

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, ALMONDSBURY

STATEMENT OF FINANCIAL ACTIVITIES

For the year ending 31 December 2017

For the year ending 31 December 2017	Note	TOTAL Note 1 2016 £	TOTAL 2017 £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £
INCOMING RESOURCES						
Voluntary Receipts	2(a)	64,775.63	95,940.76	85,400.46	10,540.30	
Activities for generating funds	2(b)	25,557.98	18,664.72	18,049.55	615.17	
Investment Income	2(c)	1,020.74	12,681.18	11,417.71	1,263.47	
Church Activities Receipts	2(d)	22,448.21	5,774.40	5,774.40	-	
Other Receipts	2(e)		60.00	-	60.00	
TOTAL INCOMING RESOURCES		113,802.56	133,121.06	120,642.12	12,478.94	-
RESOURCES EXPENDED						
Parish Share	3(a)	42,000.00	45,000.00	45,000.00	-	
Clergy and Staffing	3(b)	17,511.23	11,933.39	11,933.39	-	
Church Running Expenses	3(c)	33,762.10	33,531.80	28,863.82	4,667.98	
Church Rooms Running Costs	3(d)		2,151.37	2,151.37	-	
Church Repairs & Maintenance	3(e)	-	9,915.81	1,340.00	8,575.81	
Church rooms Repairs & Maintenance	3(f)	6,907.03	1,739.81	1,739.81	-	
Mission Giving and Donations	3(g)	3,067.99	6,372.45	5,207.67	1,164.78	
Cost of generating funds	3(h)	3,311.37	4,374.99	4,374.99	-	
Governance Costs	3(i)	-	-	-	-	
All Other payments	3(j)	7,806.27	1,339.07	1,339.07	-	
TOTAL RESOURCES EXPENDED		114,365.99	116,358.69	101,950.12	14,408.57	-
NET INCOMING RESOURCES BEFORE TRANSFERS		(563.43)	16,762.37	18,692.00	(1,929.63)	
GROSS TRANSFERS BETWEEN FUNDS		-	-	(851.39)	851.39	
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		(563.43)	16,762.37	17,840.61	(1,078.24)	
OTHER RECOGNISED GAINS						
Gains on investment assets	4(b)	3,452.90	3,122.36	-	536.65	2,585.71
NET MOVEMENT IN FUNDS		2,889.47	19,884.73	17,840.61	(541.59)	2,585.71
PCC Net Assets brought forward 1 January	8	61,663.21	68,420.01	18,095.59	21,680.44	28,643.98
Calculated Balances c/fwd 31 Dec		64,552.68	88,304.74	35,936.20	21,138.85	31,229.69

Note:
1: Figures are taken from the 2016 SOFA / Balance sheet. This differs from the recalculated end 2016 balance. The explanation is on page 2 at bottom of the Balance sheet.

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PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, ALMONDSBURY

Balance sheet at 31 December 2017

	Notes	2017	2016
Fixed Assets			
Tangible		-	-
Investments	4(b)	37,711.22	34,588.86
		<u>37,711.22</u>	<u>34,588.86</u>
CURRENT ASSETS			
Receivables and PrePayments	5	5,096.53	4,203.64
Short term deposits			
Cash at bank and in hand	8	55,642.02	35,359.57
Total Current Assets		<u>60,738.55</u>	<u>39,563.21</u>
CURRENT LIABILITIES			
Less Current Liabilities			
Payables falling due < 1 year	6	10,145.03	5,732.06
NET CURRENT ASSETS - LIABILITIES		<u>50,593.52</u>	<u>33,831.15</u>
TOTAL NET ASSETS - LIABILITIES		<u>88,304.74</u>	<u>68,420.01</u>
PARISH FUNDS	8		
Unrestricted		35,936.20	14,696.40
Restricted		21,138.85	25,079.63
Endowment		31,229.69	28,643.98
		<u>88,304.74</u>	<u>68,420.01</u>

The end 2016 year balance of £68,420.01 above differs from the published 2016 Accounts figure of £64,552.68. The reason for the difference is as follows:

