

Trustees Annual Report and Financial Statements

The Parochial Church Council of St Mary the Virgin, Hartfield

For the year ended 31 December 2022

CONTENTS

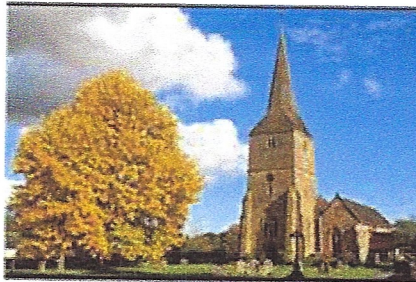
	Page
Annual Report	2
Report of the Independent Examiner	7
Statement of Financial Activities	8
Statement of Assets & Liabilities	9
Notes	10-12

St. Mary the Virgin, Hartfield

Incumbent: Rev'd Julie Sear

Independent examiner: Mrs Sophia Kavanagh, Beulah, Chuck Hatch, Hartfield, East Sussex, TN7 4EX

Bankers: HSBC, 105 Mount Pleasant, Tunbridge Wells, Kent, TN1 1QP



Parochial Church Council of St. Mary the Virgin, Hartfield Trustees Annual Report for 2022

Structure, governance and management

The parish is a charity, but is excepted from registering with the Charity Commission within the meaning of the Charities Act 2011.

During the year the following served as members of the Parochial Church Council:

Ex Officio members

Incumbent: The Rev'd Julie Sear (Rural Dean and member of Diocesan Synod)

Warden: Mrs Linda Graham

Elected Members

Mrs Tia Barham

Mrs Jen Black

Mr Ian Burns (Secretary)

Mrs Emma Fulham

Ms Joanne Griffin

Mrs Andrea McGlew

Mr Rob McGlew

Mr Matthew Marriott

Deanery Synod

Mrs Kathy Green

Mr Timothy Jackson (Treasurer and Diocesan Synod member)

Mrs Gill Philcox

Membership of the PCC is determined under the Church Representation Rules and consists of certain ex-officio members (the incumbent/priest-in-charge, curate, lay readers licensed to officiate in the church), the churchwardens and members of the Deanery, Diocesan or General Synods and 8 members of the church who are elected at the Annual Parochial Church Meeting (APCM). Members are warmly encouraged to stand for election to the PCC and we try to ensure a balance of skills and experience where possible.

Objectives and Activities

- In early 2013, the PCC adopted a formal Vision statement. The statement adopted was
"Our Vision is to build a dynamic, vibrant church sharing Christ's love with people of all ages in our 21st Century rural community."
This Vision has been regularly communicated to the congregation and to the wider community in Hartfield and continues to be central to the activities of the congregation.
- In September 2021 the Church held a Vision Away Morning in order to formulate a Mission Action Plan for 2022, focusing on four aspects of our church life:
 1. Upwards: Growing as Christian Disciples whatever our age.
 2. Inwards: Growing deeper in our prayer and worshipping
 3. Outwards: Increasing our opportunities to know and serve our school and community
 4. Onwards: Taking practical steps to ensure we have a church for the future

2022 MAP Achievements and performance

Activities at St Mary's during 2022 were focused on achieving the four elements of the Mission Action Plan which had been drawn up towards the end of 2021

Upwards

Our children and young people's ministry was an important element of the work as we sought to ensure that our young people were given opportunities to explore their faith in a fun and age-appropriate way. The appointment of a part-time Children and Youth Worker half-way through the year contributed greatly to this aim and enabled us to ensure that there was an element of teaching for the young at every Sunday service. A week-night Bible study and supper for Year 5 pupils upwards, [connect@5](#), became a twice-monthly event with a growing number of young people attending, many of whom took part in a mini-camp in November in preparation for May Camp in 2023. A Lunch Club in the School led by the Children and Youth Worker was also set up and was well supported; and a Holiday Bible Club was planned for February 2023 at Half Term. For our adult congregation, we aimed to ensure that on every Sunday people of all ages were encouraged in their faith and had opportunities to serve and participate as part of a team. All members of the congregation were encouraged to be part of a hospitality and welcome team on Sundays. We began to develop the service on the 5th Sunday of the month into a café style service.

