
BOLDRE PAROCHIAL CHURCH COUNCIL

ACCOUNTS

For the year ended 31 December 2017

Statement of Financial Activities

Balance Sheet

Accounting Policies

Budget 2018

Boldre PCC

Statement of Financial Activities for the year ended 31 December 2017

Income from	Notes	Total Funds			
		Restricted £	Unrestricted £	2017 £	2016 £
Voluntary Income	1a	578	60,850	61,429	69,418
Church Activities	1b		15,799	15,799	19,531
Activities for generating funds	1c		12,990	12,990	6,205
Investments	1d	1,893	3,867	5,758	5,162
				-	
Total Income		2,470	93,506	95,977	100,316
Expenditure on					
Raising Funds	2a		959	959	1,527
Church Activities:					
-Grants/Mission	2b		2,500	2,500	2,750
-Activities directly relating to work of Church	2c	11,843	62,519	74,363	60,041
-Church management and administration	2d		15,083	15,083	14,695
Total Expenditure		11,843	81,062	92,905	79,013
				-	
Net Operating Income/(expenditure)		- 9,373	12,445	3,072	21,303
Gains/Losses on investments					
Realised gains/(losses)	3			-	-
Unrealised gains/(losses)	3	- 406	9,713	9,307	13,582
Net Income/(expenditure) for year		- 9,779	22,158	12,379	34,885
Transfer between funds		11,265	- 11,265	-	
Net movement in funds		1,486	10,893	12,379	34,885
Balances B/F 01.01.2017		57,117	155,178	212,295	212,295
Balances C/F at 31.12.17		58,603	166,071	224,674	212,295

Boldre PCC

Balance Sheet as at 31 December 2017

	Notes	Restricted £	Unrestricted £	2017 £	2016 £
Investment Assets	3	48,005	117,309	165,314	156,008
Current Assets					
Debtors			5,562	5,562	3,796
Cash in hand/at bank Unrestricted Bank		10,598	43,644	54,241	54,437
			-	-	-
Net Liabilities			443	443	1,946
Net current assets		10,598	48,762	59,360	56,287
Net Assets		58,603	166,071	224,674	212,294
Represented by:					
Opening balance		57,117	155,178	212,295	177,410
Surplus/ (Deficit) for year		1,486	10,893	12,378	34,885
Total		58,603	166,071	224,674	212,295

Boldre PCC Financial Statement 2017

During 2017 Income decreased by about £5k compared with 2016 primarily due to:

- (a) Decrease in voluntary income of about £8k
- (b) Decrease in amount of funds from church activities of circa £4k
- (c) Increase in amount of funds from fundraising events of circa £7k

During 2017 Expenditure increased by about £14k compared with 2016 primarily due to:

- (d) Increase in the cost of Activities directly relating to the work of the Church of £14k

There was an unrealised gain on investments of £9,307. This compared with a gain in 2016 of £13,582.

The result is a gross operating surplus between Income and Expenditure in 2017 of £3,072.

The net surplus of £12,378 for 2017 compares with a net surplus of £34,885 for 2016.

Approved by the Parochial Church Council on 19 March 2018 and signed on its behalf by:

Richard Tolkien (Hon Treasurer)

Revd Neil Smart (Chairman)

Dated:

Dated:

Independent Examiner's Report on the Accounts

Report to the members of	Boldre Parochial Church Council		
On accounts for the year ended	31st December 2017	Charity No. (if any)	n/a
Respective responsibilities of trustees and examiner	<p>The Parochial Church Council is responsible for the preparation of the accounts. The members consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.</p> <p>It is my responsibility to:</p> <ul style="list-style-type: none"> • examine the accounts under section 145 of the Charities Act • to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and • to state whether particular matters have come to my attention. 		
Independent examiner's statement	<p>I have completed my examination. In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in, any material respect, the requirements:</p> <ul style="list-style-type: none"> • to keep accounting records in accordance with section 130 of the Charities Act; and • to prepare accounts which accord with the accounting records and comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; <p>have not been met. I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts reached.</p>		
I			
Signed:		Date:	
Name:	Peter Clegg BSc FCA CTA Westlake Clark Chartered Accountants The Institute of Chartered Accountants of England and Wales		
Address	7 Lynwood Court Priestlands Place Lymington Hampshire So41 9GA		

Boldre PCC

Notes to the Financial Statements for the year ended 31 December 2017

1 Income

			Total funds	
	Restricted	Unrestricted	2017	2016
	£	£	£	£
1a Voluntary Income				
Planned Giving/Gift Aid		37,018	37,018	37,627
Tax recoverable		9,155	9,155	8,588
Collections		10,697	10,697	11,292
Fabric Fund	578		578	1,060
Wall Box		617	617	613
Sundry Donations		2,864	2,864	2,719
Legacies		500	500	7,519
	(1a) TOTAL	578	60,850	61,428
1b Church Activities				
			-	
Fees		11,300	11,300	13,719
Bridge Magazine		2,175	2,175	3,263
Refunds		2,324	2,324	2,549
	(1b) TOTAL	-	15,799	19,531
1c Activities for generating Funds				
Fund Raising:				
Church fete		6,924	6,924	6,205
Musical Events		4,899	4,899	
Other		1,168	1,168	
	(1c) TOTAL	-	12,990	6,205
1d Investments				
Dividends and Interest	1,893	3,867	5,758	5,162
Total Income	2,470	93,506	95,976	100,316

