

**ST MARY THE VIRGIN PARISH CHURCH
WESTERHAM, KENT**

ANNUAL REPORT

and

FINANCIAL STATEMENTS

of the

Parochial Church Council

for the year ending 31st December 2022

Priest in Charge:

Reverend David Fox-Branch
The Vicarage
Vicarage Hill
Westerham, Kent

Bank

National Westminster Bank Plc
Sevenoaks branch
67 High Street
Sevenoaks, Kent

Independent examiner:

J E K Smith CBE, FCA, CPFA
Old Mill Leat
Vicarage Hill
Westerham TN16 1TJ

April 28, 2022

Registered charity number 1133994

ST MARY THE VIRGIN PARISH CHURCH WESTERHAM, KENT

Membership of the PCC 2022

The method of appointment of PCC members is set out in the Church Representation Rules, with members for 2022 listed below.

Ex Officio:

Priest in Charge	Rev David Fox-Branch	Chair
Wardens	Mrs C Cusick Mr R Pomfret	Vice Chair
Co-opted	Revd Wendy Harvey	Since 23 rd September 2021
Deanery Synod Representatives	Mrs K Smart Mrs C Boston	
Elected Members (12 allowed including co-opted)	Mr D Booker Mrs G Burmester Mrs J Duffield Dr A Leather Mrs A Morris Mr B Nuttall Mrs. R Preston Miss K Secombe Mr K Willcox	Safeguarding Officer Treasurer

The PCC is supported by the following officers (not PCC members but in attendance at meetings)

Secretary Miss A Coughlan

All those who attend our services are encouraged to register on the Electoral Roll and stand for election to the PCC. The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding how PCC funds are to be spent.

Given its wide responsibilities the PCC has three sub-committees – Fabric, Finance and a Standing Committee which can make decisions required between full PCC meetings. Each committee has clear terms of reference and report back to the full PCC.

Financial Report by the PCC of St Mary the Virgin Parish Church, Westerham, for 2022

1 Aim and purpose

St. Mary the Virgin Parochial Church Council (PCC) has the responsibility of cooperating with the Priest in Charge, the Reverend David Fox-Branch, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church of St. Mary the Virgin, including the attached 'John Fryth Room' hall and churchyard at The Green, Westerham

2 Objectives and activities

The PCC is committed to using the 5 Marks of Mission to shape the life of the church community in our vision of "Serving Christ, Westerham and the Wider World". The 5 Marks of Mission express the Anglican Communion's common commitment to, and understanding of, God's holistic/integral mission. i.e.

1. To proclaim the Good News of the Kingdom
2. To teach, baptise and nurture new believers
3. To respond to human need by loving service
4. To transform unjust structures of society, to challenge violence of every kind and pursue peace and reconciliation
5. To strive to safeguard the integrity of creation, and sustain and renew the life of the earth

We seek to reach as many people as possible with the Good News of Jesus Christ, enabling them to worship at the church and to become part of the faith community at St. Mary the Virgin. We aim to benefit the public locally and from further afield by offering a variety of church services and by enabling people to live out their faith within both the church and wider communities. As a parish church, we support people from Westerham, and further afield, at particular points in their lives by preparing them for, and taking weddings, baptisms and funerals.

Our services and worship put faith into practice through prayer and scripture, music and sacrament.

In the early part of the year, the PCC undertook a mission planning exercise based on the 5 Marks. This was then combined with responses from the APCM. The 1st and 3rd Marks were felt to be priorities and four themes arose:

- Worship and preaching
- Community engagement generally
- Environment
- Schools, families and young people.

To facilitate all this work, it is important that we maintain the fabric of the Church of the church building and churchyard.

Our Ministry Team consists of:

- Priest in Charge, Rev. David Fox-Branch
- Priest with Permission to Officiate, Rev. Wendy Harvey
- Ordinand (Local Lay Minister until September 2022), Dr Susan Leather.

