

**sunnysidechurch**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH  
OF ST MICHAEL AND ALL ANGELS, BERKHAMSTED  
(Also known as SUNNYSIDE CHURCH)**

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**Registered Charity Number 1132230**

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INCUMBENT Rev'd David Abbott (Retired 30 September 2016)

OFFICE ADDRESS Ivy House Lane  
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CHARITY REGISTRATION NUMBER 1132230

INDEPENDENT EXAMINER Geoff Mann FCIE  
Geoff Mann Limited  
Dee House  
Highworth Avenue  
Cambridge  
CB4 2BQ

BANKERS NatWest Bank plc  
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## REPORT OF THE TRUSTEES

### AIMS AND PURPOSES

The Parochial Church Council (PCC) of St. Michael and All Angels, known widely both in Berkhamsted and to those in the parish as Sunnyside Church, 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. The PCC is also responsible for the maintenance of the Church and the Church hall building of St. Michael and All Angels, Sunnyside.

### OBJECTIVES AND ACTIVITIES

The PCC is committed to encouraging as many people as possible to worship at Sunnyside and become part of the Sunnyside Church family. All Sunnysiders are encouraged to become actively involved both practically and financially. The aim is to enable all members to love God and each other, grow in faith and serve the community by supporting each other through worship, prayer and pastoral care. The PCC maintains an overview of worship and suggests how services can be developed to 'Love, Grow and Serve' the diverse groups that live in and around the parish.

When planning activities for the year and in compiling this report, the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. The aim is to enable ordinary people to live out their faith as part of our parish community through:

- worship and prayer, learning about the gospel, and developing their knowledge and trust in Jesus;
- provision of pastoral care for people living in the parish; and
- support of Christian mission work at home and overseas.

The PCC also maintains the fabric of the Church of St. Michael and All Angels, Sunnyside and the Church Hall, as well as having responsibility for 23, Kestrel Close, the house acquired some years ago.

### ADMINISTRATIVE INFORMATION

St Michael and All Angels, known locally as Sunnyside Church, is situated on Ivy House Lane in Berkhamsted, Hertfordshire and is part of the Diocese of St.Albans. The vicar and readers are shared with St John the Evangelist, a small village church a mile down the road in Bourne End.

The PCC is a body corporate governed by the PCC Powers Measure 1956 and Church Representation Rules 2011.

### VACANCY AND NEW APPOINTMENT

The Reverend David Abbott retired on 30 September 2016 after more than 18 years of service at Sunnyside. All at Sunnyside were extremely grateful for the contributions that David, supported by his wife Isabel, had made during his tenure. Following David's retirement, the church wardens with the support of many others, have managed all aspects of church life during the vacancy period and set about planning for a new incumbent to join Sunnyside in 2017. Rev'd Rebecca Susan Fardell, currently Assistant Curate of the Itchen Valley, has now been appointed as Vicar of Sunnyside and Bourne End. This is subject to the completion of legal formalities, but the institution and induction is expected to take place in mid May 2017.

### THE PCC

The PCC (Parochial Church Council) is made up of the vicar, staff, churchwardens and elected members from the electoral roll. Anyone 16 years and over who regularly attends any of the church services and is on the electoral roll is welcome to put themselves forward for the PCC. There is also one co-opted place which in 2016 was held by a youth representative. Members of the PCC are trustees of the charity and together have responsibility for the management of Sunnyside Church - practical and spiritual matters, decisions which affect church members and the upkeep of the church buildings.

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**REPORT OF THE TRUSTEES (continued)**

**PCC MEMBERSHIP**

PCC members, who have served during 2016 and until the date this report was approved, are as follows:

<i>Incumbent:</i>	Rev'd David Abbott	Retired 30 September 2016
<i>Churchwardens:</i>	Chris Stewart Evelyn Wotherspoon	re-elected APCM 2016 until APCM 2017 re-elected APCM 2016 until APCM 2017
<i>Representatives on the Deanery Synod:</i>	John Cartwright Frances Norrington Clive Scott Charles Wigmore	until APCM 2017 until APCM 2017 until APCM 2017 until APCM 2017
<i>Elected Members:</i>	Shawn Baggs (Treasurer) Richard Coles Lesley Culley Nigel Eckert Kate Hedge Simon Lewis Julian Randall-Stratton Karen Stananought	until APCM 2018 until APCM 2017 until APCM 2018 until APCM 2019 until APCM 2017 until APCM 2017 until APCM 2019 until APCM 2018
<i>Co-opted Members:</i>	Emily Lines	Youth Representative (until 2017)
<i>Attendees without voting rights:</i>	Sharon Fowler Tom Hodkinson Kath Jones	Children and Families Worker Youth Team Worker PCC Secretary

