

**PAROCHIAL CHURCH COUNCIL  
OF THE  
PARISH OF THE RESURRECTION, ALTON  
FINANCIAL STATEMENTS  
31 DECEMBER 2017**

**POWDIN & CO LIMITED**

Chartered Accountants  
Hampshire House  
204 Holly Road  
Aldershot  
Hampshire  
GU12 4SE

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2017

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2017.

### Reference and administrative details

**Registered charity name** Parochial Church Council of The Parish Of The Resurrection, Alton

**Charity registration number** 1136970

**Principal office** St Lawrence Parish Centre  
Church Street  
ALTON  
Hampshire  
GU34 2BW

### The trustees

Revd Andrew Micklefield (Vicar)  
Revd David Hinks (Associate Vicar)  
Revd Christopher Bradish (Curate)  
Revd Joy Windsor (Curate) Appointed 2 July 2017  
Revd Ian Toombs (Assistant Priest)  
Revd Lynn Power (Assistant Priest)  
Revd Rachel Sturt (Assistant Priest) Appointed 13 June 2017  
Mr Tim Codling (Churchwarden)  
Mr Derek Gurney (Churchwarden)  
Mr Keith Arrowsmith-Oliver (Churchwarden)  
Mr Alan Armstrong (Churchwarden) Appointed 30 April 2017  
Ms Jenny Lawrence (Churchwarden)  
Mr Peter Sperring (Churchwarden)  
Mrs Verona Hall (Churchwarden) Resigned 30 April 2017  
Ms Rosemary Shutler (Churchwarden) Resigned 30 April 2017  
Mrs Rachel Wilkes (Churchwarden) Resigned 30 April 2017  
Mrs Anthea Bailey (Deanery Synod Member) Resigned 30 April 2017  
Mrs Margaret Bell (Deanery Synod Member)  
Mr Peter Bell (Deanery Synod Member)  
Ms Lisa Hillan (Deanery Synod Member) Appointed 13 June 2017  
Ms Elspeth Mackeggie Gurney (Deanery Synod Member) Appointed 13 June 2017  
Mr John Hubbard Special Interest St Lawrence  
Mrs Sarah Neish Special Interest St Peter's  
Mr Peter Raine Special Interest Holy Rood  
Mrs Wendy Burnhams Special Interest All Saints  
Mr Andrew Russell (Co-Treasurer)  
Mr Mike Corfe (Co-Treasurer)

### Bankers

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
WEST MALLING  
Kent ME19 4TA

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2017

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**Independent Examiner**            Mr L J Powell BSc FCA  
Powdin & Co Limited  
Chartered Accountants  
Hampshire House  
204 Holly Road  
ALDERSHOT  
Hampshire  
GU12 4SE

### **Structure, governance and management**

The Parish of the Resurrection was formed in 2010 from the former parishes of St Lawrence Alton, All Saints Alton, and Holy Rood, Holybourne. The parish is also in covenant with Alton Methodist Church as part of the Greater Alton Project (GAP).

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The appointment of PCC members is governed by the procedures set out in the Church Representation Rules.

The PCC met regularly throughout the year and considered all issues for which it had a responsibility in law or where it had been given responsibility through the Church of England. The PCC is supported in its work by various committees supplemented by specific task groups as required. The main ones are District Church Councils for St Lawrence & St Peter's, All Saints and Holy Rood; Administration & Finance; Education & Discipleship (a GAP committee); and Parish and Social Life. During 2016 the PCC reviewed the governance structure and the roles and membership of the PCC and other committees. Proposals for change were made and approved at the Annual Parochial Church Meeting.

The PCC also has a Standing Committee which can be convened to transact business urgently where the full PCC could not be convened. The ex-officio members of the Standing Committee are the Incumbent, Associate Vicar, Churchwardens and the Treasurers.

There are four trusts which are related to the parish. These are the School Trust, the Marshalls Trust, the All Saints Religious Education Trust and the James Trust. These trusts are separate funds from the PCC's own funds. The trustees are the Vicar and Churchwardens. As the funds are not under the control of the PCC, they are not included in the PCC's accounts.

