

**Cheltenham Minster with St Matthew Parochial Church Council
Cheltenham**

Annual report and unaudited financial statements

for the year ended 31 December 2017

Registered Charity number: 1131805

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Cheltenham Minster
with St Matthew Parochial Church Council, Cheltenham

Cheltenham Minster with St Matthew is situated in central Cheltenham. The parish is part of the Diocese of Gloucester within the Church of England. The correspondence address is 44 Clarence Street, Cheltenham, Gloucestershire, GL50 3PL. The Parochial Church Council is a registered charity – Charity number 1131805, and has been in interregnum since 1 September 2017. PCC members who have served from 1 January 2017 until the date this report was approved are:

Rector	Rev Canon Dr Tudor Griffiths	(until end August 2017)
Associate Minister	Rev Patrick Wheaton	(non-voting)
Pastoral Minister	Rev Clare Dyson	(non-voting)
Wardens	Paul Collacott Charlotte Jamieson	Chair (during vacancy)
Treasurer	Michael Barrett	elected April 2016 (2 nd term)
Planned Giving Secretary	Andy Ponting Gill Sage	elected April 2016 (3 rd term) (non-voting) from March 2011
General Synod	William Belcher	
Diocesan Synod	Chris Chadwick	
Deanery Synod	Chris Chadwick Ken Syme David Evans Jenni Philpott	(elected April 2017) (also Electoral Roll Officer) (elected April 2017) (elected April 2017) (until October 2017)
PCC Members		
Vulnerable Adults Officer	Margaret Failes	elected April 2016 (3 rd term)
Children's Policy Officer	Stephen Ayland	elected April 2017 (4th term)
	Carol Allen	elected April 2016 (1 st term)
	Diane Bruckland	elected April 2017 (1 st term)
	Rupert Cox	elected April 2017 (1 st term)
	Sonia Griffiths	elected April 2017 (1 st term)
	Andrew Jack	elected April 2016 (1 st term)
	Michael Bishop	elected April 2016 (2 nd term)
	Richard Cook	elected April 2016 (2 nd term)
	Anna Harvey	elected April 2014 (1 st term) to April 2017
	Bobbie Johns	elected April 2014 (2 nd term) to April 2017
	Graham Nicholls	elected April 2017 (1 st term)
	Peter Ormerod	elected April 2017 (4th term)
	Rod Pellereau	elected April 2014 (2 nd term) to April 2017
	Ian Perry	elected April 2017 (4th term)
	Eric Porter	elected April 2015 (2 nd term)
	Carolyn Roberts	elected April 2017 (1 st term – resigned Jan 2018)
	Clare Salisbury	elected April 2014 (2 nd term) to April 2017
	Holly Seward	elected April 2016 (1 st term)
	Godfrey Tarling	elected April 2015 (3rd term)
	Rachel Wadsworth	elected April 2014 (1 st term) to April 2017
	David Warren	elected April 2017 (1 st term)

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The Rector, Churchwardens and Synod members are all ex-officio members of the PCC. In addition, there are a total of 21 directly elected members who serve a 3 year term before re-election but there is no restriction on the number of terms a member may serve. Members may stand down during their 3 year term and, in this event, vacancies are not always taken up. The PCC can also co-opt additional members, who must stand for re-election at the Annual Parochial Church Meeting or stand down.

Readers	Diane Bruckland Moir Johnson (emerita) Rod Pellereau Eric Porter Robert Sutton Rachel Tarling
Administrative office	Church Office 44 Clarence Street Cheltenham Gloucestershire GL50 3PL
Independent Examiners	Randall & Payne LLP Chartered Accountants Chargrove House Shurdington Cheltenham Gloucestershire GL51 4GA
Bankers	HSBC Bank plc 2 The Promenade Cheltenham Gloucestershire GL50 1LR

Cheltenham Minster
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Trustees' Annual Report
For the year ended 31 December 2017