We also have a part-time paid office administrator, who additionally serves as Parish Secretary. In 2022 we have also had the services of visiting organists, paid cleaners and grass cutter plus specialists as required.

3 Achievements and performance

Especially during the first part of the year, Covid continued to impact on our activities but by the end of the year we had put that behind us, with the return of coral Evensong, a full programme of Advent and Christmas services, Coffee Time back to pre-Covid numbers, and successful grant applications enabling us to run a Warm Space on Tuesday afternoons.

It is difficult still, to track year-to-year trends in attendance at services both because of Covid, and with variations in the pattern of worship.

It is likely that the pandemic hastened the long-term trend. Overall, as with most parishes, congregation sizes were reduced in 2022 compared to 2019 but there were more regular services overall. With respect to traditional language services, again attendance was lower than pre-Covid but were higher than in many other parishes.

The total number of worshippers on Easter day was 108, compared to 55 in 2021, when Covid restrictions were still in place, and to 127 in 2019, the last pre-pandemic year. Although reduced, this represents better performance than the average for Church of England parish of comparable size.

Two significant moments in the life of the town were the Queen's Platinum Jubilee and then her death in the autumn. Her Majesty's death, in particular, highlighted the continuing importance of the parish church at important times in the life of the community.

To proclaim the Good News of the Kingdom

Being the only Anglican church in Westerham we offer a variety of worship services, including traditional language 'said' Communion, choral morning services, Evensong and 'Messy Church'. The latter re-started in the autumn of 2021 and is slowly growing.

Ministers lead Morning Prayer most Tuesdays, Wednesdays, Thursdays, Fridays and Saturdays, and this year we started a weekday Eucharist. We have a regular schools ministry and have sought opportunities to collaborate with other local churches at key moments in the year.

To teach, baptise and nurture new believers

As well as systematic Bible-based preaching in Sunday services, church members and the Priest in Charge support the local Church of England School as governors. We now lead, in collaboration with the Congregational Church, whole-school Collective Worship fortnightly and have schools' services in church at least once a term. This has been led by our ordinand. Bibles, donated by an anonymous donor, are distributed in school at special collective worship to welcome reception children and to celebrate leavers. The school has a distinctively Christian ethos, and the church endeavours to support that wherever possible.

Covid prevents us from making a comparison with the last few years, about trends in the numbers of baptisms but they have been regular throughout the year and have included some adults. We have new faces in the congregation and, in 2023 expect to have adult candidates for confirmation.

In addition, we organised an ecumenical Lent course

In the summer, our Local Lay Minister was accepted for ordination training. She started studying in the Autumn

To respond to human need by loving service

Throughout the year there are particular services that draw many from the community into the church, including for the bereaved ('Light up A life') and Remembrance Day. For the second year, the

Remembrance service was held outside and streamed over the internet, and received very favourable comments from those who attended. There was about a 50% increase in attendance.

The church is open every day for private prayer as well as for tourists (free of charge); prayer requests can be left on the prayer board and are included in Sunday prayers.

The ministers meet and pray with individuals as requested and, on occasion, make referrals such as to the Foodbank, adult social services and emergency housing.

The governors of Churchill school and the Priest in Charge offer pastoral support to staff and pupils. This year the Hosey Trust, which exists to support past and present pupils of the school up to the age of 25, became more focused on needs arising from the cost-of-living crisis and, after a review of the application process, has been able to help more young people.

The clergy visit the bereaved and take funerals – both in the church and at local crematoria. This year has seen an increase, compared to 2021, in the number of requests for funerals and memorial services.

The Pastoral Care Team has been very active, providing spiritual support, prayer and distributing communion to those from our congregations who are unable to attend church services due to ill health.

The Priest in Charge is also a trustee for the Westerham Alms-house Charity, providing accommodation for persons in need.

The PCC supports the local Westerham foodbank, with a full-time collection point in the church and various members, including one of the ministers, actively involved,

For the first time in several years the Ralph Fund, which exists to help parishioners in need and is administered by the Priest in Charge and Church Wardens, was used. This was in relation to the cost-of-living crisis.