- 1) The 2016 Accounts did not include cash in hand at end 2016.
- 2) Current Assets: The 2016 Accounts did not include the current asset of £1482.08 representing the Olveston share of clergy expenses for last quarter 2016. It did include a £343.37 estimate of 'other' assets but only evidence of £272.50 was found in 2017 transactions.
- 3) Current Liabilities: The 2016 Accounts included a liability of £2,913.48 for Ecclesiastical Insurance premium deferred. This has not been included in the 2017 Accounts as it is not considered a liability: the insurance is paid monthly and has been included in the 2017 expenditure figures. The 2017 Accounts include £500 as an end 2016 liability against a wedding that was held in 2017 but for which the payment was made in 2016 and £263.37 for clergy expenses incurred in 2016 but not paid until 2017.

	As per 2016 Accounts	As per 2017 Accounts
Comparison of the calculation of the end 2016 total net assets		
short term deposits (less cash in hand)	35,053.07	35,053.07
Cash in hand	-	306.50
Investment fixed assets	34,588.86	34,588.86
Assets end 2016	2,792.14	4,203.64
Liabilities end 2016	(7,881.39)	(5,732.06)
Total Net Assets as calculated in 2016	<u>64,552.68</u>	
Add in Cash in hand	306.50	
Correct Total Net Assets	<u>64,859.18</u>	<u>68,420.01</u>

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, ALMONDSBURY

Notes to the financial statements for the year ending 31 December 2017

1 ACCOUNTING POLICIES

Basis of financial statements

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005).

The financial statements have been prepared under the historical cost convention except for investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities. For which the PCC is responsible in law. They do not include the accounts of other church groups (eg Mothers' Union) or informal gatherings of church members.

Fund accounting

Endowment funds are funds, the capital of which must be retained either permanently or at the PCC's discretion; the income derived from the endowment is to be used either as restricted or unrestricted income funds depending on the purpose for which the endowment was established in the first place.

Restricted funds comprise (a) income from endowments which is to be expended only on the restricted purposes intended by the donor and (b) revenue donations or grants for a specific PCC activity intended by the donor. Where these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on an average balance basis.

Unrestricted funds are income funds which are to be spent on the PCC's general purpose.

Incoming resources

Planned giving, collections and similar donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resource, their ultimate receipt is considered reasonably certain and the amounts due are reliably quantified. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All incoming resources are accounted for gross.

Resources expended

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 diocesan parish share expected to be paid over is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011.

Moveable church furnishings held by the vicar and churchwardens on special trust for the PCC and which requires a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Subsequently no individual item has cost more than £1000 so all such expenditure has been written off when incurred.

14 Church Road was purchased in 1960 for £900 and is deemed to have been fully depreciated. During 2017 it was let to ACSA Ltd for use as a Community Shop. It has since been sold to ACSA Ltd (January 2018) and the financial aspects of this sale will be addressed in the 2018 accounts. The PCC owns the land on which the Doctor's Surgery and Church Rooms are constructed. The building is subject to a 125 year lease to the doctor with the Church Rooms leased back to the PCC. In view of the long-term letting no value is given to this asset.

Equipment used within the church premises is depreciated on a straight-line basis over 4 years. Individual items of equipment with a purchase price of £1000 or less are written off when the asset is acquired. There are no items with an accounting value of at 31 December 2017.

Investments are valued at market value at 31 December.

