



St Nicholas Church
SEVENOAKS

TRUSTEES' ANNUAL REPORT
AND
FINANCIAL STATEMENTS
for the year ended 31 December 2018

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

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AND FINANCIAL STATEMENTS**

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

TRUSTEES' ANNUAL REPORT for the year ended 31 December 2018

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Sevenoaks (PCC) present their report and accounts for the year ended 31 December 2018.

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

Objectives and activities

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

Our primary object is the promotion of the Gospel of Our Lord Jesus Christ.

The PCC with the vision of the church family have adopted the following Mission and Vision Statement to express its objectives, help guide its decision-making and allocate resources to activities which will support and help to fulfil its objectives. The statement is set out below:

St Nicholas' Summary Mission Statement

One aim: to see God the Father, Son and Holy Spirit honoured

Two essentials: the Bible and prayer

One central task: to make disciples of Jesus Christ

A Vision Statement for St Nicholas

Launched in 2014, our vision statement is to:

- **EXPLORE GOD'S WORD**
- **EQUIP GOD'S PEOPLE**
- **EXPLAIN GOD'S GOSPEL**

as Christ's ambassadors in order to build a Christ-like, loving, prayerful, gospel-minded community

The main objectives for the year were to bring glory to God by ensuring that His word continued to be faithfully preached to all congregations at St Nicholas and at the 4o'clock and Grace Church which meet at Walthamstow Hall and Lady Boswell's Schools respectively; to help members of the church family grow in Christian knowledge and maturity; to provide teaching in God's word to the children and young people in the church family; to reach out to the wider community in Sevenoaks, in the nation and around the world to proclaim the gospel and to provide practical support demonstrating our love for our neighbours near and far.

The specific activities carried out in 2018 in pursuit of the Mission Statement are described in the Annual Reports which accompany these financial statements and are also published on our website. These activities involve members of our staff team and the voluntary contribution of time, amounting to several hundred hours per week, by many members of the church family in teaching, provision of pastoral care and a very wide range of other supporting activities.

The church's policies for grant-making are implemented by the Mission committee. The committee meets regularly during the year to allocate gifts made to the mission fund to support missionaries, mission and relief agencies in both the UK and worldwide.

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

Achievements and Performance

Church attendance

As at December 31 2018, there were 710 on the Electoral Roll, the equivalent total in 2017 being 699. The estimated average attendance on a 'normal' Sunday for all congregations in 2018, based on counts made on the first three Sundays in October, was 722, down from 876 in the previous year. These figures include adults and children.

The Church and Undercroft

The church and undercroft, which houses our coffee shop and bookroom as well as a suite of meeting rooms, are used extensively each day and most evenings by a mixture of church events and public bookings.

Social Care

St Nicholas seeks to foster the care of those who are ill or have particular needs, both within the large church family and more widely in the community.

Young People's Work

In addition to our Sunday groups, there are a number of weekday events for children and young people meeting both on and off site.

Mission and Evangelism

Mission activity is at the heart of St Nicholas. We provide significant support to a number of mission partners including many who have gone out from our church family. These include individuals and families serving in South Africa, Ethiopia, Thailand, Malaysia, Singapore, Finland, Hungary, and Italy – these are detailed in Note 4 to the Accounts. We are also supporting those serving in mission closer to home including Bristol, Dundee and Liverpool as well as supporting a variety of organisations, including those based in Sevenoaks, seeking to support and extend the work of the Gospel. This includes those working with students, publishing and teaching. There is regular support for relief agencies, as well as special appeals, and for work among the oppressed.

Financial Review

Overview

The church's operations and activities are separated into funds that are either restricted (with limitations as to how income can be spent) or unrestricted (the PCC has discretion with respect to expenditure). However, in the financial accounts these funds are frequently consolidated.

Unrestricted Funds

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

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

The Strategic Fund is used for special unbudgeted items.

The Beech Rd Fund is the entity which reflects the PCC's interest in the property on Beech Rd, Sevenoaks.

Restricted Funds.

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

Associate Rector House Fund (ARH). This was established in 2010 with the sole purpose of collecting gifts for the purchase of a house and for the payment of costs associated with the purchase of such a property. It has regular income and has received the proceeds from the St Nicholas Parish Hall Trust (PHT). The PHT was a separate charity that had contributed all of its income to St Nicholas. In 2011 the fund purchased a house for £795,000.

Curate's House Fund. This fund reflects the PCC's interest in the church's house in South Park.

The Endowment Fund has its own assets, and its income is used to fund the upkeep of the graves.

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

The Equipment Fund is used to fund the refurbishment of church equipment

Unrestricted – General Fund

We are very thankful for another year in which we have been blessed with sufficient resources. The 2018 voluntary income, including gift aid, was £815,037 (2017: £ 842,167).

