

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 DECEMBER 2018

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £	2017 £
Incoming resources							
Incoming resources from donors	2a	47,194	-	-	-	47,194	49,301
Other voluntary incoming resources	2b	1,505	-	-	-	1,505	8,402
From operating activities:							
-to further the council's objects	2c	5,707	-	-	-	5,707	5,216
-to generate funds	2d	13,670	-	-	-	13,670	13,588
Income from investments	2e	8	2,267	14	24	2,313	2,089
Total incoming resources		68,084	2,267	14	24	70,389	78,596
Resources used							
Grants	3a	5,777	-	-	-	5,777	5,786
Activities directly relating to the work of the Church	3b	67,832	-	-	-	67,832	74,299
Church management and administration	3c	-	-	-	-	-	-
Total resources used		73,609	-	-	-	73,609	80,085
Net incoming/(outgoing) resources before transfers		(5,525)	2,267	14	24	(3,220)	(1,489)
Transfers between funds		3,343	(3,343)	-	-	-	-
Gains and (losses) on investments							
Realised						-	-
Unrealised		-	(2,019)	-	-	(2,019)	4,062
Net movement in funds		(2,182)	(3,095)	14	24	(5,239)	2,573
Balances brought forward at 1 January 2018 (2017)		7,129	121,826	2,428	8,009	139,392	136,819
Balances carried forward at 31 December 2018 (2017)		4,947	118,731	2,442	8,033	134,153	139,392

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 2018

	<i>Notes</i>	2018 £	2018 £	2017 £	2017 £
Fixed Assets					
Tangible fixed assets	4a		336		506
Investment assets	4b		54,175		56,194
Total fixed assets			<u>54,511</u>		<u>56,700</u>
Current assets					
Prepayments and debtors	5	1,584		1,754	
Short-term bank deposits		73,584		76,278	
Cash at bank and in hand		11,493		13,591	
Total current assets			86,661		91,623
Liabilities: amounts falling due within one year					
Accruals	5		7,019	8,931	
			7,019		8,931
Net current assets			<u>79,642</u>		<u>82,692</u>
Net assets			<u>134,153</u>		<u>139,392</u>
FUNDS					
Unrestricted - General	6a		4,947		7,129
Designated					
- Church Fund	6b		1,675		5,018
- Other designated	6c		1,351		1,351
- Legacies	6d		115,705		115,457
Restricted					
- Organ Restoration Fund	6e		2,442		2,428
Endowed - Endowments	6f		8,033		8,009
			<u>134,153</u>		<u>139,392</u>

Approved by the Parochial Church Council on 11th February 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 2018	2017
2. Incoming resources						
a. Incoming resources from donors						
Planned giving - gift aided	20,964	-	-	-	20,964	17,568
- envelope scheme	4,370	-	-	-	4,370	6,367
Collections	3,232	-	-	-	3,232	3,581
Gift Aid Envelopes	6,250	-	-	-	6,250	5,831
Planned giving - Other	1,320	-	-	-	1,320	1,320
Income Tax recovered	9,363	-	-	-	9,363	7,988
Sundry Donations	1,695	-	-	-	1,695	6,646
Grant income received	-	-	-	-	-	-
	47,194	-	-	-	47,194	49,301
b. Other voluntary incoming resources						
Fundraising events and activities						
Church fete, funds raised	-	-	-	-	-	7,898
Sponsored bike ride	1,031	-	-	-	1,031	90
Legacies	-	-	-	-	-	-
Churchyard	-	-	-	-	-	-
Other	474	-	-	-	474	414
	1,505	-	-	-	1,505	8,402
c. Income from operating activities- to further the council's objectives						
Fees receivable	2,753	-	-	-	2,753	3,384
Church Hall lunches & coffee	162	-	-	-	162	310
Social committee functions	2,792	-	-	-	2,792	1,522
	5,707	-	-	-	5,707	5,216
d. Income from operating activities- to generate funds						
Church Hall lettings	8,932	-	-	-	8,932	8,851
Newsletter advertising	4,611	-	-	-	4,611	4,442
Newsletter donations	127	-	-	-	127	295
	13,670	-	-	-	13,670	13,588
e. Income from investments						
CBF Income & Interest	8	320	14	24	366	212
Dividends	-	1,947	-	-	1,947	1,877
	8	2,267	14	24	2,313	2,089

