

Annual Report for the Parochial Church
Council of St Peter's, Ightham
2020

2020 Report and Accounts for the Parochial Church Council of St Peter's Church, Ightham

Coronavirus Pandemic

Early in 2020 reports started to emerge from China of a new infectious coronavirus that was proving dangerous to people's health. Within a couple of months it was spreading fast throughout the world and was declared a pandemic in March. The consequence of this was that the UK government declared a national lockdown on 23 March. In effect this caused the closing of all public buildings including churches. For over 2 months churches were closed to everyone, including clergy. St Peter's, along with many churches throughout the country, started holding services and other meetings via Zoom. Although we were able to start holding services in person again from August, we continued to hold hybrid services, in person and on Zoom.

Although lockdown was eased through the summer, there was further lockdown in the autumn and, as 2020 came to a close, the country was plunged into a third lockdown which was only being eased in the spring of 2021. Churches were not included in this third December lockdown. However, the virulence of the mutated strain of virus caused many churches, including St Peter's, to decide that it was safest to close for 'in person' worship. This has continued through to the end of March.

It is important to note that all St Peter's life and activities have been affected and challenged by the pandemic, the consequences of which will be felt for months and years to come. The effect of the pandemic has been noted throughout this annual report.

Aim and purposes

St. Peter's Parochial Church Council (PCC) has the responsibility of cooperating with the incumbent, the Reverend Tim Hatwell, in promoting in the ecclesiastical parish, the whole mission of the Church: pastoral, evangelistic, social and ecumenical.

The PCC also has responsibilities for maintenance of the Parish Church of St Peter's, Fen Pond Road, Ightham, the adjacent Church Centre, the surrounding enclosed Churchyard including the lych-gate, the area known as Church Green, and the approach from the public highway to the lych-gate. St Peter's Churchyard remains open for burials and the interment of cremated remains of those who are eligible.

The PCC has continued to be guided by the Mission Statement of the church which was agreed in 2017.

St Peter's is here to:

- Gather in community
- Grow in Christ

- Go in service

Our purpose is to see lives transformed through loving God, following Christ, and caring for our neighbours and the wider community.

We come together to worship God and share Christ's love, through prayer, learning, celebration, music and community, and through caring for one another. We seek to demonstrate the impact of our faith in our everyday lives, in the communities where we live and serve, and in the wider world.

Achieving our goals has been an especial challenge throughout most of 2020 as the world has faced the most extraordinary disruptions posed by the global SARS-COVID-19 pandemic. The measures taken by the government to control the spread of the virus have been unprecedented and caused disruptions to all social life, including the life of the Church, to an extent not seen since the 'black death' in the middle ages. This report will attempt to highlight the extraordinary efforts made by so many to continue to achieve our Mission Statement despite the restrictions of lockdowns, social distancing and other bio-security measures. It will also show how overcoming the problems has helped accelerate enormous changes in how we continue to live, pray, love and help one another. We anticipate that many of these changes will be a permanent feature of our lives henceforth.

Objectives and Activities

Despite the pandemic, the PCC has remained committed to enabling as many people as possible to worship at our church and to become part of our parish community at St. Peter's. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within our parish. With borrowed and repurposed equipment, we have managed to introduce on-line services accessible to parishioners from their homes via Zoom. This has enabled worship to continue through Church closures and lockdowns. Our services and worship put faith into practice through prayer and scripture, music and sacrament both in Church and now online. The success of this innovation has led to a decision to invest in an upgrade to a modern audio-visual system in 2021 that will enable anyone unable to worship in person in Church to participate in services remotely.

When planning our activities for the year, we have considered the Commission's guidance on public benefit and the supplementary guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our parish community. We have also responded to the guidance that has been imposed following government directives on Virus precautions.

Safeguarding

In recent years, the issue of Safeguarding has come to the fore of every church's mission and ministry. Every PCC member now has to undergo Training in Safeguarding (CO), and there are increasing levels of safeguarding training that must be undertaken, not just by the Rector, but by anyone and everyone who plays any part in the church's life involved with children and

vulnerable adults. Plans to do training for all volunteers is delayed until we can meet in groups again.

Finn Lawson is St. Peter's Parish Safeguarding Officer (PSO). Finn has taken on the role of safer recruitment and also oversees our Disclosure and Barring (DBS) clearances. Finn reminds the PCC of their responsibilities to make our church and its activities a safe environment for children and vulnerable adults. The Parochial Church Council has to the best of its belief complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults). We have agreed the Diocesan Safeguarding Policy. Full details of this can be found at <https://www.rochester.anglican.org/safeguarding/for-parishes/>

All safeguarding protocols has been updated in the light of Covid and there are no safeguarding incidents to report.

Worship and Prayer

Until March 2020 the PCC were able to offer a range of services during the week that our community find both beneficial and spiritually fulfilling. When the first lock-down prevented congregating in Church, our Rector was able to provide on-line services and these continued throughout the year, streaming via Zoom from Church when allowed, or from the Rectory. On a Sunday morning our main service is a celebration of Holy Communion, and every Sunday evening we have a service (usually evensong) which provides a quiet, reflective environment for worship. There is also a quiet spoken service of communion on a Wednesday morning. On the 1st Sunday of the month we had been holding a Breakfast@Church (B@C) service at 9.00am, which in January 2020 had just moved back to the Church Centre after the extension was completed. These monthly services had proved increasingly successful in drawing parents with their children, as well as many older church members. Since lockdown in March, B@C has been an all-age service with the focus on keeping things open to all. We have explored new ways to engage with the wide range of ages that attend this service and so have used lots of new interactive media. We continue to use Mentimeter for quizzes, video and will explore other various interactive options this year. The craft continues to feature and is always enjoyed by all ages. We are looking forward to being able to share breakfast again soon in the newly extended Church Centre when the pandemic precautions allow.

There are currently 103 names on the electoral roll, of which 33 were not resident in the parish. Six new members have been added this year, and 2 members have moved to non-resident status.

In the Statistics for Mission Return for 2020, due to the COVID-19 pandemic, the church buildings were closed for a large part of 2020 and this is reflected in the numbers attending services. We were not able to hold special services during Advent as in previous years, and the number of Christmas communicants was 3 because we were only able to hold online services.

We were able to hold some services in the open-air, where more people were permitted to congregate. During October, the average number of adults attending church was 41 per week (including one Sunday which was our annual In Loving Memory service) and the average number of children was 2.

The average attendance at on-line Sunday morning service throughout the year was approximately 40 adults and 4 children under 16.

As well as continuing our regular services sometimes in Church and sometimes also on-line, we also enabled our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the gift of life, in marriage public vows are exchanged with God's blessing and through funeral services friends and family express their grief and give thanks for the life which is now complete in this world and to commend the person into God's keeping. In October we held a socially distanced "In Loving Memory" service in Church for those who have been bereaved during the last year. Numbers were clearly affected by the pandemic – during 2020 we celebrated 2 baptisms and 1 wedding. The number of funerals (including interment of ashes) held at or on behalf of the church was 9.

We are very blessed to be served in worship by those who have authorised ministries (John Webster, Michelle Lawson, Sue Nicholson, Revd Chris Johnson (retired with PTO), Bryan Harris (PTO Reader)) together with all those who help read the Bible readings and lead intercessions and act as Sacristan and sidespeople. The latter carry out a very important role in the ministry of Welcome to those who come to church, whether regularly or as visitors. During the year we were sad to say goodbye to Sue and Steve Nicholson who having contributed so much to the life of the Church for so many decades decided to move from St Peter's Church.

While congregational singing has not been possible since March due to the pandemic, we have become proficient at singing along in our individual homes as we worship during Zoom services and at our Carol Service which was also held on Zoom. The highlight was our Harvest Service when four of our small loyal and enthusiastic choir members were able to raise the roof in church singing harvest hymns. We look forward to being able to sing again in 2021.

St Peter's Church has 6 bells which are kept in a good state of repair. The Bells were inspected by Kent Bell Restoration Officer. All bell clappers need to be sent away for re-bushing (resurfacing). This was scheduled for Jan 2021 but was delayed due to lock-down. Judith Robinson became a member of the Kent Country Association of Change ringers and then Deputy Tower Captain for St Peters. Two new learners, Rita Hall and Maggie Leighton, were making good progress in early 2020, until tuition stopped in March due to Covid19 Covid-secure ringing has occurred a few times, lock-downs permitting. Only 3 bells can be rung maintaining social distancing, maximum duration 15minutes.

