

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
KING CHARLES THE MARTYR
TUNBRIDGE WELLS

ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2021

REGISTERED CHARITY 1128993

Introduction

I have now served King Charles the Martyr for over five years. Like the previous year, 2021 has been another year of responding to the global pandemic. Whilst this has continued to be challenging, it has also been a time of looking forward and coming together as a church community.

As always, I want to introduce this report by giving my particular thanks to our team of dedicated and talented ministers, lay and ordained and the many members of the congregation who have volunteered in different roles. I am particularly indebted to the clergy team and lay readers; our Parish Secretaries and Churchwardens; everyone who has maintained the very high standard of music at King Charles, the volunteers who have kept the Church open and the team who have enabled so much to be placed on-line and 'live-streamed'. It cannot go without saying, how grateful I am to all the people who have been involved in volunteering to lead, support and participate in all the many different activities within the Church.

We look forward to continuing to foster and enjoy the close relationship with our sister parish of St Mark's and developing our plans to serve the local community. We pray that King Charles will continue to flourish as a welcoming place of fellowship and worship.

Revd Laurence Powell
Chair of the Parochial Church Council

PAROCHIAL CHURCH COUNCIL REPORT

AIMS AND PURPOSES

The Parochial Church Council (PCC) is a corporate body established by the Church of England and operates under the Parochial Church Council Powers Measure 1956, Church Representation Rules 2020 and as a charity under the Charity Commission for England and Wales. It meets at least four times a year and, in partnership with the Vicar and the Churchwardens, holds responsibility for all that happens at the Church. The PCC is consulted (and often votes) on any significant matter that affects King Charles the Martyr Church, Tunbridge Wells.

During 2021, the operation of the PCC continued to be affected by the global pandemic restrictions caused by a coronavirus. PCC meetings, the Annual Parochial Church Meeting (APCM) and the Annual Meeting were held on-line using video conference calls.

OBJECTIVES AND ACTIVITIES

The primary object of the PCC is to cooperate with the Vicar in the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC has the responsibility of co-operating with the Vicar in promoting in the ecclesiastical parish, the whole mission of the Church: pastoral, evangelical, social, charitable and ecumenical. The PCC is also responsible for the maintenance of the Church and Church Hall.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. The PCC maintains an overview of worship and tries to ensure that our services and activities can involve the many groups that live within our parish.

Public Benefit

The PCC is aware of the Charity Commission guidance on public benefit. It is also aware of the supplementary guidance relating to religious charities.

The PCC promotes the mission of the Church through regular public worship open to all; pastoral work, including visiting the sick and the bereaved; teaching of Christianity through sermons and study groups; supporting other charities in the UK and overseas; promotion of an interest in music through concerts and recitals.

COMMITTEES

Standing Committee

The PCC operates through committees, which meet between the full meetings of the PCC. The Standing Committee is the only committee required by law. It carries on the business of the PCC between full meetings, subject to any directions given by the PCC. Its members are the Vicar, Churchwardens, Vice Chair of the PCC, Treasurer, Chairman of the Fabric Committee and Secretary, with input as required from others. All standing committee meetings were convened via video conference call in 2021.

SAFEGUARDING

KCM has two appointed safeguarding leads, who have worked hard to try and comply with KCM's duty under Section 5 of the Safeguarding and Clergy Discipline Measure 2016, with regard to the House of Bishops' guidance on safeguarding children and vulnerable adults.

ACTIVITIES AND PERFORMANCE IN 2021

A selection of some of the main activities carried out in the church is described below and the members of the PCC believe that these are sufficient to comply with the Charity Commission's requirement for public benefit.

Worship and Prayer

The main activities of King Charles the Martyr included the regular worship of God that provides opportunities for spiritual growth, teaching, prayer, outreach and fellowship. The ministry of pastoral care is also carried out in response to need.

Whilst all the main activities were carried out in 2021, at times of national and local lockdowns, many of these activities had to be undertaken differently and were sometimes seriously curtailed.

In response to the global pandemic, the National Government, Church of England and Diocese issued guidance to places of worship prescribing how they could operate. During 2021 churches were given more discretion as to whether they should open based on their own local risk assessment. Dispensations were sought from the Bishop to not hold public worship in King Charles for the first three months of the year as the transmission rates were so high in the area. During this time the clergy team of King Charles and St Mark's worked in partnership to stream services on-line to the congregations.

On Palm Sunday, the 28th March 2021, services gradually resumed in the Church. The Vicar led a small team throughout the year, including the clergy and churchwardens, who assessed the risks of allowing people back in the church. Measures were put in place in an attempt to mitigate these risks and comply with the Government's requirements.