PAROCHIAL CHURCH COUNCIL OF HOLY TRINITY, POTTEN END

NOTES TO THE FINANCIAL STATEMENTS, continued

3. Resources used

a. Grants

Missionary and charitable giving

Church overseas:

<i>Notes</i>	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total Funds 2018	2017
Church Mission Society	200				200	200
Joshua Playing Project	300				300	350

Home mission and other church societies

Bishop's Harvest Appeal	350				350	350
Christian Aid	500				500	500
Children's Society	250				250	250
Church Urban Fund	-				-	-
Diocesan Board of Education	-				-	-
Aid to the Church in Need	-				-	-

Other outreach

British Legion	650				650	500
Livability	-				-	150
St Francis Hospice	1,500				1,500	1,500
Ian Rennie Hospice	250				250	250
DENS	527				527	386
Parkinsons	250				250	250
Dacorum Borough Trust	150				150	150
Scouts & Brownies	100				100	250
Potten End School	300				300	300
Potten End Pre-School	-				-	50
Village Hall	-				-	100
Fete contribution allocated by Aldbury Morris Men	-				-	150
Christians Against Poverty	150				150	150

Grants to support mission work within the Parish

	300				300	100
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	5,777	-	-	-	5,777	5,936
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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	43,753			43,753	44,528
Vicar's expenses	1,162			1,162	2,062
Upkeep of Church and services:					
Heating, lighting and insurance	2,314			2,314	2,381
Organ maintenance	236			236	230
Emoluments	3,264			3,264	3,309
Sacristy & Services expenses	711			711	697
Fire Safety	289			289	289
Pastoral support & other misc. expenses	2,772			2,772	868
Upkeep of churchyard	980			980	1,139
Church repairs to fittings and fabric	1,376			1,376	7,700
Equipment	-			-	-
Churchroom refurbishment	-			-	-
Equipment depreciation	169			169	169
Printing & stationery	900			900	398
Repairs to the Church Hall	312			312	224
Churchroom running costs	2,871			2,871	3,809
Newsletter printing costs	4,058			4,058	4,024
Youth work - Messy Church & Trinity Kids	624			624	482
Cost of generating funds	2,041			2,041	1,990
	67,832	-	-	-	67,832
	-	-	-	-	-
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 £231,833.

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	
	£	2018 £	2017 £
4,503 shares CBF Fixed Interest Securities Fund	6,500	7,203	7,544
2,063 shares CBF Investment Fund	12,454	33,234	33,738
8700 share CBF Equity Fund	10,000	13,738	14,912
	28,954	54,175	56,194

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 31.12.18

Newsletter donations reserve

Tree of promises received in advance

Other accrued expenditure

	2018 £	2017 £
	598	585
	986	1,169
	1,584	1,754
	1,361	1,488
	1,000	1,000
	450	450
	250	5,186
	1,620	-
	310	-
	2,028	807
	7,019	8,931

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	7,129	(5,533)	8	-	3,343	4,947
Church Fund	b	5,018	-	-	-	(3,343)	1,675
Other designated	c	1,351	-	-	-	-	1,351
Legacies	d	115,457	-	2,267	(2,019)	-	115,705
		<u>128,955</u>	<u>(5,533)</u>	<u>2,275</u>	<u>(2,019)</u>	<u>-</u>	<u>123,678</u>
Restricted							
Organ restoration Fund	e	2,428	-	14	-	-	2,442
		<u>2,428</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>2,442</u>
Endowed							
Endowments	f	8,009	-	24	-	-	8,033
		<u>8,009</u>	<u>-</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>8,033</u>
TOTAL		<u>139,392</u>	<u>(5,533)</u>	<u>2,313</u>	<u>(2,019)</u>	<u>-</u>	<u>134,153</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

	2018	2017
<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	1,395	1,391
A bequest from the estate of the late Miss Kitty Chapman is to be used for the upkeep of the churchyard.	680	677
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	4,995	4,978
	8,033	8,009

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 2018, 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.

2019