

**Annual Report
and
Financial Statements
of the
Radlett Parochial Church Council**

for the year ended 31 December 2018



**Christ Church and
St John's Radlett**

Registered in England as a charity (no. 1132088)

Radlett Parochial Church Council

Financial statements

Year ended 31 December 2018

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RADLETT PAROCHIAL CHURCH COUNCIL

Annual Report for 2018

The Trustees present their report and audited financial statements of the charity for the year ending 31st December 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Administrative information

Christ Church is to the south of the village of Radlett located on Watling Street. Its daughter church St John's is situated in Gills Hill Lane. It is part of the Diocese of St Albans within the Church of England. PCC members who have served from the Annual General Meeting 2018 until the date of this report are:

Incumbent (Team Rector): Revd. Javaid Iqbal
(Team Vicar Aldenham): Revd. Robert Fletcher
(Team Vicar Shenley): Revd. Daniel McCarthy
(Team Curate): Revd Helen King (to 6 Oct 18)

Diocesan Readers: Mrs. Eileen Bigg
Mrs Fiona Holliday
Mr Dave Martin (from 17 June 18)

Wardens: Mrs Helen Warne
Mrs Fiona Turner

Representatives on Deanery Synod
Mr. David Clout
Ms Rita Namakula
Mrs Gillian Foroughi
Vacancy

Diocesan Synod Member:
Mr. David Clout

Elected Members:
Mr. Robert Attuh
Mr Remi Bola
Mrs Susan Brown
Mr Robb Busby
Mr. Barry Hogg
Mr. Alan Holliday
Mr. Adrian Morrish
Mr. Jeremy Newton
Mrs. Margaret Price
Mr Philip Reason
Ms Corrine Weller

Treasurer: Mr. John Graham
Assistant treasurer: Mrs Marian Drean
PCC Secretary: Mrs. Eileen Bigg

Registered Office: The Church Office
Christ Church Vision Hall
Watling Street
Radlett WD7 7JJ

Bankers : Barclays Bank plc

Watling Street Radlett, Herts.

Auditors: Hillier Hopkins LLP
Chartered Accountants
Radius House, 51 Clarendon Road,
Watford, Hertfordshire, WD17 1HP

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 and is registered in England as a charity (no. 1132088).

Radlett is part of the Team Benefice of Aldenham, Radlett and Shenley formed in February 2005.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees over the age of 16 are encouraged to register on the Electoral Roll and are eligible to stand for election to the PCC. PCC members with specific responsibilities are encouraged to attend training courses arranged by the Diocese, Deanery or other organisation as appropriate.

The full PCC met on six occasions during the year. Committees met between meetings and minutes of their deliberations were received by the full PCC and discussed where necessary. Minutes of PCC meetings are available in the narthex of Christ Church and at St John's for inspection by anyone interested.

The PCC operates through a number of committees, which meet between full meetings of the PCC.

Management/Standing Committee: This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

Financial Advisory Group: Advises the PCC and Management Committee and oversees the general finances of Christ Church and St John's.

St John's Committee: Meets six times a year to discuss and plan services. They also oversee the maintenance and management of the St John's site.

Stewardship Committee: Monitors the parish's policy on Christian Stewardship. It coordinates the annual renewal of Christian Stewardship of money through planned giving which parishioners feel able to offer to the life of the church.

Home and Overseas Committee: Advises the PCC on the disbursement of its charitable giving to various local, national and international charities and causes.

Hall Management Group: Oversees the maintenance and management of the Vision Hall.

Reports for the committees may be obtained from the Church office.

Aim and purposes

Radlett PCC has responsibility to the Diocese of St Albans and with the Incumbent in promoting in the ecclesiastical parish the whole mission of the church, pastoral, evangelistic, social and ecumenical.

It also has maintenance responsibility for the Parish Church, Church Hall and Burial Ground in Watling Street, St John's Church and Hall in Gills Hill Lane, along with the house at 51 Gills Hill Lane, used during most of 2018 for a curate. All these (except for the curate's house) are facilities intended to be for the use of the general public as well as for church members.

Objectives and activities

The primary objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ and our mission statement is 'We believe God calls us to be a loving community, inspired by the Holy Spirit, founded and growing in faith through worship and prayer, making new disciples as we proclaim Jesus in word and deed.' This ties in with our Diocesan three-fold Living God's Love vision of 'going deeper into God, making new disciples and transforming communities'.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

We seek to do this by providing a variety of different styles of worship service, by offering pastoral care to those in need or at key points in their life's journey, by preaching and teaching to people of all ages in ways appropriate to their needs, and by actively reaching out to those on the fringe of or outside our current membership. Being a parish church we aim to be available for all people of our parish. We believe that people have spiritual as well as material needs and seek especially to minister in the spiritual dimension of life, often through meeting people in the social or emotional situations that they encounter. We are especially concerned to meet the needs of children and young people.

