PAROCHIAL CHURCH COUNCIL OF THE PARISH OF KEIGHLEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING
31ST DECEMBER 2018

1. ACCOUNTING POLICY

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. It is the second year that they have been prepared under FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP(FRS102)). The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the P.C.C. is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members. The Parochial Church Council (hereafter referred to as the P.C.C.) is a corporate body established by the Church of England. The P.C.C. operates under the P.C.C. Powers Measure. The registered charity name of the PCC is "The Parochial Church Council of the Ecclesiastical Parish of Keighley" and our charity number is 1130301.

FUNDS

Restricted funds represent income received as donations or grants for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund and details are given in the Funds Reports. The PCC does not usually invest separately for each fund. All Saints benefit from the income from the McNish fund held and run by the Leeds Diocesan Board of Finance. This year this accounted for £10,000 of their Share Payment.

Unrestricted funds are general funds which can be used for PCC ordinary purposes. Certain unrestricted funds have been designated by the Church Council for specific purposes but remain unrestricted. Unused balances of these funds are available for general purposes.

Every five years a Quinquennial inspection of the Church buildings is undertaken by an appropriately qualified Architect and a recommendation of works required is provided to the PCC. The PCC includes funding to undertake these works in its' annual budget.

Deposit fund values as at the 31st December have mainly fallen since last year and the alteration in value is shown in the accounts. The PCC continues to deliberate carefully about potential uses of any unrestricted funds.

INCOMING RESOURCES

Planned giving, collections and donations are recognised when received by, or on behalf of, the Church Council.

Income tax recoverable under Gift Aid is recognised when the income from offerings relating to Gift Aid is recognised, on an accruals basis. The Youth Fund hasn't supported the Youth Worker salary this year but hopefully donations will increase in the coming year so that the Youth Fund can continue to maintain this ministry. The CAP fund also still needs to receive increases to the regular giving if it is to fully support this ministry. The Mission and Development fund income fell just slightly short of expenditure but still has a balance to start the financial year. There has been a legacy of £10k received by St. Barnabas church. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable. Gift Aid Tax recoverable is accounted for on an accrual basis. All other income is recognized when it is receivable.

OUTGOING RESOURCES

Donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the Church Council. The Parish has fully paid the amount requested by the Diocese for Share payment this year. The Share amount was a decrease on the amount requested in 2017. PCC/LCCs have kept all expenditure down to the absolute minimum and continue to seek good value contracts for all our ongoing maintenance and repairs.

All other expenditure is accounted for on an accruals basis. The balance sheet shows an increase on the previous year due to the funds received and not yet expended from the annual Gift Day at KSC and St. Marks and the legacy received by St Barnabas.

FIXED ASSETS

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Movable church furnishings held by the Rector and Church Wardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in each church's inventory. These can be inspected at any reasonable time. All other assets acquired since 6th April 2000 have been capitalised at cost and depreciated in the accounts over their anticipated useful economic life on a straight line basis. For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired although some items are still recorded at St. Barnabas. Investments are valued at mid-market value at 31st December 2017.