From June onwards, King Charles returned to holding three regular services on Sundays to cater for the differing needs of the congregation, as well as mid-week services and additional celebrations at the major festivals. Whilst attendance was still reduced from pre-pandemic levels a full programme of services was held over Christmas 2021. In order to cater for as many people as possible, live streaming of KCM's services continued as an alternative to attending the church.

The regulations regarding baptisms, weddings and funerals similarly changed at different times during the year with attendance being restricted at times.

During 2021, King Charles continued to be fortunate in having a strong musical tradition with many talented musicians and organists in the congregation and both children and adults who sing in the choirs. As the year progressed, choral singing gradually resumed with a variety of safeguards in place and the wider concert programme also re-started.

Future relationship between King Charles the Martyr and St Mark's Church

Initial conversations commenced in the early months of 2021 about the options for the future relationship between King Charles and St Mark's. For various reasons, it was agreed in April that consideration of these options should be paused. Further discussions will take place in 2022.

Pastoral Care

The clergy team, churchwardens and parish administrators have worked hard to maintain contact with the congregation throughout the year. The Parish Office circulated weekly emails inviting people to get in touch if they had any questions or were in need of any assistance. The Parish Magazine was also produced and posted when possible.

Deanery Synod

As in 2020, Deanery Synod business was severely curtailed by the restrictions of the pandemic and just two meetings were possible. The first on-line meeting in June elected representatives to the Rochester Diocesan Synod and then held a discussion that covered: the future of the Diocese; the Vacancy in See; the relationship between Tunbridge Wells and Rochester and the role of the programme entitled 'Called to Grow'. The second meeting took place in-person and featured a presentation from the Area Dean. The Synod plans to meet on three occasions in 2022.

Mission and Outreach

The PCC selected three charities to support in 2021. Details of the amounts raised for each of the charities are given in Note 18 to the financial statements. The Church tried to continue to give in different ways to our local Food Bank, alongside supporting the Community Larder that operates from St Mark's Church.

KCM also participated in the Friends of Kent Churches annual 'Sponsored Ride and Stride' which once again raised valuable funds in 2021.

Whilst the pandemic meant that many children's activities were not able to take place in the first few months of 2021, Junior Church resumed in September. Attempts were made to continue links with local schools, albeit at times this had to be done remotely, including the Mead School, Claremont Primary School and Bennett Memorial Diocesan School. The Rev'd Laurence Powell acted as a foundation governor for St Mark's Church of England Primary School in Broadwater Down.

The activities that were able to take place in the Church Hall this year were reduced due to the pandemic restrictions. The Church Hall Committee managed the gradual re-opening of the hall for rental when permitted in the second half of the year.

During the second half of 2021, the PCC established a Working Committee to consider the potential for the development of the Church Hall so that it is better placed to meet the needs of the local community. Proposals will be developed in 2022 for discussion and consultation.

Volunteers

As always, the PCC is indebted to the many volunteers who contributed to the operation of the church including those: who kept the church open when possible; created beautiful floral displays in Church; tended to the Church Hall garden, and participated in leading different elements of the church services, its music and social activities. Despite the restrictions, communication within some of the many different groups, continued remotely where possible.

Repairs and Maintenance

Over the past year, various activities were undertaken on the fabric of the church and its hall. These included: repairs to the Church Hall roof, including new the roof lights and windows, and the pursuing of an application for a faculty (the Church of England equivalent of a listed building consent application) to make some minor changes to the lay-out of the north isle of the Church to incorporate a children's corner and relocate the 'quiet corner'.

Every five years the Diocese arranges for an architect to inspect the church, to assess its condition and to outline works which need to be attended to - the Quinquennial Inspection (QI) which is carried out as a requirement of the Ecclesiastical Jurisdiction and Care of Churches Measure 2018, as amended by the Church of England (Miscellaneous Provisions) Measure 2020. The QI has identified a number of matters which need to be addressed, including redecorating the clock turret, cupola, other high level joinery, the west cornice and the windows; improving the ventilation in the sacristy; and some very minor low level repairs to brickwork. These will be addressed over the coming months.

Financial Report

The restrictions on the church's activities due to Government regulations attempting to combat the impact of the Coronavirus pandemic continued to have a significant impact on the income in 2021. The PCC monitored closely the financial position over the year. The very favourable increase in the value of the equity fund investments of almost £14,000 led to a net increase in the unrestricted funds of £3,420 over the course of the year. However, the outflow of other funds available to the PCC was slightly in excess of £10,000.