### **Objectives and activities**

The primary object of the PCC is the promotion of the gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC achieves this by focusing on four key aims:

- To understand and follow God's ways.
- To tell others about God.
- To meet the needs of others and challenge unjust structures in society.
- To care for God's Earth.

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2017

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### Achievements and performance

Dear friends

I am so pleased to be able to write again as the Vicar of an engaged, faithful and vibrant parish - a church alive to God's possibilities and alive to each other. It is such a blessing to minister with and alongside you. There is so much happening in the life of parish that I can only begin to skim the surface in this all but brief report. My thank you is to all of you for your commitment, time, energy and faithfulness to ministry and mission. We can only do what we do because we work together and in working together see and hear God at work in us. This is so exciting. God is definitely at work in so many ways.

Here are a few of my highlights:

- On 4th July 2017 Resurrection Furniture opened its doors at 24 High Street. This came after several months and many meetings to establish whether this was a way forward for the parish. I am ever so grateful to the trustees who give tirelessly to ensure that this venture is successful and a major part of our mission. Michelle Franklin-Hay, our shop manager, and the many volunteers need our support and prayers as they continue to develop the business and partner with other organisations and people of our parish. I know some of you will receive the regular emails keeping us up to date and encouraging our prayers. It really is doing well, thank you.
- More or less at the same time the PCC entered into conversation with Busy Bees Nursery so that the provision based at The Parish Centre would continue with good standards. I am so pleased that Janet Duddridge and Alison Stickland were able to expand their business to open their second setting. A busy summer followed with a good number of volunteers painting and decorating at the Parish Centre. New double glazed windows and central heating were installed and all was ready. I am pleased to report that numbers of children attending has grown and a good nursery provision is part of the parish. Again, thank you to all those who worked hard to achieve this.
- Andrews Endowed and St Lawrence, our two Church of England Primary Schools, give me such joy - the Ministry Team are regularly involved in the life of them. I am presently a governor at both. This year they have both been inspected by OFSTED and both are graded as 'good' schools. Also they have both had a SIAMS inspection which looks at the Christian values and ethos, the Collective Worship provision and RE curriculum. I am really pleased that both schools achieved 'outstanding'. Of course, we have several other schools in the parish and Open the Book thrives with teams visiting and I and others often lead worship in them and visit.
- Restoration work and re-ordering have taken up a lot of time over this past year. As I write the Living Space Project in The Church of the Holy Rood is underway and is beginning to look splendid. Pews are now being removed in anticipation of the new movable ones.

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2017

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### **Achievements and performance** *(continued)*

- We have seen the main bulk of the St Lawrence restoration completed - there are just a few more small items left for when the weather is better. It is good that we keep our buildings looking good and welcoming and fit for purpose. I am sure we haven't seen the last of restoration and reordering!
- Back last summer we had a wonderful Parish Weekend Away at Dunford House in Midhurst. Phil Dykes led us in some thoughtful and powerful talks, we worshipped, ate, walked and enjoyed each others company. I thought it was a particular turning point for us as a parish and I am sure those who attended would join me in believing that. We will do something like this again in the near future. From this has come our Evening Worship at St Lawrence Church which goes from strength to strength and has enabled more people to lead worship, Bible study and preach.
- We have just finished hugely successful Lent Talks which we held ecumenically at Alton Assembly Rooms. It was fantastic to see people from so many of our local churches attending - there was over 100 there every week. The leaders of our town churches are meeting together for a whole day on Thursday 26th April to think and pray about our future good unity and good witness. Alton is an incredibly ecumenical town and long may it continue. My hope is we will do more in the recent Lent Talks style. Town Pastors, The Foodbank, Christian Against Poverty, Fair-trade coffee mornings and the like have people from the Parish of the Resurrection heavily involved and these are all ecumenical in approach. Could you volunteer perhaps?

I cannot finish without recognising that we have announced and said farewells all too often in recent weeks. Chris Bradish left to go and have further training at Holy Trinity Brompton - and we will miss his enthusiasm, dedication, pastoring and preaching. Tori Hewitt has recently left the post of Parish Administrator - we will miss her calm and sensitive presence in the office, let alone her capacity to work on so many things simultaneously. Lisa Bewick finished her time with the parish to concentrate on her final bit of studying and her work at Southwark Cathedral before she embarks on her curacy in Waterloo - we will miss her contributions in services and her confident preaching. David Hinks awaits his move to become the Managing Chaplain for Winchester Prison but we know it is coming and we will pay tribute to his time as Associate Vicar later.