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, ALMONDSBURY

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INCOMING RESOURCES

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2016 £	TOTAL 2017 £
Category	Account description					
2(a) Voluntary Receipts	Gift Aid - Bank	41,785.00	-			41,785.00
	Gift Aid - Envelopes	-	-			-
	Loose plate collections	12,584.63	280.70			12,865.33
	Special collections	-	-			-
	Gift Days	-	-			-
	Giving through church boxes	318.71	-			318.71
	Donations appeals etc.	11,309.00	10,259.60			21,568.60
	Recurring grants	6,913.89	-			6,913.89
	Gift Aid recovered	12,489.23	-			12,489.23
		85,400.46	10,540.30		64,775.63	95,940.76
2(b) Activities for generating funds	Church fetes etc.	913.05	615.17			1,528.22
	Parish Magazine - advertising	13,998.50	-			13,998.50
	Agency collection for Lee Abbey 2017	3,138.00	-			3,138.00
		18,049.55	615.17		25,557.98	18,664.72
2(c) Investment Income	Dividends	8.56	1,263.47			1,272.03
	Rent from lands or buildings owned by the PCC.	11,409.15	-			11,409.15
		11,417.71	1,263.47		1,020.74	12,681.18
2(d) Church Activities Receipts	Fees for weddings and funerals	5,209.00	-			5,209.00
	Bookstall and magazine sales	168.90	-			168.90
	Church rooms lettings - objects related	396.50	-			396.50
		5,774.40	-		22,448.21	5,774.40
2(e) Other Receipts	Insurance claims	-	-			-
	Other funds generated e.g sale of investments	-	60.00			60.00
		-	60.00		-	60.00
Total Incoming PCC Resources		120,642.12	12,478.94	-	113,802.56	133,121.06

Notes:

1. There were significant discrepancies between the cash and cheques banked following the Sunday services and that shown to have been collected according to the Vestry Collection sheets. This happened 21 times over the year and amounted to a loss of £410.65. This was not due to payments to choir etc which were made out of the collection money before banking. Sometimes there was an obvious mistake where the cash amount was for example £100 short and the cheque amount £100 in excess. This has not been included in the above figure of £410.65.
2. It has not been possible to establish documented reasons for these errors: each has been examined and a number of explanations have been proposed. These boil down to : the difficulty of making an accurate count of collected moneys in a busy and noisy vestry, the frequent lack of a second person to perform an independent check, the habit of depositing undocumented donations in the vestry safe and the custom (now stopped) of paying expenses from the collection and the failure to record this on the sheet. These accounts handle these errors by adding a cash / cheque correction to the collection sheet figures to ensure that the amount collected matches the banked funds. It also highlights these collection errors.
3. The process for recording the amounts collected and banked has been improved in late 2017 by redesign of the collection sheets and stopping the payment of expenses from out of the collection cash: all expense payments are now paid by cheque or bank transfer. A protocol has also been developed to help reduce the problem of human error in the collection counting process. This re-instates the process of 2 persons checking of the cash and minimises the risk of disturbance of those doing the counting.
4. The Release International service on the weekend of 29 October 2017 raised £217 which was given directly to Rev Andrew Wilson as the Release International representative. This collection is not included in these accounts as it did not pass through the PCC "books".

