

**PAROCHIAL CHURCH COUNCIL
OF THE
PARISH OF THE RESURRECTION, ALTON
FINANCIAL STATEMENTS
31 DECEMBER 2016**

POWDIN & CO LIMITED

Chartered Accountants
Hampshire House
204 Holly Road
Aldershot
Hampshire
GU12 4SE

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2016

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2016.

Reference and administrative details

Registered charity name Parochial Church Council of The Parish Of The Resurrection, Alton

Charity registration number 1136970

Principal office St Lawrence Parish Centre
Church Street
ALTON
Hampshire
GU34 2BW

The trustees

Revd Andrew Micklefield (Vicar)	
Revd David Hinks (Associate Vicar)	
Revd Ian Toombs (Assistant Priest)	
Revd Lynn Power (Assistant Priest)	(Appointed 25 September 2016)
Revd Christopher Bradish (Curate)	(Appointed 3 July 2016)
Mr Tim Codling (Churchwarden)	
Mr Derek Gurney (Churchwarden)	
Mrs Verona Hall (Churchwarden)	
Mr Keith Arrowsmith-Oliver (Churchwarden)	(Appointed 24 April 2016)
Ms Rosemary Shutler (Churchwarden)	
Mrs Rachel Wilkes (Churchwarden)	(Appointed 24 April 2016)
Mr Peter Sperring (Churchwarden)	
Mrs Anthea Bailey (Deanery Synod Member)	
Mrs Margaret Bell (Deanery Synod Member)	
Mr Peter Bell (Deanery Synod Member)	
Ms Jenny Lawrence (Deanery Synod Member)	
Mr John Hubbard	
Mrs Sarah Neish	
Mr Peter Raine	
Mrs Wendy Burnhams	(Appointed 24 April 2016)
Mr Andrew Russell (Co-Treasurer)	
Mr Mike Corfe (Co-Treasurer)	
Mrs Pauline Folkes	(Resigned 24 April 2016)
Mrs Lisa Bewick	(Resigned 24 April 2016)
Mrs Sarah Broadbent	(Resigned 24 April 2016)
Mrs Clare Kirby	(Resigned 24 April 2016)
Mr Timothy Norkett	(Resigned 24 April 2016)
Mrs Jennifer Thompson	(Resigned 24 April 2016)
Mrs Julie Trice	(Resigned 24 April 2016)
Mr Nicholas Wevill	(Resigned 24 April 2016)
Mr Jeremy Wood	(Resigned 24 April 2016)

Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill WEST MALLING Kent ME19 4TA
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PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2016

Independent Examiner

Mr L J Powell BSc FCA
Powdin & Co Limited
Chartered Accountants
Hampshire House
204 Holly Road
ALDERSHOT
Hampshire
GU12 4SE

Structure, governance and management

The Parish of the Resurrection was formed in 2010 from the former parishes of St Lawrence Alton, All Saints Alton, and Holy Rood, Holybourne. The parish is also in covenant with Alton Methodist Church as part of the Greater Alton Project (GAP).

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The appointment of PCC members is governed by the procedures set out in the Church Representation Rules.

The PCC met regularly throughout the year and considered all issues for which it had a responsibility in law or where it had been given responsibility through the Church of England. The PCC is supported in its work by various committees supplemented by specific task groups as required. The main ones are District Church Councils for St Lawrence & St Peter's, All Saints and Holy Rood; Administration & Finance; Education & Discipleship (a GAP committee); and Parish and Social Life. During 2016 the PCC reviewed the governance structure and the roles and membership of the PCC and other committees. Proposals for change were made and approved at the Annual Parochial Church Meeting.

The PCC also has a Standing Committee which can be convened to transact business urgently where the full PCC could not be convened. The ex-officio members of the Standing Committee are the Incumbent, Associate Vicar, Churchwardens and the Treasurers.

There are four trusts which are related to the parish. These are the School Trust, the Marshalls Trust, the All Saints Religious Education Trust and the James Trust. These trusts are separate funds from the PCC's own funds. The trustees are the Vicar and Churchwardens. As the funds are not under the control of the PCC, they are not included in the PCC's accounts.

