

Parochial Church Council of St. John's, Churt

Treasurer's Report

For the Year Ending 31st December 2018

1. General Fund

The year ended with the fund showing a healthy surplus for the year's activities of £22.8k, and a balance of £36.4k. This is a fantastic result, and reverses the downward trend experienced from 2015 to 2017.

Overall, total **general income** excluding legacies [but including gift aid] of £103.3k was up on 2017 by £25.6k, due in part to a one off donation of £8.5k, but mainly to all areas of Planned and unplanned Giving plus] associated Gift Aid.

We have lost one regular giver during the year, but delighted to welcome thirteen [13] new regular givers who came on stream at various points during the year. The annualised income for these new givers is c. £4k including tax, and together with increased monthly amounts from several current givers, this is certainly a big step forward in reducing the deficit run rate in covering the day to day expenses - indeed, this deficit has fallen to c. £7k, roughly half of the 2017 position.

Fees to the PCC for wedding and funeral services etc were slightly down on 2017 by £0.3k. The Parish Magazine Income was £3.2k up on 2017 at £9.7k, while costs were on par at £3.0k, producing a net income of £6.7k, £3.4k higher than in 2017 - this is due mainly to the change in the advertising 'year' for the magazine, resulting in additional income for 2018.

Total **general expenditure** of £94.5k was up on 2017 by £2.2k.

Within this, the main areas of increased spend were Upkeep of Services [due to cover for our resident resident organist Sturt who left this post], and Churchyard maintenance.

To offset this, we saw savings totalling £2.3k in areas such as Salaries [organist fees], church running expenses and Support/administration costs.

During the year, payments totalling £6.7k were made to charitable organisations, £0.2k down on 2017.

There is a new lease agreement on the photocopier at £210 per quarter plus servicing/copy charges. The new lease cost and indeed service/copy charges represent a considerable annual saving [£1.1k for the lease alone], with title to the machine passing to the PCC at the end of the 5 year lease term.

There are no other long term financial commitments.

2. Restricted Funds

The total year end balance on Restricted funds stood at £48.8k, with net expenditure of £12.4k.

A total of £9.7k was spent from the **Fabric** fund, main areas were : safety inspection on churchyard trees; decoration of the church exterior; new roof to meeting room bay window; Quinquennial Inspection.

The **Friends** of St John's fund raising activities raised £4.0k, another great effort, and after expenses of £2.7k contributed £1.3k to support the Fabric fund - huge thanks to all those involved in organising and running those events. The Summer BBQ was again a great success, and enjoyed by all.

A total of £4.0k was spent from the **Growth** fund in two main areas, £1.8k first instalment costs on revamping the website; and £2.0k on the hymnal player to assist with services when there is no organist.

3. Designated Funds

The Projects Fund year end balance stood at £13.1k, no movement in the year.

The balance on the Children & Youth and Toddler Funds was £3.0k, no change from the opening balance.

4. Reserves Policy

It is PCC policy to maintain a minimum balance of 25% of average annual regular expenditure in the General Fund, as well as a substantial balance in a restricted Fabric Fund.

Pleasingly, the balance on the Fabric Fund at the end of 2017 was healthy, however specifically the General Fund balance was £10k below the 25% minimum balance, but this can be bolstered by the £16k in designated funds [these funds can be redesignated to General Funds if agreed by the PCC].

Summary

A main area of encouragement has been the great response to the Stewardship campaign during the latter half of 2018 - so huge thanks to Richard Bourne and the Wardens for their continued efforts.

The increased regular giving, by existing donors as well as new, has really made a positive impact on the church finances, in halving the deficit in meeting the day to day needs of running the church.

We were also blessed with two legacies in 2018, we should not rely on these to bolster the finances, but they are a valuable source of future income so let's all please think about this to ensure the church remains at the heart of our community.