Total Resources used in the GF directly relating to work for the Church for 2018 were £891,392 (2017: £ 952,105).

Unrestricted - Strategic Reserve

The Reserve Policy, adopted November 2008, included the provision of a designated fund called the Strategic Reserve. This reserve would enable advantage to be taken of new opportunities ahead of building a new income stream to sustain them. In 2013 £50,000 was lent to the Associate Rector House Fund (ARH).

Restricted – Mission Fund

The amount that was distributed to our mission partners in 2018 was £205,364 (2017: £208,850).

The amount is the continuing support of individuals and societies to whom we have distributed for several years. A list of these is at the end of the accounts.

Ben and Naomi Dean, and family, have returned from their ministry with Crosslinks in South Africa and Ben started working for Christian Books Worldwide. Mark and Joanne Ellis began their ministry based in Belfast with Mark's appointment as Director of Christian Unions in Ireland. Paul and Helen Shepherd, with three children, have completed two years of ministry with AIM in Uganda and will shortly undertake Home Assignment.

Restricted - Building Fund

There were no transactions and this fund has a zero balance.

Restricted - Associate Rector House Fund (ARH)

The purchase of a house for £795,000 was completed in March 2011. This was funded by gifts, interest free loans and proceeds from the Parish Hall Trust and a £60,000 mortgage. Current funding at 31 December 2018 was via a mortgage of £ 134,458, interest free loans of £25,000, a loan from the strategic fund of £50,000 and gifts from the church family.

The house is held in a custodial trust by the Diocese, as is our South Park property, and all economic benefit will accrue to St Nicholas.

Restricted - Endowment

The investments in this fund are all part of the General, Churchyard and Graves endowment. This is a restricted fund where money has been given to the church with the specific instructions that only the interest earned from the money can be spent. They are permanent endowments which require income to be spent on the churchyard, graves, or the general purposes of the PCC. The income and expenditure in 2018 was £ 1104.

The Year Ahead

General Fund

In 2018 the PCC completed works relating to the previous backlog in maintenance and health and safety related projects. Some works planned for 2017 were delayed to 2018 but are all now complete.

A key challenge for the church family will be to continue to broaden our giving base to enable us to support the continued growth in activities particularly those directed towards children and young people.

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

Mission Fund

The Mission Fund has always been grateful for the provision of funds to support our mission expenditure. The coming year has greater uncertainty and so we increased our reserves at the end of 2018. We prayerfully trust that God will meet the needs in the coming year through the generous giving of the church family.

Reserves Policy

The Reserves Policy is to maintain a level of reserves in the General Fund and the Mission Fund equivalent to three months normal expenditure. Other designated funds are held to provide adequate reserves against periodic replacement or major renovation of assets. This includes making provision for the costs of repairs to the church buildings arising from quinquennial reviews. In 2008, it was agreed to set up a Strategic Reserve which would enable advantage to be taken of new opportunities, in advance of the building of a new income stream to sustain them; in the intervening years it has proved necessary to utilise the initial reserve for various purposes and it now needs to be replenished.

Statement of the Responsibilities of the Trustees of the Parochial Church Council

The Trustees of the PCC are responsible for preparing the report of the PCC and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The Law applicable to charities in England and Wales requires the Trustees of the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of that charity for that period. In preparing these financial statements the Trustees are required to:

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

The Trustees of the PCC are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the church, and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

So far as the Trustees of the PCC are aware:

- (a) there is no relevant audit information of which the auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as Trustees of the PCC in order to make themselves aware of any relevant audit information and to establish that the Council's auditors are aware of that information.

Risk Policies

Throughout the year the PCC, through the work of its committees, the Churchwardens and designated members of the staff team continued with their systematic risk assessment in Financial, Reputational, Statutory/Legal and Operational areas, as required by the Diocese. Parish Safeguarding Officer, Rev Dr Gavin McGrath and our Parish Lead Recruiter, Mrs Sue Stimson, have continued to ensure that we strictly adhere to all relevant safeguarding legislation. Close attention is also paid to the implementation of policies in regard to health and safety and to complying with disability discrimination legislation.

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

Structure, Governance and Management

Registered Charity

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

Location

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

Membership

Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

During the year the following served as members of the PCC:

Incumbent:	The Revd Canon Angus MacLeay #*+ Chairman
Churchwardens:	Mr Ian Nash Vice Chairman Mr Justin Greig
Clergy:	The Revd Dr Gavin McGrath+ The Revd Thomas Nash * The Revd Matt Taylor
Representatives on the Deanery Synod	Brig. Ian Dobbie #* Mr Anthony Jennings*^ Mr David McIlroy Mr Haydn Cooper Mr Mark Walkington
Elected Members:	Mrs Alice Beckett Mrs Christine Brindley Mr Andrew Coates Mr John Collett Mr Adelbert Jennings (from April 2018) Mr Ian Leigh Treasurer Mrs Sarah Mackenzie Mr Gerald O'Brien* (from Oct 2018) Mrs Marion Russell Mr Peter Scott ^ Mr Ben Stone Mrs Jean Surrey (until April 2018) Mr Henry Warde Mr Chris Webb Mr Stephen Wehrle^
Invited attendees:	Miss Andrea Trevenna Miss Cara Smith Miss Hannah Blake Mr John Khnana (from Sept 2018) Mrs Sue Stimson
	# also a member of General Synod * also a representative of Diocesan Synod + also a representative of Deanery Synod ^ also a Deputy Churchwarden
PCC Secretary	Mrs Katie David (not a member of the PCC)

The APCM was held on 17 April 2018

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

Auditors

Norman Cox & Ashby
Chartered Accountants and Statutory Auditor
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

Bankers

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

Legal Advisors

Cripps
12 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1EG

PCC

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure 1956 as amended and the Church Representation Rules. The PCC was formerly an excepted charity and was registered as a charity from 21 November 2009.

PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent.

Recruitment induction and training of PCC members

Recruitment to membership of the PCC, whether by election or 'ex officio' appointment, is carried out in accordance with the Church Representation Rules. PCC members do not receive formal induction training but, where necessary, are introduced to their responsibilities. The Churchwardens, and others with specific responsibilities for matters requiring specialist knowledge, are able to attend training courses offered by the Diocese or appropriate external bodies. Reading matter on relevant topics is disseminated to PCC members.

Committees

The PCC operates through a number of committees, listed below, which meet between full meetings of the PCC, under an approved Scheme of Delegation which lays down their responsibilities and authority.

Standing Committee

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

Finance Strategy Committee

Fabric and Furnishing Committee

Mission Committee

Employment and Remuneration Committee

Creation Care Committee

Fellowship Fund Committee

Risk Management Committee.

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

Public Benefit

The PCC is aware of its legal duty to have regard to the public benefit guidance and to report on the charity's compliance with the public benefit obligation. In this regard the PCC is totally committed to enable anyone to worship at St Nicholas, Grace Church or 4 O'Clock Church services together with any of our activities taking place throughout the week. Our services and worship seek to encourage members of the church family to live out their faith as part of the local community and further afield. We seek to achieve this through worship, prayer and the faithful teaching from God's word to support in people learning about the Gospel, coming to faith in the Lord Jesus Christ and growing in their knowledge of scripture. With this aim the PCC has adopted the objectives and activities as noted on page 1 of this report.

Approved by the Parochial Church Council on 13th March 2019 and signed on its behalf by

Rev Canon Angus MacLeay
Chairman

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

SUMMARY INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2018

	2018 £	2017 £
TOTAL INCOME (on continuing operations)	1,132,862	1,168,935
TOTAL EXPENDITURE (on continuing operations)	1,101,860	1,196,831
NET INCOME / (EXPENDITURE) FOR THE YEAR	<u>31,002</u>	<u>(27,896)</u>

STATEMENT OF RECOGNISED GAINS AND LOSSES
for the year ended 31 December 2018

	2018 £	2017 £
Net (expenditure) / income for the year	31,002	(27,896)
(Loss) / Gains on revaluation of		
- Tangible fixed assets		
- Investment assets	(496)	2,758
Total recognised gain/ (loss) relating to the year	<u>30,506</u>	<u>(25,138)</u>

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

	2018 £	2017 £
Unrestricted Funds		
General Fund	22,194	(18,316)
Strategic Fund	-	-
Fabric Fund	-	-
	<u>22,194</u>	<u>(18,316)</u>
Restricted Funds		
Mission Fund	5,236	(8,092)
Building Fund	-	-
Equipment Fund	(4,000)	(4,000)
Associate Rector's House Fund	7,572	2,512
	<u>8,808</u>	<u>(9,580)</u>
Total for all funds	<u>31,002</u>	<u>(27,896)</u>

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS, SEVENOAKS**

For the year ended 31 December 2018

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Nicholas, Sevenoaks, (the "Charity") for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of Opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISA's (UK) require us to report to you where:

- the trustees of the PCC's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees of the PCC have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

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

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

We have nothing to report in this regard.

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PAROCHIAL CHURCH
COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. NICHOLAS SEVENOAKS**

For the year ended 31 December 2018 (Continued)

Matters on which we are required to Report by Exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Parochial Church Council's Annual Report.

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

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

Responsibilities of Trustees of the Parochial Church Council

As explained more fully in the trustees of the PCC Responsibilities Statement set out on page 4, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

NICHOLAS GOWER-SMITH FCA (Senior Statutory Auditor)
for and on behalf of Norman Cox & Ashby
Chartered Accountants and Statutory Auditor

Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

17 April 2019

Norman Cox & Ashby is eligible to act as an auditor in the terms of section 1212 of the Companies Act 2006.