Inwards

Throughout the year the aim was to grow the prayer life of the church and our understanding of Scripture. A small group met on Monday and Tuesday mornings at 8:30 – 9am for prayer. Two home groups met every week to study the Bible, talk about their faith and pray, and from time to time the two groups met together at a social event for friendship and hospitality. These home groups have become the backbone of pastoral life of the church, offering mutual care and practical support. In the Autumn both groups followed a study course entitled "Hope Explored", inviting members of the wider community to take part. Soon after that prayer spaces were set up in the church building for a week and all were encouraged to visit, particularly the children from the school, who spent some time entering the prayer spaces and exploring their faith.

Outwards

As a fellowship we did our best to reach out to the community through pastoral care. The Church Street Community Café took place on the 1st and 3rd Thursdays of every month and was attended by members of the local community of all ages, including children and parents from the school who joined in at the end of the school day. A plan to also include a baby and toddler group as part of the cafe set-up did not prove popular: however this has now been moved to Monday mornings and is growing in numbers. In Advent a Live Nativity event, progressing through village locations and ending in the church building, drew many people from the wider community to follow the Christmas Story.

Onwards

As God's people we are conscious that we are not only custodians spiritually of the faith, but also physically of the buildings that enable our worship and community outreach. We are also now benefiting from the services of two part-time paid employees, our new Parish Administrator and our Children and Youth Worker. A Quinquennial inspection was carried out during the course of the year and identified a number of items needing attention that will stretch our resources. Going forward, we plan to encourage increased congregational giving and a greater awareness of our financial commitments. One positive development was the acquisition of a contactless giving station in the church.

Church attendance

There are 106 (2022: 105) parishioners on the church electoral roll, 25% (2022: 18%) of whom are not resident within the parish. The average weekly attendance, counted during October, was 36 (2022: 41) adults and 9 (2022:6) under 16 years of age. In 2022, the typical size of a Sunday congregation was slightly lower than that in 2021. However the numbers attending increased significantly at the time of major festivals. In addition, during school term time there is normally a weekly school service in the church with a typical attendance of 100 children and 10 adults.

PCC

The full PCC met 6 times during the year, with a 71% attendance (2021: 85%). The Standing Committee also met regularly.

Lychgate Cottage

The Lychgate Cottage was occupied by a tenant for most of the year, providing a useful source of income.

Deanery and Diocesan Synod

Three members of the PCC and the incumbent sit on the Deanery Synod. In addition, one member of the PCC and the incumbent also sit on the Diocesan Synod. As a result the PCC has important links to other parishes in the deanery, to the diocese and the wider structure of Church. The Rector, Revd Julie Sear, has held the position of Rural Dean since 2021.

Financial Review

The total receipts received by the Hartfield PCC were £109,475 (2021: £109,506) and are detailed in the Financial Statements. Unrestricted income amounted to £73,668 (2021: £71,387). Restricted income, this is income given for a particular purpose, amounted to £35,807 (2021: £38,119) and included donations from the Hartfield Church Trust of £22,000 (2021: £28,000) to enable it to make repayments of £22,000 (2021: £28,000) towards the outstanding Archdeacon's loan of £50,000. The balance outstanding at the year-end was £nil (31 December 2021: £22,000). Thank you to all that have given to the church in the past year. Other restricted income primarily reflected donations for mission projects.

The unrestricted planned giving through the Parish Giving Scheme including Gift Aid recovered increased by 18.2% over 2021 to £33,725 (2021: £28,528). Planned giving through banker's orders decreased by 15.2% over 2021 to £4,760 (2021: £5,610). Our unrestricted total voluntary receipts increased by 1.7% over 2021 to £56,931 (2021: £55,999). Other unrestricted sources of finance were investment income of £10,238 (2021: £10,712) and £6,498 (2021: £4,677) from church activities.