Achievements and performance

Worship and prayer

A range of services are offered during the week and over the course of a year that our community find both beneficial and spiritually fulfilling. For example three different styles of worship take place on a Sunday, ranging from the quiet Book of Common Prayer said communion, Common Worship and Holy Communion to the more contemporary family worship service and Sunday School. A new group for young adults was started in Autumn 2018, which meets twice a month for discussion on faith issues and for fun activities.

Every fifth Sunday, and on special occasions, all our congregations from both Christ Church and St John's come together to celebrate in a joint service. Additionally, there were two Team Services when we joined with

members of the Aldenham and Shenley churches.

As well as our regular services a number of special services are held throughout the year such as the commemoration service held annually in November on All Souls day, which is much appreciated by those recently bereaved or wishing to remember loved one, and the annual Remembrance Day Service which brings together people of different faiths or none from the community. All our services are open to all.

An Ecumenical Walk of Witness was held on Good Friday. Members from all churches walked from Christ Church to St Anthony's and then on to the United Free Church and a short service was held in each church. All then congregated at the Gardens on Watling Street at 11am.

The usual Sunday attendance during October 2018 was an average of 85 including an average of 16 children. Whilst the average October attendance at the Wednesday morning Communion Service decreased from 27 to 24, there was also one October Messy Church Service held on a Wednesday, attended by 30 adults and 30 children.

The Christmas and Easter attendances were similar to last year; Christmas totalled 643 of which 147 were communicants, and Easter totalled 151 of which 131 were communicants.

There were 219 members on The Church Electoral Roll at the start of 2018. We recorded 217 members at our last APCM in April and that number decreased to 211 by the end of the year. Sadly in 2018, we lost 4 church members to death and 8 church members moved away from Radlett. We welcomed 4 new members to our church.

Our 8am Holy Communion service has continued with a small number of congregants. This service is held at Aldenham on the third Sunday of the month, and at Christ Church on all remaining Sundays. This worship pattern is reviewed regularly.

During this year, whilst planning for the departure of our curate, it was decided to combine the 9.15am congregation at Christ Church with the 9.45am congregation at St John's Church, and have one service at 9.30am, alternating between the two churches. This has been successful and there is a growing sense of one congregation.

The Christ Church 11am service has continued, offering a more contemporary style of worship, and Holy Communion on the second and fourth Sundays of the month. There are age appropriate groups for children and young people up to the age of 18 alongside this service.

The midweek communion service on Wednesday has a regular congregation of around 24. This may well be vulnerable to decline as the potential loss of members due to the age factor increases.

Messy Church is our main, monthly meeting where we celebrate family. Here, adults and children come together in a structured, but informal setting to 'be church'. As a Christian group, Christ Church & St. Johns believes that everyone, young and old is loved by God. Messy Church is an expression of this belief and actively upholds the God-given value that every child and adult has. In many ways,

it's 'church done differently'. Messy Church is a fresh expression of church and is one of our regular services in the parish. It is specifically designed to include people 'on the edge' who don't feel comfortable in a formal Sunday setting. Dave Martin, our Children, Youth and Young people co-ordinator has continued to spend time deepening the impact that this service has and growing its team.

The Messy Café project started in 2017 has gone from strength to strength this year and continues to offer a valuable space for the church to engage with the wider community. Messy Café is associated with Messy Church and is focused around building new positive relationships with families. Messy Church is a space for these families to receive the gospel and explore faith.

We continue to leave Christ Church open during the week for those members of our community wishing to have a quiet space and for private prayer, and there is evidence of regular use of this facility.

The prayer life of the church is further enhanced by the prayer triplet meeting regularly to offer prayers in small groups.

The clergy team and members of the pastoral visiting team regularly visit members of the community who are sick, bereaved or in need of a caring visit. Communion is regularly taken to residents of local residential homes and to individuals.

There was 1 wedding, 1 baptism and 14 funerals during the year.

A choir is formed for special occasions, such as the carol service and some funerals. In addition, the choirs and music groups of Aldenham, Radlett and Shenley come together for other special services during the year. An Ecumenical choir was formed for the Churches Together in Radlett and Aldenham Advent Carol service.

To further Christian development, we shared as usual with Churches Together in Radlett and Aldenham in offering an Advent Talk, as well as the ongoing house group meetings where in depth bible study, nurturing of faith and fellowship takes place.

We now have 3 Readers, and 2 retired clergy who remain active in their ministry but with a limited capacity. Of our two Lay Leaders of Worship (LLW), Ritah Namakula continues to make progress and is now part of the team leading our 11 am services and Sheldon Stoutt has had to pause his ministry due to increasing work commitments. Two more people will be attending LLW training in April.

