

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 DECEMBER 2017

| | <i>Notes</i> | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Endowment Funds £ | Total Funds 2017 £ | 2016 £ |
|--|--------------|-------------------------------------|-----------------------------------|-----------------------------------|----------------------------------|-----------------------------------|-------------------|
| Incoming resources | | | | | | | |
| Incoming resources from donors | 2a | 45,876 | 3,425 | - | - | 49,301 | 50,903 |
| Other voluntary incoming resources | 2b | 504 | 7,898 | - | - | 8,402 | 860 |
| From operating activities. | | | | | | | |
| -to further the council's objects | 2c | 5,216 | - | - | - | 5,216 | 7,853 |
| -to generate funds | 2d | 13,588 | - | - | - | 13,588 | 16,024 |
| Income from investments | 2e | 6 | 2,061 | 8 | 14 | 2,089 | 2,122 |
| Total incoming resources | | 65,190 | 13,384 | 8 | 14 | 78,596 | 77,762 |
| Resources used | | | | | | | |
| Grants | 3a | 5,786 | - | - | - | 5,786 | 5,470 |
| Activities directly relating to the work of the Church | 3b | 67,269 | 7,030 | - | - | 74,299 | 75,875 |
| Church management and administration | 3c | - | - | - | - | - | - |
| Total resources used | | 73,055 | 7,030 | - | - | 80,085 | 81,345 |
| Net incoming/(outgoing) resources before transfers | | (7,865) | 6,354 | 8 | 14 | (1,489) | (3,583) |
| Transfers between funds | | 3,838 | (3,838) | - | - | - | - |
| Gains and (losses) on investments | | | | | | | |
| Realised | | | | | | - | - |
| Unrealised | | - | 4,062 | - | - | 4,062 | 4,015 |
| Net movement in funds | | (4,027) | 6,578 | 8 | 14 | 2,573 | 432 |
| Balances brought forward at 1 January 2017 (2016) | | 11,156 | 115,248 | 2,420 | 7,995 | 136,819 | 136,387 |
| Balances carried forward at 31 December 2017 (2016) | | 7,129 | 121,826 | 2,428 | 8,009 | 139,392 | 136,819 |

The notes on pages 8 to 14 form an integral part of these accounts

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

BALANCE SHEET AT 31 DECEMBER 2017

| Notes | 2017 £ | 2017 £ | 2016 £ | 2016 £ |
|---|-----------|-----------------------|-----------|-----------------------|
| Fixed Assets | | | | |
| Tangible fixed assets | 4a | 506 | | 0 |
| Investment assets | 4b | 56,194 | | 52,132 |
| Total fixed assets | | <u>56,700</u> | | <u>52,132</u> |
| Current assets | | | | |
| Prepayments and debtors | 5 | 1,754 | 2,511 | |
| Short-term bank deposits | | 76,278 | 74,196 | |
| Cash at bank and in hand | | 13,591 | 15,205 | |
| Total current assets | | 91,623 | | 91,912 |
| Liabilities: amounts falling due within one year | | | | |
| Accruals | 5 | 8,931 | 7,225 | |
| | | 8,931 | | 7,225 |
| Net current assets | | <u>82,692</u> | | <u>84,687</u> |
| Net assets | | <u><u>139,392</u></u> | | <u><u>136,819</u></u> |
| FUNDS | | | | |
| Unrestricted - General | 6a | 7,129 | | 11,156 |
| Designated | | | | |
| - Church Fund | 6b | 5,018 | | 2,165 |
| - Other designated | 6c | 1,351 | | 3,749 |
| - Legacies | 6d | 115,457 | | 109,334 |
| Restricted | | | | |
| - Organ Restoration Fund | 6e | 2,428 | | 2,420 |
| Endowed - Endowments | 6f | 8,009 | | 7,995 |
| | | <u>139,392</u> | | <u>136,819</u> |

Approved by the Parochial Church Council on 19th March 2018

(Signed) **R Ferneyhough** (Church Warden & Chairman)

K.Bett (Hon. Treasurer)

The notes on pages 8 to 14 form an integral part of these accounts

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001 together with applicable accounting standards and the Charities SORP. The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

Funds

General funds represent the funds of the PCC that are not subject to any restriction regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of any church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

Incoming Resources

Voluntary income and capital sources

Collections are recognised when received by or on behalf of the PCC.

Planned giving under covenant is recognised only when received.

From the 6 April 2000 income tax is accounted when received, as recommended by the Church of England.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Other ordinary income

Rental income from the letting of church premises is recognised when the rental is received.

Income from investments

Dividends and interest are accounted for when receivable.

