

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS
PAROCHIAL CHURCH COUNCIL'S REPORT AND UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number 1132603

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Amherst Road
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THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

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THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

PAROCHIAL CHURCH COUNCIL'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The Parochial Church Council (PCC) present their report and accounts for the year ended 31 December 2016.

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

St John's PCC has the responsibility of co-operating with the incumbent, the Rev Giles Walter, 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 and church centre complex of St John's, 112 Stephen's Road, Tunbridge Wells and 12 St David's Road, Tunbridge Wells.

The primary object is the promotion of the Gospel of our Lord Jesus Christ. The PCC has adopted a mission statement to express its objectives, help guide its decision making and allocate resources to activities which will support and help to fulfil its objectives:

Knowing Jesus better, making Jesus better known

St John's is a Bible believing church which seeks to glorify God - Father, Son and Holy Spirit - by:

- **Teaching** the word of God to help all ages grow in Christ
- **Praying and caring** for everyone within our church community
- **Sharing** the good news of Jesus Christ with our parish, our town and the world beyond.

Many activities take place each week both within the church centre and off site, for children, young people and adults in support of these objectives. These involve members of the staff team and many volunteers who give hundreds of hours per week. We are very grateful and praise God for this commitment.

The Missions Committee and the Home Giving Group implement the PCC's policies for grant making. These committees meet during the year to allocate gifts to support mission partners, mission and relief agencies in the UK and worldwide, subject to PCC approval. The funding for each missionary and organisation is assessed on an annual basis according to circumstances and needs.

The PCC's policy is to consult and discuss with employees on matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees.

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

PAROCHIAL CHURCH COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Achievements and performance

Church Attendance

There were 334 names (2015: 331) on the Electoral Roll at 31 December 2016. Usual Sunday attendance during the year was 352 adults (2015: 345) and in addition 89 children under 14 (2014: 100) in the mornings. Each Sunday, a morning service is held at 10.30am. An evening service is held at 6.00pm. A service of Holy Communion according to the Book of Common Prayer is held at 8am on the first Sunday of each month and on principal Feast Days. These services provide a variety of styles of worship, with the study of the Word of God being fundamental.

Review of the Year

The PCC met 10 times during 2016, as well as attending a leaders' morning. Minutes of meetings of committees were received and discussed and the PCC monitored and initiated developments.

The PCC reaffirmed its desire to have oversight from the Bishop of Maidstone.

Three PCC members attended the ReNew Conference in September and they, along with others, have given good support to the Partnership Synod. This began with the intention of promoting evangelical ministry in Kent and Sussex and has met twice. Members of St John's have been involved with a research group seeking possibilities for church planting and with the establishment of a trust to give financial backing to such plans.

The Church is well supported by a dedicated staff team, to whom we are very grateful for all they do. In 2015 a decision was made to appoint a full time youth worker when Rev Stephen Boon's curacy came to an end in summer 2016. Jono Chalklin took up this position in September 2016. Approval was given for Kirkley Boon to assist Rev Carrie Sandom with the women's work, also in September 2016.

St John's continues to support those who wish to serve on a voluntary basis and test their possible fitness for ministry. In addition to two ministry trainees, a Cornhill student has also been supported by St John's for two years. They all contribute greatly to the life of the church.

The PCC remains grateful to all members of the church family who pray, give time and money to support the ministry, and are constantly encouraged by the wide range of opportunities that exist.

Financial review

The PCC gives praise and thanks to God for his provision as our needs were met by the generous giving of the church family during 2016 and from reserves and endowments of previous years, in what continued to be a challenging environment for all charities.

The General Fund received total incoming resources of £506,367 (2015 restated: £524,636). After deducting expenditure of £512,653 (2015 restated: £567,877) and allowing for net gains on investments of £7,801 (2015: £2,286) there was a surplus for the year of £1,515 (2015 restated: deficit £40,955)

Legacy income totalled £139,557 in 2016 (2015: £170). The PCC is very grateful to those who remember the church in their wills. Such gifts are placed in a designated Legacy Fund which is used for capital expenditure.

