

The Parish of Worplesdon



with the churches of



St Alban's, Wood Street Village
&
St Mary's, Worplesdon

Annual Report & Financial Statements of Worplesdon Parochial Church Council

For the year ended
31 December 2016

*The Parochial Church Council of the Ecclesiastical Parish of Worplesdon (Worplesdon
PCC)
is a registered charity under number 1128100*

The Parish of Worplesdon
in the Worplesdon and Wyke Group of Parishes
with the churches of
St Mary's, Worplesdon, & St Albans's, Wood Street Village

*Seeking to be an inclusive, welcoming, Christ-shaped community
reflecting the unconditional love of God*

Trustees' Annual Report 2016

Administrative information

St Mary's Church is situated at Perry Hill, Worplesdon and St Alban's Church is situated on Oak Hill, Wood Street Village. The Parish is part of the Diocese of Guildford within the Church of England. The correspondence address is The Church Office, Perry Hill, Worplesdon, Guildford, Surrey GU3 3RE.

PCC members (who are also trustees of the charity) who have served within the period from 1 January 2016 to 11th April 2017 are:

Incumbent	Rev'd Alex Russell	Chair from 21 September 2016
Assistant Curate	Rev'd Anne Payne	
Church Wardens	Glenda Archer (St Mary's) Susie Moore	(Chair to 21 September 2016)
Honorary Officers	Hon Secretary Hon Treasurer	Carolyn Howard-Jones John McLean from 9 February 2016
Representatives on The Deanery Synod	John Payne Robert Lynch Carol Caven	
Elected Members	Dan Shaw Janet Sutton Zina Tooes John Collier Sally Gregory Kevin Davidson Angela Backhouse Steve Reeds	From APCM 2013 From APCM 2014 From APCM 2014 From APCM 2015 From APCM 2015 From APCM 2016 From APCM 2016 From APCM 2016
Co-Opted Members	Geraldine Wright Nicola Evans Lynne Collier	
Bank	Lloyds TSB Bank plc	147 High Street, Guildford. GU1 3AG
Inspecting Architect	Rena Pitsilli-Graham BA Arch Dip Arch, GradDiplCons(AA) RIBA, AABC	6, St Martin's Almhouses Bayham Street, London. NW1 0BD
Independent Examiner	Mr. Andrew Skilton ACA	Brewers Chartered Accountants Bourne, House, Queen Street Gomshall, Surrey, GU5 9LY

Worplesdon Parochial Church Council

Trustees' Annual Report for the year ended 31 December 2016, continued

The day to day management of the work of the Parochial Church Council is normally delegated to the Incumbent, Revd Alex Russell, who was appointed on 21 September 2016.

RECTOR'S REPORT

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England, by Act of Parliament. The PCC operates under the Parochial Church Council Powers Measure. All members of the PCC are trustees of the charity. Worplesdon PCC is a registered charity under number 1128100.

Benefits to the public arising from carrying out the PCC's objectives are explained within the annual report. The PCC has complied with its duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising its powers or duties.

The method of appointment of PCC members is set out in the Church Representation Rules. All regular church attendees are encouraged to register on the Electoral Roll, to attend the Annual Parochial Church Meeting and to consider themselves for nomination to the PCC. Members of the PCC are inducted into their role and responsibilities using literature prepared by the Diocesan Department for Mission, Evangelism and Parish Development.

The PCC operates through a number of vision groups, which meet at agreed times during the year and then report to the PCC. Please note that exact membership details of the vision groups is under review. The members of the PCC committees were as follows:

Standing:

This is the only committee required under Canon Law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. The Standing Committee meets once a month and comprises the incumbent, the churchwardens, the honorary secretary, the honorary treasurer and the assistant warden.

Property:

Maintenance and development of the buildings. Liaison with local council, the diocese, various heritage organisations, and our quinquennial architect. Development and management of conservation policies. Maintenance and development of the churchyard and churchyard structures (stone tablets etc.) Development and management of conservation policies. Production and maintenance of historical records not in our registers.

