

CHARITY REGISTRATION NUMBER: 1136970

**PAROCHIAL CHURCH COUNCIL
OF THE
PARISH OF THE RESURRECTION, ALTON
FINANCIAL STATEMENTS
31 DECEMBER 2018**

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 2018

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2018.

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 Joy Windsor (Curate)
Revd Lynn Power (Assistant Priest)
Revd Rachel Sturt (Assistant Priest)
Ms Debbie Thrower (Anna Chaplain)
Mrs Margaret Bell (Lay Minister)
Mr Derek Gurney (Churchwarden)
Mr Tim Duddridge (Churchwarden)
Mr Keith Arrowsmith-Oliver (Churchwarden)
Mr Alan Armstrong (Churchwarden)
Ms Jenny Lawrence (Churchwarden)
Mr Peter Bell (Deanery Synod Member)
Ms Lisa Hillan (Deanery Synod Member)
Ms Elspeth Mackeggie Gurney (Deanery Synod Member)
Mrs Victoria Hewitt (Deanery Synod Member)
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 (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 2018

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 (DCCs) for St Lawrence & St Peter's, All Saints and Holy Rood; Administration & Finance; Education & Discipleship (a GAP committee); and Parish and Social Life.

During 2018 the PCC approved the establishment of two new oversight groups to provide greater strategic direction to the work of the parish and maintenance and development of its infrastructure. The Five Year Plan Steering Group oversees all aspects of the planning and delivery of the plan and reports to the PCC. The District Church Council Forum, also reporting to the PCC, brings together representatives of the three DCCs to coordinate and prioritise work to maintain and develop the fabric, furnishings and fittings of the four churches of the parish, the Parish Centre and All Saints Hall, churchyards and burial areas. The PCC also approved updated terms of reference for the other committees.

The PCC 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 Treasurer.

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 2018

Achievements and performance

Report from the Vicar

As I reflect on the past year and the life of our parish I do so with great gratitude for all that God continues to do amongst us. This is a fantastically missional parish with a desire to serve God with all that is presented to us. God calls and we typically find ways to respond with generosity and sacrifice. So I start this report with a profound gratitude to all of you for the ways, big and small, that you make this parish such a wonderful place to live and be. Thank you for seeing opportunities and grasping them, for continuing those long established ministries and activities, for being enthusiastic as we grapple with holding everything together. I am convinced that this is only true because we take our worship and prayer seriously and allow them to be the focus for energy.

This past year has seen a number of things which we need to celebrate:

- we are now in the second year of trading with Resurrection Furniture and I am indebted to The Trustees and the many volunteers for their diligence, discernment and ongoing commitment to this project.
- the re-ordering of The Church of the Holy Rood in Holybourne has been completed and what a transformation! We are enjoying the flexibility of the space, the ease in which refreshments can be served and the fact that we can now go to the loo inside the building. A big thank you to all who served on The Living Space Project Team in these last few years. There is now 'phase two' being planned and researched - to replace the ageing lights with a new improved fittings and fixtures, to install an Audio Visual System and host an ongoing Holybourne Village Archive display.
- the launch of the Church@4 services in Holybourne and at St Lawrence. These inclusive Sunday afternoon services have brought new life to all-age worship and our engagement with children and their families. It is also encouraging that The Butts Church have started their own to complement ours so that across town there is Church@4 on three Sunday afternoons. Thank you to those who have stayed with this initiative and formed planning teams to make them happen so effectively. Many of the Church@4 families are also involved and attend The Lighthouse at St Lawrence Church on Sundays. Our provision for children, especially at St Lawrence is so good and it is a joy to see them joining us for worship so often.
- our Anna Chaplaincy continues to serve and minister to the older people of our community with great dedication and a pioneering spirit. Thank you to Rachel and Debbie for all you do. It is amazing to think that what was started here in Alton ten years ago has now got a wide national following with Anna Chaplains and Friends being appointed and commissioned all over the country.
- the ecumenical scene in Alton is thriving. I am so pleased to be part of a wider team of minister and church leaders which such a heart for unity. A particular highlight has been the Lent Talks which now have happened twice together. Many people have commented to me on how well they are delivered and how they are valued. My hope is that we can do more and more together - Jesus himself prayed that we should be 'one'.
- the ministry which is offered to our local schools is vast. There are a number of members of the parish who serve as governors being part of that strategic leadership. It is a time consuming role, thank you. Collective Worship is provided to so many of our schools by the clergy team and from