Some facts from the Institute of Fundraising:

1. 75% of Britons regularly give to charity, but only 6% leave a gift.
2. Voluntary income to the C of E in 2017 was £800M, but income received from Legacies was only £50M.

I therefore urge the PCC Committee to continue its positive work done so far, in finding as many ways as possible to increase further the level of regular giving, and other forms of donations.

Finally, I would like to express my thanks to all those who collate and bank the weekly collections, who collect and bank the cash from magazine sales throughout the parish and who sell advertising space in the magazine.

I would also like to express my ongoing gratitude to Barry Field for his continuing support, and for administering the gift aid recovery in his role as Finance Officer.

Tim Kirk
Honorary Treasurer

Parochial Church Council of St. John's, Churt

Statement of Financial Activities

For the Year Ending 31st December 2018

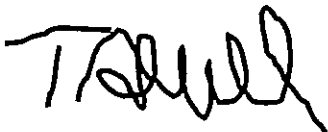
		Unrestricted Funds	Restricted Funds	Designated Fund	TOTAL 2018	TOTAL 2017	YoY Move
	Note	£	£	£	£	£	£
<u>Incoming Resources</u>							
Voluntary Income	2(a)	101,811	10	0	101,821	90,762	11,058
Activities for generating funds	2(b)	0	4,036	0	4,036	9,219	(5,183)
Income from investments	2(c)	37	0	0	37	21	16
Church activities	2(d)	13,200	0	0	13,200	10,324	2,875
Other incoming resources	2(e)	2,219	0	270	2,489	555	1,934
Total Incoming Resources		117,267	4,046	270	121,583	110,882	10,701
<u>Resources Expended</u>							
Fund Raising Trading Costs	3(a)	0	2,652	0	2,652	2,552	(99)
Costs of Generating Voluntary Income	3(b)	0	0	0	0	0	0
Church Activities	3(c)	94,383	13,769	277	108,428	111,422	2,994
Governance Costs	3(d)	90	0	0	90	90	0
Total Resources Expended		94,473	16,420	277	111,170	114,065	2,895
Net Movement In Funds		22,794	(12,374)	(7)	10,413	(3,183)	13,596
Balances b/f 1st Jan		13,589	61,170	16,153	90,913	94,096	(3,183)
Balances c/f 31st Dec 2018		36,383	48,796	16,147	101,326	90,913	10,413

Parochial Church Council of St. John's, Churt

Balance Sheet as at 31st December 2018

		TOTAL 2018	TOTAL 2017
	Note	£	£
<u>Current assets</u>			
Debtors	4	12,215	12,260
CBF Bank Deposit Account		7,538	7,501
Cash at Bank		90,369	81,462
Total Current Assets		110,122	101,222
<u>Liabilities</u>			
Creditors - amounts falling due in one year	5	8,797	10,310
Total Current Assets		8,797	10,310
Total Net Assets		101,326	90,913
<u>Parish Funds</u>			
Unrestricted	7	36,383	13,589
Restricted	7	48,796	61,170
Designated	7	16,147	16,153
Total Funds		101,326	90,913

Tim Kirk [PCC Treasurer]



Approved by the Parochial Church Council

Rev Clare Challis [PCC Chairman]

Parochial Church Council of St. John's, Churt

Notes to the Financial Statements

For the Year Ending 31st December 2018

1. Accounting Policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the SORP 2005.

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

Funds

'Restricted' funds represent bequests, donations and PCC appeal proceeds made for a specific purpose. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year is carried forward as a balance of that fund. The funds are generally held in a bank deposit account and the interest is apportioned to individual funds on an average balance basis.

'Unrestricted' funds are general funds which can be used for PCC general running expenses.

'Designated' funds are part of the unrestricted funds that have been set aside for a particular project. These funds may be redesignated by the PCC, therefore designation does not prevent these funds from being spent on any other purpose.

