

113/901

St. Andrew's Church, Preston

ANNUAL FINANCIAL REPORT
AND ACCOUNTS
OF THE PAROCHIAL CHURCH COUNCIL

For the year ended 31 December 2016



Incumbent:

The Reverend Timothy West
The Rectory
Sutton Road
Preston

Bankers:

The HSBC Bank
18 St Mary Street
Weymouth
Dorset
DT4 8PH

Auditor:

Mr R B Wilson AFA/MIPA, FAIA, FFTA, ACEA, FinstCM, B Acc (Hons)
"Strathmore"
53 Bowleaze Coveaway
Preston
WEYMOUTH
Dorset
DT3 6PL

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PRESTON WITH SUTTON POYNTZ PAROCHIAL CHURCH COUNCIL

Independent Auditor's Report To the PCC of Preston with Sutton Poyntz

I have audited the financial statements of Preston with Sutton Poyntz Parochial Church Council (the PCC) for the year ended 31 December 2016 which comprise the Balance Sheet, Statement of Financial Activities and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and investments and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF MEMBERS OF THE PCC AND AUDITOR

As the members of the PCC you are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

I have been appointed as auditor under section 43(2) of the Charities Act 1993. My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you in my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993, as also contained in the Church Accounting Regulations 1997. I also report to you if, in my opinion, the Treasurer's Report is not consistent with the financial statements, if the PCC has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the Treasurer's Report and consider the implications for my report if I become aware of any apparent misstatements within it.

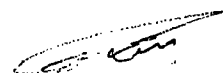
BASIS OF OPINION

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the members of the PCC in the preparation of the financial statements, and of whether the accounting policies are appropriate to the PCC's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In my opinion the financial statements give a true and fair view of the state of the PCC's affairs at 31 December 2016 and of the incoming resources and the application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993.



R B Wilson FFA/MIPA, FAIA, FFTA, ACEA, FinstCM, B Acc (Hons)
Financial and International Accountant

"Strathmore"
53 Bowleaze Coveaway
Preston
WEYMOUTH
Dorset DT3 6PL

19 February 2017

Treasurer's Report

1. Overall Situation

The net worth of the PCC reduced by £31,195 to £783,139 following a loss of nearly £20,000 on General account and a net withdrawal of over £11,000 from our restricted funds to cover fabric needs and the upkeep of the churchyard.

2. Income

On a like for like basis our income decreased during the year across most areas apart from Church Room lettings which held up well with a slight increase seen compared to 2015. Fees were down overall by over £5,500 largely due to a reduction in weddings during the year and there were also reductions seen in covenanting and church collections.

3. Expenditure

A reduction of nearly £6,000 was seen in General account expenditure across most areas especially clergy expenses down by over £1700 and Church Room costs down by nearly £500. Our fabric needs were also significantly reduced during the year. Our Parish share of £59,666 was paid in full.

4. Investments

The value of our investments increased by over £8,800 to nearly £88,700 including endowment funds of £47,632, owing to the continued improvement in market conditions. However, dividend and interest income was down by £857 due to lower interest rates across the board.

5. Commitments

Over the next year or so there will be significant ongoing costs of refurbishing the Church.

6. Conclusion

Our Annual deficit on General account remains high and we continue to rely upon legacies to balance the books. Our funds on Fabric account could also do with a boost to help with the Church refurbishment programme.

My thanks to Tim West, Jeff Wells (Gift Aid Tax Refunds), Sheila Wilby (Church Room Lettings), members of the PCC and Shirley in the office for their continued support.

Jean Fairbrother
Hon Treasurer

ST ANDREW'S PARISH CHURCH COUNCIL ACCOUNTS

BALANCE SHEET AT 31 DECEMBER 2016

	<u>Note</u>	<u>General Funds</u> £	<u>Restricted Funds</u> £	<u>Endowment Funds</u> £	<u>20165</u> £	<u>2015</u> £
Fixed Assets	4	297,392	70,789	0	368,181	368,181
Investments		41,066	0	47,632	88,698	79,836
Current Assets						
Debtors	6	2,406	163	0	2,568	2,502
Short term deposits		81,416	209,770	0	291,186	326,884
Cash at bank		33,385	0	0	33,385	37,812
Cash in Hand		110	10	0	120	120
Total Assets		<u>455,775</u>	<u>280,731</u>	<u>47,632</u>	<u>784,139</u>	<u>815,334</u>
Current Liabilities						
Loans						
Sundry Creditors	7	1,000	0	0	1,000	1,000
NET CURRENT ASSETS		<u>£454,775</u>	<u>£280,731</u>	<u>£47,632</u>	<u>£783,139</u>	<u>£814,334</u>
ACCUMULATED FUNDS	5					
Unrestricted		454,775	0	0	454,775	474,697
Restricted		0	280,731	0	280,731	296,764
Endowment		0	0	47,632	47,632	42,873
TOTAL ACCUMULATED FUNDS		<u>£454,775</u>	<u>£280,731</u>	<u>£47,632</u>	<u>£783,139</u>	<u>£814,334</u>