Prayer is the lifeblood of church life so, in many ways, 2020 was a strange year as our services, and free access to St Peter's, were disrupted by the need to take precautions because of the pandemic. Although the church was not able to be entered between March and the end of May, from June we were able to open the church for private prayer on Wednesdays, Saturdays and Sundays, although we have had to rope off pews in order to help

maintain social distancing and keep the church Covid safe. St Catherine's Chapel is always particularly well suited for quiet prayer. When the church had to be closed, our lovely churchyard was still available for prayer. It was a timely reminder that our Lord is not limited to physical buildings; his Holy Spirit can be with us wherever we are!

The measures we took to keep the church Covid safe did not receive universal approval, but most people acknowledged that we were doing our best to keep people safe during a very difficult time.

We were not able to use St Peter's for Thy Kingdom Come in May; we missed the prayer stations set up in church last year. However, we were still able to celebrate at home and shared some brilliant videos produced by our church family members, inspired by Andrea. Indeed, it has felt that throughout this difficult year, our Father's Holy Spirit has been able to enter our homes more frequently, giving comfort in the difficult times we have faced. Whether we prefer to pray together, or individually, as always, our Father has been there for us and He will continue to support us in the challenges we face in the future.

Deanery Synod 2020

Two members of the PCC sit on the Deanery Synod. This provides the PCC with an important link between the parish and the wider structures of the church. Shoreham Deanery Synod met only twice in 2020 because of pandemic restrictions. It met, in person, in February at St Mary's Platt when Graham Wilkinson, the Growth Enabler for the Archdeaconry of Tonbridge gave a talk and led discussion. In June the Synod met on Zoom when Jenny Ross, the Diocesan Communications Officer, spoke about the Digital Church and led discussion on where we go with it.

The Fabric of the Church

Since March 2020 the Church has been restricted to opening only three days a week, Sunday, Wednesday and Saturday from about 10.00am until 4.00pm for visits and for private prayer. The Churchwardens are responsible, in conjunction with the Rector and PCC, for identifying, prioritising, commissioning & carrying out any repairs, replacements, & improvements required. During the year only minor maintenance work on the Church, Church Centre Annexe & Churchyard was carried out as recommended by the Quinquennial survey report.

The Churchyard Project

Further progress on this project was delayed by the pandemic restrictions.

Pastoral Care

Pastoral care is given to members of the church and to those in the community as the need arises. There has been a small Pastoral Working Group, which keeps an eye on people in the church and the community. This has been particularly important due to isolation imposed on communities by pandemic restrictions and the challenges of reaching out to people during such restrictions.

Mission and Evangelism

The PCC formed a Mission and Communications Group (MCG). Its purpose is to look at our outreach as a church, how we are communicating as a church in the light of the digital age, and how we are fulfilling our Mission Statement to Gather in Community, Grow in Christ and Go in Service.

Our parish magazine is distributed 10 months of the year to approximately 400 houses who have subscribed and is also available in church. For 2 of those months it is delivered to every household in the parish. The magazine keeps our parishioners informed of the important matters affecting our Church and the village. It contains articles that help develop our knowledge and trust in God, as well as a place where local businesses and organisations can advertise and promote their activities and products. Recent additions for regular content now come from the Neighbourhood Watch group, from Borough Green surgery, and from community sports groups. We are very grateful to Penny Cracknell for editing and producing the magazine, even though she moved away from the parish during the year. She was enormously assisted by Hannah Badley who 'retired' as the Magazine designer in September 2020. We owe her enormous thanks for producing our handsome monthly editions. We are delighted to welcome Bryan Harris as our new Magazine designer, who has been instrumental in a slight re-design. Helena Jenkins is now in charge of advertising. She is doing a fantastic job at encouraging and supporting our many small business (SME) advertisers who appreciate guidance on layout and content. The continued loyalty of our fabulous team of distributors; deliverers; printers and news gatherers has helped ensure that the Magazine is well regarded as a valued community publication by St Peter's for the parish. The pandemic arrived at the end of the magazine year end (March) and, when movement and deliveries were impossible, we were delighted to be able to produce an excellent digital copy which contained valuable contact information and guidance on community resources.

St Peter's has continued its efforts to develop its mission to the parish, community and the world despite the pandemic.

As a church we have continued to reach out to the community in a number of ways: through the Coffee Shop, Parents and Toddlers, Christian Aid Week, the Friends of Kent Church 'Ride and Stride', supporting the Food Bank (with gifts of food going through the Church of the Good Shepherd, Borough Green), the Men's Breakfast, small groups that meet for prayer and study (such as the Connect home group), the Oasis women's group and through the ongoing support given to outside agencies by the PCC.

Hospitality

Hospitality is at the heart of our welcome to people in the community to help us gather together. The weekly coffee shop provides a warm welcome, friendship, coffee, tea, cakes and savouries and enables many from the community meet together. The hospitality group, which plays a significant part in church life by giving essential and positive support by providing refreshments to the many events which we have held throughout the year to which the community are warmly welcomed, has had a quiet year due to Covid. They have been

unable to arrange any social functions nor offer the hospitality which usually follows some of our occasional services (e.g. Carol Service) and occasions (e.g. Lunch after APCM). A great shame as we were looking forward to making use of the lovely new kitchen in the Church Centre. The team were also sad to lose Penny Cracknell now that she has moved to Bath.

Connect Group / Home Group

Our Connect Group, or Home Group, used to meet twice a month on Wednesdays. Partway through 2020, by popular demand, we increased this to weekly, apart from the first Wednesday (Prayer and Praise) or when another course takes place e.g. our Lent course. We meet to increase our understanding of God's Word through Bible Study, discussion or considering other people's experiences as a Christian. Covid created challenges for this group, as in other areas. However, we were able to move to Zoom based meetings and found that we still had good discussions, though perhaps you needed to keep your eyes open to see who was speaking!

In 2020, we completed the 'Fruitfulness on the Frontline' course from LICC showing how simple actions can give an example of a Christian way of living. Then a one-off looking at slavery, past and present, taking us up to our church Lent course. In April we began a 15-session course with Tom Wright, looking at Philippians. Following this, one session looking at Elijah before a series based on the TV series, Broken, starring Sean Bean as a Catholic priest. Quite a mixture of material, mostly accompanied by DVD extracts, and it worked well. Usually between 6 and a dozen people came along; newcomers are always welcome, and we try to cater for any level of experience with this type of group.

Oasis 2020

Like all of us Oasis started the year in happy anticipation of the ways in which we would meet in members' homes to worship the Lord and learn more about our Faith. We were continuing with our book '100 Stand alone Bible Studies'. But obviously by mid March we were no longer able to do so. But on March 6 we were able to host the World Day of Prayer at St Peter's with our local Churches. This was arranged by the Women of Zimbabwe, and led here by Sue Nicholson. We thank her for this and for all she has done for Oasis over so many years. We were very sorry that the twice yearly talk run by Focus on Faith at Ryarsh was not able to take place, we were all looking forward to hearing Jean Kerr.

Since then we have kept in touch by weekly Thursday emails between members, with many thoughtful and uplifting contributions, which we have all treasured. We have not taken to Zoom as not all our members use it, and no one should feel left out. We almost got to a meeting in the Church Centre, but then there was sadly another Covid surge. But we wait with trust in God for when we can meet again.

Parents & Toddlers

Our brilliant team of helpers are such a blessing with their weekly offering of home baking, and the friendly support and concern which they provide to the group. As a village facility, the group continues to be an important form of community outreach for St Peter's. The

group fluctuates in numbers but generally we maintain a constant of around 8 regular mums and carers. Sadly the Covid restrictions temporarily closed the group in late 2020. During the summer months, however, the Group enjoyed a very successful series of Zoom craft and story sessions. When the Group re-starts it will be led by Kirsty Mitchem. Many thanks to Kirsty for volunteering for this role. The one constant is the messages received from anyone who has left the group, which always give a heartfelt thanks and appreciation for the value of the group in providing a regular venue for meeting other mums and carers, and for the warmth of the welcome.

Coffee Shop

January 2020 saw the return of Coffee Shop to the Church Centre with increased space and the delights of the new kitchen, including the dishwasher! We enjoyed this for 10 weeks welcoming a lot of customers both old and new. Then lockdown came. After a few weeks we started Coffee Shop on Zoom. Many regular customers requested the login to this and more have joined over the months. Meetings take place every week from 10.45 am to about noon. People were able to arrive and leave as they pleased. Unfortunately, the one thing that we were unable to provide was coffee and cake! It was good to be able to chat with friends each week and the use of breakout rooms recreated the more intimate atmosphere of Coffee Shop.