Boldre PCC

Notes to the Financial Statements for the year ended 31 December 2017

2 Expenditure

			Total funds		
		Restricted	Unrestricted	2017	2016
		£	£	£	£
2a Fundraising	<i>(2a) TOTAL</i>		959	959	1,527
2b Grants, Missionary & Charitable giving					
Missionary Societies	<i>(2b) TOTAL</i>		2,500	2,500	2,750
2c Activities relating to work of Church Ministry					
Diocesan Quota			35,083	35,083	32,000
Clergy & Wardens Expenses			1,373	1,373	2,204
Other Clergy costs			6,000	6,000	6,500
Church- running expenses			9,755	9,755	5,773
	<i>(2c) sub-total</i>	-	52,210	52,210	46,477
Church Maintenance & projects					
Major repairs/ installations		3,167		3,167	3,231
Upkeep of Churchyard		5,176		5,176	4,522
Repairs & Maintenance			6,377	6,377	1,714
	<i>(2c) sub-total</i>	8,343	6,377	14,720	9,467
General					
Organist's salaries & other music expenses	<i>(2c) sub-total</i>	3,500	3,932	7,432	4,097
	<i>(2c) TOTAL</i>	11,843	62,519	74,363	60,041

2d Church Management & Administration

Secretary's salary	5,832	5,832	4,798
Benefice expenses (stationery, telephone & others)	1,867	1,867	2,031
Bookkeeper	3,500	3,500	3,676
Bank charges	518	518	405
Insurance	2,716	2,716	2,713
Sundries	649	649	1,072
<i>(2d) TOTAL</i>	-	15,083	15,082

Total Expenditure	11,843	81,062	92,904	79,013
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3 Investment Values

		2017	2016
Restricted		7,408	7,471
		4,771	4,811
	13,809 shares in CBF Fixed Interest Securities. Fund	5,647	5,393
		5,347	5,695
Restricted	14797 shares (Davis) Fixed Interest Securities Fund	24,832	25,042
Unrestricted	7155.43 shares in CBF Investment Fund. 753.85 shares purchased on 01 March 2016	117,309	107,596
Unrestricted			
Total Investments 31 Dec		165,314	156,008
(Loss)/Gain Unrestricted		9,713	10,953
Restricted		(406)	2,629
Total gain/(loss)	Unrealised	9,307	13,582
Total gain/(loss)	Realised	0	0

Accounting Policies

a) Financial Statements

The Financial Statements have been prepared under:

- (a) The Charities Act 2011 and in accordance with the Church Accounting regulations 2006 governing the individual accounts of PCCs, together with applicable accounting standards and the Statement of Recommended Practice, accounting and reporting by Charities SORP 2015 (FRS 102 Section 1A), and
- (b) The historical cost convention except for investment assets which are shown at market value. They include all transactions, assets and liabilities for which the PCC is responsible in law.

b) Funds

Unrestricted Funds represent those that are not subject to any restrictions regarding their use and which are available for the general purposes of the PCC. Restricted Funds represent those that are subject to restrictions regarding their use and which may only be applied for specific purposes.

c) Income

Planned Giving/Gift Aid, other than collections at services, is accounted for in the Gift Aid account on behalf of the PCC from which it is transferred to the current account each quarter when it is recorded in that account. Income tax recoverable is also accounted for in the Gift Aid account on behalf of the PCC and transferred to the current account each quarter. Grants and legacies are accounted for when the PCC receives the money into its account. The Bridge magazine is accounted for because of the surplus received less the deduction of 27.5% paid to South Baddesley PCC in regard of their circulation. Income from fetes, etc. is accounted for after deduction of the outgoings. Dividends and interest are accounted for when received. The split of income between the Restricted and Unrestricted Funds is recorded per the wishes of the donors and the requirements of the trusts administered by the Winchester Diocese.

d) Designated Collections

During the year ended 31 December 2017 the PCC made designated collections on behalf of HMS Hood £633 and The Royal British Legion £648. The money collected for the Royal British Legion was paid directly to the Secretary of the Lymington branch. The monies collected in the memory of HMS Hood was paid into the PCC bank account and paid over in June 2017. No funds were retained by the PCC. The receipts and payments of all designated collections are not reported in the PCC accounts in line with Church Accounting Regulations.

e) Expenditure

Grants and donations are recognised when paid. The parish share of the Diocesan Quota is accounted for when paid.

f) Fixed Assets

Consecrated and benefice property is excluded from the accounts by section 10(2) (a) of the Charities Act 2011. Movable church fittings are also excluded from the accounts. All expenditure incurred during the year on these fixed assets is charged to Resources Used. Investments are stated at market value as at 31 December 2017.