Approved by the Parochial Church Council on 12th March 2017 and signed on its behalf by:

The Reverend Timothy West (Chair) Timothy R West Member Jean A. Fairbrother

The notes on pages 3 and 4 and from 7 to 12 form part of these accounts.

ST ANDREW'S PARISH CHURCH COUNCIL ACCOUNTS

Statement of Financial Activities for the year ended 31 December 2016

		<u>General Funds</u>	<u>Restricted Funds</u>	<u>Endowment Funds</u>	<u>TOTAL 2016</u>	<u>FUNDS 2015</u>
	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
INCOMING RESOURCES						
Incoming resources from donors	2(a)	48,363	1,326	0	49,689	72,663
Other voluntary incoming resources	2(b)	317	2,097	0	2,414	278,270
Gross income from events and activities	2(c)	18,183	3,485	0	21,668	27,179
Other ordinary income	2(d)	0	500	0	500	0
Income from investments	2(e)	1,686	1,090	1,387	4,164	5,021
Total Incoming Resources		<u>£68,549</u>	<u>£8,498</u>	<u>£1,387</u>	<u>£78,435</u>	<u>£383,134</u>
RESOURCES USED						
Grants	3(a)	2,600	0	0	2,600	2,600
Support Costs	3(b)	697	10,779	0	11,476	10,981
Directly relating to the work of the church	3(c)	77,971	13,752	1,387	93,111	120,425
Fund-raising and publicity	3(d)	39	0	0	39	118
Church management and administration	3(e)	11,267	0	0	11,267	11,452
Total Resources Used		<u>£92,574</u>	<u>£24,531</u>	<u>£1,387</u>	<u>£118,493</u>	<u>£145,575</u>
Net Incoming/(Outgoing) Resources		(24,025)	(16,033)	0	(40,058)	237,559
Gains/(Losses) on Investments						
- realised		0	0	0	0	(305)
- unrealised		4,103	0	4,759	8,862	1,072
Net Movement in Funds		<u>(19,922)</u>	<u>(16,033)</u>	<u>4,759</u>	<u>(31,196)</u>	<u>238,326</u>
Balances Brought Forward 01 January 2016		<u>474,697</u>	<u>296,764</u>	<u>42,873</u>	<u>814,334</u>	<u>576,008</u>
Balances Carried Forward 31 December 2016		<u>£454,775</u>	<u>£280,731</u>	<u>£47,632</u>	<u>£783,139</u>	<u>£814,334</u>

ST ANDREW'S PARISH CHURCH COUNCIL ACCOUNTS

Notes to the Financial Statements for the Year Ended 31 December 2016

	<u>General Funds</u> £	<u>Restricted Funds</u> £	<u>Endowment Funds</u> £	<u>TOTAL 2016</u> £	<u>FUNDS 2015</u> £
2 INCOMING RESOURCES					
2(a) Incoming resources from Donors					
Planned Giving: Covenants	31,208	600	0	31,808	34,395
: Income Tax recovered	9,056	726	0	9,782	13,922
: Uncovenanted	761	0	0	761	1,462
Collections at all Services	4,370	0	0	4,370	6,095
Gift Days	0	0	0	0	0
Sundry donations	2,968	0	0	2,968	16,790
<u>Totals</u>	<u>£48,363</u>	<u>£1,326</u>	<u>£0</u>	<u>£49,689</u>	<u>£72,663</u>
2(b) Other Voluntary Income					
Donations Community Angels	0	2,047	0	2,047	0
Donations, appeals, etc	0	50	0	50	16,995
Legacies	0	0	0	0	258,694
Fetes & Fund Raising events	317	0	0	317	2,582
<u>Totals</u>	<u>£317</u>	<u>£2,097</u>	<u>£0</u>	<u>£2,414</u>	<u>£278,270</u>
2(c) Income from events and activities					
Magazine and bookstall	0	0	0	0	59
Rent from lettings	11,593	0	0	11,593	11,498
Fees	6,590	3,485	0	10,075	15,622
<u>Totals</u>	<u>£18,183</u>	<u>£3,485</u>	<u>£0</u>	<u>£21,668</u>	<u>£27,179</u>
Other extraordinary income					
2(d) Insurance claims	0	500	0	500	0
<u>Totals</u>	<u>£0</u>	<u>£500</u>	<u>£0</u>	<u>£500</u>	<u>£0</u>
Income from investments					
2(e) Dividends and interest	1,686	1,090	1,387	4,164	5,021
<u>Totals</u>	<u>£1,686</u>	<u>£1,090</u>	<u>£1,387</u>	<u>£4,164</u>	<u>£5,021</u>
<u>TOTAL INCOMING RESOURCES</u>	<u>£68,549</u>	<u>£8,498</u>	<u>£1,387</u>	<u>£78,435</u>	<u>£383,134</u>