Aware of the regular customers who were unable to join us on Zoom. We kept in touch with them by phone calls and socially distanced conversations. In July, whilst continuing with a weekly Zoom Coffee Shop we started 'Time for a Chat' on the lovely patio outside the Church Centre, meeting on a Thursday afternoon whenever the weather permitted and observing all rules on meeting together. To begin with people had to provide their own drinks but we graduated to serving tea and coffee. We had planned a Macmillan Coffee Afternoon but again the weather prevented this. However, people were very generous and we managed to send £208.15 to Macmillan.

In October, Coffee Shop met in the Church Centre twice alternating with Coffee Shop on Zoom so as to include those who could not join us in person. Then lockdown arrived again, and we reverted to Zoom for the rest of the year. Normally we do not meet the week after Christmas but, given the circumstances this year, we did and were joined by quite a lot of friends. We pray that it will not be too long before we can enjoy being together again in the Church Centre and sitting on its patio.

Mission & Communications

The year started well with a Quiz Supper held in the extended church centre, but Covid-19 curtailed many of the plans the team had made for the rest of the year. With the introduction of lockdown, digital communications were prioritised and a digital news sheet was developed as an amalgamation of the monthly newsletter and weekly pew sheet. New volunteers assisted with the social media (particular thanks to Andrea Higgs and Penny Cracknell) to maintain contact and encourage participation even when apart. Towards the end of the year, work started again on the new church website with help from Ian Gordon. Moving forward, it has been decided to divide the responsibilities of this team, with the mission aspect being

encompassed within our Called to Grow work, a joint events team being developed with Friends of St Peters and a new team established to take a more holistic approach to communications in 2021.

Men's Breakfast

A group of gentlemen meet on the second Saturday of the month, a mixture of people from church and our Ightham community. Normally a huge incentive for getting up by 8:30 is the excellent cooked breakfast provided by Debbie and team at the George and Dragon, accompanied by good conversation. In February, we were pleased to again welcome ladies as well, boosting our attendance to 27.

However, when we were first locked-down in March, we were faced with being unable to go to the G&D and the loss of our treasured cooked breakfast! What next! Could Men's breakfast continue? And if so – how could it work? In the event, we discovered that the good conversation was still a strong incentive to gather. Thanks to Zoom, we could and have shared a virtual breakfast with the same 8:30 start, when we could not go to G&D. Admittedly it was 'bring your own', but the commute time was significantly lower! We were able to return to the G&D in September and October, which revealed our true preference. Nonetheless we successfully held 7 virtual Men's Breakfasts in 2020, maintaining our monthly tradition.

We really hope to be able to return to George and Dragon later in 2021 and are very grateful to Debbie and the team for letting us hold our breakfast there. It is a great occasion – we do recommend others to join us.

Christian Aid 2020

Unfortunately the usual house-to-house collection could not take place this year. A number of volunteers had kindly offered to take part in the collection before it became apparent that it would not be possible. Christian Aid provided some helpful literature and prayers during Christian Aid Week (which we shared online) and St. Peter's held a well-attended Zoom quiz night with a link for donations. Despite the challenges, Christian Aid Week still raised £4m nationally in 2020.

Mission Away Giving

It is the PCC's policy to give away a percentage of its income as part of its gratitude for God's generosity to us. It also fulfils our mission to 'go in service' to help others serve God in the world. We have recently reviewed those to whom we have given, and agreed to target our giving to a limited number of organisations that we support.

Relationships with Other Churches and Parishes

St Peter's Church is the only place of worship within the parish. We are part of a cluster of 4 Anglican parishes locally which is known as the Pilgrim Parishes, and which comprises St Peter's Ightham, St George's Wrotham, Church of the Good Shepherd Borough Green and St

Mary's Platt. The pandemic has limited to on-line most of our meetings together every 5th Sunday morning for worship, moving round to different churches for worship. There are other events and acts of worship where we usually get together, including lunch approximately every 6 weeks for the authorised ministry teams of each church for fellowship and discussion that have been limited by the pandemic. We are part of Churches Together in Sevenoaks and District.

Link with Holy Trinity, Twydall

Circumstances meant that we were unable to meet in person with our friends from Holy Trinity in 2020 year, However, we have kept in touch by telephone and prayed regularly for each other. We were delighted when the appointment of a new Vicar, Revd. Mike Nelson was announced. The Rector and Revd. Chris Johnson represented St Peter's at his socially distanced licensing at the end of October and members of our congregation watched the service on Zoom. Several members of the congregation have had conversations with Mike talking about the future of our link and both congregations looking forward to being able to meet in person again.

Volunteers

We have been blessed by all the volunteers who work so hard to make our church the lively and vibrant community it is. In particular we want to mention our churchwardens Cedric Read (until October 2020) and Naomi Webster (from April 2019), our Treasurer, Max Robinson, our PCC Secretary and Administrator, Babs Smith, and everyone who has served the church and the people of the parish.

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules 2017. The PCC membership consists of the incumbent, churchwardens, such of the readers and LLMs as determined by the APCM each year, elected Deanery Synod representatives, and elected PCC members. The formula for election of PCC members states that churches with an Electoral Roll of over 100 (as St Peter's does, after the new Electoral Roll produced in 2020) there should 9 elected members who are elected by those on the electoral roll.

Each person is elected for 3 years on a rolling basis. Four have been elected as the ER is over 100. All those on the electoral roll are eligible to be elected to the PCC. Given its wide responsibilities the PCC has a number of committees each dealing with a particular aspect of parish life. These committees, which include mission and communications, mission away giving and a green working group are responsible to the PCC and report back to it regularly with minutes of their decisions being received by the full PCC and discussed as necessary.

The full PCC met for 10 business meetings during the year with an average attendance of 95% (2019: 83%). 8 of the meetings have been via Zoom. The 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. Particular items discussed by the PCC during the year were mission matters, the fabric of the church and churchyard and

church security, the upgrading of the AV system, approving the Safeguarding policies, and agreeing the various church events held during the year, as well as the many other matters reflected throughout this report.

Barbara Smith is our non-elected Honorary PCC Secretary.

The Standing Committee of the PCC communicated by email as necessary during the year and reported back to the PCC. The Standing Committee can authorise expenditure up to a regularly-reviewed limit and in case of emergency acts for the PCC. The PCC appointed to the Standing Committee until the APCM in October 2020: Tim Hatwell, Cedric Read, Naomi Webster, Max Robinson, Penny Cracknell, Helen Gordon. At the PCC following the autumn APCM, the following were appointed to the Standing Committee: Tim Hatwell, Ian Gordon, Naomi Webster, Max Robinson and Michelle Lawson.

Finance and Stewardship

The PCC has noted the challenges that face our finances, especially with the ageing congregation and the fact that the church costs about £2000 a week to run. However, there are signs of growth in church attendance and affiliation, and we plan to launch a stewardship programme, which will focus not just on the giving of finances, but also the giving of our time and our abilities. We are also greatly encouraged by the forming of a 'Friends of St Peter's' group, whose financial focus will be on supporting the fabric of the building.

Financial Review and Treasurer's Report

Last year our accounts were dominated by the building of the Church Centre extension and major repair work; this year the story is about the impact of Covid.

The good news is that our planned giving income has held up extremely well thanks to our faithful donors, most of whom make regular contributions through standing orders. Because there were either no services in church or very small congregations, cash donations have fallen, although some donors who make cash gifts have topped up their giving directly into our bank account.

At the same time, some of our costs have fallen because the church was not in use, but there were some additional expenses due to costs for Covid precautions and in moving our services on-line.

The General Fund produced a surplus of £5,719 (2019: £10,598) before transfers to other funds, principally the Mission Giving Fund where 10% of our income amounting to £8,100 (2019: 12.5% and £10,800) is allocated to be gifted to other Christian charities. After transfers, the General Fund has a deficit of £1,978 (2019: deficit of £6,676 which included £6,474 contributed towards the Church Centre extension).

Some specific figures in the General Fund merit highlighting:

- Planned giving income at £67,512 was virtually the same as the £67,866 in 2019.

