

Parochial Church Council of the Ecclesiastical Parish of Finchampstead and  
California



Finchampstead and California PCC

Annual Report and Financial Statements

For the Year Ended

31 December 2017

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### ***Trustees' Report for the year to 31 Dec 2017***

#### ***Administrative Information***

Finchampstead & California Parochial Church Council is the governing body for St. James' Church, Finchampstead and St Mary & St John's Church, California, following the legal union of these two formerly separate parishes on 1 September 2011. Since 1 November 2017, it also incorporates St Eligius' Church, Arborfield Green, following a small boundary change. There is one ancient church building, St James' Church, situated in Church Lane, Finchampstead, Wokingham, Berkshire, RG40 4LU and one more modern church building, formerly Arborfield Garrison Church, situated at Tope Rd, Arborfield Green, RG2 9NB (St Mary & St John's church uses Gorse Ride Junior School, Finchampstead for worship.) The parish is in Sonning Deanery in the Diocese of Oxford within the Church of England.

The formal point of contact is the Church Office, Manor House, Church Lane, Finchampstead, Berkshire, RG40 4LU      Tel: 0118 973 0133      [Office@stjames.finchampstead.co.uk](mailto:Office@stjames.finchampstead.co.uk)

The PCC's principal bankers are CAF Bank Ltd, 25 Kings Hill Ave, Kings Hill, West Malling, Kent, ME19 4JQ  
The independent examiner is Mr. Keith McKenzie CIMA, 1 Manor Barns Lane, Finchampstead, Berkshire, RG40 3TQ

The Parochial Church Council (PCC) is a registered charity. – no 1130075 and all its members (elected, ex officio and co-opted) are Charity Trustees registered with the Charity Commission.

Members of the PCC are generally either ex-officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Under the Synodical Government Amendment Measure 2003, the elected places come up for election on a three year cycle and members may stand for re-election. If anyone stands down early, a replacement fills the remainder of the three year term, to maintain the three year rotation. Where this is at the time of other elections, the total number are elected and then the one(s) to fill out-of-turn vacancies is (are) decided by lot.

The 15 elected PCC members are in three groups A, B and C (see below) to hold office till, respectively, APCM 2019, APCM 2017 & 2020, and APCM 2018

Deanery Synod representatives are elected for the 3 year term of the Synod (at present to 31/05/2020) and become ex officio members of the PCC. Elections for the next three year period take place at APCM 2020.

The Churchwardens are elected annually at the 'Vestry Meeting' and, under the Churchwardens Measure 2001, may be re-elected up to a maximum of six consecutive years served. The churchwardens are admitted to office by the bishop between the APCM and 31st July each year but take up their place on PCC immediately after election. A retiring churchwarden continues in office until the successor is admitted to office.

Associate Priests and Associate Curates are automatically part of the PCC. Licensed Lay Ministers may be required by the APCM to be part of the PCC.

During the period from 1 Jan 2017 to 31 Dec 2017 the following served as members of the PCC (Trustees):-

**Incumbent:** Rev Canon Julie Ramsbottom

**Stipendiary Associate Priest:** Rev Mark-Aaron Tisdale (left 19 Feb 2017)

**Stipendiary Associate Priest:** Rev Julian McAllen (licensed 3 May 2017)

**Associate Priest:** Rev Canon John Edwards (SSM)

**Stipendiary Curate:** Rev Hannah Higginson (on maternity leave from Oct 2017)

**Churchwardens:**

Mrs Sharon White (*served to APCM 2017*)

Mrs Marjorie Stalker (*served from APCM 2014*)

Mr Ed Sampson (*served from APCM 2014*)

Miss Joanne Myall (*served from APCM 2015*)

Mr Dave Moore (*served from APCM 2017*)

**Representatives on the Deanery Synod (elected to 31 May 2017 and then May 2020):**

Mrs Nicky Alder

Mr Paul Arscott (Licensed Lay Eucharistic Minister) (*to APCM 2017*)

Mrs Carolyn Fox (PCC Secretary)

Mr Martin Hughes

Mr James Lawbuary (*from APCM 2017*)

Mr Dave Moore (*to 31 May 2017*)

Mr Richard Owen

Mr Richard Peat (*from APCM 2017*)

Mrs Sharon White

**Elected Member: (A to APCM 2019, B to APCM 2017 & 2020, C to APCM 2018)**

Mr Robert Alder (B) (*from APCM 2017*)

Mrs Julia Arscott (B) *to APCM 2017*

Mrs Sarah Booth (A)

Ms Cath Bowers (B) *to APCM 2017*

Mrs Thelma Campbell (B)

Mr Colum Devine (B) (PCC Treasurer)

Mr Maurice Driver (B)

Mrs Sandy Godfrey (A)

Mrs Louise Goldring (C)

Mr Martin Hembra (A)

Mrs Kate Meads (C)

Mrs Susan Meikle (C)

Mrs Bev Mitchell (C)

Mrs Gill Myall (A)

Mr Richard Peat (C) Vice Lay Chair *to APCM 2017*

Mrs Karen Remmington (B) (*from APCM 2017*)

Mrs Pam Smith (A)

Mrs Ashlyn Webster (C)

**Co-opted Members**

Mr Colum Devine (*to APCM 2017*) (PCC Treasurer)

### ***Structure, governance and management***

The PCC is a corporate body formed under the Parochial Church Council (Powers) Measure 1956 as amended. The PCC makes all decisions corporately except that the Standing Committee has delegated powers to make decisions between PCC meetings subject to keeping the PCC informed as fully as necessary.