Total expenditure in 2022 was £98,577 (2021: £82,348). Unrestricted expenditure was £67,636 (2021: £64,490) and restricted expenditure was £27,942 (2021: £17,858). The largest unrestricted expenditure of the PCC was £38,483 (2021: £37,018) paid to the Diocese. The Diocesan Parish Share contributes towards the stipend and pension costs of the clergy, the housing costs of the Rector, and also a sum for diocesan central costs, clergy training and a contribution to national church funds. It should be noted that the United Benefice is meeting 100.0% (2021: 99.6%) of the Parish Ministry Cost. St Mary's meets 50% of the United Benefice's parish contribution. Nearly 80% of the Parish Ministry Cost relates directly to the costs of this parish, the remainder being the shared costs of the Christian family throughout the whole Church of England, much of which supports work within parishes such as working with church schools.

The costs incurred in the continuing activities of the church; such as heating, maintaining the churchyard, children and youth work, administration; amounted to £39,532 (2021: £31,852), an increase of 24.1%, mostly reflecting higher energy costs and the cost of the quinquennial inspection. During 2022 the PCC's expenditure to support children's, youth and family work was £5,035 (2021: £2,673). In 2022, St Mary's donated £7,314, primarily to those in need in the benefice, to those in need in Ukraine and to Family Support Work (2021: £3,073 primarily to those in need within the parish due to the impact of Covid-19). Other major items were related to the Lychgate Cottage, the cost of which was £10,248 and mostly related to repairs (2021: £11,986 mostly spent on the spire with the balance on the Lychgate Cottage).

The quinquennial inspection, an inspection of the church building and churchyard by an inspecting architect, identified a range of maintenance projects that need to be carried out over the next five years but no urgent major projects. The cost of these various projects is currently being investigated so that a planned schedule of work can be prepared.

Risk Management

The PCC consider that the principal risks and uncertainties are:

There remains the risk of Covid-19 or similar infection, which could impact caring for the local community and the members of the congregation, the acts of worship and the impact on the PCC's income.

The need to fund unexpected costs associated with the church's listed buildings such as the need to repair the church spire. In addition the church also has to fund the maintenance of the Lychgate Cottage. During the vacancy between tenants in December 2020 and January 2021, the Lychgate Cottage was inspected by the church architect and various repairs were carried out. In addition, the architect identified some further repairs that are expected to be carried out in 2023.

An unexpected fall in income, particularly given the dependence of the church on a limited number of major regular donors. In 2021 planned giving and collections at services stabilised and increased in 2022 but one-off grants and donations increased. The PCC is increasingly dependent on one-off sources of income.

The requirement to find volunteers and staff with the appropriate skills, time and commitment to support the ministry of the congregation, in particular for children's and youth activities associated with the church. In the second half of 2022 a part-time children's and youth worker was appointed. This, together with the appointment of a part-time administrative assistant significantly increased the salary costs of the PCC.

Organisations outside the control of Hartfield PCC could have a direct and material impact on St Mary the Virgin, Hartfield. Two primary examples of such bodies are Holy Trinity, Coleman's Hatch, which is the other church in the joint benefice and St Mary the Virgin Church of England. Aided Primary School.

The PCC seeks to manage these risks and uncertainties by regularly reviewing its MAP and its plans for the use of the church buildings. This plan is reviewed and updated on an annual basis.

The church maintains its properties to a high standard and carries out the priority items of a quinquennial review in a timely manner.

There is a continuing programme which emphasises God's generosity to the congregation and the need for the congregation to respond to that generosity in their own giving through time, talents and money. The PCC also proactively seeks grants to support its activities. With regard to finding volunteers, the Standing Committee has put in place succession planning and training programmes within the congregation.