We continue to review our Mission Action Plan, with its aims and priorities, and set goals and actions arising from these.

Volunteers

Between Christ Church and St John's there are some 24 different activity groups, committees and administrative functions, all dependent on volunteers' time and energy. If all these things were run by different volunteers there would be approx 120 people, but in fact many volunteers

undertake two or more functions, so at a rough estimate there are probably 75 people who give of their time voluntarily in order to make things happen. This represents approx 33% of our electoral roll, or nearer 70% of our regularly attending congregation. Volunteers in key roles may regularly be giving as much as 20 hours per week of their time. We could not be the organisation we are or serve the community in the way we do without such generous volunteer commitment.

Church and hall premises

The Vision Hall and St John's Hall have maintained a high level of usage by both church and outside groups, reflecting our commitment to providing for the needs of the community. The buildings are well maintained with a reserve fund being kept for repair and improvements.

The Vision Hall is used by groups and bodies from both inside and outside the church; income enables us to employ a part-time caretaker/administrator, and the help of other staff and volunteers gives almost full time cover.

The Friday morning coffee-club is held in Vision Hall Rotunda which is open to all and is well attended by members of the community.

St John's Church hosts two toddler groups, which continue to attract large numbers of local mums, dads and carers, reaching capacity of the room on occasions.

Squads is a youth group for all young people around the Radlett area between the school years of 4 and 9, and is made up of 2 age specific groups... Green Squad and Blue Squad.

Each SQUADS group runs fortnightly across the year at Christ Church in the shelter room. Each group is packed full of fun games and offers an opportunity for young people to explore and question life, faith and how to be present within the world through a resource called Youth Alpha. SQUADS celebrates diversity, welcomes big questions and offers a safe space to go deeper together in community. It welcomes a variety of different children and young people; those who are a part of the church already, those who are familiar with the Christian faith (but wouldn't call themselves Christian) and those who have never set foot in a church building.

Evangelism and mission

We continue to develop the links with local schools and regularly visit St John's, Newberries and Fair Field primary schools to lead assemblies, help with R.E. lessons, take school services and host their visits to our churches. The links with St. John's local Church of England school have developed well with Javaid Iqbal, Helen King and Daniel McCarthy as well as Dave Martin taking assemblies. Two church members and Javaid are on the St John's School governing body.

We continued to support the local initiative, 'Summer Hampers' providing food for families needing extra support during school holidays, including Christmas. The number of families needing help is growing year on year; 19 families received hampers in 2018.

A weekly meeting of 'Made 2 B Creative' continued to be held on Monday afternoons, in the homes of participants.

The PCC made grants during the year, as listed in the finance report, to various charities on the basis of the following policy: "The sum allocated should in general be divided into one-third being recommended for Home, and two-thirds for Overseas projects." In both cases, about one-half should usually be recommended for Church and evangelistic charities, and about one-half for "Social Gospel" charities. Social Gospel is interpreted as those charities which seek to relieve homelessness, street children, poverty and help disaster victims.

In addition, we give our Christmas and Easter cash collections to charities nominated by the PCC Home & Overseas Committee.

Ecumenical

We continue to work together with the other faith bodies in the community, Christian and non-Christian, to further our community relations. Unfortunately the local branch of Council of Christians and Jews disbanded during the year, but the All-Faiths Council, under the umbrella of Aldenham Parish Council, continues to develop relationships between the various faith groups in the area. We also meet regularly with colleagues and members from the local synagogues who represent a significant proportion (over 50%) of the population. There is increased interaction between the Clergy and rabbis, which leads to new joint initiatives.

Churches Together in Radlett and Aldenham have sought to maintain a good deal of ecumenical activity. Christ Church and St John's have played an active part in the Radlett Ecumenical body, holding joint services and activities, including the Good Friday and Remembrance Sunday shared Walk and Act of Witness, regular clergy fraternal meetings and a joint Christmas Carol Service.

The highlight of ecumenical and community activity was Remembrance Sunday, when all the faith communities, the Parish Council and the uniformed organisations worked together to organize the special Radlett events to mark the 100th anniversary of the end of WW1. An extended annual ceremony of Collective Act of Remembrance was held at the War Memorial, attended by approximately 1200 people, followed by refreshments in the Reform Synagogue. An afternoon/evening Beacon Event was held at Christ Church, attended by an estimated 500 members of our community. The event started with free afternoon tea in the Vision Hall, and the Phoenix Band entertained the crowd with WW1 wartime music in the church. Then the Howard Guard film "A County in War" was shown (about the contribution of Hertfordshire in the WW1) and School choirs sang WW1 songs with audience participation. Before lighting the beacon, the Deputy-Lieutenant of Hertfordshire highlighted the importance of remembrance, and the example of sacrifice made by the brave men and women who gave their lives for our peace and freedom. He spoke about the need to continue the spirit and community ethos shown by the people of Radlett. The church was packed and everyone

enjoyed themselves and were inspired.