Structure, Governance and Management

The Parochial Church Council is a corporate body, established by the Church of England that operates under the Parochial Church Council Powers Measure. The method of appointment of PCC members is set out in the Church Representation Rules. The Council was registered with the Charity Commission in September 2009, Registered Charity number 1131805. Council members are elected by the church membership from the body of church members and can therefore be expected to be already familiar with the issues concerning the life of the church at the time of election. No formal induction process is undertaken other than through the provision of recent minutes and papers. New council members can also expect to be made familiar with issues verbally. Together with existing members they will be made aware of their responsibilities on a regular basis by the Council Secretary. The Council has responsibility for a wide range of matters affecting the parish and relies on the expertise of many church members for advice. In areas where appropriate expertise is not immediately available professional advice, or if appropriate training for a member of church staff, will be sought. Members of staff attend regular training courses and follow church publications and other sources to maintain an up to date knowledge of the relevant issues. The major risks to which the Council is exposed are reviewed regularly by the PCC and its sub committees to ensure that the charity complies with best practice. This includes those that might have a financial impact, which are closely monitored by the Standing and Finance Committee. Systems and procedures designed to manage those risks have been or will be established. The Council is kept informed of the processes and procedures, which are brought to their attention. The Council meets approximately every two months, and Standing and Finance Committee meets in the intervening months or whenever special issues arise that give need for additional meeting. Members of the Council are encouraged to attend one of the Committees (Standing and Finance or Buildings and Fabric Committees) or Working groups. The work of these bodies is reviewed at the Council meetings and notes and minutes of their meetings are available to members.

Key Management Pay Policy

All responsibility for managing the charity rests with the PCC members and there are no key management personnel with delegated authority or budget responsibilities.

Objectives and Activities

The role of the Council is to work with the clergy and church staff to promote the whole mission of our church. The objective of this is to see people come to faith in Jesus, grow in their discipleship and worship, and to be encouraged, equipped and trained for using their gifts in the service of Jesus Christ. When planning the activities for the year the Council has considered the Charity Commission's guidance on public benefit and, in particular, we seek to enable people to live out their faith as part of our parish community.

In addition the Council has maintenance responsibilities for the Minster (St Mary's) and St Matthew's churches and associated properties.

Aims and Achievements

As a result of Tudor's move to become Senior Interim Minister for the Diocese, we have deliberately, as is expected during an interregnum, tried not to make any major changes. The obvious exception to that was the change of time of the morning service in St Matthew's to 10 o'clock. However, this was announced

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before Tudor's own departure was on the cards and we didn't feel that it was right to go against all the work on this that had been done during the Ministry Review. Though there were some drawbacks to this, most notably the inability of the St Matthew's and Minster congregations to mingle over coffee (which we still miss), the changed atmosphere and clear direction of the service are very much appreciated.

Indeed, none of our services would be able to run without the commitment of a large number of people, with wide-ranging gifts. We are extraordinarily blessed with a fine range of leaders and preachers and so have been largely self-sufficient in being able to staff everything in-house. The talent among our lay people is staggering, but we must also make mention of the additional work that our ordained clergy, Andy Hall, Clare Dyson and Patrick Wheaton have willingly taken on as a result of the situation.

We are equally blessed with an imaginative and devoted youth and children's team. It has been Annie's first full year with us and she and Jayne have formed an excellent team. The enthusiasm that we see week by week is inspiring, maybe most obviously seen by all of us in the excitement of the Holiday Club in October.

The Minster community continues to develop and minister to many people each year. It has, of course, been a rare and momentous year, as the bells replacement project reached its culmination with a memorable consecration service in the Minster on 9th July. It is probably a once-in-a-lifetime experience to see a church's ring of bells lined up down the nave. Another major disruption occurred in the Minster in September with the arrival of the digital 4-manual electronic organ, on trial as a potential replacement for the old, sadly dying, pipe organ. We know that it isn't in the perfect place at present but it wasn't possible to install it in a permanent location while we are trying it out. This will be another decision point for 2018.

Although we were aiming for no other major changes, there have been external factors outside our control. There was external pressure on us from two sources – one from the John Dower House project behind St Matthew's and one from the Cheltenham House project next to the churchyard. During the year Cheltenham House installed windows which overlooked the churchyard and there is now a vista through Cheltenham House from Clarence Street into the churchyard. The developers had wanted to install a dining patio in the churchyard for one of the restaurants that was intended to occupy the ground floor. Whilst we are sure that the request will come formally at some stage, there were no developments on this front during 2017. It is a controversial topic with no common view among church members, so if and when it does emerge, there will need to be proper formal consultation. On the other hand, after a series of meetings with the developers, the PCC approved a proposal from John Dower House to remove the "car park wall" at St Matthew's to open up the view. This proposal was agreed by the Diocese. We will eventually benefit from our drainage being sorted out and some landscaping, among other things.