Due to an above average exposure to vulnerable people, St Mary's follows diocesan guidance on these matters, the PCC receives and discusses regular reports and utilises the specialist skills and knowledge of people within the congregation.

Reserves Policy

It is PCC policy to maintain a balance on the general unrestricted funds (excluding property), which equates to £20,000 as contingency against unforeseen situations. The closing balance on the General Fund Monetary Assets was £18,010 (31 December 2021: £15,776).

In total, on 31 December 2022 there were Monetary Assets and Investments at valuation of £102,434 (31 December 2021: £101,399).

It is PCC policy to invest funds balances with the CBF Church of England deposit fund and other CBF Church of England funds managed by CCLA.

Approved by the PCC and signed on their behalf by
Reverend Julie Sear, PCC Chairman:

A handwritten signature in blue ink, appearing to read 'Julie Sear', with a large loop at the end.

20 April 2023

The Independent Examiner's Report

The Independent Examiner's report to the PCC of St Mary's the Virgin Hartfield

I report on the accounts of the PCC for the year ended 31 December 2022, which are set out on pages 8 to 12.

Respective responsibilities of the PCC and the examiner.

As members of the PCC you are responsible for the preparation of the accounts. You 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.

It is my responsibility to:

- Examine the accounts (under section 145 of the 2011 Act);
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section(5)(b) of the 2011 Act); and
- 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 PCC 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 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 statement below.

Independent examiner's statement

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

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



Sophia Kavanagh 19th April 2023
Beulah
Chuck Hatch
Hartfield
East Sussex
TN7 4EX

Receipts and Payments Accounts

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN CHURCH, HARTFIELD

Financial Statements for the Year Ended 31 December 2022

Receipts and Payments Accounts

	Notes	Unrestricted funds £	Restricted funds £	TOTAL 2022 £	TOTAL 2021 £
RECEIPTS					
Voluntary receipts:					
Planned giving	6 a	31,544	0	31,544	28,483
Collections at services		4,967	1,587	6,554	4,025
All other giving / voluntary receipts	6 b	13,929	32,001	45,930	54,128
Gift Aid recovered	6 c	6,491	0	6,491	5,655
		<u>56,931</u>	<u>33,588</u>	<u>90,519</u>	<u>92,291</u>
Activities for generating funds:					
Investment income	6 d	10,238	1,929	12,168	12,481
Church activities	6 e	6,498	290	6,788	4,734
Total receipts		<u>73,668</u>	<u>35,807</u>	<u>109,475</u>	<u>109,506</u>
PAYMENTS					
Church activities:					
Diocesan parish share	6 f	38,483	0	38,483	37,018
Clergy and staffing costs	6 g	6,324	4,190	10,514	9,649
Church running expenses	6 h	2,355	15,593	17,947	14,690
Church activities	6 i	10,226	845	11,071	6,032
Major church repairs & maintenance	6 j	0	0	0	8,940
Other church properties	6 k	10,248	0	10,248	2,946
Mission giving and donations		0	7,314	7,314	3,073
Costs of generating funds		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total payments		<u>67,636</u>	<u>27,942</u>	<u>95,577</u>	<u>82,348</u>
Excess of receipts over payments		6,032	7,865	13,897	27,158
Transfer between funds	5	<u>-2,622</u>	<u>2,622</u>	<u>0</u>	<u>-1,269</u>
		3,410	10,487	13,897	6,458
Cash at bank and in hand at 1 January		15,576	15,835	31,411	25,795
Loan repayment		0	22,000	22,000	28,000
Cash at bank and in hand at 31 December		<u>18,986</u>	<u>4,322</u>	<u>23,308</u>	<u>32,253</u>