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

PAROCHIAL CHURCH COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Reserves Policy

The PCC has a policy of holding in reserve, as far as it is able, between six and eight weeks' expenditure.

Although 2016 was another challenging year, the PCC continues to aim to meet this policy by seeking to hold costs while income is built up in reserves. During 2017 the PCC is running a stewardship campaign, which it hopes will bridge any income/expenditure gap in 2017/8. Other designated funds are held to provide adequate reserves for repairs or major renovation of assets, including provision for the costs of repairs to buildings arising from quinquennial inspections.

Risk Policy

The PCC has assessed the major risks to which the church is exposed, and is satisfied that systems are in place

During the year the major risks impacting upon the work of the church continued to be considered in financial, statutory, legal and operational areas. The handbook containing agreed policies and procedures on various areas is reviewed periodically. The PCC continues to ensure that the legislation applicable to those working with children and young people is adhered to through the appointment of the Parish Children's Representative and the Parish Disclosure Officer. The PCC regularly reviews the insurance policy wording to ensure compliance.

Structure, governance and management

Location

St John's Church is situated in St John's Road, Tunbridge Wells. It is part of the Diocese of Rochester within the Church of England. The correspondence address is St John's Church Office, Amherst Road, Tunbridge Wells, Kent TN4 9LG.

Membership of PCC

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM)

PCC members who served from 1 January 2016 until the date of this report are:

	Term of Office
Incumbent: The Rev Giles Walter (Chairman)	Ex-Officio
Associate Vicar: The Rev Dick Farr	Ex-Officio
Minister for Women and Pastoral Care: The Rev Carrie Sandom	Ex-Officio
Minister for Youth Work and Curate The Rev Stephen Boon	Ex-Officio Until August 2016
Churchwardens: Mr Andy Bradshaw Mr Stephen Rigby	Elected Annually Elected Annually

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

PAROCHIAL CHURCH COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Diocesan Synod Members:

Mr Stephen Howcroft	2015-18
Mr David Ralph	2015-18
Mr Andrew Smith	2015-18

Deanery Synod Members:

Mr John Finnis	2015-18
Mr Jonathan Parish	2015-18
Mrs Caroline Lisser	2015-18

Elected Members:

Miss Emma Batty		2014-17
Mr Tom Barker		2015-18
Mr Phil Case		2015-18
Miss Claudia Chambers		2015-18
Prof. Trevor Clarkson	Until APCM 2016	2013-16
Mr Simon Curtis	From APCM 2016	2016-19
Dr James Fraser		2015-18
Mr Tim Lane	From May 2016	2016-17
Mr John McLernon		2014-17
Mr Nick Prideaux	(Lay Chairman)	2014-17
Dr John Prosser	Until APCM 2016	2013-16
Mr Maynard Tait	From APCM 2016	2016-19
Mr Nigel Taylor		2015-18
Mrs Naomi Valley		2015-17
Mrs Hayley Watts	From APCM 2016	2016-19
Mr Simon Weatherseed		2014-17

In Attendance:

Mr Ian Gates	(Secretary)
Mr Bruce Keenan	(Treasurer until APCM 2016)

The Annual Parochial Church Meeting in 2016 was held on 20 April.

Parochial Church Council

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure 1956 as amended and the Church Representation Rules 2011.

The method of appointment of PCC members is set out in the Church Representation Rules. PCC members received induction training following the 2016 APCM and, where appropriate, are introduced to their responsibilities. The Churchwardens, the Treasurer 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 circulated to PCC members.

The PCC is responsible for preparing the Parochial Church Council's report and the accounts in accordance with applicable law and United Kingdom accounting standards.

