

The Church of St James the Great East Malling East Malling Parochial Church Council

Annual Report and Accounts for the year ended 31 December 2023

Background

St James the Great, East Malling is a church which is the responsibility of a parochial church council duly constituted under the Parochial Church Council Powers Measure (1956) as amended and the Church Representation Rules.

The Church is registered with code 631167 in the Diocese of Rochester in the parish of Saint James the Great, East Malling.

The Parochial Church Council of St James the Great, East Malling is a charity for the purposes of the Charities Act 2011 and is excepted from Registration with the Charities Commission.

East Malling Parochial Church Council

The following people were members of East Malling Parochial Church Council during 2023:

Rev Nicholas Williams
(PCC Chairman, Incumbent – vacated office 13 November 2023)

David Chambers
(Churchwarden)

Richard Dove
(Churchwarden, Deanery Synod representative, Diocesan Synod representative)

Susan Payne
(PCC Secretary, Deanery Synod representative)

Nick Ashbee
(Treasurer)

Alan Bramley
(from 15 April 2023)

Susanne Canham

Jonathan Colvile

Mark Francis
(until 15 April 2023)

Belinda Hunter
(until 15 April 2023)

Michala Neaves

During 2023, total donations of £10,003 were received from PCC members. Susan Payne invoices the PCC when she plays the organ at services; she received £840 during the year.

Structure, governance and management

The parish of East Malling is joined with the parish of Holy Trinity, Larkfield; each parish is administered by its own PCC. The method of appointment of PCC members is set out in the Church Representation Rules.

All members of the congregation are actively encouraged to register on the electoral roll and to stand for election to the PCC. The PCC is responsible for making decisions on matters of general concern and importance to the Parish including deciding how the funds of the PCC are to be spent. The PCC meets every two months.

Aims and purposes

East Malling Parochial Church Council has the responsibility of cooperating with the Incumbent in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the church building and churchyard of St James the Great, East Malling.

Reserves policy

It is the PCC's policy to try to maintain a balance on General Fund reserves which equates to at least three months' unrestricted payments. For 2023 this equated to £9,244; the balance on the General Fund at 31 December 2023 was £46,082. It is held to smooth out fluctuations in cash flow and to meet emergencies.

Financial Review

Planned giving

Planned giving has dropped significantly during the year as donors have moved away, succumbed to serious illness or, sadly, died. Unfortunately, this trend is likely to continue in 2024 and we can expect planned giving to fall further still.

Collections at services, Donations

Collections at services and donations have been better than expected as we took some very generous collections and donations from two evensongs the church hosted for external groups. The annual donation of £15 was received in February 2023, recognising the costs of maintaining the churchyard around the Commonwealth war graves. Also, East Malling Singers made their annual donation for 2022 at the beginning of 2023, inflating the 2023 figure and lowering the 2022 figure.

Gift Aid recovered

2023 Gift Aid recovered is back to more normal levels after the large prior year catch up recovered in 2022. It comprises Gift Aid recovered on qualifying amounts up to 30 November 2023. We also reclaimed nearly £500 under the Gift Aid Small Donation Scheme, which allows Gift Aid to be claimed on anonymous donations of up to £30.

Fundraising

Fundraising has held up well, despite real hardship being suffered in our local community. The main fundraising events were the summer afternoon teas series (£752) and the Easter and Christmas Craft Cafés (£511).

100 Club

The administration of the 100 Club has continued to cause difficulties. Following treasurer Michael Rogers' death in 2022 we have been trying to add another signatory. Barclays, which holds the 100 Club bank account has been extremely difficult to deal with and the PCC agreed to close the account as soon as possible, make final payments of all outstanding prizes and restart with a NatWest bank account (our main bank). The account was finally closed in March 2024, two months after the closure instruction was given to Barclays. We have however managed to pay out nearly £900 of prizes during 2023.

Fees – weddings and funerals

Fees for weddings and funerals have fallen against 2022. These are, for obvious reasons, always difficult to predict, but we can expect a further fall in 2023 as the vacancy makes the church a less attractive venue to some. We will however be able to retain the Rochester Diocesan Board of Finance portion of wedding and funeral fees during the vacancy in a "Sequestration Account"

(shown in these accounts as a designated fund) to offset the costs of stand-in clergy. The Diocese is due to change this policy but it has not decided when.