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, HARTFIELD

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER 2022

		Restricted	Restricted	Restricted	Restricted	Restricted	Restricted	Totals		
	Notes	General Fund	Fabric Fund	Children's Fund	Outside Giving	Holye Church	Stipend K Fund	Bell Ringers Fund	2022	2021
		£	£	£	£	£	£	£	£	£
Monetary assets										
CBF C of E Deposit Fund		10,604	0	0	0	4,220	0	4,565	19,389	19,151
Bank current account		6,759	0	0	3,641	0	7,078	0	17,478	11,844
Cash in hand		647	0	0	0	0	0	319	966	416
		<u>18,010</u>	<u>0</u>	<u>0</u>	<u>3,641</u>	<u>4,220</u>	<u>7,078</u>	<u>4,884</u>	<u>37,832</u>	<u>31,411</u>
Investments at valuation										
CBF C of E Income Units	3	0	0	0	0	12,087	49,319	0	61,405	69,598
		<u>18,010</u>	<u>0</u>	<u>0</u>	<u>3,641</u>	<u>16,307</u>	<u>56,396</u>	<u>4,884</u>	<u>99,238</u>	<u>101,009</u>
Other Assets at cost										
Due from Colemans Hatch PCC		3,196	0	0	0	0	0	0	3,196	330
Total assets		<u>21,206</u>	<u>0</u>	<u>0</u>	<u>3,641</u>	<u>16,307</u>	<u>56,396</u>	<u>4,884</u>	<u>102,434</u>	<u>101,339</u>
Liabilities										
Fund deficit		0	9,628	4,895	0	0	0	0	14,523	0
Lychgate Cottage rental deposit		1,269	0	0	0	0	0	0	1,269	1,269
Archdeacon's loan (due by 2023)	7	0	0	0	0	0	0	0	0	22,000
Total liabilities		<u>1,269</u>	<u>9,628</u>	<u>4,895</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,792</u>	<u>23,269</u>

Approved by the Parochial Church Council on 14 March 2023 and signed on its behalf



Chairman

Notes to the accounts

- 1 The financial statements for the PCC have been prepared in accordance with the Church Accounting Regulations 2006 using the Receipts and Payments basis.
- 2 The following assets are recognised but not necessarily valued in the Statement of Assets and Liabilities:
Movable church furnishings held by the churchwardens on special trust for the PCC which require a faculty for disposal
The Lychgate Cottage
- 3 The investments are shown at mid-market value on 31st December.
- 4 At 31 December 2022 Hartfield PCC held a rental deposit of £1,269 in respect of the Lychgate Cottage.
- 5 The movements in the restricted funds during the year were:

	Bal b/fwd	Receipts	Payments	Transfer	Bal c/fwd
	£	£	£	£	£
Bell Ringers	4,594	349	60	0	4,883
Children's, Youth and Families' Fund	0	80	4,975	0	-4,895
Hartfield Churchyard Fund	0	500	3,122	2,622	0
Holtye Churchyard Fund	4,816	403	998	0	4,221
Fabric	0	23,784	11,412	0	12,372
Mission	755	9,224	7,314	0	2,665
Stipend K Fund	5,671	1,467	60	0	7,078
	<u>15,836</u>	<u>35,807</u>	<u>27,942</u>	<u>2,622</u>	<u>26,323</u>

Bell Ringers Fund represents receipts that can only be spent on the maintenance of the church bells or in connection with the activities of the bell ringers.

Hartfield Churchyard and Holtye Churchyard Funds represents receipts in connection with the maintenance of the respective churchyards. The balance of these costs was met from the General Fund.

Donations were received for the repayment of the Archdeacon's Loan and for maintenance of the church during the year. Payments relate to the general upkeep of the building.

During 2022 special collections and donations were received in respect of charities such as the Royal British Legion, Family Support Work, TEAR Fund for Ukraine and those in need within the local community.

Stipend K Fund represents receipts that can be spent only for the benefit of the Rector.