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, ALMONDSBURY

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RESOURCES EXPENDED

Account Heading	Account description	Unrestricted	Restricted	Endowment	TOTAL FUNDS	
		Funds	Funds	Funds	2016	2017
		£	£	£	£	£
3(a) Parish Share	Parish share	45,000.00	-	-	42,000.00	45,000.00
3(b) Clergy and Staffing	Salaries and wages of parish staff	9,751.87	-	-	-	9,751.87
	National Insurance of parish staff	-	-	-	-	-
	Pension Contributions of parish staff	141.50	-	-	-	141.50
	Working expenses of clergy	2,040.02	-	-	-	2,040.02
		11,933.39	-	-	17,511.23	11,933.39
3(c) Church Running Expenses	Education	-	-	-	-	-
	Parish training and mission	1,817.86	-	-	-	1,817.86
	Church running - insurance	4,546.38	-	-	-	4,546.38
	Church office - telephone	763.84	-	-	-	763.84
	Organ / piano tuning	380.00	-	-	-	380.00
	Church maintenance	-	3,347.98	-	-	3,347.98
	Cleaning	416.64	-	-	-	416.64
	Upkeep of churchyard	374.45	1,320.00	-	-	1,694.45
	Printing, postage and stationery	2,841.34	-	-	-	2,841.34
	Church running - electric, oil & gas	4,260.40	-	-	-	4,260.40
	Church running - water	87.28	-	-	-	87.28
	Magazine expenses	8,954.17	-	-	-	8,954.17
	Other Church Running Expenses	4,421.46	-	-	-	4,421.46
		28,863.82	4,667.98	-	33,762.10	33,531.80
3(d) Church rooms Running Costs	Church rooms running - oil	-	-	-	-	-
	Church rooms running - electricity	106.28	-	-	-	106.28
	Church rooms running - gas	756.73	-	-	-	756.73
	Church rooms running - insurance	445.28	-	-	-	445.28
	Church rooms running - maintenance	619.88	-	-	-	619.88
	Church rooms running - telephone	223.20	-	-	-	223.20
	Church rooms running - water	-	-	-	-	-
		2,151.37	-	-	-	2,151.37
3(e) Church Repairs & Maintenance	Church major repairs - structure	-	7,375.81	-	-	7,375.81
	Church major repairs - installation	1,340.00	1,200.00	-	-	2,540.00
	Church interior and exterior decorating	-	-	-	-	-
		1,340.00	8,575.81	-	-	9,915.81
Church rooms Repairs & Maintenance	Church rooms + major repairs - structure	-	-	-	-	-
3(f)	Church rooms + major repairs - installation	1,739.81	-	-	-	1,739.81
		1,739.81	-	-	6,907.03	1,739.81
3(g) Mission Giving and Donations	Giving to missionary societies	2,954.20	-	-	-	2,954.20
	Giving - relief and development agencies	2,153.47	1,164.78	-	-	3,318.25
	Other donations to support wider mission work outside the Parish.	100.00	-	-	-	100.00
		5,207.67	1,164.78	-	3,067.99	6,372.45
3(h) Fund Raising Activities	Fees paid to fund raisers	-	-	-	-	-
3(i) Cost of generating funds	Costs of applying for grants	-	-	-	-	-
	Costs of fetes & other events	305.89	-	-	-	305.89
	Agency payment to Lee Abbey 2017	3,169.10	-	-	-	3,169.10
		3,474.99	-	-	3,311.37	3,474.99
3(j) Governance Costs	Investment management costs	900.00	-	-	-	900.00
		900.00	-	-	-	900.00
3(k) All Other payments	Purchase of Investments	-	-	-	-	-
	New Building work on Church	1,339.07	-	-	-	1,339.07
		1,339.07	-	-	7,806.27	1,339.07
		101,950.12	14,408.57	-	114,365.99	116,358.69

During the year the PCC employed an organist, secretary and church cleaner (all part time). These employees equate to less than one full time employee. There were no associated social security costs but the secretary is enrolled in the NEST pension scheme.

PAYMENTS TO PCC MEMBERS

No payments or expenses were paid to any PCC member, persons closely connected to them or related parties, other than to reimburse clearly identifiable expenditure incurred on specific purchases or in accordance with the recommendations of the Diocese for the payment of clergy and Licensed Lay Minister expenses.

PAROCHIAL CHURCH COUNCIL OF ST MARY THE VIRGIN, ALMONDSBURY

4. **FIXED ASSETS**

The PCC owns the freeholds of 14 Church Road and the Doctor's Surgery and Church Rooms. Both the Surgery and church Rooms are let (see Note 1). It also owns various items of furniture and equipment in the church and in church Rooms. All of these assets are deemed to be fully depreciated for accounting purposes.

(a)

(b) Investments (Endowment Funds) : Investments are held in the CCLA/CBF Church of England Investment Fund (Income Shares)

	Chancel £	Churchyard £	Frost & Miles £	Total £
Net Asset value on 1 January 2017	5,944.88	14,428.30	14,215.68	34,588.86
Add increase in value	536.65	1,302.45	1,283.26	3,122.36
Net Asset value on 31 December 2017	6,481.53	15,730.75	15,498.94	37,711.22

5. **CURRENT ASSETS (DEBTORS)**

		2016	2017
HMRC - gift aid recovered	Accrued income	2,449.06	3,185.57
Gift aid	Accrued income	-	-
Deposit for Lee Abbey	Prepaid expense		475.00
Deposit for Spring Ball	Prepaid expense		300.00
Olveston share of Clergy expenses	Accrued income	1,482.08	410.96
Wedding Fees	Accrued income		375.00
Church Rooms bookings			150.00
Carol service			200.00
Others	Accrued income	272.50	
		4,203.64	5,096.53