Investment income

Over the years, the church opened a number of bank and investment accounts which were no longer needed. During 2023, we closed five of these accounts and consolidated the funds into just three investment accounts, dramatically reducing the administrative burden. We have also moved surplus cash from the main current account into an investment account, to take advantage of higher interest rates.

The church holds an equity-based investment, the Norton Trust, that provides income and has a market value which fluctuates over time. Improvements in financial markets during 2023 meant that we made an unrealised gain on this investment of almost £1,400.

Parish Offer

In 2023 we benefitted from a significantly reduced Parish Offer assessment from Rochester Diocese and the church was able to pay its 50% share in full. The 2024 assessment was significantly higher, driven in part by the exceptional Gift Aid recovery in 2022. However, given the uncertainty over the church's income in 2024, we have agreed with Rochester Diocese to pay an initial £2,500, then revisit Parish Offer at the end of the third quarter 2024, when the church's income will be more certain.

Salaries, wages and honoraria

In November and December 2023 costs for stand-in clergy during the vacancy started coming through. These costs will continue throughout the vacancy. The offset from the sequestration account mentioned earlier comes through in the Fund Transfers line.

Clergy and staff expenses

During 2023, the benefice churches continued to be responsible for the vicarage Council Tax, water and telephone. This is recorded under "Clergy and staff expenses" and the figure shown is East Malling's 50% share. With the vacancy, the churches are also required to pay for vicarage gas and electricity. With this in mind, the phone line to the vicarage has been cut off, the water systems drained down to prevent burst pipes and the heating turned off. This should minimise the costs while the building is empty. We have also obtained the six-month Council Tax exemption for a vacant parsonage.

Church music

We have received very generous donations to fund music in the church, which continues to be one of the highlights of our worship. This money is received into the Church Music restricted fund and can be used for anything to do with church music. We can also reclaim Gift Aid on these donations. We have used this fund to offset most of the cost of church music in 2023. The figure shown in the

accounts is the total gross cost; the offsetting comes through in a transfer to the General Fund of £2,733.

Insurance

Insurance continues to be with Ecclesiastical Insurance, the specialist church insurer. Premiums have increased as the cost of settling claims has increased.

Minor maintenance

Various maintenance projects have been completed during the year, hence the increase over 2022. There were repairs to the boilers (including obtaining the annual gas safety certificate) costing over £1,000. The trees in the churchyard were due their routine pruning at a cost of over £3,000 and the church bought a heavy-duty freestanding ladder to enable lightbulbs to be changed safely. We are very grateful to the Friends of St James the Great for their generous grant of £3,219 to offset against the cost of the tree work and the ladder. Again, the maintenance costs are shown gross in the accounts; the grant comes through as a transfer to the General Fund.

Toilet hire

We continue to hire a portaloos at church festivals and the cost is usually shared with the other groups who use the church around the same time.

Electricity

Dealing with our utility suppliers has been a persistent source of aggravation during the year and we have had to make formal complaints against both to get matters resolved. During 2023 and after months of correspondence we had the church's second, redundant electricity meter removed, to stop having to pay a standing charge on it. The remaining meter was upgraded to a smart meter, meaning we no longer have to provide meter readings to get accurate bills. From November, the church's electricity has been supplied through the Church of England "Energy Basket" which bulk buys to get better rates. The electricity is also renewable, coming from a UK wind farm.

Gas

As noted in the 2022 report, the church's gas contract expired at the height of the 2022/23 winter energy crisis, meaning we had to fix for two years at a high unit rate. This additional cost is now being seen in the accounts with the cost of gas doubling. The situation is not helped by the church building being appallingly energy inefficient. The actual cost would have been closer to £10,000, but we secured a substantial refund of over £1,000 having been over-charged VAT on our previous contract. We also benefitted from a Rochester Diocese Energy Support Fund grant, which shows in the accounts as a transfer to the General Fund of £2,595. We will move to the Church of England Parish Buying Energy Basket for 2025 on a reduced unit rate.

