

The Parochial Church Council of the Parish of St Peter and St Paul Uplyme

Commentary to the Accounts for the year ending 31st December 2016

C1 The formal accounts for 2016 are on pages F4 – F8. As agreed by the PCC 2015, the accounts are now presented on an income and expenditure (accruals) basis. In order to facilitate comparison of 2016 and 2015 figures, a few adjustments have been made to the 2015 figures – these are marked with an asterisk on the Statement of Financial Activity (SOFA) and the Balance Sheet.

C2 Overall position :

Total assets decreased during the year from £157,435 to £143,255. The two main reasons for this were the expenditure on the new organ (£12,386) and the unplanned deficit on general funds (£5,930).

C3 Investment Policy :

- a. A small cash balance is held for the purpose of eg providing floats at special events. Shining Stars also holds a cash balance for week to week activities.
- b. Monies required on a day to day basis to pay bills and meet ongoing commitments are held in a CAF Current Account. The balance on this account is reviewed monthly by the Treasurer
- c. Monies which it is estimated are unlikely to be utilised for a period of more than twelve months were invested in a Scottish Widows (CAF linked) one year interest earning account. This account matured in November 2016. Investment in a CAF 12 month fixed rate saver account (in association with Shawbrook) was made in February 2017.
- d. All other financial resources are held in two interest earning deposit accounts.
- e. Whilst seeking a competitive level of interest, the PCC will seek to invest with institutions which carry a relatively low level of risk, and which have sound ethical policies.

C4 Reserves Policy :

- a. Restricted Funds : the PCC is responsible for the management of a number of restricted funds. PCC is committed to making effective use of these resources and will honour the wishes of donors for these monies to be used for a specific purpose. These funds will be reviewed on an annual basis.
- b. Legacy Fund : two significant legacies left to the church in 2014 and 2015 were allocated to a designated Legacy Fund. A tenth (tithe) of these legacies was given to the wider work of the church in 2015. In 2016 the Fund was used to finance the new organ which was installed in November. The PCC have decided that the balance should be primarily targeted towards ((a) Growth of the Youth Ministry (b) Development of the church building including a disabled toilet.
- c. General Funds : In the medium term the PCC aim to restore the level of this fund to £27,000 (approximately 4 months recurring expenditure). In the short term any deficits on general funds will be financed from the Legacy Fund.

C5. TEAR Fund Zambia Connected Church Water Project :

The PCC have agreed to continue supporting this project until 30th June 2018. In the 5 $\frac{1}{2}$ years to 31st December 2016, the church and local community has raised £68,279. Of this £11,848 was raised

in 2016 thanks to the annual July Gift Day, and many fund raising initiatives including the Wildlife Garden and the Art Exhibition in August.

C6. Million for Mission (M4M) :

This fund has again been used to support Shining Stars. Pro Presenter software, which is used for Café Church and other services, was also paid for from this fund.

C7. Income and Expenditure :

- a. Total Planned Giving in 2016 for General Funds amounted to £46,857 – this is a welcome increase of 9% on the 2015 figure (£42,793).
- b. The receipts from the annual Gift Day in July totalled £7,185 and were allocated to restricted funds – 50% Zambia project; 25% Youth ministry; and 25% Fabric Fund
- c. Grants : we are grateful for grants received in 2016 from East Devon District Council (£1,039 toward upkeep of the churchyard); and from both Uplyme United Charities and the Uplyme Village Fete Committee (in support of Youth Ministry).
- d. The Parish News again made a surplus (income £2,696, expenditure £2,100) and remains a much appreciated feature of Church and Community life.
- e. The request from the Diocese of Exeter in respect of the Common Fund 2016 was paid in full £52,415.
- f. Overall, there was a deficit on General Funds of £5,930. £1,632 of this related to Youth Ministry and was funded, as planned, from the Youth restricted fund. In order to prevent the level of General Funds falling further below the prudent level, the remaining shortfall (£4,298) was funded from the Legacy Fund.

