

Parochial Church Council of the Ecclesiastical Parish of

St Peter, Bishop's Waltham

Charity Registered with the Charity Commission

Number 1128411

Statement of Financial Activities for the year ending

31st December 2018

**ANNUAL REPORT AND STATEMENT OF FINANCIAL AFFAIRS OF THE PAROCHIAL CHURCH
COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM
FOR THE YEAR ENDED 31ST DECEMBER 2018**

Administrative information

The members of the PCC who have served from 1st January 2018 until the date this report was approved are:

Rector	Reverend James Castle Hunt	Chairman
Assistant Priests	Reverend Jane Beloe	Retired April 2018
	Reverend Keith Wickert	
Churchwardens	Claire Davidson	
	Emma Dean	Retired April 2018
	Robin Andersen	Appointed April 2018
Secretary	Pamela Brown	
Treasurer	Nigel Barnfield	
Representatives on the Deanery Synod (Ex-Officio members of PCC)		
	Paul Emmerson	
	Marilyn Gamblin	
	Pamela Brown	
Representative on the Diocesan Synod (Ex-Officio members of PCC)		
	Revd James Hunt	
	Elizabeth Davidson	Appointed April 2018
	Rebecca Hunt	Appointed April 2018
Elected Members	Emma Andersen	Retired April 2018
	John Moorhouse	Retired April 2018
	Tim Barker	
	Simon Harrison	
	Hannah Horner	
	Charles Crossley	
	Joan Denton-Thompson	Retired April 2018
	Diana Hunt	
	Celia Morant	
	Gill Spencer	Retired April 2018
	Geoffery Pardon	Appointed April 2018
	Jacqueline Tyldesley	Appointed April 2018
	Anna Kent-Muller	Appointed April 2018
	Claire Alcock	Appointed April 2018
Bankers	Laurence Rickwood	Appointed April 2018
	Barclays Plc	CAF Bank Ltd
	High Street	Kings Hill Avenue
	Bishops Waltham	West Malling
	Hampshire	Kent
	SO32 1GH	ME19 4JQ
Solicitors	Brutton & Co	
	288 West Street	
	Fareham	
	PO16 0AJ	
Independent Examiner	Adrian Rutter BSc CPFA	
	The Hangers	
	Bishops Waltham	
	Hampshire	
	SO32 1EF	

TRUSTEES' REPORT FOR YEAR TO 31ST DECEMBER 2018

Aim and Purpose

St Peter's Parochial Church Council (PCC) has the responsibility of working with the Rector, Revd. James Hunt, and Assistant Priests Revd. Jane Beloe and Revd. Keith Wickert, in promoting the whole mission of the Church in the Parish, pastoral, evangelical, social and ecumenical. The Parish is also blessed with five retired members of clergy assisting in the pastoral and ecumenical responsibilities. The PCC is responsible for the maintenance of the Church buildings including the Church Hall in Free Street, Bishops Waltham and the Parish Centre in the Rectory Stables, Maypole Green, Bishop's Waltham.

Objectives and Activities

The PCC is committed to grow the numbers of worshippers at our church and to become part of our parish community. It maintains an overview of worship with 3 different styles of services every week and has established additional activities for young people in the community through Messy Church and the Group With No Name (GWNN). These services put faith into practice through prayer and scripture, music and sacrament.

Worship and Prayer

The PCC provides a range of services through the week for all sections of the community - young and old and those in between. Messy Church provides an opportunity for families with young children to meet once a month after the school day to hear stories from the Bible, undertake creative activities and have a hot meal in a family group. There are many well supported Home Groups (small groups meeting in family homes a couple of times per month to study and discuss the Bible and its relevance in today's society). The modern worship service held in the Church Hall each Sunday has a strong representation of families with young children.

There is a Sunday evening service 4 times a year which is a more reflective style of worship. A monthly Prayer Diary is produced and shared with several people.

Everyone is welcome to attend our services. At present there are 238 parishioners on the Church Electoral Roll. The average weekly attendance, counted during October, was 146. This number increased at festivals and over 1000 people attended the various services held at Christmas.

In addition to the regular services there were additional services where 14 were baptised, 17 couples married and 27 funerals were held.

Church Buildings

The Church of St Peter in Bishops Waltham is open to the whole community for private prayer and contemplation through the working day as well as at weekends.

