

Saffron Walden Parochial Church Council
Trustees' Report and Financial Statements
For the year ended 31 December 2017

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Saffron Walden Parochial Church Council
Annual Report
For the year ended 31 December 2017

Report of the trustees for the year ended 31 December 2017

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2017. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, as amended by Update Bulletin 1, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a “true and fair” view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a “true and fair view”. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Objectives and activities for the public benefit

St Mary's in Saffron Walden is the town centre church which as well as being used for regular worship throughout the week is used for civic and other special services and concerts. The PCC is committed to bringing as many people as possible to worship at our church and to become part of our church community at St Mary's. The church has many groups and activities. Our worship, expressed in prayer and scripture, music and sacrament is central to who we are and what we do.

The PCC is also committed to and offers financial support to the local church school, St Mary's Primary School.

The Trustees keep in mind the Charity Commission's guidance on public benefit when planning the activities for the year.

Activities and performance

A wide range of services is offered during the week and throughout the year. All are welcome to attend our regular services. As well as our regular services at St Mary's, we enable our community to celebrate and thank God throughout their journey through life – at baptisms, weddings and funerals.

The last full revision of the Electoral Roll was completed in March 2013, when there were 387 parishioners of whom 39 were non-resident. The most recent update in November 2017 shows there are currently 424 parishioners on the electoral roll 50 of whom are not resident within the Parish. The average usual Sunday attendance during 2017 at all churches was 236 adults and 26 children but this is considerably increased at festivals.

No faculty applications were submitted during the year. However, the application submitted in 2016 to allow us to proceed with the installation of a servery, WC, improved welcome facilities at the west end of the church and the connection of the church to mains drainage was approved on 5 January 2017.

Buildings Development Project

An amount of £38,000 was transferred from general fund reserves, and £20,000 was transferred from the Fabric Fund to the Buildings Development Fund in 2017. A total of £48,000 was received from external grant making bodies.

The servery and the new, improved welcome facilities at the west end of the church were completed in 2017 and work on the WC was commenced in January 2018 and is scheduled to be completed in May / June this year.

Financial Review

The balance sheet for all funds shows a decrease of £115,995 from £993,326 to £877,331 at the end of 2017. Prior to gains on investments of £7,863, the net decrease for the year was £123,858. The decrease is mainly due to the cost of the Buildings Development works – a net outflow of £84,322. The other key contributor was the General Fund which decreased by just over £28,000 mainly due to the transfer of surplus reserves to the Buildings Development Fund. The Fabric Fund received a £20,000 legacy during the year which the PCC agreed to transfer to the Buildings Development Fund. The Buildings Development Fund income included grants of £48,185, VAT reclaimed of £36,469 and donations & local fundraising of £18,375. Total expenditure of £245,735 included professional fees of £28,587. Once again, the continued generosity of parishioners through the stewardship schemes and local fundraising activities enables the PCC to continue planning with confidence.

The revaluation of investments at 31 December 2017 amounted to £7,863 (2016: £10,483), whilst fixed assets were depreciated by £10,887 (2016: £10,887). A provision for fees of £3,600 (2016: £3,530) has been included in these accounts for the independent examination

Contributions towards the Parish Share from St James Swards End and St John's Little Walden amounted to £4,072 (2016: £3,977) and £3,246 (2016: £3,195) respectively.

The PCC reviews the activities of the parish and considers the major risks that may arise from time to time. The major risks identified in the process have been assessed and satisfactory systems established to mitigate the risks. The PCC will continue to review the risks on an on-going basis.

Investment Policy

The PCC's Policy is to place surplus working capital in interest bearing bank deposit accounts and the CBF Church of England Deposit Fund. Regarding longer term funds, including those to be held permanently (e.g. the endowment funds), the policy is to hold the funds in the CBF Church of England Investment Fund, which is managed by CCLA Investment Management Ltd. Investments are reviewed periodically by the Finance Committee.

Reserves Policy

The PCC's Policy, which is reviewed annually, is to maintain free cash reserves equivalent to 3 months of total budgeted expenditure (around £66,000 for 2018). The policy is to retain excess free reserves until required for material capital expenditure to be approved by the PCC. Total 'free reserves' at 31 December 2017, amounted to £75,597, which means an amount of £9,500 can be allocated to the Buildings Development Fund.