- Cash giving and other donations fell by £4,257 from 2019 for the reasons noted above.
- Fees from weddings and funerals fell from £6,207 in 2019 to £1,762 this year due to lower activity and Diocesan fees of £1,928 in 2019 which from 2020 were payable to the Diocese as part of a change in the basis of calculating the Parish Offer. Diocesan fees are therefore not included in our accounts from this year.
- The impact of Covid on costs due to setting up and maintaining on-line services are shown as 'Remote Attendance Costs' which were £883. Additionally, there were direct Covid costs of £802 most of which were for PPE and sanitizing products.
- Expenditure on Church Activities was £4,055 lower than last year after accounting for the increase in remote attendance costs. Nearly £2,000 of this was because we had no organist for much of the year.

Movements in designated and restricted funds worth noting are:

- The proportion of our income allocated to Mission Giving was reduced from 12.5% last year to 10.0% this year to reflect the lower surplus in the General Fund. Even at this level, we have had to use nearly £2,000 of General Fund reserves to cover the £8,100 to be given away.
- We started to depreciate the Church Centre over 50 years, which means that from 2020 the amount of the fund representing the cost of the building is reduced by £5,429 annually. This depreciation has no effect on our cash reserves or the General Fund. We are making no provision for the Church Centre replacement or for major repairs through putting money aside through a sinking fund, the rationale being that we would either use the existing church repair funds or hold another appeal to raise the necessary funds.
- The church was given a gift of £10,000 for the Rector to use at his discretion to support charities and individuals impacted by Covid. This donation has been shown as restricted income under Away Giving and during the year gifts totalling £2,750 were made from it; the balance is being carried forward into 2021.
- Two donors made gifts totalling £1,419 for the making of two artefacts for the Church and Church Centre, and these are described in the notes to the accounts, where a separate Restricted Fund has been set up.
- The final bill from the builders for the Church Centre Extension has not yet been received, so the large creditor of £26,432 outstanding in 2019 has been carried forward this year.

Reserves and looking ahead:

At the end of the year our liquid reserves, which exclude restricted funds and the Church Centre building, stood at £111,861 (2019: £117,248). While these may seem plentiful, Covid has shown that an organisation's finances can change dramatically in short order. We have been fortunate that the majority of our funding is by standing orders from donors most of whose income has been largely unaffected by the pandemic; churches that receive the majority of their funding through cash collections have been badly impacted. Church of England/Charity Commission guidelines on levels of reserves, where they effectively encouraged churches to keep reserves to a minimum, now look dangerously optimistic.

Looking forward, there is a mixed prognosis for our liquid reserves assuming that we maintain a reasonable level of Mission Giving:

- The impact of Covid in terms of lower costs offset by lower cash collections and other income is likely to be broadly neutral as the pandemic eases and both costs and income start to increase back to their previous levels
- Changes in the circumstances of some of our donors means that our income is expected to drop by at least 10% in the next year or two. It seems unlikely that new donors and/or an increase in existing donations will fully replace the lost income.
- No transfers were made this year or last to the Church Repair Fund as there are deemed to be sufficient reserves in this fund to pay for major repairs over the next 4-5 years. Historically, major repairs have averaged about £5,000 per year and so when this 'holiday' on transfers ends, losses in the General Fund will be commensurately larger.
- On the plus side, if a joint benefice is established with Wrotham, we would expect our Parish offer to reduce, and this should help offset our losses over the longer term.

Finally, I would like to thank:

- The team which produces and manages the Parish Magazine, especially Penny Cracknell who has masterminded it and Helena Jenkins who runs the advertising, and Babs Smith for stepping in and temporarily taking over from Penny
- The Coffee Shop team under Jenny Webster, who have kept going through the pandemic with virtual coffee mornings
- Philip Wood who examines our accounts and keeps me in order
- My wife Judith who does all the financial administration and book-keeping, and also keeps me in order

The Future

Since early in 2020 the whole world has been suffering from a Coronavirus pandemic. Since mid-March 2020 the Church of England, following Government guidance, closed all churches for all people including the clergy. This severely disrupted our normal activities but we rose to the challenge and found new ways to achieve our mission. The pandemic is likely to be a

feature of our lives for some years to come but we have managed its greatest challenges and can now plan a future knowing what can be achieved.

As a church, we have responded to the Coronavirus challenge with new and different ways to fulfil our calling to minister to the parish and beyond. We have developed worship through the use of Zoom and other online facilities and plan to build on that experience. The numbers of those logging in and 'attending' weekly on-line services have shown a significant increase over the numbers for physical attendance at church, especially on Sundays. Pastoral care has been through contact via email, social media and the telephone. We are looking at how we can develop mission whilst so many church members are locked down. Our finances are reasonably robust, although our income has dropped a bit, which reflects the fact that a good percentage of our income is given by Standing Order, and we are not as dependent on the collection plate as many churches.

We are very grateful to those who have been able to offer technical assistance, and we are hoping that others will be able to do similar, whilst at the same time not forgetting those who for whatever reason are not able to access the internet. The challenge of Coronavirus means that it will be a very long time before we will get back to something like normal, or, more accurately, create a new normal, so we are actively looking at how we can develop the ministry and mission of St Peter's in different ways in the future in line with our mission statement to Gather in Community, Grow in Christ and Go in Service.

During the year, the Standing Committee and the PCC have been exploring the possibility of forming a United Benefice with St George's, Wrotham. This is for a number of reasons. Both incumbents are due to retire in the next 2 – 3 years, and it is highly unlikely that either will be replaced as single parishes. Both Ightham and Wrotham have a uniquely rural character which is unlikely to change in the years ahead, unlike Borough Green and Platt which is likely to be the site for a residential development, Borough Green Garden Village. It has been felt that both parishes (Ightham and Wrotham) will work together well, and, with a combined number of just over 4000 residents, will work together as a United Benefice. In 2021, it is probable that there will be a formal consultation on joining the parishes under one incumbent.

Administrative information

St. Peter's Church is situated in Fen Pond Road, Ightham TN15 9JD. It is part of the Diocese of Rochester within the Church of England. The Parish is within the Deanery of Shoreham in the Archdeaconry of Tonbridge. The Rectory, Bates Hill, Ightham, Sevenoaks TN15 9BG. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006) and is registered with the Charity Commissioners as The Parochial Church Council of the Ecclesiastical Parish of St Peter, Ightham, registered charity number 1136162.

Our Patron is Mrs Laura Ford. Reverend Timothy Hatwell was instituted as Rector of St Peter's on 9th June 2015 by Brian, Bishop of Tonbridge.

PCC members who have served during 2020 are:

Rector: The Rev. Tim Hatwell (ex officio)

Wardens: Mr Cedric Read (ex-officio)(Vice-Chair) (until October 2020)
 Ms Naomi Webster (ex-officio) (Vice Chair from October 2020)
 Mr Ian Gordon (ex-officio) (from October 2020)

Readers: Mr John Webster (LLM as from 20/5/17) (appointed at APCM)

Deanery Synod Representatives:
 Mrs Carol Kennedy (ex officio) (until 2023)
 Mrs Michelle Lawson (ex officio) (until 2023)

Elected Members (members are elected for a three-year term of office):
 Helen Gordon (until 2021)
 Danella Scott (until 2021)
 Judith Robinson (until 2021)
 Chris Woods (until 2021)
 Rodney Chartres (until 2022)
 Penny Cracknell (until 2022 – resigned in 2020)
 Andrea Higgs (until 2022 – resigned in 2020)
 Cedric Read (until 2022)
 Jenny Webster (until 2022)
 David Colbear (until 2023)
 Maria Smith (until 2023)
 Max Robinson (Hon Treasurer) (until 2023)
 Finn Lawson (until 2023)

Hon. PCC Secretary	Mrs Barbara Smith
Hon. Treasurer	Mr Max Robinson
Gift Aid Secretary	Mr Max Robinson
Independent Examiner	Mr Philip Wood
Principal Bankers	NatWest Bank

Approved by the PCC on 4th May 2021

St Peter's Church Ightham

Financial Accounts for the year to
31st December 2020

Independent Examiner's report to the Trustees of St Peter's Church Ightham

I report to the Trustees on my examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Peter, Ightham, Registered Charity 1136162, ("the Trust") for the year ended 31 December 2020, set out on pages 19 to 30.