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

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2018

	Notes	<u>Unrestricted</u> <u>funds</u> £	<u>Restricted</u> <u>funds</u> £	<u>Endowment</u> <u>funds</u> £	Total funds <u>2018</u> £	Total funds <u>2017</u> £
INCOME						
Voluntary income	2(a)	815,037	217,866	-	1,032,903	1,076,076
Activities for generating funds	2(b)	36,305	-	-	36,305	35,332
Income from investments and deposits	2(c)	1,557	246	1,104	2,907	1,756
Income from church activities	2(d)	60,687	60	-	60,747	55,771
TOTAL INCOME		913,586	218,172	1,104	1,132,862	1,168,935
EXPENDITURE						
Church activities						
Missionary and charitable giving	3(a)	1,332	205,364	-	206,696	209,894
Directly relating to the work of the church	3(b)	863,542	4,000	1,104	868,646	959,997
Fund-raising trading costs	3(c)	26,518	-	-	26,518	26,940
TOTAL EXPENDITURE		891,392	209,364	1,104	1,101,860	1,196,831
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS		22,194	8,808		31,002	(27,896)
NET (LOSS) / GAINS ON INVESTMENT	7			(496)	(496)	2,758
NET INCOME / (EXPENDITURE)		22,194	8,808	(496)	30,506	(25,138)
TRANSFER BETWEEN FUNDS		(528)	528			
NET MOVEMENT IN FUNDS		21,666	9,336	(496)	30,506	(25,138)
TOTAL FUNDS BROUGHT FORWARD		1,093,611	1,508,181	33,313	2,635,105	2,660,243
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2018	15	1,115,277	1,517,517	32,817	2,665,611	2,635,105

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

BALANCE SHEET at 31 December 2018

	<u>Notes</u>	<u>2018</u>		<u>2017</u>	
		£	£	£	£
FIXED ASSETS					
Tangible	6		2,020,000		2,024,000
Investments	7		32,817		33,313
			2,052,817		2,057,313
CURRENT ASSETS					
Stock		15,392		13,661	
Debtors	8	60,530		111,748	
Short term deposits	9	408,809		408,809	
Bank balances and cash	9	399,320		316,454	
			884,051		850,672
LIABILITIES					
Creditors- Amount falling due within one year	10		(144,992)		(137,769)
NET CURRENT ASSETS			739,059		712,903
TOTAL ASSETS LESS CURRENT LIABILITIES			2,791,876		2,770,216
LIABILITIES:					
Creditors - Amount falling due after one year	11		(126,265)		(135,111)
TOTAL NET ASSETS			2,665,611		2,635,105
THE FUNDS OF THE CHARITY					
Unrestricted	12		1,115,277		1,093,611
Restricted	13		1,517,517		1,508,181
Endowment	14		32,817		33,313
			2,665,611		2,635,105

Approved by the Parochial Church Council on 13 March 2019 and signed on its behalf by:

..... **Ian Leigh**
Treasurer

..... **Angus MacLeay**
Chairman, Parochial Church Council

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

CASH FLOW STATEMENT at 31 December 2018

	2018	2017
	£	£
Cash generated/(absorbed) from operations	90,797	(90,790)
Investing activities:		
Interest received	2,907	1,756
Interest paid	(2,684)	(8,106)
Repayment of loans	(8,154)	(160,344)
Loans introduced	<u>-</u>	<u>175,000</u>
Net cash absorbed from investing activities	<u>(7,931)</u>	<u>8,306</u>
Net increase/(decrease) in cash and cash equivalents	82,866	(82,484)
Cash and cash equivalents at beginning of year	725,263	807,747
Cash and cash equivalents at end of year	<u>808,129</u>	<u>725,263</u>
Cash at Bank and in Hand	399,320	316,454
Notice deposits	<u>408,809</u>	<u>408,809</u>
	<u>808,129</u>	<u>725,263</u>
Cash generated from operations:		
Surplus/(Deficit) for the year	30,506	(25,138)
Adjustments for:		
Fair value loss/(gain) on investments	496	(2,758)
Depreciation	4,000	4,000
Finance costs	2,684	8,106
Interest received	(2,907)	(1,756)
Movement in working capital:		
(Increase) in stocks	(1,731)	(2,676)
Decrease/(Increase) in debtors	51,218	(24,300)
Increase/(Decrease) in creditors	6,531	(46,268)
	<u>90,797</u>	<u>(90,790)</u>

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018

1. ACCOUNTING POLICIES

a. Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The church constitutes a public benefit entity as defined by FRS 102.