The law applicable to charities in England and Wales requires the PCC to prepare accounts for each financial year which give a true and fair view of the state of affairs of the church and of the incoming resources and application of resources of the church for that year.

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

PAROCHIAL CHURCH COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

In preparing these accounts, the PCC are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Standing Committee

The Standing Committee is required by law and meets monthly to transact the PCC's business between meetings, subject to direction from the PCC. It oversees the general finances of St John's, monitoring income and expenditure, budgeting and co-ordinating an annual review of our Christian financial stewardship through planned giving to the church. It may authorise emergency expenditure up to £1,000 without the prior agreement of the PCC.

Mission Committee

The Mission Committee promotes mission, Christ's Great Commission, and supports church members and linked workers involved in full time outreach at home and abroad. They keep the church family regularly updated and encourage prayer, giving and practical support for St John's mission workers. They will assist the incumbent in offering guidance to those considering Christian service, whether short or long and the PCC in undertaking reviews in line with our objectives of those who receive grants from the PCC.

Estates Committee

The Estates Committee has oversight of the regular maintenance and improvement of the church site and other properties owned by the PCC, and responsibility for properties leased by the PCC. Members act as clerk of works in the supervision of work done on site.

Human Resources Committee

The Human Resources Committee deals with recruitment, employment, organisation and development of lay staff. The staff handbook has been reviewed.

Home Giving Group

The Home Giving Group makes recommendations to the PCC for the allocation of budgeted funds for the support of causes and Christian organisations within the UK.

Public benefit

The PCC is aware of their legal duty to have regard to the public benefit guidance issued by the Charity Commission and to report on the charity's compliance with the public benefit obligation. The PCC is totally committed to enable anyone to worship at St. John's 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 towards people learning about the Gospel and coming to faith in the Lord Jesus Christ and growing in their knowledge of Scripture.

Our church centre is used daily, particularly by children and young people attending clubs and activities which are open to all members of the parish, with or without any church connection and for many at no charge.

Approved by the PCC and signed on its behalf by

The Rev G.R. Walter
Chairman
Dated:

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

INDEPENDENT EXAMINER'S REPORT

TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

I report on the accounts of the Church for the year ended 31 December 2016, which are set out on pages 7 to 17.

Respective responsibilities of Parochial Church Council and examiner

The charity's Parochial Church Council are responsible for the preparation of the accounts. The charity's Parochial Church Council consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £ 250,000 and I am qualified to undertake the examination being a qualified chartered accountant.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in 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 next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records, and comply with the accounting requirements of the 2011 Act;
- have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John Duncan FCA
For and on behalf of Gilbert Allen & Co

Chartered Accountants
Churchdown Chambers
Bordyke
Tonbridge
Kent TN9 1NR

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2016

	Note	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total 2016	Total 2015 restated
		£	£	£	£	£	£
Income from:							
Donations and legacies	3	440,321	139,557	17,609	-	597,487	452,216
Charitable activities	3	66,046	-	-	-	66,046	71,546
Investments	3	-	1,065	-	-	1,065	874
Total income		506,367	140,622	17,609	-	664,598	524,636
		[2015:£496,289]	[2015:£820]	[2015:£27,527]	[2015:£0]	[2015:£524,636]	
Expenditure on:							
Charitable activities	4	512,653	16,248	17,608	-	546,509	567,877
Total resources expended		512,653	16,248	17,608	-	546,509	567,877
		[2015:£493,188]	[2015:£42,611]	[2015:£32,078]	[2015:£0]	[2015:£567,877]	
Net gains on investments	9	7,801	-	-	-	7,801	2,286
		[2015:£2,286]				[2015:£2,286]	
Net incoming resources before transfers		1,515	124,374	1	-	125,890	-40,955
		[2015:£5,387]	[2015:-£41,791]	[2015:-£4,551]	[2015:£0]	[2015:-£40,955]	
Gross transfers between funds		-	-	-	-	-	-
		[2015:-£11,960]	[2015:+£11,960]				
Net movement in funds		1,515	124,374	1	-	125,890	-40,955
		[2015:-£6,573]	[2015:-£29,831]	[2015:-£4,551]	[2015:£0]	[2015:-£40,955]	
Fund balances at 1.1.16							
As originally reported		-40,134	780,285	24,726	63,605	828,482	840,465
Prior year adjustment		64,231	581,455	23,238	63,605	558,843	587,815
As restated		24,097	1,361,740	1,488	-	1,387,325	1,428,280
Fund balances at 31.12.16		25,612	1,486,114	1,489	-	1,513,215	1,387,325

