
BOLDRE PAROCHIAL CHURCH COUNCIL

ACCOUNTS

For the year ended 31 December 2016

Statement of Financial Activities

Balance Sheet

Accounting Policies

Boldre PCC

Statement of Financial Activities for the year ended 31 December 2016

	Notes			Total Funds	
		2016	2016	2016	2015
Income from		Restricted	Unrestricted		
		£	£	£	£
Voluntary income	1a	1,060	68,358	69,418	65,731
Church activities	1b	-	19,531	19,531	16,746
Activities for generating funds	1c	-	6,205	6,205	8,213
Investments	1d	2,045	3,117	5,162	5,165
Total income		3,105	97,211	100,316	95,855
Expenditure on					
Raising funds	2a	-	1,527	1,527	1,568
Church activities:					
- Grants/Mission	2b	-	2,750	2,750	2,000
- Activities directly relating to work of Church	2c	10,913	49,128	60,041	55,075
- Church management and administration	2d	-	14,695	14,695	12,206
Total expenditure		10,913	68,100	79,013	70,849
Net operating income / (expenditure)		(7,808)	29,111	21,303	25,006
Gains/(losses) on investments					
Realised gains/(losses)	3	-	-	-	-
Unrealised gains/(losses)	3	2,629	10,953	13,582	(891)
Net income / (expenditure) for the year		(5,179)	40,064	34,885	24,115
Transfer between funds		12,824	(12,824)	-	-
Net movement in funds		7,645	27,240	34,885	24,115
Balances B/F 01.01.2016		49,472	127,938	177,410	153,295
Balances C/F at 31.12.16		57,117	155,178	212,295	177,410

Boldre PCC

Balance Sheet as at 31 December 2016

	Notes	2016 Restricted £	2016 Unrestricted £	2016 £	2015 £
Investment Assets	3	48,412	107,596	156,008	132,426
Current Assets					
Debtors		-	3,796	3,796	4,004
Cash in hand/at bank		8,705	45,732	54,437	41,371
Net Liabilities		-	(1,946)	(1,946)	(391)
Net current assets		8,705	47,582	56,287	44,984
Net Assets		57,117	155,178	212,295	177,410
Represented by:					
Opening balance		49,472	127,938	177,410	153,295
Surplus/ (Deficit) for year		7,645	27,240	34,885	24,115
Total		57,117	155,178	212,295	177,410

Boldre PCC Financial Statement 2016

During 2016 Incoming Resources increased by about £5k compared with 2015 primarily due to:

- (a) Increase in amount of funds received from donors and legacies of circa £4k
- (b) Increase in amount of funds from church activities of circa £3k
- (c) Reduction in amount of funds from fundraising events of circa £2k

During 2016 Resources Used increased by about £8k compared with 2015 primarily due to:

- (d) Increase in Diocesan Quota of £2k
- (e) Increase in Clergy & Warden costs of £1k
- (f) Increase in Church maintenance expenses of £1k
- (g) Increase in Church administration expenses of £3k
- (h) Increase in Missionary giving of circa £1k

There was an unrealised gain on investments of £13,582. This compared with a loss in 2015 of £891.

The result is a gross operating surplus between Incoming Resources and Resources Used in 2016 of £21,303.

The net surplus of £34,885 for 2016 compares with a net surplus of £24,115 for 2015.

Approved by the Parochial Church Council on 27 March 2017 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 2016	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. 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. 		
Basis of independent examiner's statement	<p>My examination was carried out in accordance with 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 in those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the 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 statement below.</p>		
Independent examiner's statement	<p>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 accounting requirements of the Charities Act; <p>have not been met.</p>		
Signed:		Date:	
Name:			

Boldre PCC

Notes to the Financial Statements for the year ended 31 December 2016

1. Income

			Total funds	
	2016 Restricted £	2016 Unrestricted £	2016 £	2015 £
1a Voluntary income				
Planned Giving/Gift Aid	-	37,627	37,627	35,248
Tax recoverable	-	8,588	8,588	10,349
Collections	-	11,292	11,292	8,616
Fabric Fund	1,060	-	1,060	1,722
Wall Box	-	613	613	678
Sundry Donations	-	2,719	2,719	2,118
Grants	-	-	-	2,000
Legacies	-	7,519	7,519	5,000
	<hr/>			
<i>(1a) TOTAL</i>	1,060	68,358	69,418	65,731
1b Church activities				
Fees	-	13,719	13,719	12,602
Bridge magazine	-	3,263	3,263	1,595
Refunds	-	2,549	2,549	2,549
	<hr/>			
<i>(1b) TOTAL</i>	-	19,531	19,531	16,746
1c Activities for generating funds				
Fund raising				
- Church fete	-	6,205	6,205	5,328
- Other (Harvest Supper, Winter Bazaar, Christmas Cards, Teas and Cakes)	-	-	-	2,885
	<hr/>			
<i>(1c) TOTAL</i>	-	6,205	6,205	8,213
1d Investments				
Dividends and Interest	<i>(1d) TOTAL</i>	2,045	3,117	5,162
	<hr/>			
Total Income	3,105	97,211	100,316	95,855