Risk assessment

We have an ongoing process of review of the major risks to which the PCC is exposed. We now have Health and Safety, Data Protection, Equal opportunity and Safeguarding policies in place and continue to work on any issue that may arise concerning safeguarding. Work is in hand on other key policies such as Conflicts of Interest. In addition we subscribe to Diocesan Baptism, Wedding and Funeral policies.

Financial Review

The accounts are drawn up under generally accepted accounting standards for the charity sector. The charity delivered an overall deficit of £42,150 (2017 surplus £27,290) after taking into account all funds. Most of this movement reflects the unrealised gains of the investment portfolio which moved from a surplus of £52,554 in 2017 to a deficit of £16,812 in 2018. On unrestricted funds, after accounting for the investment loss of £4,464, the charity delivered a small surplus of £779 compared to a deficit budget of £10,137. As can be seen from the accounts Donations and Legacies fell by £4,879 compared to last year reflecting a grant from the Verulum Trust of £5,000 made in 2017 and not repeated in 2018. The church benefitted from a one-off legacy of £10,000 which allowed the church to retain income this year at the same gross amount as last year. There is an underlying trend of a reduction in giving primarily from the impact of donors who have moved away or died. The Stewardship Committee is addressing how we can address this decline in regular giving.

Principal funding sources

The PCC relies on voluntary giving from parishioners to fund its activities and we are thankful for the response to the annual stewardship appeal, which generates this income. Other income includes hall lettings, grants, donations and income from deposits and investments.

Expenditure

A total of £323,504 (2018: £323,108) was spent to provide the Christian ministry of Christ Church and St John's. Included in expenditure is £123,779 (2017: £117,063) contribution to the Diocesan parish share, much of which is spent on stipends and housing for the clergy. The PCC has taken the positive action of retaining the Children and Youth Coordinator to work with families and children in the Parish. Some support was received to fund the post but the majority of costs were paid for out of unrestricted income. The impact is for expenditure to have remained constant over the year and the deficit will be funded out of reserves. During the year Rev Helen King moved to a vicar's role in a parish in Devon and was not replaced. The Curate's house was assessed for letting in the autumn and on the advice of the local letting agent a significant refurbishment programme was undertaken. This one-off expenditure of £10,000 funded from designated reserves reversed the decline in expenditure being delivered during the year. The house was let by the end of December and

post from income or from historical reserves if required. Reflecting this the PCC has approved a deficit budget of £12,168 for 2019. Deficits of such magnitude are not desirable or sustainable and the PCC is exploring how best to return the finances to delivering a balanced budget.

Investments policy

Unrestricted funds are invested in a balance of short-term deposits and long-term investment funds including bonds and equities. Around 50% of our investments are in equities in a portfolio run on a medium risk basis. The funds are invested with M&G and CCLA linked to the Church of England. Performance is benchmarked against the FTSE All-Share Index. The capital of the unrestricted fund equity investments decreased by 2.8% during 2018 significantly better than the FTSE All Share index which fell by 13.0%. Whilst the Trustees regret the loss on investments of some £15k, this follows two years of significant growth where the portfolio added some £108k. The Finance Advisory Group advises on the mix of these investments, taking into consideration the funding and timing required to finance the PCC's future plans.

Reserves policy

The PCC seeks to maintain Unrestricted Reserves of six months of unrestricted charitable expenditure. This level is maintained so that if income suddenly fell significantly, then the combination of income and retained reserves should cover a year's expenditure, time enough to fundamentally change the cost base in line with a revised lower level of income. The PCC bears in mind the fact that the top 12 donors contribute 50% of our stewardship income and are aware of the need to maintain the effort to draw new people into the stewardship scheme. The PCC believes that the unrestricted reserves are required to fund future plans and meet future anticipated deficits.

At 31 December 2018 the balance on the unrestricted funds was £990k. The PCC is required to provide accommodation for a Curate at a standard laid down by the Diocese. Whilst the Curate's house is currently let, it has to be available to a future Curate if one is so appointed. The funds invested in 51 Gills Hill Lane are not considered to be freely available reserves. Removing these funds from the unrestricted reserves leaves a balance of £357k which equates to around 12 months unrestricted expenditure. The PCC incurred an unrestricted deficit in 2018 and has approved a deficit budget in 2019 to support the Children's and Youth worker. These decisions are utilising the unrestricted reserve brought forward.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

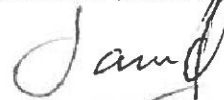
The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Report) Regulations 2008 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the PCC



Reverend Javaid Iqbal
Team Rector

Independent Examiner's Report to the Trustees of Radlett Parochial Church Council

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2018 which are set out on pages 7 to 14.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

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.