Grants (outward giving) Policy

The PCC supports a small number of charitable entities (both at home and overseas), including the local Church of England Primary School and the Vacation Bible School held annually in Saffron Walden. The policy is to give between 5 and 10% of planned giving. The amounts and recipients are reviewed annually.

In addition, special collections are held from time to time, to support, for example, DEC appeals.

Plans for the future

We are currently in the process of installing a discreet toilet in the south west corner of the church, which will be followed by creating and installing storage space in the north aisle of the church.

Future phases of the project include the reordering of the choir and clergy vestries and the relocation and restoration of the tomb of Thomas Audley to make this significant historical feature more accessible to visitors. Progress on these will depend upon our ability to raise the necessary funds.

We want St Mary's to flourish in its important role as the parish church for the town of Saffron Walden: to be at the heart of community life and to be an attractive place for visitors.

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure and is a Registered Charity. All PCC members are trustees. Representatives of the laity are elected by members of the electoral roll at the Annual Parochial Church Meeting for a 3 year term. Together with the clergy, churchwardens and co-opted members, they form the PCC.

The parish of Saffron Walden, which includes its daughter churches, St James Swards End and St John Little Walden, is governed by the PCC, under the chairmanship of the Rector, Revd Canon David Tomlinson. The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including decisions on how funds of the PCC are spent. Given its wide responsibilities, the PCC has a number of committees, each dealing with a particular aspect of parish life. These committees, for example, Worship, Children & Youth, Prayer, Property, Finance etc are all responsible to the PCC and report back to it regularly with minutes of their meetings being reviewed by the full PCC and discussed as necessary.

The PCC met six times during the year.

During the year the following served as members of the Church Council:

Clergy: Revd Canon David Tomlinson, Team Rector & Chairman
Revd Canon Jenny Tomlinson, Revd Paula Griffiths, Revd Richard Spencer,
Revd Jeremy Parsons (to April 2017), Revd Angela Want (to Jan 2017),
Revd Tim Hardingham, Revd Rachel Prior (from July 2017),
Revd John Saxon (from July 2017)

Churchwardens: Steve Hasler (to April 2017), Pam Russell, Denis Tindley (from April 2017)

Other members:

| | |
|--|--|
| Marisa Baltrock (Deanery Synod member) | Pamela Jenner (to April 2017) |
| Rufus Barnes | Peter Karolyi |
| David Birchall (Treasurer) | Christopher Knight |
| Lisa Brook | Patrick Li |
| Jenny Cottam | Gillian Lovegrove |
| Michael Dean (Sewards End Deputy Warden) (to Apr 2017) | Anna Martin |
| Bronwen Ferland | Pamela Mugliston |
| Richard Freeman (Diocesan Synod member) | Robin O'Neill |
| Judith Hasler (Deanery Synod member) & (Sewards End Representative from June 2017) | Tracey Nicholls (Little Walden Representative) |
| Steve Hasler (from April 2017) | David Sheppard (to December 2017) |
| Chris Hall (Deanery Synod member) | Gordon Smith |
| Kevin Halsall (Deanery Synod member) | Denis Tindley (to April 2017) |
| Martin Hugall | Clifford Want (Deanery Synod member) |
| | Matt Williamson |

Co-opted member:

Oliver King (Director of Music)

Statement of Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

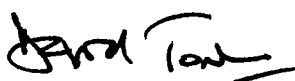
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Signed on behalf of the Parish by:



Revd Canon David Tomlinson

Date: 20 March 2018

Independent Examiner's Report to the Trustees For the year ended 31 December 2017

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2017.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn. This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Responsibilities and Basis of Report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn. I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters, other than those fully detailed below, have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Signed: 

Dated: 26 March 2018

Mrs J Coplowe FCA
For and on behalf of Peters Elworthy & Moore
Chartered Accountants
Cambridge

Saffron Walden Parochial Church Council
Statement of Financial Activities
For the year ended 31 December 2017