During the week the Church Hall and Stables Parish Centre are used by many community groups, some of which have been using the facilities for many years. The Church Hall is used for a modern worship service each Sunday morning where most of the families with young children attend. We are very fortunate in having a dedicated team of leaders for young people all of whom have been validated through DBS checks in accordance with the Diocesan Safeguarding policy which is fully observed.

Pastoral Care

Some members of the parish are not able to attend church due to sickness or infirmity. A Pastoral Team member will visit individuals or attend Residential Homes to celebrate communion with them. A small group of helpers act as drivers for those needing transport to church for a service. All have viewed and completed a Safeguarding Adults e-learning course.

Continued over

TRUSTEES' REPORT – CONTINUED

Mission and Evangelism

Helping those in need and spreading the word of the Gospel is a demonstration of our faith. The Mission Team are allocated a sum each year. These funds are used to support our mission work at home and abroad. Several members act as Street Pastors in Southampton, financial support is given to parishes in Hackney, London and in conjunction with other churches in the Deanery. Donations of food are received to support the Food Bank in the town. The congregation give financial support to Ms Carrie Pither via African Inland Mission. Carrie is based in Nairobi, Kenya. In addition, financial support is given to OMF where Chris and Kesia Pain are working to establish the Christian Church in Japan. A youth Co-ordinator is employed to work with the Group with No Name, the young peoples groups on a Sunday both at St Peter's and the Blessed Mary Church Upham. The role was expanded during the year to include outreach work with the objective of growing the worshipping community particularly among the young people.

Financial Review

Undesignated income increased to £228.4K after adjustments following the Stewardship appeal for increased giving to reflect increased spending on maintaining the Fabric of the church and increased hours of the Youth and Outreach Co-ordinator. The Parish Giving Scheme operated by the Diocese of Gloucester continues to be promoted and the number of givers using the scheme increased to 109. Planned giving income increased to £114.2K (£89K via the Parish Giving Scheme) and Gift Aid £26.8K (£21K claimed by the Parish Giving Scheme on our behalf). Stewardship continue to recommend the Parish Giving Scheme to new Planned Givers or those seeking to adjust their Giving. Our contribution to the Diocese increased by 0.6% to £92K. Office costs in 2017 were lower than in 2016 which was partly due to a direct debit not being claimed by the lessor of the printer. This fact only came to light in 2018. Consequently Office costs in 2018 were substantially higher as £1500 related to 2017.

Staff costs rose to £33890 as a result of increased hours worked. The fabric team continue to work through the schedule of works identified by the last quinquennial review. The PCC of The Blessed Mary Church, Upham contribute in respect of the facilities paid for by St Peter's and considered to be a shared cost. The Finance Committee recognises many people give of their time freely to organise services and all the other activities that are part of church life.

The Balance Sheet shows Net Current Assets of £109K. However, this includes £35K of funds which are restricted and a further £27K held in the Bishops Waltham and Upham Parish News account as a Reserve to cover the annual cost of production. The PCC Reserves policy is set out below.

The monthly Bishops Waltham and Upham Parish News is distributed throughout the parishes by a team of volunteers and sold via local shops. The funds generated support activities fundamental to communication throughout the town and within the church community.

Various items of remedial work in the Church Hall have been undertaken by volunteers and the toilets have been refurbished. The PCC is very grateful for the work of the Booking Secretary, Mrs Margaret Barmby, supported by the Chairman, Paul Emmerson and committee member Charles Crossley, whose handiwork is greatly appreciated.

Reserves Policy

The PCC aims to retain a Reserve of approximately 3 months of unrestricted payments (approximately £40,000) to smooth cashflow and meet emergencies. In addition the PCC has a policy to retain £10,000 as a reserve in a Designated Fabric Fund to meet unforeseen expenditure. Surplus funds are held in bank deposit accounts to generate a small income by way of interest.

Risk Management

Risk assessments form the basis of the Risk Management policy and any issues arising from assessments are dealt with as quickly as possible, within the limits of what is practical, given the age and configuration of the Church and its buildings. Health & Safety is a standing item on all PCC Agendas and the PCC signs up annually to the Diocesan policies for safeguarding children and vulnerable adults.