Responsibilities and basis of report

As Parochial Church Council members, and therefore the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which give me cause to believe that, in any material respect:

1. accounting records were not kept in accordance with section 130 of the Act; or
2. the accounts did not accord with those records; or
3. the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: _____

Philip Wood MA (Oxon), FCA, MCT
4 Middlings Wood
Kippington Road
Sevenoaks
Kent TN13 2LF

Dated 4th May 2021

The Parochial Church Council of St Peter's Church, Hgtham

STATEMENT OF FINANCIAL ACTIVITIES (SOFA) FOR THE YEAR ENDED 31st DECEMBER 2020

		Unrestricted General Fund		Unrestricted Designated Funds*		Restricted Funds*		TOTAL FUNDS	
	Notes	£	£	£	£	£	£	£	£
INCOME FROM:									
Donations:									
Planned Giving (including envelopes)		67,512	67,866					67,512	67,866
General Collections at All Services		1,146	3,461					1,146	3,461
Other Donations		241	2,183			1,135		1,376	2,183
Away Giving	2b					10,000	1,816	10,000	1,816
Funds Raised for Church Centre Extension						1,318	91,730	1,318	91,730
Gift Aid Claimed		12,084	13,083			497	9,560	12,581	22,643
Subtotal Donations		80,983	86,593	0	0	12,950	103,106	93,933	189,699
Income from Church Activities									
Coffee Shop and Other Fundraising		709	1,467			387	1,868	1,096	3,335
Fees from Weddings and Funerals	4	1,762	6,207					1,762	6,207
Parish Magazine	3	7,049	7,715					7,049	7,715
Other Income		445	1,001					445	1,001
Grants (Listed Places of Worship Scheme)					6,686			0	6,686
Income from Investments		363	738		169	4,300	4,467	4,663	5,374
Total Income		91,311	103,721	0	6,855	17,637	109,441	108,948	220,017
EXPENDITURE ON:									
Church Activities									
Mission and Away Giving	2a/b	80	20	10,800	11,150	3,037	3,234	13,917	14,404
Ministry Costs Inc Parish Offer	4	66,881	70,091					66,881	70,091
Church Property Costs	5	11,033	10,126	708	33,214			11,741	43,340
Church Activities	6	2,939	6,994			449		3,388	6,994
Parish Magazine	3	1,908	2,717					1,908	2,717
Office Expenses	7	2,668	2,380					2,668	2,380
Depreciation of Church Centre	13			5,429				5,429	
Church Centre Extension (project costs expensed)	12				9,293	1,228		1,228	9,293
Subtotal Church Activities		85,509	92,328	16,937	53,657	4,714	3,234	107,160	149,219
Fundraising Costs	1	83	795					83	795
Total Expenditure		85,592	93,123	16,937	53,657	4,714	3,234	107,243	150,014
Net Income/(expenditure) pre transfers		5,719	10,598	(16,937)	(46,802)	12,923	106,207	1,705	70,003
Transfers between Funds									
Transfers to Church Repair Fund					20,000		(20,000)	0	0
Transfer to/from Mission Giving Fund	2	(8,100)	(10,800)	8,100	10,800			0	0
Reserves used for Church Centre Extension	12	403	(6,474)		(59,309)	(403)	65,783	0	0
Transfer of capitalised value of Church Centre Extension	12				181,469		(181,469)	0	0
Net Income/(expenditure) post transfers		(1,978)	(6,676)	(8,837)	106,158	12,520	(29,479)	1,705	70,003
Gains/(losses) on Investment Assets	10					9,964	23,264	9,964	23,264
Net movement in funds		(1,978)	(6,676)	(8,837)	106,158	22,484	(6,215)	11,669	93,267
Balances b/fwd 1st January 2020		78,344	85,020	310,373	204,215	157,547	163,762	546,264	452,997
Balance b/fwd 31st December 2020		76,366	78,344	301,536	310,373	180,031	157,547	557,933	546,264

Free Reserves, which comprise total unrestricted funds excluding the Church Centre Property Fund, total £111,861 (2019: £117,248)

* See note 5 for a detailed breakdown by individual fund

The Parochial Church Council of St Peter's Church Ightham

BALANCE SHEET AT 31st DECEMBER 2020

ASSETS AND LIABILITIES:	Notes	2020 £	Total 2020 £	2019 £	Total 2019 £
Fixed Assets					
Tangible assets (including property)	13	266,040		271,469	
Investments (Fabric Trust Fund)	10	160,258	<u>426,298</u>	<u>145,994</u>	417,463
<i>Total Fixed Assets</i>					
Current Assets					
Debtors	8	12,581		23,589	
Short term deposits	9	68,452		114,646	
Cash at bank		<u>77,911</u>		<u>21,495</u>	
<i>Total current assets</i>		158,944		159,730	
Less: Liabilities					
Creditors: amounts falling due within 1 year	11	<u>(27,309)</u>		<u>(30,929)</u>	
<i>Net current assets</i>			131,635		128,801
Total net assets			<u>557,933</u>		<u>546,264</u>
REPRESENTED BY:					
		2020 £	Total 2020 £	2019 £	Total 2019 £
PARISH FUNDS	3				
Unrestricted - General Fund	14 a)		76,366		78,344
Unrestricted - Designated Funds					
Mission Giving Fund	14 b)	8,100		10,800	
Church Repair Fund	14 c)	27,396		28,104	
Church Centre Property Fund	14 d)	<u>266,040</u>		<u>271,469</u>	
			301,536		310,373
Restricted Funds					
Away Giving	14 e)	7,250		0	
Church Centre Extension	14 f)	0		0	
Restricted gifts	14 g)	970		0	
Church Music Fund	14 h)	11,553		11,553	
Fabric Trust Fund	14 i)	<u>160,258</u>		<u>145,994</u>	
			180,031		157,547
Total Funds			<u>557,933</u>		<u>546,264</u>

Approved by the Parochial Church Council on 4th May 2021 and signed on its behalf by the Chairman

Rev T Hatwell - Chairman

ID Gordon - Churchwarden

M M Robinson - Treasurer

N Webster - Churchwarden

The Parochial Church Council of St Peter's Church Ightham
Notes to the Accounts for the Year Ended 31st December 2020

Note 1 - Accounting Policies

Basis of accounting

The accounts have been prepared in accordance with the Charities Act 2011, the Church Accounting Regulations 2006, and the Charities Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with FRS102 which was updated in October 2019.

The accounts have been prepared under the historical cost convention except for investments which are shown at market value.

The accounts include all transactions, assets and liabilities for which the PCC is responsible at law or which it is assessed to control. 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 PCC considers that there are no material uncertainties about St Peter's Church Ightham's ability to continue as a going concern.

Fund Accounting

Unrestricted Funds comprise assets that are not restricted in their use and are available for the general purposes of the PCC.

Designated Funds comprise assets set aside by the PCC out of unrestricted funds for specific future purposes or projects and include the Church Centre Property Fund.

Restricted Funds are those whose objectives are restricted as to purpose and which have to be accounted for separately. These include the Fabric Trust Fund, a trust whose purpose is maintaining the fabric of the church over the long term. The Trust has two Trustees appointed by the Chairman of the PCC and is therefore considered to be under PCC control. It also has separately designated cash and investments accounts held with the Diocese as Managing Custodian.

Free Reserves provide an indication of the resources available to provide a financial buffer against unexpected falls in income and/or increases in expenditure and are defined to comprise the total unrestricted funds (i.e. including designated funds) but after excluding the Church Centre Property Fund.

Fixed Assets

Consecrated and beneficed property is excluded from the accounts by Section 10(2)(a) and (c) of the Charities Act 2011.

The Church Centre has from 2019 been included within fixed assets as an asset represented by a separate designated fund, although it is built on beneficed land.

The Church Centre has been included at cost less depreciation. The cost of the original Church Centre was £30,000, the 2009 extension cost £60,000 and the 2019 extension and refurbishment cost £181,469. The useful life of the building is estimated to be 50 years, and it is being depreciated over that period from 2020 when it came into use after the works in 2019.

No value is placed on moveable church furnishings held by the Churchwardens in special trust for the PCC which require faculty for disposal, since the PCC considers these to be inalienable property and any such expenditure is written off in the year in which it was incurred.

Office equipment is capitalised and depreciated at a rate of 25% per annum on a straight-line basis.

Expenditure on items costing under £1,000 is written off in the year incurred.

Investments held for the long term are included under Fixed Assets.

Income

Income is recognised when the PCC becomes legally entitled to the use of the resources; an inflow of economic benefit is probable; and the monetary value can be measured with sufficient reliability.