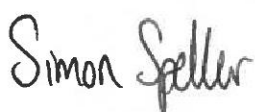
Independent examiner's statement

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 Institute of Chartered Accountants in England and Wales, 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; or
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.



Simon Speller FCA

Hillier Hopkins LLP
Chartered Accountants
Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: 29 March 2019

RADLETT PAROCHIAL CHURCH COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2018

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
						2018 £	2017 £
INCOME							
Donations and legacies	2a	186,356	-	29,079	-	215,435	220,314
Church activities	2b	66,164	-	0	-	66,164	64,561
Investments	2c	13,597	-	2,970	-	16,567	12,969
TOTAL INCOME		266,117	-	32,049	-	298,166	297,844
EXPENDITURE							
Mission and Charitable expenditure	3a	9,195	-	-	-	9,195	9,384
Church activities	3b	282,260	-	32,049	-	314,309	313,724
TOTAL EXPENDITURE		291,455	-	32,049	-	323,504	323,108
NET INCOME (EXPENDITURE) before Gains/losses on Investment		(25,338)	-	-	-	(25,338)	(25,264)
Net gains /(losses) on investments	8	(4,464)	(11,371)	-	(977)	(16,812)	52,554
NET INCOME/(EXPENDITURE)		(29,802)	(11,371)	-	(977)	(42,150)	27,290
Transfer from designated funds	5	10,000	(10,000)	-	-	-	-
Transfer to designated funds	5	(9,426)	9,426	-	-	-	-
Transfer from restricted funds		-	1,076	(1,076)	-	-	-
Transfer property reserve - depreciation	5	30,007	(30,007)	-	-	-	-
NET MOVEMENT IN FUNDS		779	(40,876)	(1,076)	(977)	(42,150)	27,290
BALANCES BROUGHT FORWARD							
1 January 2018		1,003,116	1,234,684	66,145	70,178	2,374,123	2,346,833
BALANCES CARRIED FORWARD							
31 December 2018		1,003,895	1,193,808	65,069	69,201	2,331,973	2,374,123
All income and expenditure derives from continuing activities							

RADLETT PAROCHIAL CHURCH COUNCIL

BALANCE SHEET AT 31 DECEMBER 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	6	1,395,855	1,424,786
Endowment funds	7	69,201	70,178
Investments	8	556,103	571,938
		<u>2,021,159</u>	<u>2,066,902</u>
CURRENT ASSETS			
Debtors and prepayments	11	27,636	35,322
Investments		233,029	232,750
Cash at bank and in hand		54,183	61,881
		<u>314,848</u>	<u>329,953</u>
LIABILITIES: amounts falling due within one year	12	(4,034)	(22,732)
NET CURRENT ASSETS		<u>310,814</u>	<u>307,221</u>
NET ASSETS	9	<u><u>2,331,973</u></u>	<u><u>2,374,123</u></u>
FUNDS			
Endowment	7	69,201	70,178
Restricted	10	65,069	66,145
Designated - Property	5	748,715	770,895
- Other	5	445,093	463,789
Unrestricted	9	1,003,895	1,003,116
		<u><u>2,331,973</u></u>	<u><u>2,374,123</u></u>

Approved by the Parochial Church Council on 11 March 2019 and signed on its behalf by:



H Warne
Churchwarden

The notes on pages 9 to 16 form part of these accounts.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information and basis of preparation

Radlett Parochial Church Council is a charity and is a corporate body established by the Church of England. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and reporting by Charities: 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016)[1], the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The charity adopted SORP (FRS 102) in the current year. Given the size of the charity and the nature of its operations, implementation of the SORP had no material effect on the results reported and no adjustment has been made to prior years.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for the charity 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.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investment form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable the income will be received. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

At this point income is recognised.

Income from trading activities to raise funds for the charity. Income from trading activities, primarily the letting of church halls, is recognised when entitlement has occurred.

The charity receives a grant from Local Government for the upkeep of the Burial Ground. As the grant is discretionary the grant is only recognised in the accounts on receipt.

Investment income is earned through holding assets for investment purposes such as shares and property and includes dividends interest and rent. It is not practicable to identify investment management costs within the funds held so the income is reported net of these costs. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category.

Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds only applicable where there is a special appeal;
- Expenditure on charitable activities includes the running of the church and church halls; and
- Other expenditure expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. It is not the practice of the charity to award grants that are conditional on performance.

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended. Individual items with an initial cost of £5000 or less are written off when acquired.