The members of the PCC consider that there are no material uncertainties about the church's ability to continue as a going concern.

b. Funds

Unrestricted funds (see note 12) represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. These include funds designated for a particular purpose by the PCC and are:

- **General Fund:** this is the main fund, which is used for supporting mission within the Sevenoaks area and covers clergy and staff costs, youth work and other outreach/support activities, and the day to day running and administration of the church. It also includes the activities of the book and coffee shop, plus various houseparties and evangelical events.
- **Strategic Reserve:** this reserve is to enable advantage to be taken of new opportunities, in advance of the building of a new income stream to sustain them.
- **Fabric Fund:** this is used for large capital items and major refurbishment work to the church and other properties. Such work mainly arises from quinquennial inspections, and the aim is to build up sufficient funds over a five year period to cover the costs arising from such inspections.
- **Beech Road Property Fund:** this represents the current value of the property at 23, Beech Road that was bequeathed to St. Nicholas in 1988.

Restricted funds (see note 13) represent sums which have been restricted by the donor for a particular purpose. Restricted funds are:

- **Mission Fund:** this fund is specifically for supporting mission and mission-related activity, mainly outside the parish. Gifts to the fund are allocated at the discretion of the Mission Committee unless the donor expresses a wish that their gift be given to a particular missionary or mission activity.
- **Curate's House Fund:** this represents the current value of the property at 40, South Park that was acquired by the PCC in 1989 from proceeds of the sale of a previous property and funds raised specifically to acquire the new property.
- **Building fund:** this fund was originally set up in 1990 to raise funds for 'Building for the Gospel' which resulted in the reordering of the church and the construction of the undercroft. The remaining funds were held for the building of the exit road and car park extension and have been spent. This fund has a zero balance
- **Equipment fund:** this fund was set up to purchase a new sound desk and other specific items of equipment.
- **ARH fund:** this fund was set up to purchase and maintain a new house for the person occupying the post of Associate Rector.

**THE PAROCHIAL CHURCH COUNCIL OF
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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

An *endowment* fund is a restricted fund where money has been given to the church with the specific instructions that only the interest earned from the money can be spent or an asset donated to be retained for continuing use by the church. The General, Churchyard and Graves endowment (see note 14) comprises 4 funds. These are permanent endowments which require income to be spent on the churchyard, graves or the general purposes of the PCC.

c. Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated or received in writing with notification of both the amount and settlement date. Income tax recoverable on Gift Aid donations is recognised when claimable

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator or executor of the estate has communicated in writing both the amount and settlement date.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

Rental income from the letting of church premises is accounted for when earned. Parochial fees due to the PCC for weddings, funerals, and other events are accounted for on an event-by-event basis. Sales of books and magazines from the church bookstall are accounted for at point of sale.

d. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the church to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the church. In the case of an unconditional grant offer, this is accrued once approved. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued for when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the church. The expenditure on charitable activities includes supporting mission and mission-related activity, mainly outside the parish, allocated at the discretion of the Mission Committee.

Costs directly relating to the work of the church are for promoting the primary object, the promotion of the Gospel of Our Lord Jesus Christ, mainly within Sevenoaks. The Diocesan Quota or Parish Share is accounted for when payable, the amount being determined by the PCC.

The costs of raising funds consist of resources used to fund the bookstall and coffee shop cost of goods sold.

e. Tangible Fixed assets and depreciation

i. Consecrated land and buildings and movable church furnishings.

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

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

No value is placed on moveable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings whether on maintenance or improvement is written off as expenditure in the Statement of Financial Activities and separately disclosed.

ii. Other land and buildings.

Other land and buildings held on behalf of the PCC for its own purposes are included at market value. Properties are generally revalued professionally every 5 years. The last professional valuation was conducted at 31 January 2014. Gains and losses are included in the Statement of Financial Activities. Depreciation on properties has not been provided for in these accounts as any charge is considered to be not material, on the basis that the asset either has a very long useful life, or a residual value based on its current value, which is not materially different from its carrying value.

iii. Fixtures, fittings and office equipment.

Equipment used within the church premises is depreciated on a straight-line basis over 4 years. Individual items of equipment with a purchase price of less than £2,000 are written off in the period in which the asset is acquired.

iv. Impairment

Provision will be made should any annual impairment review of fixed assets indicate that a permanent diminution in value has occurred.

f. Fixed asset investments

Investments are initially recognised at transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

g. Realised and unrealised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value.

h. Current assets

Amounts owing to the PCC at 31 December 2018 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with CBF Church of England Funds, the Rochester Diocesan Board of Finance or at NatWest Bank.

Stock is valued at the lower of cost and net realisable value.

i. Pensions policy

St Nicholas (Sevenoaks) PCC (PB 2014) participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are shown in note 5.