Friends of St Peter's (FOSP)

This separate Charity raises funds for the care and maintenance of the Church fabric. During the year FOSP commissioned the upgrading of the lighting within the church. The PCC is most grateful to the Friends for all their help.

PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2018

	Notes	Undesignated Fund	Designated Fund	Endowment Fund	Total Funds 2018	Total Funds 2017
		£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from donors	2(a)	146,873	0	0	146,873	142,117
Other voluntary incoming resources	2(b)	21,441	495	0	21,936	47,498
Incoming resources from operating activities to:						
Further the Council's	2(c)	27,120	0	0	27,120	29,511
generate funds	2(d)	27,400	0	0	27,400	24,170
Income from investments	2(e)	91	60	347	498	446
Other incoming resources	2(f)	5,489	0	0	5,489	3,599
TOTAL INCOMING RESOURCES		228,414	555	347	229,316	247,341
RESOURCES EXPENDED						
Grants	3(a)	10,936	0	500	11,436	8,661
Activities relating directly to the work of the church	3(b)	214,828	2,060	0	216,888	239,125
Church management and administration	3(c)	7,061	0	0	7,061	4,577
TOTAL RESOURCES EXPENDED		232,825	2,060	500	235,385	252,363
Net incoming/outgoing resources		(4,411)	(1,505)	(153)	(6,069)	(5,022)
Gains/(losses) on investments		(12)	(27)	(333)	(373)	1,385
NET MOVEMENT OF FUNDS		(4,423)	(1,532)	(486)	(6,442)	(3,637)
Balances brought forward at 1st January		241,706	58,010	11,355	311,071	314,708
Balances carried forward at 31st December		237,283	56,478	10,869	304,629	311,071

PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM

BALANCE SHEET AS AT 31ST DECEMBER 2018

	Note	2018			2017
		£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	5(a)		183,000		185,000
Investment Assets	5(b)		12,653		13,026
			195,653	195,653	198,026
CURRENT ASSETS					
Cash at bank and in hand		125,960			126,923
		125,960	125,960		126,923
CURRENT LIABILITIES					
Income received in advance	6	13,400			12,970
Amounts falling due within one year	6	3,584			908
		16,984	16,984		13,878
NET CURRENT ASSETS			108,976	108,976	113,045
NET ASSETS				304,629	311,071
FUNDS					
Undesignated	7			237,283	241,706
Designated	7			56,478	58,010
Endowment	7			10,869	11,355
				304,629	311,071

Approved by the Parochial Church Council on _____ 2019

Signed on its behalf by:

Reverend James Hunt

The notes 1 to 8 on the following pages form part of these accounts

PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 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 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 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

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

Designated funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific objective. The funds may only be expended on the specific objective 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. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

Undesignated funds are general funds which can be used for PCC ordinary purposes.

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. Grants and legacies are accounted for when the PCC is legally entitled to the amount due. Dividends are accounted for when receivable, interest is accrued. Amounts received specifically for mission are dealt with as designated funds. All incoming resources are accounted for gross.

Resources expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. All expenditure is 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.96 (2) (a) of the Charities Act 1993.

No cost information is available for the freehold land and buildings which comprise the Church Hall so it is included at an historical deemed cost. No depreciation is being made.

Equipment used within the church premises is depreciated on a straight-line basis over four years. The organ is being depreciated on a straight line basis over a period of 20 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Investments are valued at market value at 31 December 2018.

The accounts do not include the value of movable church furnishings held by the Rector and churchwardens on special trust for the PCC and which require a faculty for disposal because they are inalienable property, and are listed in the church's inventory which can be inspected at any reasonable time.

The PCC has entered into a lease purchase contract with NCS for a printer/copier. The contract started in April 2011 and was for 5 years at £952 per annum. It has been rolled on and is not included as a fixed asset.

PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2018

2. INCOMING RESOURCES

	Undesignated Fund		Designated Fund		Endowment Fund		Total Funds 2018		Total Funds 2017
	£	£	£	£	£	£	£	£	£
2a Incoming Resources from Donors									
Planned Giving	114,197		0		0		114,197		109,667
HMRC Refunds	26,865		0		0		26,865		26,872
Collections	5,811		0		0		5,811		5,578
	146,873	146,873	0	0	0	0	146,873	146,873	142,117
2b Other Voluntary Resources									
Grants received	0		0		0		0		1,000
Donations, Appeals etc	12,572		0		0		12,572		9,841
Messy Church	183		0		0		183		175
Uganda (2017)	0		0		0		0		29,692
Fabric	2,577		0		0		2,577		2,935
Fundraising	6,109		0		0		6,109		3,313
Mission Fund	0		0		0		0		522
Organisational Music Fund	0		0		0		0		20
Youth	0		495		0		495		0
	21,441	21,441	495	495	0	0	21,936	21,936	47,498
2c Income from Operating Activities to further the Council's objectives									
Church Hall/Stables	20,068		0		0		20,068		22,791
Fees	7,052		0		0		7,052		6,720
	27,120	27,120	0	0	0	0	27,120	27,120	29,511
2d Income from Operating Activities to generate funds									
Parish News*	27,400	27,400	0	0	0	0	27,400	27,400	24,170
2e Income from Investments									
Dividends and Interest	91	91	60	60	347	347	498	498	446
2f Other Ordinary Incoming Resources									
Upham PCC	5,489	5,489	0	0	0	0	5,489	5,489	3,599
TOTAL INCOMING RESOURCES		<u>228,414</u>		<u>555</u>		<u>347</u>		<u>229,316</u>	<u>247,341</u>

*Parish News: Income in 2018 excludes £13,400 of receipts received in 2018 for advertisements to be included in the magazine in 2019. These receipts in advance have also been included in liabilities falling due within one year (see Note 9 below). Similar receipts were received in 2017 in advance for the 2018 editions of the magazine and the same adjustment was made in the 2017 accounts.

PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2018

3. RESOURCES EXPENDED

	Undesignated Fund		Designated Fund		Endowment Fund		Total Funds 2018		Total Funds 2017
	£	£	£	£	£	£	£	£	£
3a Mission and Charity Giving									
Overseas	£5,872		£0		£0		£5,872		£5,800
Home	£5,064		£0		£500		£5,564		£2,861
	£10,936	£10,936	£0	£0	£500	£500	£11,436	£11,436	£8,661
3b Activities directly related to the work of the Church									
Parish share	£92,040		£0		£0		£92,040		£91,488
Clergy expenses	£4,933		£0		£0		£4,933		£4,231
Staff costs	£10,884		£0		£0		£10,884		£11,273
Rectory	£1,478		£0		£0		£1,478		£1,612
Church services	£2,656		£0		£0		£2,656		£1,852
Youth Coordinator	£16,727		£0		£0		£16,727		£12,842
Fabric	£11,454		£0		£0		£11,454		£8,839
Water	£159		£0		£0		£159		£118
Gas	£2,084		£0		£0		£2,084		£1,240
Electricity	£1,236		£0		£0		£1,236		£1,367
Cleaning	£1,075		£0		£0		£1,075		£1,007
Insurance	£3,204		£0		£0		£3,204		£2,266
Organists	£6,279		£0		£0		£6,279		£4,042
Messy Church	£348		£0		£0		£348		£311
Uganda	£0		£0		£0		£0		£28,520
Youth & Outreach	£5,513		£0		£0		£5,513		£4,613
Cost of fundraising	£83		£0		£0		£83		£40
Depreciation	£0		£2,000		£0		£2,000		£2,000
Organ & Music Fund	£0		£0		£0		£0		£274
Parish News	£26,321		£0		£0		£26,321		£25,901
Churchyard	£8,124		£60		£0		£8,184		£6,033
Church Hall & Stables	£20,230		£0		£0		£20,230		£29,256
	£214,828	£214,828	£2,060	£2,060	£0	£0	£216,888	£216,888	£239,125
3c Church management and administration									
Office	£7,061	£7,061	£0	£0	£0	£0	£7,061	£7,061	£4,577
TOTAL RESOURCES EXPENDED		£232,825		£2,060		£500		£235,385	£252,363

PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2018

4. PAYMENTS TO TRUSTEES

There was one employee who also sat on the Management Committee. No payment was made in respect of Trustee duties and reference to the Charity Commission guidance notes confirms that the arrangement is in order.