Gains and losses on investments

Realised gains and losses are recognised on the disposal of investments.

Unrealised gains and losses are accounted for on revaluation of investments at the Balance Sheet date.

Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church

The diocesan quota is accounted for when payable.

Fixed assets

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is excluded from the accounts by virtue of section 96(2)(a) of the Charities Act 1993.

No value is placed on movable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Other fixtures, fittings and office equipment

The cost of equipment 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.

Current assets

Amounts owing to the PCC at 31 December are shown as debtors less provision for amounts that prove uncollectible.

Short-term deposits include cash held on deposit with the CBF Church of England Funds or at the bank.

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS, continued

| <i>Notes</i> | Unrestricted Funds | Designated Funds | Restricted Funds | Endowment Funds | Total Funds 2017 | 2016 |
|---|-------------------------------|-----------------------------|-----------------------------|----------------------------|-----------------------------|---------------|
| 2. Incoming resources | | | | | | |
| a. Incoming resources from donors | | | | | | |
| Planned giving - gift aided | 17,568 | - | - | - | 17,568 | 16,749 |
| - envelope scheme | 6,367 | - | - | - | 6,367 | 6,789 |
| Collections | 3,581 | - | - | - | 3,581 | 2,710 |
| Gift Aid Envelopes | 5,831 | - | - | - | 5,831 | 5,980 |
| Planned giving - Other | 1,320 | - | - | - | 1,320 | 1,320 |
| Income Tax recovered | 7,988 | - | - | - | 7,988 | 8,312 |
| Sundry Donations | 3,221 | 3,425 | - | - | 6,646 | 7,487 |
| Grant income received | - | - | - | - | - | 1,556 |
| | <u>45,876</u> | <u>3,425</u> | <u>-</u> | <u>-</u> | <u>49,301</u> | <u>50,903</u> |
| b. Other voluntary incoming resources | | | | | | |
| Fundraising events and activities | | | | | | |
| Church fete, funds raised | - | 7,898 | - | - | 7,898 | - |
| Sponsored bike ride | 90 | - | - | - | 90 | 408 |
| Legacies | - | - | - | - | - | - |
| Churchyard | - | - | - | - | - | - |
| Other | 414 | - | - | - | 414 | 452 |
| | <u>504</u> | <u>7,898</u> | <u>-</u> | <u>-</u> | <u>8,402</u> | <u>860</u> |
| c. Income from operating activities- to further the council's objectives | | | | | | |
| Fees receivable | 3,384 | - | - | - | 3,384 | 5,424 |
| Church Hall lunches & coffee | 310 | - | - | - | 310 | 242 |
| Social committee functions | 1,522 | - | - | - | 1,522 | 2,187 |
| | <u>5,216</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,216</u> | <u>7,853</u> |
| d. Income from operating activities- to generate funds | | | | | | |
| Church Hall lettings | 8,851 | - | - | - | 8,851 | 10,866 |
| Newsletter advertising | 4,442 | - | - | - | 4,442 | 4,626 |
| Newsletter donations | 295 | - | - | - | 295 | 532 |
| | <u>13,588</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>13,588</u> | <u>16,024</u> |
| e. Income from investments | | | | | | |
| CBF Income & Interest | 6 | 184 | 8 | 14 | 212 | 353 |
| Dividends | - | 1,877 | - | - | 1,877 | 1,769 |
| | <u>6</u> | <u>2,061</u> | <u>8</u> | <u>14</u> | <u>2,089</u> | <u>2,122</u> |

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS, continued

3. Resources used

| | Unrestricted Funds | Designated Funds | Restricted Funds | Endowment Funds | Total Funds 2017 | 2016 |
|---|-----------------------|---------------------|---------------------|--------------------|---------------------|-------|
| a. Grants | | | | | | |
| <i>Missionary and charitable giving</i> | | | | | | |
| Church overseas: | | | | | | |
| Church Mission Society | 200 | | | | 200 | 150 |
| Joshua Playing Project | 350 | | | | 350 | 200 |
| Home mission and other church societies | | | | | | |
| Bishop's Harvest Appeal | 350 | | | | 350 | 446 |
| Christian Aid | 500 | | | | 500 | 150 |
| Children's Society | 250 | | | | 250 | 200 |
| Church Urban Fund | - | | | | - | 226 |
| Diocesan Board of Education | - | | | | - | 250 |
| Aid to the Church in Need | - | | | | - | 100 |
| <i>Other outreach</i> | | | | | | |
| British Legion | 500 | | | | 500 | 518 |
| Livability | 150 | | | | 150 | 100 |
| St Francis Hospice | 1,500 | | | | 1,500 | 1,500 |
| Ian Rennie Hospice | 250 | | | | 250 | 200 |
| DENS | 386 | | | | 386 | 200 |
| Parkinsons | 250 | | | | 250 | 100 |
| Herts Air Ambulance | - | | | | - | 250 |
| Scouts & Brownies | 250 | | | | 250 | - |
| Potten End School | 300 | | | | 300 | 680 |
| Potten End Pre-School | 50 | | | | 50 | 100 |
| Village Hall | 100 | | | | 100 | - |
| Fete contribution allocated by Aldbury Morris Men | 150 | | | | 150 | - |
| Christians Against Poverty | 150 | | | | 150 | 100 |
| Grants to support mission work within the Parish | 100 | | | | 100 | - |
| | 5,786 | - | - | - | 5,786 | 5,470 |