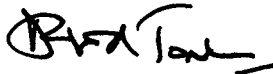
| | | Unrestricted Funds | Restricted and Endowment Funds | Total Funds 2017 | Unrestricted Funds | Restricted and Endowment Funds | Total Funds 2016 |
|--|------|-----------------------|---|------------------------|-----------------------|---|------------------------|
| | Note | £ | £ | £ | £ | £ | £ |
| Income and Endowments | | | | | | | |
| Income from donations and legacies | 2a | 244,017 | 101,851 | 345,868 | 254,102 | 64,918 | 319,020 |
| Income from charitable activities | 2b | 33,144 | 9,859 | 43,003 | 32,360 | 15,249 | 47,609 |
| Investment income | 2c | 6,160 | 11,820 | 17,980 | 7,165 | 13,015 | 20,180 |
| Other income | 2d | 7,434 | 38,790 | 46,224 | 7,385 | 28,281 | 35,666 |
| Total Income | | 290,755 | 162,320 | 453,075 | 301,012 | 121,463 | 422,475 |
| Expenditure | | | | | | | |
| Grants | 3a | 17,339 | 9,804 | 27,143 | 13,986 | 8,188 | 22,174 |
| Activities directly relating to the work of the Church | 3b | 276,205 | 263,564 | 539,769 | 258,803 | 111,546 | 370,349 |
| Fundraising | 3c | 938 | 9,083 | 10,021 | 829 | 10,063 | 10,892 |
| Total Expenditure | | 294,482 | 282,451 | 576,933 | 273,618 | 129,797 | 403,415 |
| Net (Expenditure) / Income before Transfers | | (3,727) | (120,131) | (123,858) | 27,394 | (8,334) | 19,060 |
| Transfers between funds | | (38,657) | 38,657 | - | (80,658) | 80,658 | - |
| Net (Expenditure) / Income and net movement in funds before gains and losses on investments | | (42,384) | (81,474) | (123,858) | (53,264) | 72,324 | 19,060 |
| Gains and losses on Investments | 5b | 3,274 | 4,589 | 7,863 | 3,624 | 6,859 | 10,483 |
| Net movement in funds | | (39,110) | (76,885) | (115,995) | (49,640) | 79,183 | 29,543 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 626,917 | 366,409 | 993,326 | 676,557 | 287,226 | 963,783 |
| Total funds carried forward | | 587,807 | 289,524 | 877,331 | 626,917 | 366,409 | 993,326 |

The attached notes form part of these financial statements.

Saffron Walden Parochial Church Council
Balance Sheet
31 December 2017

| | | 2017 | 2016 |
|---|------|-----------------|----------------|
| | Note | £ | £ |
| Fixed Assets | | | |
| Tangible fixed assets | 5a | 381,161 | 392,048 |
| Investments | 5b | 101,470 | 93,307 |
| | | <u>482,631</u> | <u>485,355</u> |
| Current Assets | | | |
| Debtors | 7 | 13,964 | 13,660 |
| Short term deposits | | 277,834 | 351,231 |
| Cash at bank and in hand | | 123,355 | 151,211 |
| | | <u>415,153</u> | <u>516,102</u> |
| Liabilities: Amounts falling due within one year | 8 | <u>(20,453)</u> | <u>(8,131)</u> |
| Net Current Assets | | 394,700 | 507,971 |
| Net Assets | | <u>877,331</u> | <u>993,326</u> |
| Funds | | | |
| Unrestricted Funds: | | | |
| Revaluation Reserve | 6 | 250,538 | 258,625 |
| Other Unrestricted Funds | 6 | 337,269 | 368,292 |
| Restricted and Endowment Funds | 6 | 289,524 | 366,409 |
| | | <u>877,331</u> | <u>993,326</u> |

Approved by the Parochial Church Council on 14 March 2018 and signed on its behalf by:



Revd Canon David Tomlinson
Chairman



David Birchall
Treasurer

The attached notes form part of these financial statements.

1 Accounting Policies

a) Basis of preparation of financial statements, reconciliation with previous Generally Accepted Accounting Practice and assessment of going concern -

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, as amended by Update Bulletin 1, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), Church Accounting Regulations 2006 and the Charities Act 2011.

The PCC constitutes a public benefit entity as defined by FRS 102.