Objectives and activities

The primary object of the PCC is the promotion of the gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC achieves this by focusing on four key aims:

- To understand and follow God's ways.
- To tell others about God.
- To meet the needs of others and challenge unjust structures in society.
- To care for God's Earth.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2016

Achievements and performance

Dear friends,

I am always slightly overwhelmed when it comes to writing my annual report. It affords the time and task to reflect on what God is doing so vividly in the life of our Parish and community and not least in the lives of so many of us. Thanks be to our God who gives us so much - let us be enthusiastic in our celebration.

The annual reports and the annual meeting should be celebratory and I encourage you to read and attend in that spirit guided by the Holy Spirit. This year at our annual meeting we will celebrate again in the business of the meeting but also in worship and thanksgiving as we stay on for a service together. There will be opportunity within the meeting for us to share together the reasons for such celebration as well conduct the formalities.

I want to draw attention and be thankful for the ways in which we make our Vision Statement so pivotal to our lives together. We are truly 'Proclaiming the Risen Jesus, Steadfast in our Faith and Active in Service'. We have been wonderfully blessed by our School of Discipleship Programme and we are now firmly embedded in the 2017 activities. Our learning and attentiveness to God's Word and teaching alongside a deep prayer life are foundational to who we are. I am writing this report as we come to the end of the Lent Course which has seen 50+ people in attendance each week - so remarkable. I am also overwhelmed when I see and hear the number of people from our parish who volunteer for local groups, charities, events and ministry. You are a very generous group of people and it is noticed and we serve God and his people faithfully in our community.

So I am extremely pleased to report the above but I cannot forget to pay attention to the fact that our Sunday worship is the nerve centre of parish life. When we faithfully and regularly gather together to celebrate God's love and goodness we are fueling our faith for service in the world. I am greatly encouraged by the numbers who attend our services yet there is always room for more. Our response to God in worship is essential for our health and vitality so don't miss out. The variety each Sunday is good and worshipping in the churches across the parish is important for our unity too. Thank you to those who help so willingly in providing time and talents for our services. I am grateful to those who look after our churches so well week by week. Our musicians are wonderful and we rely on so many to play. Readers, intercessors, chalice assistants and all the others - thank you.

I just want to list a few highlights of this year as I see it. This is just a snapshot!

- Our wonderful Anna Chaplaincy. Debbie, Helen and Jonathan have worked tirelessly and faithfully and we see so much fruit of their labours with older people in our churches and community. The link with the Bible Reading Fellowship is flourishing thanks to Debbie's enthusiasm and the model of Anna Chaplaincy rolls out through the country. Helen leaves us on 9th April after three fabulous years and we now look forward to the ministry of Rachel. The inter-generational work we have seen as local schools have worked with Helen and Debbie is breathtaking - Easter in a Box, The Queen's 90th birthday events, The Library Club and more.
- We have welcomed Lynn Power as an Assistant Priest and also the GAP Schools Ministry Coordinator alongside her ministry at Treloars. What a breath of fresh air! Open the Book Assemblies are growing and flourishing; we are praying more regularly for our local schools with the 'Pray for Schools' initiative; lots more Collective Worship are happening; more links with all our schools are developing - thank you Lynn!
- Both our church schools - Andrews Endowed and St Lawrence have recently had OFSTED inspections and I am pleased to say they are Good schools and the inspection reports are very positive and full of praise. We obviously have strong links with both and the foundations governors we provide to both are a credit to the church and schools communities.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2016

Achievements and performance *(continued)*

- We have been blessed by the ministry of our curate, Chris Bradish. We welcomed him along with Naomi, Peter and Juliette back in the summer of 2016 and it already seems they have been with us for far longer. Just to pick out one of the areas Chris has been inspirational in - Platform Pastors. He has been providing chaplaincy at Alton Station every Monday morning and it is a growing ministry. It has captured imaginations and already we are in conversation with other agencies and the Diocese to see ways of replicating this ministry in other places - exciting. Chris will be priested at a service in Winchester Cathedral on Saturday 1st July, 6pm. Everyone is most welcome to attend and support Chris at this important stage in his ministry.
- The Lunch Club being held in Beech Village Hall is a very welcome and well supported activity and thank you needs to go to Sarah Neish and her helpers for establishing and sustaining such a wonderful ministry.
- The restoration work at St Lawrence has been a long process but we are getting there and I hope, by the time of the APCM, there will no longer be any scaffolding in evidence. Thank you to the DCC and especially Tim Codling for seeing this through for us. There is still a little more to do but it looks great.
- The Living Space Project at The Church of the Holy Rood is gathering pace. I am grateful to the team who have been managing the proposals and the fund-raising and I look forward to phase one of the project in the autumn.