The practical work of the PCC is largely devolved to committees whose minutes are circulated to all PCC members, ideally within two weeks of the meetings. Recommendations for decision are highlighted and then brought to the PCC: (Committees:- Communications, IT and Publicity; St James'(SJ) Fabric & Property; St Mary & St John's(SMSJ) Building Management; Finance & Stewardship; SJ Worship & Liturgy; SMSJ Worship; Mission, Charity & World Concern (from June 2017 re-named Charity & Mission Group); SJ Social & Fundraising; SMSJ Social; Churchyard Committee; Community & Outreach; Growing Living Faith; Children & Youth; Green Team, Friends of St James', and from May 2017 St Eligius' Committee.) The large PCC formally receives all the minutes, acts on the items requiring decision and is responsible for developing the vision and strategy for the parish.

The PCC is responsible for all parish finance, including the appointment of a treasurer, and is required to ensure that the financial statements are examined by an independent examiner prior to presentation to the APCM.

### ***Objectives and activities***

Finchampstead & California PCC has the responsibility of co-operating with the incumbent in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has responsibility for the maintenance of the Church, Churchyard, Manor House Flats, St James' Church Centre and associated grounds, St Mary & St John's Parish Centre, St Eligius' Church and 43, McCarthy Way. It approves the appointment of sidespeople and endorses recommendations made by the Rector for the appointment of Foundation Governors for the local Church of England Primary School. The PCC has, when planning activities, considered the Charity Commissioner's guidance on 'public benefit' and, in particular, the specific guidance on charities for the advancement of religion. A key feature of the charity registration was the benefits that the church provides to the members of the local and wider community. These include:

- A focus for the Christian spiritual life of the local community.
- The provision of religious services throughout the Christian calendar and on key occasions in the nation's life. These are supplemented by Baptisms, Marriage services, Funeral services and Burials. Such services of the established Church of England are open to everyone.
- A sacred place of tranquillity, peace or solitude for spiritual refreshment or personal meditation.
- Pastoral care for those not able to attend church.
- An enhanced venue for the provision of music and concerts, both religious and secular.
- Complementary venues for Church related clubs and activities as well as private functions.
- Support to the village school, and other non-denominational schools within the local area.
- A local 'Living Museum' preserving local history for local people and those beyond.
- Physical access for both the able and the disabled.
- Support for other organisations involved in mission in the UK and overseas or involved in humanitarian relief and development work, by giving 10% of the PCC's unrestricted income each year to such causes and encouraging the congregation to give to specific charities during the year.

### ***Charity Trustee Induction and Training***

The nomination papers state that nominees should not be “disqualified from being a Charity Trustee.” The implications of the role of Charity Trustee are clearly stated in a paper setting out 7 Primary Responsibilities of Charity Trustees in the APCM Information Pack with additional reference to the Charity Commission publication ‘The Essential Trustee: What you need to know.’ The nomination sheets all remind candidates that they will become Charity Trustees and refer them to this ‘Legal Responsibilities’ paper. Candidates are reminded in the ‘Profile of a PCC Member/Charity Trustee’ document in the Information Pack that they must “take the role of Charity Trustee seriously”. Further induction is available when registration forms are completed for new PCC members and afterwards if required.

### ***Achievements and performance***

#### ***Church attendance***

The Church Electoral Roll, 481 in November 2016, remained steady at 477 in November 2017. However this included many new applicants replacing members who have died or moved from the area during the year.

The average weekly Sunday attendance over the period has been:

SMSJ weekly Eucharistic morning service - 29 (33 in 2016)

SMSJ monthly Fun, Friends & Fellowship family service – 26 (29 in 2016)

SMSJ special services – 96 (101 in 2016) (Open air Pentecost service & Christingle)

SJ weekly 8am Communion – 13 (17 in 2016)

SJ twice-monthly Matins – 18 (18 in 2016)

SJ twice or thrice monthly short Family service in Church, including one Family Communion a month – 42 (54 in 2016)

SJ twice monthly short Family service in Church Centre – 46 (46 in 2016)

SJ weekly 11am Eucharistic service – 78 (86 in 2016)

SJ monthly Evensong – 23 (24 in 2016)

SJ special Evensongs - 139 (103 in 2016) (Farewell & Welcome services for Associate Priests, Confirmation, All Souls’ and Advent Carols)

Numbers for the parish as a whole at major festivals were as follows: Easter Day 2017 – 358(354 in 2016), Christmas Eve 2017 – 772 (851 in 2016), Christmas Day 2017– 249 (225 in 2016). (St Eligius figures will be included from 2018.) Bishop Henry Scriven confirmed 18 young people and 2 adults at a Confirmation service at St James’ on 23 April 2017. A service for the local Church of England Primary School is held each half term, either in the church or the school. Clergy or lay church personnel continue to lead collective worship regularly at three of the four primary schools in the parish and a link is beginning to be made with the new Bohunt Secondary School. During 2017, there were 26 (38 in 2016) baptisms, 6 (13 in 2016) Weddings, 1 (1 in 2016) Wedding Blessings, 12 (19 in 2016) funerals and 26 (31 in 2016) services at the crematorium, as well as regular weekly Midweek Communion, services at Care Homes in the parish and services for the Fledgelings Mother & Toddler Group in church at Easter, Harvest and Christmas and a programme of Messtivals (One-off Messy Church events). From January, Morning Prayer increased from once to four times each week. With the incorporation of St Eligius’, a further range of services and activities has been added to the mix.