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS, continued

b. Activities directly relating to the work of the Church

| | | | | | |
|--|--------|-------|---|--------|--------|
| Ministry | | | | | |
| Contributions to the Vicar's stipend | 44,528 | | | 44,528 | 42,743 |
| Vicar's expenses | 2,062 | | | 2,062 | 1,642 |
| Upkeep of Church and services: | | | | | |
| Heating, lighting and insurance | 2,381 | | | 2,381 | 2,993 |
| Organ maintenance | 230 | | | 230 | 224 |
| Emoluments | 3,309 | | | 3,309 | 4,492 |
| Sacristy & Services expenses | 697 | | | 697 | 473 |
| Fire Safety | 289 | | | 289 | 221 |
| Pastoral support & other misc. expenses | 473 | 395 | | 868 | 79 |
| Upkeep of churchyard | 1,139 | | | 1,139 | 1,590 |
| Church repairs to fittings and fabric | 2,272 | 5,428 | | 7,700 | 9,693 |
| Equipment | - | | | - | 940 |
| Churchroom refurbishment | - | | | - | - |
| Equipment depreciation | 169 | | | 169 | 159 |
| Printing & stationery | 398 | | | 398 | 831 |
| Repairs to the Church Hall | 224 | | | 224 | 133 |
| Churchroom running costs | 3,809 | | | 3,809 | 4,112 |
| Newsletter printing costs | 4,024 | | | 4,024 | 3,660 |
| Youth work - Messy Church & Trinity Kids | 482 | | | 482 | 253 |
| Cost of generating funds | 783 | 1,207 | | 1,990 | 1,637 |
| | 67,269 | 7,030 | - | 74,299 | 75,875 |
| c. Church management & administration | - | - | - | - | - |

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS, continued

4. Fixed Assets

a. Tangible fixed assets

No value is placed on the Church Hall, built in 1974 at a cost of £9,243. It is currently insured for £223,775.

No value is placed on movable Church furnishings for the reasons outlined in Note 1 above.

All other items of equipment costing more than £1,000 have been capitalised and are being depreciated over four years.

b. Investments

| | Cost or book value | Market value | |
|---|-----------------------|---------------|---------------|
| | | 2017 | 2016 |
| | £ | £ | £ |
| 4,503 shares CBF Fixed Interest Securities Fund | 6,500 | 7,544 | 7,602 |
| 2,063 shares CBF Investment Fund | 12,454 | 33,738 | 30,851 |
| 8700 share CBF Equity Fund | 10,000 | 14,912 | 13,679 |
| | 28,954 | 56,194 | 52,132 |

5. Assets and Liabilities: Amounts Falling due Within One Year

Prepayments

Insurances

Amounts receivable

Accruals

Newsletter advertising received in advance

Repairs & maintenance reserve

Potten End Open Day reserve

Outreach not paid at 31.12.17

Other accrued expenditure

| | 2017 | 2016 |
|--|--------------|--------------|
| | £ | £ |
| | 585 | 379 |
| | <u>1,169</u> | <u>2,132</u> |
| | <u>1,754</u> | <u>2,511</u> |
| | 1,488 | 1,285 |
| | 1,000 | 1,000 |
| | 450 | 450 |
| | 5,186 | 3,870 |
| | <u>807</u> | <u>620</u> |
| | <u>8,931</u> | <u>7,225</u> |