I have mentioned the appointment of Lynn Power and Rachel Sturt to their respective roles but there is more. On the morning of Sunday 2nd July in Winchester Cathedral Joy Windsor will be ordained deacon and will become a self-supporting curate with us in the parish. We all know Joy well and want to celebrate this. Again everyone is welcome to be in the Cathedral that morning. Our plan is to have one evening celebration service that evening for Chris and Joy together. More details nearer the time. We will also be joined by Revd Martin East who already lives in Holybourne and is finishing his time in ministry at St John's Church Hartley Wintney. At the time of writing we are also expecting applications for the post of Youth Minister and Chaplain to Alton College and may have more news to share with you. Our Ministry Team just keeps on growing - thanks be to God.

Yet none of the activities of our vibrant parish is achievable without all of your support. The people of this parish are so generous in encouragement, gratitude and giving. To those who serve on the PCC, DCCs, other committees and focus groups, thank you so much. To those who give financially, a big thank you. Without your support so much of what we do would not be possible.

There is so much to celebrate, so much more to discern and decide, but I encourage us to always lift up our eyes to see and know where our help comes from. Read Psalm 121. 'Our help comes from God, the maker of heaven and earth'.

Lord, let us always have eyes risen to your promises and to your guiding and may we always know that it is you alone who keeps us and sustains us from this time forth and for evermore.

With my love and best wishes
Andrew

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2016

Financial review

In 2016 the General Fund, which covers the day-to-day expenses of the parish, had an excess of expenditure over income of £823 meeting our objective of running a balanced budget. A similar balanced budget has been approved for 2017.

In 2016 there was an exceptionally large income of £589,465 due to an inflow of funds of some £300,000 from grants from the Heritage Lottery Fund and other organisations, fundraising appeals and one-off donations which were restricted funds for several major projects. These included: substantial restoration work to the Grade 1 St Lawrence Church; repairs to rainwater goods and related work at the Grade II* Church of the Holy Rood; work to reconfigure Holy Rood to improve accessibility and create a more welcoming environment for church members and facilities for the wider local community; and the installation of an audio-visual system in St Lawrence for use in church services as well as by other users such as schools and other community users of the church. These projects have been demanding of time and have been the subject of regular reports to the Administration and Finance Committee and reviewed regularly by the PCC. Substantial stage payments have been made and a further £200,000 will be paid in 2017 as the projects are progressed or completed, which will return our restricted balances to the more normal levels required to meet ongoing commitments and contingencies.

General Fund cash reserves of just under £50,000 are in line with our policy of holding a minimum of 3 months normal running costs expenditure in unrestricted reserves. In addition the parish holds various restricted fabric funds to maintain the upkeep of our one Grade 1, one Grade II* and one Grade II listed buildings. It is our policy always to maintain between £5,000 and £10,000 in the restricted fabric funds of St Lawrence, All Saints and Holy Rood churches and between £2,000 and £5,000 for St Peter's in order to meet any emergency repair costs and requirements arising from quinquennial reviews. Other restricted funds include a choir income endowment, covenant funds in support of the Greater Alton Project and bequests made for specific purposes. All restricted funds are examined annually by the Administration and Finance Committee to ensure that sufficient reserves are maintained to meet likely future needs and to promote measures to replenish the funds through donations, fundraising and legacies.

During the year generous donations were used to create a Parish Mission Action Plan fund which will be used to support various evangelical, community and social enterprise projects. A major commitment is to fund a Youth Minister to work with local schools and colleges.

In 2016 the Administration and Finance Committee reviewed and updated Reserves and Investment policies and prepared a Conflict of Interest policy, all for approval by the PCC. A review of cash handling and other financial controls was initiated and work on this will be completed in 2017. The main risks and appropriate mitigations covered by the Risk Management policy focus on financial stability, governance, safeguarding and the need to attract new members. This policy is due for review in 2017.