ST ANDREW'S PARISH CHURCH COUNCIL ACCOUNTS

Notes to the Financial Statements for the year ended 31 December 2016 (continued)

	<u>General Funds</u> £	<u>Restricted Funds</u> £	<u>Endowment Funds</u> £	<u>TOTAL 2016</u> £	<u>FUNDS 2015</u> £
3 RESOURCES USED					
Grants					
3(a) Missionary and charitable giving:					
Church overseas:					
- Missionary societies	200	0	0	200	200
- Relief and development agencies	0	0	0	0	0
Home missions:					
- Church societies	1,550	0	0	1,550	1,550
- Secular	850	0	0	850	750
<u>Totals</u>	<u>£2,600</u>	<u>£0</u>	<u>£0</u>	<u>£2,600</u>	<u>£2,500</u>
 Support Costs					
3(b) Sunday School & Church Schools	697	0	0	697	400
Church Youth Groups	0	0	0	0	0
Community Angels	0	10,779	0	10,779	10,581
<u>Totals</u>	<u>£697</u>	<u>£10,779</u>	<u>£0</u>	<u>£11,476</u>	<u>£10,981</u>
 Directly related to the work of the Church					
3(c) Ministry: Parish Share	59,666	0	0	59,666	60,752
Clergy expenses	4,345	0	0	4,345	6,088
Church – running expenses	4,073	9,006	1,387	14,467	37,454
Maintenance	0	993	0	993	538
Magazine and bookstall	0	0	0	0	0
Upkeep of churchyard	0	2,784	0	2,784	2,535
Church Rooms running costs	5,088	968	0	6,056	6,484
Professional Fees	4,800	0	0	4,800	6,572
<u>Totals</u>	<u>£77,971</u>	<u>£13,752</u>	<u>£1,387</u>	<u>£93,111</u>	<u>£120,425</u>
 Fund-raising and Publicity					
3(d) Costs of fund raising activities	39	0	0	39	118
<u>Totals</u>	<u>£39</u>	<u>£0</u>	<u>£0</u>	<u>£39</u>	<u>£118</u>
 Church Management and Administration					
3(e) Staff costs	6,858	0	0	6,858	7,529
Printing and Stationery etc	4,409	0	0	4,409	3,922
Bank Charges	0	0	0	0	0
<u>Totals</u>	<u>£11,267</u>	<u>£0</u>	<u>£0</u>	<u>£11,267</u>	<u>£11,452</u>
 <u>TOTAL RESOURCES USED</u>	<u>£92,574</u>	<u>£24,531</u>	<u>£1,387</u>	<u>£118,493</u>	<u>£145,575</u>

ST ANDREW'S PARISH CHURCH COUNCIL ACCOUNTS

Notes to the Financial Statements for the Year Ended 31 December 2016

		<u>2016</u>	<u>2015</u>
		£	£
4 FIXED ASSETS FOR USE BY THE PCC			
GROSS BOOK VALUE	At 01 January 2016	398,413	398,413
	Add Additions	0	0
	Less Sales	0	0
		-----	-----
	At 31 December 2016	398,413	398,413
		-----	-----
DEPRECIATION	At 01 January 2016	30,232	30,232
	Charges for year	0	0
		-----	-----
	At 31 December 2016	30,232	30,232
		-----	-----
<u>NET BOOK VALUE</u>	At 31 December 2016	£368,181	£368,181
		=====	=====