While 2021 was better than the previous year, the enforced closure of the church due to the lock-down restrictions at various times plus reduced congregation sizes led to collection income and planned giving collected as part of a church service much reduced from prior years. The Church benefited from a legacy of £3,000 but, beyond that, the income for the year was little higher than 2020 and much down from preceding years. The Hall flat was fully let over the year, but the lock-down restrictions meant that the income from hiring out the Hall itself was greatly reduced from earlier years although there was an encouraging increase in its use towards the end of the year.

The regular expenditure was little changed from the previous year although there were major costs of nearly £18,000 incurred on the fabric of the Hall with further work required over the course of 2022 and beyond. Part of the cost in 2021 was met from the Hall repair fund but there was also a need to draw on the general reserves and those reserves will be needed to meet the likely future costs.

The PCC still has significant reserves in excess of the £85,000 suggested by its reserves policy. While the reserves will be materially affected by the need for further repair work to the Hall fabric the PCC does not currently have any concerns about its ability to continue as a going concern but continues to monitor the financial position closely.

PLANS FOR 2022

In 2022, the Vicar and the PCC plan to continue to minister to the local population and to its members, providing teaching and worship through its regular services and to support mission and pastoral care activity locally, in the UK and in other countries. Discussion will continue about the future relationship between King Charles the Martyr and St Mark's and proposals will be developed for the future use of the Church Hall.



Approved by the PCC on 19 April 2022 and signed on its behalf by
Revd Laurence Powell. Chair of the PCC

Administrative Information

The following administrative information, for the year ended 31st December 2021, is required to be recorded in this Annual Report.

| | |
|-------------------------|---|
| Registered Charity Name | The Parochial Church Council of the Ecclesiastical Parish of King Charles the Martyr, Tunbridge Wells |
| Charity Number | 1128993 |
| Address | London Road Tunbridge Wells TN1 1YX |
| Correspondence Address | Parish Office 3 Warwick Park Tunbridge Wells TN2 5TA |
| Incumbent | The Revd Laurence Powell King Charles Vicarage Rodmell Road Tunbridge Wells TN2 5ST |
| Bankers | Lloyds Bank plc 84 Mount Pleasant Road Tunbridge Wells TN1 1RB |
| Independent Examiner | Mr C Weller FCA 9 Calverley Park Tunbridge Wells TN1 2SH |

PCC Membership

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting in accordance with the Church Representation Rules. During 2021 the members of the PCC were:

| | | |
|--|--|---|
| Vicar | The Revd Laurence Powell | |
| Associate Vicar | The Revd Canon Sarah Partridge | |
| Associate Vicar | The Revd Claire Allwood | |
| Churchwardens | Norma Buck Linda Sorenson | (elected May 2021) (elected May 2021 until November 2021) |
| Vice Chair | Michael Eliades | (elected May 2021) |
| Treasurer | Alan Lockie | (from July 2013) |
| Representatives on the Deanery Synod (Also Fabric Committee Chair) | David Bushell Alice MacFarlane Richard Morrice | (elected Oct 2020) (elected Oct 2020) (elected Oct 2020) |
| Representatives on the Diocesan Synod and Deanery Synod | Norma Buck Paul Clark | (from April 2012) (from April 2017) |

Elected Lay Members listed in date order that they were last elected:

| | | |
|--------------------------|--|--|
| | Lisa Halsall | (elected April 2018 until May 2021) |
| | Bridget Roberts | (elected April 2018 until May 2021) |
| | Rod Taylor | (elected April 2018 until May 2021) |
| Assistant to The Wardens | Michael Bacon Marilyn Dove Olivia de Lucy Julian McCrae | (elected April 2019) (elected April 2019) (elected April 2019) (elected April 2019) |
| PCC Secretary | Mary Bishop Anna Astin Emma Burns John Cornish Paul Desrosiers Elizabeth Doyle Ruth Willis | (elected Oct 2020) (elected May 2021) (elected May 2021) (elected May 2021) (elected May 2021) (elected May 2021) (elected May 2021) |

The Vicar of King Charles the Martyr, is also the Priest-in-Charge at St Mark's. Both churches have their own PCCs, but work in close co-operation and partnership.

Independent Examiner's report to the PCC of the Parish Church of King Charles the Martyr, Tunbridge Wells

For the year ended 31st December 2021

I report on my examination of the accounts of the PCC for the year ended 31st December 2021

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act') and the Church Accounting Regulations 2006.