A valuation of the scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

St Nicholas PCC is also registered with OPRA and supports staff if they prefer to take out Stakeholder Pensions by matching any contributions to a maximum of 7.5% of salary and these are accounted for on the basis of contributions payable in the year. The PCC therefore has no liability for final pensions provision for its staff.

j. Deferred income

Income received for a future year will be included as an incoming resource in the year to which it relates.

k. Contingent liabilities

A contingent liability is identified and disclosed when either a possible but uncertain obligation, or a present obligation that is not recognised because a transfer of economic benefit to settle the possible obligation is not probable, or the amount of the obligation cannot be estimated reliably.

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

2 INCOME

	<u>Unrestricted funds*</u> £	<u>Mission</u> £	<u>Restricted funds</u>		<u>Equipment</u> £	<u>Endowm't funds</u> £	<u>Total 2018</u> £	<u>Total 2017</u> £
			<u>Building</u> £	<u>ARH</u> £				
[a] Voluntary Income								
Planned giving:								
Tax recoverable	116,129	23,885	-	992		-	141,006	169,972
Gift Aid	458,164	136,965	-	3,960		-	599,089	610,690
Other tax-inclusive giving	92,311	39,998	-	520	-	-	132,829	225,304
Cash collections	12,540	806	-	-	-	-	13,346	11,301
Grants	-	-	-	-	-	-	-	-
Legacies	102,610	-	-	-	-	-	102,610	614
Other donations	33,283	8,700	-	2,040	-	-	44,023	58,195
	815,037	210,354	-	7,512	-	-	1,032,903	1,076,076
[b] Activities for generating funds								
Trading	36,305	-	-	-	-	-	36,305	35,332
[c] Income from investments and deposits								
Dividends and interest	1,557	246	-	-	-	1,104	2,907	1,756
[d] Income from church activities								
Fees & hire income	16,945	-	-	-	-	-	16,945	15,908
Contributions to houseparties	19,765	-	-	-	-	-	19,765	22,331
Contributions to outreach events	23,977	-	-	60	-	-	24,037	15,541
Other income	-	-	-	-	-	-	-	1,991
	60,687	-	-	60	-	-	60,747	55,771
TOTAL INCOME	913,586	210,600	-	7,572	-	1,104	1,132,862	1,168,935

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

3 EXPENDITURE

	Unrestricted funds £	Mission £	Restricted funds Building £	ARH	Equipmen £	Endowm't funds £	2018 £	2017 £
(a) Church Activities								
<i>Missionary and charitable giving</i>								
Missionary societies (note 4)	-	205,364	-	-	-	-	205,364	208,850
Relief & development agencies	37	-	-	-	-	-	37	-
Home missions/UK based agencies	1,295	-	-	-	-	-	1,295	1,044
Total Missionary and charitable	1,332	205,364	-	-	-	-	206,696	209,894
(b) Directly relating to the work of the Church								
<i>Ministry</i>								
Clergy Stipends & Salary	-	-	-	-	-	-	-	-
Diocesan Quota	209,000	-	-	-	-	-	209,000	203,575
Clergy expenses	7,917	-	-	-	-	-	7,917	6,991
Clergy housing	24,480	-	-	-	-	-	24,480	30,189
Mortgage Interest	5,389	-	-	-	-	-	5,389	5,023
	246,786	-	-	-	-	-	246,786	245,778
<i>Support costs</i>								
Training	7,076	-	-	-	-	-	7,076	5,177
Support Ministries	179,796	-	-	-	-	-	179,796	144,653
Apprentices	55,972	-	-	-	-	-	55,972	53,390
Pastoral Care	6,531	-	-	-	-	-	6,531	8,281
	249,375	-	-	-	-	-	249,375	211,501
Church - running expenses	56,777	-	-	-	-	1,104	57,881	54,132
Church maintenance	14,022	-	-	-	-	-	14,022	27,723
Fabric repair	23,010	-	-	-	-	-	23,010	120,805
Fabric repair - car park	4,981	-	-	-	-	-	4,981	4,449
Furniture and fittings	156	-	-	-	-	-	156	-
Beech Road costs	4,285	-	-	-	-	-	4,285	13,049
Depreciation	-	-	-	-	4,000	-	4,000	4,000
Houseparties	28,585	-	-	-	-	-	28,585	32,836
Services & Outreach	17,391	-	-	-	-	-	17,391	14,941
Outreach events	21,038	-	-	-	-	-	21,038	15,064
Church plant	24,300	-	-	-	-	-	24,300	21,030
Salaries	130,969	-	-	-	-	-	130,969	132,531
Technical Support	16,737	-	-	-	-	-	16,737	4,947
Printing and stationery	4,027	-	-	-	-	-	4,027	3,530
Office expenses	6,417	-	-	-	-	-	6,417	8,431
	352,695	-	-	-	4,000	1,104	357,799	457,468
<i>Other expenditure</i>								
PCC costs	777	-	-	-	-	-	777	241
Audit fee	5,220	-	-	-	-	-	5,220	7,260
Bank charges and loan interest	2,684	-	-	-	-	-	2,684	8,106
Professional fees	2,770	-	-	-	-	-	2,770	2,741
Other - sundry	3,235	-	-	-	-	-	3,235	26,902
	14,686	-	-	-	-	-	14,686	45,250
Total directly relating to the work of the Church	863,542	-	-	-	4,000	1,104	868,646	959,997
(c) Fund-raising trading costs								
Trading purchases and costs	26,518	-	-	-	-	-	26,518	26,940
TOTAL EXPENDITURE	891,392	205,364	-	-	4,000	1,104	1,101,860	1,196,831

