

**ST CATHERINE'S CHURCH, LITTLETON
ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL
CHURCH COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2017**

Administrative information

St. Catherine's Church is situated in Church Lane, Littleton. It is part of the Diocese of Winchester within the Church of England. The correspondence address is The Rectory, Church Lane, Littleton.

The Parochial Church Council (PCC) is a charity excepted from registration with the Charity Commission. PCC members who have served from 1st January - 31st December 2017 are:

Incumbent:

The Revd Jax Machin

Assistant Priest:

The Revd Dave Mapes until May 2017

Wardens:

Mr Simon Kingston

Mr Clive Thompsett

Elected member of Diocesan Synod

Mr Michael Coleman

Treasurer

Representatives on the Deanery Synod:

Mr Clive Thompsett

Mr Simon Kingston

vacancy

Elected members:

Mr John Morrell

Mrs Lucy Kington

Mr Michael Lupton

Mrs Margaret Harris

Mrs Carol Coleman

Mrs Barbara Kingston

Dr Ruth Meyers

Secretary

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

Objectives and Activities

St Catherine's PCC has the responsibility of co-operating with the incumbent, the Revd Jax Machin, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church Room, Church Lane, Littleton.

Achievements and Performance

Review of the year

The church continues to run a wide variety of activities through the year and a summary can be found in the PCC's Annual Review of Activities.

In 2017 a diverse range of events were held, including concerts, talks, walks, and the annual Safari Supper. As well as raising £4,700 valuable funds for the church, social events like these enable us to connect and engage with our local community many of whom are supportive of the church even if not necessarily active members of the congregation.

The PCC continued its policy of supporting the work of a range of mission partners with whom we seek to build long term relationships as well as providing much needed funding. The

Mission Group has continued to meet and provide guidance to the PCC on where we direct these donations. In addition the Benefice has continued to support Karis Kids, a local Christian charity working with families in Uganda.

Church Services and Attendance

At 31st December 2017 there were 178 members on the Electoral Roll. The total membership compares with 176 and 179 at the ends of 2016 and 2015 respectively.

The monthly schedule of Sunday services in 2017 was as follows:

			Average attendance
1 st Sunday	4.00 pm	Café Church	18
2 nd Sunday	10.00 am	Family Communion (shorter format)	56
3 rd Sunday	10.00 am 6.00 pm	Morning Worship Peace and Wholeness Service	42 19
4 th Sunday	10.00 am	Family Communion	53

Averages above show adult attendance and omit Easter Sunday and Christmas Day where the attendance figures were respectively 85 adults and 8 children and 92 adults and 5 children and a 2nd Sunday 10.00 am service in January which included a baptism and where the attendance figures were also 85 adults and 8 children.

BCP Holy Communion - 9.30 am on 1st/3rd Wednesdays each month -average attendance 8.

The following services also took place in church or in the parish: Weddings (4), Funerals and services of thanksgiving (8), Baptisms (8), monthly services at Flowerdown and Westholme care homes, Toddler Group services (3), Messy Church (3), Benefice Communion (1), Ash Wednesday, Mothering Sunday, Good Friday meditation, Ascension Day, Trinity Sunday, Littleton Show Service, All Souls, War Memorial (11th November), Barracks Remembrance Day, Posada, Advent compline, Carol Service and Crib Service. In addition, there were morning and evening prayers and other contemplative services which took place in the Church or the Church Room on other occasions throughout the year.

Financial Review

Total receipts on ordinary unrestricted funds were £80,451 and are detailed in the Financial Statements. £77,195 was spent to provide the Christian ministry from St Catherine's Church, including the contribution to the Diocesan Common Mission Fund, which largely provides the stipends and housing for the clergy.

A legacy of £5000 was received during the year and a further £5,000 was donated in lieu of legacy. These have been treated as exceptional items in the accounts. The church's investments performed well in 2017 and produced an unrealised gain of £2,000.