I report in respect of my examination of the PCC 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, and also those found in Church guidance, 2017 edition.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records
3. the accounts do 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.

Yours faithfully

Christopher Weller, FCA

9 Calverley Park
Tunbridge Wells
Kent TN1 2SH

25 March 2022

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF KING CHARLES THE MARTYR,
TUNBRIDGE WELLS**

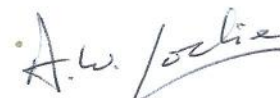
BALANCE SHEET AT 31 DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|---------------------------------------|------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible assets | 6 | 200,000 | 200,000 |
| Investments | 7 | 118,179 | 103,843 |
| Total fixed assets | | 318,179 | 303,843 |
| CURRENT ASSETS | | | |
| Debtors and prepayments | 9 | 7,874 | 2,145 |
| Diocesan Repair Funds | 10 | 44,513 | 45,429 |
| Diocesan Loan Funds | 11 | 90,139 | 109,899 |
| Balances at Banks | 12 | 21,285 | 16,800 |
| Total current assets | | 163,811 | 174,273 |
| LIABILITIES | | | |
| Creditors falling due within one year | 13 | (20,534) | (12,808) |
| Net current assets | | 143,278 | 161,465 |
| TOTAL NET ASSETS | | 461,457 | 465,308 |
| FUNDS | | | |
| Funds designated for repairs | | 44,513 | 47,449 |
| Other unrestricted funds | | 190,842 | 198,602 |
| Restricted funds | 16 | 226,102 | 219,257 |
| Total funds | | 461,457 | 465,308 |

Approved by the Parochial Church Council on
19 April 2022 and signed on its behalf by



Chairman



Hon Treasurer

STATEMENT OF FINANCIAL ACTIVITIES

For the year ending 31 December 2021

| | Note | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------------------------|------|----------------------------|--------------------------|--------------------------|-----------------------------|
| INCOME AND ENDOWMENTS | | | | | |
| Donations and legacies | 2(a) | 115,777 | 5,424 | 121,201 | 110,171 |
| Charitable activities | 2(b) | 1,106 | 2,182 | 3,288 | 2,407 |
| Other trading activities | 2(c) | 33,897 | 0 | 33,897 | 25,428 |
| Investments | 2(d) | 3,765 | 32 | 3,797 | 4,123 |
| Total | | 154,545 | 7,638 | 162,183 | 142,129 |
| EXPENDITURE | | | | | |
| Raising funds | 3(a) | 3,360 | 0 | 3,360 | 3,948 |
| Church and Charitable Activities | 3(b) | 83,034 | 2,628 | 85,662 | 89,953 |
| Church management and administration | 3(c) | 90,965 | 24 | 90,989 | 77,656 |
| Total | | 177,359 | 2,653 | 180,012 | 171,557 |
| Net gains/(losses) on investments | | 13,978 | 0 | 13,978 | (2,507) |
| NET INCOME / (EXPENDITURE) | | (8,836) | 4,985 | (3,851) | (31,934) |
| Transfers between funds | 17 | (1,860) | 1,860 | 0 | 0 |
| NET MOVEMENT IN FUNDS | | (10,696) | 6,845 | (3,851) | (31,934) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 246,051 | 219,257 | 465,308 | 497,242 |
| Total funds carried forward | | 235,355 | 226,102 | 461,457 | 465,308 |

STATEMENT OF CASH FLOWS

For the year ending 31 December 2021

| | Note | Total funds 2021 £ | Total funds 2020 £ |
|--|------|--------------------------|--------------------------|
| Net cash provided by operating activities | 14 | (19,628) | (46,738) |
| Cash flow from investing activities | | | |
| Dividends and interest | 2(d) | 3,797 | 4,123 |
| Proceeds from sale of investments | | 0 | 0 |
| Purchase of investments | | (359) | (306) |
| Net cash provided by investing activities | | 3,438 | 3,817 |
| Change in cash and cash equivalents | | (16,190) | (42,920) |
| Cash and cash equivalents at 1 January | | 172,128 | 215,048 |
| Cash and cash equivalents at 31 December | | 155,938 | 172,128 |

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, together with applicable accounting standards, the Charities SORP 2015 and Financial Reporting Standard 102. This basis is the same as that used in the financial statements for 2020.

The restrictions on the church's activities due to Government regulations attempting to combat the impact of the Coronavirus pandemic had a significant impact on the income in 2021. The PCC monitored closely the financial position over the year. The reserve position continues to remain strong and the PCC does not currently have any significant concern about its ability to continue as a going concern for the foreseeable future. The position continues to be monitored closely.