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

BALANCE SHEET

AS AT 31ST DECEMBER 2016

	Note	2016		2015	
		£	£	£	£
				Restated	
Fixed assets					
Tangible assets	8		652,530		660,575
Investments	9		571,406		563,605
			<u>1,223,936</u>		<u>1,224,180</u>
Current assets					
Stocks	10	274		1,041	
Debtors	11	27,017		27,789	
Cash at bank and in hand		298,742		189,342	
		<u>326,033</u>		<u>218,172</u>	
Creditors: amounts falling due within one year	12	36,754		55,027	
Net current assets			289,279		163,145
Net assets			<u>1,513,215</u>		<u>1,387,325</u>
Funds					
Unrestricted funds	15		25,612		24,097
Designated funds (unrestricted)	15		1,486,114		1,361,740
Restricted funds	15		1,489		1,488
			<u>1,513,215</u>		<u>1,387,325</u>

For the financial year ended 31 December 2016 the charity was entitled to exemption from audit under section 144(2) of the Charities Act 2011.

The trustees have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 144(2); the trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Parochial Church Council and authorised for issue on 2017 and are signed on its behalf by:

The Rev G.R. Walter
Incumbent

N. Prideaux
Lay Chairman

S.Curtis
Treasurer

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2016

	2016		2015	
	£	£	£	£
Cash flows from operating activities				
Cash (absorbed by)/generated from operations		109,011		-8,670
Investing activities				
Purchase of tangible fixed assets		-		-35,539
Interest received		1,065		874
		<u>1,065</u>		<u>874</u>
Net generated from/(used in) investing activities		1,065		-34,665
Net increase in cash and cash equivalents		<u>110,076</u>		<u>-43,335</u>
Cash and cash equivalents at beginning of year		188,666		232,001
Cash and cash equivalents at end of year		<u><u>298,742</u></u>		<u><u>188,666</u></u>
Relating to:				
Bank balances and short term deposits		298,742		189,342
Bank overdrafts		-		-676
		<u><u>298,742</u></u>		<u><u>188,666</u></u>

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2016

1 Accounting policies

1.1 Accounting convention

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the 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.

1.2 Going concern

At the time of approving the accounts, the Parochial Church Council has a reasonable expectation that the Church has adequate resources to continue in operational existence for the foreseeable future. Thus the Parochial Church Council continues to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds represent 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. They comprise:

General fund: the main fund which is used for supporting mission, clergy and staff costs, youth work, other outreach and support activities and the day to day running and administration of the Church.

- Designated funds: funds designated by the PCC for a particular purpose:
- Legacy: for capital expenditure;
- Repair fund held by Diocese: for repairs to the Church, Church Centre, 112 Stephen's Road and 12 St David's Road;
- Maintenance: for redecoration and maintenance of the Church and Church Centre;
- Capital Fund - Property: holds the capital value and refurbishment costs of 112 Stephen's Road and 12 St David's Road.
- Expendable endowment funds represent funds of the PCC received as four endowments, which the Charity Commission allowed to be consolidated into the existing fund, with the PCC only using the income generated from them. In December 2012, the PCC applied to the Charity Commission for authority under section 282 of the Charities Act 2011 to release the permanent endowment and to become an expendable endowment. Permission was granted on 11 January 2013. This resulted in a change to the accounting treatment during the year ending 31 December 2013.