Yet there are also some welcomes and news. Wendy Burnhams has recently been selected for ordination training having successfully been to her national Bishops Advisory Panel. She will begin training for Self-Supporting Ministry from September 2018 and we look forward to her becoming much more part of the Ministry Team. Robert Saunders is also undertaking a Bishops Commission for Mission course in Pastoral Ministry during this coming term and later, all being well, will undertake training as an LLM. We welcomed Ali Wright as Youth Minister back in September and already her work among our young people is valued and we see signs of new life and growth. Please pray for Ali's vital work especially for more volunteers to help.

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2017

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### **Achievements and performance** *(continued)*

We have also been blessed by the arrival of Revd Philip Simpkins as Minister at Alton Methodist Church - he and Angela have settled in well and their ministry is very welcome and it has been good to have them with us.

I have been the Vicar now for four years - it seems like only yesterday that I was licensed. They say time flies when you are enjoying yourself. It has been a busy four years, much has been accomplished but there is more to come. As I keep serving and listening I discern from God that there are greater things to come. I will take time to describe and explain the new Five Year Plan that I and the PCC have been working on together over the coming weeks. We must honour the opportunities that God puts our way. My will is to be faithful to what He calls us and I ask you to stay with me and with our missionary God.

I love the Psalms - they are so evocative and real. I would like our watchword and motto for this coming year to be the opening line of Psalm 127 - 'Unless the Lord builds the house, those who build it labour in vain.' Surely no need for great explanation!

With my love and best wishes  
Andrew

### **Financial review**

In 2017 the General Fund, which covers the day-to-day expenses of the parish, had an excess of expenditure over income of £11,199. A main reason for this was a decision taken during the year to carry out a full refurbishment of the parish centre hall in preparation for the opening of a new pre-school which will benefit the local community and increase future rental income for use of the hall. The other main factor was a £5,000 reduction in income from concerts and other fund-raising events. Once exceptional items are removed to provide like-for-like figures, voluntary income from regular planned giving and sundry one-off donations was stable at £164,085 (2016:£163,328). Appropriate adjustments have been made to the 2018 budget to ensure that income and expenditure will be broadly balanced.

Following the substantial inflow of funds in 2016 of some £300,000 from grants from the Heritage Lottery Fund and other organisations, fundraising appeals and one-off donations, major projects to carry out restoration work to the Grade 1 St Lawrence Church and repairs to rainwater goods and related work at the Grade II\* Church of the Holy Rood were completed within budget.

During the year various fundraising activities and grant applications succeeded in raising sufficient funds to reconfigure Holy Rood church to improve accessibility and create a more welcoming environment for church members and facilities for the wider local community. This project will be carried out in 2018. All projects have been the subject of regular reports to the Administration and Finance Committee and reviewed regularly by the PCC.

General Fund cash reserves of just over £38,000 are some £12,000 less than our policy of holding a minimum of 3 months normal running costs expenditure in unrestricted reserves. Whilst this is

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## TRUSTEES' ANNUAL REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2017

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#### **Financial review** *(continued)*

manageable in the short term, tight control of General Fund expenditure will be exercised to ensure that the reserves are not further depleted and if possible brought back up to the correct level as soon as practicable. Although the parish holds other unrestricted Designated funds of some £72,000, these are designated for specific ongoing commitments and planned projects and are not available to support General Fund expenditure.

In addition the parish holds various restricted fabric funds to maintain the upkeep of our one Grade 1, one Grade II\* and one Grade II listed buildings. It is our policy to maintain between £5,000 and £10,000 in the restricted fabric funds of St Lawrence, All Saints and Holy Rood churches and between £2,000 and £5,000 for St Peter's in order to meet any emergency repair costs and requirements arising from quinquennial reviews. Other restricted funds include a choir income endowment, covenant funds in support of the Greater Alton Project in conjunction with the Methodist Church and bequests made for specific purposes. All restricted funds are examined annually by the Administration and Finance Committee to ensure that sufficient reserves are maintained to meet likely future needs and to promote measures to replenish the funds through donations, fundraising and legacies.