There were no significant estimates or judgements made by management in preparing these financial statements.

The Trustees have reviewed the financial position of the Charity and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared in the going concern basis.

b) Fund accounting -

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

Restricted funds represent resources received and allocated according to limitations on their use specified by donors or other providers.

Endowment fund capital is invested and the income arising expended in accordance with the terms of the endowment.

The accounts include all transactions, assets and liabilities for which the PCC is responsible. 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.

Further details of restricted and endowment funds are set out in note 9 to the accounts.

c) Income recognition -

Voluntary income and charitable activities

Income is recognised when the PCC has entitlement to the funds, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 covenants or gift aid donations is recognised when the income is recognised.

Grants to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Legacy income is recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

Income raised from fundraising events is accounted for gross and as being immaterial to the overall income level of the PCC is included within income from charitable activities.

Sales of books and magazines from the Church bookstall are accounted for gross.

Other ordinary income

Rental income from the letting of church premises is recognised when the rent is due.

1 Accounting Policies (continued)

Income from investments

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the PCC; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Tax recoverable on such income is recognised on a fiscal year basis.

Gains and losses on investments

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

d) Expenditure recognition -

All expenditure is accounted for on an accruals basis. Irrecoverable VAT is charged against the expenditure

Grants

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

Activities directly relating to the work of the church

Charitable activities include all costs that directly relate to the work of the Church, including running costs and costs of maintenance and repair. Support costs and governance costs are deemed to relate directly to the work of the Church.

The Parish share is accounted for when payable. Any share unpaid at 31 December is provided for in the accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

Fundraising costs

Fundraising costs comprise the costs of running the fetes and sales held during the year.

e) Fixed Assets -

Consecrated land and buildings and moveable church furnishings

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

No value is placed on moveable church furnishings held by the church wardens 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 benefice buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Other land and buildings

Freehold buildings, other than consecrated buildings, are depreciated on a straight line basis over fifty years.

The gross book value is based on an insurance valuation from 1 January 1997 as adjusted for subsequent additions at cost.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over four years.

Individual items of equipment with a purchase price of £2,500 or less are written off when the asset is acquired.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at 31 December using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1 Accounting Policies (continued)

f) *Current assets -*

Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

Cash at bank and in hand

Cash at bank and in hand includes cash held on deposit either with CBF Church of England Funds or at the bank as short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

g) *Liabilities: amounts falling due within one year*

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the PCC to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

h) *Financial Instruments*

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Saffron Walden Parochial Church Council
Notes to the Financial Statements
For the year ended 31 December 2017