Reserves policy

The PCC has decided not to have designated funds for specified purposes, instead we have one all-embracing General reserve. The reserve carried into 2018 is £51,094

Funds are currently invested with the Central Board of Finance (CBF) Deposit Fund, CBF Investment Fund, and CBF Fixed Interest Fund. Cash deposits are also held at the National Westminster Bank and Barclays Bank.

**Signed on behalf of the PCC by Mr Michael Coleman (Treasurer)
& Revd Jax Machin (Incumbent and Rector of Downs Benefice)**

**St Catherine's Church
Littleton**

End of Year Financial Statements

Year ending 31 Dec 2017

Summary Statement of Financial Activities

Note: All the figures below do not include pence and hence the individual figures shown may not add up to the totals

	Unrestricted funds	Restricted Funds	2017 Total funds	2016 Total funds
Incoming resources				
Incoming resources from generated funds				
Voluntary income	£77,364	£570	£77,934	£68,622
Activities for generating funds	£8,825	—	£8,825	£4,958
Investment income	£1,252	—	£1,252	£1,246
Incoming resources from charitable activities	£2,989	—	£2,989	£2,052
Other incoming resources	£21	—	£21	£319
Total incoming resources	£90,451	£570	£91,021	£77,198
Resources used				
Cost of generating funds				
Cost of generating voluntary income	£2,739	—	£2,739	£731
Charitable activities	£74,455	£391	£74,846	£70,484
Governance costs	—	—	—	—
Total resources used	£77,194	£391	£77,586	£71,215
Net incoming / outgoing resources before transfer	£13,256	£178	£13,435	£5,983
Other recognised gains / losses				
Gains / losses on investment assets	£2,000	—	£2,000	£2,770
Net movement in funds	£15,256	£178	£15,434	£8,753
Total funds brought forward	£35,838	£15,484	£51,322	£42,569
Total funds carried forward	£51,094	£15,662	£66,757	£51,322
Represented by				
Unrestricted				
General fund	£51,094	—	£51,094	£35,838
Restricted				
Church Room Project	—	£8,202	£8,202	£7,702
Donation for Fabric of Church and Churchyard	—	£7,273	£7,273	£7,603
Flower fund	—	£186	£186	£178

Balance sheet

Note: All the figures below do not include pence and hence the individual figures shown may not add up to the totals

Class and code	Description	2017	2016
Fixed assets			
6430	CBF Investment Fund	£25,139	£22,243
6431	CBF Fixed Interest Fund	£11,583	£11,233
6433	Church Room Asset	£132,000	£144,000
	Total Fixed assets	£168,722	£177,476
Current assets			
6501	No 1 Account Natwest	£6,271	£13,404
6502	No 2 Account Natwest	£268	£2,878
6503	Barclays Community Account	£18,163	—
6505	Church Room Project account Natwest	—	£16
6510	CCLA (CBF) deposit account	£5,665	£5,649
6610	Debtors	£3,464	£2,243
Z06	Debtors - over 1 year	£6,000	£6,500
	Total Current assets	£39,831	£30,691
Liabilities			
6601	F1 Creditors	£2,086	£5,250
6602	F2 Kevin Lay	£7,710	£7,595
	Total Liabilities	£9,796	£12,845
	Net Asset surplus(deficit)	£198,757	£195,322
Reserves			
	Excess / (deficit) to date	£13,435	£5,983
Z01	Starting balances	£51,322	£42,569
Z02	Gains and losses on investments	£2,000	£2,770
Z10	Church Room Reserve	£132,000	£144,000
	Total Reserves	£198,757	£195,322
Represented by funds			
	Unrestricted	£51,094	£35,838
	Restricted	£147,663	£159,484
	Total	£198,757	£195,322

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE, LITTLETON.