The Parish Mission Action Plan fund which was established through generous donations has enabled the appointment of a Youth Minister in 2017 to work with local schools and colleges.

In 2017 the Administration and Finance Committee reviewed and updated the Risk Management policy. The main risks and appropriate mitigations covered by this policy focus on financial stability, governance, safeguarding and the need to attract new members. The Safeguarding and Health and Safety policies were also reviewed. A new Complaints Procedure policy was prepared. All policies are approved by the PCC and published on the parish website. A review of cash handling and other banking controls was completed. Preparations were made to review and update where necessary data protection procedures to ensure that the parish will be compliant with the new General Data Protection Regulations by May 2018.

#### **Ensuring our work delivers our aims**

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The trustees carried out their duties and made decisions taking due regard of their obligation to exercise their powers for the public benefit. Apart from serving their core religious purposes, the church premises are used by local schools, colleges, pre-school groups, youth choir and other music organisations. Concerts and other events are held which are attended by the wider local community. Contact is maintained with various local organisations to provide pastoral, community and social services for the young and elderly. The parish is frequently involved in supporting major events in the town. Clergy and other members of the church actively participate in the Alton town pastors scheme at the weekends and have also established an innovative platform pastor presence at the town's railway station.

This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aims, objectives and activities remain focused on our stated purposes.

The trustees' annual report was approved on 29 April 2018 and signed on behalf of the board of trustees by:

Revd Andrew Micklefield (Vicar)  
Trustee

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

YEAR ENDED 31 DECEMBER 2017

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I report on the financial statements for the year ended 31 December 2017, which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes.

### **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the financial statements. The 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:

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

### **Basis of independent examiner's report**

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 consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives 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, and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act  
have 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.

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of 'The Institute of Chartered Accountants in England and Wales' which is one of the listed bodies.

MR L J POWELL BSC FAC  
Independent Examiner

Powdin & Co  
Chartered Accountants  
Hampshire House  
204 Holly Road ALDERSHOT Hampshire GU12 4SE

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**STATEMENT OF FINANCIAL ACTIVITIES**

**31 DECEMBER 2017**

		Unrestricted funds £	2017 Restricted funds £	Total funds £	2016 Total funds £
<b>Income and endowments</b>	<b>Note</b>				
Donations and legacies	4	183,115	144,258	327,373	536,770
Charitable activities	5	27,677	--	27,677	29,011
Other trading activities	6	7,678	8,305	15,983	21,956
Investment income	7	1,023	1,173	2,196	1,728
<b>Total income</b>		<u>219,493</u>	<u>153,736</u>	<u>373,229</u>	<u>589,465</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of other trading activities	8	(2,816)	(1,430)	(4,246)	(7,758)
Expenditure on charitable activities	9,10	(225,330)	(191,641)	(416,971)	(430,296)
<b>Total expenditure</b>		<u>(228,146)</u>	<u>(193,071)</u>	<u>(421,217)</u>	<u>(438,054)</u>
<b>Net income</b>		<u>(8,653)</u>	<u>(39,335)</u>	<u>(47,988)</u>	<u>151,411</u>
<b>Other recognised gains and losses</b>					
Fair value movement on investments		--	1,360	1,360	1,380
<b>Net movement in funds</b>		<u>(8,653)</u>	<u>(37,975)</u>	<u>(46,628)</u>	<u>152,791</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		129,838	338,186	468,024	315,233
<b>Total funds carried forward</b>		<u>121,185</u>	<u>300,211</u>	<u>421,396</u>	<u>468,024</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 12 to 23 form part of these financial statements

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**STATEMENT OF FINANCIAL POSITION**

