

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

**STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2018**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ST PAUL'S CHURCH LEAMINGTON PRIORS**

Independent examiner's report to the trustees of St Paul's Church Leamington Priors

I report to the charity trustees on my examination of the accounts of St Paul's Church Leamington Priors (the Trust) for the year ended 31st December 2018.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust'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 your charity's gross income exceeded £250,000 your examiner must be a member of a body. I can 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 Trust 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 confirm that there are no other matters to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



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i474 March 2019

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2018

	Notes	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2018 £	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2017 £
INCOMING RESOURCES							
Voluntary income	2(a)	499,721	15,957	515,678	499,312	11,570	510,882
Activities for generating funds	2(b)	442	-	442	1,711	-	1,711
Income from investments	2(c)	17,151	-	17,151	3,440	-	3,440
Church activities	2(d)	22,366	-	22,366	13,587	-	13,587
TOTAL INCOMING RESOURCES		539,680	15,957	555,637	518,050	11,570	529,620
RESOURCES EXPENDED							
Church activities - Grants	3(a)	53,470	7,863	61,333	48,825	5,415	54,240
Church activities - Ministry	3(b)	461,637	1,300	462,937	429,064	1,166	430,230
Governance costs	3(c)	2,700	-	2,700	3,280	-	3,280
TOTAL RESOURCES EXPENDED		517,807	9,163	526,970	481,169	6,581	487,750
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS							
		21,873	6,794	28,667	36,881	4,989	41,870
Transfers between funds		-	-	-	3,435	(3,435)	-
NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES							
		21,873	6,794	28,667	40,316	1,554	41,870
Gains on investment assets on revaluation	8	(228)	-	(228)	819	-	819
NET MOVEMENT IN FUNDS		21,645	6,794	28,439	41,135	1,554	42,689
Balances brought forward 1 January		775,299	6,034	781,333	734,164	4,480	738,644
Balances carried forward 31 December		796,944	12,828	809,772	775,299	6,034	781,333


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

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

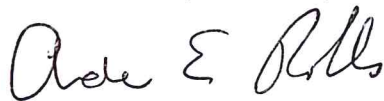
BALANCE SHEET as at 31 December 2018

		2018	2017
	Notes	£	£
FIXED ASSETS			
Tangible fixed assets	6	294,555	303,242
Investment property	7	283,980	283,980
Other investment assets	8	8,576	8,804
		587,111	596,026
CURRENT ASSETS			
Debtors	9	20,636	32,493
Short term deposits		53,432	53,168
Cash at bank and in hand		187,920	145,729
		261,988	231,390
CURRENT LIABILITIES			
Creditors - falling due within one year	10	(39,327)	(46,083)
		222,661	185,307
NET CURRENT ASSETS			
		809,772	781,333
FUNDS			
Unrestricted	11	796,944	775,299
Restricted	11	12,828	6,034
		809,772	781,333
TOTAL FUNDS			
		809,772	781,333

Approved by the Parochial Church Council and authorised for issue on 11 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 2018

	2018		2017	
	£	£	£	£
Net cash provided by/(used in) operating activities		25,304		(1,831)
Cash flows from investing activities				
Dividends and interest from investments	611		860	
Rent from investments	16,540		2,580	
Purchase of: Investment property	-		(283,980)	
Net cash provided by/(used in) investing activities		17,151		(280,540)
Change in cash and cash equivalents in the reporting periods		42,455		(282,371)
Cash and cash equivalents at 1 January		198,897		481,268
Cash and cash equivalents at 31 December		<u>241,352</u>		<u>198,897</u>
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		28,667		41,870
Adjustments for:				
Depreciation charges		8,687		9,164
Dividends and interest from investments		(611)		(860)
Rent from investments		(16,540)		(2,580)
Decrease/(increase) in debtors		11,857		(12,276)
(Decrease)/increase in creditors		(6,756)		(37,149)
Net cash provided by/(used in) operating activities		<u>25,304</u>		<u>(1,831)</u>
Analysis of cash and cash equivalents				
Cash in hand and at bank		187,920		145,729
Notice deposits (less than 3 months)		53,432		53,168
		<u>241,352</u>		<u>198,897</u>

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

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.

