVEMENT IN FUNDS</b>	2021	2020
Stated after charging the following:	£	£
Audit Fees	5,520	5,320
Staff costs (see note 5)	329,484	335,967

<b>5. STAFF COSTS</b>	2021	2020
	£	£
Salaries and Wages	291,789	297,773
Social Security costs	22,969	23,106
	<b>314,758</b>	<b>320,879</b>
Pension costs	14,726	15,088
	<b>329,484</b>	<b>335,967</b>

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.

<b>6. INVESTMENTS</b>	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
<b>At 31 December 2021</b>	<b>47,586</b>

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
<b>Cost or valuation:</b>	£	£	£	£
At 1 January 2021	700,000	35,539	43,910	779,449
Additions during the year	551,000			551,000
At 31 December 2021	<b>1,251,000</b>	<b>35,539</b>	<b>43,910</b>	<b>1,330,449</b>
<b>Depreciation:</b>				
At 1 January 2021	-	26,968	43,910	70,878
Charge for year	-	2,857	-	2,857
At 31 December 2021	-	<b>29,825</b>	<b>43,910</b>	<b>73,735</b>
<b>Net book value:</b>				
At 31 December 2021	<b>1,251,000</b>	<b>5,714</b>	-	<b>1,256,714</b>
At 31 December 2020	<b>700,000</b>	<b>8,571</b>	-	<b>708,571</b>

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.

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)**

	2021	2020
	£	£
<b>8. STOCK</b>		
Finished goods for resale	7,819	9,563

Closing stock is valued at lower of cost or net realisable value (market value).

<b>9. DEBTORS</b>	Unrestricted	Restricted	2021	2020
	funds	funds	Total	Total
	£	£	£	£
Tax recoveries	46,904	9,648	56,552	43,240
Prepayments	8,108	-	8,108	-
Sundry debtors	-	-	-	12,645
	<b>55,012</b>	<b>9,648</b>	<b>64,660</b>	<b>55,885</b>

<b>10. BANK</b>	Unrestricted	Restricted	2021	2020
	funds	funds	Total	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
	<b>1,126,870</b>	<b>475,008</b>	<b>1,601,878</b>	<b>2,053,694</b>

<b>11. LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	Unrestricted	Restricted	2021	2020
	funds	funds	Total	Total
	£	£	£	£
Accruals	280,009	-	280,009	155,778
Sundry creditors	-	-	-	22,931
	<b>280,009</b>	<b>-</b>	<b>280,009</b>	<b>178,709</b>

**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.

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021 (Continued)**

**13. UNRESTRICTED FUNDS**

	01-Jan-21	Income	Expenditure	Transfers	Realised (loss)	31-Dec-21	31-Dec-20
	£	£	£	£	£	£	£
<b>General fund</b>	628,366	1,022,415	(982,444)	(197,230)	-	471,107	628,366
<b>Designated Funds</b>							
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	-
<b>TOTAL</b>	<b>828,366</b>	<b>1,022,415</b>	<b>(1,008,145)</b>	<b>72,770</b>	<b>-</b>	<b>915,406</b>	<b>828,366</b>

**14. RESTRICTED FUNDS**

	01-Jan-21	Income	Expenditure	Transfers	Realised gain	31-Dec-21	31-Dec-20
	£	£	£	£	£	£	£
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
<b>TOTAL</b>	<b>1,820,638</b>	<b>202,943</b>	<b>(215,155)</b>	<b>(72,770)</b>	<b>-</b>	<b>1,735,656</b>	<b>1,820,638</b>

**15. ENDOWMENT FUNDS**

	01-Jan-21	Income	Expenditure	Transfers	Unrealised gains	31-Dec-21	31-Dec-20
	£	£	£	£	£	£	£
General, Churchyard & Graves	41,631	1,208	(1,208)	-	5,955	47,586	41,631
<b>TOTAL</b>	<b>41,631</b>	<b>1,208</b>	<b>(1,208)</b>	<b>-</b>	<b>5,955</b>	<b>47,586</b>	<b>41,631</b>

**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)
<b>Total Net Assets</b>	<b>915,406</b>	<b>1,735,656</b>	<b>47,586</b>	<b>2,698,648</b>	<b>2,690,635</b>



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**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>

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**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.