Incoming resources are accounted for gross without deducting any associated costs, which are shown separately in expenditure. **Wedding and funeral fees collected on behalf of the Diocese from 2020 are not included in income. (The PCC was allowed to retain these as income in prior periods).**

Donations are recognised only when received. Gift Aid receivable is included when there is a valid declaration from the donor and is recognised at the same time as the underlying donation. Any Gift Aid associated with a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor has specified otherwise.

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Income and gains/losses on assets within a fund that is not an endowment fund are credited to the respective fund.

Expenditure

Expenditure is accounted for on an accruals basis.

Mission and charitable giving is accounted for as expenditure when paid or when a legally binding commitment has been made. The PCC allocates a proportion of voluntary income each year to be used for mission giving in the following year. This allocation is shown as a transfer from the General Fund to the Mission Giving Fund.

Away Giving is defined as the disbursement to specified charities based on income received from i) specific fundraising events or gifts where the donor has specified that the gift should be used for donations to other charities ii) the Coffee Shop's monthly nominated charity and iii) collections at certain services where giving to the specified charity is clearly separated from giving to St Peters. Amounts which are payable directly to third parties are not included within away giving.

Fundraising expenses include the cost of food at fundraising events.

St Peter's Church Gatham Notes to the Accounts for the year ended 31st December 2020

Note 2a Mission and Away Giving

Note 2a Mission Giving (from unrestricted/designated funds)

Mission giving from unrestricted/designated funds comprises gifts distributed by the PCC on the recommendation of the Mission Giving Committee from the Mission Giving Fund, plus sundry donations from the General Fund. At the end of each financial year the PCC agree a percentage allocation of that year's General Fund donations for transfer to the Mission Giving Fund from the General Fund, which is distributed the following year.

Charities in bold and marked with * are designated Partner Charities

	2020	2019
Giving from the Mission Giving Fund:	£	£
Bible Reading Fellowship	0	500
Bible Society	500	500
Bridge Trust	500	0
Crosslight (formerly West Kent Debt Advice)	800	500
OMF International (for Griffins)*	2,000	2,000
Open Doors*	750	1,750
Princess Project*	2,000	2,000
Starfish Malawi*	1,000	1,000
Trinity School	500	0
Tunbridge Wells Street Pastors*	500	500
Twydal Holy Trinity*	2,250	2,400
Mission Giving Subtotal based on 2019 allocation	10,800	11,150
Giving from General Fund		
Sundry donations (from General Fund)	80	20
Total Mission Giving (from unrestricted/designated funds)	10,880	11,170

Calculation of Mission Giving Allocation for 2020

General Fund Donations per SOFA	80,983	86,593
Giving from 2020 Income at 10% (2019: 12.5%), to be distributed in 2021	8,098,100	8,659,800

Note 2b Away Giving (from restricted funds)

Away Giving from Special Collections:

Away giving from special collections arises where specific charities are chosen for support at an event or service. Because of Covid there were no special collections in 2020. However, the church encouraged direct contributions to the Children's Society, and Royal British Legion collecting boxes were available at the Remembrance Service.

	2020	2019
	£	£
Children's Society	0	570
Christian Aid	0	79
Diocesan Charity (via Confirmation Service/Offertory)	0	147
Embrace	0	215
Fegans	0	190
Royal British Legion	0	449
St Mungo's	0	166
Subtotal Special Collections	0	1,816

Away Giving from the Coffee Shop:

Away giving from the Coffee Shop comprises 50% of the proceeds over a period (usually monthly) during which a named charity is chosen to benefit (except for the MacMillan Coffee Morning where 100% is donated to that charity). The balance of Coffee Shop proceeds is used to supplement St Peter's income. Because of Covid, in 2020 the Coffee Shop only operated live for a few weeks during which time it also raised £100 as a contribution to the Church Centre Extension (2019: £450).

	£	£
Action Against Autism	211	0
Christian Aid	0	124
DAVSS	0	210
Guide Dogs for the Blind	0	208
Kent Air Ambulance	0	182
MacMillan	0	402
Parkinsons UK	76	0
Spadework	0	219
St Mungo's	0	73
Subtotal Coffee Shop away giving	287	1,418

Away Giving from Gift to be used at Rector's Discretion:

In 2020 a donor gave £10,000 to be used at the Rector's discretion to support individuals and charities that had been affected as a result of the Covid crisis. It is expected that the balance of £7,250, held in restricted funds, will be expended in 2021.

	£	£
DAVSS	750	0
Princess Project	1,000	0
Trinity School	1,000	0
Subtotal Rector's Discretion away giving	2,750	0

Total Away Giving from Restricted Funds	3,037	3,234
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St Peter's Church, Lightham Notes to the Accounts for the year ended 31st December 2020

	2020	2020	2019	2019
	£	£	£	£
Note 3 Parish Magazine				
Income				
Advertising	2,269		2,948	
Subscriptions	2,780		2,767	
Total Income	5,049		5,715	
Less: Expense				
Printer & print supplies (2/3rds allocated)	1,035		1,602	
Computer & software (1/3rd allocated)	57		100	
Editorial costs	816		1,015	
Total magazine costs	1,908		2,717	
Contribution to income	3,141		3,998	
Note 4 Ministry Costs				
Parish Offer (incl Rector's employment cost)	6,543		6,374	
Rector's working expenses	921		2,175	
Rectory costs	417		4,542	
Total ministry costs	7,881		13,091	
In 2020 the Diocese changed the basis of calculation of the Parish Offer which resulted in a lower offer. However, this was partially offset by the Diocese being paid the Diocesan fees for weddings and funerals which in prior periods were retained by the Church. In 2020 these fees totalled £1,433 (retained in 2019 £1,928).				
Note 5 Church Property Costs				
	General Fund	Church Repair Fund	General Fund	Church Repair Fund
	£	£	£	£
Major repairs and quinquennial costs (chancel wall repairs in 2019)		708		3,214
Minor repairs & maintenance	1,182		992	
Insurance of Church & Church Centre	4,791		4,672	
Utilities	5,060		4,462	
Total Church property costs	11,033	708	10,126	3,214
		Restricted Gifts		
		Note 4 (g)		
Note 6 Church Activities				
	£	£	£	
Church music: Organists & choir	740		2,794	
Children's activities	136		53	
Services & worship expenses	536		2,139	
Breakfast@church	235		1,006	
Remote attendance costs	83		-	
Sundry	409	449	1,002	
Total Church activity costs	2,939	449	6,994	
Note 7 Office Expenses				
	£	£	£	
Printer & print supplies (1/3rd allocated)	518		789	
Computer & software (2/3rds allocated)	116		199	
Secretarial support	700		700	
Stationery	314		441	
Covid-related costs	802		-	
Subscriptions, donations & other expenses	218		251	
Total office expenses	2,668		2,380	
Note 8 Debtors				
	£	£	£	
HMRC Gift Aid recoverable	12,581		22,643	
Sundry debtors	-		946	
	12,581		23,589	
Note 9 Short Term Deposits				
	£	£	£	
Central Board of Finance (CBF) Deposit Fund	58,250		58,250	
Rochester Diocese deposit account	10,202		56,396	
	68,452		114,646	
Note 10 Investments held for the long term Fabric Trust Fund				
	£	£	£	
Investment in CBF Investment Trust Income Shares:				
Value of shares brought forward	141,352		133,744	
Funds sold to support fabric repairs	0		-20,000	
Income reinvested	4,280		4,344	
Gains/(losses) on investment assets	9,964		23,264	
Value of shares carried forward	155,596		141,352	
Funds in deposit account with CBF	4,662		4,642	
Total long term investment funds	160,258		145,994	
Note 11 Creditors				
	£	£	£	
Church Centre balance of building work	26,432		26,432	
Sundry creditors	877		4,497	
	27,309		30,929	

St Peter's Church Ightham - Notes to the Accounts for the year ended 31st December 2020

Note 12 - Church Centre Extension

In 2019 the Church Centre was extended to provide increased capacity, especially for the Breakfast@Church services. The extension was completed just before Christmas 2019. The building cost and certain professional fees were capitalised in 2019, and these plus the previously capitalised costs of £90,000 are being depreciated at the rate of 2% per annum from 2020 (see note 13). Other sundry project costs totalling £1,228 in 2020 (2019: £9,293) were expensed and the balance after other income received has been credited to the general fund which has been used to cover/credit the balance of any final project monies (in 2019 the balances on the Reserve Fund and Ivy Hatch fund were also used to help fund the extension).