#### ***Risk Management***

The PCC recognises its responsibility to assess and manage the various risks to which it is exposed:

**a) Financial**

The Financial Management software enables the Treasury Team to make regular reports to the Finance & Stewardship Committee and to track and analyse trends much more effectively. The PCC asks the Finance & Stewardship Committee to assess the income/expenditure situation and takes appropriate action to ensure its financial stability regularly. A Financial Update from the Treasurer is now a standard agenda item for the Standing Committee meetings. Control is maintained over cash receipts and cheques over £1000 drawn on the CAFcash accounts require two signatures from a short designated list. All payments via online banking require to be authorized by two signatories. There is good recording of invoices received and paid in order to show a full audit trail from receiving the invoice to being able to identify where the invoice is posted in the accounts. All financial data on computer is backed up regularly so that records can be recreated if necessary. Fund balances are in interest bearing accounts mainly with the Diocese and CAF.

**b) Reputational**

The PCC and its committees oversee all activities that impact on the local population as appropriate.

**c) Statutory**

The PCC and Church members in general have a wide range of expertise that is called upon to ensure that the PCC complies with its legal and statutory duties. The PCC secretary updates Charity Trustee details with the Charity Commission and submits accounts and reports. Flemming Westphalen of qasuk Ltd had a contract to supply Health & Safety advice until summer 2017. A replacement advisor is being sought. In line with the Licensing of Premises Act, the Church Centre has an Entertainment Licence. Fire Protection devices in all premises are regularly checked/renewed to meet statutory guidelines. Gas safety testing and testing of electrical appliances are carried out in all premises as legally required. Louise Westphalen was Data Protection Officer to keep PCC informed of the law until summer 2017. A replacement is about to be engaged. PCC members are being encouraged to attend Diocesan training on the new GDPR (General Data Protection Regulations) that comes into force in May 2018.

**d) Operational**

The PCC takes responsibility for maintaining the fabric of the buildings, a major conservation project on the ancient church building having been completed in 2010. Trustee Indemnity Insurance is in place for PCC members. Our Insurance policies with Ecclesiastical Insurance are reviewed annually, thanks to the expertise of Peter McBrien. Health & Safety guidelines for Contractors on Church premises are written into all major contracts. Our Health & Safety Advisor is consulted where appropriate. The PCC has a Serious Incident Reporting Procedure for use by its groups (copy in Church Office). The Pastoral Team has a Pastoral Care Guidelines document. Non-PCC members with access to parish records sign a confidentiality statement. The PCC has a Safeguarding Policy and aims to ensure that all volunteers with children, young people and vulnerable adults have been appropriately checked. Off-site activities for young people are approved by the PCC and covered for insurance purposes subject to risk assessments being carried out. A Parish Social Media Policy is in place using Diocesan guidelines, and its contents have been widely publicised.

For PCC members to be kept fully informed of church activities and to be in a position to fulfill their obligations as Charity trustees and to manage the church effectively, every member should be on at least one committee and each committee should be chaired by a PCC member, if at all possible, with minutes of all meetings being distributed to every PCC member ideally within two weeks of a meeting. Minutes are reviewed at both PCC and Standing Committee meetings. The Standing Committee tries to have representation on all committees.

## ***Review of the PCC activities for the year to 31 December 2017***

### ***General***

In the year, the full PCC met 6 times, one being to agree Accounts and reports prior to the APCM and another, an extraordinary meeting in July, to vote on the proposed boundary change to incorporate St Eligius' Church and a small surrounding area into the parish.

The average attendance over the 6 meetings was very good. The Standing Committee met 5 times in the intervening months and its minutes were distributed to the whole PCC. The day-to-day business was carried out by a set of committees (see list on page 4 under structure and governance) and minutes of these committees were circulated to the full PCC and reviewed at both PCC and Standing Committee meetings. Where necessary, items requiring decisions were brought to the PCC. To fulfill its strategic role, the PCC continued to restrict its business to an hour at each meeting and used the second hour to hear presentations/have discussions on specific aspects of parish life. In 2017, topics have been as follows:

In February 2017, there was a focused bible study on 1 Chronicles 29: 10 – 14 and 17 – 18, linked to Vision & Calling;

in May 2017, PCC members watched a promotional video by Archbishop Justin Welby on 'Thy Kingdom Come', his call to prayer between Ascension and Pentecost;

in July 2017, the PCC started the Vision Review process, discussing in small groups what had gone well and what not so well;

in November 2017, the PCC reflected on Bishop Steven's call to be a more Christ-like Church, more contemplative, more compassionate and more courageous.

### ***Major items for the period***

#### St Eligius' Church and congregation

Progress on moving the church and congregation from the jurisdiction of the army into the Church of England parochial system continued slowly in 2017, a major advance being the boundary change which took effect from 1 November 2017 and brought the church building into our parish. We have a Tenancy At Will but still need to regularize the ownership of the building and its acceptance as a Place of Worship in the Diocesan system, such that churchwardens and PCC representatives can be elected. The clergy took services at St Eligius throughout the year and supported the congregation as much as possible.

#### Liddell Sampson Churchyard Extension

This project came to fruition and was consecrated by the Bishop in September. The first burials have taken place there and pleasingly the full total of fundraising was achieved during the year. Some planting and other work to enhance the area continues but the area is now part of ongoing 'Churchyard Maintenance'.

#### Taking Forward the Vision for the Parish

Keeping the Vision priorities (see below) central to the work of the PCC, its sub-committees and the wider congregation has been ongoing.

- Nurturing and developing faith
- Being outward looking, focussed on Mission
- Proclaiming Jesus
- Giving the best welcome
- Enabling diversity whilst maintaining unity.