The church also gives away part or all of the offering at certain services, such as Remembrance Day, Christingle and during Lent, and makes other appeals in response to events in the wider world)

To transform unjust structures of society, to challenge violence of every kind and pursue peace and reconciliation

As well as being a “Fairtrade Church”, some charities that are supported include such aims. In February, as war broke out in Ukraine, members of the PCC working with members of the other churches in town hosted a successful fundraising lunch church for Sevenoaks Welcomes Refugees. The Lent retiring collection this year was in aid of Ukraine.

We also hold some ethical investments.

To strive to safeguard the integrity of creation, and sustain and renew the life of the earth

The PCC cares for the churchyard, and has undertaken re-wilding of some areas.

An Environmental Group has been established, which is very active and includes non-church members. In 2022 we achieved the Bronze Eco Church Award, introduced churchyard feeding stations for birds, installed swift nesting boxes in the tower and replaced our obsolete lighting system with an LED one.

An environmental handbook is in preparation and St Mary’s remains committed to the Church of England target of being Carbon Neutral by 2030.

4 Financial review

Church activities are funded by regular giving (mainly attracting gift aid), collections, donations and investment income. Total income for 2022 was £116,333 of which £52,984 was restricted funds. This compares to total income for 2021 of £77,663 of which £9,771 was restricted funds. General fund income in 2022 amounted to £63,349 compared with £67,892 in 2021.

Overall expenditure in 2022 was £109,386 of which £14,093 was restricted funds, compared with £9,817 in 2021. General fund expenditure was £95,293, compared with £78,041 in 2021. This was driven in part by increasing prices arising from the cost-of-living crisis, and in part related to the maintenance of ageing heating systems and other equipment.

Overall, there was a net deficit on general funds of £31,944 compared with a deficit in 2021 of £10,143. St Mary's investment holdings (details in note 3 of the financial statements) decreased in value by £88,057 during the year. Of this £47,659 related to restricted funds, £18,313 to designated funds and £22,084 to the general investment value reserve. However, when the net gain in 2021, of £96,503, is taken into account, the value of investment holdings was still £8,446 higher at year end 2022, compared to year end 2020.

5 Reserves policy

The PCC has set aside reserves in designated funds for the following purposes

- Over the years the trend has been for the church's investments to have risen in value. However, this year there has been a notable fall in value, a reflection of the general economic downturn. The PCC believes it is prudent to maintain a reserve against future falls in investment values which are likely to occur from time to time. Accordingly, an investment value reserve has been created.
- The main church buildings are of an age and type that periodically major repairs will be required. St Mary's is fortunate that the Westerham Heritage Trust, an independent charity, raises funds which may be available when major repairs are required. However, the PCC recognises the need to retain a reserve for contributing to such repairs.
- The PCC believes that work with children and youth is an important part of its mission. A reserve has been established to support major initiatives in this field.
- Similarly, the PCC believes outreach both within the immediate community and in the wider world is part of St Mary's mission. A reserve has been established to support future initiatives in this field.

6 Administrative information

St Mary's is situated at the north east corner of The Green in Westerham, the correspondence address being The Green, Westerham, Kent TN16 1AS. The registered charity number is 1133994

Details of those who have served as members of the PCC between 1st January 2022 and the date of this report are shown on page 2.

7 Payments to and giving by members of the PCC

The total identified giving by members of the PCC, while members, totalled £7,335 excluding gift aid recoverable.

Reimbursement of out-of-pocket expenses for the Priest in Charge totalled £265.14 for 2022.

8 Other Funds

These funds are separate trust funds, administered by the PCC but do not appear in the accounts. However, on occasion and at the discretion of the Trustees, applications for grants can be made to the PCC for specific use related to the purpose of the funds.

Westerham Church of England Religious Education Fund is able to support activities contributing to religious education connected to St Mary's church. It's assets at the year-end totalled £27,467.22

Westerham Hosey Fund supports pupils and former pupils of Churchill Church of England Primary School, up to the age of 25. Its assets at the year-end amounted to £42,604.19.