Consecrated and beneficial property is excluded from the accounts by virtue of s10(2) to 10(4) of the Charities Act 2011.

Movable church furnishings held by the vicar and Churchwardens on special trust for the PCC and which require a facility for disposal are accounted for as inalienable property unless consecrated and are included in Fixtures and Fittings. They are listed in the Church's Inventory held at the Church Office.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life. No depreciation is applied to freehold land and buildings.

Freehold land	Nil
Freehold buildings	50 years
Fixtures and fittings	10 years
Musical instruments	10 years
Projection and sound systems	4 years

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

(f) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses)' on investments in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(v) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(w) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 INCOMING RESOURCES

2a Donations and legacies

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2018 £	2017 £
Pledged giving	160,328	-	160,328	153,028
Gift Aid	9,091	-	9,091	25,257
Collections	3,696	-	3,696	3,959
Donations	2,741	-	2,741	1,957
Grants	-	5,679	5,679	5,679
Legacies	10,500	-	10,500	-
Donations for specific purposes	-	23,400	23,400	30,434
	186,356	29,079	215,435	220,314

The comparative figure for 2017 includes £184,201 unrestricted and £36,113 restricted funds.

Included in Donations for a specific purpose in 2017 is a grant of £5,000 from the Verulum Trust to support the cost of the Children and Youth worker.

2b Church activities

Church hall lettings	62,070	-	62,070	58,281
Wedding, baptism and funeral fees	3,921	-	3,921	4,632
Sundry receipts	173	-	173	1,648
	66,164	0	66,164	64,561

The comparative figure for 2017 comprises only unrestricted income.

2c Income from investments

Dividends and interest	11,651	2,970	14,621	12,559
Property income	1,946	-	1,946	410
	13,597	2,970	16,567	12,969

The comparative figure for 2017 includes £9,715 unrestricted and £3,254 restricted funds.

TOTAL INCOMING RESOURCES

266,117	32,049	298,166	297,844
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RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

3 RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2018 £	2017 £
3a Mission and charitable giving (note 15)				
Church overseas: - missionary societies	3,748	-	3,748	4,106
- relief and development agencies	2,498	-	2,498	2,150
Home missions and other church societies	1,725	-	1,725	2,128
Secular charities	1,224	-	1,224	1,000
Mission and charitable giving	9,195	0	9,195	9,384
3b Church activities				
Ministry: Diocesan parish share	123,779	-	123,779	117,063
Working expenses of incumbent	1,997	-	1,997	2,176
Upkeep of vicarage and Curate's House	13,216	-	13,216	5,980
Assistant clergy expenses	3,232	-	3,232	3,428
Lay staff emoluments	23,793	-	23,793	23,891
Childrens and Youth worker	11,280	23,400	34,680	34,617
Upkeep of churches: repairs and maintenance	6,733	-	6,733	4,621
heating, light, insurance etc.	9,478	-	9,478	9,846
Upkeep of grounds	5,636	-	5,636	4,964
Maintenance of services	4,029	-	4,029	4,169
Upkeep of burial ground	-	8,649	8,649	7,477
Sundry expenses	1,982	-	1,982	1,733
Church hall upkeep: Christ Church	33,360	-	33,360	46,636
St. John's	6,983	-	6,983	5,302
Depreciation - church property	30,007	-	30,007	29,737
Church office	4,334	-	4,334	5,290
Audit fee	2,400	-	2,400	3,000
Legal and Professional fees	21	-	21	3,794
Church activities	282,260	32,049	314,309	313,724
TOTAL RESOURCES EXPENDED	291,455	32,049	323,504	323,108

Total resources expended include:

Depreciation of fixed assets £30,007 (2017: £29,738)

Audit fee £2,400 (2017:£3,000)

Renovation of the curate's house to make suitable for letting £10,000 (2017:nil)

4 STAFF COSTS

	2018 £	2017 £
Wages and salaries	67,329	79,675
Social security costs	1,284	2,300
Pension costs	1,074	1,065
	69,687	83,040

The PCC employed 6 part time people during the year equivalent to 4 FTEs (2017:5 FTEs) .

The PCC implemented the work place pension with effect from 1 February 2017 which affects 2 employees (2017:3 employees).

Expenses paid to two trustees in the year totalled £2,805 (2017: £3,535) including £1,997 (2017: £2,176) paid as working expenses of the incumbent.

5 TRANSFER TO AND FROM DESIGNATED FUNDS

The PCC has a policy of setting aside designated funds to ensure that adequate funding is available for property maintenance and replacement of equipment when needs arise. Transfers from unrestricted funds are made according to the timing and scale of anticipated expenditure.

