

**PAROCHIAL CHURCH COUNCIL OF
ST PAUL LEAMINGTON PRIORS**

**STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2017**

Independent Examiner's Report to the Members/Trustees of The Parochial Church Council of the Ecclesiastical Parish of St Paul, Leamington Priors

I report to the charity members/trustees on my examination of the accounts of the charity for the year ended 31st December 2017 which are set out on pages A3 to A13

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act

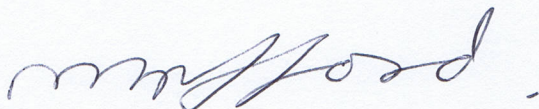
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, and the Association of Chartered Certified Accountants, which are listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not 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.

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 to be reached.



*M D Spafford FCCA ACA
L D P Luckmans
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
CV5 6UB*

19 March 2018

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2017

	Notes	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2017 £	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2016 £
INCOMING RESOURCES							
Voluntary income	2(a)	499,312	11,570	510,882	486,150	40,722	526,872
Activities for generating funds	2(b)	1,711	-	1,711	2,597	-	2,597
Income from investments	2(c)	3,440	-	3,440	1,620	-	1,620
Church activities	2(d)	13,587	-	13,587	27,390	1,407	28,797
TOTAL INCOMING RESOURCES		518,050	11,570	529,620	517,757	42,129	559,886
RESOURCES EXPENDED							
Church activities - Grants	3(a)	48,825	5,415	54,240	43,041	38,334	81,375
Church activities - Ministry	3(b)	429,064	1,166	430,230	451,687	8,269	459,956
Governance costs	3(c)	3,280	-	3,280	2,563	-	2,563
TOTAL RESOURCES EXPENDED		481,169	6,581	487,750	497,291	46,603	543,894
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS							
		36,881	4,989	41,870	20,466	(4,474)	15,992
Transfers between funds		3,435	(3,435)	-	-	-	-
NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES							
		40,316	1,554	41,870	20,466	(4,474)	15,992
Gains on investment assets on revaluation	8	819	-	819	805	-	805
NET MOVEMENT IN FUNDS							
Balances brought forward 1 January		734,164	4,480	738,644	712,893	8,954	721,847
Balances carried forward 31 December		775,299	6,034	781,333	734,164	4,480	738,644

The notes on pages A6 to A13 form part of this financial statement.

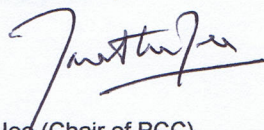
PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

BALANCE SHEET as at 31 December 2017

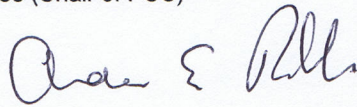
	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible fixed assets	6	303,242	312,406
Investment property	7	283,980	-
Other investment assets	8	8,804	7,985
		<u>596,026</u>	<u>320,391</u>
CURRENT ASSETS			
Debtors	9	32,493	20,217
Short term deposits		53,168	312,501
Cash at bank and in hand		145,729	168,767
		<u>231,390</u>	<u>501,485</u>
CURRENT LIABILITIES			
Creditors - falling due within one year	10	(46,083)	(83,232)
		<u>185,307</u>	<u>418,253</u>
NET CURRENT ASSETS			
		<u>781,333</u>	<u>738,644</u>
FUNDS			
Unrestricted	11	775,299	734,164
Restricted	11	6,034	4,480
TOTAL FUNDS		<u>781,333</u>	<u>738,644</u>

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Parochial Church Council and authorised for issue on 12 March 2018 and signed on its behalf by:



Rev Jonathan Jee (Chair of PCC)



Andrew Rolls (Treasurer)

The notes on pages A6 to A13 form part of this financial statement.

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

CASH FLOW STATEMENT

For the year ended 31 December 2017

	2017		2016	
	£	£	£	£
Net cash provided by/(used in) operating activities		(1,831)		29,233
Cash flows from investing activities				
Dividends and interest from investments	860		1,620	
Rent from investments	2,580		-	
Purchase of:				
Investment property	(283,980)		-	
Purchase of:				
Tangible fixed assets for the use of the PCC	-		(3,287)	
Net cash provided by/(used in) investing activities		(280,540)		(1,667)
Change in cash and cash equivalents in the reporting periods		(282,371)		27,566
Cash and cash equivalents at 1 January		481,268		453,702
Cash and cash equivalents at 31 December		<u>198,897</u>		<u>481,268</u>
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		41,870		15,992
Adjustments for:				
Depreciation charges		9,164		9,164
Dividends and interest from investments		(860)		(1,620)
Rent from investments		(2,580)		-
Decrease/(increase) in debtors		(12,276)		72,794
(Decrease)/increase in creditors		(37,149)		(67,097)
Net cash (used in) /provided by operating activities		<u>(1,831)</u>		<u>29,233</u>
Analysis of cash and cash equivalents				
Cash in hand and at bank		145,729		168,767
Notice deposits (less than 3 months)		53,168		312,501
		<u>198,897</u>		<u>481,268</u>

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

1 ACCOUNTING POLICIES

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. Land and property assets are included at a deemed cost being their 1997 valuation. 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.