Statement of Financial activities for the year ended 31st December 2017

	Note	2017			2016		
		Unrestricted Funds	Restricted Funds	TOTAL	Unrestricted Funds	Restricted Funds	TOTAL
		£	£	£	£	£	£
INCOMING RESOURCES							
Voluntary Income							
Planned Giving / Envelopes		13898.00		13898.00	16747.00		16747.00
Parish Giving Scheme		26147.09		26147.09	20543.28		20543.28
St Catherine's Friends		3010.00		3010.00	0.00		0.00
Collections : Church services		3040.40		3040.40	1713.66		1713.66
Donations		9770.66	570.00	10340.66	6896.69	6480.00	13376.69
Tax reclaimed on voluntary income		11498.19		11498.19	9570.51	421.25	9991.76
Other Ordinary Income							
Fees		2989.10		2989.10	2052.62		2052.62
Gross Income from Activities							
Magazine Sales	8	1428.50		1428.50	1356.45		1356.45
Sundries & Event Income		7417.65		7417.65	3921.17		3921.17
Income From Investments							
Interest		5.01		5.01	4.25		4.25
Dividends		1246.74		1246.74	1241.82		1241.82
TOTAL INCOMING RESOURCES		80451.34	570.00	81021.34	64047.45	6901.25	70948.70
RESOURCES USED							
Grants							
Giving to UK Based Charities	2	2400.00		2400.00	2250.00		2250.00
Giving to Overseas Based Charities	2	4100.00		4100.00	3550.00		3550.00
Directly Relating to Work of Church							
Ministry : Diocesan quota		44486.00		44486.00	40442.00		40442.00
Ministry : Clergy Expenses		3211.33		3211.33	4512.58		4512.58
Running Costs	3	6223.22	11.40	6234.62	6629.62	85.28	6714.90
Repairs & Maintenance	5	2010.31	0.00	2010.31	1065.20	491.38	1556.58
Upkeep of Graveyard		3402.67	380.00	3782.67	1377.46	411.00	1788.46
Asset Purchases	6	0.00		0.00	0.00		0.00
Costs of fundraising		271.48		271.48	122.95		122.95
Sundries	7	62.54		62.54	33.72		33.72
Costs of Events & Activities							
Share of magazine costs	8	731.84		731.84	619.96		619.96
Events and other activities		2644.79		2644.79	833.28		833.28
Church Administration							
Parish Administrator	9	6473.16		6473.16	7732.01		7732.01
Office, stationery, copier		1177.54		1177.54	1059.01		1059.01
TOTAL RESOURCES USED		77194.88	391.40	77586.28	70227.79	987.66	71215.45
NET RECURRING INCOMING (OUTGOING) RESOURCES		3256.46	178.60	3435.06	(6180.34)	5913.59	-266.75
EXCEPTIONAL ITEMS	4	10000.00	0.00	10000.00	6250.00	0.00	6250.00
UNREALISED GAINS/(LOSSES) ON INVESTMENTS	12	1999.92		1999.92	2769.92		2769.92
NET MOVEMENT IN FUNDS		15256.38	178.60	15434.98	2839.58	5913.59	8753.17
BALANCES BROUGHT FORWARD							
at 1st January 2017		35838.09	15484.27	51322.36	32998.51	9570.68	42569.19
BALANCES CARRIED FORWARD		51094.47	15662.87	66757.34	35838.09	15484.27	51322.36
at 31st December 2017							
M Coleman Honorary Treasurer	18 Mar 2018						

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE, LITTLETON
NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31st December 2017

any changes to the policies below compared to last year are denoted in **BLOCK CAPITALS** and ~~strikethrough~~

1. ACCOUNTING POLICIES

a. General

- The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and SORP 2006.
- The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value and the revaluation of fixed assets. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b. Funds

Funds held by the PCC are:

- *Restricted funds* - a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund and interest is apportioned to individual funds on an average balance basis.
- *Unrestricted funds* - general funds which can be used for PCC ordinary purposes.

c. Incoming resources

All incoming resources are accounted for gross

Voluntary Income

- Collections and donations are recognized when received
- Planned giving receivable is recognized only when received.
- Income tax recoverable on Gift Aid donations is recognized when the related income is recognized.
- Grants and legacies are recognized when the PCC is legally entitled to the amount due.

Income from investments

Dividends and interest entitlements are accounted for when receivable.

All other income

All other income is recognized when it is receivable.

Gains and losses on investments

Realised gains and losses are recognized when the investments are sold.