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

4. SUMMARY OF GRANTS PAYABLE

		<u>2018</u>	<u>2017</u>
A Rocha International		1,000	-
A Rocha UK		1,500	500
Aenon - Neema	Joshua and Miriam Mbithi	-	10
AIM	North Karamoja Dio Ambulance Repair	500	-
AIM	Paul and Helen Shepherd	8,000	8,000
AMiE		500	500
Anglican Mainstream		1,100	1,100
Christian Books Worldwide	Ben Dean	4,000	-
Christian Unions Ireland	Mark Ellis	6,000	-
Christianity Explored		2,000	2,000
Christians in Sport		1,000	-
CMS	Peter Wyard	-	500
Crosslinks	Anna Poor	13,000	12,750
Crosslinks	Ben and Naomi Dean	5,000	12,000
Crosslinks	Hazel Maunsell	16,141	16,000
Crosslinks	Jamie Read	800	1,100
Crosslinks	Jonathan & Jessica Heeb	-	12,000
Crosslinks	Mark Oden	17,117	17,050
Crosslinks		-	500
Diocese of Rochester	Diocese of Kundoa (Tanzania)	2,000	2,000
ECM International	Chris Wigram	3,000	3,000
EFAC		3,000	-
Emmanuel Bristol	Ian Taylor	400	-
GAFCON		7,000	5,500
George Muller	Janet Phythian	-	1,000
Global Connections	Julia Cameron	3,000	6,000
Grace Church Dundee	David High	-	500
Japan Christian Link	Selvan Anketell	8,000	5,750
Langham Trust		2,000	2,000
London City Mission		-	100
OMF	Beverlea Parkhill	17,000	17,000
OMF	General	50	120
OMF	Kathryn Bowen	16,000	13,500
OMF	Mekong Reunion	350	-
OMF	StJohn & Ellie Perry	24,000	22,000
OMF	Tony Waghorn	2,750	2,000
Oxtrad	Bishop Nazir Ali	5,000	5,000
Penny Trust	Pete Portal	1,000	1,000
Proclamation Trust		2,000	2,000
Sevenoaks Area Youth Trust		6,000	6,000
Sevenoaks Counselling		625	1,245
SIM	Arthur Parke	-	150
SIM	Emma Brewster	8,000	8,000
St Gabriels	Alan McKinnel	4,000	4,000
Stewardship	Sunao Glass	2,000	2,000
Stewardship	Susannah Bratby	800	-
Tear Fund	Connected Church	5,527	7,600
Tear Fund		-	375
UCCF	John Perry	-	2,000
UCCF	St Andrew's Mission	-	1,000
Union School of Theology	Ian Taylor	4,204	4,000
Total		<u>205,364</u>	<u>208,850</u>

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

4. NET MOVEMENT IN FUNDS	<u>2018</u>	<u>2017</u>
Stated after charging the following:	£	£
Audit Fees (including VAT)	5,220	7,260
Staff costs (see note 5)	320,605	292,580
Depreciation	<u>4,000</u>	<u>4,000</u>

5. STAFF COSTS	<u>2018</u>	<u>2017</u>
Salaries and Wages	286,175	256,211
Social Security costs	<u>21,169</u>	<u>22,878</u>
	307,344	279,089
 Pension costs	 <u>13,261</u>	 <u>13,491</u>
	320,605	292,580

The total number of PCC employees as at 31 December 2018, calculated in a full time equivalent basis, was 11 (2017: 15). No employee received emoluments in excess of £60,000

6. TANGIBLE FIXED ASSETS

	<u>Freehold Land and Buildings</u>	<u>Office Equipment</u>	<u>Fixtures and Fittings</u>	<u>Total</u>
	£	£	£	£
Cost or valuation:				
At 1 January 2018	2,020,000	24,411	43,910	2,088,321
At 31 December 2018	<u>2,020,000</u>	<u>24,411</u>	<u>43,910</u>	<u>2,088,321</u>
Depreciation:				
At 1 January 2018	-	24,411	39,910	64,321
Charge for year	-	-	4,000	4,000
At 31 December 2018	<u>-</u>	<u>24,411</u>	<u>43,910</u>	<u>68,321</u>
Net book value:				
At 31 December 2018	<u>2,020,000</u>	-	-	<u>2,020,000</u>
At 31 December 2017	<u>2,020,000</u>	-	4,000	<u>2,024,000</u>