**PCC MEETINGS**

The PCC has met six times over the last 12 months to consult on promoting the mission of the church, to Love, Grow, Serve. Much of the work goes on in the six sub committees or mission groups, which each deal with a particular aspect of church life - Finance, Pastoral, Projects, Stewardship, Worship and Youth. Elected Members of the PCC are typically allocated to one of the six mission groups, which each report back to the full PCC. The Heads of these mission groups have continued to meet informally with the vicar, the churchwardens and the treasurer, collectively the "Standing Committee", prior to each PCC meeting.

**CHURCHWARDENS**

The two churchwardens, who are elected annually are automatically members of the PCC. Both Evelyn Wotherspoon and Chris Stewart were re-elected in April 2016 to serve for a further 12 months. They, along with the vicar and treasurer form the Standing Committee which deals with any urgent items which arise between the scheduled PCC meetings.

**PREACHERS & LEADERS**

Other than the retirement of the incumbent during the year, there were no changes in the preachers and leaders team during the year.

**ELECTORAL ROLL**

In March 2016, Nick Davis, the Electoral Roll Officer, drew up a new electoral roll. The Roll is revised at each PCC meeting and at the time of this report there were 219 members (2015: 221), of whom only 52 are resident in the parish (2015: 51).

**VOLUNTEERS**

In addition to the staff employed as detailed in Note 4, there are a significant number of volunteers from the congregation contributing their talents and time in all sorts of ways to further the objectives of the church. The PCC members are extremely thankful for all the work performed by the volunteers, some of which is outlined in the mission group activities sections that follow later in this report. The PCC members appreciate the commitment and dedication of those that contribute in whatever way they do so and however large or small.

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**REPORT OF THE TRUSTEES (continued)**

**STEWARDSHIP, FABRIC & FURNISHINGS**

This year has been a significant year for Sunnyside as a whole and Stewardship is no exception. Although no physical work on the hall roof has happened as yet, there has been some considerable investigation and planning work culminating in a very detailed report highlighting the issues and suggesting some solutions. The next step is to progress a detailed specification on two potential roof finishes which will in turn enable accurate costs to be obtained for materials and tradesmen before moving towards PCC approval, assuming the necessary funds are in place. The damage to the Breukelman Room by the recent flooding highlights the need to push on with replacing the hall roof and it is expected that roof repairs in both cases will need addressing at the same time, with the refurbishment of the Breukelman room following once the roof work is complete.

Innovations during the course of the year include the development of a maintenance log, which includes an approved contractor list and which is to record routine and minor issues and move these towards resolution. In addition, the Church grounds are looking as good as ever, as is the Vicarage garden, thanks to the dedicated team responsible for these.

Some of the work carried out in the last twelve months includes the following:

- Day to day maintenance of the grounds, car park, church guttering and tiles, pathways, hedges and trees;
- Investigation and service of the PV panels, which are now generating income again;
- Continual monitoring of flagstone paths round the church;
- Replacement of kettles and the Instanta hot water heater in the kitchen;
- Improved access to the gallery in the hall through installation of a new stairway;
- New chairs for the Breukelman room;
- Replacement of an electrical turbine and replacement bulbs and switches around the church; and
- Minor reordering of the lobby including removal of screens, repositioning of furnishings and new doormats.

In addition to ongoing maintenance work in 2017 and significant work in relation to the roof issues, it is hoped that there may be the opportunity to address issues relating to the vestry that were present in the 2015 quinquennial review.

**YOUTH, CHILDREN & FAMILIES**

The main issues involving children, families and youth activities currently run at Sunnyside were discussed at various points during the year. Changes included the start of the group 'Space' on a Wednesday after school and the successful recruitment of a youth intern in September, which has been a great addition to the team. Smarties and Messy Church both continue to thrive with many families attending regularly giving a real sense of community. Other highlights include the church picnic and the 'WOW' (Women of Worth) group, which have been excellent in building relationships with and between local families. The men's and women's social events have continued this year, and have also helped to build community. The nativity, as always, was a fantastic all age service and celebration.