#### Moving from Giving to tackle a financial deficit to Giving in response to God's generosity

Having successfully tackled the financial deficit of 2015, it was good to return to an encouragement of 'normal' giving in response to all that God has given us.

#### Staffing

As soon as it was known that Rev Mark-Aaron would be leaving to take up a new post, work began on finding a replacement. This was successfully achieved in early 2017 and Rev Julian started in May. The Diocese authorized a New Communities Minister for Arborfield Green, attached to this parish and after advertising and interviewing, Rev Tonia Elliott was appointed to begin in Feb 2018. PCC successfully applied for another curate from summer 2018. Although James Lawbuary finished as Family and Youth Worker at the end of 2017, provision for this post is now incorporated in the church budget.

#### Other important tasks

The PCC reviews its Safeguarding Policy annually. It also appoints Foundation Governors to the village Church School on Canon Julie's recommendation.

### ***Financial Review***

#### ***2017 Results***

The results for 2017 showing a slight deficit (£-400). of income over expenditure from the unrestricted & designated funds, but overall given the challenges of this year financially (as is usually the case always) we effectively ended the year with balanced books. In essence the financial plan the PCC approved the previous year was delivered.

Expenditure as always continues to be dominated by Parish Share, which totals almost £158,000. Parish share accounts for almost 50% of the overall total of expenditure, and property maintenance although well managed has ever-increasing needs. Property maintenance carried out last year which was in the plan was expedited and overall despite some income versus expenditure blips early in the year recovered very well in the second half as more focus and analysis was expedited to realign what we received and what we spent.

Our office staff further rose to the challenge and are now overseeing the management of payments and income with the support of the finance and stewardship team. Whilst it has certainly meant an addition to their workload this way of managing every activity has worked very well since March/April 2017. The office staff have continued to embrace our approach to cost reduction wherever possible. They have helped to ensure the best and more cost-effective choices are made across a range of administrative areas and raised awareness of our financial position more generally. Importantly our office team is now an integral part of the finance and stewardship team.

Last year also saw both the treasurer and the gift aid secretary working with the diocese and St Eligius (which is now officially part of our parish) in assisting with the financial management of our new church. This included management of the St Eligius unrestricted fund and the assisting of managing monies and providing Gift Aid support to enable our team at St Eligius to purchase a new organ and piano. With all due credit all the required funding for the new organ and piano was achieved entirely by fundraising and gift aid and donations and totalled over £17000. This was a truly impressive achievement from those involved at St Eligius.

The accounting for last year for St Eligius was managed outside of the PCC's accounts until the St Eligius legal position and inclusion into the parish was regularised with effect from 1 Nov 2017, and effectively meant ensuring complete financial segregation of any St Eligius monies – either restricted or unrestricted. Now the status of St Eligius is formally established the realignment of monies held in the

restricted fund will be returned formally to our mainstream accounting process and the fund restored to its original purpose.

In addition, income from hiring both our halls/centres continues to be a reliable and steady source of income for our church.

Of other note is the distribution of over £19,000 to our charitable giving causes by the Charity & Mission Group with the support and approval of the PCC.

### ***Financial Governance***

The Finance and Stewardship Committee consisted of the Treasurer, Finance team (which consist of those who manage income and expenditure, financial accounting and data production), Churchwardens and some PCC members. This committee meets regularly at least once a quarter to agree and approve financial statements, manage issues and concerns. review processes and how to improve our efficiency, providing reports, management of our property assets and investment assets and provide reporting, support and guidance to the PCC as required. A review of stewardship of investments was also undertaken this year, which established our funds continue to be invested wisely. Attendance at committee meetings much as in 2017 ranged from 5 to 10 people. The last meeting of 2017 spent much time reviewing the financial plan for 2018.

Thanks are due to all members who attended over the year.

### ***Reserves Policy***

The PCC has three categories of Reserves:

- Restricted
- Designated
- Unrestricted and undesignated

It has established appropriate Reserves policies for each category and, in the case of Designated Reserves, for each separate type of reserve. The full statement of our reserving policy is available on request.

The PCC is substantially dependent on voluntary income. While much of this income is received regularly through planned giving schemes, single or spontaneous donations and collections are not easily predictable. The PCC has major property assets, including the historic church of St James, Finchampstead and its associated Church Centre. In the past these buildings have required significant maintenance expenditure. This requirement will continue in the future and, while some expenditure can be planned for, other work will be unpredictable as regards both timing and amount. Having regard to these unpredictable elements of its activities, as well as the nature of its other resources and commitments, the PCC's policy for unrestricted and undesignated Church and Parish Fund is to hold as reserves between 3 and 6 months' anticipated expenditure. At 31st December 2017 Church & Parish unrestricted and undesignated fund stands at £102,000 which nearly achieves most of our target and is equivalent to nearly 5 months' expenditure.

In the event that such reserves fall outside the range, the PCC will take appropriate steps to correct the position within 24 months or sooner if possible. In normal circumstances the PCC will carry out a review of its Reserves once a year, as part of the process for preparing the year-end accounts.

***Plans for 2018***

The PCC approved a balanced financial plan/budget for 2018. This includes allowance for a moderate increase Parish Share and the costs of the increasingly wide range of activities we offer; this also includes the certainty that utility costs will be significantly increased. The Finance and Stewardship Committee will continue to look at costs versus income and tread the usual tightrope of keeping the books balanced. This year we have a wider scope with the addition of St Eligius to our parish. Careful management to our agreed financial plan will be the order of the day for this coming year and we will be looking to optimise our cost base where possible.