Restricted funds represent funds of the PCC which have been received with restrictions so that they may only be used by the PCC for the purpose stated:

- Voluntary income: received for specific purposes;
- Christian holiday bursary fund: received for bursaries for Christian youth camps.

1.4 Incoming resources

Income is recognised when the Church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Rental income from letting Church premises is recognised when the rent is due.

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER 2016****Income from investments**

Dividends and interest are accounted for when due and tax recoverable is recognised in the same accounting period.

Gains and losses on investments

Realised gains or losses are recognised when the investment is sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants

Grants and donations are accounted for when paid or when awarded if a binding obligation is created.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost (or deemed cost) or valuation, net of depreciation and any impairment losses.

Consecrated land and buildings and movable Church furnishings

Consecrated and beneficed property of any kind is excluded from the financial statements by s10(2)(a) of the Charities Act 2011. The Church Centre is attached to the Church and falls within this exclusion. Moveable Church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Expenditure incurred during the year on consecrated or beneficed buildings and moveable Church furnishings, whether maintenance or improvement, is written off.

Other land and buildings

Other land and buildings held on behalf of the PCC for its own purposes are shown at deemed cost, which is their valuation in the accounts upon transition to FRS 102, and consist of 112 Stephen's Road, Tunbridge Wells and 12 St David's Road, Tunbridge Wells. The buildings are maintained to a level where their residual value is at least equal to their net book value and any depreciation would therefore be immaterial. Annual impairment reviews are carried out to confirm this.

Fixtures, fittings and equipment

Depreciation is provided on fixtures, fittings and equipment at 20% per annum on cost to write them off over their expected useful lives. Individual items (unless part of a larger capital expenditure programme) with a purchase price of less than £250 are written off in the period in which they are purchased.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment - 20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income for the year.

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER 2016****1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value, which is the estimated net selling price.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

For non-clergy, a Stakeholder Pension Scheme commenced on 1 October 2001 which is administrated separately from the Church of England Funded Pension Scheme for the clergy. Contributions for staff who wish to join the scheme are 6% of gross salary. The 6% contribution for such employees is paid into a personal pension plan. The pension costs are accounted for on the basis of contributions payable for the year.

For clergy paid by the Diocese, the Diocese has responsibility for any pension shortfall. For clergy paid by the Parochial Church Council, there is exemption from pension liabilities as a "minor responsible body".

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2016

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2016 £	Total 2015 £
3. Income					
Donations and gifts					
Gift aid donations	315,241	-	-	315,241	317,002
Income tax recoverable	79,546	-	-	79,546	84,303
Other planned giving	26,261	-	-	26,261	23,127
Collections and specific donations	4,075	-	17,609	21,684	28,918
Other income	15,198	-	-	15,198	-1,304
	<u>440,321</u>	<u>-</u>	<u>17,609</u>	<u>457,930</u>	<u>452,046</u>
Legacies receivable	-	139,557	-	139,557	170
Charitable activities					
Church activities	27,437	-	-	27,437	31,347
Fees	869	-	-	869	1,820
Hire of Church, Church Centre, and other church properties	37,740	-	-	37,740	38,379
	<u>66,046</u>	<u>-</u>	<u>-</u>	<u>66,046</u>	<u>71,546</u>
Investment income					
Dividends and interest	-	1,065	-	1,065	874
Total income	<u>506,367</u>	<u>140,622</u>	<u>17,609</u>	<u>664,598</u>	<u>524,636</u>