'Conduit' funds represent fees for the services of the clergy, organists, vergers or choir at weddings and funerals, where the money is paid over directly to those involved. These funds also include collections taken at funerals where these funds are designated for charities or organisations outside of the church, and funds which have been collected or received on behalf of other charities. These funds are not included in the Statement of Financial Activities.

Incoming Resources

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Legacies are accounted for when the PCC is legally entitled to the amounts due. All other income is recognised when it is received. All incoming resources are accounted for gross.

Resources Expended

Donations are accounted for when paid over. The diocesan parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed Assets

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) of the Charities Act 2011.

Cost information is not available for moveable church furnishings acquired prior to 2000, therefore such assets are not valued in the financial statements. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when acquired.

All individual items of equipment used within the church premises with a purchase price of £500 or less have been written off when acquired.

2. Incoming Resources

	Unrestricted Funds	Restricted Funds	Designated Funds	TOTAL 2018	TOTAL 2017
	£	£	£	£	£
a) <u>Voluntary Income</u>					
Planned Giving:					
Gift Aid donations	40,785			40,785	38,449
Tax recoverable	7,923			7,923	9,461
Non Gift Aid donations	14,543			14,543	11,238
Casual Giving [Gift Aid]:					
Tax recoverable	5,720			5,720	3,458
Other Giving/Collections:					
Tax recoverable	1,430			1,430	864
Sundry Donations:	3,552			3,552	2,542
Tax recoverable	888			888	635
Donations/Appeals etc:	10,377			10,377	376
Tax recoverable	2,594			2,594	94
Legacies	14,000	10		10	23,645
Tax recoverable				0	0
Total	101,811	10	0	101,821	90,762
b) <u>Activities for Generating Funds</u>					
Fund Raising:					
Friends of St. John	0	4,036		4,036	9,219
Tax recoverable	0	0		0	0
Other	0	0		0	0
Tax recoverable	0	0		0	0
Bookstall	0	0		0	0
Total	0	4,036	0	4,036	9,219
c) <u>Receipts from Investments</u>					
Current account interest	0	0		0	0
CBF Deposit Account Interest	37	0		37	21
Total	37	0	0	37	21
d) <u>Income from Church Activities</u>					
Church Property Lettings	0	0		0	0
Parish magazine sales and advertising	9,677	0		9,677	6,431
Fees paid to the PCC	3,523	0		3,523	3,893
Bookstall	0	0		0	0
Total	13,200	0	0	13,200	10,324
e) <u>Other Incoming Resources</u>					
Sale of Xmas cards	113			113	363
Sale of old photocopler	720			720	0
150th Anniversary celebration	1,202	0		1,202	0
Hire of Stables / Church Room	185			185	0
Other / Charity Collections			270	270	192
Total	2,219	0	270	2,489	555
Total Incoming Resources	117,267	4,046	270	121,583	110,882

3. Resources Expended

	Unrestricted Funds	Restricted Funds	Designated Funds	TOTAL 2018	TOTAL 2017
	£	£	£	£	£
a) <u>Fund Raising Trading Costs</u>					
Friends of St. John fund raising		2,652		2,652	2,552
Organ refurbishment		0		0	0
Total	0	2,652	0	2,652	2,552
b) <u>Costs of Generating Voluntary Income</u>					
	0	0		0	0
	0	0		0	0
Total	0	0	0	0	0
c) <u>Church Activities</u>					
Missionary & Charitable giving:					
Church overseas	2,668			2,668	2,760
Home mission & church organisations	3,028			3,028	3,100
Local church schools	253			253	362
Secular charities	720			720	680
Missionary & Charitable giving	6,669	0	0	6,669	6,902
Parish Share	54,560			54,560	55,231
Clergy Expenses	22			22	0
Vicarage Rent	6,000			6,000	6,000
Vicarage Expenses	1,909			1,909	1,266
Assistant Staff	0			0	0
Church Running Expenses	5,786			5,786	6,211
Church and Church Room Maintenance	202	9,530		9,731	5,448
Upkeep of services	3,616	93		3,709	1,657
Upkeep of Churchyard	1,118			1,118	380
Bookstall	0			0	0
Parish magazine production costs	2,951			2,951	2,999
Training, courses, children's groups	286		277	562	1,164
Stables Upkeep	1,390			1,390	797
Moveable furnishings and equipment	0			0	26
Salaries / Honoraria	5,817			5,817	6,130
New building / major work	0			0	0
New installations	0	181		181	12,953
Support costs	3,024			3,024	3,932
Recoverable insurance expenditure	0			0	0
Other resources expended	1,034	3,964		4,999	325
Total	94,383	13,769	277	108,428	111,422
d) <u>Governance Costs</u>					
AGM Expenses	90	0		90	90
Total	90	0	0	90	90
Total Resources Expended	94,473	16,420	277	111,170	114,065