An area for cost saving identified last year with respect to telecoms didn't materialise for lots of reasons but it is hoped that we can tackle it this year, and that further cost saving can be achieved in the area of line rental and associated tariffs and price plans. This will be a sizeable undertaking, but a rationalisation of what is a significant cost must at some point be a sensible project for this year.

As per last year we have yet to see what the financial impact will be of St Eligius joining our worship community long term and although there is no direct allowance in the current plan approved by PCC for this, there was substantive unrestricted and restricted income and donations from St Eligius reserves which were moved to our accounts. Therefore, there is more than sufficient to cope this year for normal day to day operation.

This report assumes that full integration of commercial and financial management will fall under our already well-established processes. However, we will move relevant monies which are held in a special purpose nominal account and expend those resources as necessary, ensuring at all times that it is properly utilised for the categorised purposes.

One other notable plan for 2018 which may require investment is with respect to the purchase of the St Eligius church property and land from the MOD (Ministry of Defence). Funding for this will have to come from some of our investment reserves but the Finance and Stewardship team will manage this with the PCC and Standing committee and our auditor once costs and timescales are known.

Additionally, there has been a process underway to evaluate options around improving our Church Centre kitchen and catering facilities which most of us would agree is well overdue. There is also the balance between improvement in our facilities and, additionally, the needs for expenditure which the Fabric and Property team identify as necessary and urgent. However, in respect of both of these areas of demand, we will need to ensure there are firm and solid plans in place to guarantee we do the right things at the right time from a stewardship perspective.

Again, the approach for 2018 will be the assumption that this will be a challenging year with financial uncertainty as we move further and further into the 'BREXIT' and any economic challenges. The financial plan we are operating to assumes interest rates and prices to continue to increase and from an income perspective, moderate growth. Therefore, we will need to continue to manage to our planned financial plan budget, ensuring we are doing the best we can in all areas to ensure good stewardship, making sensible decisions and the release of resource wherever possible, for mission and ministry. The Finance and Stewardship team also hope that our supportive church community can continue to review their planned giving and hear the words of wisdom from our ministry team.

***Special Thanks***

Maintaining and developing the work of the church in this parish can only be achieved through the generous and regular gifts of time, talent and money from so many people in our congregations. The PCC is deeply indebted to everyone who contributes in these ways and thanks God for every contribution. The challenges of reaching the residents of the considerable amount of new housing being built in our parish now and in the near future, together with enhancing current activities, will be costly in time and money so continued and new contributions are deeply valued and valuable.

Signed on behalf of the PCC

## **Independent Examiner's Report on the Financial Statements**

### **To the PCC of Finchampstead and California**

This report on the Financial Statements of the PCC for the year ended 31 December 2017, which are set out on pages 13 to 23, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and s.43 of the Charities Act 1993 ('the Act').

### **Respective responsibilities of the PCC and the examiner**

As the members of the PCC you are responsible for the preparation of the Financial Statements; you consider that the audit requirement of Regulations and section 43(2) of the Act does not apply. It is my responsibility to issue this report on those Financial Statements in accordance with the terms of Regulations.

### **Basis of this report**

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 43(7)(b) of the Act and to be found in the Church guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the Financial Statements with those records. It also includes considering any unusual items or disclosures in the Financial Statements 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 I do not express an audit opinion on the view given by the Financial Statements.

### **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 41 of the Act; and
- to prepare Financial Statements which accord with the accounting records and to comply with the accounting requirements of the Act and the Regulations have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Financial Statements to be reached.

Mr K.I.McKenzie, CIMA  
1 Manor Barns Lane  
Finchampstead  
Berkshire  
RG40 3TQ

## Statement of Financial Activities

**1 January 2017 to 31 December 2017**

	Unrestricted and Designated Funds note	Restricted Funds £	Endowment Funds £	Total Funds 2017 £	Total Funds 2016 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary Income	187,727	33,415	-	221,142	195,194
Activities for generating funds	53,378	-	-	53,378	49,215
Investment income	17,157	-	-	17,157	19,476
Incoming resources from charitable activities	23,129	1,058	-	24,187	38,997
Other incoming resources	-	23,317	-	23,317	57,655
St Matthews Kimberley	-	-	-	-	-
<b>Total incoming resources</b>	2	281,391	57,790	-	339,181
<b>Resources used</b>					
Costs of generating funds					
Costs of generating voluntary income	4,416	-	-	4,416	7,662
Costs of generating voluntary income	203	-	-	203	-
Fundraising trading: cost of goods sold & other costs	469	-	-	469	10
Investment management costs	11,083	-	-	11,083	10,776
Charitable activities	265,658	24,413	-	290,071	256,114
Governance costs	-	-	-	-	-
Other resources used	-	31,842	-	31,842	55,470
<b>Total resources used</b>	3	281,829	56,255	-	338,084
<b>Net incoming / outgoing resources before transfer</b>		(438)	1,535	-	1,097
<b>Transfers</b>					
Gross transfers between funds - in		-	-	-	-
Gross transfers between funds - out		-	-	-	-
<b>Net incoming / outgoing before other gains / losses</b>		(438)	1,535	-	1,097
<b>Other recognised gains / losses</b>					
Gains / losses on investment assets	101,902	37,278	-	139,180	25,581
Gains on revaluation, fixed assets, charity's own use	-	-	-	-	-
<b>Net movement in funds</b>		101,464	38,813	-	140,277
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		1,153,664	338,482	-	1,492,146
<b>Total funds carried forward</b>		1,255,126	377,295	-	1,492,146