Training has been a big part of this year for the team, with the Children's & Family and Youth workers both attending college in their final year studying on their courses of Family and Children's work, and Theology. The Youth Intern, Abby Newland, has been studying at the School of Theology on Thursday evenings and some of the team have had first aid training.

"Refract" events have included a youth weekend away, Sunday evening services, hot chocolate at the festival of light, Soul Survivor, school assemblies, detached youth work and various other events across the local churches. It is fantastic that the local church youth workers meet weekly and work together so well to encourage and serve our young people. In addition, "Youth Cell" is running on a Wednesday evening and discussion is aimed at deepening faith and relationships within the group and a weekend in Devon together was great fun for the young people involved. Prayer for schools continues monthly and the team has been involved in various school assemblies, groups and school trips.

Looking forward to 2017, the empowerment and encouragement of the core team at Messy Church will be a focus and there is a need to run a first aid course this year. A mental health training course has already taken place in February. The team have suggested to the PCC that it would be a good time to think about running a church weekend away and it is hoped that a new intern or perhaps two, will join the team in September. The team will be looking to develop the transition of children from Sundays Cool to a youth group, and to provide a group for 11+ if enough young people are interested. Furthermore, the team would like to provide a group on a Friday night for younger youth before "The Edge", if staff time and resources were to allow. Finally, there is a Children in Communion course planned for 2017.

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**REPORT OF THE TRUSTEES (continued)**

**WORSHIP**

Reaction to the new pattern of Sunday services, which changed in the summer, has continued to be monitored from each congregation. Findings, reported to the PCC, suggest that most people have adapted to the changes but there remain some for whom timing is problematic, although the overall number of attendances has held up during the vacancy period.

Analysis has been carried out on the number of people attending each Sunnyside service over a 12 month period, which showed that the number attending the combined 10:00 service on a 5th Sunday was lower than those attending the 9:00 and 10:30 separate services. It was therefore recommended that the 5th Sunday should have both a 9:00 and 10:30 service and this was agreed by the PCC.

There has been some emphasis this year in understanding the Worship mission group's budget responsibilities for certain expenditure, which will help understand actual spend during the next 12 months. Music styles have been discussed with the Music Worship Leader, including comments received from the congregations. In addition, the continuing success of Messy Church and the Wednesday 9.30 service has been noted.

**PASTORAL**

This year some of the very long standing volunteers have stepped down after leading pastoral visits, leading the Bereavement and Loss Group and assisting with Songs of Praise. The visits and bereavement roles have been filled, as has the long term vacancy for 'House Group Co-ordinator'. The committee is appreciative of the efforts of those stepping down and also the new joiners during the year.

Pastoral visiting has continued to support on average 13 people each month throughout the year, although there were some deaths among those being visited. Lunch Club continues to operate extremely well despite the lack of the Breukelman room availability due to the water damage and challenges with the kitchen equipment. However, new chairs, a new water boiler, effective hot water and a new freezer have made life easier and the efforts of those involved are appreciated.

The Pastoral Events Group goes from strength to strength with all three Songs of Praise events attracting more than 100 people, around 30 of whom come from The Sunnyside Rural Trust. The Christmas Songs of Praise was attended by 141 people including children from Little Gaddesden Primary School who sang carols. There was also an outing in May to the Bluebells in Wendover Woods followed by afternoon tea at Chiltern Forest Golf Club.

House Groups continue to thrive and as well as studying sermons or scriptures each week, provide a great support to their members. There are nine House Groups with 110 people attending. This represents nearly half of the church family. Five people attend more than one group. The Week of Guided Prayer was successful in September with 30 retreatants, four directors and a supervisor attending. The 'Men@Home' group continued its fortnightly meetings at the Old Mill with half the attendees having no church connection and enjoyed an evening at a Greek restaurant, an outing to Bentley Priory, the headquarters for the RAF Battle of Britain and had a Christmas Breakfast in December. Similarly, the 'Girls Allowed' group continued to meet for convivial company, chat, discussions, book exchanges and coffee and around sixteen attend each time. The group enjoyed a visit to The Sound of Music in Aylesbury and a canal boat trip in the summer which 25 ladies attended.