Ensuring our work delivers our aims

During the year the trustees carried out their duties and made decisions taking due regard of their obligation to exercise their powers for the public benefit. Apart from serving their core religious purposes, the church premises are used by local schools, colleges, pre-school groups, youth choir and other music organisations. Concerts and other events are held which are attended by the wider local community. Contact is maintained with various local organisations to provide pastoral, community and social services, and the parish is frequently involved in supporting major events in the town.

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aims, objectives and activities remain focused on our stated purposes.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2016

Ensuring our work delivers our aims *(continued)*

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The trustees' annual report was approved on 30 April 2017 and signed on behalf of the board of trustees by:

Revd Andrew Micklefield (Vicar)
Trustee

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

YEAR ENDED 31 DECEMBER 2016

I report on the financial statements for the year ended 31 December 2016, which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the financial statements. The trustees 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 Commission under section 145(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 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:

(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.

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of 'The Institute of Chartered Accountants in England and Wales' which is one of the listed bodies.

MR L J POWELL BSC FAC
Independent Examiner

Powdin & Co
Chartered Accountants
Hampshire House
204 Holly Road
ALDERSHOT
Hampshire GU12 4SE

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

STATEMENT OF FINANCIAL ACTIVITIES

31 DECEMBER 2016

		Unrestricted funds £	2016 Restricted funds £	Total funds £	2015 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	233,229	303,541	536,770	215,068
Charitable activities	5	29,011	–	29,011	25,868
Other trading activities	6	12,883	9,073	21,956	24,894
Investment income	7	854	874	1,728	1,622
Total income		<u>275,977</u>	<u>313,488</u>	<u>589,465</u>	<u>267,452</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	8	(6,826)	(932)	(7,758)	(2,199)
Expenditure on charitable activities	9,10	(236,539)	(193,757)	(430,296)	(232,994)
Total expenditure		<u>(243,365)</u>	<u>(194,689)</u>	<u>(438,054)</u>	<u>(235,193)</u>
Net income		<u>32,612</u>	<u>118,799</u>	<u>151,411</u>	<u>32,259</u>
Transfers between funds		(1,074)	1,074	–	–
Other recognised gains and losses					
Fair value movement on investments		–	1,380	1,380	177
Net movement in funds		<u>31,538</u>	<u>121,253</u>	<u>152,791</u>	<u>32,436</u>
Reconciliation of funds					
Total funds brought forward		<u>98,300</u>	<u>216,933</u>	<u>315,233</u>	<u>282,797</u>
Total funds carried forward		<u>129,838</u>	<u>338,186</u>	<u>468,024</u>	<u>315,233</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 23 form part of these financial statements

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2016

		2016		2015	
		£	£	£	£
Fixed assets					
Tangible fixed assets	17		13,562		14,191
Investments	18		14,536		13,156
			<u>28,098</u>		<u>27,347</u>
Current assets					
Stocks		500		500	
Debtors	19	6,290		9,317	
Cash at bank and in hand		467,204		296,780	
		<u>473,994</u>		<u>306,597</u>	
Creditors: amounts falling due within one year	20	<u>34,068</u>		<u>18,711</u>	
Net current assets			439,926		287,886
Total assets less current liabilities			<u>468,024</u>		<u>315,233</u>
Funds of the charity					
Restricted funds			338,186		216,933
Unrestricted funds			129,838		98,300
Total unrestricted funds		129,838		98,300	
Total charity funds	21		<u>468,024</u>		<u>315,233</u>

The notes on pages 12 to 23 form part of these financial statements

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
Cash flows from operating activities		
Net income	151,411	32,259
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,028	2,804
Dividends, interest and rents from investments	(426)	(503)
Other interest receivable and similar income	(1,302)	(1,119))
<i>Changes in:</i>		
Trade and other debtors	3,027	505
Trade and other creditors	15,357	5,887
Cash generated from operations	170,095	39,833
Interest received	1,302	1,119
Net cash from operating activities	<u>171,397</u>	<u>40,952</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	426	503
Purchase of tangible assets	(1,399)	—
Net cash used in investing activities	<u>(973)</u>	<u>503</u>
Net increase in cash and cash equivalents	170,424	41,455
Cash and cash equivalents at beginning of year	296,780	255,325
Cash and cash equivalents at end of year	<u>467,204</u>	<u>296,780</u>