Fund Accounting

Unrestricted funds are funds that may be used for any PCC ordinary purpose.

Restricted funds represent donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Amounts received specifically for other charities are dealt with as restricted funds.

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used, either as restricted or unrestricted funds. KCM has no endowment funds and so these statements make no reference to endowment funds.

Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due and the amount can be properly determined. Dividends are accounted for when received, interest is accrued. Rental income on the Hall flat is recognised when earned. All other income is recognised when it is receivable.

Expenditure recognition

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The PCC's offer to the Diocese is accounted for when due. All other expenditure is recognised when it is incurred.

Fixed Assets

Consecrated and benefice property is not included in accordance with s.96(2)(a) of the Charities Act 1993.

Moveable church furnishings held on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the Church's inventory.

Equipment used within the Church is depreciated on a straight-line basis over 4 years. Individual items with a purchase price of £1,500 or less are written off when the asset is acquired.

The Hall is included at a nominal value as there is no intention to sell within the foreseeable future. The PCC takes the view that a full valuation or further revaluations in the future would not enhance the relevance of the information provided in these statements.

Current assets

Current assets are cash in hand and money deposited with banks or the funds provided by the Diocese of Rochester. Their value has been taken as the full value of the deposits.

Debtors and Creditors

Amounts owed under Debtors have been valued as the full amount due to the PCC without allowance for any potential bad debts.

Amounts owed by the PCC under creditors have been valued as the full amount due to be paid by the PCC.

Investments

Investments are valued at their realisable value at the end of each year. The difference in the realisable value over 2020 is shown as unrealised investment gains or losses and transferred to the Statement of Financial Activities.

Church Shop

The stock in the Church Shop has been fully written off.

| | Unrestricted funds | Restricted funds | Total 2021 | Total 2020 |
|---|-----------------------|---------------------|-----------------------|-----------------------|
| 2 INCOME | | | | |
| a Income from donations and legacies | | | | |
| Collections | 4,580 | 0 | 4,580 | 2,260 |
| Planned Giving under Gift Aid | 68,088 | 0 | 68,088 | 67,711 |
| Planned Giving not under Gift Aid | 5,436 | 0 | 5,436 | 4,530 |
| Other donations under Gift Aid | 11,579 | 0 | 11,579 | 9,157 |
| Other donations not under Gift Aid | 1,042 | 0 | 1,042 | 6,005 |
| Donations received via CAF | 1,260 | 0 | 1,260 | 1,289 |
| Income tax recovered | 19,848 | 15 | 19,863 | 19,218 |
| Income tax recovered under GASDS | 944 | 0 | 944 | 0 |
| Specific Appeals | 0 | 409 | 409 | 0 |
| Legacies | 3,000 | 5,000 | 8,000 | 0 |
| | <u>115,777</u> | <u>5,424</u> | <u>121,201</u> | <u>110,171</u> |
| b Charitable Activities | | | | |
| Fees for Church Services | 1,002 | 0 | 1,002 | 1,032 |
| Donations for other charities | 104 | 2,182 | 2,286 | 1,270 |
| Income tax recovered on donations | 0 | 0 | 0 | 105 |
| | <u>1,106</u> | <u>2,182</u> | <u>3,288</u> | <u>2,407</u> |
| c Other trading activities | | | | |
| Hall flat rental income | 15,000 | 0 | 15,000 | 10,700 |
| Parking income | 920 | 0 | 920 | 960 |
| Hall Hire fees | 14,685 | 0 | 14,685 | 11,709 |
| Church hire | 550 | 0 | 550 | 0 |
| Traidcraft | 353 | 0 | 353 | 600 |
| Church shop | 0 | 0 | 0 | 120 |
| Magazine, bookstall, publications | 2,389 | 0 | 2,389 | 838 |
| Sale of old hall chairs | 0 | 0 | 0 | 500 |
| | <u>33,897</u> | <u>0</u> | <u>33,897</u> | <u>25,428</u> |
| d Income from investments | | | | |
| Dividends | 3,472 | 0 | 3,472 | 3,531 |
| Interest | 293 | 32 | 325 | 592 |
| | <u>3,765</u> | <u>32</u> | <u>3,797</u> | <u>4,123</u> |
| TOTAL INCOME | <u>154,545</u> | <u>7,638</u> | <u>162,183</u> | <u>142,129</u> |