The charity adopted SORP (FRS 102) in the current year and there were no effects from this on the financial position or performance.

Funds

Restricted Funds represent donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object 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. These funds are itemised in Note 11.

Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income and capital sources

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the income is recognised.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

Miscellaneous sales income is accounted for gross.

Other income

Rental income from the letting of church premises is accounted for when earned.

Parochial fees due to the PCC for weddings, funerals etc. are accounted for on an event by event basis.

Income from investments

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

Investment gains and losses

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources Expended

All resources expended are recognised once there is a legal or constructive obligation to make a payment to a third party.

Grants

Grants and donations are accounted for when paid over or when awarded.

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

1 ACCOUNTING POLICIES (continued)

Activities directly relating to the work of the Church

The diocesan parish share is accounted for when paid. Any parish share unpaid at 31 December is provided for in these accounts as an operational (although not legal) liability and is shown as a creditor in the Balance Sheet.

Retirement benefits

The PCC operates a defined contribution scheme. The amount charged to the Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Fixed Assets

Consecrated property and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by provision 10(2) of the Charities Act 2011.

Moveable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the Church's Inventory which can be inspected at any reasonable time.

For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since 1 January 2001 have been capitalised and depreciated in the accounts over their currently anticipated useful economic life (initially over six years) on a straight line basis.

All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £1,000 or on the repair of moveable church furnishings acquired before 1 January 2001 is written off.

Other land and buildings

Other land and buildings held by the PCC are included in the accounts at the 1997 valuation plus subsequent additions and improvements at cost in accordance with the transitional rules regarding the revaluation of assets. The valuation has not been updated. Buildings, including improvements to them are depreciated over 50 years from the valuation date or over their estimated useful life if that is shorter. Land is not depreciated. Expenditure on routine maintenance and repair is written off as incurred.

Other fixtures, fittings and office equipment

Equipment owned by the PCC is depreciated on a straight line basis over their estimated useful lives (between 3 and 10 years).

Individual items of equipment with a purchase price of £1,000 or less are written off in the period in which the asset is acquired.

Investments

Investments are valued at market value at 31 December.

Current assets

Amounts owing to the PCC at 31 December are shown as debtors, less provision for amounts that may prove non-collectable.

Short term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank.

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

2 INCOMING RESOURCES

	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2017 £	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2016 £
2(a) Voluntary income						
Planned giving						
Gift Aid donations	314,070	-	314,070	325,245	-	325,245
Tax recoverable	86,065	-	86,065	83,437	6,841	90,278
Other planned giving	67,756	-	67,756	61,148	-	61,148
Other donations	27,965	-	27,965	10,230	-	10,230
Redevelopment Appeal Phase 2	-	40	40	-	-	-
Other appeals	-	6,969	6,969	260	33,881	34,141
Grants	-	4,561	4,561	5,514	-	5,514
Legacies	3,198	-	3,198	-	-	-
Sundry	258	-	258	316	-	316
	499,312	11,570	510,882	486,150	40,722	526,872
2(b) Activities for generating funds						
Hall lets	1,711	-	1,711	2,597	-	2,597
2(c) Income from investments						
Dividends & Interest	860	-	860	1,620	-	1,620
Rent receivable	2,580	-	2,580	-	-	-
	3,440	-	3,440	1,620	-	1,620
2(d) Church activities						
Fees	1,925	-	1,925	1,593	-	1,593
Events	-	-	-	358	-	358
Sales	863	-	863	151	-	151
Discipleship	5,259	-	5,259	15,730	-	15,730
Outreach	2,634	-	2,634	6,462	1,407	7,869
Children and families	378	-	378	537	-	537
Youth and students	2,528	-	2,528	2,559	-	2,559
	13,587	-	13,587	27,390	1,407	28,797
TOTAL INCOMING RESOURCES	518,050	11,570	529,620	517,757	42,129	559,886

