

ST CATHERINE'S CHURCH, LITTLETON
ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL
CHURCH COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2016

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 2016 are:

Incumbent:

The Revd Jax Machin

Assistant Priest:

The Revd Dave Mapes

Wardens:

Mrs Carol Coleman	until 2016 APCM
Mr Simon Kingston	
Mr Clive Thompsett	from 2016 APCM

Elected member of Diocesan Synod

Mr Michael Coleman	Treasurer
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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	from 2016 APCM
Mrs Barbara Kingston	from 2016 APCM Secretary
Dr Ruth Meyers	from 2016 ACM

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

Church Attendance

At 31st December 2016 there were 176 members on the Electoral Roll. Of these, 81(46%) are non-resident in the parish. The total membership compares with 179 and 183 at the ends of 2015, and 2014 respectively. The average attendance at the 10:00am Sunday service is 55 adults (58 in 2015).

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.

Following extensive fundraising the church room was extended and refurbished during 2015. The new facility has been put to good use during this year for a wide range of both church and community use. This has included the introduction of a new Cafe Church style of service each month.

The PCC donates 10% of its unrestricted income each year to causes in the UK and overseas. The Mission Group has continued to meet and provides 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. Individuals or groups commit to a regular monthly donation and are linked to families in a slum area of Kampala. The charity then works to support the health and education of the children and their family.

Financial Review

Total receipts on ordinary unrestricted funds were £64,047 and are detailed in the Financial Statements.

£70,228 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. The net result for the year was a loss of £6,180.

A anonymous donation of £5000 was generously given to be spent on work to revitalise the entrance to the graveyard. As it was received for a particular purpose this is shown in the accounts as restricted funds and is expected to be fully spent during 2017 as the work is undertaken.

A further £5,000 donation was received on condition that a matching long term loan be provided to the Benefice. This donation, and the Gift Aid claimable on it, is recorded as an exceptional item in the accounts. As agreed, a long term loan of £5,000 has been extended to the Benefice and is included as "Debtors - over 1 year" in the Balance Sheet.

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 2017 is £35,838

Our 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.

**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 2016

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	2016 Total funds	2015 Total funds
Incoming resources				
Incoming resources from generated funds				
Voluntary income	£61,721	£6,901	£68,622	£84,172
Activities for generating funds	£4,958	—	£4,958	£9,206
Investment income	£1,246	—	£1,246	£1,895
Incoming resources from charitable activities	£2,052	—	£2,052	£2,011
Other incoming resources	£319	—	£319	£31
Total incoming resources	£70,297	£6,901	£77,198	£97,317
Resources used				
Cost of generating funds				
Cost of generating voluntary income	£731	—	£731	£989
Charitable activities	£69,496	£988	£70,484	£206,569
Governance costs	—	—	—	—
Total resources used	£70,227	£988	£71,215	£207,559
Net incoming / outgoing resources before transfer	£70	£5,913	£5,983	(£110,241)
Other recognised gains / losses				
Gains / losses on investment assets	£2,770	—	£2,770	(£55)
Net movement in funds	£2,840	£5,913	£8,753	(£110,297)
Total funds brought forward	£32,999	£9,570	£42,569	£152,866
Total funds carried forward	£35,838	£15,484	£51,322	£42,569
Represented by				
Unrestricted				
General fund	£35,838	—	£35,838	£32,998
Restricted				
Church Room Project	—	£7,702	£7,702	£6,337
Donation for Fabric of Church and Churchyard	—	£7,603	£7,603	£3,014
Flower fund	—	£178	£178	£218

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	2016	2015
Fixed assets			
6430	CBF Investment Fund	£22,243	£19,274
6431	CBF Fixed Interest Fund	£11,233	£10,190
6433	Church Room Asset	£144,000	£156,000
	Total Fixed assets	£177,476	£185,464
Current assets			
6501	No 1 Account Natwest	£13,404	£12,770
6502	No 2 Account Natwest	£2,878	£1,128
6505	Church Room Project account Natwest	£16	£181
6510	CCLA (CBF) deposit account	£5,649	£5,622
6610	Debtors	£2,243	£3,909
Z05	Accounts Receivable	—	—
Z06	Debtors - over 1 year	£6,500	£2,000
	Total Current assets	£30,691	£25,613
Liabilities			
6601	F1 Creditors	£5,250	£4,815
6602	F2 Kevin Lay	£7,595	£7,693
	Total Liabilities	£12,845	£12,508
	Net Asset surplus(deficit)	£195,322	£198,569
Reserves			
	Excess / (deficit) to date	£5,983	(£110,241)
Z01	Starting balances	£42,569	£152,866
Z02	Gains and losses on investments	£2,770	(£55)
Z10	Church Room Reserve	£144,000	£156,000
	Total Reserves	£195,322	£198,569
	Represented by funds		
	Unrestricted	£35,838	£32,998
	Restricted	£159,484	£165,570
	Total	£195,322	£198,569

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE, LITTLETON.											
Statement of Financial activities for the year ended 31st December 2016											

PAROCHIAL CHURCH COUNCIL OF ST CATHERINE, LITTLETON
NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31st December 2016

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.
- No value is placed on movable church furnishings held by the churchwardens on trust for the PCC.
- All 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 £2,250 and to overseas £3,275 reflecting the PCC policy of a 40/60 split.