The Bereavement Group ran a six week training course for new befrienders and four people attended. A contest was held within an art group for cards sent out on the first anniversary of a partner's death. Five paintings were chosen and made into cards funded by the Sunnyside Outreach Fund. There have been about 20 Sunnyside bereavements this year plus bereavements from funerals taken at Sunnyside.

The Outings Group organised a trip to see Blood Brothers in February and an evening trip to The Tower of London including supper in The Officers' Mess and The ceremony of the Keys in the summer. In the Autumn a trip to Chenies Manor was a great success with a private tour of the house, coffee and lunch.

**DEANERY SYNOD**

The annual Deanery Lecture was given in June 2016 by Canon Edgar Ruddock entitled "Remodelling Mission & Ministry – the Power of Accompaniment." His lecture was a series of reflections on his ministry, drawing lessons from his experiences and the thread that seems to run through his ministry is the need for "accompaniment" – to join people of whatever culture and background on their journey, to engage with them and win their trust just by being around, spending time and doing things with them, talking to them, asking about and trying to understand their needs and outlook and showing one's own vulnerability and asking for help oneself when necessary.

In October, talks were given to the Synod and included one by two ladies from "People Not Borders – Berko Helping Refugees", who spoke of the work of their group, which was formed in reaction to the plight of refugees by people who feel that something has to be done to help and another by Lauryn Aubrey, the Diocesan Officer for Reader Ministry, who spoke on "Celebrating Lay Readership.", an area the Diocese is looking to encourage more, preferably younger, people into. Church members are challenged to think of how suitable people can be encouraged to become readers as well as being active in the church and community and open in their faith.

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**REPORT OF THE TRUSTEES (continued)**

**FINANCE**

It is pleasing to report that the church finances are in a much healthier state than they have been for a number of years. From a forecast deficit of approximately £11,000, a very successful TRIO ("The Responsibility Is Ours") campaign in the first quarter of 2016 transformed the outlook. It resulted in a commitment to increase regular giving by around £35,000 on an annualised basis.

The Parish Giving Scheme was also introduced during the TRIO campaign and increased the proportion of regular income through electronic transfer, which now accounts for the majority of regular income. The number of people remaining in the envelope scheme dropped below the point where this method of giving could be sustained and following discussion with the few remaining participants, the envelope scheme ceased at the end of the year. A leaflet highlighting the benefits of legacy giving was also produced and included in the TRIO pack and this is an area that will get greater focus during 2017.

Gift Day was again successful with the total raised being only slightly lower than in 2015. The average amount given by those contributing was up significantly, although the number of households who participated was down by about 20%, this the only disappointing aspect.

Income for the year exceeded budget by approximately £34,000, largely as a result of the increase in regular giving from April onwards, although hall income was also higher than expected. Expenditure during the year was 2.5% below budget in total, despite church and hall maintenance costs being much higher than budget due to several substantial unplanned items occurring during the year. This is an area where there is expected to be increased spend in 2017 across a number of projects, most significantly the Church Hall roof and Breukelman room roof.

As a result of the lower expenditure and the substantial increase in regular giving, reserves reached their targeted level of £30,000 at the end of the year. In addition, a capital fund was established to help save and facilitate major project work foreseen in the coming years and at the year end the fund had reached £20,000.

In addition to the annual budget, a longer term forecast is now being developed to enable financial planning over the medium term.

Net assets at the end of the year were just over £441,000 (2015: £391,000 restated), of which £385,000 (2015: £365,000 restated) was in relation to 23 Kestrel Close as described in Note 5. Cash funds have improved, with unrestricted cash being £67,239 at 31 December 2016 (2015: £28,820), of which £55,119 (2015: £25,227) is designated. Restricted cash was £6,072 (2015: £5,063).

**RESERVES POLICY**

The current policy is to hold in reserve for emergency or unforeseen expenditure, the equivalent of one to two months of general running costs, which includes staff costs. The reserves policy is reviewed annually.

**TRUSTEE TRAINING**

New PCC members are issued with a handbook given training to explain their duties and roles and time is devoted at PCC meetings to relevant trustee training topics.

**RISK REGISTER**

Early in 2012, the PCC drew up and adopted a comprehensive register of risks to record the ways in which the more important ones were being mitigated or not and to highlight key areas on which its attention needed focussing. Since that time, the register has been reviewed and updated on a regular basis.