C8 Looking forward to 2017 :

- a. At present the Church remains rich in restricted and legacy funds, but poor in general funds. The major challenge therefore is in meeting the regular ongoing financial commitments.
- b. The PCC has provisionally set a “deficit” budget for 2017. The PCC is committed to supporting the Diocesan strategy of maintaining an Anglican Christian witness in all parishes within the Diocese of Exeter and has therefore committed to paying the Common Fund requirement (£51,062) in full. The estimated deficit of approximately £2,500 will be financed from the Legacy Fund. The PCC will review the position in November 2017.
- c. Youth Ministry:
 - i. Thanks to the annual gift day and other generous specific donations to the Youth Ministry restricted fund in 2016 a surplus of £1,516 was made. It is a great encouragement that adequate resources are available to support this priority area of the Church’s Mission Action Plan.;
 - ii. It is also hoped that it will eventually be possible to appoint a part time youth and £51,000 of the Legacy Fund has been allocated to support a three year appointment.
- d. Mission Action Plan : We are grateful to God for the financial resources which are available to support the mission of the church in Uplyme. The PCC is aware that further work needs to be done to ensure that our expenditure is fully aligned with the priorities of the Mission Action Plan.

C9 Thankyou! :

- a. Enormous thanks are due to all who have given of their time, talents, and finances in 2016. Approximately 400 payments and 1,500 receipts have been processed in 2016 and each one of the latter is very special!
- b. Martin Whitehead has again carried out an independent examination of the accounts and we are very grateful to him for this important input.
- c. I would like to thank all who have supported me in my second year as Church Treasurer at Uplyme – including our Vicar; Sides persons; the Finance Group; and our Church administrator. I would especially like to thank Russell and Marilyn, our churchwardens, as they step down from their Churchwarden role.

P. J. Tolhurst

2 / 3 / 2017

Philip Tolhurst IPFA (Treasurer)

Date

Declaration

Independent Examiner's Report

I have examined the Financial Statements for the year ended 31st December 2016 and report that they have been properly drawn up from accounting records and that they reflect the financial position of the Parish for that year and its assets at 31st December 2016.

M Whitehead

2 March 2017

I M Whitehead FCA

Date

UPLYME PCC				
Balance Sheet at 31st December 2016				
	2016		2015	
	£		£	
<i>Assets :</i>				
Cash at Church	20		20	
Cash - Shining Stars	92		-	
General Current Account	10,769		2,808	
General Deposit Account	82,019		83,119	
1 Year Saving Account	-		75,000	
CBF CoE Deposit Fund	55,123			
Zambia Water Project Account	1,000		1,722	
Debtors and prepayments (note N3)	4,064		3,530	*
less Creditors (note N4)	- 9,832		- 8,764	*
TOTAL Balances	143,255		157,435	
<i>Funds :</i>				
Restricted Funds : (note N5)				
Zambia Water Project (note C5)	-		-	*
Organ	-		1,915	
Flag	815		811	
Youth Ministry	10,414		8,898	
New Toilet Facilities	10,903		10,950	
Fabric	5,919		3,706	
M4M (note C6)	3,077		3,929	
TOTAL Restricted Funds	31,128		30,209	
Designated Funds :				
Legacy	92,445		107,544	*
General	19,682		19,682	*
TOTAL Designated Funds :	112,127		127,226	
TOTAL ALL FUNDS	143,255		157,435	

UPLYME PCC STATEMENT OF FINANCIAL ACTIVITY 2016					
INCOME	GENERAL	LEGACY	RESTRICTED	2016	2015
	FUND	FUND	FUNDS	TOTAL	TOTAL
	£	£	£	£	£
1. Tax Efficient Planned Giving					
Bankers Orders	36,362				
Gift Aid Envelopes	2,979		186		
Weekly Envelopes	878				
Total	40,219	-	186	40,405	39,387
2. Other Planned Giving					
Bankers Orders	6,130		120		
Weekly Envelopes	508				
Total	6,638	-	120	6,758	5,090
<i>(Total of all planned giving) (note C7a)</i>	<i>46,857</i>	<i>-</i>	<i>306</i>	<i>47,163</i>	<i>44,477</i>
3. Collections At Services	5,581	-	-	5,581	6,791
4. All Other Giving					
Gift Day (note C7b)			7,185		
Running Costs Contributions	185				
YM Events	5,225				
Other Donations	1,741		2,417		
Total	7,151	-	9,602	16,754	13,652
6. Gift Aid Recovered	11,427	-	2,533	13,960	15,038 *
7. Legacies Received				-	20,005
8. Grants (note C7c)	1,047	-	400	1,447	1,572
9. Gross Income From Fundraising	2,942	-	4,771	7,713	12,422
10. Bank Interest	856	-	4	860	325
11. Statutory Fees (net)	2,554	-	-	2,554	5,633 *
12. Gross Income From Trading					
Bookstall	100				
Parish News (note C7d)	2,696				
Total	2,796	-	-	2,796	2,812
13. Any Other Income	-	-	-	-	-
(Transfer in of Zambia Water Project a/c)					
TOTAL INCOME	81,211	-	17,617	98,827	122,727