**31 DECEMBER 2017**

		2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	17		13,463		13,562
Investments	18		15,896		14,536
			<u>29,359</u>		<u>28,098</u>
<b>Current assets</b>					
Stocks		500		500	
Debtors	19	13,964		6,290	
Cash at bank and in hand		399,488		467,204	
		<u>413,952</u>		<u>473,994</u>	
<b>Creditors: amounts falling due within one year</b>	<b>20</b>	<u>21,915</u>		<u>34,068</u>	
<b>Net current assets</b>			<u>392,037</u>		<u>439,926</u>
<b>Total assets less current liabilities</b>			<u>421,396</u>		<u>468,024</u>
<b>Funds of the charity</b>					
Restricted funds			300,211		338,186
Unrestricted funds			121,185		129,838
<b>Total unrestricted funds</b>		121,185		129,838	
<b>Total charity funds</b>	<b>21</b>		<u>421,396</u>		<u>468,024</u>

The notes on pages 12 to 23 form part of these financial statements

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net income	(47,988)	151,411
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,499	2,028
Dividends, interest and rents from investments	(517)	(426)
Other interest receivable and similar income	(1,679)	(1,302)
<i>Changes in:</i>		
Trade and other debtors	(7,674)	3,027
Trade and other creditors	(12,153)	15,357
Cash generated from operations	(68,512)	170,095
Interest received	1,679	1,302
Net cash from operating activities	<u>(66,833)</u>	<u>171,397</u>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	517	426
Purchase of tangible assets	(1,400)	(1,399)
Net cash used in investing activities	<u>(883)</u>	<u>(973)</u>
<b>Net increase in cash and cash equivalents</b>	(67,716)	170,424
<b>Cash and cash equivalents at beginning of year</b>	<u>467,204</u>	<u>296,780</u>
<b>Cash and cash equivalents at end of year</b>	<u>399,488</u>	<u>467,204</u>

These financial statements were approved by the board of trustees and authorised for issue on 29 April 2018, and are signed on behalf of the board by:

Revd Andrew Micklefield (Vicar)  
Trustee

The notes on pages 12 to 23 form part of these financial statements

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

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### 1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is St Lawrence Parish Centre, Church Street, Alton, Hampshire, GU34 2BW.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102) and the Charities Act 2011.

These financial statements have also been prepared in accordance with Church of England guidance entitled PCC Accountability: The Charities Act 2011 and the PCC, including the Church Accounting Regulations 2006 prescribed by the Business Committee of the General Synod.

### 3. Accounting policies

#### (a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### (b) Going concern

There are no material uncertainties about the charity's ability to continue.

#### (c) Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015.

#### (d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

There was a planned overspend of £5,000 on the General Fund. There were no other exceptional events to take account of or judgements to be made. .

Substantial incoming restricted funds from one-off grants, major fund-raising events and donations for specific projects have been properly allocated, managed and accounted for under approved project management procedures to ensure delivery of goals with clear accountability.

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 DECEMBER 2017

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#### 3. Accounting policies *(continued)*

##### Judgements and key sources of estimation uncertainty *(continued)*

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- None

##### **(e) Fund accounting**

Unrestricted or general funds represent the funds of the Parochial Church Council (PCC) that are not subject to any restrictions regarding their use and are available for use at the discretion of the trustees for general purposes of the PCC.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

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

##### **(f) Incoming resources**

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from collections is recognised when received.
- Planned giving receivable under Gift Aid is recognised when received. Income Tax recoverable on Gift Aid donations is recognised when the related income is recognised.
- Grants and legacies to the PCC are recognised when the PCC is notified of its legal entitlement and the amount due and its ultimate receipt by the PCC are reasonably certain.
- Income from church hall lettings is recognised when the rental is due.
- Dividends are recognised when they become due and payable. Interest income is recognised when it is due and is accrued accordingly.

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 DECEMBER 2017

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#### 3. Accounting policies *(continued)*

##### **(g) Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- Expenses in respect of grants are recognised at the earlier of when the grant is paid or when there is a binding obligation on the PCC to make a grant and it can be valued with reasonable certainty.
- the parish share is charged as an expense when payable.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### **(h) Tangible assets**

Consecrated land and benefice property is excluded from these financial statements under the terms of the Charities Act 2011.

No value is placed on moveable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficial property and moveable church furnishings, whether maintenance or improvement, is written off as expenditure when incurred.