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2018

Achievements and performance *(continued)*

those in other local churches - it is a wonderful opportunity to share our faith with the children but also to allow their faith to encourage us. I am always touched by their singing and praying, we could learn so much from them. We have three Open The Book teams made up of people from local churches who faithfully go and tell Bible stories in all our primary schools in town. This is always so well received, thank you to those who take time to make this a priority. Keren Brake has the title of Schools Ministry Co-ordinator and has taken the time to make opportunities a reality such as the recent Easter Experiences for all Year 3 pupils across the town

- Ali Wright is in her second year as Youth Minister and a number of young people are benefitting from her work. I particularly want to thank her for her activities at Amery Hill and Eggars, our two secondary schools. It is important that we reach out into the lives of the teenagers of our town.
- the Covenant Youth Choir goes from strength to strength and has recently returned from a France Tour. We have enjoyed their music at concerts and services this year, thank you. They have recently been supplemented by The Covenant Training Choir for younger children and their music is taking off and developing at a pace. Joy Windsor adds to all the other of her responsibilities to make CYC and CTC a success, thank you to her and to the other volunteers who so keenly help her.
- the appointment of two new Parish Administrators has been vital. Carole and Philippa have been a great asset and have been introducing new systems to the office. They are getting there with the myriad roles within the job and I couldn't function without them.
- This year has seen the development and launch of our Five Year Plan which is to drive us forward in mission and ministry. There was a good consultative process and time has been taken to explain it more fully in preaching and articles. It is imperative that we have vision - without it we perish! There is a PCC Committee which is set up to oversee its development and the committee will report separately at the APCM. As part of the Plan we have introduced ID Groups for our ongoing discipleship. We have had one term in which a number of people have engaged in various activities. We would especially like to see others offering to run small, time-limited activities which include Bible reading, prayer, faith encouragement and fellowship. What might you offer?

I am sure there is more I could add to my list. In fact, I often wonder how we manage to make so many activities, events and services happen. It is with this in mind that I propose to focus a PCC meeting before the summer to evaluate and discuss how we might do fewer things and do them really well. Perhaps we fall into the category of over-stretching ourselves? Of course, this is a practical and pragmatic discussion but it has also to be prayerful and missional. I would value your prayers as the PCC undertakes this important piece of work.

Lastly I must pay tribute to all those who take responsibility and minister alongside and with me. I am very grateful to have such an enthusiastic and gifted Ministry Team - Joy, Lynn, Martin, Margaret, Rachel, Debbie and Ali. The Churchwardens and PCC have been a joy to work with and I thank them for their support and care of me as well as their ability to keep on top of the work of the four churches. It has also been year of goodbyes. We said farewell to David and Julie Hinks as David took up his new role as Managing Chaplain at Winchester Prison and then to Chris, Naomi and the children Bradish as Chris went first to London and now to Andover as Vicar of St Mary's Church. We miss them all very much but know that we all follow God's call. And so I am very much looking forward to God's call to Gordon and Ruth Randall as Gordon comes as Associate Vicar. I can announce now that his licensing service will take place on Sunday 23rd June, 3pm in Holybourne Church with Bishop David presiding. Please put this in your diaries, let's fill to overflowing the church.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2018

Achievements and performance *(continued)*

All in all, a tremendous year in God's service here in Alton, Holybourne and Beech. I thank God and I thank you. We have been studying of late in our Lent Talks the Lord's Prayer. I have been especially drawn again to the phrase 'Thy Kingdom Come, thy will be done'. It's part of the prayer that directs us to think much beyond ourselves to see what God is doing and how He is calling. God's kingdom and His will are the focus of all we do and I ask that you pray this often, with conviction and with confidence. I believe it makes all the difference.