| 2 Income & Endowments | Note | Unrestricted Funds | Restricted and Endowment Funds | Total Funds 2017 | Unrestricted Funds | Restricted and Endowment Funds | Total Funds 2016 |
|---|------|-----------------------|---|------------------------|-----------------------|---|------------------------|
| | | £ | £ | £ | £ | £ | £ |
| 2a Donations and Legacies | | | | | | | |
| Planned giving: | | | | | | | |
| Tax efficient planned giving | | 154,297 | 1,810 | 156,107 | 155,750 | 1,682 | 157,432 |
| Tax recovered through Gift Aid | | 41,728 | 503 | 42,231 | 42,438 | 5,602 | 48,040 |
| Other planned giving | | 15,301 | - | 15,301 | 13,389 | - | 13,389 |
| Collections (open plate) at all services | | 15,242 | 8,849 | 24,091 | 15,546 | 7,079 | 22,625 |
| Other Donations | | 16,714 | 22,154 | 38,868 | 13,229 | 50,555 | 63,784 |
| Grants | | - | 48,535 | 48,535 | - | - | - |
| Legacies | | 735 | 20,000 | 20,735 | 13,750 | - | 13,750 |
| | | <u>244,017</u> | <u>101,851</u> | <u>345,868</u> | <u>254,102</u> | <u>64,918</u> | <u>319,020</u> |
| 2b Income from charitable activities | | | | | | | |
| Fetes, bazaars, other fundraising events | | 8,088 | 9,859 | 17,947 | 7,429 | 15,249 | 22,678 |
| Cards and guides | | 489 | - | 489 | 419 | - | 419 |
| Magazines | | 2,945 | - | 2,945 | 2,965 | - | 2,965 |
| Lettings | | 4,182 | - | 4,182 | 3,576 | - | 3,576 |
| Fees | | 15,248 | - | 15,248 | 15,793 | - | 15,793 |
| Parish office, printing and stationery | | 2,192 | - | 2,192 | 2,178 | - | 2,178 |
| | | <u>33,144</u> | <u>9,859</u> | <u>43,003</u> | <u>32,360</u> | <u>15,249</u> | <u>47,609</u> |
| 2c Investment income | | | | | | | |
| Dividends and interest including any reclaimed tax | | 1,576 | 2,520 | 4,096 | 1,965 | 3,715 | 5,680 |
| Rent received | | 4,584 | 9,300 | 13,884 | 5,200 | 9,300 | 14,500 |
| | | <u>6,160</u> | <u>11,820</u> | <u>17,980</u> | <u>7,165</u> | <u>13,015</u> | <u>20,180</u> |
| 2d Other income | | | | | | | |
| Contribution to clergy expenses | | 1,919 | - | 1,919 | 1,120 | - | 1,120 |
| Miscellaneous | | 5,515 | 38,790 | 44,305 | 6,265 | 28,281 | 34,546 |
| | | <u>7,434</u> | <u>38,790</u> | <u>46,224</u> | <u>7,385</u> | <u>28,281</u> | <u>35,666</u> |
| Total Income & Endowments | | <u>290,755</u> | <u>162,320</u> | <u>453,075</u> | <u>301,012</u> | <u>121,463</u> | <u>422,475</u> |

Saffron Walden Parochial Church Council
Notes to the Financial Statements
For the year ended 31 December 2017

| 3 Expenditure | Note | Restricted and Endowment Funds | | Total Funds 2017 | Restricted and Endowment Funds | | Total Funds 2016 |
|--|------|--------------------------------|-----------------|------------------|--------------------------------|-----------------|------------------|
| | | Unrestricted Funds | Endowment Funds | | Unrestricted Funds | Endowment Funds | |
| | | £ | £ | £ | £ | £ | £ |
| 3a Grants | | | | | | | |
| Missionary and charitable giving: | | | | | | | |
| Church overseas: | | | | | | | |
| - missionary societies | | 7,043 | - | 7,043 | 5,000 | - | 5,000 |
| Home missions and other | | | | | | | |
| Church Societies | | 5,662 | 7,127 | 12,789 | 3,572 | 4,205 | 7,777 |
| Secular charities | | 4,634 | 2,677 | 7,311 | 5,414 | 3,983 | 9,397 |
| | | <u>17,339</u> | <u>9,804</u> | <u>27,143</u> | <u>13,986</u> | <u>8,188</u> | <u>22,174</u> |
| 3b Activities directly relating to the work of the Church | | | | | | | |
| Parish share | | 114,645 | - | 114,645 | 110,100 | - | 110,100 |
| Clergy expenses | | 18,335 | - | 18,335 | 17,262 | - | 17,262 |
| Curate house expenses | | 6,340 | - | 6,340 | 4,924 | - | 4,924 |
| Church running expenses | | 26,991 | - | 26,991 | 25,662 | - | 25,662 |
| Church maintenance | | 8,018 | 796 | 8,814 | 6,270 | 11,004 | 17,274 |
| Rectory maintenance | | 1,400 | - | 1,400 | - | - | - |
| Upkeep of services | | 2,523 | - | 2,523 | 2,935 | - | 2,935 |
| Literature table purchases and parish magazine costs | | 3,515 | - | 3,515 | 2,294 | - | 2,294 |
| Training, outreach, etc | | 3,255 | - | 3,255 | 3,680 | - | 3,680 |
| Parish rooms running expenses | | 9,057 | - | 9,057 | 6,473 | - | 6,473 |
| Parish rooms refurbishment | | - | - | - | 3,057 | - | 3,057 |
| Organist and choristers pay | | 18,453 | 2,736 | 21,189 | 18,584 | 2,736 | 21,320 |
| Youth work expenses | | 27,861 | 2,433 | 30,294 | 27,332 | 861 | 28,193 |
| Church major works | | 13,275 | 225,826 | 239,101 | 4,607 | 30,718 | 35,325 |
| Printing and stationery | | 702 | - | 702 | 2,534 | - | 2,534 |
| Copyright fee | | 1,061 | - | 1,061 | 1,049 | - | 1,049 |
| Office expenses and equipment | | 1,763 | - | 1,763 | 1,250 | - | 1,250 |
| Miscellaneous | | 4,526 | 2,526 | 7,052 | 5,702 | 3,847 | 9,549 |
| Professional fees | | - | 29,247 | 29,247 | 375 | 62,380 | 62,755 |
| Independent examination fee | | 3,598 | - | 3,598 | 3,826 | - | 3,826 |
| Depreciation | | 10,887 | - | 10,887 | 10,887 | - | 10,887 |
| | | <u>276,205</u> | <u>263,564</u> | <u>539,769</u> | <u>258,803</u> | <u>111,546</u> | <u>370,349</u> |
| 3c Fundraising | | | | | | | |
| Cost of fundraising events | | 938 | 9,083 | 10,021 | 829 | 10,063 | 10,892 |
| | | <u>938</u> | <u>9,083</u> | <u>10,021</u> | <u>829</u> | <u>10,063</u> | <u>10,892</u> |
| Total Expenditure | | <u>294,482</u> | <u>282,451</u> | <u>576,933</u> | <u>273,618</u> | <u>129,797</u> | <u>403,415</u> |