6 Further Analysis of Receipts and Payment Accounts

	Unrestricted funds	Restricted funds	TOTAL 2022	TOTAL 2021
	£	£	£	£
a Planned giving				
Bank Standing Orders	4,760	0	4,760	5,610
Parish Giving Scheme	26,784	0	26,784	22,873
	<u>31,544</u>	<u>0</u>	<u>31,544</u>	<u>28,483</u>

	Unrestricted funds £	Restricted funds £	TOTAL 2022 £	TOTAL 2021 £
b All other giving				
Donations	9,598	7,717	17,315	2,190
Church Fabric	0	1,784	1,784	2,625
Grant from Hartfield Church Trust	0	22,000	22,000	28,000
Parish Council Grant for Youth Work	0	0	0	2,500
Parish Council Grant for churchyard maintenance	0	500	500	500
Other income	4,330	0	4,330	18,313
	<u>13,929</u>	<u>32,001</u>	<u>45,930</u>	<u>54,128</u>

c Gift Aid recovered

In 2021, Gift Aid of £5,655 was recovered through the Parish Giving Scheme in respect of giving in 2021.

In 2022, Gift Aid of £6,491 was recovered through the Parish Giving Scheme in respect of giving in 2022.

d Investment income:

	Unrestricted funds £	Restricted funds £	TOTAL 2022 £	TOTAL 2021 £
Bank and CBF of C o E Deposit Fund Interest	134	59	193	8
Dividends on CBF C o E Investment Funds	0	1,826	1,826	1,766
Lychgate Cottage rent	10,105	0	10,105	10,707
	<u>10,238</u>	<u>1,886</u>	<u>12,124</u>	<u>12,481</u>

e Church activities

Church activities primarily reflect parochial fees, for example from funeral services and burials, charges for the use of the church building and fund raising activities.

f Diocesan Parish Share

The Diocesan Parish Share, which primarily covers the direct and indirect costs that the diocese incurs in providing a Rector to serve in Hartfield. It also contributes towards training, support services such as safeguarding, diocesan staffing costs and central Church of England costs.

g Clergy and staffing

	Unrestricted funds £	Restricted funds £	TOTAL 2022 £	TOTAL 2021 £
Children's, Youth and Families	0	4,190	4,190	2,375
Other Staff	2,303	0	2,303	3,517
Other, including clergy and rectory costs	4,021	0	4,021	3,757
	<u>6,324</u>	<u>4,190</u>	<u>10,514</u>	<u>9,649</u>

Commencing in October 2020 the PCC started to contribute towards the cost of an Administration Assistant. Until November 2021 this role was carried out by Mr T. Sear, the husband of the rector.

h Church Running Expenses	Unrestricted funds £	Restricted funds £	TOTAL 2022 £	TOTAL 2021 £
Church fabric	0	11,412	11,412	7,750
Church services	2,355	60	2,415	2,269
Training	0	0	0	1,575
Churchyard expenses	0	4,120	4,120	3,096
	<u>2,355</u>	<u>15,593</u>	<u>17,947</u>	<u>14,690</u>
i Church Activities				
Church Utilities	7,938	0	7,938	4,570
Children, Youth and Families	0	845	845	298
Administration	2,288	0	2,288	717
Other	0	0	0	448
	<u>10,226</u>	<u>845</u>	<u>11,071</u>	<u>6,033</u>
j Major church repairs and maintenance				
	0	0	0	8,940
	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,940</u>

In 2021, repairs to the spire were carried out.

k Other church properties

Expenditure on other church properties relate to the maintenance and letting of the Lychgate Cottage.

7 In September 2018 an Archdeacon's loan of £50,000 was granted to the PCC to assist in the funding of the Heart for the Community Project. The loan was for a maximum of five years and the rate of interest was 0%. The loan should be repaid earlier if possible. In January 2021, following grants from the Hartfield Church Trust, a repayment of £28,000 was made. Following a further grant in May 2022, the remaining balance of £22,000 was repaid.

No payments were made to PCC members or connected persons except in respect of the administrative assistant.