| | Unrestricted funds | Restricted funds | Total 2021 | Total 2020 |
|---|-----------------------|---------------------|-----------------------|-----------------------|
| 3 EXPENDITURE | | | | |
| a Raising funds | | | | |
| Traidcraft | 83 | 0 | 83 | 264 |
| Church shop | 0 | 0 | 0 | 83 |
| Cost of magazine | 1,358 | 0 | 1,358 | 1,435 |
| Hall flat management costs | 1,836 | 0 | 1,836 | 1,980 |
| Investment management charges | 84 | 0 | 84 | 186 |
| | <u>3,360</u> | <u>0</u> | <u>3,360</u> | <u>3,948</u> |
| b Church and Charitable Activities | | | | |
| Grants given (see also note 18) | 124 | 2,353 | 2,477 | 6,938 |
| Offer to the Diocese of Rochester | 75,840 | 0 | 75,840 | 75,840 |
| Other ministry costs | 5,390 | 0 | 5,390 | 5,271 |
| Cost of services | 684 | 75 | 759 | 652 |
| King Charles Lecture | 148 | 0 | 148 | 600 |
| Twinning with Haapsalu | 0 | 0 | 0 | 34 |
| Other Parish costs | 848 | 200 | 1,048 | 618 |
| | <u>83,034</u> | <u>2,628</u> | <u>85,662</u> | <u>89,953</u> |
| c Church management and administration | | | | |
| Printing/stationery/postage | 3,941 | 0 | 3,941 | 4,164 |
| Administration costs | 2,068 | 0 | 2,068 | 2,958 |
| Streaming costs | 910 | 0 | 910 | 3,344 |
| Secretarial fees | 14,784 | 0 | 14,784 | 13,512 |
| Bank charges | 491 | 0 | 491 | 479 |
| Insurance | 6,876 | 0 | 6,876 | 6,742 |
| Church maintenance & cleaning | 10,985 | 0 | 10,985 | 14,337 |
| Church hall maintenance & cleaning | 18,424 | 0 | 18,424 | 13,619 |
| Church hall roof repairs | 32,486 | 0 | 32,486 | 0 |
| Organ Repairs | 0 | 0 | 0 | 2,640 |
| Church exterior planting | 0 | 24 | 24 | 68 |
| Purchase of new hall chairs | 0 | 0 | 0 | 15,350 |
| Depreciation | 0 | 0 | 0 | 442 |
| | <u>90,965</u> | <u>24</u> | <u>90,989</u> | <u>77,656</u> |
| TOTAL EXPENDITURE | <u>177,359</u> | <u>2,653</u> | <u>180,012</u> | <u>171,557</u> |

4 FEES AND PERSONAL EXPENSES

KCM does not employ any staff. Secretarial services in the Parish Office were provided by members of the Church who work on a self-employed basis, submitting invoices for their time spent. The cost in 2021 was £14,784 (2020: £13,512) One of those providing the secretarial services was a member of the PCC and that person received £6,264 for their work in 2021.

No expense payments were made to members of the PCC in 2021 (2020: nil) other than reimbursement of normal out of pocket expenses. Expenses paid to the Vicar, Associate Vicar and Curate form part of the Other ministry costs shown in Note 3(b); in 2021 these expenses totalled £449 (2020: £702)

5 RELATED PARTY TRANSACTIONS

There were no related party transactions in 2021 (2020: none).

During 2021 members of the PCC and related parties made contributions under Planned Giving of £18,086 (2020: £17,796).

6 FIXED ASSETS

| Tangible fixed assets | Freehold land and buildings | Church equipment | Total |
|---|------------------------------------|-------------------------|----------------|
| Actual deemed cost 1 January 2021 | 200,000 | 7,162 | 207,162 |
| Additions at actual cost | 0 | 0 | 0 |
| Cost 31 December 2021 | <u>200,000</u> | <u>7,162</u> | <u>207,162</u> |
| Depreciation brought forward 1 January 2021 | 0 | 7,162 | 7,162 |
| Charge for the year | 0 | 0 | 0 |
| Depreciation 31 December 2021 | <u>0</u> | <u>7,162</u> | <u>7,162</u> |
| Net book value at 31 December 2020 | 200,000 | 0 | 200,000 |
| Net book value at 31 December 2021 | 200,000 | 0 | 200,000 |

7 INVESTMENTS

| | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| 31,979.42 BMO Responsible UK Equity Income | 47,234 | 41,790 |
| 3033.6 CBF Church of England Investment Fund | 70,946 | 62,027 |
| Cash held for re-investment | 0 | 25 |
| | <u>118,179</u> | <u>103,842</u> |

There was no change in the PCC's holding in these funds other than due to rebates totalling £358.61 received from the investment platform managers of the BMO fund. Due to HMRC restrictions these rebates were reinvested in the fund and are included within the dividends received in Note 3 above.