The notes on pages 15 to 23 form a part of these statements

## Balance Sheet at 31 December 2017

	note	Unrestricted and Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Total Funds 2016
<b>Fixed Assets</b>						
Tangible Assets for use by the PCC	5	227,400	-	-	227,400	235,400
Investments	6	849,963	319,684	-	1,169,647	1,004,887
<b>Total Fixed Assets</b>		<b>1,077,363</b>	<b>319,684</b>	<b>-</b>	<b>1,397,047</b>	<b>1,240,287</b>
<b>Current Assets</b>						
Accounts Receivable	7	15,249	-	-	15,249	20,074
Cash at bank and in hand		168,676	57,611	-	226,287	182,681
<b>Total Current Assets</b>		<b>183,925</b>	<b>57,611</b>	<b>-</b>	<b>241,536</b>	<b>202,755</b>
Agency Collections	8	148	-	-	148	(223)
Accounts Payable	8	(6,311)	-	-	(6,311)	(14,702)
Advanced Receipts	8	-	-	-	-	-
<b>Net Current Assets</b>		<b>177,762</b>	<b>57,611</b>	<b>-</b>	<b>235,373</b>	<b>187,830</b>
<b>Total Assets less liabilities</b>		<b>1,255,125</b>	<b>377,295</b>	<b>-</b>	<b>1,632,420</b>	<b>1,428,117</b>
<b>PCC Funds</b>						
Unrestricted Funds	9	143,005	-	-	143,005	75,345
Designated Funds	9	1,112,120	-	-	1,112,120	1,013,754
Restricted Funds	9	-	377,295	-	377,295	339,018
Endowment Funds		-	-	-	-	-
<b>Total Funds</b>		<b>1,255,125</b>	<b>377,295</b>	<b>-</b>	<b>1,632,420</b>	<b>1,428,117</b>

The notes on pages 15 to 23 form a part of these statements

Signed by the Chair of the PCC meeting at which these Financial Statements were approved

Date :

## Notes to the Financial Statements

### **Note 1**

#### **Accounting Policies**

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2006 together with applicable accounting standards and the Charities SORP 2005.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

#### **Funds**

Church & Parish funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted. The accounts 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.

#### **Incoming Resources**

##### Voluntary income

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

##### Activities for generating funds

Funds raised by the Fete/Patronal festival and other social events are accounted for gross.  
The purchase and sales of goods and books are accounted for gross.  
Rental income from the letting of church properties is recognised when the rental is due.  
No bad debt write-off/provision is recognised until formal recovery proceedings are started.

##### Income from investments

Dividends and interest are accounted for when due and receivable.

##### Gains and losses on investments

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

##### Intangible income

The PCC receives substantial practical assistance from individual church members, but the financial value is mainly unquantifiable and no attempt is made to reflect this in these accounts.

#### **Resources used**

Grants and donations are accounted for when paid over, or when awarded, if the award creates a binding obligation on the PCC.

### **Tangible fixed assets**

**The church**, its furniture and fittings, and the churchyard are not included in the balance sheet.

Other freehold land and buildings held primarily or exclusively for charity use are included at the cost of acquisition or, where such cost is not available, at the estimated value at the time of acquisition. Land and buildings are generally not depreciated but are subject to an annual impairment review. The PCC considers that the market value of its interest in land and buildings is likely to be considerably in excess of their carrying value and considers it is not practicable to quantify the excess in view of the nature of the properties and that any attempt at such quantification would not assist the users of the accounts.

The **Manor House**, flats and grounds were given for "ecclesiastical purposes". The Custodial Trustees are the Diocesan Trustees (Oxford) Limited (DTOL) and the Administrative Trustees are the PCC. Four flats in a part of the property are let. The PCC has a formal interest in the property and bears the cost of all repair and maintenance. The **Church School** was purchased in 1925 and is held under trusts "for ecclesiastical purpose in Finchampstead Parish". Under the terms of the conveyance of the property the Custodial Trustees are DTOL and the Administrative Trustees are the PCC. The PCC's interest is included at the cost of acquisition.

The **Parish Centre** in Billing Avenue was purchased in 2001 and is of a construction that the PCC currently estimates to have a useful life of 25 years. An allowance for depreciation is made for this building only each year.

Equipment used within the church is expensed as incurred. Office equipment is written off over 3-4 years and musical equipment is written off over 5 years.

### **Investments**

Investments are valued at market value.

Investment freehold property has been valued by the treasurer, using recent sales of similar properties as a guide to estimate the current market value.

**Note 2**  
**Income 2017**

	Unrestricted and Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £	2016 £
<b>Voluntary income</b>					
Gift aid collections	103,303	401	-	103,704	112,797
Gift Aid tax reclaim (all sources)	30,506	1,861	-	32,367	31,241
Other collections	53,918	31,153	-	85,071	51,156
	<u>187,727</u>	<u>33,415</u>	<u>-</u>	<u>221,142</u>	<u>195,194</u>
<b>Activities for generating funds</b>					
Rental Income	36,234	-	-	36,234	39,043
Fete and other events	17,144	-	-	17,144	10,172
	<u>53,378</u>	<u>-</u>	<u>-</u>	<u>53,378</u>	<u>49,215</u>
<b>Investment income</b>					
Rental Income	-	-	-	-	-
Dividends and interest	17,157	-	-	17,157	19,476
	<u>17,157</u>	<u>-</u>	<u>-</u>	<u>17,157</u>	<u>19,476</u>
<b>Incoming resources from charitable activities</b>					
Fees for occasional services	13,503	-	-	13,503	20,032
Other activities	9,626	1,058	-	10,684	18,965
	<u>23,129</u>	<u>1,058</u>	<u>-</u>	<u>24,187</u>	<u>38,997</u>
Other incoming resources	<u>-</u>	<u>23,317</u>	<u>-</u>	<u>23,317</u>	<u>57,655</u>
Kimberley link collections	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Income from all sources</b>	<b><u>281,391</u></b>	<b><u>57,790</u></b>	<b><u>-</u></b>	<b><u>339,181</u></b>	<b><u>360,537</u></b>