Payments to PCC Members

During the year, £1,649 expenses were made to the Resident Minister, mainly Relocation Grant, and £2,962 were made to PCC members for various fundraising activities, church running expenses etc.

4. Debtors

a) Unrestricted Funds

Tax recoverable
Others

b) Restricted Funds

Tax recoverable
Others

b) Conduit Fund

Total Debtors

TOTAL 2018	TOTAL 2017
£	£
11,720	10,369
495	1,881
12,215	12,250
0	0
0	0
0	0
0	9
0	9
12,215	12,260

5. Liabilities

Amounts falling due in one year

Unrestricted Funds

Unpresented cheques and expenses
Prepayment magazine advertising
Accruals for utilities
Magazine printing December edition
Parish Share

Restricted Funds

Withheld Invoice payment

Conduit Fund

Total Liabilities

TOTAL 2018	TOTAL 2017
£	£
1,815	1,200
300	3,034
155	150
5,686	0
7,956	5,563
0	0
0	0
840	362
840	362
8,797	10,310

6. Funds Movements

a) Restricted Funds

Balance b/f 1st Jan 2018
Incoming Resources
Resources Expended
Bank Interest
Balance c/f 31st Dec 2018

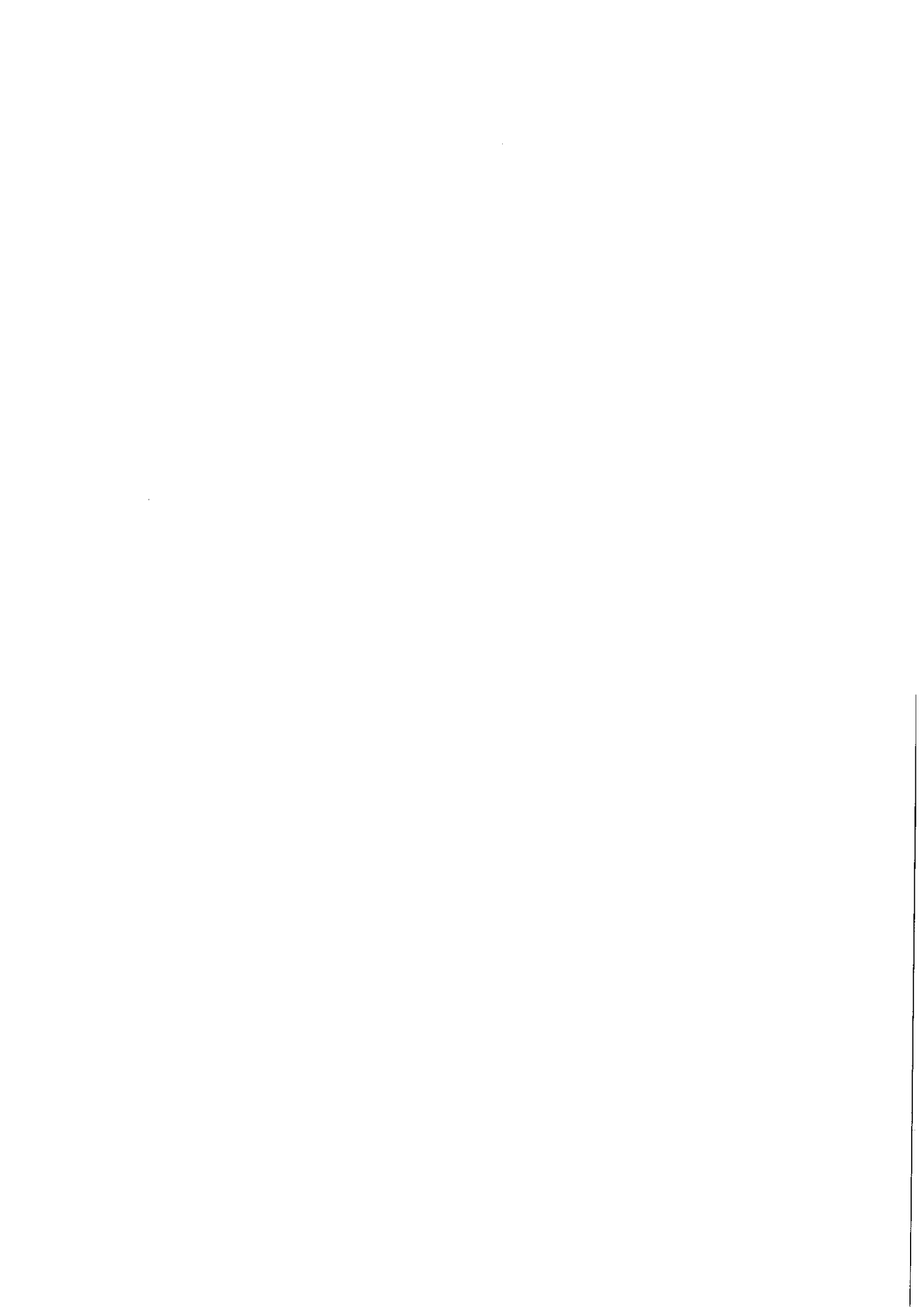
Fabric Fund	Growth Fund	Church Flowers	AVA System	TOTAL 2018
£	£	£	£	£
38,064	22,297	810	0	61,170
4,046	0	0	0	4,046
(12,363)	(3,964)	(93)	0	(16,420)
0	0	0	0	0
29,747	18,332	716	0	48,796

b) **Designated Funds**

	Youth Activities	Projects Fund	TOTAL 2018
	£	£	£
Balance b/f 1st Jan 2018	2,998	13,155	16,153
Incoming Resources	270	0	270
Resources Expended	(277)	0	(277)
Bank Interest	0	0	0
Balance c/f 31st Dec 2018	2,992	13,155	16,147

7. **Analysis of Net Assets - by Fund**

	Unrestricted Funds	Restricted Funds	Designated Funds	Conduit Funds	TOTAL 2018
	£	£	£	£	£
Current Assets:					
Cash at Bank	32,965	48,796	16,147		97,907
Debtors	11,375	0		840	12,215
Liabilities:					
Amounts due in one year	(7,956)	0	0	(840)	(8,797)
Balance c/f 31st Dec 2018	36,383	48,796	16,147	0	101,326



Parochial Church Council of St. John's, Churt

Independent Examiner's Report

For the Year Ending 31st December 2018

I report on the accounts for the year ended 31st December 2018 which are set out on pages 1 to 7.

Respective Responsibilities of the Trustees and Independent Examiner

The Charities Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is sufficient.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners in section 145(5)(b) of the 2011 Act;
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

That examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention:

- 1) which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; or
 - to prepare accounts which accord with the accounting records have not been met; or
- 2) to which, in my attention, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Sarah Honeybell
120 Reading Road
Farnborough
HANTS
GU14 6NY
15th April 2019