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

3 RESOURCES EXPENDED

	Unres- tricted Funds	Restricted Funds	TOTAL FUNDS 2017	Unres- tricted Funds	Restricted Funds	TOTAL FUNDS 2016
	£	£	£	£	£	£
3(a) Church activities - Grants (note 13)						
Overseas Mission	10,722	202	10,924	13,384	160	13,544
Church relief & development agencies	6,500	350	6,850	5,500	-	5,500
Home mission & church societies	26,364	2,913	29,277	22,207	38,174	60,381
Individuals	5,239	1,950	7,189	1,950	-	1,950
	48,825	5,415	54,240	43,041	38,334	81,375
3(b) Church activities - Ministry						
Parish share	96,450	-	96,450	103,700	-	103,700
Staff costs	181,339	-	181,339	182,814	1,901	184,715
Ministry	22,332	-	22,332	20,517	-	20,517
Discipleship	13,440	-	13,440	22,156	-	22,156
Outreach	8,996	-	8,996	13,362	6,368	19,730
Children and families	6,941	-	6,941	6,969	-	6,969
Youth and students	12,354	-	12,354	8,418	-	8,418
Events and short term projects	3,528	-	3,528	1,802	-	1,802
Support costs	19,654	1,166	20,820	19,555	-	19,555
Church & hall running costs	45,993	-	45,993	41,381	-	41,381
Maintenance - Church	5,551	-	5,551	6,725	-	6,725
Maintenance - Other properties	3,322	-	3,322	527	-	527
Depreciation	9,164	-	9,164	9,164	-	9,164
Major Works	-	-	-	14,597	-	14,597
	429,064	1,166	430,230	451,687	8,269	459,956
3(c) Governance costs						
Independent examiner's fee	1,580	-	1,580	2,400	-	2,400
Legal and other costs	1,700	-	1,700	163	-	163
	3,280	-	3,280	2,563	-	2,563
TOTAL RESOURCES EXPENDED	481,169	6,581	487,750	497,291	46,603	543,894

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

4 STAFF COSTS	2017	2016
	£	£
Salaries	167,016	169,974
National insurance	9,127	10,132
Pension contributions	5,196	4,609
	<hr/>	<hr/>
	181,339	184,715
	<hr/> <hr/>	<hr/> <hr/>

The average number of staff employed was 11 (2016 - 11)

During the year the PCC employed the equivalent of 7.5 full time staff (2016 - 7.1), none of whom earned £60,000 pa or more.

5 TRUSTEES AND RELATED PARTIES TRANSACTIONS

Trustee Revd Graeme Pringle is married to employee Jan Pringle (Operations Director) - salary for 2017 - £31,370 (2016 - £30,906). Trustee Sam Meacock is married to Hester Meacock (Family and childrens minister) - salary for 2017 - £12,486 (2016 - £26,260)

There were no other related party transactions made in 2017.

Tim Jee the son of Rev Jonathan Jee received £500 from the GO team short term fund (2016 nil).

Trustee Tony O'Brien is chair of the Well Christian Healing Centre (see note 13).

The total amount of donations received without conditions from the trustees and related parties was £54,396 (2016 - £67,976)

No expenses were claimed by PCC members.

6 TANGIBLE FIXED ASSETS

	Freehold land £	Freehold buildings £	Youth equipment £	Other equipment £	Total £
Gross book value					
At 1 January 2017	78,000	336,766	25,546	44,742	485,054
Additions in year	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	78,000	336,766	25,546	44,742	485,054
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 January 2017	-	(108,769)	(25,546)	(38,333)	(172,648)
Depreciation on Disposals in year	-	-	-	-	-
Charge for year	-	(6,736)	-	(2,428)	(9,164)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	-	(115,505)	(25,546)	(40,761)	(181,812)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2016	78,000	227,997	-	6,409	312,406
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2017	78,000	221,261	-	3,981	303,242
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The freehold land and buildings comprises of the church hall and rooms and 40 Leicester Street, Leamington Spa. In 1997 the church hall and rooms was revalued at £150,000 and 40 Leicester Street at £110,000. Additions and improvements have been added at cost.

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

7 INVESTMENT PROPERTY	2017	2016
	£	£
Market value at 1 January	-	-
Addition	283,980	-
	<hr/>	<hr/>
Market value at 31 December	283,980	-
	<hr/> <hr/>	<hr/> <hr/>

The addition represents a property in Taylor Avenue purchased on 23 September 2017

8 OTHER INVESTMENT ASSETS	2017	2016
	£	£
Market value at 1 January	7,985	7,180
Net unrealised investment gain	819	805
	<hr/>	<hr/>
Market value at 31 December	8,804	7,985
	<hr/> <hr/>	<hr/> <hr/>

Investments is comprised of 531 shares in Central Board of Finance of the Church of England Investment Fund valued at mid market value (2016 - 531 shares).