These financial statements were approved by the board of trustees and authorised for issue on 30 April 2017, and are signed on behalf of the board by:

Revd Andrew Micklefield (Vicar)
Trustee

The notes on pages 12 to 23 form part of these financial statements

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

1. General information

The charity is registered charity in England and Wales and is unincorporated.
The address of the principal office is St Lawrence Parish Centre, Church Street, Alton, Hampshire, GU34 2BW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) and the Charities Act 2011.

These financial statements have also been prepared in accordance with Church of England guidance entitled PCC Accountability: The Charities Act 2011 and the PCC, including the Church Accounting Regulations 2006 prescribed by the Business Committee of the General Synod.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

(b) Going concern

There are no material uncertainties about the charity's ability to continue.

(c) Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

(d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Unrestricted income and expenditure were in line with plans, there were no exceptional events to take account of and there is no known reason why there should be any significant variance in 2017.

Substantial incoming restricted funds from one-off grants, major fund-raising events and donations for specific projects have been properly allocated, managed and accounted for under approved project management procedures to ensure delivery of goals with clear accountability.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- None

(e) Fund accounting

Unrestricted or general funds represent the funds of the Parochial Church Council (PCC) that are not subject to any restrictions regarding their use and are available for use at the discretion of the trustees for general purposes of the PCC.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

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

(f) Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from collections is recognised when received.
- Planned giving receivable under Gift Aid is recognised when received. Income Tax recoverable on Gift Aid donations is recognised when the related income is recognised.
- Grants and legacies to the PCC are recognised when the PCC is notified of its legal entitlement and the amount due and its ultimate receipt by the PCC are reasonably certain.
- Income from church hall lettings is recognised when the rental is due.
- Dividends are recognised when they become due and payable. Interest income is recognised when it is due and is accrued accordingly.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

3. Accounting policies *(continued)*

(g) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- Expenses in respect of grants are recognised at the earlier of when the grant is paid or when there is a binding obligation on the PCC to make a grant and it can be valued with reasonable certainty.
- the parish share is charged as an expense when payable.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

(h) Tangible assets

Consecrated land and benefice property is excluded from these financial statements under the terms of the Charities Act 2011.

No value is placed on moveable 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 beneficial property and moveable church furnishings, whether maintenance or improvement, is written off as expenditure when incurred.

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The capitalisation threshold is £1,000.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

3. Accounting policies *(continued)*

(i) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Extensions to buildings (non-consecrated)	-	5% straight line
Fixtures and fittings	-	10% straight line
General Equipment	-	20% straight line

(j) Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

(k) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

(l) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations			
Planned Giving	108,802	171	108,973
Income Tax Recoverable	26,907	8,846	35,753
Collections	11,394	4	11,398
Sundry Donations / Appeals	30,950	53,644	84,594
Other Planned Donations	25,440	26	25,466
Other Funds Generated	1,736	27,272	29,008
Mission Collections	–	7,098	7,098
Legacies			
Legacies	–	2,000	2,000
Grants			
Heritage Lottery and Other Grants	28,000	204,480	232,480
	<u>233,229</u>	<u>303,541</u>	<u>536,770</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Donations			
Planned Giving	105,763	480	106,243
Income Tax Recoverable	27,784	1,419	29,203
Collections	13,912	–	13,912
Sundry Donations / Appeals	10,462	6,741	17,203
Other Planned Donations	26,548	–	26,548
Other Funds Generated	431	5,221	5,652
Mission Collections	–	6,917	6,917
Legacies			
Legacies	–	5,250	5,250
Grants			
Heritage Lottery and Other Grants	–	4,140	4,140
	<u>184,900</u>	<u>30,168</u>	<u>215,068</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

5. Charitable activities

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Church Hall Lettings	16,114	16,114	11,782	11,782
Parochial Fees	12,897	12,897	14,086	14,086
	<u>29,011</u>	<u>29,011</u>	<u>25,868</u>	<u>25,868</u>