5 ANALYSIS OF NET ASSETS BY FUND

	<u>General</u>	<u>Restricted</u>	<u>Endowment</u>	<u>2016</u>	<u>2015</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	£	£
	£	£	£		
Fixed Assets	297,392	70,789	0	368,181	368,181
Investments	41,066	0	47,632	88,698	79,836
Current Assets	104,520	222,740	0	327,259	367,327
Current Liabilities	1,000	0	0	1,000	1,000
	-----	-----	-----	-----	-----
<u>Fund Balances</u>	£441,978	£293,529	£47,632	£783,139	£814,344
	=====	=====	=====	=====	=====

6 DEBTORS

	<u>General</u>	<u>Restricted</u>	<u>Endowment</u>	<u>2016</u>	<u>2015</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	£	£
	£	£	£		
Income Tax recoverable	2,406	163	0	2,568	2,502
Prepayments and accrued interest	0	0	0	0	0
Other debtors	0	0	0	0	0
Inter Parish Accounts	0	0	0	0	0
	-----	-----	-----	-----	-----
<u>Totals</u>	£2,406	£163	£0	£2,568	£2,502
	=====	=====	=====	=====	=====

7 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>General</u>	<u>Restricted</u>	<u>Endowment</u>	<u>2016</u>	<u>2015</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	£	£
Accruals and deferred income	0	0	0	0	0
Creditors for goods and services	1,000	0	0	1,000	1,000
	-----	-----	-----	-----	-----
<u>Totals</u>	£1,000	£0	£0	£1,000	£1,000
	=====	=====	=====	=====	=====

8 FUND DETAILS

	01 Jan 2016	Expense Overstated to 2015	Income	Expenditure	31 Dec 2016
		£	£	£	£
Restricted Funds					
J Annakin – Fabric	98,843	0	455	8,141	91,157
Church Rooms – Capital Building	70,789	0	0	0	70,789
Boiler Fund	200	0	0	0	200
Bell Fees	971	0	144	120	995
Church Bell and Tower Fund	5,499	0	26	800	4,724
Churchyard Fund	419	0	55	168	306
Choir Fees	6	0	0	0	6
Organ Fees	4	0	2,491	1,951	544
Vergers Fees	514	0	850	810	554
Community Angels Fund	119,699	1250	4,441	10,779	114,611
J Annakin	5,078	0	37	1,762	3,353
Church Rooms Youth	3,016	0	0	0	3,016
Church Redecoration	1,627	0	0	0	1,627
Candle Holder	100	0	0	0	100
Totals	£306,764	£1,250	£8,498	£24,531	£291,982

9 DESIGNATED FUNDS AT 31 DECEMBER 2016

	2016 £	2015 £
General Funds – War Stock	0	0
General Fund	7,519	6,676
Fabric	28,059	25,256
Churchyard/Pearce	1,774	1,597
Churchyard/Style	3,714	3,343
Totals	£41,066	£36,963

10 ENDOWMENT FUNDS AT 31 DECEMBER 2015

Fund	Restriction	2016 £	2015 £
Pope legacies	Churchyard maintenance	2,707	2,436
Mayne Fabric Fund	Church fabric	18,105	16,296
C V Fidler Trust	Church Clock or Fabric	6,437	5,794
Nora Green Christmas Tree Trust	Church beatification or Fabric	12,880	11,593
Crossways Trust	none	7,503	6,754
Totals		£47,632	£42,873

Notes to the Financial Statements

1. Accounting Policies

The Financial Statements have been prepared in accordance with the Church Accounting Regulations 1997 together with applicable accounting standards and the Charities SORP.

Any references to the PCC shall be deemed to include the DCC where appropriate.

The Financial Statements have been prepared under the historical cost convention except for:-

- a) Investment assets, which are shown at market value
- b) Land and buildings at Mission Hall Lane, which have been valued by the PCC under the "prudence" convention.
- c) All figures in the Accounts have been rounded to the nearest pound. This has led to some totals appearing to be arithmetically incorrect.

2. Funds

General Funds represent funds of the PCC that are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC.

The purpose of restricted and endowment funds is noted in the accounts.

The accounts include transactions, assets and liabilities for which the PCC can be held responsible.

The accounts do not include accounts of church groups that owe an affiliation to any other body (eg. Mothers Union) nor those that are informal gatherings of church members.