Apple Tree Room

We broke ground on the Apple Tree Room during the year. We received generous donations of nearly £7,000 following an appeal to the congregation for funds and we secured a grant of £15,350 from the Rochester Diocese Mission Property Fund. The main expenditure of £12,524 was on the foundations, with the same amount due on completion of the foundations. This brought the total spent since the relaunch in 2020 to £70,728; the additional cost to completion is budgeted at £80,000. Substantial grants and donations have been pledged to the project and these pledges need to be realised. The PCC have agreed that sufficient funds to be able to build a weathertight building (but not fitting out) must have been received before building work can continue.

Tom Hicks Fund

Following the death of Tom Hicks during the year his family and friends made generous donations of nearly £2,500 to be used to purchase items for use at the altar. Two engraved silver cruets have been purchased and these are now in use in the church, in memory of Tom's long and committed service to the church.

Fund transfers

During the year, the following amounts were transferred to the General Fund from restricted and designated funds, where the expenditure was consistent with the aims of those restricted and designated funds:

Fund	Type	£
Sequestration	Designated	30
Church Music	Restricted	2,733
Energy Support	Restricted	2,595
Friends of St James	Restricted	3,219
		8,577

Independent Examiner's report

Accounts for the year ended 31st December 2023

Respective responsibilities of the Trustees and the examiner

The charity's trustees are responsible for the preparation of the accounts and they consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

Examine the accounts under section 145 of the Charities Act to follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and to state whether particular matters have come to my attention.

Basis of the Independent Examiner's statement

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required for an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matter has come to my attention which gives me cause to believe that in, any material respect:

Accounting records were not kept in accordance with section 130 of the Charities Act, or the accounts do not accord with the accounting records

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

Date: 18th April 2024

Signed:



Stephen Hendy

Statement of Financial Activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
Income and endowments from:						
Donations and legacies	25,788	10	31,987	—	57,785	42,003
Income from charitable activities	4,989	30	425	—	5,444	7,816
Other trading activities	—	—	—	—	—	—
Investments	780	227	68	—	1,076	571
Other income	—	—	—	—	—	15
Total income	31,557	267	32,480	—	64,305	50,407
Expenditure on:						
Raising funds	261	—	880	—	1,141	531
Expenditure on charitable activities	36,644	—	16,026	—	52,671	68,920
Other expenditure	70	—	—	—	70	823
Total expenditure	36,975	—	16,907	—	53,883	70,275
Gains / losses on investment assets	1,387	—	—	—	1,387	(1,968)
Net income / (expenditure) resources before transfer	(4,029)	267	15,572	—	11,810	(21,836)
Transfers						
Gross transfers between funds - in	8,577	—	—	—	8,577	8,566
Gross transfers between funds - out	—	(30)	(8,547)	—	(8,577)	(8,566)
Other recognised gains / losses						
Gains on revaluation, fixed assets, charity's own use	—	—	—	—	—	—
Net movement in funds	4,547	237	7,025	—	11,810	(21,836)
Total funds brought forward	41,534	7,848	13,222	—	62,605	84,442
Total funds carried forward	46,082	8,085	20,247	—	74,416	62,605
Represented by						
Unrestricted						
General fund	46,082	—	—	—	46,082	41,534
Designated						
Choir stall fund	—	52	—	—	52	42
Church repair fund	—	8,033	—	—	8,033	7,805
Sequestration account	—	—	—	—	—	—
Restricted						
100 Club prize fund	—	—	1,133	—	1,133	1,580
Agency collection	—	—	—	—	—	—
Apple Tree Room fund	—	—	16,023	—	16,023	6,024
Choir stall fund	—	—	719	—	719	719
Church music fund	—	—	—	—	—	—
Church repair fund	—	—	—	—	—	—
Energy support fund	—	—	—	—	—	2,595
Friends of St James fund	—	—	—	—	—	—
Mission relief fund	—	—	—	—	—	—
Organ fund	—	—	2,181	—	2,181	2,113
Sound system fund	—	—	191	—	191	191
Special collections fund	—	—	—	—	—	—
Tom Hicks fund	—	—	—	—	—	—