	2020	2019	
		£	£
Capitalised costs			
Building cost			173,024
Professional fees			8,445
Total capitalised (added to cost of Church Centre)			181,469
 Other project costs expensed	1,228		9,293
Total project cost in year	1,228		190,762
 Sources of funding			
Donations including Gift Aid	1,631		101,740
Transfers from/(to) St Peter's funds:			
Reserve Fund		68,602	
Ivy Hatch Fund		13,945	
General Fund	(403)	6,475	
			89,022
Total funds employed	1,228		190,762

Note 13 Fixed Assets

	Church Centre (designated fund) £	Office Equipment £	Total £
Cost or Valuation			
At 1st January 2020	271,469	8,610	280,079
Additions/(disposals) during year	0	0	0
At 31st December 2020	<u>271,469</u>	<u>8,610</u>	<u>280,079</u>
Less Depreciation			
At 1st January 2020	0	8,610	8,610
Charge/(disposals) during year	5,429	0	5,429
At 31st December 2020	<u>5,429</u>	<u>8,610</u>	<u>14,039</u>
Net Book Value			
At 31st December 2020	<u>266,040</u>	<u>0</u>	<u>266,040</u>
At 31st December 2019	271,469	0	271,469

St Peter's Church Hgtham Notes to the Accounts for the year ended 31st December 2020

Note 14 Fund Descriptions

a)	The General Fund is unrestricted and is used for the day to day running of the church. The PCC also allocates funds to be used for Mission Giving from the General Fund; this amount is currently 2.0% of General Fund donations. All giving, unless made at a special collection or raised for a specific purpose, goes into the General Fund and is used to pay expenses. Larger payments related to fabric are charged to the Church Repair Fund, and each year an amount is transferred from the General Fund to the Church Repair Fund based on an estimate of what such costs are expected to be, averaged out over several years.
b)	The Mission Giving Fund is an amount set aside from General Fund donations to be paid in the following year to charities chosen by the Mission Giving Committee (see Note 2a).
c)	The Church Repair Fund is to cover major repairs primarily arising from quinquennial inspections. In 2019 significant repair work was carried out on the chancel wall, towards which the Fabric Trust Fund contributed £20,000. The latest quinquennial survey, carried out in 2019, indicated that we could expect to spend around £6,000 on fabric repairs over the following 5 years. As a result, it was decided that there would be no further transfers into this fund from the General Fund until the balance on the fund fell below £20,000.
d)	The Church Centre Property Fund represents the value of the Church Centre as recorded in the accounts (see notes 12 & 13).
e)	The Away Giving Fund is a restricted fund used to account for funds raised either through church activities and services, or the coffee shop, which are to be given to specific charities. Amounts raised are typically paid out within the year and so the fund normally has a zero balance at the end of each financial year. During 2020 we received a donation of £10,000 to be used at the Rector's discretion to support gifts to individuals and charities that had been affected by Covid. In the year gifts of £2,750 were made (see Note 2), and £7,250 is being carried forward.
f)	The Church Centre Extension Fund was a restricted fund set up to record income and expenditure for the 2019 extension of the Church Centre. The target to raise in excess of £100,000 to provide more than half of the total project cost from donations, with the remainder coming from other funds, was achieved (see note 2). The final cost of the building has been transferred to the Church Centre Property Fund leaving a zero balance at the year end. In 2020 a small number of further donations were received and a smaller amount paid out, resulting in the balance being transferred to the general account.
g)	The Restricted Gifts Fund represents two sets of donations to procure artefacts, one a paschal candle stand for the church and the other a cross for the Church Centre. Deposits have been paid to the craftsman who is making these artefacts, and are shown in Note 6 under sundry expenditure. The artefacts are expected to be completed in 2021, and paid for using the small balance carried forward in the fund plus any further gifts from the donors as required.
h)	The Church Music Fund was a gift given to fund the chief organist in providing church music, choral work and the training of a young organist.
i)	The Fabric Trust Fund is a standalone fund set under a trust deed in 1960 following fund-raising for the fabric of the church, with two trustees appointed by the Chairman of the PCC. The trust deed states that the funds are to be used for the maintenance, repair and improvement of the fabric structure and the organ of St Peter's Church. The Fabric Trust is deemed to be under PCC control. In 2019 the fund's trustees agreed to contribute £20,000 towards the cost of the chancel wall repairs.

Funds closed in 2019

Reserve Fund	The Reserve Fund was designated for large one-off capital expenses, development activities outside the normal budget and to provide for contingencies in the future. The PCC agreed to apply all of this fund together with contributions from other funds, up to an overall contribution of £90,000, towards the total project cost of the Church Centre extension.
Ivy Hatch Fund	The Ivy Hatch Fund was a request originally given to support fabric maintenance and improvements at the former Ivy Hatch chapel. In 2019 the Charity Commissioners agreed to remove restrictions on this fund so that it could be fully used towards the Church Centre extension. The fund is now closed.

St Peter's Church Hghtham Notes to the Accounts for the year ended 31st December 2020

Note 15 Detailed movement by Fund 2020

		Unrestricted		Unrestricted Designated		Restricted				TOTAL FUNDS 2020
Notes		General Fund	Mission Giving Fund	Church Repair Fund	Church Centre Property Fund	Away Giving	Church Centre Extension (Note 12)	Restricted Gifts (other)	Church Music Fund	
		£	£	£	£	£	£	£	£	£
INCOME FROM:										
Donations:										
Planned Giving (including envelopes)		67,512								67,512
General Collections at All Services		1,146								1,146
Other Donations		241				10,000		1,135		11,376
Funds Raised for Church Centre Extension							1,318			1,318
Gift Aid Claimed		12,084					213	284		12,581
Subtotal Donations		80,983	0	0	0	10,000	1,531	1,419	0	93,933
Income from Church Activities										
Coffee Shop and Other Fundraising		709				287	100			1,096
Fees from Weddings and Funerals		1,762								1,762
Parish Magazine		7,049								7,049
Other Income		445								445
Grants (Listed Places of Worship Scheme)										0
Income from Investments		363							4,300	4,663
Total Income		91,311	0	0	0	10,287	1,631	1,419	0	108,948
EXPENDITURE ON:										
Church Activities										
Mission and Away Giving		80	10,800			3,037				13,917
Ministry Costs and Parish Offer		66,881								66,881
Church Property Costs		11,033		708						11,741
Church Activities		2,939						449		3,388
Parish Magazine		1,908								1,908
Office Expenses		2,668								2,668
Depreciation of Church Centre					5,429					5,429
Church Centre Extension (costs expended)							1,228			1,228
Subtotal Church Activities		85,509	10,800	708	5,429	3,037	1,228	449	0	107,160
Fundraising Costs		83								83
Total Expenditure		85,592	10,800	708	5,429	3,037	1,228	449	0	107,243
Net income/(expenditure) pre transfers		5,719	(10,800)	(708)	(5,429)	7,250	403	970	0	1,705
Transfers between funds										
Transfer from Church Centre Extension Fund		403					(403)			0
Transfer to/from Mission Giving		(8,100)	8,100							0
Church Centre Extension surplus transfer										0
Net income/(expenditure) post transfers		(1,978)	(2,700)	(708)	(5,429)	7,250	(0)	970	0	1,705
Gains/(losses) on investment Assets										9,964
Net movement in funds		(1,978)	(2,700)	(708)	(5,429)	7,250	(0)	970	0	14,264
Balances b/fwd 1st January 2020		78,344	10,800	28,104	271,469	0	0	0	11,553	546,264
Balances f/wd 31st December 2020		76,366	8,100	27,396	266,040	7,250	0	970	11,553	557,933

St Peter's Church, Lghtham, Notes to the Accounts for the year ended 31st December 2020

