

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2016

The Parochial Church Council of Christ Church Heaton

Registered Charity number 1132861

The Parochial Church Council of Christ Church Heaton

FINANCIAL STATEMENTS For the year ended 31 December 2016

TABLE OF CONTENTS

Page Number

Accounting Policies	1 - 4
Financial Review	5
Independent Examiners Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 - 14

PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH HEATON

FINANCIAL STATEMENTS For the year ended 31 December 2016

1. ACCOUNTING POLICIES

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP(FRS102)). The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body or those that are informal gatherings of church members.

1.1 ASSETS

Consecrated and benefice property and moveable church furnishings

In so far as consecrated and benefice property of any kind is excluded from the statutory definition of 'charity' by Section 10(2) (a) and (c) of the Charities Act 2011 such assets are not capitalised in the financial statements.

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 PCC considers this to be inalienable property. All expenditure incurred in the year on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement is written off as expenditure on purchase.

Other fixtures, fittings and office equipment

Equipment used within the church and parish centre is depreciated on a straight-line basis over 4 years. Individual items of equipment with a purchase price of £4,000 or less are written off when the asset is acquired.

Current Assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision.

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

PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH HEATON

FINANCIAL STATEMENTS For the year ended 31 December 2016 (Cont.)

1.2 Investment Assets

Investment property

	39 Welbeck Rd	112 Markland Hill
Value b/fwd.	169,950	134,950
Revaluation Inc/dec	---	---
Value c/fwd.	<u>169,950</u>	<u>134,950</u>

Basis of valuation

The property values are in accordance with Bairstow Eves reports dated 28 February 2007.

Land at Markland Hill

The land upon which the Scout Hut was built was leased to the 17th Bolton (Christ Church Heaton) Scout Group on 31 December 1963 for 25 years at a rent of one shilling per annum. The lease was renewed with effect from 25th December 1988 for a further 25 years from then by counterpart lease dated 21st December 1994. Negotiations for the grant of a new lease are ongoing since expiry 25 December 2013. As disposal of this asset is not likely in the foreseeable future and income is less than £250 per annum no value has been assigned to this property. The Scout building itself is not owned by the church.

1.3 FUNDS

Unrestricted funds

These represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC, **including amounts designated by the PCC for specific purposes** for example on the general upkeep of church buildings or on repair and maintenance of the organ.

Restricted Funds

These are income funds which must be spent on restricted purposes and details of the funds held and are shown in the notes to the accounts.

The Church had the following specific funds in 2016 -

- **Fabric Fund** (formerly the Millennium Fund) - To provide funds for the maintenance of the Church and its environs without recourse to realising fixed assets and to enable such maintenance to be undertaken at short notice.

PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH HEATON
FINANCIAL STATEMENTS For the year ended 31 December 2016 (Cont.)

- Organ and Choir Funds - To provide funds for the maintenance of the Organ and support of the Choir. A transfer from the General Fund is made in lieu of the organists Honorarium.
- Columbarium Fund - To provide funds by way of fees for the maintenance of the Columbarium Wall and memorial plaques.

1.4 Recognition of income

Income is included in the Statement of Financial Activities (SOFA) when:

- the PCC becomes legally entitled to the use of the resources;
and inflow of economic benefit is probable;
- and the monetary value can be measured with sufficient reliability.

Specifically;

- Collections/donations/planned giving are included in the SOFA when received by or on behalf of the PCC.
- Gift aid and other tax claims are included in the SOFA at the same time as the cash donations to which they relate
- Income tax recoverable on gift aided donations is recognised when the donation is recognised.
- Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.
- Rental income from the letting of the two houses owned by the church is recognised when rental is due.
- Investment income is included in the accounts when receivable
- Investment gains and losses are recognised either when the investment is sold or as a result of revaluation of investments to market value at the end of the year.
- The value of any voluntary help received is not included in the accounts but is described in the Annual Report.

PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH HEATON

FINANCIAL STATEMENTS For the year ended 31 December 2016 (Cont.)

1.5 Expenditure and Liabilities

- Grants and donations are recognised in the accounts when a commitment has been made externally and there are no pre-conditions still to be met for entitlement to the grant which remain within the control of the PCC.
- Governance costs Include costs of the examination of statutory accounts and cost of any legal advice to trustees on governance or constitutional matters.
- Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable
- The parish share or diocesan quota is accounted for when paid. Any share unpaid is not accrued at the year end, as no legal liability exists, except where PCC has given a commitment may a further payment to the outstanding amount immediately after the year end.

PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH HEATON

FINANCIAL STATEMENTS For the year ended 31 December 2016 (Cont.)

Financial Review

Total receipts of unrestricted funds were £148,369 of which £86,125 was unrestricted planned voluntary donations, and a further £20,293 was from Gift Aid. The houses at 39 Welbeck Road and 112 Markland Hill continue to be let, which provided an income of £14,050. There are no property management costs. The planned giving through envelopes and banker's orders decreased by 3.3%. Total income, excluding legacies fell by 5.35%. We were grateful for a pecuniary legacy of £5,000 from the estate of Sue Hodkiss.

Total expenditure was £157,223 including the contribution of £100,000 to the Diocesan Parish Share. This payment was an increase of £23,000 on the previous year and represented 81% of the contribution we were asked for (57% paid in 2015). The Diocesan Parish Share largely provides the stipends and housing for the clergy. The amount of Parish Share that the churches in the diocese are asked for is calculated using a formula that is based mainly on a head count and income of the congregation.

New contracts for gas and electric at reduced pricing have been put in place. A new alarm maintenance contract was put in place at a reduced cost. A reduced insurance premium was also negotiated. Going forward there will be a focus on reducing cost of office supplies via use of Parish Buying group.

PCC agreed a small net overspend of unrestricted funds of £7,789 to round up the payment to Parish Share to £100,000.

Capital expenditure on the church of £5,892 was made to replace the security alarm system and update electrical infrastructure to meet current regulations and as recommended by the last Quinquennial Inspection. Capital expenditure was made on the church properties in the sum of £3,795 as part of ongoing updating and refurbishment. The properties have suffered from a lack of investment for several years.

During the year, the total fund balances decreased from £480,230 to £472,000, due to the contribution to Parish Share by way of slight overspend, of which £467,165 is unrestricted. The fund balances are made up of the value of the houses at 39 Welbeck Rd and 112 Markland Hill, £304,900 and cash held at Barclays and on deposit with CCLA of £156,260.

As at the year-end PCC had committed expenditure of approximately £8,000 for replacement of part of the rear porch entrance to the church and further updating of electrical infrastructure.

Andrew Minors
Honorary Treasurer
March 2017



Section A

Independent Examiner's Report

Report to the trustees/
members of

The Parochial Church Council of Christ Church Heaton

On accounts for the year
ended

31st December 2016

Charity
number

1132861

Set out on pages

7 to 14

Respective
responsibilities of
trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent
examiner's statement

My examination was carried out in accordance with 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 the 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 statement below.

Independent
examiner's statement

In connection with my examination, no matter has come to my attention (other than that disclosed below *)

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 Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities 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.

Signed:

Date:

1st April 2017

Name:

Anthony J Slack

Address:

50, Devonshire Road, Heaton, BOLTON BL1 4PQ



PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH HEATON

Registered Charity No 1132861

Financial Statements for the period 1st January 2016 to 31st December 2016

STATEMENT OF FINANCIAL ACTIVITIES

	<u>Unrestricted</u> <u>funds</u> £	<u>Restricted</u> <u>income</u> <u>funds</u> £	<u>Endowment</u> <u>funds</u> £	<u>Total</u> <u>funds</u> £	<u>Prior year</u> <u>funds</u> £
Incoming resources (Note 2)					
Income and endowments from:					
Donations and legacies	111,851	495	-	112,346	141,380
Charitable activities		129	-	129	-
Other trading activities	21,801	-	-	21,801	23,696
Investments	14,717	-	-	14,717	12,933
Total	148,369	624	-	148,993	178,009
Resources expended (Note 3)					
Expenditure on:					
Raising funds	1,489	495	-	1,984	298
Charitable activities	154,217	570	-	154,787	130,155
Separate material item of expense	452			452	
Other	-	-	-	-	-
Total	156,158	1,065	-	157,223	130,453
Net income/(expenditure) before investment gains/(losses)	-7,789	-441	-	-8,230	47,556
Net gains/(losses) on investments	-	-	-	-	-
Net income/(expenditure)	-7,789	-441	-	-8,230	47,556
Extraordinary items	-	-	-	-	-
Transfers between funds	-	-	-	-	-
Other recognised gains/(losses):	-	-	-	-	-
Gains and losses on revaluation of fixed assets for the charity's own use	-	-	-	-	-
Other gains/(losses)	-	-	-	-	-
Net movement in funds	-7,789	-441	-	-8,230	47,556
Reconciliation of funds:					
Total funds brought forward	474,954	5,276	-	480,230	432,674
Total funds carried forward	467,165	4,835	-	472,000	480,230

PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH HEATON
Registered Charity No 1132861

Balance sheet as at 31st December 2016

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total this</u>	<u>Total last</u>
	<u>funds</u>	<u>income</u>	<u>funds</u>	<u>year</u>	<u>year</u>
	£	£	£	£	£

Fixed assets

Investment Property	(Note 1.2)	304,900	-	304,900	304,900
Total fixed assets		304,900	-	304,900	304,900

Current assets

Stocks		-	-	-	-
Debtors	(Note 5)	14,082	-	14,082	23,087
Investments		-	-	-	-
Cash at bank and in hand	(Note 5)	191,425	4,835	196,260	154,955
Total current assets		205,507	4,835	210,342	178,042

Current Liabilities

Creditors: amounts falling due within one year	(Note 5)	43,242	-	43,242	2,712
Net current assets/(liabilities)		162,265	4,835	167,100	175,330
Total net assets/(liabilities)		467,165	4,835	472,000	480,230

Represented by:

Funds of the Church

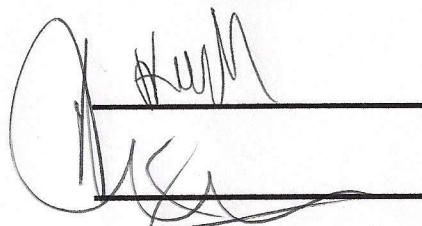
Restricted income funds (Note 6)	-	4,835	-	4,835	5,276
Unrestricted funds	467,165	-	-	467,165	474,954
Revaluation reserve	-	-	-	-	-
Total funds	467,165	4,835	-	472,000	480,230

Signed by two trustees on behalf of all the trustees

Signature

Print Name

Date of approval



Rev Janet French
Chairman

Andrew Minors
Honorary Treasurer

2. Analysis of income

		<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	<u>Prior year</u>
<u>Analysis</u>		<u>funds</u>	<u>income</u>	<u>funds</u>	<u>funds</u>	
			<u>funds</u>		<u>£</u>	<u>£</u>
Donations and legacies:	Gift Aided Planned Giving	67,382	-	-	67,382	67,379
	Other Planned Giving	5,444			5,444	12,002
	Collections at services	6,765			6,765	6,649
	Gift Aid Recovered	20,293	-	-	20,293	24,107
	Legacies	5,000	-	-	5,000	25,877
	Other	6,967	495	-	7,462	5,366
	Total	111,851	495	-	112,346	141,380
Church activities:	PCC Fees (Weddings & funerals etc)	6,562	-	-	6,562	7,768
	Parish Magazine (Sales)	1,666	-	-	1,666	1,918
	Church Centre lettings	8,453	-	-	8,453	7,778
	Other	-	-	-	-	-
	Total	16,681	-	-	16,681	17,464
Other trading activities:	Magazine (Advertising)	2,734	-	-	2,734	2,876
	Flower Festival	2,386	-	-	2,386	-
	Other	-	129	-	129	3,358
	Total	5,120	129	-	5,249	6,234
Income from investments:	Bank and CCLA Deposit Fund interest	594	-	-	594	456
	Dividend on CCLA Investment Fund	73	-	-	73	75
	Rental income from houses	14,050	-	-	14,050	12,400
	Other	-	-	-	-	-
	Total	14,717	-	-	14,717	12,931
TOTAL INCOME		148,369	624	-	148,993	178,009

Other information:

All income in the year, with exception of funds donated towards the Flower Festival and for Guide Dogs, was unrestricted