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 2018

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 2018

2 INCOMING RESOURCES

	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2018 £	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2017 £
2(a) Voluntary income						
Planned giving						
Gift Aid donations	331,304	-	331,304	314,070	-	314,070
Tax recoverable	82,836	-	82,836	86,065	-	86,065
Other planned giving	72,673	-	72,673	67,756	-	67,756
Other donations	11,069	-	11,069	27,965	-	27,965
Redevelopment Appeal Phase 2	-	-	-	-	40	40
Other appeals	5	14,657	14,662	-	6,969	6,969
Grants	-	1,300	1,300	-	4,561	4,561
Legacies	-	-	-	3,198	-	3,198
Sundry	1,834	-	1,834	258	-	258
	499,721	15,957	515,678	499,312	11,570	510,882
2(b) Activities for generating funds						
Hall lets	442	-	442	1,711	-	1,711
2(c) Income from investments						
Dividends & Interest	611	-	611	860	-	860
Rent receivable	16,540	-	16,540	2,580	-	2,580
	17,151	-	17,151	3,440	-	3,440
2(d) Church activities						
Fees	3,406	-	3,406	1,925	-	1,925
Events	2,961	-	2,961	-	-	-
Sales	7	-	7	863	-	863
Discipleship	11,263	-	11,263	5,259	-	5,259
Outreach	1,401	-	1,401	2,634	-	2,634
Children and families	-	-	-	378	-	378
Youth and students	3,328	-	3,328	2,528	-	2,528
	22,366	-	22,366	13,587	-	13,587
TOTAL INCOMING RESOURCES	539,680	15,957	555,637	518,050	11,570	529,620

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

3 RESOURCES EXPENDED

	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2018 £	Unres- tricted Funds £	Restricted Funds £	TOTAL FUNDS 2017 £
3(a) Church activities - Grants (note 13)						
Overseas Mission	18,886	-	18,886	10,722	202	10,924
Church relief & development agencies	6,600	-	6,600	6,500	350	6,850
Home mission & church societies	24,584	3,823	28,407	26,364	2,913	29,277
Individuals	3,400	4,040	7,440	5,239	1,950	7,189
	53,470	7,863	61,333	48,825	5,415	54,240
3(b) Church activities - Ministry						
Parish share	86,196	-	86,196	96,450	-	96,450
Staff costs	214,994	-	214,994	181,339	-	181,339
Ministry	20,902	-	20,902	22,332	-	22,332
Discipleship	19,216	-	19,216	13,440	-	13,440
Outreach	5,818	-	5,818	8,996	-	8,996
Children and families	6,882	-	6,882	6,941	-	6,941
Youth and students	15,508	-	15,508	12,354	-	12,354
Events and short term projects	6,326	-	6,326	3,528	-	3,528
Support costs	19,592	1,300	20,892	19,654	1,166	20,820
Church & hall running costs	39,681	-	39,681	45,993	-	45,993
Maintenance - Church	4,878	-	4,878	5,551	-	5,551
Maintenance - Other properties	12,957	-	12,957	3,322	-	3,322
Depreciation	8,687	-	8,687	9,164	-	9,164
	461,637	1,300	462,937	429,064	1,166	430,230
3(c) Governance costs						
Independent examiner's fee	2,600	-	2,600	1,580	-	1,580
Legal and other costs	100	-	100	1,700	-	1,700
	2,700	-	2,700	3,280	-	3,280
TOTAL RESOURCES EXPENDED	517,807	9,163	526,970	481,169	6,581	487,750

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

4 STAFF COSTS	2018	2017
	£	£
Salaries	182,996	167,016
National insurance	11,374	9,127
Pension contributions	7,341	5,196
	<hr/>	<hr/>
	201,711	181,339
	<hr/> <hr/>	<hr/> <hr/>

The average number of staff employed was 11 (2017 - 11)

During the year the PCC employed the equivalent of 6.6 full time staff (2017 - 7.5), 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 2018 - £32,373 (2017 - £31,370).

Trustee Peter Wallis is married to employee Kate Wallis (Youth Minister) - salary for 2018 £19,981.

Trustee Gethin Jones is married to employee Hannah Jones (Assistant Childrens Minister) - salary for 2018 - £12,435

Tim Jee the son of Rev Jonathan Jee was temporarily employed by St Pauls and received payments totalling of £2,635 (2017 - £500 from Go Team short term fund). £1,300 of these payments was funded by a grant from Exeter University.

Josh Jee the son of Rev Jonathan Jee received £700 from the GO team short term fund (2017 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 £62,124 (2017 - £54,396)

There were no other related party transactions made in 2017.