With my love and my own prayers for us as a parish and for each one of us.

Andrew

Financial review

In 2018 the General Fund, which covers the day-to-day expenses of the parish, had an excess of expenditure over income of £793 (excluding depreciation charges). Planned Giving was stable but there was a sharp fall of over £4,000 in loose collections. Various reasons were identified for this, including the trend that people carry less cash. A 'tap and donate' facility has been introduced in 2019 to encourage cashless giving. Various measures have been taken to meet known rising costs in 2019 due to increased Common Mission Fund payments and administrative costs to support work towards delivering the Five Year Plan vision, with the aim of balancing income and expenditure.

The main phase of the Living Space Project in the Church of the Holy Rood to improve accessibility, create a more welcoming environment for church members and facilities for the wider local community was completed within the funds raised in 2017 through grants and donations. Funds have since been raised towards completing the project in 2019. The project was the subject of regular reports to the Administration and Finance Committee and reviewed regularly by the PCC.

General Fund cash reserves of just over £37,000 are some £15,000 less than PCC policy of holding a minimum of 3 months normal running costs expenditure in unrestricted reserves. General Fund expenditure is being exercised to ensure that the reserves are not further depleted but cost pressures suggest that in the short term it is unlikely that they will be brought back up to the desirable level. Although the parish holds other unrestricted Designated funds of some £48,000, the bulk of this sum is the Parish Mission Fund allocated to support implementation of the Parish Five Year Plan and not available to support General Fund expenditure unless there are exceptional unavoidable circumstances.

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 PCC 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. At the end of 2018 the Holy Rood Fund had a balance of just £320, however this was restored to £6,000 in January 2019 due to recovery of VAT on expenditure relating to the Living Space Project. 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.

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2018

Financial review *(continued)*

In 2018 the Administration and Finance Committee reviewed and updated the Reserves, Investment and Conflict of Interest policies. All policies are approved by the PCC and published on the parish website. Data protection policies and procedures were thoroughly reviewed and updated where necessary to ensure that the parish was compliant with the new General Data Protection Regulations effective from May 2018. The Committee also reviewed the roles and working practices of the parish administrative staff with a view to improving efficiency, including the introduction of a church-specific software package, and to providing effective support for the implementation of the Five Year Plan.

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 planning 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 regularly 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 has active engagement in various ways with the two Church of England primary schools in Alton. The parish is frequently involved in supporting major events in the town. Clergy and other members of the church participate in the Alton town pastors scheme at the weekends and have also established a platform pastor presence at the town's railway station. Youth work has been a particular focus with the employment of a Youth Minister to work with young people across all age ranges in the parish to promote the Christian faith and also to engage in the diocese Student Evangelism Project and the community-based Kings Arms Project to meet the needs of young people in the local area.

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 26 March 2019 and signed on behalf of the board of trustees by:

Revd Andrew Micklefield (Vicar)
Chairman of Trustees

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 2018

I report on the financial statements for the year ended 31 December 2018, 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 2018

	Note	Unrestricted funds £	2018 Restricted funds £	Total funds £	2017 Total funds £
Income and endowments					
Donations and legacies	4	176,586	62,087	238,673	327,373
Charitable activities	5	27,742	--	27,742	27,677
Other trading activities	6	8,132	4,597	12,729	15,983
Investment income	7	1,222	1,243	2,465	2,196
Total income		<u>213,682</u>	<u>67,927</u>	<u>281,609</u>	<u>373,229</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	8	(4,554)	(563)	(5,117)	(4,246)
Expenditure on charitable activities	9,10	(235,044)	(178,145)	(413,189)	(416,971)
Total expenditure		<u>(239,598)</u>	<u>(178,708)</u>	<u>(418,306)</u>	<u>(421,217)</u>
Net income		<u>(25,916)</u>	<u>(110,781)</u>	<u>(136,697)</u>	<u>(47,988)</u>
Other recognised gains and losses					
Fair value movement on investments		--	(237)	(237)	1,360
Net movement in funds		<u>(25,916)</u>	<u>(111,018)</u>	<u>(136,934)</u>	<u>(46,628)</u>
Reconciliation of funds					
Total funds brought forward		121,185	300,211	421,396	468,024
Total funds carried forward		<u>95,269</u>	<u>189,193</u>	<u>284,462</u>	<u>421,396</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 2018