At the end of the year, we enjoyed a well-planned celebration of the Christmas season. A great deal of planning goes into this and it's probable that many of us might not know that the planning for this starts at a meeting in September. There are too many events to mention individually but the Minster Merriment, which was masterminded for us by Holly Seward, built on last year's momentum and was a great event. All of our carol services too were much appreciated by both our regular congregations and visitors alike, even if, for the first time for years, both the Nativity and the Town Carol Service were beset by snow. It is amazing to see the church community pulling together to make things happen.

Paul Collacott & Charlotte Jamieson, Churchwardens

The PCC has had a busy year. There were six scheduled meetings, as normal. These covered the regular and important business of monitoring safeguarding, receiving reports and making any necessary decisions on church finances that were above the limits that we set for the Standing & Finance and Buildings & Fabrics Committees. Tudor Griffiths chaired these until April, when he went on Sabbatical before we

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technically started the vacancy in September. Paul Collacott, as Lay Chair, has been responsible for leading the meetings from May. In addition to routine business, the PCC has had a number of extra meetings on two topics: the vacancy for the post of Rector of Cheltenham and the work on John Dower House.

Two of these additional meetings were the joint meetings with the PCC of St Luke's, the Simeon Trustees (the patrons of our churches), the archdeacon and area dean that were necessary to prepare a Benefice Profile and were chaired by the Bishop. The first, the so-called "pre-vacancy" meeting in May, was to enable us to ask questions of the patrons and the Diocesan authorities. The churchwardens then did some initial drafting and we had our own meeting with the St Luke's PCC in July to comment on wording in detail. We had a very lively discussion and did not agree on all points. This encouraged us to have a further meeting in August solely with our own PCC so that we were confident that we had agreement to the wording of the profile. We presented this to the patrons and Diocese at a meeting at the end of August.

Although we had reached agreement, some of the wording was nonetheless an unhappy compromise for some of us and when no candidates were brought forward for interview in November as originally planned, further consultation among the PCCs led to a new 2018 version which is now published on our website and that of the Simeon Trustees. This process led to the appointment of Rev. Richard Coombs, who is due to be installed as Rector of Cheltenham in November 2018.

During the same period, an additional meeting was needed to formally agree to the removal of the wall between us and the John Dower House development. The representatives of the John Dower House development had already attended two PCC meetings and answered numerous questions. The PCC voted to the subsequent landscaping that will improve our car parking area so that it could be approved by the Diocesan Advisory Committee. This was duly approved, the wall came down and the landscaping will take place later this year. Charlotte Jamieson is chairing the sub-group that oversees this.

Paul Collacott – Lay Chairman

Financial Review

During 2017 there was a surplus of £125,717 (2016: surplus of £133,302) before gains on revaluation of investment assets of £3,719 (2016: gains of £4,180). The Council is very grateful for the financial support of church members, who have again been particularly generous in responding to special appeals. There have also been ongoing efforts to keep costs down, and the Council has continued to monitor the financial situation to ensure that the longer term needs and objectives of the Church can be met.

Total receipts were £536,205 (2016: £525,621) and are detailed in the financial statements. Total payments on unrestricted funds in the year were £376,024 (2016: £338,760). There has been a substantial increase in grants receivable (see note 8) in connection with the replacement of the Minster bells, and in particular the Listed Places of Worship Grants, which have enabled the VAT associated with this project to be reclaimed. The sale of the leasehold flat at Chester House has helped to increase the level of the unrestricted General Fund. This property was originally purchased to house church staff members, but had not been required for this purpose in recent years, and had therefore been rented out on a commercial basis. The principal items of expenditure were £123,967 (2016: £122,854) on staff costs and related expenses and £140,004 (2016: £133,116) on Parish Share and Mutual Support, which we pay to the Gloucester Diocesan Board of Finance to enable it to provide the salary, pensions and housing for the Rector and Associate Minister, Patrick Wheaton, as well as other support services.

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Investment policy

The PCC uses the funds it has been given to further its aims and objectives taking note of any restrictions where these have been donated for a specific purpose. It is not PCC policy to build up a cash reserve for its own sake. It maintains a cash flow balance and holds the remainder of its cash funds in savings accounts that bear interest on this investment. In the past the PCC had invested in property at Chester House that has generated some rental income, but has now sold this property to allow it to use the income generated to support its principal aims and objectives.