**CONCLUSION**

In closing this report, the Trustees again acknowledge here the invaluable contributions made by the staff and also the many unsung church members in Sunnyside that contribute in many ways by volunteering help, prayer and practical support. For this we are truly grateful to God.

Approved by the Parochial Church Council on 27 March 2017 and signed on its behalf by Chris Stewart, Chairman of the PCC:

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**INDEPENDENT EXAMINER'S REPORT**

**TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL ALL ANGELS, BERKHAMSTED**

I report on the accounts of the PCC for the year ended 31 December 2016, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes.

**RESPECTIVE RESPONSIBILITIES OF THE PCC AND THE EXAMINER**

As members of the PCC you are responsible for the preparation of the accounts. You consider that the audit requirements in the Charities (Accounts and Reports) Regulations 2008 ("the Regulations") and section 144(2) of the Charities Act 2011 ("the Act") do not apply. It is my responsibility to issue this report on those accounts in accordance with the terms of the Regulations.

**BASIS OF INDEPENDENT EXAMINER'S REPORT**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners under section 145(5)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 accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as members of the PCC 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 accounts.

**INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Act: and

- to prepare accounts 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 accounts to be reached.

Geoff Mann FCIE  
Geoff Mann Limited  
Dee House  
Highworth Avenue  
Cambridge  
CB4 2BQ

March 2017



STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £	Prior Year Total Funds Restated £
<b><u>INCOME</u></b>						
Donations	2	194,702	1,610	50,520	246,832	241,495
Charitable activities	2	9,545	-	5,727	15,272	14,577
Other trading activities	2	14,953	-	-	14,953	15,622
Other income	2	216	-	4,561	4,777	1,774
<b>TOTAL INCOME</b>		<b>219,416</b>	<b>1,610</b>	<b>60,808</b>	<b>281,834</b>	<b>273,468</b>
<b><u>EXPENDITURE</u></b>						
Raising funds		-	-	-	-	138
Charitable activities	3	191,943	1,498	58,424	251,865	256,148
<b>TOTAL EXPENDITURE</b>		<b>191,943</b>	<b>1,498</b>	<b>58,424</b>	<b>251,865</b>	<b>256,286</b>
<b>NET INCOME</b>		<b>27,473</b>	<b>112</b>	<b>2,384</b>	<b>29,969</b>	<b>17,182</b>
<b><u>TRANSFERS</u></b>						
Transfers between funds	9, 10	(28,405)	29,780	(1,375)	-	-
<b><u>OTHER RECOGNISED GAINS AND LOSSES</u></b>						
Gains on revaluation of fixed assets	5	20,000	-	-	20,000	175,000
<b>NET MOVEMENT IN FUNDS</b>		<b>19,068</b>	<b>29,892</b>	<b>1,009</b>	<b>49,969</b>	<b>192,182</b>
<b><u>RECONCILIATION OF FUNDS</u></b>						
<b>TOTAL FUNDS BROUGHT FORWARD (restated)</b>		<b>360,853</b>	<b>25,227</b>	<b>5,063</b>	<b>391,143</b>	<b>198,961</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>379,921</b>	<b>55,119</b>	<b>6,072</b>	<b>441,112</b>	<b>391,143</b>

**BALANCE SHEET**

	Notes	£	2016 £	2015 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		388,418		371,838
<b>CURRENT ASSETS</b>					
Debtors	6	4,229		5,249	
Cash at bank		73,311		33,883	
			77,540	39,132	
<b>CREDITORS</b>					
Amounts falling due within one year	7	18,162		8,091	
<b>NET CURRENT ASSETS</b>					
			59,378		31,041
			447,796		402,879
<b>CREDITORS</b>					
Amounts falling due after one year	7		6,684		11,736
<b>NET ASSETS</b>					
			441,112		391,143
<b>FUNDS</b>					
Unrestricted funds - General funds			94,878		95,810
Unrestricted funds - Revaluation reserve			285,043		265,043
			379,921		360,853
Designated funds	9		55,119		25,227
Restricted funds	10		6,072		5,063
<b>ACCUMULATED FUNDS</b>					
			441,112		391,143

Approved by the Parochial Church Council on 27 March 2017 and signed on its behalf by