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4 Staff Costs, Key Management Personnel and Trustees' Remuneration and Expenses

| | 2017 | 2016 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Wages and Salaries | 62,109 | 60,805 |
| Social Security costs | - | 660 |
| Pension costs | 2,064 | 1,878 |
| | <u>64,173</u> | <u>63,343</u> |

During the year the PCC employed a director of music and organist, youth worker, Rector's secretary, parish administrator, weddings coordinator and a verger, none of whom earned £60,000 or more. The average number of employees throughout the year was 6 (2016: 6), equating to a full time equivalent of 2.9 (2016: 2.9). The following members of the PCC were paid the following amounts during the year:

| | | |
|---|--------|--------|
| Mr O King, director of music (including employer pension £552, 2016: £544) | 12,825 | 12,634 |
| Mr M Williamson, youth worker (including employer pension £1,057, 2016: £998) | 24,566 | 23,174 |

Apart from the above, no other PCC member received any remuneration reimbursement of expenses or other benefit.

The two members of the PCC who were paid a salary during the year were legally authorised to be paid under the Legal Advisory Commission's guidance "PCC: legal position of members" published in January 2013. Paragraph 22 confirms that there is no objection to someone who is already an employee of the PCC becoming one of its trustees. In the case of Mr King and Mr Williamson, they were both employees of the PCC before they were subsequently invited to become Trustees.

The PCC considers all trustees to be its key management personnel.

5 Fixed Assets for use by the PCC

5a Tangible fixed assets

| | Freehold land and buildings |
|---|--|
| | £ |
| Gross book value at beginning and end of year | 601,388 |
| Additions/(Disposals) | - |
| Gross book value at end of year | <u>601,388</u> |
| Accumulated depreciation at beginning of year | 209,340 |
| Depreciation charge for the year | 10,887 |
| Accumulated depreciation at end of year | <u>220,227</u> |
| Net book value at end of year | <u>381,161</u> |
| Net book value at beginning of year | <u>392,048</u> |

The freehold land and buildings comprise the Parish Rooms, the Verger's Cottage, and 42 De Vigier Avenue, Saffron Walden.

The gross book value is based on the value estimated by the PCC as at 1 January 1997 for insurance purposes or cost of additions if after that date.