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Concerts, Fairs and Other Fund Raising Events	10,380	9,073	19,453
Magazine Sales and Advertising	2,503	—	2,503
	<u>12,883</u>	<u>9,073</u>	<u>21,956</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Concerts, Fairs and Other Fund Raising Events	8,501	12,593	21,094
Magazine Sales and Advertising	3,800	—	3,800
	<u>12,301</u>	<u>12,593</u>	<u>24,894</u>

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Income from listed investments	426	—	426
Bank Interest Receivable	428	874	1,302
	<u>854</u>	<u>874</u>	<u>1,728</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Income from listed investments	503	—	503
Bank Interest Receivable	257	862	1,119
	<u>760</u>	<u>862</u>	<u>1,622</u>

8. Costs of other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Concerts, Fairs and Other Fund Raising Events	<u>6,826</u>	<u>932</u>	<u>7,758</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

8. Costs of other trading activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Concerts, Fairs and Other Fund Raising Events	<u>1,359</u>	<u>840</u>	<u>2,199</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Activities directly related to the work of the church	206,096	–	206,096
Parish Mission Action Plan Fund	1,154	–	1,154
St Lawrence Fabric Fund	–	147,238	147,238
Mission Fund	–	8,247	8,247
Youth Work Fund	–	1,165	1,165
Convent Fund	–	13,714	13,714
Holy Rood Fabric Fund	–	13,381	13,381
Holy Rood Living Space	–	2,909	2,909
All Saints Maintenance and Costs	–	5,949	5,949
Support costs	<u>29,289</u>	<u>1,154</u>	<u>30,443</u>
	<u>236,539</u>	<u>193,757</u>	<u>430,296</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Activities directly related to the work of the church	173,176	–	173,176
Parish Mission Action Plan Fund	–	–	–
St Lawrence Fabric Fund	–	2,860	2,860
Mission Fund	–	8,199	8,199
Youth Work Fund	–	300	300
Convent Fund	–	6,995	6,995
Holy Rood Fabric Fund	–	7,674	7,674
Holy Rood Living Space	–	–	–
All Saints Maintenance and Costs	–	6,416	6,416
Support costs	<u>25,383</u>	<u>1,991</u>	<u>27,374</u>
	<u>198,559</u>	<u>34,435</u>	<u>232,994</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2016 £	Total fund 2015 £
Activities directly related to the work of the church	206,096	—	28,639	234,735	198,059
Parish Mission Action Plan Fund	1,154	—	—	1,154	—
St Lawrence Fabric Fund	147,238	—	248	147,486	3,108
Mission Fund	—	8,247	—	8,247	8,199
Youth Work Fund	1,165	—	—	1,165	300
Convent Fund	13,714	—	—	13,714	6,995
Holy Rood Fabric Fund	13,381	—	—	13,381	7,674
Holy Rood Living Space	2,909	—	—	2,909	—
All Saints Maintenance and Costs	5,949	—	—	5,949	6,416
Anstey Lodge Fund plus Church Street Fund	—	—	906	906	1,743
Governance costs	—	—	650	650	500
	<u>391,606</u>	<u>8,247</u>	<u>30,443</u>	<u>430,296</u>	<u>232,994</u>

11. Analysis of support costs

	Activities directly related to the work of the Church £	St Lawrence Fabric Fund £	Anstey Lodge Fund and Church Street Fund £	Total 2016 £	Total 2015 £
Staff costs	15,249	—	—	15,249	14,469
General office	6,577	—	—	6,577	5,907
Governance costs	650	—	—	650	500
Clergy Expenses	5,939	—	—	5,939	3,694
Depreciation	874	248	906	2,028	2,804
	<u>29,289</u>	<u>248</u>	<u>906</u>	<u>30,443</u>	<u>27,374</u>

12. Analysis of grants

	2016 £	2015 £
Grants to institutions		
Missionary Societies	5,878	4,974
Relief and Development Agencies	1,173	1,064
Home Mission	1,196	2,161
	<u>8,247</u>	<u>8,199</u>
Total grants	<u>8,247</u>	<u>8,199</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

13. Net income

Net income is stated after charging/(crediting):

	2016 £	2015 £
Depreciation of tangible fixed assets	<u>2,028</u>	<u>2,804</u>

14. Independent examination fees

	2016 £	2015 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>650</u>	<u>500</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2016 £	2015 £
Wages and salaries	<u>15,249</u>	<u>14,469</u>

The average head count of employees during the year was 1 (2015: 1).