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The capitalisation threshold is £1,000.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 DECEMBER 2017

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#### 3. Accounting policies *(continued)*

##### (i) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Extensions to buildings (non-consecrated)	-	5% straight line
Fixtures and fittings	-	10% straight line
General Equipment	-	20% straight line

##### (j) Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

##### (k) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### (l) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 DECEMBER 2017

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
<b>Donations</b>			
Planned Giving	109,584	--	109,584
Income Tax Recoverable	26,945	3,228	30,173
Collections	14,837	1,368	16,205
Sundry Donations / Appeals	8,494	13,648	22,142
Other Planned Donations	23,099	8,000	31,099
Other Funds Generated	156	40,194	40,350
Mission Collections	--	12,540	12,540
<b>Legacies</b>			
Legacies	--	6,260	6,260
<b>Grants</b>			
Heritage Lottery and Other Grants	--	59,020	59,020
	<u>183,115</u>	<u>144,258</u>	<u>327,373</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
<b>Donations</b>			
Planned Giving	108,802	171	108,973
Income Tax Recoverable	26,907	8,846	35,753
Collections	11,394	4	11,398
Sundry Donations / Appeals	30,950	53,644	84,594
Other Planned Donations	25,440	26	25,466
Other Funds Generated	1,736	27,272	29,008
Mission Collections	-	7,098	7,098
<b>Legacies</b>			
Legacies	-	2,000	2,000
<b>Grants</b>			
Heritage Lottery and Other Grants	28,000	204,480	232,480
	<u>233,229</u>	<u>303,541</u>	<u>536,770</u>

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**NOTES TO THE FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31 DECEMBER 2017**

**5. Charitable activities**

	Unrestricted Funds £	<b>Total Funds 2017 £</b>	Unrestricted Funds £	Total Funds 2016 £
Church Hall Lettings	14,920	14,920	16,114	16,114
Parochial Fees	<u>12,757</u>	<u>12,757</u>	<u>12,897</u>	<u>12,897</u>
	<u>27,677</u>	<u>27,677</u>	<u>29,011</u>	<u>29,011</u>

**6. Other trading activities**

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2017 £</b>
Concerts, Fairs and Other Fund Raising Events	5,621	8,305	13,926
Magazine Sales and Advertising	<u>2,057</u>	<u>--</u>	<u>2,057</u>
	<u>7,678</u>	<u>8,305</u>	<u>15,983</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Concerts, Fairs and Other Fund Raising Events	10,380	9,073	19,453
Magazine Sales and Advertising	<u>2,503</u>	<u>--</u>	<u>2,503</u>
	<u>12,883</u>	<u>9,073</u>	<u>21,956</u>

**7. Investment income**

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2017 £</b>
Income from listed investments	517	--	517
Bank Interest Receivable	<u>506</u>	<u>1,173</u>	<u>1,679</u>
	<u>1,023</u>	<u>1,173</u>	<u>2,196</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Income from listed investments	426	--	426
Bank Interest Receivable	<u>428</u>	<u>874</u>	<u>1,302</u>
	<u>854</u>	<u>874</u>	<u>1,728</u>

**8. Costs of other trading activities**

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2017 £</b>
Concerts, Fairs and Other Fund Raising Events	<u>2,816</u>	<u>1,430</u>	<u>4,246</u>

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**NOTES TO THE FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31 DECEMBER 2017**

**8. Costs of other trading activities *(continued)***

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Concerts, Fairs and Other Fund Raising Events	6,826	932	7,758

**9. Expenditure on charitable activities by fund type**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Activities directly related to the work of the church	181,031	--	181,031
Parish Mission Action Plan Fund	8,709	--	8,709
All Saints Fabric Fund	2,220	--	2,220
Holy Rood Fabric Fund	1,856	--	1,856
St Lawrence Fabric Fund	--	155,648	155,648
St Peter's Fabric Fund	--	1,007	1,007
Mission Fund	--	14,692	14,692
Youth Work Fund	--	1,276	1,276
Covenant Fund	--	6,584	6,584
Holy Rood Fabric Fund	--	9,673	9,673
Holy Rood Living Space	--	32	32
All Saints Maintenance and Costs	--	2,314	2,314
Support costs	31,514	415	31,929
	<u>225,330</u>	<u>191,641</u>	<u>416,971</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Activities directly related to the work of the church	206,096	-	206,096
Parish Mission Action Plan Fund	1,154	-	1,154
St Lawrence Fabric Fund	-	147,238	147,238
Mission Fund	-	8,247	8,247
Youth Work Fund	-	1,165	1,165
Covenant Fund	-	13,714	13,714
Holy Rood Fabric Fund	-	13,381	13,381
Holy Rood Living Space	-	2,909	2,909
All Saints Maintenance and Costs	-	5,949	5,949
Support costs	29,289	1,154	30,443
	<u>236,539</u>	<u>193,757</u>	<u>430,296</u>