Reserves policy

It has been Council policy to maintain a balance on unrestricted funds, exclusive of fixed assets and designated legacy funds, which equates to at least two months' unrestricted payments. Free reserves at 31 December 2017 were showing a balance of £139,819. Restricted Funds at 31 December 2017 totalled £4,979. These are amounts that have been given with specific projects in mind and are detailed in Note 15 to the financial statements. The Council has continued to follow the same financial policy as in the previous year, as reserves were considered sufficient pending the appointment of a new rector. Because of the interregnum, it was also decided to postpone making strategic financial decisions, which could affect the direction of the church ministry. The restricted Minster Bell Fund was showing a negative balance at 31 December 2017 (see note 16) as a result of the major expenditure during the year, but it is anticipated that this will be recovered as donations to the bell fund continue to be received. In the meantime, the bellringers' funds have been supported by loans, which will be repaid as new donations are received.

Statement of Council members' responsibilities

Charity law requires the Council members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Parochial Church Council at the year end and of its incoming resources and resources expended during that year. In preparing those financial statements the Council members are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Parochial Church Council will continue to function.

The Council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Parochial Church Council and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Parochial Church Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiners

The members recommend that Randall & Payne LLP remain in office until further notice.

This report was approved by the Council members on 19th March 2018, and signed on their behalf by

Paul Collacott
Chairman

**Cheltenham Minster
with St Matthew Parochial Church Council, Cheltenham**

Independent Examiner's Report to the Council members of Cheltenham Minster with St Matthew Parochial Church Council

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2017 which are set out on pages 2 to 23.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Associated Certified Chartered Accountants which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records;
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

R W Stokes FCCA
For and behalf of
RANDALL & PAYNE LLP
Chargrove House
Shurdington
Cheltenham
GL51 4GA

Date: 23rd August 2018

Cheltenham Minster
with St Matthew Parochial Church Council, Cheltenham

Statement of financial activities
For the year ended 31 December 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Income from:					
Donations and legacies	2	298,643	156,330	454,973	491,697
Activities for generating funds	3	9,050	-	9,050	18,210
Investments	4	3,268	-	3,268	6,898
Church activities	5	6,666	-	6,666	8,816
Other income - profit on sales	6	10,000	52,248	62,248	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total Income		327,627	208,578	536,205	525,621
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:					
Youth Work	7	(47,108)	(1,244)	(48,352)	(41,251)
Outreach and fund raising	7	(1,861)	(3,056)	(4,917)	(5,918)
Mission Partners and Appeals	7	(22,748)	(8,875)	(31,623)	(32,997)
Ministry Costs	7	(304,307)	(21,289)	(325,596)	(312,153)
		<hr/>	<hr/>	<hr/>	<hr/>
Total (expenditure)		(376,024)	(34,464)	(410,488)	(392,319)
		<hr/>	<hr/>	<hr/>	<hr/>
Net (expenditure) / income before Investment gains		(48,397)	174,114	125,717	133,302
Net gains on investments	11	-	3,719	3,719	4,180
		<hr/>	<hr/>	<hr/>	<hr/>
Net (expenditure) / income		(48,397)	177,833	129,436	137,482
Transfers between funds	17	349,783	(349,783)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		301,386	(171,950)	129,436	137,482
Total funds brought forward		200,463	176,929	377,392	239,910
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	15, 16	501,849	4,979	506,828	377,392
		<hr/>	<hr/>	<hr/>	<hr/>

Cheltenham Minster
with St Matthew Parochial Church Council, Cheltenham

Balance sheet
as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	10	362,030	195,543
Investments	11	46,923	43,204
		<hr/>	<hr/>
		408,953	238,747
Current assets			
Debtors	12	24,403	93,632
Cash at bank and in hand		129,139	86,790
		<hr/>	<hr/>
		153,542	180,422
Creditors: amounts falling due within one year	13	(55,667)	(41,777)
		<hr/>	<hr/>
Net current assets / (liabilities)		97,875	138,645
		<hr/>	<hr/>
Net assets	14	506,828	377,392
		<hr/>	<hr/>
Funds			
Unrestricted funds	15	501,849	200,463
Restricted funds	16	4,979	176,929
		<hr/>	<hr/>
		506,828	377,392
		<hr/>	<hr/>