Ralph Fund is able to contribute to the cost of assistance provided by St Mary's to those in need in the parish. It is managed by the vicar and church wardens. It's assets at the year-end totalled £10,296.66.

Independent Examiner's Report to the PCC of St Mary the Virgin Parish Church Westerham

I report on the accounts of the PCC for the year ended 31st December 2022, which are set out on pages 7 to 12.

Respective responsibilities of the PCC and the Independent Examiner

As members of the PCC you are responsible for the preparation of the accounts. You consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed.

It is my responsibility to

- Examine the accounts under Section 145 of the 2011 Act;
- Follow the procedures laid down in the general directions given by the Charity Commissioners under Section 145(5)(b) of the 2011 Act; and
- State whether particular matters have come to my attention.

Basis of Independent Examiner's Report

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

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning any such matters.

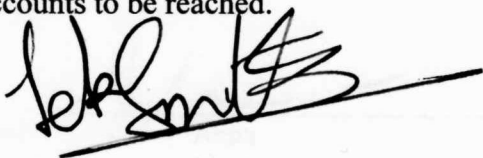
The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention:

1. which give me reasonable cause to believe that in any material aspect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; or
 - to prepare accounts which accord with these accounting records have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Dated: 13 May 2023

J.E.K Smith CBE, FCA, CPFA
Old Mill Leat
Vicarage Hill
Westerham
TN16 1TJ

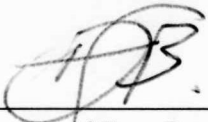
ST MARY THE VIRGIN CHURCH, WESTERHAM

Balance sheet at 31st December 2022

	General Funds £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
FIXED ASSETS					
Investment assets	72,565	253,019	356,139	681,724	769,781
CURRENT ASSETS					
Short term deposits	13,049	-	38,186	51,235	43,635
Cash at bank and in hand	(24,520)	-	56,017	31,497	28,203
Amounts receivable	7,840	-	-	7,840	15,612
	(3,631)	-	94,203	90,572	87,450
CREDITORS (due within 1 year)					
Creditors	(192)	(52,400)	1,873	(50,719)	(2,143)
NET CURRENT ASSETS	(3,823)	(52,400)	96,077	39,853	85,307
NET ASSETS	68,742	253,019	452,216	773,977	855,088

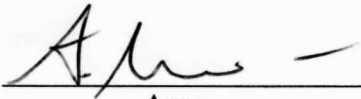
Approved by the PCC on the 28 April 2023 and signed

on its behalf by


David Fox -Branch

Chairman

and


Anna
Morris

Treasurer

ST MARY THE VIRGIN CHURCH, WESTERHAM

Notes to the Financial Statements year ending 31st December 2022

	General Funds £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Incoming resources - page 9					
Voluntary income	53,187	-	32,685	85,872	49,230
Activities for generating funds	2,271	-	-	2,271	1,111
Income from investments	4,867	-	16,841	21,709	20,375
Church activities	3,023	-	3,458	6,481	6,947
	63,349	-	52,984	116,333	77,663
Resources expended - page 10					
Church activities	(66,270)	-	(2,111)	(68,381)	(55,468)
Church running expenses	(29,023)	-	(11,981)	(41,004)	(32,389)
Fundraising expenditure	-	-	-	-	-
	(95,293)	-	(14,093)	(109,386)	(87,857)
Net incoming resources	(31,944)	-	38,892	6,947	(10,194)
Net (loss) / gain on investments	(22,084)	(18,313)	(47,659)	(88,057)	96,503
Net movement on funds	(54,029)	(18,313)	(8,768)	(81,109)	86,309
Balances brought forward	122,771	271,333	460,983	855,087	768,779
Balances carried forward	68,742	253,019	452,216	773,977	855,088