5. FIXED ASSETS FOR USE BY THE PCC

5a Tangible fixed assets

		Freehold land and buildings	Church Equipment	Total
		£	£	£
Deemed cost	at 1 January 2018	145,000	60,000	205,000
	Additions	0	0	0
	at 31 December 2018	145,000	60,000	205,000
Depreciation	at 1 January 2018	0	20,000	20,000
	Charge for year	0	2,000	2,000
	at 31 December 2018	0	22,000	22,000
Net book value	at 1 January 2018	145,000	40,000	185,000
	at 31 December 2018	145,000	38,000	183,000

The freehold land and buildings comprise the Church Hall which is valued at an historical cost. The PCC receives income from the hire of the Stables Parish Centre. This Centre is sited on the freehold land part of the Rectory and as such the ownership is vested in the name of the Diocese. The PCC enjoys a long lease at a peppercorn rent. Church equipment consists of the church organ and hand bells. The organ was purchased for £40,000 in 2008 and is being depreciated over a term of 20 years on a straight line basis. The hand bells are considered not to depreciate in value and are considered to have a replacement value of £20,000. Items costing up to £1,000 are written off for accounting purposes in the year of purchase.

5b Investment fixed assets

Movements in year		£
	Market value at 1 January 2018	13,026
	Reduction in market value	(373)
	Market value at 31 December 2018	12,653

There were no sales or purchases of investment assets during the year. As at 31 December 2018 the portfolio consisted of 696 income units of the COIF Charities Investment Fund and 162.24 income shares of the CBF Church of England Investment Fund.

PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2018

6 LIABILITIES:AMOUNTS FALLING DUE WITHIN ONE YEAR (UNRESTRICTED FUNDS)

	2018	2017
	£	£
Receipts in advance for adverts in the Parish News	£13,400	£12,970
Creditors for goods and services	£3,584	£908
	£16,984	£13,878

7 ANALYSIS OF NET ASSETS BY FUND

	at 31 December 2018			
	Undesignated Fund	Designated Fund	Endowment Fund	Total Funds
	£	£	£	£
Fixed Assets for church use	£163,000	£20,000	£0	£183,000
Investment Fixed Assets	£835	£1,779	£10,040	£12,653
Current Assets	£90,432	£34,699	£829	£125,960
Total Assets	£254,267	£56,478	£10,869	£321,613
Current Liabilities	£16,984	£0	£0	£16,984
Fund balances	£237,283	£56,478	£10,869	£304,629

8 FUND DETAILS

The Restricted Funds comprise the Graveyard Trust Funds, Organ/Music Fund, Fabric and Mission Fund.

The **Graveyard Trust Funds** provide a small income from investments to maintain a number of specific graves within the churchyard.

The Organ/Music Fund and Fabric Fund are cash sums specifically for the maintenance or supply of church equipment.

The Mission Fund was created in 2013 with the aim of being able to fund various activities both overseas and more local. Various sub-funds have been established to support Messy Church and work overseas.

The **Endowment Fund** comprises the **Richard Austin Trust**. This is a permanent endowment which requires income to be spent on the poor and needy within the parish. It is often referred to as the 'Sick and Needy Fund'. Trustees of the fund are the Rector and Churchwardens. Annual reports are provided to the Charity Commissioners - Charity number 235598. Investment income (£347) is credited to a separate bank account at Barclays. Grants are made on the recommendation of the Incumbent to deserving causes. A grant of £500 was provided to meet legal fees of a person in financial need.

Included in the **Unrestricted Assets** are the Bishops Waltham Parish News account (£19,986 after deducting receipts in advance) and the Hall & Stables account (£7,025) which are self-supporting and produce their own accounts at the year-end.

INDEPENDENT EXAMINER'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF ST PETER'S CHURCH, BISHOP'S WALTHAM

I report on the accounts for the year ended 31st December 2018 which are set out on pages 5 To 11

Respective responsibilities of the Trustees and the Independent Examiner

The charity's 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 needed.

It is my responsibility to:

- a) examine the accounts under Section 145 of the 2011 Act;
- b) follow the procedures laid down in the General Directions given by the Charity Commissioners Section 145(5)(b) of the 2011 Act; and
- c) 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.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes considering 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, consequentially, 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 gives me reasonable cause to believe that in any material respect the requirements:
 - (a) to keep accounting records in accordance with s.130 of the 2011 Act; or
 - (b) to prepare accounts which accord with these accounting recordshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed

Adrian Rutter BSc, CPFA
The Hangers
Bishops Waltham
Hampshire

Date