### Note 3

#### Expenditure 2017

	Unrestricted and Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2016 £	Total Funds 2016 £
Costs of generating funds					
Rental property maintenance	4,416	-	-	4,416	7,662
Costs of generating voluntary income					
Envelopes etc	203	-	-	203	-
Fundraising trading: cost of goods sold & other costs					
Social and other events	469	-	-	469	10
Investment management costs					
Insurance	3,591	-	-	3,591	2,615
Maintenance and management	7,492	-	-	7,492	8,161
	11,083	-	-	11,083	10,776
Charitable activities					
Parish Share	157,945	-	-	157,945	155,321
Insurance	5,973	-	-	5,973	6,421
Maintenance	16,127	3,248	-	19,375	11,128
Church Services	5,411	1,276	-	6,687	5,538
Clergy Expenses	4,878	-	-	4,878	7,137
Parish Office	20,467	-	-	20,467	17,629
Other administration	6,355	-	-	6,355	6,956
Music, Choir and organist	12,690	-	-	12,690	9,339
Occasional Services	2,240	-	-	2,240	2,748
Utilities	5,173	-	-	5,173	6,479
Group costs	3,300	291	-	3,591	4,712
Depreciation	4,000	-	-	4,000	4,000
Kimberley link	-	-	-	-	-
Mission giving	19,525	-	-	19,525	17,928
Other	1,574	19,598	-	21,172	778
	265,658	24,413	-	290,071	256,114
Governance costs	-	-	-	-	-
Other resources used					
Helen Taylor trust costs	-	31,842	-	31,842	55,470
<b>Total Expenditure</b>	<b>281,829</b>	<b>56,255</b>	<b>-</b>	<b>338,084</b>	<b>330,032</b>

## Note 4

### a) Staff costs

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Salary*</b>	20,466	18,026
<b>Employer's National Insurance</b>	-	-
	<b>20,466</b>	<b>18,026</b>
	<b>20,466</b>	<b>18,026</b>

\* This total includes employer pension contributions

Three people are employed by the PCC, two in the Parish Office and a Youth Worker who left us in December 2017. The PCC also pays the Director of Music, Organists and a Cleaner(s), who are not employees of the PCC. We benefit from the Government initiative to help small businesses and charities that allows us to claim Employment Allowance. This effectively means there is no requirement for the PCC to pay employers national insurance.

### b) Payments to PCC members

No payments were made to PCC members other than to reimburse costs which they incurred in the running of the PCC. All payments made were approved according to the PCC policy and were evidenced by receipts.

## Note 5

### Tangible Assets for use by the PCC

	Freehold Land & buildings Manor house & School	Freehold Land Parish Centre	Freehold building Parish Centre	Church and PCC Equipment	Total
	£	£	£	£	£
Book value					
at 1 January 2017	170,400	15,000	110,000	24,877	320,277
Additions	-	-	-	-	-
Write offs	-	-	-	-	-
at 31 December 2017	170,400	15,000	110,000	24,877	320,277
Depreciation					
at 1 January 2017	-	-	60,000	24,877	84,877
Charge for the period			4,000	-	4,000
Write offs			-	17,303	17,303
at 31 December 2017	-	-	64,000	42,180	106,180
(period of depreciation)	(not)	(not)	25 years	(3-5 yrs)	
Book value					
at 31 December 2017	<b>170,400</b>	<b>15,000</b>	<b>46,000</b>	<b>(17,303)</b>	<b>214,097</b>
at 1 January 2017	170,400	15,000	50,000	(0)	235,400

## Note 6

### Investment assets

type of fund	PCC Investment Property £ designated	PCC Equity Investments £ designated	HT Trust Equity Investments £ restricted	HT Trust Deposit Investment £ restricted	Total £
<b>Market Value</b>					
at 1 January 2017	265,000	483,062	191,406	91,000	1,030,468
Purchases at cost	-	-	-	-	-
Disposals	-	-	-	-	-
Surplus on revaluation	60,000	41,902	17,278	20,000	139,180
<b>at 31 December 2017</b>	<b>325,000</b>	<b>524,963</b>	<b>208,684</b>	<b>111,000</b>	<b>1,169,648</b>

Equity investments are in the CBF Church of England UK Equity Fund

## Note 7

### Accounts Receivable

	2017 £	2016 £
Prepaid Insurance	2,707	2,128
Tax accrued on Gift Aid income	6,797	7,464
Other accrued income	5,746	4,875
	<u>15,250</u>	<u>14,466</u>

## Note 8

### Accounts Payable

	2017 £	2016 £
Accounts Payable - mission giving		
Accounts Payable - other	4,349	14,702
Advance receipts		
Agency Collections	1,962	222
	<u>6,311</u>	<u>14,924</u>