Unrealised gains and losses are accounted for on revaluation on 31st December.

d. Resources used

Resources expended are accounted for on an accruals basis and are accounted for gross.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. All other expenditure is generally recognized when it is incurred and is accounted for gross.

e. Fixed Assets.

- Consecrated and beneficial property is excluded from the accounts by s.96(2)(c) of the Charities act 1993. COSTS ASSOCIATED WITH THE MAINTENANCE AND IMPROVEMENT OF SUCH ASSETS ARE WRITTEN OFF IN THE YEAR THEY ARE INCURRED.
- No value is placed on movable church furnishings held by the churchwardens on trust for the PCC.

- All OTHER capital expenditure on consecrated or on parish land and buildings, is either written off as incurred if below £1000, or capitalised if over £1000.

Investments

- Investments are valued at market value on 31st December.

f. Current Assets

- Amounts owing to the PCC at 31st December are shown as debtors.
- Short-term deposits include cash held on deposit with the CBF Church of England Funds and at the bank.

2. GRANTS

Grants that are £100 or over have been made to the following charities. The PCC seeks to build ongoing relationships with the organisations to whom we donate. Reflecting higher income giving was increased on the previous year. The total given to UK Charities was £2,400 and to overseas £4,100 reflecting the PCC policy of around a 40/60 split. The Kevin Lay Foundation closed to new donations during 2017 which is why no donation was made to this charity that we have supported for many years.

	2017(£)	2016(£)
Open Doors International	700	500
Tearfund	700	500
Winchester Basics Bank	550	300
Kevin Lay Foundation	0	550
Guyana Mission	500	600
Mission Aviation Fellowship	500	400
Brickworks	500	400
CMS (formerly SAMS)	500	400
Winchester Night Shelter	550	400
Trinity Centre	850	750
Winchester City Chaplaincy	300	250
OMF	500	400
Karis Kids	200	350
Messy Church	150	0
Totals	£6,500	£5,800

In addition the congregation contributed to the following charity appeals. The church books of account were used to collect donations and disburse payments, but the donations were not part of the official church giving.

	2017 (£)	2016 (£)
Toybox - Posada service (this figure reflects the cash collected, in addition a number of cheques and credit card donations were made directly to the charity by members of the church)	130	76
Littleton Show (2017 L&H Parish council, 2016 Street Reach and SERV Wessex)	268	400
	£476	£476

3. RUNNING COSTS

The routine costs of running the church and providing regular services are:

	2017 (£)	2016 (£)
Upkeep of services	356	431
Children's church	241	463
Organist's fees	1567	1568
Subscriptions	351	337
Heat & light	1695	1657
Insurance	1345	1712
Courses	319	63
Cleaning	360	479
Charity work	0	6
	£6234	£6715

4. EXCEPTIONAL ITEMS

In 2017 the church received a legacy of £5,000 and separate donation of the same value in lieu of legacy. Both gifts were for the general fund and given without restriction. In 2016 a donation of £5,000 was received with the intention that it be used to provide a long term loan to the Downs Benefice. A further £1,250 was claimable in gift aid on the donation.

5. REPAIRS & MAINTENANCE

As is usual a variety of repairs to our property have been necessary this year.

	2017 (£)	2016 (£)
Church roof repair	0	300
Boiler service	75	70
Organ repair and service	1040	295
Sound System	0	235
Other Church repairs & maintenance	15	94
Fire Extinguishers	315	0
Fire Risk Assessment	420	0
Electrical testing	55	71
Nappy Bin Contract	90	
	£2010	£1065

A Quinquennial and Electrical Installation Test were conducted during 2015. No significant issues were identified. The next review is due in 2020.

6. PURCHASES OF ASSETS

Any assets, costing below £1000, that have been purchased during the year are written off as per the accounting policy.

7. SUNDRY EXPENSES

This includes one-off costs as follows

	2017(£)	2016(£)
Banking Charges	0	10
Courses	16	8
Gifts	28	0
Other costs (net)	19	16
	£63	£34

8. MAGAZINE

The economics of the magazine are as follows.