		2018		2017	
		£	£	£	£
Fixed assets					
Tangible fixed assets	17		11,879		13,463
Investments	18		15,659		15,896
			<u>27,538</u>		<u>29,359</u>
Current assets					
Stocks		500		500	
Debtors	19	9,532		13,964	
Cash at bank and in hand		274,058		399,488	
		<u>284,090</u>		<u>413,952</u>	
Creditors: amounts falling due within one year	20	<u>27,166</u>		<u>21,915</u>	
Net current assets					392,037
Total assets less current liabilities			<u>284,462</u>		<u>421,396</u>
Funds of the charity					
Restricted funds			189,193		300,211
Unrestricted funds			95,269		121,185
Total unrestricted funds		95,269		121,185	
Total charity funds	21		<u>284,462</u>		<u>421,396</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 2018

	2018	2017
	£	£
Cash flows from operating activities		
Net income	(136,697)	(47,988)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,584	1,499
Dividends, interest and rents from investments	(528)	(517)
Other interest receivable and similar income	(1,937)	(1,679)
<i>Changes in:</i>		
Trade and other debtors	4,432	(7,674)
Trade and other creditors	5,251	(12,153)
Cash generated from operations	<u>(127,895)</u>	<u>(68,512)</u>
Interest received	<u>1,937</u>	<u>1,679</u>
Net cash from operating activities	<u>(125,958)</u>	<u>(66,833)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	528	517
Purchase of tangible assets	--	(1,400)
Net cash used in investing activities	<u>528</u>	<u>(883)</u>
Net increase in cash and cash equivalents	(125,430)	(67,716)
Cash and cash equivalents at beginning of year	<u>399,488</u>	<u>467,204</u>
Cash and cash equivalents at end of year	<u>274,058</u>	<u>399,488</u>

These financial statements were approved by the board of trustees and authorised for issue on 26 March 2019, 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 2018

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 were no 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 the Holy Rood Living Space Project 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 2018

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 2018

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 Common Mission Fund contributions are 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 2018

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 2018

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 2018 £
Donations			
Planned Giving	109,349	--	109,349
Income Tax Recoverable	27,283	1,735	29,018
Collections	10,546	--	10,546
Sundry Donations / Appeals	12,922	5,435	18,357
Other Planned Donations	9,440	--	9,440
Other Funds Generated	7,046	17,608	24,654
Mission Collections	--	9,209	9,209
Legacies			
Legacies	--	1,500	1,500
Grants			
Heritage Lottery and Other Grants	--	26,600	26,600
	<u>176,586</u>	<u>62,087</u>	<u>238,673</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations			
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
Legacies			
Legacies	-	6,260	6,260
Grants			
Heritage Lottery and Other Grants	--	59,020	59,020
	<u>183,115</u>	<u>144,258</u>	<u>327,373</u>

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

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

5. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Church Hall Lettings	15,933	15,933	14,920	14,920
Parochial Fees	<u>11,809</u>	<u>11,809</u>	<u>12,757</u>	<u>12,757</u>
	<u>27,742</u>	<u>27,742</u>	<u>27,677</u>	<u>27,677</u>

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Concerts, Fairs and Other Fund Raising Events	6,216	4,597	10,813
Magazine Sales and Advertising	<u>1,916</u>	<u>--</u>	<u>1,916</u>
	<u>8,132</u>	<u>4,597</u>	<u>12,729</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
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>