The financial statements were approved by Cheltenham Minster with St Matthew Parochial Church Council on 19th March 2018, and signed on its behalf by

Paul Collacott
Churchwarden

Charlotte Jamieson
Churchwarden

Cheltenham Minster
with St Matthew Parochial Church Council, Cheltenham

Statement of cash flows

For the year ended 31 December 2017

	Note	2017 £	2016 £
Cash provided by operating activities	20	205,834	58,492
		-----	-----
Cash flows from investing activities			
Interest, dividend income and rents		3,268	6,898
Proceeds from sale of investment property		185,000	-
Purchase of tangible fixed assets		(351,753)	-
		-----	-----
Cash (used by) / provided by investing activities		(163,485)	6,898
		-----	-----
Increase in cash and cash equivalents during the year		42,349	65,390
Cash and cash equivalents at the beginning of the year		86,790	21,400
		-----	-----
Cash and cash equivalents at the end of the year		129,139	86,790
		=====	=====

Notes to the financial statements

For the year ended 31 December 2017

1. Accounting policies

1.1. Accounting convention

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” provisions. They have been prepared under FRS102(2016) as the applicable accounting standard and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP(FRS102, Section 1A)), incorporating Update Bulletin 1, issued in April 2017.

The financial statements have been prepared under the historical cost convention except for the valuation of investments, which are shown at market value, and on a Going Concern basis. The presentation currency is £1 sterling.

Cheltenham Minster with St Matthew PCC meets the definition of a public benefit entity under FRS102.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.2. Funds

General funds represent the funds of the PCC that are not subject to any restrictions 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the church for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.3. Income

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received and the amount of the income capable of reliable measurement.

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the PCC where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

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

Planned giving receivable under Gift Aid is recognised only when received.

Notes to the financial statements

For the year ended 31 December 2017

1.3. Incoming resources (continued)

Income Tax recoverable on Gift Aid donations is recognised when the income is recognised.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain. The PCC's policy is to include legacies of less than £5,000 in annual income. Legacies of at least £5,000 are kept in a separate fund, together with any interest arising on them, to be used for one-off expenditure at the PCC's discretion.

Interest is accounted for when receivable. Any tax recoverable on such income is recognised in the same accounting year.

The PCC is not registered for VAT.

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

1.4. Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the financial categories of resources expended in the statement of financial activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

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

1.5. Fixed assets

Consecrated and beneficed property of any kind is excluded from the financial statements by S10.(2)(a) and (c) of the Charities Act 2011.

Moveable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected at any reasonable time. For inalienable property acquired prior to 1999 there is insufficient cost information available and therefore such assets are not included in the financial statements. In this financial year there were fixed asset purchases of £351,753.

Fixtures, and office equipment - depreciation on this class of owned assets is provided using the reducing balance method using a rate of 25% per annum except for the Communion Furniture where a rate of 5% is used. The Minster bells are being depreciated using a straight line method over a period of 70 years. These rates are calculated to write off the assets over their useful economic lives. All assets costing more than £900 are capitalised.

The leasehold property was sold during the year.

Notes to the financial statements

For the year ended 31 December 2017

1.6. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term. The title of the lease remains with the lessor and the equipment is replaced every 3 years whilst the economic life of such equipment is normally 10 years.

1.7. Investments

Fixed asset investments are stated at open market value.

1.8. Pensions

The charity makes contributions to a multi-employer defined benefit scheme for the benefit of a senior employee. The scheme is treated as a defined contribution scheme for the purposes of these accounts as the charity takes advantage of small entity reporting exemptions. It also makes contributions for other employees in line with the Diocesan Lay Workers' Pension Scheme.

1.9 Financial instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value.

1.10 Going concern

The council members have reviewed the ongoing future of the PCC and consider that there are plans in place to continue the PCC's operation. There are no material uncertainties that may cast significant doubt on the PCC's ability to continue as a going concern.

2. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Regular planned giving	225,969	-	225,969	215,164
Tax recoverable	54,686	13,298	67,984	57,391
Service collections	6,366	-	6,366	6,824
Other giving	9,584	35,709	45,293	167,149
Other gifts and appeals	-	8,272	8,272	8,492
Grants receivable - (Note 8)	2,038	98,051	100,089	18,677
Legacies	-	1,000	1,000	18,000
	<hr/>	<hr/>	<hr/>	<hr/>
	298,643	156,330	454,973	491,697
	<hr/>	<hr/>	<hr/>	<hr/>

In 2016, of the voluntary income, £307,203 was in relation to unrestricted funds and £184,494 to restricted funds.

Notes to the financial statements
For the year ended 31 December 2017

3. Activities for generating funds
Unrestricted funds

	2017 Total £	2016 Total £
Room hire	9,050	8,210
Section 106 Agreement - Pegasus Life	-	10,000
	<u>9,050</u>	<u>18,210</u>

4. Income from investments
Unrestricted funds

	2017 Total £	2016 Total £
Chester House - rents receivable	1,500	5,539
Dividends and interest received	1,768	1,359
	<u>3,268</u>	<u>6,898</u>

5. Church Activities
Unrestricted funds

	2017 Total £	2016 Total £
Church Weekend	975	-
Bookstall and tapes	100	247
Fees for weddings/funerals	2,722	4,299
Special events	1,185	1,546
Other giving	1,684	2,724
	<u>6,666</u>	<u>8,816</u>

Notes to the financial statements
For the year ended 31 December 2017

6. Other income - Profit on Sales

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Profit on sale of leasehold property	10,000	-	10,000	-
Sale of bells	-	52,248	52,248	-
	<u>10,000</u>	<u>52,248</u>	<u>62,248</u>	<u>-</u>

7. Expenditure on:

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Youth and Children's Work				
Staff costs	42,971	-	42,971	37,344
Other costs	4,137	1,244	5,381	3,907
	<u>47,108</u>	<u>1,244</u>	<u>48,352</u>	<u>41,251</u>
Outreach and fundraising				
Outreach	1,861	821	2,682	5,297
Minster Bell Appeal Fund expenses	-	2,235	2,235	621
	<u>1,861</u>	<u>3,056</u>	<u>4,917</u>	<u>5,918</u>
Mission Partners and Appeals				
Mission partners	22,638	7,110	29,748	32,467
Other appeals	110	1,765	1,875	530
	<u>22,748</u>	<u>8,875</u>	<u>31,623</u>	<u>32,997</u>

Notes to the financial statements
For the year ended 31 December 2017

Ministry Costs

Parish share	140,004	-	140,004	133,116
Staff costs	78,121	2,875	80,996	85,510
Church building costs	48,450	1,662	50,112	60,369
Minster bell and clock repairs	-	16,752	16,752	800
Church service costs	3,636	-	3,636	2,914
Special events and courses	2,918	-	2,918	2,346
General administration	10,297	-	10,297	11,527
Other church property expenses	2,312	-	2,312	4,531
Computer systems and maintenance	215	-	215	182
Independent Examination fee	3,480	-	3,480	3,480
Professional fees	4,608	-	4,608	1,040
Depreciation	10,266	-	10,266	6,338
	<u>304,307</u>	<u>21,289</u>	<u>325,596</u>	<u>312,153</u>
Total	<u>376,024</u>	<u>34,464</u>	<u>410,488</u>	<u>392,319</u>

In 2016, of the total expenditure, £338,760 was in relation to unrestricted funds and £53,559 to restricted funds.

8. Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Listed Places of Worship - VAT Grant	2,038	54,051	56,089	1,077
Friends of Cheltenham Minster	-	20,000	20,000	3,500
Gloucester and Bristol Diocesan				
Association of Church Bell Ringers	-	15,000	15,000	-
Central Council of Church Bell Ringers	-	1,500	1,500	-
Garfield Weston Foundation	-	7,500	7,500	-
Rowlands Trust	-	-	-	5,000
Allchurches Trust	-	-	-	4,600
Charles Irving Charitable Trust	-	-	-	1,000
Langtree Trust	-	-	-	500
Gloucestershire Historic Churches Trust	-	-	-	3,000
	<u>2,038</u>	<u>98,051</u>	<u>100,089</u>	<u>18,677</u>

In 2016, of the Grants receivable, £1,077 was in relation to unrestricted funds and £17,600 to restricted funds.