ST MARY THE VIRGIN CHURCH, WESTERHAM

Notes to the Financial Statements
year ending 31st December 2022

INCOMING RESOURCES	General Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Voluntary Income						
Planned giving/gift aid	33,312	-	-	-	33,312	37,223
Income tax recoverable	6,832	-	-	-	6,832	6,052
Collections/EPO	6,262	-	-	-	6,262	1,299
Visitors and other giving	3,760	-	-	-	3,760	2,700
Grants	-	-	30,965	-	30,965	1,000
Donations	2,021	-	-	-	2,021	383
Legacies	1,000	-	-	-	1,000	-
Choir and bell ringers	-	-	1,720	-	1,720	573
	53,187	-	32,685	-	85,872	49,230
Activities for Generation Funds						
Fundraising events	2,259	-	-	-	2,259	1,105
Bookstall	12	-	-	-	12	6
	2,271	-	-	-	2,271	1,111
Income from Investments	4,867	-	16,841	-	21,709	20,375
Dividends and interest	4,867	-	16,841	-	21,709	20,375
Church Activities						
Fees for weddings and funerals	2,764	-	3,458	-	6,222	6,611
Sundry income	259	-	-	-	259	336
	3,023	-	3,458	-	6,481	6,947
Total Incoming Resources	63,349	-	52,984	-	116,333	77,663

ST MARY THE VIRGIN CHURCH, WESTERHAM

Notes to the Financial Statements

year ending 31st December 2022

	General Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
RESOURCES EXPENDED						
Church Activities						
Missionary and Charitable giving	(201)	-	-	-	(201)	(306)
Outreach Expenses	(489)	-	-	-	(489)	-
Contribution to diocese	(55,289)	-	-	-	(55,289)	(52,126)
Vicar's and Vicarage expenses	(5,284)	-	-	-	(5,284)	(430)
Organ and Choir (incl bell funds)	(5,008)	-	(2,111)	-	(7,119)	(2,607)
NDG costs	-	-	-	-	-	-
	(66,270)	-	(2,111)	-	(68,381)	(55,469)
Church Running Expenses						
Parish office	(5,524)	-	-	-	(5,524)	(3,044)
Church cleaning	(484)	-	-	-	(484)	(1,390)
Staff remuneration	(8,241)	-	(3,608)	-	(11,850)	(10,881)
Insurance	(4,645)	-	-	-	(4,645)	(4,079)
Heat and light	(5,740)	-	-	-	(5,740)	(5,521)
Repairs and maintenance	(4,389)	-	(816)	-	(5,205)	(1,463)
Churchyard expenses	-	-	(7,557)	-	(7,557)	(6,010)
Repair Projects	-	-	-	-	-	-
	(29,023)	-	(11,981)	-	(41,004)	(32,388)
Other resources expended						
Fundraising and bookstall	-	-	-	-	-	-
Total resources expended	(95,293)	-	(14,093)	-	(109,386)	(87,857)

ST MARY THE VIRGIN CHURCH, WESTERHAM

Notes to the Financial Statements For the year ended 31st December 2022

1 Accounting policies

a) The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 together with FRS 102 and Statement of Recommended Practice 'Accounting and Reporting by Charities'. The statements have been prepared under the historical cost convention except for the value of investment assets which are shown at fair value. They are prepared on the going concern basis. Incoming resources are included when receivable. Liabilities are recognised when the obligation arises

b) The funds held comprise

- unrestricted funds representing the remaining income funds of the church together with funds designated by the PCC for particular purposes; and
- restricted funds comprising endowment funds that must be retained as church capital and income funds which can only be spent on restricted purposes.

c) Consecrated and beneficed property of any kind is not included in the financial statements in accordance with the Charities Act 2011. This includes all fixtures and fittings in the church buildings.

d) Investments are valued at market value as at 31st December 2022.

2 Vicar salary and parish offer

The vicar's salary and pension cost are paid by the Diocese of Rochester. The diocese also incurs other costs which are borne by parishes through a charge traditionally known as 'parish share'. From 2015 the Diocese of Rochester introduced a new system whereby parishes made an annual 'offer' to cover all these costs. St Mary's offer for 2022 was £55,289.