6. **LIABILITIES**

Pre Paid Income - Spring Ball	Prepaid income		1,265.00
Pre Paid Income - Lee Abbey	Prepaid income		1,654.00
Church repairs	Accrued expense		813.08
Wedding Fees	Prepaid income	500.00	
Misc payments	Accrued expense	218.05	
Clergy expenses	Accrued expense	263.37	359.19
Royal British Legion		558.82	
Children's Society		240.00	796.18
Tear fund		218.02	218.02
Leprosy Mission		65.00	67.80
Send Cow			51.00
St Peter's hospice			838.05
Uganda Link			207.93
Churchyard upkeep		330.00	165.00
shop deposit - refundable		3,338.80	3,338.80
Others	Accrued expense		370.98
		5,732.06	10,145.03
Assets - Liabilities		(1,528.42)	(5,048.50)

7. **RESTRICTED FUNDS**

The Consolidated Churchyard and the Frost and Miles funds are 'Permanent' Endowment funds. The former is an amalgamation of many individual gifts, funds and bequests. The latter is held under the terms of the bequests of the late Miss Frost and Mr Miles. The capital (and any associated Capital growth) underpinning these funds remain locked into the Endowment Funds, the dividend or interest income being allocated to the respective restricted revenue accounts which remain Restricted to the purpose of the underlying fund. The remaining funds (Chancel, Bells and Fabric) have been Restricted by the PCC and / or donors and can only be used for their declared purpose. The Chancel Fund is held as an Investment Fund (with the CCLA as are the 2 Endowment Funds) while the Bells and Fabric Fund are held within the General Reserve / short term Deposit accounts and ring fenced in the financial accounts. Where the balance on any of these latter 3 funds becomes negative, the PCC may decide to remove the deficit by transfer from an Unrestricted Fund.

UNRESTRICTED FUND

There are 3 unrestricted physical funds: the 2 HSBC bank accounts (Current and Deposit) and the General Reserve Fund held with the CCLA. However, the Bells and Fabric Funds (which are restricted) are held within the above 3 physical accounts but ringfenced in the accounts to ensure that their funds are only used for the intended purpose.

Fund movements	Fund type	Balance b/f	Incoming	Resources	Transfers	Balance c/f
		01-Jan-17	Resources*	Expended		31-Dec-17
		£	£	£	£	£
Churchyard	Endowment / Investment	14,428.30	1,302.45	-		15,730.75
Frost & Miles	Endowment / Investment	14,215.68	1,283.26	-		15,498.94
Chancel Tax Liability Fund	Restricted / Investment	5,944.88	536.65	-		6,481.53
General Reserve Fund	Deposit	14,124.04	39.74	-		14,163.78
Bells Fund	Restricted	3,081.20	9,767.50	1,210.00		11,638.70
Fabric Fund	Restricted	16,053.55	1,447.97	10,713.79		6,787.73
Total		67,847.65	14,377.57	11,923.79	-	70,301.43

* For the General Fund, the growth equals the interest payable during 2017

8. **ANALYSIS OF NET ASSETS
by fund**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2017 £
Cash & short term deposits (Cash, BMM and Current Accounts, General Reserve)	36,712.65	18,929.37		55,642.02
Investment fixed assets (Chancel, Churchyard, Frost&Miles)		6,481.53	31,229.69	37,711.22
Current assets	4,321.53	775.00		5,096.53
Less liabilities	5,097.98	5,047.05		10,145.03
	35,936.20	21,138.85	31,229.69	88,304.74

Independent examiner's report to the PCC of St Mary's, Almondsbury

This report on the financial statements of the PCC for the year ended 31 December 2017, which are set out on pages 1 to 6, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and s.43 of the Charities Act 1993 ('the Act').

Respective responsibilities of the PCC and the examiner

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and s.43(2) of the Act does not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

Basis of this Report

My examination was carried out in accordance with the General Directions given by the Charity Commission under s.43(7)(b) of the Act and to be found in the Church guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the financial statements 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 I do not express an audit opinion on the view given by the accounts.

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 41 of the Act; and
- . to prepare financial statement, which in accord with the accounting records and comply with the requirements of the Act and the Regulations 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.



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7 April 2018