The freehold land and buildings at the year end comprise the Curate's house located at 40 South Park, 23 Beech Road, which is held in trust by the Rector and Churchwardens for such purposes as the Rector and the PCC shall decide. 26 Woodside Road was purchased in March 2011 for £795,000 and is held in a restricted fund. All properties were revalued by Ibbett Mosely in Jan 2014

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (Continued)

7. INVESTMENTS

	<u>Endowment Funds</u> £
Market value:	
At 1 January 2017	30,555
Gain on revaluation	2,758
At 1 January 2018	33,313
(Deficit) on revaluation	(496)
At 31 December 2018	32,817

The historical cost of the investments is £1,394. All the investments are with the Central Board of Finance of the Church of England and are in the United Kingdom. These investments cannot be realised for the reasons stated in Note 1c.

	<u>Unrestricted funds</u> £	<u>Restricted funds</u> £	<u>Endowment funds</u> £	<u>2018 Total</u> £	<u>2017 Total</u> £
8. DEBTORS					
Tax recoveries	7,645	2,885	-	10,530	48,870
Prepayments	-	-	-	-	-
Sundry debtors	50,000	-	-	50,000	62,878
	57,645	2,885	-	60,530	111,748

9. BANK

Short term deposits	358,809	50,000	-	408,809	408,809
Bank balances and cash	295,229	104,091	-	399,320	316,454
	654,038	154,091	-	808,129	725,263

10. LIABILITIES: AMOUNTS FALLING

DUE WITHIN ONE YEAR

Deferred income	7,500	-	7,500	7,500
Accruals	54,298	-	54,298	41,162
Sundry creditors	-	50,002	-	50,002
Mortgage	-	8,192	-	8,192
Interest free loans	-	25,000	-	25,000
	61,798	83,194	-	144,992

	<u>2018</u> £	<u>2017</u> £
Deferred income		
Balance brought forward at 1st January 2018	7,500	62,550
Released during the year	(7,500)	(62,550)
Amounts deferred during the year	7,500	7,500
Balance carried forward at 31st December 2018	7,500	7,500

11. LIABILITIES: AMOUNTS FALLING

DUE AFTER ONE YEAR

18 year mortgage	-	126,265	-	126,265	135,111
	-	126,265	-	126,265	135,111

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 Continued

12. UNRESTRICTED FUNDS

	<u>01-Jan-18</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Unrealised</u> <u>Gains</u>	<u>31-Dec-18</u>
	£	£	£	£	£	£
General fund	282,007	913,586	(891,392)	(528)	-	303,673
Designated Funds						
Fabric fund	261,604	-	-	-	-	261,604
Strategic Reserve	100,000	-	-	-	-	100,000
Beech Road property fund (note 6)	450,000	-	-	-	-	450,000
TOTAL	1,093,611	913,586	(891,392)	(528)	-	1,115,277

13. RESTRICTED FUNDS

	<u>01-Jan-18</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Unrealised</u> <u>Gains</u>	<u>31-Dec-18</u>
	£	£	£	£	£	£
Mission fund	91,042	210,600	(205,364)	-	-	96,278
Curate's house fund (note 6)	625,000	-	-	-	-	625,000
Associate Rector's House	788,667	7,572	-	-	-	796,239
Equipment	3,472	-	(4,000)	528	-	-
TOTAL	1,508,181	218,172	(209,364)	528	-	1,517,517

14. ENDOWMENT FUNDS

	<u>01-Jan-18</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Unrealised</u> <u>Gains</u>	<u>31-Dec-18</u>
	£	£	£	£	£	£
General, Churchyard & Graves	33,313	1,104	(1,104)	-	(496)	32,817
TOTAL	33,313	1,104	(1,104)	-	(496)	32,817

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2018 are represented by:	<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£	£
Tangible fixed assets	450,000	1,570,000	-	2,020,000
Investments	-	-	32,817	32,817
Current assets	727,075	156,976	-	884,051
Current liabilities	(61,798)	(83,194)	-	(144,992)
Long term liabilities	-	(126,265)	-	(126,265)
Total Net Assets	1,115,277	1,517,517	32,817	2,665,611

16. TRANSACTIONS WITH MEMBERS OF THE PCC AND CONNECTED PERSONS

The stipends/salaries and expenses of the clergy, who are all PCC members, are shown in note 3 (b). Transactions with other (non-clergy) members of the PCC and connected persons were as follows: none

17. FINANCIAL COMMITMENTS

At 31 December 2018, the PCC has no financial commitments.