	Church Property £	Staff Housing £	Clergy Houses £	Equipment £	Organ £	Christ Church Hall £	Fabric incl Boiler £	TOTAL £
Balance at 1 January 2018	770,895	165,804	17,729	28,528	32,292	27,834	191,602	1,234,684
Unrealised gain/(loss) on investments	-	(11,371)	-	-	-	-	-	(11,371)
Transfer from unrestricted funds	-	-	814	332	2,200	-	6,080	9,426
Transfer from restricted funds	-	-	-	1,076	-	-	-	1,076
Expenditure during the year	-	-	-	-	-	-	(10,000)	(10,000)
Transfer property reserve:depreciation	(22,180)	-	-	(4,781)	-	(3,046)	-	(30,007)
Balance at 31 December 2018	748,715	154,433	18,543	25,155	34,492	24,788	187,682	1,193,808

The church property fund represents the net book value of Christ Church Hall and St John's Church and Hall and is reduced each year by an annual depreciation charge.

In September 2013 the staff housing fund was used to purchase 51 Gills Hill Lane to enable the PCC to provide accommodation for the curate.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

6 TANGIBLE FIXED ASSETS

	Freehold property	Church property & fittings	Projection & sound system	Musical instruments	Total
	£	£	£	£	£
COST					
At 1 January 2018	632,570	1,139,525	29,465	6,037	1,807,597
Additions	-	-	1,076	-	1,076
At 31 December 2018	<u>632,570</u>	<u>1,139,525</u>	<u>30,541</u>	<u>6,037</u>	<u>1,808,673</u>
DEPRECIATION					
At 1 January 2018	-	360,840	15,934	6,037	382,811
Charge for year	-	25,226	4,781	-	30,007
At 31 December 2018	<u>-</u>	<u>386,066</u>	<u>20,715</u>	<u>6,037</u>	<u>412,818</u>
NET BOOK VALUE					
At 31 December 2018	<u>632,570</u>	<u>753,459</u>	<u>9,826</u>	<u>-</u>	<u>1,395,855</u>
At 31 December 2017	<u>632,570</u>	<u>778,685</u>	<u>13,531</u>	<u>-</u>	<u>1,424,786</u>

CHURCH PROPERTY

	Christ Church Hall	Christ Church Hall Fittings	St John's Church and New Hall	Total 2018	Total 2017
	£	£	£	£	£
COST					
At 1 January 2018	953,673	30,458	155,394	1,139,525	1,136,769
Additions	-	-	-	-	2,756
At 31 December 2018	<u>953,673</u>	<u>30,458</u>	<u>155,394</u>	<u>1,139,525</u>	<u>1,139,525</u>
DEPRECIATION					
At 1 January 2018	261,028	22,668	77,144	360,840	335,614
Charge for year	19,072	3,046	3,108	25,226	25,226
At 31 December 2018	<u>280,100</u>	<u>25,714</u>	<u>80,252</u>	<u>386,066</u>	<u>360,840</u>
NET BOOK VALUE					
At 31 December 2018	<u>673,573</u>	<u>4,744</u>	<u>75,142</u>	<u>753,459</u>	
At 31 December 2017	<u>692,646</u>	<u>7,790</u>	<u>78,250</u>		<u>778,685</u>

FREEHOLD PROPERTY

The PCC accounts for Freehold Land and Buildings on a historical cost basis.

St. John's church hall and Christ Church hall are being depreciated on a straight line basis over 50 years and the fittings over 10 years. There is no depreciation charge for freehold property (51 Gills Hill Lane). The Trustees believe the asset will have a high residual value which under the requirements of the SORP (2015) allows depreciation not to be charged.

For insurance purposes in July 2015 St John's Church and hall was valued at £998,722 and Christ Church and hall at £10,131,693.

RADLETT PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

7 INVESTMENT OF ENDOWMENT FUNDS

	Cost 2017 £	Market Value 2017 £	Gain (Loss) on revaluation 2018 £	Market Value 2018 £	Cost 2018 £
Goodison Trust - 2.5% Index linked Gilt 2024	4,000	4,399	2	4,401	4,000
Bott Trust - CBF Investment fund	10,912	42,193	(630)	41,563	10,912
Young & Chubb Trust - CBF Investment fund	915	21,489	(321)	21,168	915
Washburn Grave Trust - CBF Investment fund	100	1,635	(24)	1,611	100
Mallison Grave Trust - CBF Investment fund	20	262	(4)	258	20
Leggett Grave Trust	80	200	-	200	80
	16,027	70,178	-977	69,201	16,027

The investments behind the Leggett Trust are held in cash awaiting reinvestment.