Chairman

Member

STATEMENT OF CASH FLOWS

	Notes	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	11	44,481	17,318
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(5,052)	(5,052)
Net cash provided by financing activities		(5,052)	(5,052)
Change in cash and cash equivalents in the reporting period		39,429	12,266
Cash and cash equivalents at the beginning of the reporting period		33,883	21,617
Cash and cash equivalents at the end of the reporting period	12	73,312	33,883

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**NOTES TO THE ACCOUNTS**

**1 ACCOUNTING POLICIES**

**(a) BASIS OF PREPARATION OF ACCOUNTS**

The accounts include the results of the PCC's operations, which are described in the Report of the Trustees and all of which are continuing. They have been prepared in accordance with the provisions of the Charities Statement of Recommended Practice (SORP) issued by the Charities Commission in its role as the SORP-making body recognised by the Financial Reporting Council, effective 1 January 2015.

The Accounts have also been prepared in accordance with the Financial Reporting Standard applicable in the UK (FRS102). This is the first set of accounts prepared under FRS102. The comparative figures have therefore been restated where appropriate.

The Accounts 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.

The trustees expect to have adequate resources for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

**(b) INCOME**

Income is recognised in the accounts when there is an entitlement to that income such that control over the rights or access to the economic benefit has passed to the charity. Income is only recognised when it is more likely than not that economic benefit associated with a transaction or gift will flow to the charity and where the monetary value or amount of the income can be measured reliably and the cost incurred for the transaction and the costs to complete the transaction can be measured reliably.

**(c) EXPENDITURE**

Liabilities and related expenditure are recognised when a present legal or constructive obligation exists at the reporting date as a result of a past event, where it is more likely than not that a transfer of economic benefits will be required in settlement.

**(d) FUNDS**

**Unrestricted Funds**

These are funds which can be spent by the PCC in furtherance of the Church's objects at the discretion of the trustees.

**Designated Funds**

These are an integral part of the unrestricted funds, earmarked by the PCC for a particular project, activity or use. The designation does not legally restrict the trustees and may be cancelled by the PCC if it decides not to proceed or continue with that project, activity or use.

**Restricted Funds**

These are specific funds held under charity law and may be declared by the donor when making a gift or may result from the terms of an appeal for funds, created by the donor(s) or with their authority. They can only be spent by the PCC for the particular purpose that they were given for in the first place.

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NOTES TO THE ACCOUNTS

1 **ACCOUNTING POLICIES** (*continued*)

(e) **FIXED ASSETS**

**Consecrated land and buildings and moveable church furnishings**

Consecrated and beneficed property is excluded from the accounts in accordance with the Charities Act.

Moveable church furnishings held by the Vicar and Church Wardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the Church's inventory which can be inspected at any reasonable time. For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since 1 January 2001 have been capitalised and depreciated in the accounts over their currently anticipated useful economic life on a straight line basis.

All expenditure on individual items under £2,000 incurred in the year on consecrated or beneficed buildings, or on the repair of moveable church furnishings acquired, is written off.

**Other fixtures, fittings and office equipment**

Equipment used within the church premises is depreciated on a straight line basis over four to ten years. Expenditure on individual items of equipment with a purchase price of £2,000 or less is written off in the period in which they are incurred.

**Renewable energy project**

PV panels are depreciated on a straight line basis over ten years.

**Other land and buildings**

Other land and buildings held on behalf of the PCC for its own purposes are carried at fair value. No depreciation is charged against the value of such properties, but any expenditure on maintenance or improvement is written off as incurred.

(f) **Current assets**

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

(g) **Reserves Policy**

The trustees' present aim is to hold unrestricted free reserves in the range of £21,500 to £38,000, being the equivalent of:

- 1-2 months of general running costs, which includes salary costs - this broadly equates to £16,500 to £33,000 based on unrestricted expenditure for the year ended 31 December 2016; and
- an amount for likely building or structural costs arising from the quinquennial inspection of the church of £5,000.

This policy is revisited annually.