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Income from listed investments	528	--	528
Bank Interest Receivable	<u>694</u>	<u>1,243</u>	<u>1,937</u>
	<u>1,222</u>	<u>1,243</u>	<u>2,465</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
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>

8. Costs of other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Concerts, Fairs and Other Fund Raising Events	<u>4,554</u>	<u>563</u>	<u>5,117</u>

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

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

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

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

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Activities directly related to the work of the church	165,014	--	165,014
Parish Mission Action Plan Fund	26,639	--	26,639
All Saints Fabric Fund	281	--	281
Holy Rood Fabric Fund	1,926	--	1,926
Holy Rood Church Room Fund	6,162	--	6,162
St Lawrence Fabric Fund	--	10,819	10,819
POTR All Churches Fabric Fund	--	5,104	5,104
Mission Fund	--	10,396	10,396
Youth Work Fund	--	1,408	1,408
Covenant Fund	--	1,803	1,803
Holy Rood Fabric Fund	--	57,508	57,508
Holy Rood Living Space	--	88,621	88,621
All Saints Maintenance and Costs	--	2,219	2,219
Support costs	35,022	267	35,289
	<u>235,044</u>	<u>178,145</u>	<u>413,189</u>

	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
St Lawrence Fabric Fund	--	155,648	155,648
All Saints Fabric Fund	2,220	--	2,220
Holy Rood Fabric Fund	1,856	--	1,856
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>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2018 £	Total funds 2017 £
Activities directly related to the work of the church	165,014	–	34,522	199,536	211,895
Parish Mission Fund	26,639	–	–	26,639	8,709
St Lawrence Fabric Fund	10,819	–	16	10,835	155,812
POTR All Churches Mission Fund	5,104	–	–	5,104	1,007
Youth Work Fund	–	10,396	–	10,396	14,692
Covenant Fund	1,408	–	–	1,408	1,276
Holy Rood Fabric Funds	1,803	–	–	1,803	6,584
Holy Rood Living Space	59,434	–	–	59,434	11,529
HR Church Room Fund	88,621	–	–	88,621	32
All Saints Fabric Fund	6,162	–	–	6,162	0
All Saints Maint & Costs	281	–	–	281	2,220
Church Street Fund	2,219	–	–	2,219	2,314
Governance costs	–	–	251	251	251
	–	–	500	500	650
	<u>367,504</u>	<u>10,396</u>	<u>35,289</u>	<u>413,189</u>	<u>416,971</u>

11. Analysis of support costs

	Activities directly related to the work of the Church £	St Lawrence Fabric Fund £	Church Street Fund £	Total 2018 £	Total 2017 £
Staff costs	18,392	–	–	18,392	15,249
General office	9,011	–	–	9,011	8,466
Governance costs	500	–	–	500	650
Clergy Expenses	5,802	–	–	5,802	6,065
Depreciation	1,317	16	251	1,584	1,499
	<u>35,022</u>	<u>16</u>	<u>251</u>	<u>35,289</u>	<u>31,929</u>

12. Analysis of grants

	2018 £	2017 £
Grants to institutions		
Missionary Societies	3,361	6,093
Relief and Development Agencies	3,761	1,206
Home Mission	3,274	7,393
	<u>10,396</u>	<u>14,692</u>
Total grants	<u>10,396</u>	<u>14,692</u>

PAROCHIAL CHURCH COUNCIL OF THE PARISH OF THE RESURRECTION, ALTON

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

13. Net income

Net income is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	1,584	1,499

14. Independent examination fees

	2018	2017
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	500	650

15. Staff costs

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

	2018	2017
	£	£
Wages and salaries	42,087	29,236

The average head count of employees during the year was 3 (2017:3).