Investment Policy

KCM undertakes to manage its financial investments in accordance with the following principles:

To act in accordance with the legal requirements and good practice guidelines, issued by the Charity Commission regarding charity investments, including: reviewing investments at least annually; maintaining a reasonable level of diversification in relation to the size of the investment portfolio; taking advice where appropriate from someone experienced in investment matters.

To hold investments that conform to the ethical investment framework determined by the Church of England's Ethical Investment Advisory Group or a similar ethical framework.

To hold investments designed to produce an income yield, but with sufficient level of growth to maintain their capital value

To hold investments on the basis of a 'balanced/cautious' attitude to risk.

To review this Investment Policy once every three years.

The investment policy was last reviewed in 2019 when the PCC agreed to leave it unchanged.

8 RESERVES POLICY

Balances in the Repair Funds are designated for future repairs of the Church and Hall, mainly arising from the quinquennial inspection. Other investments are considered to be free reserves.

The PCC considers these reserves should be maintained to provide:

a) income,

b) funds to be available to meet any shortfall between income and expenditure, and

c) a fund to meet the cost of any essential repairs to the Grade 1 listed Church that may not be covered by other sources.

Reserves should, if possible, be maintained at a minimum of 50% of the annual resources used including the transfer to the the repair funds, i.e. at least ££5,000. In assessing the amount of assets available, the value of any equity-type investments is taken as 50% of its then current market value.

The reserves policy was last reviewed in 2019 when the PCC agreed on the above.

The present level of reserves is in excess of the target figure and is available to meet income shortfalls due to the closure of the church due to the Coronavirus pandemic. The PCC will review the level of reserves at such time as it is deemed that the income level has stabilised.

9 DEBTORS AND PAYMENTS IN ADVANCE

| | 2021 | 2020 |
|------------------------|--------------|--------------|
| Income tax recoverable | 1,756 | 843 |
| Other debtors | 6,118 | 1,302 |
| | <u>7,874</u> | <u>2,145</u> |

10 DIOCESAN REPAIR FUNDS

| | 2021 | 2020 |
|-----------|---------------|---------------|
| Re Church | 39,557 | 31,496 |
| Re Hall | 4,956 | 13,934 |
| | <u>44,513</u> | <u>45,429</u> |

11 DIOCESAN LOAN FUNDS

| | 2021 | 2020 |
|--------------|---------------|----------------|
| General fund | 76,443 | 96,505 |
| Organ Appeal | 13,696 | 13,394 |
| | <u>90,139</u> | <u>109,899</u> |

12 BALANCES AT BANKS

| | 2021 | 2020 |
|------------------------|---------------|---------------|
| Church current account | 4,969 | 2,727 |
| Hall current account | 2,355 | 6,113 |
| Lloyds Savings account | 13,961 | 7,961 |
| | <u>21,285</u> | <u>16,800</u> |

13 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|---------------------|---------------|---------------|
| Creditors: accruals | | |
| Re Church | 4,764 | 6,060 |
| Re Hall | 15,770 | 6,748 |
| | <u>20,534</u> | <u>12,808</u> |

14 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2021 | 2020 |
|--|-----------------|-----------------|
| Net income for the reporting period | (3,851) | (31,934) |
| Depreciation charge | 0 | 442 |
| (Gains)/losses on investments | (13,978) | 2,507 |
| Dividends and interest | (3,797) | (4,123) |
| (increase)/decrease in stocks | 0 | 83 |
| (increase)/decrease in debtors | (5,729) | 1,600 |
| Increase/(decrease) in creditors | 7,726 | (15,312) |
| Net cash provided by operating activities | <u>(19,628)</u> | <u>(46,738)</u> |

15 ANALYSIS OF NET ASSETS BY FUND

| | Unrestricted | Restricted | 2021 | 2020 |
|-----------------------|---------------------|-------------------|----------------|----------------|
| Tangible fixed assets | 0 | 200,000 | 200,000 | 200,000 |
| Investment assets | 118,179 | 0 | 118,179 | 103,843 |
| Current assets | 132,711 | 26,101 | 158,811 | 174,273 |
| Current liabilities | (20,534) | 0 | (20,534) | (12,808) |
| | <u>230,356</u> | <u>226,101</u> | <u>456,457</u> | <u>465,308</u> |