Boldre PCC

Notes to the Financial Statements for the year ended 31 December 2016

2 Expenditure

		2016 Restricted £	2016 Unrestricted £	Total funds	
				2016 £	2015 £
2a Fundraising	<i>(2a) TOTAL</i>	-	1,527	1,527	1,568
2b Grants, Missionary & Charitable giving					
Missionary Societies	<i>(2b) TOTAL</i>	-	2,750	2,750	2,000
2c Activities relating to work of Church Ministry					
Diocesan Quota		-	32,000	32,000	30,083
Clergy & Wardens Expenses		-	2,204	2,204	1,494
Other Clergy costs		-	6,500	6,500	6,000
Church - running expenses		-	5,773	5,773	5,773
	<i>(2c) sub-total</i>	-	46,477	46,477	43,350
Church Maintenance & projects					
Major repairs/ installations		3,231	-	3,231	2,535
Upkeep of Churchyard		4,522	-	4,522	4,000
Repairs & Maintenance		-	1,714	1,714	1,659
	<i>(2c) sub-total</i>	7,753	1,714	9,467	8,194
General					
Organist's salaries & other music expenses		3,160	937	4,097	3,428
Youth and Perkins Youth Hall		-	-	-	103
	<i>(2c) sub-total</i>	3,160	937	4,097	3,531
	<i>(2c) TOTAL</i>	10,913	49,128	60,041	55,075

2d Church Management & Administration

Secretary's salary	-	4,798	4,798	5,751
Benefice expenses (stationery, telephone & others)	-	2,031	2,031	3,308
Bookkeeper		3,676	3,676	-
Bank charges	-	405	405	366
Insurance	-	2,713	2,713	2,699
Sundries	-	1,072	1,072	82
<i>(2d) TOTAL</i>	-	14,695	14,695	12,206

Total Expenditure		10,913	68,100	79,013	70,849
--------------------------	--	---------------	---------------	---------------	---------------

3 Investment Values

		2016	2015
		£	£
Restricted	13,809 shares in CBF Fixed Interest Securities Fund	7,471	7,065
		4,811	4,550
		5,393	5,386
		5,695	5,100
Restricted	14,797 shares (Davis) Fixed Interest Securities Fund	25,042	23,682
Unrestricted	7,155.43 shares in CBF Investment Fund. 753.85 shares purchased on 1 March 2016	107,596	86,643
Total Investments 31 Dec		156,008	132,426
(Loss)/Gain Unrestricted		10,953	951
(Loss)/Gain Restricted		2,629	(1,842)
Total gain/(loss)	Unrealised	13,582	(891)
Total gain/(loss)	Realised	-	

Boldre PCC

Notes to the Financial Statements for the year ended 31 December 2016

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 2016 the PCC made designated collections on behalf of HMS Hood £422 and The Royal British Legion £594. 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 March 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 2016.

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 claimed expenses in carrying out the duties of the PCC. The total amount of expenses reimbursed to the Trustee was £67 in the year ending 31st December 2016, being for gifts (2015: £67). During the year, there have been no related party transactions that require disclosure (2015: none)

h) Staff Costs

	2016	2015
	<u>£</u>	<u>£</u>
Total staff salaries and honorarium paid	<u>14,458</u>	<u>15,179</u>

The average number of staff throughout the year was 3 (2015:3). 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 2016 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.

Boldre PCC

Financial Review Year Ended 31 December 2016

Total income from Unrestricted funds was £97,211 of which £37,627 was planned voluntary donations, plus a further £8,588 from Gift Aid recoverable tax. The balance of unrestricted funds came primarily in donations (predominately from Carol Concerts held in St Johns by St Nicolas Singers and Walhampton School, for which we are very grateful) £2,500; Fundraising £6,205; St. Mary's share of the Benefice Office costs £2,500; the Bridge Magazine £3,263; and Benefice Fee income of £13,719. In addition, there were legacies from the late James Macaire of £5,000 and the late Terence A E Fenge of £2,519.

Restricted Funds consisted of Fabric Fund collections amounting to £1,060 and dividends and interest earned of £2,045.

Overall, Income increased by £4,461 compared with 2015.

Planned Giving through envelopes and standing orders showed an improvement of nearly £2,400, and we would like to encourage parishioners to further increase or co planned giving as the associated Gift Aid recoverable tax increases the value of donations received by 25%.

Total income, excluding Legacies and Grants increased by approximately £4,000.

Expenditure increased by £8,164. This was accounted almost exclusively by an increase in church management and administration. A new item this year is the expense of the Bookkeeper at £3,676.

Total Resources of Restricted expenses increased by £1,680, mostly accounted for by modest increases in church maintenance, Organist salaries and other music expenses. Unrestricted Resources included an increase in the Diocesan Quota of £2,000.

The unrealised gain on investments of £13,582 is in marked contrast to the unrealised loss of £891 during 2015.

Investment Reserves

The value of our Unrestricted Reserves increased from £86,643 in 2015 to £107,596 mainly due to the purchase of £10,000 of additional shares and the balance of £10,953 as unrealised gains.

The value of Restricted Reserves increased from £45,783 to £48,412 due entirely to unrealised gains of £2,629. 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 £35,000. 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 £2,000 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.

Draft Budget

As can be seen from the attached Draft Budget for 2017 that the income/expenses before any gains or losses on investments, results in a loss of approximately £3,500. This loss compared with the actual gain in 2016 is the result of a budgeted reduction in income of £10,000 (£2,000 reduction in fees and a repeat of the £8,000 legacies are unknown). Expenditure is expected to increase by an estimated amount of £13,000 (of which the bulk is accounted for by £3,000 Diocesan Levy and £9,000 Fabric Work).