g) Trustees expenses and related party transactions

None of the Trustees were paid any remuneration or received any other benefits from an employment with the PCC. One Trustee was provided with funds in carrying out the duties of the PCC in relation to its missionary work overseas. The figure was £1,000 in the year ending 31st December 2017. During the year, there have been no related party transactions that require disclosure (2016: £67)

h) Staff Costs

	<u>2017</u>	<u>2016</u>
	£	£
Total staff salaries and honorarium paid	<u>15,332</u>	<u>14,458</u>

The average number of staff throughout the year was 3 (2016:3). No employee received a salary more than £60,000 during the year.

i) Costs of Independent Examination and other Financial Services

As in the prior year, the independent examination of the 2017 accounts has been provided on a pro bono basis.

j) Charity Commission's Public Benefit Guidance

The trustees are aware of the Charity Commission's public benefit guidance and have taken it into account when making decisions to which the guidance is relevant.

Financial Review Year Ended 31 December 2017

Total income from Unrestricted funds was £93,506 of which £37,018 was planned voluntary donations, £10,697 from collections, plus a further £9,155 from Gift Aid recoverable tax. The balance of unrestricted funds came from Church activities and fund-raising events. Benefice Fee income of £11,300, Bridge Magazine of £2,175 and St Mary's share of Benefice costs £2,324. The Fete contribution was £6,924 and donations from musical events £4,899 (predominately from Carol Concerts held in St Johns by St Nicolas Singers and Walhampton School, for which we are very grateful) In addition, there was a legacy from the late Mrs Juliet Venner of £500, and dividends and interest earned of £3,867.

Restricted Funds consisted of Fabric Fund collections amounting to £578 and dividends and interest earned of £1,893

Planned Giving through envelopes and standing orders declined by £609 from last year. We would like to encourage parishioners in this form support as the associated Gift Aid recoverable tax increases the value of donations received by 25%.

Overall, Income decreased by £4,340 compared with 2016.

Expenditure increased by £14,322. This was accounted for by an increase in the Diocesan levy of £3,000, church running expenses of £3,982, Repairs and Maintenance of £4,663 and a new church organ and music of £3,335.

Total Resources of Restricted expenses increased by £930, mostly accounted for by modest increases in church maintenance, Organist salaries and other music expenses.

The unrealised gain on investments of £9,307 as compared to the unrealised gain of £13,582 during 2016.

Investment Reserves

The value of our Unrestricted Reserves increased from £107,596 in 2016 to £117,309 due to the £9,307 of unrealised gains.

The value of Restricted Reserves decreased from £48,412 to £48,005 due entirely to unrealised loss £406. Restricted reserves are retained towards the upkeep of the fabric of the church and the graveyard, in accordance with the PCC definition of Fabric and the terms of the under-lying legacy, given that legacies constitute the primary source of these reserves.

Reserves Policy

It had previously been agreed that the PCC Reserves Policy is as follows:

It is the policy of this PCC to hold free reserves the equivalent of six months' budgeted gross expenditure, including gross salaries and honorariums, the Diocesan levy as calculated based on the preceding year review and presently being £37,000. In addition to this it is our policy to hold £1,000 to cover grants received annually the continuation of which cannot be guaranteed, plus £3,000 in a mission reserve to enable us to meet our mission commitments irrespective of amounts identified in any year's budget. It is also our policy to hold an amount for likely non-fabric repair and maintenance expenses including the church yard. In view of the listed status of the church we have allocated £5,000 to cover this based on current experience. This building reserve should be maintained at this level going forwards. The combined free reserves, excluding restricted items, should therefore be the current budgeted figure of £54,000. This reserve amount will be reviewed annually as part of the budgetary process.

It had previously been agreed that our investment policy is to invest short-term investment fund balances with the CCLA Church of England Securities Fund- Income Shares, and the remainder in the CCLA Church of England Investment Fund-Income Shares.

2018 Budget

2018 Budget

	Budget 2018		Budget 2018
INCOME		EXPENDITURE	
Planned giving	36,000	Parish share	37,000
Tax refund	9,000	Mission etc.	3,000
Collections	10,000	Churchyard	4,000
Wall box	500	Reps & Maintenance	5,000
Fabric fund	500	Fabric Works	3,000
Grants		Youth	
Donations	1,000	Vicar & c/w expenses	2,500
Fundraising	10,000	Vicar honorarium	6,000
Investment Income	5,000	Insurance	2,725
Fees	10,000	Church running	5,000
Legacies	0	Admin salary	6,250
Benefice Refunds	2,500	Book-keeper	3,700
Bridge	2,175	Benefice expenses	3,500
Other refunds	0	Music salary	3,500
		Music general	750
		Fundraising	1,600
		Flowers	840
		Bank charges	450
		Other	500
		Honorarium (re: FB)	500
		Transfer to Reserves	
TOTALS	86,675		89,815
(Surplus)/Shortfall	<u>-3,140</u>		
	89,815		

As can be seen from the attached Budget for 2018 that the income/expenses before any gains or losses on investments, results in a shortfall of £3,140. Expenditure is expected to increase by £2,000 Diocesan Levy and Mission work by £1,000.