3 Investments

	CBF Shares Church £	CBF shares Churchyard £	North Downs Guild of Music £	M&G Charifund £	Total £	
Value at 31st December 2021	516,747	92,242	125,707	35,085	769,781	Opening invest value
(Loss) on revaluation during 2022	(60,560)	(10,810)	(14,732)	(1,954)	(88,057)	Revaluation
Value at 31st December 2022	456,187	81,432	110,975	33,131	681,724	New invest value

The main Church, Churchyard and NDG investments are held in CBF Investment Fund shares. There have been no changes in the holdings during the year. The loss on revaluation of the Church holding has been allocated to the various funds (endowment, designated and general) according to the relative proportions of those funds. The investments in M&G Charifund are all allocated to general funds.

ST MARY THE VIRGIN CHURCH, WESTERHAM

Notes to the Financial Statements (cont.)

4 Funds

The movements in individual funds in the year are shown below

ST MARY THE VIRGIN CHURCH, WESTERHAM

Notes to the Financial Statements

	Forward 2021	Income	Expenditure	Gain / (Losses)	Transfer	At end 2022
Restricted funds						
Church endowment	185,848	-	-	(22,116)	-	163,732
Churchyard endowment	92,242	-	-	(10,810)	-	81,432
NDG endowment	125,707	-	-	(14,732)	-	110,975
Legacies	25,000	-	-	-	-	25,000
Bellringers	2,915	1,060	(1,451)	-	-	2,524
Choir	1,239	660	(660)	-	-	1,239
Churchard Deposits	10,748	14,770	(9,693)	-	-	15,825
North Downs Guild cash	16,844	5,529	-	-	-	22,373
Repair projects	440	30,965	(2,288)	-	-	29,117
	460,983	52,984	(14,093)	(47,659)	-	452,216
Designated funds						
Investment value reserve	153,833	-	-	(18,313)	-	135,519
Major repairs	40,000	-	-	-	-	40,000
Children and youth	37,500	-	-	-	-	37,500
Outreach	40,000	-	-	-	-	40,000
Church Repair Fund	-	-	-	-	-	-
	271,333	-	-	(18,313)	-	253,019
General fund	122,771	63,349	(95,293)	(22,084)	-	68,742
Total	855,088	116,333	(109,386)	(88,057)	-	773,977

The endowment funds represent sums held as capital for the respective purposes. The other funds comprise income less expenditure incurred for the specified purposes. Of these, EPO funds are those collected specifically to donate to various charities.

5 Going Concern

The PCC agreed that the financial statements should be prepared on the going concern basis. In doing so the PCC noted that the main sources of general fund income, regular giving and fees, were expected to continue and that dividend income was likely to remain at similar levels.

As with most parishes, the long-term expectation is that regular giving will continue to decrease but, in any case, with a large historic building such as St Mary's, in a parish with a relatively small population, congregational giving can only contribute a limited amount to the overall running costs of the parish.

Although there are substantial investments, drawing on these to cover shortfalls reduces the financial sustainability of the parish across time.

The cost of energy has been unusually high recently, and this has increased our deficit; that situation might ease in 2023 with prices reducing and the new lighting scheme. Nevertheless, it will be important, going forward, to identify ways of increasing income and reducing costs in order for parish finances to remain viable in the future.

Even allowing for possible reductions in overall incoming resources any shortfall in income compared to expenditure in the coming year could be amply covered by drawing on the available general fund investments.

FINANCIAL STATEMENTS

of the
Parish Church Council
for the year ending 31st December 2022

Prize in Charge

Reverend David Lee, Vicar
The Vicarage
Vicarage Hill
Weston, Kent

Imp

11th and Westminter Park Pl
Sevenoaks, Kent
67 High Street
Sevenoaks, Kent

Independent Auditor

J E A Smith, FRC, FCA, CTA
Old Mill Lane
Vicarage Hill
Weston, Kent

April 28, 2023

Registered charity number 1141994