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2016

	Unrestricted funds	Designated funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£	£
4. Expenditure - Charitable activities					
Staff costs	291,918	-	-	291,918	300,265
Depreciation	-	8,045	-	8,045	7,583
Training	11,049	-	-	11,049	11,429
Ministry expenses	8,638	-	-	8,638	8,092
Diocesan Parish Share	28,110	-	-	28,110	27,750
Printing and stationery	5,351	-	-	5,351	5,369
Telephone and postage	3,464	-	-	3,464	2,643
Running expenses	43,701	-	-	43,701	35,594
Cost of services	3,207	-	-	3,207	3,939
Other ministry costs	31,373	-	-	31,373	31,364
Other property costs	27,387	8,203	-	35,590	38,436
Insurance	10,162	-	-	10,162	9,349
Bank charges	758	-	-	758	820
Grants (note 5)	44,060	-	17,608	61,668	79,299
Governance costs (note 6)	3,475	-	-	3,475	5,945
	<u>512,653</u>	<u>16,248</u>	<u>17,608</u>	<u>546,509</u>	<u>567,877</u>

	Unrestricted funds	Designated funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£	£
5. Grants payable					
The Cross Teach Trust	6,400	-	-	6,400	6,400
SIM International	4,500	-	-	4,500	4,500
Overseas Missionary Fellowship	5,125	-	-	5,125	5,125
People International	12,660	-	-	12,660	12,625
South American Mission Society	4,625	-	-	4,625	4,625
WEC International	6,250	-	-	6,250	6,250
Individual grant for tuition at Cornhill	-	-	-	-	2,696
UCCF	2,500	-	-	2,500	3,000
CCTW Winter Shelter	-	-	-	-	2,000
Anglican International Development	-	-	6,514	6,514	3,106
TW Street Pastors	400	-	-	400	400
CPAS	250	-	-	250	250
The Christian Institute	500	-	-	500	500
True Freedom Trust	500	-	-	500	500
Youth for Christ	100	-	-	100	100
C of E Evangelical Council	250	-	-	250	250
Christ Church, Ramsgate	-	-	-	-	3,639
St James Church, Westgate	-	-	-	-	1,000
MECO - New Hope Iraq	-	-	-	-	17,333
S Boon gift	-	-	1,772	1,772	-
St Peters Church, Tunbridge Wells	-	-	-	-	5,000
Eurasian Ministries UK Trust	-	-	9,322	9,322	-
	<u>44,060</u>	<u>-</u>	<u>17,608</u>	<u>61,668</u>	<u>79,299</u>

Nick Prideaux is a trustee and John McLernon is an employee of People International and Eurasian Ministries UK Trust. Grants paid to People International included support for Mr McLernon and his family. Mr Prideaux abstained from any discussion or voting concerning donations to these organisations and Mr McLernon absented himself from all such discussions.

Simon Curtis is a trustee of TW Street Pastors and father of an employee, during part of the year, of UCCF. Mr Curtis abstained from any discussion or voting concerning donations to these organisations.

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2016

6. Governance costs	2016	2015
	£	£
Accountancy	1,680	3,610
Independent examiner's fees	900	1,454
Trustees Insurance	895	810
	<u>3,475</u>	<u>5,874</u>

7. Employees

The average monthly number of persons employed by the charity during the year was:

	2016	2015
Bible teaching staff (full time equivalent)	5.5	5.5
Support staff (full time equivalent)	4	4.5
	<u>9.5</u>	<u>10</u>

Their aggregate remuneration comprised:

Stipends, salaries and associated costs	273,187	276,620
Pension contributions (non-stipend staff)	18,729	21,117
	<u>291,916</u>	<u>297,737</u>

These figures include the vicar and associate vicar who are employed by the Diocese of Rochester, but their stipends and associated costs are met by St John's.

Two ministry trainees (2015 two) and one Cornhill student (2015 one) are offered training, provided with accommodation and a small living allowance. They are not employees and are not included in the above figures.