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**NOTES TO THE FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31 DECEMBER 2017**

**10. Expenditure on charitable activities by activity type**

	Activities undertaken directly £	Grant funding of activities £	Support costs £	<b>Total funds 2017 £</b>	Total funds 2016 £
Activities directly related to the work of the church	181,031	–	30,864	211,895	234,735
Parish Mission Action Plan Fund	8,709	–	–	8,709	1,154
St Lawrence Fabric Fund	155,648	–	164	155,812	147,486
St Peter's Fabric Fund	1,007	–	–	1,007	–
Mission Fund	–	14,692	–	14,692	8,247
Youth Work Fund	1,276	–	–	1,276	1,165
Covenant Fund	6,584	–	–	6,584	13,714
Holy Rood Fabric Funds	11,529	–	–	11,529	13,381
Holy Rood Living Space	32	–	–	32	2,909
All Saints Fabric Fund	2,220	–	–	2,220	–
All Saints Maint & Costs	2,314	–	–	2,314	5,949
Church Street Fund	–	–	251	251	906
Governance costs	–	–	650	650	650
	<u>370,350</u>	<u>14,692</u>	<u>31,929</u>	<u>416,971</u>	<u>430,296</u>

**11. Analysis of support costs**

	Activities directly related to the work of the Church £	St Lawrence Fabric Fund £	Church Street Fund £	<b>Total 2017 £</b>	Total 2016 £
Staff costs	15,249	–	–	15,249	15,249
General office	8,466	–	–	8,466	6,577
Governance costs	650	–	–	650	650
Clergy Expenses	6,065	–	–	6,065	5,939
Depreciation	1,084	164	251	1,499	2,028
	<u>31,514</u>	<u>164</u>	<u>251</u>	<u>31,929</u>	<u>30,443</u>

**12. Analysis of grants**

	<b>2017 £</b>	2016 £
<b>Grants to institutions</b>		
Missionary Societies	6,093	5,878
Relief and Development Agencies	1,206	1,173
Home Mission	7,393	1,196
	<u>14,692</u>	<u>8,247</u>
Total grants	<u>14,692</u>	<u>8,247</u>

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**NOTES TO THE FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31 DECEMBER 2017**

**13. Net income**

Net income is stated after charging/(crediting):

	<b>2017</b>	2016
	<b>£</b>	£
Depreciation of tangible fixed assets	1,499	2,028
	<u>1,499</u>	<u>2,028</u>

**14. Independent examination fees**

	<b>2017</b>	2016
	<b>£</b>	£
Fees payable to the independent examiner for: Independent examination of the financial statements	650	650
	<u>650</u>	<u>650</u>

**15. Staff costs**

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2017</b>	2016
	<b>£</b>	£
Wages and salaries	29,236	15,249
	<u>29,236</u>	<u>15,249</u>

The average head count of employees during the year was 3 (2016:1).

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

**16. Trustee remuneration and expenses**

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

**17. Tangible fixed assets**

	Freehold property £	Fixtures and fittings £	Equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 January 2017	20,165	4,296	5,585	30,046
Additions	–	1,400	–	1,400
Disposals	–	–	–	–
<b>At 31 December 2017</b>	<u>20,165</u>	<u>5,696</u>	<u>5,585</u>	<u>31,446</u>
<b>Depreciation</b>				
At 1 January 2017	8,065	2,834	5,585	16,484
Charge for the year	1,008	491	–	1,499
Disposals	–	–	–	–
<b>At 31 December 2017</b>	<u>9,073</u>	<u>3,325</u>	<u>5,585</u>	<u>17,983</u>
<b>Carrying amount</b>				
<b>At 31 December 2017</b>	<u>11,092</u>	<u>2,371</u>	<u>–</u>	<u>13,463</u>
At 31 December 2016	<u>12,100</u>	<u>1,462</u>	<u>–</u>	<u>13,562</u>