NOTES TO THE ACCOUNTS

2 INCOME

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
				2016 £	2015 £
					<i>Restated</i>
<b>(a) Donations and legacies</b>					
Bankers orders	141,521	-	-	141,521	105,158
Envelope scheme	6,125	-	-	6,125	12,848
Gift day	-	1,259	35,522	36,781	42,770
Income tax recoverable	36,491	-	10,239	46,730	42,607
Plate collection	4,455	-	-	4,455	7,134
Sundry donations	6,110	351	4,759	11,220	30,978
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	194,702	1,610	50,520	246,832	241,495
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<b>(b) Charitable activities</b>					
Evangelistic and social events	3,369	-	1,369	4,738	3,045
Magazines	-	-	-	-	37
Outings	-	-	4,358	4,358	2,328
Pastoral events	100	-	-	100	-
PCC fees	3,226	-	-	3,226	5,066
Youth work	2,850	-	-	2,850	4,101
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	9,545	-	5,727	15,272	14,577
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<b>(c) Other trading income</b>					
Church Hall hire	14,381	-	-	14,381	13,855
Drinks machine	27	-	-	27	103
Electricity	216	-	-	216	235
Internet sales	227	-	-	227	1,225
Stewardship income	102	-	-	102	204
	-----	-----	-----	-----	-----
	14,953	-	-	14,953	15,622
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<b>(d) Other income</b>					
Events	-	-	4,561	4,561	1,368
Miscellaneous income	216	-	-	216	406
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	216	-	4,561	4,777	1,774
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<b>TOTAL INCOME</b>	219,416	1,610	60,808	281,834	273,468
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NOTES TO THE ACCOUNTS

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted	Designated	Restricted	Total Funds	
	Funds	Funds	Funds	2016	2015
	£	£	£	£	£
	<i>Restated</i>				
<b>(a) Grants</b>					
Home missions	-	-	17,850	17,850	18,750
Overseas missions	-	-	26,600	26,600	29,000
Other grants	-	255	-	255	502
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	-	255	44,450	44,705	48,252
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<b>(b) Activities directly relating to the work of the Church</b>					
<b>Ministry</b>					
Assignment fees	866	-	-	866	1,874
Designated expenses	-	1,243	-	1,243	7,312
Organist and verger costs	165	-	-	165	830
Parish share	95,074	-	-	95,074	93,264
Restricted expenses	-	-	4,675	4,675	5,863
Vicar's expenses	1,726	-	-	1,726	2,431
Vicarage maintenance	1,800	-	-	1,800	2,400
<b>Stewardship</b>					
Church property costs	959	-	-	959	1,573
Church hall running costs	18,558	-	-	18,558	13,945
Churchyard upkeep	1,082	-	-	1,082	782
<b>Pastoral care</b>					
Pastoral care and church events	2,040	-	4,154	6,194	4,105
<b>Worship</b>					
Music costs	1,235	-	-	1,235	762
Other worship costs	590	-	-	590	691
Preaching and service leadership	856	-	-	856	746
<b>Evangelism</b>					
Alpha courses	-	-	-	-	110
<b>Youth work</b>					
Youth intern costs	1,257	-	-	1,257	1,956
Youth events	3,390	-	5,145	8,535	6,215
Youth training	3,957	-	-	3,957	4,771
Youth work - general expenses	2,601	-	-	2,601	3,046
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	136,156	1,243	13,974	151,373	152,676
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NOTES TO THE ACCOUNTS

3 EXPENDITURE ON CHARITABLE ACTIVITIES (*continued*)

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £ <i>Restated</i>
<b>(c) Church management and finance</b>					
Salaries	47,162	-	-	47,162	45,563
Administration expenses	2,786	-	-	2,786	2,480
Depreciation	3,420	-	-	3,420	3,612
Other financial costs	1,564	-	-	1,564	2,785
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	54,932	-	-	54,932	54,440
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<b>(d) Governance</b>					
Independent examiner	855	-	-	855	780
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<b>TOTAL EXPENDITURE</b>	191,943	1,498	58,424	251,865	256,148
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4 STAFF COSTS

No remuneration was paid to any member of the PCC with voting rights in the year, nor were any expenses reimbursed to them.

The staff costs were:

	2016 £	2015 £
Wages and salaries	47,162	45,563
Social Security costs	-	-
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	47,162	45,563
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During the year, the PCC employed a part time Parish Administrator, a Parish Secretary, one full time Youth Worker, a part time Children's Worker, a part time Director of Music, a part-time Assistant Treasurer and one Youth Intern.

No employees received employee benefits, excluding employer pension costs, of more than £60,000.