EXPENDITURE	GENERAL FUND	LEGACY FUND	RESTRICTED FUNDS	2016 TOTAL	2015 TOTAL	
	£	£	£	£	£	
17.Fund Raising Costs	929		250	1,179	3,536	
18.Mission Giving & Donations	1,124		11,848	12,972	36,688	*
19.Common Fund (note C7e)	52,415	-	-	52,415	48,447	
20.Salaries, Wages & Honoraria						
Administration	6,149					
Honoraria	678					
Youth Work		330				
Total	6,827	330	-	7,157	7,111	
21.Clergy & Staff Expenses	2,970	-	-	2,970	2,367	
22.Mission & Evangelism Costs						
Support Costs	1,436		200			
YM Events	6,409		576			
Total	7,845	-	776	8,621	7,028	
23.Church Running Costs						
Administration	1,834					
Insurance, Cleaning etc	2,055					
Upkeep of Services	3,295		276			
Church Building Maintenance	1,709					
Churchyard Maintenance	1,240					
Total	10,132	-	276	10,408	10,236	*
24.Church Utility Costs	2,799	-	-	2,799	3,224	
25.Cost of Trading						
Bookstall	-					
Parish News (note C7d)	2,100					
Total	2,100	-	-	2,100	2,117	
29.New Building Works (Organ)	-	10,471	1,915	12,386	-	
TOTAL EXPENDITURE	87,141	10,801	15,065	113,007	120,754	
NET SURPLUS/(DEFICIT) before transfers	(5,930)	(10,801)	2,551	(14,180)	1,973	
Transfers between funds	5,930	(4,298)	(1,632)	0	0	
NET SURPLUS/(DEFICIT) after transfers	0	(15,099)	919	(14,180)	1,973	
Fund Balances b/f 1st January	19,682	107,544	30,209	157,435	155,462	
Fund Balances c/f 31st December	19,682	92,445	31,128	143,255	157,435	

Uplyme Parish Church Council

Notes to the Accounts for the year ending 31st December 2016

N1. Accounting Policies

- a) Basis of Preparation : The accounts have been prepared in accordance with applicable accounting standards – the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).
- b) Fund Accounting : Unrestricted Funds are available for use at the discretion of the PCC in furtherance of the general objectives of the PCC. Restricted Funds are subject to restrictions on their expenditure imposed by the donor.
- c) Incoming Resources : All incoming resources are included in the statement of financial activities when the PCC is entitled to the income and the amount can be quantified with reasonable accuracy.
- d) Resources Expended : Expenditure is recognised on an accrual basis as a liability is incurred.

N2. Employees

The PCC employs one part time administrator. Total salary costs in 2016 were £6,149 (2015 - £6,023). There were no social security or pension costs.

N3. Debtors and Prepayments

	2016	2015
	£	£
HMRC (Gift Aid)	3000	2850
British Gas (gas)	348	-
Insurance (prepayment)	716	680
Total	4064	3530

N4. Creditors

	2016	2015
	£	£
British Gas (electricity)	82	-
Diocesan Fees	261	79
TEAR Fund (Zambia)	1286	8685
New Organ	7682	-
Other creditors	521	-
Total	9832	8764

N5. Analysis of Funds

	<i>b/f 1st January</i>				<i>c/f 31st December</i>
	2016	Income	Expenditure	Transfers	2016
	£	£	£	£	£
<i>Restricted Funds</i>					
Disabled Toilet	10,950	203	250	0	10,903
Fabric	3,706	2,213	0	0	5,919
Flag	811	4	0	0	815
Million for Mission (M4M)	3,929	200	1,052	0	3,077
Organ	1,915	0	1,915	0	0
Youth	8,898	3,148	0	(1,632)	10,414
Zambia	0	11,848	11,848	0	0
<i>Total (Restricted)</i>	30,209	17,616	15,065	(1,632)	31,128
<i>Unrestricted Funds</i>					
Legacy	107,544	0	10,801	(4,298)	92,445
General	19,682	81,211	87,141	5,930	19,682
<i>Total (Unrestricted)</i>	127,226	81,211	97,942	1,632	112,127
TOTAL ALL FUNDS	157,435	98,827	113,007	0	143,255