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5b Investments

| | 2017 | 2016 |
|---|---------------------|---------------|
| | £ | £ |
| Market value at beginning of year | 93,307 | 137,896 |
| Add: acquisitions at cost | - | - |
| Less: disposals during the year | - | (55,375) |
| Add: income reinvested | 300 | 303 |
| Net gains on revaluation at the end of the year | 7,863 | 10,483 |
| Market value at end of year - detailed below | <u>101,470</u> | <u>93,307</u> |
| | Market Value | |
| | 2017 | 2016 |
| | £ | £ |
| CBF Church of England Investment Funds and Deposits | 101,470 | 93,307 |
| | <u>101,470</u> | <u>93,307</u> |

All investments are carried at their fair value. The basis of fair value for equities and CBF Investment Funds is equivalent to the mid market value at close of business on 31 December each year.

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy sections of the Trustees' Annual Report.

6 Debtors

| | 2017 | 2016 |
|------------------------|---------------|---------------|
| | £ | £ |
| Income tax recoverable | 9,520 | 9,065 |
| Other | 4,444 | 4,595 |
| | <u>13,964</u> | <u>13,660</u> |

7 Liabilities: Amounts falling due within one year

| | 2017 | 2016 |
|------------------------------|---------------|--------------|
| | £ | £ |
| Accruals and deferred income | 20,453 | 8,131 |
| Other creditors | - | - |
| | <u>20,453</u> | <u>8,131</u> |

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8 Restricted and Endowment Funds

| Current Year | Opening Balance | Income | Expenditure | Investment Gains | Transfers between funds | Closing Balance |
|-----------------------------|------------------------|----------------|--------------------|-------------------------|--------------------------------|------------------------|
| | £ | £ | £ | £ | £ | £ |
| Fabric Fund | 53,389 | 33,865 | (10,134) | 3,561 | (19,265) | 61,416 |
| General Fund | - | 10,033 | (10,061) | - | 28 | (0) |
| Restoration Fund | 106,596 | 389 | - | - | (106) | 106,879 |
| St Mary's Music Association | 16,284 | 9,646 | (11,609) | - | - | 14,321 |
| Cyril Coe Memorial Fund | 7,161 | 1,823 | (2,736) | - | - | 6,248 |
| Buildings Development Fund | 165,397 | 103,413 | (245,735) | - | 58,000 | 81,075 |
| Sewards End - Youth Fund | - | 2,851 | (2,176) | - | - | 675 |
| Endowment Funds | 17,582 | 300 | - | 1,028 | - | 18,910 |
| | 366,409 | 162,319 | (282,452) | 4,589 | 38,657 | 289,524 |

| Prior Year | Opening Balance | Income | Expenditure | Investment Gains | Transfers between funds | Closing Balance |
|-----------------------------|------------------------|----------------|--------------------|-------------------------|--------------------------------|------------------------|
| | £ | £ | £ | £ | £ | £ |
| Fabric Fund | 126,180 | 13,132 | (11,663) | 5,740 | (80,000) | 53,389 |
| General Fund | 12 | 8,544 | (9,049) | - | 493 | - |
| Restoration Fund | 106,004 | 592 | - | - | - | 106,596 |
| St Mary's Music Association | 12,633 | 14,347 | (10,696) | - | - | 16,284 |
| Cyril Coe Memorial Fund | 7,152 | 2,838 | (2,829) | - | - | 7,161 |
| Buildings Development Fund | 19,085 | 81,707 | (95,560) | - | 160,165 | 165,397 |
| Endowment Funds | 16,160 | 303 | - | 1,119 | - | 17,582 |
| | 287,226 | 121,463 | (129,797) | 6,859 | 80,658 | 366,409 |

The Fabric Fund is restricted for expenditure on maintaining, redecorating, repairing and improving all the SWPCC properties - the church, the parish rooms (external fabric), the verger's cottage and the Curate's House.

The Restoration Fund is restricted for expenditure on the restoration of the fabric of the church.