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS, continued

6. Funds details

| | | Opening Balance £ | Net Income /Outgoings) £ | Interest Dividends £ | Gains / (Losses) £ | Transfer £ | Closing Balance £ |
|-------------------------------|---|-------------------------|--------------------------------|----------------------------|-----------------------|---------------|----------------------|
| Unrestricted | | | | | | | |
| General | a | 11,156 | (7,871) | 6 | - | 3,838 | 7,129 |
| Church Fund | b | 2,165 | 6,691 | - | - | (3,838) | 5,018 |
| Other designated | c | 3,749 | (2,398) | - | - | - | 1,351 |
| Legacies | d | 109,334 | - | 2,061 | 4,062 | - | 115,457 |
| | | <u>126,404</u> | <u>(3,578)</u> | <u>2,067</u> | <u>4,062</u> | <u>-</u> | <u>128,955</u> |
| Restricted | | | | | | | |
| Organ restoration Fund | e | 2,420 | - | 8 | - | - | 2,428 |
| | | <u>2,420</u> | <u>-</u> | <u>8</u> | <u>-</u> | <u>-</u> | <u>2,428</u> |
| Endowed | | | | | | | |
| Endowments | f | 7,995 | - | 14 | - | - | 8,009 |
| | | <u>7,995</u> | <u>-</u> | <u>14</u> | <u>-</u> | <u>-</u> | <u>8,009</u> |
| TOTAL | | <u>136,819</u> | <u>(3,578)</u> | <u>2,089</u> | <u>4,062</u> | <u>-</u> | <u>139,392</u> |

UNRESTRICTED FUNDS

a. General Fund

This is an unrestricted fund which is used by the PCC to meet everyday expenses and further the mission and ministry of the Church

b. Church Fund

This is a restricted fund established by the PCC which will be used to defer monies raised from the biennial Church Fete and the Bike 'n Hike over a two year period. The fund will be transferred to the General Fund over the next 6 months, until the planned dates of these major fund-raising initiatives. This accounting treatment has been prudently adopted as a means of carefully managing the Church's finances and cash flow.

c. Other designated

These funds are unrestricted but have been set aside by the PCC for a particular purpose.

d. Legacy Fund

This is an unrestricted fund derived from bequests to be used at the general discretion of the PCC. The PCC has resolved that, as normal Church expenditure should be met from collections and gifts from existing Church members, these bequests should be held and invested on a long-term basis until needed for major projects or repairs. Income is accumulated within the fund.

During 2010 a legacy of £8,000 was received from the Estate of the late Sheila Harris. In accordance with her wishes £3,000 is currently held in the Endowed fund to be utilised to defray some of the future costs of publishing the Church Newsletter. In 2011 £2,500 was applied to the Organ Restoration Fund and a further £650 was applied towards the cost of a new altar frontal; the balance of £1,850 is held within the Endowed funds as a more permanent memorial to Sheila's name.

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS, continued

RESTRICTED FUNDS

e. Organ Restoration Fund

This is a restricted fund, first established in 2009 to be used for the necessary restoration of the Church organ; interest received on invested funds is accumulated. Grants and donations received during 2011, following the successful Organ Restoration Appeal, were credited to the fund and as the works were completed the costs were charged against the fund. The balance on the fund has been carried forward to cover future repairs and improvements.

ENDOWED FUNDS

f. Endowment Funds & Bequests

| | 2017 | 2016 |
|--|--------------|--------------|
| <i>The Williams Trust</i> - the trust requires that the income of the trust be paid annually to the Vicar | 395 | 395 |
| <i>The Holland Trust</i> - the trust requires that the income be used for the upkeep and fabric of the Church, the upkeep of the churchyard and the grave of the late Mr Spencer L Holland | 568 | 568 |
| Bequests from the estates of the late <i>Mr and Mrs A H Lee</i> are to be used primarily for projects involving young people | 1,391 | 1,388 |
| A bequest from the estate of the late Miss Kitty Chapman is to be used for the upkeep of the churchyard. | 677 | 676 |
| A bequest from the late Mrs Sheila Harris has been credited to this fund and is dedicated in her memory to defray the future costs of the Newsletter and be applied as the PCC thinks fit towards future costs of church furnishing, fittings and decorations. Interest earned on this Fund is accumulated | 4,978 | 4,968 |
| | 8,009 | 7,995 |

Independent Examiner's Report to the Parochial Church Council of Holy Trinity, Potten End

This report on the Accounts of the PCC for the year ended 31 December 2017, which are set out on pages 6 to 14, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and s.145 of the Charities Act 2011 ('the Act').

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 the audit requirement of the Regulations and section 144(2) of the Act does not apply. It is my responsibility to issue this report on those Accounts 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 Commissioners under section 145(5)(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 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, 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 130 of the Act
 - to prepare accounts which accord with the accounting records and comply with the requirements of the Act and 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.

(signed) Timothy Cooke

Shepherds Close, Byways, Gravel Path, Berkhamsted.

2018