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 2018	78,000	336,766	25,546	44,742	485,054
Additions in year	-	-	-	-	-
	<hr/>				
At 31 December 2018	78,000	336,766	25,546	44,742	485,054
	<hr/>				
Depreciation					
At 1 January 2018	-	(115,505)	(25,546)	(40,761)	(181,812)
Depreciation on Disposals in year	-	-	-	-	-
Charge for year	-	(6,736)	-	(1,951)	(8,687)
	<hr/>				
At 31 December 2018	-	(122,241)	(25,546)	(42,712)	(190,499)
	<hr/>				
Net book value					
At 31 December 2017	78,000	221,261	-	3,981	303,242
	<hr/> <hr/>				
At 31 December 2018	78,000	214,525	-	2,030	294,555
	<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 2018

7 INVESTMENT PROPERTY	2018	2017
	£	£
Market value at 1 January	283,980	-
Addition	-	283,980
	<hr/>	<hr/>
Market value at 31 December	283,980	283,980
	<hr/> <hr/>	<hr/> <hr/>

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

8 OTHER INVESTMENT ASSETS	2018	2017
	£	£
Market value at 1 January	8,804	7,985
Net unrealised investment gain	(228)	819
	<hr/>	<hr/>
Market value at 31 December	8,576	8,804
	<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 (2017 - 531 shares).

9 DEBTORS	2018	2017
	£	£
Tax recoverable	20,422	19,627
Other debtors and prepayments	214	12,866
	<hr/>	<hr/>
	20,636	32,493
	<hr/> <hr/>	<hr/> <hr/>

10 LIABILITIES	2018	2017
	£	£
Amounts falling due within one year		
Payroll tax and NIC	2,830	2,551
Other creditors	10,797	16,910
Donations committed	25,700	26,622
	<hr/>	<hr/>
	39,327	46,083
	<hr/> <hr/>	<hr/> <hr/>

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

11 SUMMARY OF ACTIVITIES AND DETAILS OF RESTRICTED FUNDS

	Opening balance £	Income £	Expend- iture £	Investment revaluation (loss) £	Transfers £	Total move- ment in Year £	Closing balance £
Unrestricted funds							
Church activities							
General Fund	141,407	523,140	(499,393)	(228)	6,987	30,506	171,913
Designated funds							
Fixed assets	303,242	-	-	-	(8,687)	(8,687)	294,555
Investment Property	283,980				-	-	283,980
Property Fund	42,698	16,540	(13,314)	-	-	3,226	45,924
Travel Fund	3,400	-	(5,100)	-	1,700	(3,400)	-
Cameo	572	-	-	-	-	-	572
	775,299	539,680	(517,807)	(228)	-	21,645	796,944
Restricted funds							
Cameo/Lunch Clubs	2,003	-	-	-	-	-	2,003
Hardship Fund	3,755	10,760	(4,890)	-	-	5,870	9,625
Specific funds	276	5,197	(4,273)	-	-	924	1,200
	6,034	15,957	(9,163)	-	-	6,794	12,828
Total funds	781,333	555,637	(526,970)	(228)	-	28,439	809,772

Unrestricted funds

General Funds: It is intended that the General funds of £171,913 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 £91,913 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 Travel Fund represents an amount set aside to fund travel by Mission partners

PAROCHIAL CHURCH COUNCIL OF ST PAUL LEAMINGTON PRIORS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

12 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds £	Restricted Funds £	2018 Total £
Fixed assets and investments	587,111	-	587,111
Short term deposits and cash at bank	228,524	12,828	241,352
Other current assets	(18,691)	-	(18,691)
	796,944	12,828	809,772

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £
Overseas mission			
Friends International(McCulloch)	-	-	-
Wycliffe Bible Translators (T Wilson)	2,950	-	2,950
FRRME	1,500	-	1,500
NOTDEC	2,500	-	2,500
Nueva Vida Argentina (Wurfel)	5,848	-	5,848
Nueva Vida Argentina (Wurfel) Travel	6,088	-	6,088
TOTAL Overseas mission	18,886	-	18,886
Church relief & development agencies			
Betel	1,500	-	1,500
Leamington & Warwick Foodbank	5,000	-	5,000
Syrian Refugee with Leukemia	100	-	100
TOTAL Church relief & dev'mnt agencies	6,600	-	6,600
Home mission & church societies			
Churches Together	-	276	276
CPAS	1,500	-	1,500
Warwick University Christian Union	1,000	-	1,000
Well Christian Healing Centre	5,000	-	5,000
Home For Good	100	-	100
You Can Flourish	-	620	620
CrossTeach	-	620	620
Praise in the park	1,684	1,687	3,371
Thrive	5,000	620	5,620
St Mary's Re CAP	5,000	-	5,000
RA & CS Weston	5,300	-	5,300
TOTAL Home mission & church societies	24,584	3,823	28,407
Support for individuals			
Individual support	3,400	4,040	7,440
TOTAL Support for individuals	3,400	4,040	7,440
	53,470	7,863	61,333

The number of individuals assisted during the year was 7 (2017 - 16).

The PCC has retained £503 allocated in previous budgets for local mission giving to be used in 2019/20.