Notes to the financial statements
For the year ended 31 December 2017

The PCC received parochial fees totalling £3,722 (£7,302 – 2016) in the year. Of this, £958 (£3,003 – 2016) was made up of statutory fees due to the PCC as prepared by the Archbishops' Council under the Ecclesiastical Fees Measure 1966. The statutory fees have been passed on in full to the Gloucester Diocesan Board of Finance and do not appear in the above financial statements. The remaining £2,764 (£4,299 – 2016) make up the charges as fixed by the PCC for extras such as bells, music and flowers.

9. Staff costs

The average number of employees, who were all engaged on Church activities, during the year, was 9 (2016: 9).

No employee earned more than £60,000 in the year (2016 - None).

Employment costs

	2017 Total £	2016 Total £
Gross salaries	105,240	100,869
Social security costs	3,133	3,164
Other pension costs - defined contribution scheme	9,973	9,231
	<hr/>	<hr/>
	118,346	113,264
	<hr/>	<hr/>

The key management personnel of the charity comprises the PCC members. The total employee benefits of the key management personnel are set out below:

	2017 Total £	2016 Total £
Expenses reimbursed to 3 members of the clergy during the year were as follows:		
Travel	344	1,517
Telephone	644	1,268
Books and periodicals	196	243
Hospitality and other expenses	512	2,380
	<hr/>	<hr/>
	1,696	5,408
	<hr/>	<hr/>

Notes to the financial statements
For the year ended 31 December 2017

10. Tangible fixed assets

	Leasehold Property £	Minster Bells £	Fixtures and Office Equipment £	Total £
Cost or valuation				
At 1 January 2017	175,000	-	219,684	394,684
Additions	-	349,783	1,970	351,753
Disposals	(175,000)	-	-	(175,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	-	349,783	221,654	571,437
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2017	-	-	199,141	199,141
Charge for the year	-	4,997	5,269	10,266
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	-	4,997	204,410	209,407
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 December 2017	-	344,786	17,244	362,030
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	175,000	-	20,543	195,543
	<hr/>	<hr/>	<hr/>	<hr/>

11. Fixed asset investments

	Listed Investments £
Cost or valuation	
At 1 January 2017	43,204
Revaluation	3,719
	<hr/>
At 31 December 2017	46,923
	<hr/>

Notes to the financial statements
For the year ended 31 December 2017

12. Debtors

	2017 Total £	2016 Total £
Other debtors	16,880	26,864
Income Tax recoverable	3,851	5,504
Prepayments	3,672	61,264
	<u>24,403</u>	<u>93,632</u>

13. Creditors: amounts falling due within one year

	2017 Total £	2016 Total £
Other creditors	48,486	30,554
Accruals	7,181	11,223
	<u>55,667</u>	<u>41,777</u>

14. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Year ended 31 December 2017			
Tangible fixed assets	362,030	-	362,030
Investments	-	46,923	46,923
Current assets	167,386	(13,844)	153,542
Current liabilities	(27,567)	(28,100)	(55,667)
	<u>501,849</u>	<u>4,979</u>	<u>506,828</u>
At 31 December 2017			
Year ended 31 December 2016			
Tangible fixed assets	195,543	-	195,543
Investments	-	43,204	43,204
Current assets	25,803	154,619	180,422
Current liabilities	(20,883)	(20,894)	(41,777)
	<u>200,463</u>	<u>176,929</u>	<u>377,392</u>
At 31 December 2016			

Notes to the financial statements
For the year ended 31 December 2017

15. Unrestricted funds

	1 st Jan 17	Incoming resources	Resources expended	Transfers	31 st Dec 17
Year ended 31 December 2017	£	£	£	£	£
General	4,920	317,627	(365,758)	183,030	139,819
Designated - fixed asset fund	195,543	10,000	(10,266)	166,753	362,030
	<u>200,463</u>	<u>327,627</u>	<u>(376,024)</u>	<u>349,783</u>	<u>501,849</u>

	1 st Jan16	Incoming resources	Resources expended	Transfers	31 st Dec 16
Year ended 31 December 2016	£	£	£	£	£
General	(3,785)	341,127	(332,422)	-	4,920
Designated - fixed asset fund	201,881	-	(6,338)	-	195,543
	<u>198,096</u>	<u>341,127</u>	<u>(338,760)</u>	<u>-</u>	<u>200,463</u>