NOTES TO THE ACCOUNTS

5 FIXED ASSETS

	Freehold property £	Equipment £	Moveable Furnishings £	Renewable Energy Project £	Total £
<b>Cost or Valuation</b>					
Balance at 1 January 2016 (restated)	365,000	17,881	3,487	26,124	412,492
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Revaluations	20,000	-	-	-	20,000
Balance at 31 December 2016	385,000	17,881	3,487	26,124	432,492
<b>Depreciation</b>					
Balance at 1 January 2016	-	17,881	3,487	19,286	40,654
Charge for the year	-	-	-	3,420	3,420
Disposals	-	-	-	-	-
Balance at 31 December 2016	-	17,881	3,487	22,706	44,074
<b>Net Book Value</b>					
At 31 December 2016	385,000	-	-	3,418	388,418
At 1 January 2016 (restated)	365,000	-	-	6,838	371,838

The freehold property is vested in the St Albans Diocesan Board of Finance on trust for the PCC and comprises of the Youth Worker's House. The property was professionally valued early in January 2017. The brought forward amount has been restated to reflect the fair value at 31 December 2015.

The property was acquired in 1999 and had the historical cost model been applied, the carrying amount recognised would have been £99,957.

6 DEBTORS

	2016 £	2015 £
Other debtors and prepayments	2,139	2,472
Tax recoverable	2,090	2,777
	4,229	5,249

NOTES TO THE ACCOUNTS

7	CREDITORS	2016		2015	
		Due within one year £	Due after one year £	Due within one year £	Due after one year £
	Individual loans (note 8)	5,052	6,684	5,052	11,736
	Other creditors and accruals	13,110	-	3,039	-
		-----	-----	-----	-----
		18,162	6,684	8,091	11,736
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8 LOANS

There is one loan of £5,000 that is interest free with no specific terms for repayment.

Other interest free loans were made in May 2010. These have a tenure of 8 years and are being repaid at a rate of 1/96th a month.

	2016		2015	
	Due within one year £	Due after one year £	Due within one year £	Due after one year £
Individual loans being repaid over 8 years:				
- Less than one year	5,052	-	5,052	-
- More than one year	-	1,684	-	6,736
Individual loans with no specific terms, treated as:				
- More than one year	-	5,000	-	5,000
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	5,052	6,684	5,052	11,736
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9	DESIGNATED FUNDS	Brought Forward	Incoming Resources	Resources Expended	Transfers	Carried Forward
		£	£	£	£	£
	Albania	1,837	-	-	-	1,837
	Capital fund	-	-	-	20,000	20,000
	Infrastructure	1,114	37	-	(1,151)	-
	Memorial	50	-	-	-	50
	Reserves	19,069	-	-	10,931	30,000
	Sunnyside Outreach	3,157	1,573	1,498	-	3,232
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		25,227	1,610	1,498	29,780	55,119
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NOTES TO THE ACCOUNTS

10	RESTRICTED FUNDS	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward £
	Advent	-	849	849	-	-
	Capital fund	-	625	-	(625)	-
	Cleaning	-	62	62	-	-
	Outreach Support Group	1,687	18,249	17,850	-	2,086
	Lunch Club	515	-	111	-	404
	Maintenance	-	800	50	(750)	-
	Messy church	-	300	300	-	-
	Miscellaneous	-	3,580	3,580	-	-
	Outings & events	-	5,725	3,718	(673)	1,334
	Overseas Partnership Committee	2,819	26,029	26,600	-	2,248
	Pastoral	(29)	2,730	2,160	(541)	-
	Week of Accompanied Prayer	71	1,369	1,440	-	-
	Youth	-	490	1,704	1,214	-
		5,063	60,808	58,424	(1,375)	6,072

11 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
<b>Net income for the reporting period</b>	29,969	17,182
Depreciation charges	3,420	3,612
Decrease / (increase) in debtors	1,020	(1,514)
Increase / (decrease) in creditors	10,072	(1,962)
<b>Net cash provided by operating activities</b>	44,481	17,318

12 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	73,311	33,883

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**NOTES TO THE ACCOUNTS**

**13 OPERATING LEASES**

There are outstanding commitments for future minimum lease payments under non-cancellable operating leases at the reporting date as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
- Within one year	1,933	1,933
- Within two to five years	4,994	6,928
- Later than five years	-	-
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	6,928	8,861
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**14 RELATED PARTY TRANSACTIONS**

There have been no related party transaction during the period.