Balance sheet

	Total funds	Prior year funds
Fixed assets		
Investments	16,140	14,752
	16,140	14,752
Current assets		
Investments	26,403	15,363
Cash at bank and in hand	32,053	32,458
	58,457	47,822
Liabilities		
Creditors: Amounts falling due in one year	181	(30)
	181	(30)
Net current assets less current liabilities	58,275	47,853
Total assets less current liabilities	74,416	62,605
Total net assets less liabilities	74,416	62,605
Represented by		
Unrestricted		
General fund	46,082	41,534
Designated		
Sequestration account	—	—
Choir stall fund	52	42
Church repair fund	8,033	7,805
Restricted		
Energy support fund	—	2,595
Organ fund	2,181	2,113
Church repair fund	—	—
Apple Tree Room fund	16,023	6,024
Agency collection	—	—
Friends of St James fund	—	—
Tom Hicks fund	—	—
100 Club prize fund	1,133	1,580
Church music fund	—	—
Special collections fund	—	—
Mission relief fund	—	—
Sound system fund	191	191
Choir stall fund	719	719
Funds of the church	74,416	62,605

Statement of assets and liabilities

	This year	Last year
Investments		
CBF Norton Trust		
General fund (Unrestricted) -	16,140	14,752
	16,140	14,752
Total for Investments	42,543	30,115
Cash at bank and in hand		
Current account		
Energy support fund (Restricted) -	—	2,595
General fund (Unrestricted) -	12,839	17,453
Sound system fund (Restricted) -	191	191
Choir stall fund (Designated) -	—	42
Choir stall fund (Restricted) -	719	719
Church repair fund (Designated) -	—	930
Apple Tree Room fund (Restricted) -	5	—
Agency collection (Restricted) -	181	(30)
	13,936	21,901
100 Club		
100 Club prize fund (Restricted) -	1,133	1,580
General fund (Unrestricted) -	965	540
	2,098	2,120
In Touch Magazine		
General fund (Unrestricted) -	—	2,412
	—	2,412
Apple Tree Room		
Apple Tree Room fund (Restricted) -	16,018	6,024
	16,018	6,024
Total for Cash at bank and in hand	32,053	32,458
Investments		
DBF Church Repair Fund		
General fund (Unrestricted) -	—	1,639
Choir stall fund (Designated) -	52	—
Church repair fund (Designated) -	8,033	6,384
	8,085	8,024
DBF Restoration Fund		
General fund (Unrestricted) -	—	3,456
	—	3,456
CBF General Fund		
General fund (Unrestricted) -	16,136	805
	16,136	805
CBF Organ Fund		
General fund (Unrestricted) -	—	25
Organ fund (Restricted) -	2,181	2,113
	2,181	2,139
CBF Church Repair Fund		
General fund (Unrestricted) -	—	5
	—	5
CBF ABD Fund		
General fund (Unrestricted) -	—	442
Church repair fund (Designated) -	—	490
	—	932
CBF Apple Tree Fund		

General fund (Unrestricted) -	—	0
	<u>—</u>	<u>0</u>
Total for Investments	42,543	30,115
Agency accounts		
Agency collections		
Agency collection (Restricted) -	(181)	30
Total for Agency accounts	(181)	30
Grand total	74,416	62,605