16. Restricted funds

	1 st Jan 17	Incoming resources	Resources expended	Transfers	Gain on Reval'n	31 st Dec 17
Year ended 31 December 2017	£	£	£	£	£	£
Funds for benefit of St Mary's	-	1,662	(1,662)	-	-	-
Relief of Sickness and Distress	1,513	-	(821)	-	3,719	4,411
Town Centre ministry	4,833	-	-	-	-	4,833
Bell fund	163,329	194,247	(18,987)	(349,783)	-	(11,194)
Tear Fund Aruna Oasis	66	-	-	-	-	66
Bibles	3,170	225	-	-	-	3,395
Interns	1,833	1,325	(2,875)	-	-	283
Pastoral Work	-	1,000	-	-	-	1,000
Targeted giving	-	3,071	(3,071)	-	-	-
Appeals	-	7,048	(7,048)	-	-	-
CAMEO (Thursday Club)	1,928	-	-	-	-	1,928
Glos. Churches Together	257	-	-	-	-	257
	<u>176,929</u>	<u>208,578</u>	<u>(34,464)</u>	<u>(349,783)</u>	<u>3,719</u>	<u>4,979</u>

The restricted Minster Bell Fund was showing a negative balance at 31 December 2017 as a result of the major expenditure during the year, but it is anticipated that this will be recovered as donations to the bell fund continue to be received. In the meantime, the bellringers' funds have been supported by loans, which will be repaid as new donations are received.

Notes to the financial statements
For the year ended 31 December 2017

16. Restricted funds (continued)

Year ended 31 December 2016	1st Jan 16 £	Incoming resources £	Resources expended £	Gain on Reval'n £	31st Dec 16 £
Funds for benefit of St Mary's	7,359	1,140	(8,499)	-	-
Relief of Sickness and Distress	23,451	-	(26,118)	4,180	1,513
Town Centre ministry	4,833	-	-	-	4,833
Bell fund	2,445	162,305	(1,421)	-	163,329
Tear Fund Aruna Oasis	66	-	-	-	66
Bibles	1,475	1,695	-	-	3,170
Interns	-	5,340	(3,507)	-	1,833
Targeted giving	-	6,873	(6,873)	-	-
Appeals	-	7,141	(7,141)	-	-
CAMEO (Thursday Club)	1,928	-	-	-	1,928
Glos. Churches Together	257	-	-	-	257
	<u>41,814</u>	<u>184,494</u>	<u>(53,559)</u>	<u>4,180</u>	<u>176,929</u>

Appeals

Special collections were taken at church services etc. and paid out as follows:

	2017 £
Christmas Appeal 2016 received in 2017	1,235
Christmas Appeal 2017	3,390
Family Purse (Tanzania Appeal)	2,423
	<u>7,048</u>

17. Transfers between funds

It is the PCC's policy to transfer funds from designated legacy funds and any other designated funds to meet any deficit in the general fund. Additionally, transfers are made from the relevant fund to the designated fund for fixed assets in respect of purchases and disposals of fixed assets in the year. In the current year, purchases of Minster bells and equipment amounted to £351,753 (2016 - £Nil) and the disposal of leasehold property amounted to £185,000 (2016 - £Nil).

18. Capital commitments

There were no capital commitments authorised or contracted for as at 31 December 2017 (2016: £264,143).

Notes to the financial statements
For the year ended 31 December 2017

19. Transactions with PCC members and other related parties

With the exception of the clergy expenses disclosed in note 9 above, no reimbursement of expenses was paid or is payable to any Parochial Church Council member or to any person or persons known to be connected with any of them.

20. Obligations under operating leases

At 31st December 2017 the Charity had annual commitments under non-cancellable operating leases as follows:

	2017	2016
	£	£
Expiry date		
Within 1 year	708	708
Between 2 - 5 years	-	708
	<u> </u>	<u> </u>

21. Reconciliation of net income to net cash flow from operating activities

	2017	2016
	£	£
Net income	129,436	137,482
Add back depreciation	10,266	6,338
Deduct (gain) on investments	(13,719)	(4,180)
Deduct investment income	(3,268)	(6,898)
Decrease / (increase) in debtors	69,229	(80,128)
increase in creditors	13,890	5,878
	<u> </u>	<u> </u>
Net cash provided by operating activities	205,834	58,492
	<u> </u>	<u> </u>