	2017 (£)	2016 (£)
Share of Magazine's costs (Benefice)	-667	-620
Christmas insert	-65	0
Magazine Sales	1429	1356
Surplus on Magazines	£697	£736

9. BENEFICE OFFICE

The costs of the Benefice office are shared between the 5 parishes in our benefice according to an agreed formula that is reviewed each year. In 2016 Littleton paid 32.46% of Benefice costs and in 2017 this was slightly reduced 31.23%.

The table below shows how the Administrator charge of £6,473 shown in the Statement of Financial Activity is derived.

Benefice office	2017(£)	2016(£)
Administrator Costs	30,046	31,825
Contribution from fees	-9,320	-8,005
Total Benefice Administration	20,726	23,820
Littleton share	31.23%	32.46%
Littleton charge	6,473	7,732

10. STAFF COSTS

During the year the PCC has had no employees. We pay a share of the costs of the benefice administrators, who are employed by Crawley PCC, through the Benefice Office Costs detailed in note 9 above.

11. FIXED ASSETS

The church room was extended and refurbished in 2015 and has been capitalised on 1/9/15 at a value of £160,000. It is being depreciated at a rate of 7.5% a year.

Gross Book Value	At 1st Jan 2017	Church Room	£160000
	Additions		£0
	At 31st Dec 2017		£160,000
Depreciation	At 1st Jan 2017		£16,000
	Charge for year		£12,000
	At 31st Dec 2017		£28,000
Net book value	At 1st Jan 2017		£144,000
	At 31st Dec 2017		£132,000

12. UNIT TRUSTS

Dividends, as and when received, have been reinvested. The following investments are held as at 31st December 2017.

	Number	Price : 31st Dec	Mkt Value 31st Dec	Book Value 31st Dec
Central B'd of Finance Investment Fund	1537	16.35	£25,140	£23,045
Central B'd of Finance Fixed Interest Fund	6914	1.675	£11,583	£11,678
			£36,723	£34,723

All unit trusts have been valued at market price, of £36,723 in the balance sheet, with an appropriate adjustment for the increase in their value, of £2,000 in the Statement of Financial Activities.

13. CASH DEPOSITS

The following accounts are held and the balances in each account are:-

	2017(£)	2016(£)
Central Board of Finance	5,665	5,649
No 1 Account : National Westminster	6,271	13,404
No 2 Account : National Westminster	268	2,878
Barclays Community Account	18,163	-
Church Room Account : Nat Westminster	-	16
Total	£30,367	£21,947

14. LIABILITIES

Included within the creditors of the PCC are sums held on behalf of other organisations.

	2017(£)	2016(£)
General Creditors	2,074	5,250
Kevin Lay Foundation	7,710	7,595
	£9,784	£12,845

General Creditors includes an accrued liability of £1519 in respect of repairs to the church fence as the contract for the work was signed in 2017 but the work will be performed in 2018.

The Kevin Lay foundation money is held on behalf of the Trustees of that fund. The cash balance attracts interest and is available on call, as and when the trustees require it.

15. UNRESTRICTED FUNDS

Other than when money is given or raised for a specific purpose, the PCC has decided not to have designated or restricted funds. Church funds are instead held in an all-embracing General reserve. The reserve carried into 2018 is £51,094.

16. RESTRICTED FUNDS

The PCC does not routinely use designated funds. In 2017 we had 4 restricted funds.

- The Flower Fund can only be used for church flowers.
- The Church and Graveyard Fund - to be spent on work to the church building or graveyard
- The Church Room Fund - money to be spent on the Church Room Project
- The Church Room Reserve is the written down value of the £160,000 valuation of the Church Room in 2015. It is being written off over 13 years.

Restricted Fund Movements in 2017

	Opening	Incoming	Outgoing	Closing
ChRoom - Church Room Project	£7,702	£500	£491	£8,202
ChRoomRes - Church Room Reserve	£144,000		£12,000	£132,000
Church and Graveyard Fund	£7,603	£50	£380	£7,273
Flower - Flower fund	£178	£20	£11	£186

M Coleman
Honorary Treasurer
18th March 2018