16 RESTRICTED FUND DETAILS

The Restricted Fund comprises the following amounts:

| | 2021 | 2020 |
|------------------------------------|----------------|----------------|
| a) Nominal value of Church Hall. | 200,000 | 200,000 |
| b) Vicar's discretionary fund | 1,100 | 1,271 |
| c) Organ appeal fund (see Note 17) | 20,570 | 13,574 |
| d) Music legacy fund | 4,183 | 4,258 |
| e) King Charles' Prayer Book fund | 67 | 67 |
| f) Church Exterior fund | 136 | 86 |
| g) Children's corner fund | 45 | 0 |
| | <u>226,101</u> | <u>219,256</u> |

During 2021 Restricted Funds also operated in respect of donations for outreach charities.

Two legacies totalling £6,000 were received in 2016 from the late Paul Barker and the late Sheila Rogers. Each of these legacies specified that the money should be used to further the musical heritage of the Church and a separate restricted fund has been established. There was expenditure of £75 from this fund in 2021.

In 2017 an appeal was launched to purchase an original copy of King Charles' Prayer Book. A total of £815 was collected which attracted £50 in Gift Aid. The book was bought for £800 and the balance of money collected will be used to help cover the cost of suitable storage for the book.

In 2017 an amount of £500 was received for the specific purpose of providing and filling planters at the front of the church's exterior. This amount was given under Gift Aid. An additional amount of £60 was received in 2021 and was given under Gift Aid. The planters were donated and an amount of £24 was spent on planting in 2021. The balance will be used to purchase plants in future years.

17 ORGAN APPEAL

In the past the organists waived their entitlement to a fee for playing at services to the benefit of the Church's general funds. With effect from 1 January 2016, the PCC agreed to transfer such fees to the Organ Appeal fund. Further, the Director of Music has waived his honorarium in favour of the Organ Appeal fund with effect from 1 April 2016. A total of £1,590 was transferred to the Organ Appeal fund from the Church's general funds in respect of 2021 (2020: £630) as a result of these agreements.

In addition, the PCC received a legacy of £5,000 for the benefit of the Organ Appeal fund.

18 DONATIONS TO CHARITIES

| | From General Fund | From Restricted Funds |
|---|-------------------------|-----------------------------|
| a Home Missionary and other Church Societies | | |
| Community larder | 0 | 160 |
| Christian Aid | 0 | 436 |
| Friends of Rochester Cathedral | 20 | 0 |
| | <u>20</u> | <u>596</u> |
| b Secular Societies | | |
| Children's Society | 0 | 234 |
| Nourish Community Foodbank | 0 | 1,352 |
| Musicians Benevolent Fund | 104 | 0 |
| | <u>104</u> | <u>1,586</u> |
| c Missionary and Charitable Giving | | |
| Vicar's discretionary fund | 0 | 172 |
| | <u>0</u> | <u>172</u> |
| TOTAL | <u>124</u> | <u>2,353</u> |

19 PRIOR PERIOD COMPARATIVE SOFA

For the year ending 31 December 2020

| | Note | Unrestricted funds £ | Restricted funds £ | Total funds 2020 £ |
|--------------------------------------|------|-------------------------|-----------------------|--------------------------|
| INCOME AND ENDOWMENTS | | | | |
| Donations and legacies | 2(a) | 110,171 | 0 | 110,171 |
| Charitable activities | 2(b) | 1,032 | 1,375 | 2,407 |
| Other trading activities | 2(c) | 25,428 | 0 | 25,428 |
| Investments | 2(d) | 4,063 | 60 | 4,123 |
| Total | | 140,693 | 1,436 | 142,129 |
| EXPENDITURE | | | | |
| Raising funds | 3(a) | 3,948 | 0 | 3,948 |
| Church and Charitable Activities | 3(b) | 88,535 | 1,418 | 89,953 |
| Church management and administration | 3(c) | 74,947 | 2,708 | 77,656 |
| Total | | 167,430 | 4,127 | 171,557 |
| Net gains/(losses) on investments | | (2,507) | 0 | (2,507) |
| NET INCOME / (EXPENDITURE) | | (29,243) | (2,691) | (31,934) |
| Transfers between funds | 17 | (630) | 630 | 0 |
| NET MOVEMENT IN FUNDS | | (29,873) | (2,061) | (31,934) |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | | 275,924 | 221,318 | 497,242 |
| Total funds carried forward | | 246,051 | 219,257 | 465,308 |