The PCC has the following endowment funds, arising from bequests:

Goodison	Endowment - expendable	income unrestricted
Bott	Endowment -	income unrestricted
Young	Endowment -	income restricted to maintenance of fabric
Washburn	Endowment -	income restricted to church/church yard upkeep
Chubb	Endowment -	income restricted to grave upkeep
Mallison	Endowment -	income restricted to grave upkeep
Leggett	Endowment -	income restricted to grave upkeep

8 OTHER INVESTMENTS

	Cost 2017 £	Market Value 2017 £	Gain (Loss) on revaluation 2018 £	Market Value 2018 £	Cost 2018 £
Unrestricted:					
17127,14 (2016:12266,52) Units Central Board of Finance Investment Fund	240,188	280,092	(3,514)	276,578	240,188
1312 (2016:1312) M&G Charifund Inc. Units	6,226	21,552	(2,869)	18,683	6,226
2887 (2016:2887) Units Central Board of Finance Investment Fund - Accumulation Shares	32,638	104,491	1,919	106,410	32,638
	279,052	406,135	(4,464)	401,671	279,052
Designated:					
860 units (2016:860) Central Board of Finance Investment Fund-Accumulation Shares	9,721	31,138	560	31,698	9,721
539 units (2016:539) M&G Charifund Accumulation units	42,359	134,665	(11,931)	122,734	42,359
	52,080	165,803	(11,371)	154,432	52,080
TOTAL INVESTMENTS	251,132	571,938	(15,835)	556,103	331,132

9 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	647,140	748,715	-	-	1,395,855
Investments - Trusts	-	-	-	69,201	69,201
Investments - Others	111,010	445,093	-	-	556,103
Current assets	249,779	-	65,069	-	314,848
Current liabilities	(4,034)	-	-	-	(4,034)
	1,003,895	1,193,808	65,069	69,201	2,331,973

10 RESTRICTED FUNDS

	Hall Appeal £	Fixed Asset £	Burial Ground £	Specific Expenses £	Total 2018 £	Total 2017 £
At 1 January 2018	32,213	2,716	-	31,216	66,145	85,045
Incoming resources	-	-	8,649	-	8,649	8,933
Expenditure	-	-	(8,649)	-	(8,649)	(7,477)
Transfer to designated funds	-	(1,076)	-	-	(1,076)	(20,356)
At 31st December 2018	32,213	1,640	0	31,216	65,069	66,145

The Hall appeal fund represents the balance of money donated to build Christ Church hall. To the extent that the fund proves surplus to that purpose it will be used to furnish, equip and maintain the hall.

During the year the PCC used the restricted Fixed Asset reserve to buy a defibrillator for the use of visitors to the church and the hall.

11 DEBTORS

	2018 £	2017 £
Income Tax recoverable	9,091	25,257
Other debtors	18,545	10,065
	<u>27,636</u>	<u>35,322</u>

Other debtors relates to contributions to the Parish share from neighbouring parishes. The sums were received early in 2018.

12 LIABILITIES FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Accruals	4,034	18,597
PAYE	0	3,952
Other creditors	0	183
	<u>4,034</u>	<u>22,732</u>

13 BURIAL GROUND

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £
Income	-	8,649	8,649	-	7,477	7,477
Expenditure	-	(8,649)	(8,649)	-	(7,477)	(7,477)
	-	-	-	-	-	-

The PCC has received money from Hertsmere Borough Council towards the cost of maintaining the Burial Ground. The grant of £5,679 is awarded annually and is at the discretion of the Council.

CONNECTED TRUSTS

- 14 The vicar and churchwardens are trustees of a "Sunday School Fund", which arose from the proceeds of the sale of Cobden Hill School. This fund does not form part of the PCC's funds and may only be used for educational purposes related to the life of the parish in connection with the provision of religious education by means of Sunday Schools or otherwise. In 2017 the trustees resolved to pay to the PCC some of the capital along with interest over three years to fund a post supporting Children and Youth. In 2018 the PCC received the second annual tranche of £25,300.

15 MISSION AND CHARITABLE GIVING

	overseas mission	overseas relief & development	home mission	home secular	Total 2018	Total 2017
Christian Aid		1,348			1,348	1,000
Interserve (for Rev'd Dr G Aylett)	750				750	1,000
The Bible Society	750				750	700
CMS (for Eric & Rhena Clouston)	0				0	500
Practical Action		650			650	650
Toybox	650				650	650
CMS (for John Waters)	500				500	500
Nepali Church (Mr Milan Adhikari)	750				750	756
Tearfund		500			500	500
Scripture Union Pakistan	348				348	0
Scripture Union			400		400	500
Open Doors in St Albans				424	424	500
Herts Young Homeless				400	400	500
New Hope Trust			825		825	878
A small Act of Kindness				400	400	0
Every Nation (for Javed Kamruddin)			500		500	750
	<u>3,748</u>	<u>2,498</u>	<u>1,725</u>	<u>1,224</u>	<u>9,195</u>	<u>10,100</u>