Note 15 (continued) - Detailed movement by Fund 2019

Notes	General Fund	Unrestricted & Designated				Restricted					TOTAL FUNDS 2019
		Reserve Fund	Mission Giving Fund	Church Repair Fund	Church Centre Property Fund	Away Giving	Church Centre Extension (Note 12)	Church Music Fund	Ivy Hatch Fund	Fabric Trust Fund	
	£	£	£	£	£	£	£	£	£	£	£
INCOME FROM:											
Donations:											
Planned Giving (including envelopes)	67,866										67,866
General Collections at All Services	3,461										3,461
Other Donations	2,183					1,816					3,999
Funds Raised for Church Centre Extension							91,730				91,730
Gift Aid Claimed	13,083						9,560				22,643
Subtotal Donations	86,593	0	0	0	0	1,816	101,290	0	0	0	189,699
Income from Church Activities											0
Coffee Shop and Other Fundraising	1,467					1,418	450				3,335
Fees from Weddings and Funerals	6,207										6,207
Parish Magazine	7,715										7,715
Other Income	1,001										1,001
Grants (Listed Places of Worship Scheme)				6,686							6,686
Income from Investments	738			169					88	4,379	5,374
Total Income	103,721	0	0	6,855	0	3,234	101,740	0	88	4,379	220,017
EXPENDITURE ON:											
Church Activities:											
Mission and Charitable Giving	20		11,150			3,234					14,404
Ministry Costs incl Parish Offer	70,091										70,091
Church Property Costs	10,126			33,214							43,340
Church Activities	6,994										6,994
Parish Magazine	2,717										2,717
Office Expenses	2,380										2,380
Church Centre Extension (costs expensed)		9,293									9,293
Subtotal Church Activities	92,328	9,293	11,150	33,214	0	3,234	0	0	0	0	149,219
Fundraising Costs	795										795
Total Expenditure	93,123	9,293	11,150	33,214	0	3,234	0	0	0	0	150,014
Net income/(expenditure) pre transfers	10,598	-9,293	-11,150	-26,359	0	0	101,740	0	88	4,379	70,003
Transfers between funds											
Transfers to Church Repair Fund				20,000						-20,000	0
Transfer to/from Mission Giving	-10,800		10,800								0
Reserves used for Church Centre Extension	-6,474	-59,309					79,729		-13,946		0
Transfer of capital value of Church Centre Extension					181,469	-181,469					0
Net income/(expenditure) post transfers	-6,676	-68,602	-350	-6,359	181,469	0	0	0	-13,858	-15,621	70,003
Gains/(losses) on investment Assets										23,264	23,264
Net movement in funds	-6,676	-68,602	-350	-6,359	181,469	0	0	0	-13,858	7,643	93,267
Balances b/fwd 1st January 2019	85,020	68,602	11,150	34,463	90,000	0	0	11,553	13,858	138,351	452,997
Balances f/wd 31st December 2019	78,344	0	10,800	28,104	271,469	0	0	11,553	0	145,994	546,264

Note 16 - Summary of Assets by Fund

	Unrestricted	Unrestricted Designated			Restricted					Total
	General Fund	Mission Giving Fund	Church Repair Fund	Church Centre Property Fund	Away Giving	Church Centre Extension	Restricted Gifts	Church Music Fund	Fabric Trust Fund	
	£	£	£	£		£			£	
Assets										
Fixed Assets				266,040						266,040
Investments									160,258	160,258
Cash and short term deposits	65,159	8,100	27,396		7,250	26,219	686	11,553		146,363
Debtors	12,084					213	284			12,581
Total Assets	77,243	8,100	27,396	266,040	7,250	26,432	970	11,553	160,258	585,242
Liabilities										
Creditors due in under a year	(877)					(26,432)				(27,309)
Net Assets per Balance Sheet	76,366	8,100	27,396	266,040	7,250	0	970	11,553	160,258	557,933

Note 17 - Related party transactions

No related party, including PCC members or persons closely associated with them, have been paid any remuneration or received any benefits from the PCC (apart from the reimbursement of costs paid on behalf of the church) except as noted below.

The Rector was paid expenses of £921 (2019: £2,175). The PCC Secretary received an honorarium of £700 (2019: £700).

During the year PCC members and their spouses made donations (including Gift Aid) of £34,307 (2019: £119,474). This disclosure does not include any unidentified cash or anonymous donations that may have been received.

No PCC member was connected to any of the charities in Note 2.

There were no employees in 2020 (2020: none).

Note 18 – Going Concern and Covid impact

The PCC considers that St Peter's remains a going concern despite the periodic suspension of services in the church due to Covid regulations and reduced numbers when the church can open, due to the need for social distancing. The regular Zoom services have been very well attended by the church family and have continued to contribute to the life and mission of the church. Planned giving remains close to pre-Covid levels, and while cash donations have dropped significantly, some costs have been lower. With the national vaccination programme now well under way, there is optimism that a number of activities, including services, will return to a degree of normality in the second half of the year. While we may continue to experience deficits in the General Fund, these are more than covered by reserves for the medium term.

Advisory report to the PCC on the 2020 Financial Report and Accounts

4 Middlings Wood
Kippington Road
Sevenoaks
TN13 2LF

4 May, 2021

Dear PCC members

Advisory report to the PCC on the 2020 Financial Report and Accounts

I am writing to you to update you on the status of my examination of the Annual Report and Accounts of The Parish Church of St Peter's, for the year ended 31 December 2020 and to bring to your attention certain matters and recommendations.

A considerable amount of work has gone into the preparation of the Annual Report and Accounts and their examination. In particular I would like to thank the Honorary Treasurer, Max Robinson, who has worked hard to prepare the Accounts and who has been patient with my questions and on technical accounting issues. This is the second year of my responsibility as examiner and I am pleased to report that the examination has proceeded smoothly.

I can confirm that my work on the figures on the Annual Report and Accounts is largely complete. I have advised the Honorary Treasurer that a resolution covering the points set out below will need to be passed by the PCC before I can formally sign off the accounts.

In summary the resolution:

1. acknowledges that the PCC is solely responsible for the content of the Annual Report and Accounts;
2. confirms that it considers the PCC to be a going concern, notwithstanding the impact of Covid-19;
3. confirms there are no related party transactions requiring disclosure which have been omitted from the Accounts;
4. notes that the PCC is not aware of any matters not disclosed in the Accounts that could have a material impact on the financial position or results;
5. notes the contents of this letter and confirms it is satisfied with the action taken regarding the recommendations made last year;
6. approves the Annual Report (including the Financial Review) and the Accounts for signature by the Chair and Honorary Treasurer;
7. instructs the Honorary Treasurer or PCC Secretary to file the Annual Report and Accounts with the Charities Commission and make such filings as are required by the Diocese.

My examination is not an audit. Nevertheless recommendations may be drawn to your attention as part of the work. There are no new recommendations this year. I wish to draw to your attention to the following recommendations made last year and their status:

Electronic banking

Issue:

Prior to the advent of electronic banking a key control over disbursements was the requirement to have 2 signatures on a cheque. Single signatories were considered to be a control risk. Corporate electronic banking systems adopt dual approval controls equivalent to dual cheque signatories to ensure that no one individual can have end to end control of payments. I understand your bank is currently unable to provide you with a dual approval system for electronic payments. As a result, by utilising electronic banking you are operating what amounts to a single signatory system. Some charities and schools faced with this problem decide to use electronic banking with the payments functionality disabled. Others accept the risk as a trade-off for the efficiency it brings and may have a second person regularly review the payments shortly after they have been made as a secondary, albeit weaker, control.

Recommendation:

The PCC should formally decide which approach it wishes to adopt, note the risks and agree the controls it proposes to mitigate this. The PCC should keep under review services offered by different banks with a view to considering changing banking arrangements should one offer a dual approval control system over payments.

Honorary Treasurer comment on status:

The PCC have considered this issue. It has decided that the costs of moving to a new banking platform outweigh the risk, and concluded that as long as the current Treasury team is in place, the PCC is happy to accept the risk of what is effectively a single signatory on the bank accounts.

Reserves policy

Issue:

Charities are required to adopt and keep under review a reserves policy. This is intended to ensure charities have sufficient capacity to address risks to their operations whilst not hoarding funds (often accrued with taxpayer subsidies) which are intended to be used for the public benefit. The Financial Review includes a reserves policy but that does not address fully, in my opinion, how judgements on the level of reserves are made and may not have been updated for a number of years.

Recommendation:

The PCC should review the reserves policy in 2020 and update it as necessary. Government advice may be found at <https://www.gov.uk/government/publications/charities-and-reserves-cc19/charities-and-reserves>

Honorary Treasurer comment on status:

When looking at the funding options for the Church Centre Extension in 2018, the PCC considered the levels of reserves and were of the view that there were excess reserves. It was agreed to use about £100,000 of the reserves to fund the project, with the balance being raised through a special fundraising. The PCC were happy that this left sufficient funds in the Repair Fund and General Fund to meet any reasonable future need, including an expected decline in income from donations. The position has not changed since then, and the PCC considers the reserves levels to be appropriate.

Thank you to all those who have worked so hard on producing the Annual Report and Accounts and to the PCC for considering the content of this letter.

Yours faithfully

Philip Wood