9 DEBTORS	2017	2016
	£	£
Tax recoverable	19,627	20,217
Other debtors and prepayments	12,866	-
	<hr/>	<hr/>
	32,493	20,217
	<hr/> <hr/>	<hr/> <hr/>

10 LIABILITIES	2017	2016
	£	£
Amounts falling due within one year		
Payroll tax and NIC	2,551	4,031
Other creditors	16,910	12,031
Redevelopment - Major Works	-	35,048
Donations committed	26,622	32,122
	<hr/>	<hr/>
	46,083	83,232
	<hr/> <hr/>	<hr/> <hr/>

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

11 SUMMARY OF ACTIVITIES AND DETAILS OF RESTRICTED FUNDS

	Opening balance £	Income £	Expend- iture £	Investment revaluation/gains £	Transfers £	Closing balance £
Unrestricted funds						
Church activities						
General Fund	89,486	518,050	(477,847)	819	10,899	141,407
Designated funds						
Fixed assets	312,406	-	-	-	(9,164)	303,242
Investment Property	-				283,980	283,980
Property Fund	330,000	-	(3,322)	-	(283,980)	42,698
Travel Fund	1,700	-	-	-	1,700	3,400
Cameo	572	-	-	-	-	572
	734,164	518,050	(481,169)	819	3,435	775,299
Restricted funds						
Cameo/Lunch Clubs	2,003	-	-	-	-	2,003
Hardship Fund	2,477	2,678	(1,400)	-	-	3,755
Redevelopment - Phase 2	-	4,601	(1,166)	-	(3,435)	-
Specific funds	-	4,291	(4,015)	-	-	276
	4,480	11,570	(6,581)	-	(3,435)	6,034
Total funds	738,644	529,620	(487,750)	819	-	781,333

Designated funds

General Funds: It is intended that the General funds of £141,407 be used as £80,000 to cover day to day cash flow (this amounts to about 2 months worth of expenditure) and the balance of £61,407 be used for resourcing future ministry.

Fixed assets represents the non-cash assets of the church. ie buildings and equipment.

Investment Property - see Note 7.

Property Fund to maintain the properties using rental income.

Cameo represents funds held for replacement equipment.

Restricted funds

Lunch Clubs Legacy was bequeathed specifically to the Club for their use.

Hardship Fund represents monies to assist those in difficulty.

Specific funds represent donations and other monies received for specified purposes.

Transfers

From General Fund to Fixed assets designated fund representing the general fund movement relating to fixed assets.

From General Fund to Property Fund representing an amount set aside to purchase a building.

From General Fund to Travel Fund represents an amount set aside to fund travel by Mission partners

From Redevelopment Phase 2 to General funds represents an overprovision written back.

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

12 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds £	Restricted Funds £	2017 Total £
Fixed assets and investments	596,026	-	596,026
Short term deposits and cash at bank	192,863	6,034	198,897
Other current assets	(13,590)	-	(13,590)
	775,299	6,034	781,333

**13 MISSION AND CHARITY PAYMENTS
including Mission Appeal Fund**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total 2017 £
Overseas mission			
Wycliffe Bible Translators (T Wilson)	2,500	-	2,500
FRRME	1,500	-	1,500
NOTDEC	2,000	-	2,000
Nueva Vida Argentina (Wurfel)	4,722	-	4,722
OMF International	-	202	202
TOTAL Overseas mission	10,722	202	10,924
Church relief & development agencies			
Betel	1,500	-	1,500
Leamington & Warwick Foodbank	5,000	-	5,000
TEAR Fund	-	175	175
World Vision	-	175	175
TOTAL Church relief & dev'mnt agencies	6,500	350	6,850
Home mission & church societies			
Churches Together	250	-	250
CPAS	1,500	-	1,500
Warwick University Christian Union	1,000	-	1,000
Well Christian Healing Centre	5,000	-	5,000
Home For Good	350	-	350
Grace Café	100	-	100
Praise in the park	1,764	1,213	2,977
Thrive	5,000	-	5,000
St Mary's Re CAP	5,000	1,700	6,700
RA & CS Weston	6,400	-	6,400
TOTAL Home mission & church societies	26,364	2,913	29,277
Support for individuals			
Individual support	5,239	1,950	7,189
TOTAL Support for individuals	5,239	1,950	7,189
	48,825	5,415	54,240

The number of individuals assisted during the year was 16 (2016 - 9).

The PCC has retained £1,136 allocated in previous budgets for local mission giving to be used in 2018/19.