8. Tangible fixed assets	Land & buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2016	625,000	156,139	781,139
Additions	-	-	-
At 31 December 2016	<u>625,000</u>	<u>156,139</u>	<u>781,139</u>
Depreciation and impairment			
At 1 January 2016	-	120,564	120,564
Depreciation charged in the year	-	8,045	8,045
At 31 December 2016	<u>-</u>	<u>128,609</u>	<u>128,609</u>
Carrying amount			
At 31 December 2016	<u>625,000</u>	<u>27,530</u>	<u>652,530</u>
At 31 December 2015	<u>625,000</u>	<u>35,575</u>	<u>660,575</u>

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2016

9. Fixed asset investments	Investment	COIF	Total	Total
	Property investment			
	2016	2016	2016	2015
	£	£	£	£
Market value at 1 January 2016	500,000	63,605	563,605	561,319
Change in the year	-	7,801	7,801	2,286
Market value at 31 December 2016	<u>500,000</u>	<u>71,406</u>	<u>571,406</u>	<u>563,605</u>
Historical cost	-	24,035	24,035	24,035

10. Stocks	2016	2015
	£	£
Book stock held	<u>274</u>	<u>1,041</u>

11. Debtors	2016	2015
	£	£
Other debtors	6,752	11,616
Prepayments and accrued income	<u>20,265</u>	<u>16,173</u>
	<u>27,017</u>	<u>27,789</u>

12. Creditors - amounts falling due within one year	2016	2015
	£	£
Loans and overdrafts	-	676
Other taxation and social security	3,998	3,932
Trade creditors	16,532	16,328
Accruals and deferred income	<u>16,224</u>	<u>34,091</u>
	<u>36,754</u>	<u>55,027</u>

13. Financial commitments, guarantees and contingent liabilities

St John's Infant School Site Trustees

The Trustees of the St John's Infant School site made a contribution to the costs of the Church Centre and 12 St David's Road Tunbridge Wells. If either property is ever sold, a proportion of the proceeds will be repaid to the Trust.

14. Cash generated from operations	2016	2015
	£	£
Deficit/surplus for the year	125,890	-11,983
Adjustments for:		
Investment income recognised in the SOFA	-1,065	-874
Fair value gains and losses on investments	-7,801	-2,286
Depreciation of tangible fixed assets	8,045	7,581
Movements in working capital		
Decrease/increase in stocks	767	319
Decrease in debtors	772	2,257
Increase in creditors	<u>-17,597</u>	<u>2,316</u>
Cash absorbed by/generated from operations	<u>109,011</u>	<u>-2,670</u>

THE ECCLESIASTICAL PARISH OF ST JOHN, TUNBRIDGE WELLS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2016

15. Funds	Restated Balance at 1.1.16	Income	Expense	Investment gain	Transfers	Balance at 31.12.16
Unrestricted funds						
General fund	24,097	506,367	-512,653	7,801	-	25,612
Designated funds (unrestricted)						
Legacy fund	127,156	140,511	-8,203	-	-	259,464
Repair funds at Diocese	42,598	111	-	-	-	42,709
Maintenance fund	31,411	-	-	-	-	31,411
Capital fund	1,160,575	-	-8,045	-	-	1,152,530
Total designated funds	1,361,740	140,622	-16,248	-	-	1,486,114
Total unrestricted funds	1,385,837	646,989	-528,901	7,801	-	1,511,726
Restricted funds						
Special collections	137	17,609	-17,608	-	-	138
Christian holiday bursary fund	1,351	-	-	-	-	1,351
Total restricted funds	1,488	17,609	-17,608	-	-	1,489
Total funds	1,387,325	664,598	-546,509	7,801	-	1,513,215

16. Prior year adjustment

In the prior year, a provision for a pension scheme deficit was included.

The provision has been removed in these accounts as there is exemption from pension liability recovery, as the Parochial Church Council is a "minor responsible body" under the terms of the Clergy Pension Scheme. Properties were revalued and special collections grants accrued.

	£
Reserves brought forward as originally stated	828,482
Prior year adjustments:	
Pension liability	56,000
Property valuation	531,815
Special collections grant accrual	-28,972
Reserves brought forward as restated	<u>1,387,325</u>