3. Incoming Resources

Voluntary Income and Capital Receipts

Collections are recognised when made.

Amounts received under covenant are recognised only when honoured by the covenantor.

Income Tax recoverable on covenanted or Gift Aid donations is recognised when claimable.

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

Funds raised by sales, fund raising and other events are accounted for gross.

Other ordinary income

Rental income from letting of church premises is accounted for when due.

Parochial fees due to the PCC for weddings, funerals etc are accounted for on an event basis.

Investment Income

Dividends and interest are accounted for when due, together with the relevant amount of Income Tax.

Investment gains and losses

Realised gains and losses are recognised when investments are sold.

Unrealised gains and losses are accounted for on revaluation of investments at 31 December.

4. Application of resources:

Grants

Grants and donations are accounted for when paid.

Costs directly related to the work of the church

The Diocesan quota or Parish share is accounted for in the year concerned.

5. Fixed Assets:

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is excluded from the accounts by Sect. 96 (2) (c) of the Charities Act. 1993

No value is placed on the movable church furnishings held by the Church Wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be an inalienable property.

All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement is written off.

Other land and buildings

Other land and buildings held on behalf of the PCC for its own purpose is valued at historical cost, except for the land and buildings at Mission Hall Lane which have been valued under the "prudence" convention by the PCC.

No depreciation is charged against such properties as the PCC's policy is to keep them in good repair and all expenditure on maintenance or improvements is written off as incurred.

Other fixtures, fittings and office equipment

Capital office equipment items (eg. Computers) purchased and used for the church purposes are depreciated on a straight line basis over 4 year.

Church rooms equipment items are depreciated on a straight line basis over 10 years which is charged to general and special purpose funds as appropriate to the funding of the original purchase.

Individual items of equipment with a purchase price of £500 or less are written off in the year in which the asset was acquired.

6. Investments

Investments are valued at market value at 31 December.

7. Current Assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove to be uncollectible.

Short term deposits include cash held on deposit with the Central Board of Finance.

Cash at Bank includes current account and deposit account balances.

ST ANDREW'S PARISH CHURCH COUNCIL ACCOUNTS

Notes to the Financial Statements for the year ended 31 December 2016

11 Church Rooms Memorandum Income and Expenditure Account – Year to 31 December 2016

	<u>2016</u>	<u>2015</u>
	£	£
Income		
Rent from lettings	11,493	11,498
Total Income	£11,493	£11,498
	=====	=====
Expenditure	£	£
Insurance	968	929
Licenses	40	0
Utilities	1,801	3,102
Cleaning	2,395	2,180
Administration and Maintenance	852	272
Total Resources Used	6,056	6,484
Depreciation of Equipment	0	0
Total Running Costs	6,056	6,484
	=====	=====
Excess of Income over Expenditure	£5,437	£5,014
	=====	=====

12 Community Angels Memorandum Income and Expenditure Account – Year to 31 December 2016

	<u>2016</u>	<u>2015</u>
	£	£
Income		
Covenants	600	600
Fundraising	0	1,565
Interest	568	538
Donations and Gift Aid Tax Relief	2,773	2,495
Legacy	0	114,659
Insurance Claims	500	0
Total	£4,441	£119,857
	=====	=====
Expenditure		
Salary	6196	5,060
Hire of Meeting Room	1200	1,200
Training	0	891
Administration and Expenses	2718	3,429
Purchase of cooker	665	0
Total	10779	10,580
	=====	=====
Excess of Income over Expenditure	(6338)	109,276
	=====	=====
Balance at 01 January 2016	120,949	10,421
Expenditure overstated 2015	-	1250
	=====	=====
Balance at 31 December 2016	£114,611	£120,949
	=====	=====

St Andrew's Mission Giving

<u>Name of Charity</u>	<u>Type</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Sudan Link	Overseas	200	200	200
St Andrews School	Home	200	200	200
All Saints School		200	200	200
The Lantern Trust		250	250	250
The Children's Society		250	250	250
Julia's House		300	300	300
St Andrews Mothers Union		200	200	200
The Friends of the Hamlet		250	250	250
Weymouth Street Pastors		300	300	300
Samaritans	Other	250	250	250
Dorset Historic Churches Trust		200	200	200
L Edwards Bell Rest Fund		200	200	200
Royal British Legion		100	200	200
<u>Totals</u>		£2,900	£3,000	£3,000
		=====	=====	=====