3. Analysis of expenditure

		<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total funds</u>	<u>Prior</u>
		<u>funds</u>	<u>income</u>	<u>funds</u>	<u>funds</u>	<u>year</u>
					£	£
		<u>Analysis</u>				
Expenditure on: Church Activities	Donations to outside organisations	30	129	-	159	109
	Diocesan Parish Share	100,000	-	-	100,000	77,000
	Clergy Working expenses	1,321			1,321	1,269
	Vicarage and other ministry expenses	2,785	-	-	2,785	2,978
	Salaries & wages	6,172	-	-	6,172	4,274
	Miscellaneous	-	-	-	-	150
		110,308	129	-	110,437	85,780
Expenditure on: Church Running Costs	Church running expenses	9,375	-	-	9,375	12,868
	Church utility costs	3,638	-	-	3,638	4,763
	Upkeep of services	1,422	-	-	1,422	1,132
	Upkeep of churchyard	2,050	-	-	2,050	2,488
	Parish Centre running costs	9,433	-	-	9,433	12,291
	PCC property costs	869	-	-	869	3,600
	Magazine costs	3,273	-	-	3,273	3,199
	Cost of church administration	2,740	-	-	2,740	2,208
	Organ & Choir costs	1,094	441	-	1,535	641
		33,894	441	-	34,335	43,190
Expenditure on raising funds	Stewardship, Flower festival,	1,489	495	-	1,984	298
		1,489	495	-	1,984	298
Total General Expenditure		145,691	1,065	-	146,756	129,268
Capital Expenditure	Church buildings	5,892	-	-	5,892	-
	PCC Properties	3,795	-	-	3,795	880
	Total Capital Expenditure	9,687	-	-	9,687	880
Support Costs	Independent Examiner	100	-	-	100	100
	Land Surveyor	452	-	-	452	-
	Payroll Services	228	-	-	228	204
	Total Support Costs	780	-	-	780	304
TOTAL OF ALL EXPENDITURE		156,158	1,065	-	157,223	130,452

4. Funds received as agent

<u>Description/name of party</u>	<u>Related party (Yes or No)</u>	<u>Amount received</u>		<u>Amount paid out</u>	
		<u>This year</u>	<u>Last year</u>	<u>This year</u>	<u>Last year</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Childrens Society	No	343	910	343	910
Christian Aid	No	1,154	1,361	1,154	1,361
Just Trading (Fairtrade)	No	83	-	83	-
Total		1,580	2,271	1,580	2,271

5. Paid employees

5.1 Staff Costs

	<u>This year</u>	<u>Last year</u>
	<u>£</u>	<u>£</u>
Salaries and wages	5,888	3,519
Social security costs	59	755
Pension costs (defined contribution scheme)	-	-
Other employee benefits	-	-
Total staff costs	5,947	4,274

5.2 Average head count in the year

		<u>This year</u>	<u>Last year</u>
		<u>Number</u>	<u>Number</u>
The parts of the charity in which the employees work	Administration	1	1
Total		1	1

5.3 There were no ex-gratia payments to employees or others

6. Debtors and prepayments

<u>Analysis of debtors</u>	<u>This year</u>	<u>Last year</u>
	£	£
Trade debtors	2,603	1,834
Prepayments and accrued income	4,149	4,601
Tax recoverable under Gift Aid	7,330	17,560
Total	14,082	23,995

7. Creditors and accruals

Analysis of creditors

	<u>Amounts falling due within 1 year</u>	
	<u>This year</u>	<u>Last year</u>
	£	£
Bank loans and overdrafts	-	-
Trade creditors	470	255
Accruals and deferred income*	42,772	2,457
Total	43,242	2,712

* Includes £40,000 committed towards Parish Share but paid across after year end

8. Cash at bank and in hand

	<u>This year</u>	<u>Last year</u>
	£	£
Short term deposits	130,202	114,627
Cash at bank and on hand	66,058	40,328
Other	-	-
Total	196,260	154,955

9. Church funds

Details of material funds held and movements during the CURRENT reporting period

*R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

<u>Fund names</u>	<u>Type R or UR *</u>	<u>Purpose and Restrictions</u>	<u>Fund balances brought forward</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Gains and losses</u>	<u>Fund balances carried forward</u>
			£	£	£	£	£	£
General Fund	UR	Unrestricted fund for use on the general purposes of the PCC.	374,088	148,992	-149,795	-1,900	-	371,385
Columbarium Fund	UR	Unrestricted funds designated for maintenance of Columbarium Wall.	2,153	-	-	-	-	2,153
Organ & Choir Fund	UR	Unrestricted funds designated for maintenance of the organ and support for the choir. An annual transfer from General Funds is made in lieu of organists honorarium.	22,016	-	-1,094	1,900	-	22,822
Organ & Choir Fund	R	Funds restricted by the respective donors for maintenance of the organ and support for the choir.	5,276	-	-441	-	-	4,835
Fabric Fund	UR	Unrestricted funds designated for the maintenance of the Church and associated grounds and buildings.	76,697	-	-5,892	-	-	70,805
Total Funds			480,230	148,992	-157,222	-	-	472,000

10. Transactions with trustees and related parties

Trustee remuneration and benefits

The following trustees received remuneration from the Church solely for duties carried out as Apparitor:

Mrs A Dickinson £200

Mrs K Speakman £150

The Following Trustee received indirect benefit:

Mr Peter Hodson (Mrs Pam Hodson - Apparitor) £450