No employee received employee benefits of more than £60,000 during the year (2015: Nil).

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

17. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2016	20,165	6,647	5,585	32,397
Additions	–	1,399	–	1,399
Disposals	–	(3,750)	–	(3,750)
At 31 December 2016	<u>20,165</u>	<u>4,296</u>	<u>5,585</u>	<u>30,046</u>
Depreciation				
At 1 January 2016	7,057	5,657	5,492	18,206
Charge for the year	1,008	927	93	2,028
Disposals	–	(3,750)	–	(3,750)
At 31 December 2016	<u>8,065</u>	<u>2,834</u>	<u>5,585</u>	<u>16,484</u>
Carrying amount				
At 31 December 2016	<u>12,100</u>	<u>1,462</u>	<u>–</u>	<u>13,562</u>
At 31 December 2015	<u>13,108</u>	<u>990</u>	<u>93</u>	<u>14,191</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

18. Investments

	Listed investments £
Cost or valuation	
At 1 January 2016	13,156
Fair value movements	1,380
At 31 December 2016	<u>14,536</u>
Impairment	
At 1 January 2016 and 31 December 2016	
Carrying amount	
At 31 December 2016	<u>14,536</u>
At 31 December 2015	<u>13,156</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Listed investments comprise 972 income shares in The CBF Church of England Investment Fund. The valuation is the bid market value as provided by The CBF Church of England Investment Fund.

The PCC is not aware of the historic cost of the investments as they have been held for a number of years.

19. Debtors

	2016 £	2015 £
Prepayments and accrued income	180	180
Other debtors	6,110	9,137
	<u>6,290</u>	<u>9,317</u>

20. Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	34,068	18,711
	<u>34,068</u>	<u>18,711</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2016 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2016 £
General Fund	81,894	241,388	(242,211)	(21,074)	—	59,997
Parish Mission Fund	—	34,514	(1,154)	20,000	—	53,360
All Saints Fabric Fund	4,432	12	—	—	—	4,444
Holy Rood Bells Fund	2,363	6	—	—	—	2,369
Holy Rood Church Room	6,119	17	—	—	—	6,136
Holy Rood Fabric Fund	3,492	40	—	—	—	3,532
	<u>98,300</u>	<u>275,977</u>	<u>(243,365)</u>	<u>(1,074)</u>	<u>—</u>	<u>129,838</u>

Restricted funds

	At 1 January 2016 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2016 £
StL Fabric Fund	38,247	242,543	(147,486)	1,074	—	134,378
Mission Fund	—	8,247	(8,247)	—	—	—
Choir Fund	13,156	—	—	—	1,380	14,536
Youth Work Fund	1,706	—	(1,165)	—	—	541
Anstey Lodge	93	—	(93)	—	—	—
Church Street	3,834	—	(813)	—	—	3,021
Covenant Fund	23,219	8,192	(13,714)	—	—	17,697
Holy Rood Fabric	50,976	19,319	(13,381)	(441)	—	56,473
Holy Rood Living Space	—	22,955	(2,909)	441	—	20,487
All Saints Fabric	3,049	2,231	—	—	—	5,280
St Peter's Fabric	2,194	653	—	—	—	2,847
All Saints Bell Fund	7,575	21	—	—	—	7,596
All Saints Maintenance and Costs	52,295	175	(5,949)	—	—	46,521
All Church Fabric Fund	20,589	9,152	(932)	—	—	28,809
	<u>216,933</u>	<u>313,488</u>	<u>(194,689)</u>	<u>1,074</u>	<u>1,380</u>	<u>338,186</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2016

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Tangible fixed assets	10,362	3,200	13,562
Investments	–	14,536	14,536
Current assets	132,936	341,058	473,994
Creditors less than 1 year	(13,460)	(20,608)	(34,068)
Net assets	<u>129,838</u>	<u>338,186</u>	<u>468,024</u>

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
Financial assets measured at fair value through income and expenditure		
Investments	<u>14,536</u>	<u>13,156</u>

24. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.