No employee received employee benefits of more than £60,000 during the year (2017: 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 £	Total £
Cost				
At 1 January 2018	20,165	5,696	5,585	31,446
Additions	–		–	
Disposals	–	–	–	–
At 31 December 2018	<u>20,165</u>	<u>5,696</u>	<u>5,585</u>	<u>31,446</u>
Depreciation				
At 1 January 2018	9,073	3,325	5,585	17,983
Charge for the year	1,008	576	–	1,584
Disposals	–	–	–	–
At 31 December 2018	<u>10,081</u>	<u>3,901</u>	<u>5,585</u>	<u>19,567</u>
Carrying amount				
At 31 December 2018	<u>10,084</u>	<u>1,795</u>	<u>–</u>	<u>11,879</u>
At 31 December 2017	<u>11,092</u>	<u>2,371</u>	<u>–</u>	<u>13,463</u>

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

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

18. Investments

	Listed investments £
Cost or valuation	
At 1 January 2018	15,896
Fair value movements	<u>(237)</u>
At 31 December 2018	<u>15,659</u>
Impairment	
At 1 January 2018 and 31 December 2018	<u>-</u>
Carrying amount	
At 31 December 2018	<u>15,659</u>
At 31 December 2017	<u>15,896</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

	2018 £	2017 £
Prepayments and accrued income	1,542	1,737
Other debtors	<u>7,990</u>	<u>12,227</u>
	<u>9,532</u>	<u>13,964</u>

20. Creditors: amounts falling due within one year

	2018 £	2017 £
Other creditors	<u>27,166</u>	<u>21,915</u>

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

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2018 £	Income £	Expenditure £	Gains and losses £	At 31 December 2018 £
General Fund	48,797	199,084	(201,193)	–	46,688
Parish Mission Plan Fund	59,901	12,493	(27,878)	–	44,516
All Saints Fabric Fund	2,263	15	(281)	–	1,997
Covenant Youth Choir Fund	0	1,830	(2,158)	–	(328)
Holy Rood Bells Fund	2,379	17	–	–	2,396
Holy Rood Church Room	6,162	–	(6,162)	–	0
Holy Rood Fabric Fund	1,683	243	(1,926)	–	0
	<u>121,185</u>	<u>213,682</u>	<u>(239,598)</u>	<u>–</u>	<u>95,269</u>

Restricted funds

	At 1 January 2018 £	Income £	Expenditure £	Gains and losses £	At 31 December 2018 £
St Lawrence Fabric Fund	61,719	2,028	(10,835)	–	52,912
Mission Fund	–	10,396	(10,396)	–	–
Choir Fund	15,896	–	–	(237)	15,659
Youth Work Fund	3,706	747	(1,408)	–	3,045
Organ Fund	612	2,090	–	–	2,702
Covenant Fund	11,662	72	(1,803)	–	9,931
Church Street Fund	2,770	–	(251)	–	2,519
Holy Rood Fabric Fund	56,097	1,731	(57,508)	–	320
Holy Rood Living Space Fund	52,314	43,009	(88,621)	–	6,702
All Saints Fabric Fund	5,657	41	–	–	5,698
All Saints Bells Fund	7,628	56	–	–	7,684
St Peters Fabric Fund	2,762	1,436	–	–	4,198
All Saints Maintenance and Costs Fund	44,392	687	(2,219)	–	42,860
POTR All Churches Fabric Fund	34,996	4,725	(5,308)	–	34,413
Alton Deanery Fund	0	909	(359)	–	550
	<u>300,211</u>	<u>67,927</u>	<u>(178,708)</u>	<u>(237)</u>	<u>189,193</u>

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

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	9,361	2,518	11,879
Investments	–	15,659	15,659
Current assets	105,871	178,219	284,090
Creditors less than 1 year	<u>(19,963)</u>	<u>(7,203)</u>	<u>(27,166)</u>
Net assets	<u>95,269</u>	<u>189,193</u>	<u>284,462</u>

23. Financial instruments

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

	2018 £	2017 £
Financial assets measured at fair value through income and expenditure		
Investments	<u>15,659</u>	<u>15,896</u>