Fund movement by type

	Opening	Incoming	Outgoing	Transfers	Gains/losses	Closing
Energy - Energy support fund						
Restricted	2,595	—	—	(2,595)	—	—
Sub-total for Energy	2,595	—	—	(2,595)	—	—
Friends - Friends of St James						
Restricted	—	3,219	—	(3,219)	—	—
Sub-total for Friends	—	3,219	—	(3,219)	—	—
Hicks - Tom Hicks fund						
Restricted	—	2,424	2,424	—	—	—
Sub-total for Hicks	—	2,424	2,424	—	—	—
Hundred - 100 Club prize fund						
Restricted	1,580	425	871	—	—	1,133
Sub-total for Hundred	1,580	425	871	—	—	1,133
Music - Church music fund						
Restricted	—	2,733	—	(2,733)	—	—
Sub-total for Music	—	2,733	—	(2,733)	—	—
Sequest - Sequestration account						
Designated	—	30	—	(30)	—	—
Sub-total for Sequest	—	30	—	(30)	—	—
General - General fund						
Unrestricted	41,534	31,557	36,975	8,577	1,387	46,082
Sub-total for General	41,534	31,557	36,975	8,577	1,387	46,082
Special - Special collections						
Restricted	—	—	—	—	—	—
Sub-total for Special	—	—	—	—	—	—
Mission - Mission relief fund						
Restricted	—	—	—	—	—	—
Sub-total for Mission	—	—	—	—	—	—
Sound - Sound system fund						
Restricted	191	—	—	—	—	191
Sub-total for Sound	191	—	—	—	—	191
Stalls - Choir stall fund						
Designated	42	10	—	—	—	52
Restricted	719	—	—	—	—	719
Sub-total for Stalls	761	10	—	—	—	771
Organ - Organ fund						
Restricted	2,113	68	—	—	—	2,181
Sub-total for Organ	2,113	68	—	—	—	2,181

CRF - Church repair fund						
Designated	7,805	227	—	—	—	8,033
Restricted	—	—	—	—	—	—
Sub-total for CRF	7,805	227	—	—	—	8,033
ATR - Apple Tree Room fund						
Restricted	6,024	23,610	13,611	—	—	16,023
Sub-total for ATR	6,024	23,610	13,611	—	—	16,023
Grand total	62,605	64,305	53,883	—	1,387	74,416

Analysis of income and expenditure

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	<u>This year</u>	<u>Last year</u>
INCOME AND ENDOWMENTS							
Donations and legacies							
Planned giving - Gift Aid	12,422	—	—	—	12,422	16,257	
Planned giving	2,021	—	—	—	2,021	2,290	
Collections at services	4,582	—	30	—	4,613	3,217	
Donations	3,145	10	14,708	—	17,863	1,405	
Gift Aid recovered	3,617	—	1,898	—	5,515	15,762	
Grants	—	—	15,350	—	15,350	3,070	
Total	25,788	10	31,987	—	57,785	42,003	
Income from charitable activities							
Fundraising	1,432	—	—	—	1,432	1,382	
100 Club	425	—	425	—	850	2,120	
Fees - weddings and funerals	3,132	30	—	—	3,162	4,314	
Total	4,989	30	425	—	5,444	7,816	
Investments							
Investment income	780	227	68	—	1,076	571	
Total	780	227	68	—	1,076	571	
Other income							
Other income	—	—	—	—	—	15	
Total	—	—	—	—	—	15	
INCOME TOTAL	31,557	267	32,480	—	64,305	50,407	

EXPENDITURE

Raising funds

Fundraising costs	261	—	9	—	270	531
100 Club prizes	—	—	871	—	871	—
Total	261	—	880	—	1,141	531

Expenditure on charitable activities

Parish Offer	10,312	—	—	—	10,312	17,665
Salaries, wages and honoraria	124	—	—	—	124	—
Clergy and staff expenses	2,116	—	—	—	2,116	2,301
Mission and evangelism costs	—	—	—	—	—	—
Church music	3,157	—	—	—	3,157	1,868
Insurance	5,543	—	—	—	5,543	5,065
Minor maintenance	5,117	—	—	—	5,117	1,149
Upkeep of services	117	—	—	—	117	108
Administration	600	—	—	—	600	538
Toilet hire	266	—	—	—	266	182
Electricity	898	—	—	—	898	725
Gas	8,206	—	—	—	8,206	4,551
Water	100	—	—	—	100	81
Major repairs	—	—	—	—	—	—
New building work	—	—	13,611	—	13,611	34,684
Other expenditure	84	—	2,415	—	2,500	—
Total	36,644	—	16,026	—	52,671	68,920

Other expenditure

Donations	70	—	—	—	70	823
Total	70	—	—	—	70	823

EXPENDITURE TOTAL	36,975	—	16,907	—	53,883	70,275
GRAND TOTAL	(5,417)	267	15,572	—	10,422	(19,868)