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**NOTES TO THE FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31 DECEMBER 2017**

**18. Investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 January 2017	14,536
Fair value movements	<u>1,360</u>
<b>At 31 December 2017</b>	<u><u>15,896</u></u>
<b>Impairment</b>	
<b>At 1 January 2017 and 31 December 2017</b>	
<b>Carrying amount</b>	
<b>At 31 December 2017</b>	<u><u>15,896</u></u>
At 31 December 2016	<u><u>14,536</u></u>

All investments shown above are held at valuation.

**Financial assets held at fair value**

Listed investments comprise 972 income shares in The CBF Church of England Investment Fund. The valuation is the bid market value as provided by The CBF Church of England Investment Fund.

The PCC is not aware of the historic cost of the investments as they have been held for a number of years.

**19. Debtors**

	<b>2017 £</b>	<b>2016 £</b>
Prepayments and accrued income	1,737	180
Other debtors	<u>12,227</u>	<u>6,110</u>
	<u><u>13,964</u></u>	<u><u>6,290</u></u>

**20. Creditors: amounts falling due within one year**

	<b>2017 £</b>	<b>2016 £</b>
Other creditors	<u>21,915</u>	<u>34,068</u>

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**NOTES TO THE FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31 DECEMBER 2017**

**21. Analysis of charitable funds**

**Unrestricted funds**

	At 1 January 2017 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2017 £
General Fund	59,997	204,161	(215,361)	--	-	48,797
Parish Mission Fund	53,360	15,250	(8,709)	-	-	59,901
All Saints Fabric Fund	4,444	39	(2,220)	-	-	2,263
Holy Rood Bells Fund	2,369	10	-	-	-	2,379
Holy Rood Church Room	6,136	26	-	-	-	6,162
Holy Rood Fabric Fund	3,532	7	(1,856)	-	-	1,683
	<u>129,838</u>	<u>219,493</u>	<u>(228,146)</u>	<u>--</u>	<u>-</u>	<u>121,185</u>

**Restricted funds**

	At 1 January 2017 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2017 £
StL Fabric Fund	134,378	83,153	(155,812)	--	-	61,719
Mission Fund	-	14,692	(14,692)	-	-	-
Choir Fund	14,536	-	-	-	1,360	15,896
Youth Work Fund	541	4,441	(1,276)	--	-	3,706
Organ Fund	--	612	--	-	-	612
Church Street	3,021	-	(251)	-	-	2,770
Covenant Fund	17,697	549	(6,584)	-	-	11,662
Holy Rood Fabric	56,473	9,297	(9,673)	-	-	56,097
Holy Rood Living Space	20,487	32,448	(621)	-	-	52,314
All Saints Fabric	5,280	377	-	-	-	5,657
St Peter's Fabric	2,847	922	(1,007)	-	-	2,762
All Saints Bell Fund	7,596	32	-	--	-	7,628
All Saints Maintenance and Costs	46,521	185	(2,314)	-	-	44,392
All Church Fabric Fund	28,809	7,028	(841)	-	-	34,996
	<u>338,186</u>	<u>153,736</u>	<u>(193,071)</u>	<u>--</u>	<u>1,360</u>	<u>300,211</u>

**PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE  
RESURRECTION, ALTON**

**NOTES TO THE FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31 DECEMBER 2017**

**22. Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2017 £</b>
Tangible fixed assets	10,678	2,785	13,463
Investments	–	15,896	15,896
Current assets	125,123	288,829	413,952
Creditors less than 1 year	<u>(14,616)</u>	<u>(7,299)</u>	<u>(21,915)</u>
<b>Net assets</b>	<u>121,185</u>	<u>300,211</u>	<u>421,396</u>

**23. Financial instruments**

The carrying amount for each category of financial instrument is as follows:

	<b>2017 £</b>	2016 £
<b>Financial assets measured at fair value through income and expenditure</b>		
Investments	<u>15,896</u>	<u>14,536</u>