## Note 9

### Funds Movement Summary

Fund and type	Balance Brought forward Sunday, 1 January 2017	Incoming Resources	Outgoing Resources	Transfers	Gains and Losses	Balance Carried forward Sunday, 31 December 2017
	£	£	£	£	£	£
<b>Unrestricted</b>						
Church & Parish	139,910	280,014	276,918	-	-	143,006
<b>Designated</b>						
Long term investments	748,062	-	4,000	-	101,902	845,963
Church & Parish assets	251,569	-	-	-	-	251,569
Investment property maintenance	-	-	-	-	-	-
Manor house maintenance	2,960	-	180	-	-	2,780
Kimberley link	0	-	-	-	-	0
Fledgelings	1,189	190	212	-	-	1,167
Children & Youth	9,974	1,186	520	-	-	10,641
SMSJ Legacy	-	-	-	-	-	-
Sub total	1,013,754	1,376	4,911	-	101,902	1,112,120
<b>Restricted</b>						
Helen Taylor Trust	307,302	25,200	31,842	-	37,278	337,938
Kimberley link	6,643	-	-	-	-	6,643
Fledgelings Charity Fund	375	190	-	-	-	565
SJ Spend A Penny	-	-	-	-	-	-
Parish centre maintenance	7,367	-	-	-	-	7,367
Friends of St James	5,710	533	3,248	-	-	2,995
SJ Special purpose fund	3,620	-	-	-	-	3,620
Community and Outreach	1,155	-	450	-	-	705
SMSJ Charities	1,007	-	-	-	-	1,007
SMSJ £5,000 donation	522	-	-	-	-	522
SMSJ Collections	(1)	-	-	-	-	(1)
SJ Flower Fund	555	868	1,276	-	-	147
Children & Youth	1,638	-	161	-	-	1,478
Joint Community & Outreach	510	270	-	-	-	780
St Elgius	2,079	30,728	19,278	-	-	13,529
Sub total	338,482	57,789	56,255	-	37,278	377,295
<b>Total</b>	<b>1,492,146</b>	<b>339,179</b>	<b>338,084</b>	<b>-</b>	<b>139,180</b>	<b>1,632,421</b>

#### Friends of St James

Funds continue to be raised for maintenance, repair, alteration and enhancement of the Church of St James in Finchampstead including its fixtures and fittings.

#### Helen Taylor Trust

This was set up as the result of a donation given for the purpose of maintaining the St James churchyard. In 2016 the churchyard extension project began and is nearing completion and this fund was used to bear some of those costs. Funding used from other long-term investments and due to some sterling work was replaced via fund raising and donations in 2017.

#### Parish Centre maintenance fund

This fund was set up with the excess funds given to acquire and fit out the St Mary & St John Parish Centre and is to be used for major repairs (or replacement) to the Parish Centre. The terms of income to this fund was changed this year. Previously, if there were any surpluses of donations for use of the Parish Centre over its running costs then they were transferred into this fund. In actual fact there hasn't been any excess in recent years but to reflect the contribution hiring of the Parish Centre must make to overall Parish costs the PCC formally removed the condition in 2015.

### **SMSJ Legacy fund**

This fund was designated from a legacy by the former PCC of St Mary & St John's church, to be used for community outreach in Finchampstead. This money was used to fund a (part time) youth worker in the Parish and the monies for this are totally expended. The youth worker salary will be paid from unrestricted funds. This restricted fund will be closed – this fund will be removed from the report in this financial year.

### **SJ Special Purpose fund**

Contains funds restricted for the purposes of: Memorial Garden, Bell restoration, and Church Hall curtains. There has been no draw down on these funds in 2017.

### **Kimberley Link Funds**

In previous years money has been raised to support St Matthews Church & School in the Kimberley diocese. This link has broken down and the decision was made by the PCC to undesignate the Kimberley designated Fund so that the money can be released to fund other mission costs. The restricted fund remains in place and Mission Team are continuing to work hard to try to resolve the issues such that the fund can be used for its intended purpose.

### **Community & Outreach**

Money in this fund has been donated for use on community projects.

### **Joint Community & Outreach**

This fund has been established to receive income from the joint project that is operating in the Parish with the Finchampstead Baptist Church. Any income is used specifically to fund this project.

### **SMSJ Charity**

This fund was set up to collect donations for and record payments to charity collections.

### **SMSJ £5000 donation**

The remaining balance of a £5000 donation restricted for use on community projects

### **SMSJ Collections**

This fund was set up to collect and record donations for individuals such as retiring priests and school caretaker. This year we have cleared the balance.

### **SJ Flower Fund**

A fund set up to record income & expenditure relating to the provision of flowers for St James Church.

### **Children & Youth**

We have both a designated fund and a restricted fund that holds donations to aid work with young people in the parish. The designated fund records subscriptions made by the youth groups. The restricted fund records money donated by individuals specifically to help this area of work.

### **SJ Spend a Penny**

A fund set up to record the donations made in 2013 and 2014 to help with refurbishment of bathroom facilities at the Church Centre that took place in 2015. The monies in this fund are

Notes to the Financial Statements

exhausted and this restricted fund will no longer be used – this fund is depleted and will be removed from the report in this financial year.

**St Eligius**

This fund had been originally established as a restricted fund to hold the money given to the PCC by the Diocese to help fund the costs of working with the new worship centre in Arborfield, St Eligius. In 2017 this was further enhanced only until such time as the St Eligius position was firmly established as part of the Parish of Finchampstead. This activity was expedited in agreement with and support from the diocese to hold monies from St Eligius fund raising, donations and unrestricted funds. This would allow the application of financial management and governance and addition of application of Gift Aid and any associated HMRC tax relief claims for the outright purchase of a new Organ and Piano. Once the formal transition of St Eligius was established and it had officially become an integral part of our parish, this fund would be returned to its formal status, and that monies held in that account which are or were not given directly by the Diocese should be transitioned to the correct nominal codes on the main accounts. This activity will be formally processed and progressed during the course of 2018, thereby returning the fund to its initial purpose.