The Buildings Development Fund was launched in late 2013 to finance the internal improvements to the church and parish rooms, identified in the statement of needs via the Buildings Development Project

As noted in the Trustees Annual Report, the PCC, at its meeting in March 2017, approved the following material transfers to the Buildings Development Fund:

- £38,000 from St Mary's General Fund reserves
- £20,000 from Fabric Fund

9 Unrestricted Funds

| Current Year | Opening Balance | Income | Expenditure | Investment Gains | Transfers between funds | Closing Balance |
|---|------------------------|----------------|--------------------|-------------------------|--------------------------------|------------------------|
| | £ | £ | £ | £ | £ | £ |
| St Mary's General Fund (see note below) | 273,879 | 266,453 | (258,998) | 3,274 | (38,839) | 245,769 |
| Buildings Development Fund | 60,774 | - | - | - | 182 | 60,956 |
| St John's - Little Walden | 15,845 | 11,898 | (14,836) | - | - | 12,907 |
| St James - Sewards End | 17,794 | 12,402 | (12,559) | - | - | 17,637 |
| Revaluation Reserve | 258,625 | - | (8,087) | - | - | 250,538 |
| | 626,917 | 290,754 | (294,481) | 3,274 | (38,657) | 587,807 |

| Prior Year | Opening Balance | Income | Expenditure | Investment Gains | Transfers between funds | Closing Balance |
|---|------------------------|----------------|--------------------|-------------------------|--------------------------------|------------------------|
| | £ | £ | £ | £ | £ | £ |
| St Mary's General Fund (see note below) | 315,378 | 277,240 | (240,876) | 3,624 | (81,487) | 273,879 |
| Buildings Development Fund | 59,945 | - | - | - | 829 | 60,774 |
| St John's - Little Walden | 17,069 | 11,140 | (12,364) | - | - | 15,845 |
| St James - Sewards End | 17,453 | 12,632 | (12,291) | - | - | 17,794 |
| Revaluation Reserve | 266,712 | - | (8,087) | - | - | 258,625 |
| | 676,557 | 301,012 | (273,618) | 3,624 | (80,658) | 626,917 |

The Revaluation Reserve represents the amount by which the PCC's land and property has been revalued, less annual depreciation.

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10 Analysis of Net Assets by Fund

| | Unrestricted Funds £ | Restricted and Endowment Funds £ | Total Funds 2017 £ | Unrestricted Funds £ | Restricted and Endowment Funds £ | Total Funds 2016 £ |
|---------------------|----------------------------|--|-----------------------------|----------------------------|--|-----------------------------|
| Fixed assets | 420,710 | 61,921 | 482,631 | 428,323 | 57,032 | 485,355 |
| Current assets | 179,371 | 235,782 | 415,153 | 204,779 | 311,323 | 516,102 |
| Current liabilities | (12,274) | (8,179) | (20,453) | (6,185) | (1,946) | (8,131) |
| Fund balance | <u>587,807</u> | <u>289,524</u> | <u>877,331</u> | <u>626,917</u> | <u>366,409</u> | <u>993,326</u> |

The restricted and endowment funds comprise the Fabric Fund, Restoration Fund, Cyril Coe Memorial Fund, St Mary's Music Association, restricted collections and endowment funds. The endowment funds comprise miscellaneous trust funds and include unspent income amounting to £9,279 (2016: £8,979)

11 Grants

During the year the PCC made the following charitable grants of more than £500:

| | 2017 | 2016 |
|--|-------|-------|
| | £ | £ |
| St Mary's School Saffron Walden | 3,000 | 2,870 |
| Church Mission Society | 2,900 | 2,800 |
| Vacation Bible School | 1,800 | 1,440 |
| Wycliffe Bible Translators | 2,000 | 1,440 |
| Stort Valley Schools Trust | 1,030 | 1,000 |
| Jimmy's Night Shelter | 1,030 | 1,000 |
| FRRME - Holocaust Memorial Day | - | 2,074 |
| Royal British Legion | 782 | 1,008 |
| Saffron Hall Trust (Christmas Tree services collections) | 995 | - |
| Homestart (Christmas Tree services collections) | - | 961 |
| Children's Society (Christingle collection) | 361 | 491 |
| DEC Yemen Appeal | 2,554 | - |
| DEC Myanmar Appeal | 2,280 | - |
| DEC East Africa Appeal | 903 | - |
| Jimmy's Night Shelter (Aftershock) | - | 1,042 |

There were no grants made to individuals during the year.

12 Donations made by the trustees

During the year, the trustees made unconditional donations amounting to £53,891 which includes £10,066 of tax recovered through gift aid (2016: £54,687 including £10,238 of tax recovered through gift aid)

There were no material related party transactions during the year that require reporting.