	2016(£)	2015(£)
Open Doors International	500	375
Tearfund	500	400
Winchester Basics Bank	300	300
Kevin Lay Foundation	550	540
Guyana Mission	600	500
Mission Aviation Fellowship	400	400
Brickworks	400	400
CMS (formerly SAMS)	400	400
Winchester Night Shelter	400	400
Trinity Centre	750	750
Winchester City Chaplaincy	250	250
OMF	400	400
Karis Kids	350	150
Totals	£5,800	£5,265

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.

	2016 (£)	2015 (£)
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)	76	165
Littleton Show (2016 Street Reach and SERV Wessex, 2015 Kevin Lay Foundation and Winchester HomeStart)	400	580
	£476	£745

3. RUNNING COSTS

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

	2016 (£)	2015 (£)
Upkeep of services	431	280
Children's church	463	458
Organist's fees	1568	2241
Subscriptions	337	232
Heat & light	1657	1550
Insurance	1712	2043
Courses	63	124
Cleaning	479	162
Charity work	6	0
Interregnum / appointment costs	0	168
	£6715	£7258

4. EXCEPTIONAL ITEMS

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. In 2015 the church room was extended and extensively refurbished. The cost in 2015 was just under £140,000 and was largely met through dedicated fund raising.

5. REPAIRS & MAINTENANCE

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

	2016 (£)	2015 (£)
Water leak	0	210
Other Church Room repairs & maintenance	0	18
Church roof repair	300	72
Quinquennial Review	0	288
Repair to church steps	0	22
Boiler service	70	70
Organ repair and service	295	0
Sound System	235	
Other Church repairs & maintenance	94	38
Fire Extinguishers	0	56
Electrical testing	71	540
	£1065	£1314

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. In 2015 a coffee machine was purchased at a cost of £130.

7. SUNDRY EXPENSES

This includes one-off costs as follows

	2016(£)	2015(£)
Banking Charges	10	25
Lent courses	8	41
Wedding Fayre	0	46
Other costs (net)	16	10
	£34	£122

8. MAGAZINE

The economics of the magazine are as follows.

	2016 (£)	2015 (£)
Share of Magazine's costs (Benefice)	-620	-584
Christmas insert	0	-34
Magazine Sales	1356	1521
Surplus on Magazines	£736	£903

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 2015 Littleton paid 32.67% of Benefice costs and in 2016 this was slightly reduced 32.46%.

The table below shows how the Administrator charge of £7,732 shown in the Statement of Financial Activity is derived.

Benefice office	2016(£)	2015(£)
Administrator Costs	31,825	27,666
Contribution from fees	-8,005	-7,334
Total Benefice Administration	23,820	20,332
Littleton share	32.46%	32.67%
Littleton charge	£7,732	£6,643

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 2016	Church Room
	Additions	£160000
	At 31st Dec 2016	£0
Depreciation	At 1st Jan 2016	£160,000
	Charge for year	£4000
	At 31st Dec 2016	£12,000
Net book value	At 1st Jan 2016	£16,000
	At 31st Dec 2016	£156,000

12. UNIT TRUSTS

Dividends, as and when received, have been reinvested. The following investments are held as at 31st December 2016.

	Number	Price : 31st Dec	Mkt Value 31st Dec	Book Value 31st Dec
Central B'd of Finance Investment Fund	1487	14.95	£22,243	£20,052
Central B'd of Finance Fixed Interest Fund	6654	1.69	£11,233	£10,654
			£33,476	£30,706

All unit trusts have been valued at market price, of £33,476 in the balance sheet, with an appropriate adjustment for the decrease in their value, of £2,770 in the Statement of Financial Activities.

13. CASH DEPOSITS

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

	2016(£)	2015(£)
Central Board of Finance	5,649	5,622
No 1 Account : National Westminster	13,404	12,770
No 2 Account : National Westminster	2,878	1,128
Church Room Account : Nat Westminster	16	181
Total	£21,947	£19,701

14. LIABILITIES

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

	2016(£)	2015(£)
General Creditors	5,250	4,815
Kevin Lay Foundation	7,595	7,693
	£12,845	£12,508

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 2017 is £35,838.

16. RESTRICTED FUNDS

The PCC does not routinely use designated funds. In 2016 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 2016

	Opening	Incoming	Outgoing	Closing
ChRoom - Church Room Project	£6,337	£1,856	£491	£7,702
ChRoomRes - Church Room Reserve	£156,000		£12,000	£144,000
Church and Graveyard Fund	£3,014	£5,000	£411	£7,603
Flower - Flower fund	£218	£45	£85	£178

M Coleman
Honorary Treasurer
13th April 2017

Independent Examiner's Report to the members/trustees of St Catherine's Church, Littleton, Parochial Church Council.

I report on the accounts for the year ended 31st December 2016 which are set out on the preceding pages.

Respective responsibilities of the Trustees and Independent Examiner

The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement


In connection with my examination, no matters have come to my attention

1. which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records have not been met; or

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

Graham Ward



16/4/17

7 Dale Close, Littleton, Winchester