Finance:

Financial accounting to the Charity Commission's standards. Management accounting and budgeting. Sound cash and expenditure controls, fund management. External fund-raising (eg through charities). Insurance to cover assets and liabilities. Development and monitoring of investment policies.

Events:

Development and co-ordination of a regular programme of social and fund-raising events. Advice and support to groups mounting special services and events.

Marketing:

Promotion of our churches and all related events through local and, where appropriate, national media. Liaison with the Diocese. (Please note this is historical – the current way of working is still evolving.)

Worship:

Reviewing the impact, music and timing of existing services and recommending additions and/or amendments to the PCC.

Pastoral:

Managing the visiting by existing pastoral assistants and visitors and arranging the training of newly appointed ones.

Witness:

Considering how best to convey the Christian message through example and organised programmes, to both churchgoers and those in the wider parish.

Music:

Planning the music aspect of our corporate life ranging from hymn choice in services to fundraising and social events.

Worplesdon Parochial Church Council Trustees' Annual Report for the year ended 31 December 2016, continued

Transformation:

Taking the lead in implementing the Diocesan agenda in Worplesdon, and prioritising changes needed in the parish to bring about powerful change in our service to God and to our community.

Youth & Children:

Information.

Objectives and Activities

The Worplesdon Parochial Church Council has the responsibility of co-operating with the Incumbent in promoting in the ecclesiastical parish the whole mission of the Church: pastoral, evangelical, social and ecumenical. It also has maintenance responsibilities for both St Mary's and St Alban's churches, St Alban's House, St Alban's Hall and the Church Office.

Review of the year:

Of necessity my review of the year is, in fact, a review of only the months from October to April, as my installation took place in late September. It became clear, early in my tenure, that Worplesdon parish is blessed in having so many associate priests with a wide mix of talents and experience, plus a strong volunteer-base: between them these willing people enable much to happen in the parish that would be beyond the reach of similar-sized but less well-staffed churches.

Our congregation, like many, contains people with a mix of approaches to change. Many are keen to see it happen, and have a 'what are we waiting for?' sense of urgency about the future. Others are more cautious, and wish to see clearly outlined and costed plans before being called upon to make decisions. A few, for their own good reasons, would prefer things to stay as they are, or even revert to the way of being of several years ago. It is the job of the rector (with the support of the wardens and PCC) to hold these differing views together in some sort of harmony, all the while listening to His voice, and encouraging others to do the same.

Listening to God is, perhaps, the area to which more energy needs to be directed. In the parish profile, compiled to give potential candidates for the post of rector the information they needed, the following comments were made: 'we need.... more prayer';..... 'to develop our prayer life further....'; 'we need a rector who..... will lead us in spiritual growth through prayer';..... 'who leads us close to God.' Despite this recognition of need, previous prayer events have not, sadly, had the support the organisers hoped to see: I believe this coming (administrative) year must be the year in which this changes. Without prayer we are simply a group of individuals, each with our own ideas, responding to the loudest voices or strongest personalities in deciding the way forward. **With** prayer, we have the opportunity to make the changes He wishes to see – doing this will give us a kind of spiritual 'match-funding' for all our efforts: whatever we do in the name of the Lord, God will double our efforts through His grace.

Some changes have already taken place.

- We have three new vision groups; Events, Music, and Youth and Children. We have begun a new pattern of services, to encourage more united worship and to make the best use of the resources currently available to us. As part of our ongoing wish to nurture all members of our church community we have re-introduced choral evensong, and developed a new service, Evening Praise, to appeal to a wider age range.
- We have begun work to become more structured in our approach to church life with the aim of avoiding that well-known syndrome, 'meetings for meetings' sake': each vision group is looking at its purpose, direction and priorities, and your PCC is taking very seriously its role in deciding the future of this parish.
- We have made two very significant appointments: John McLean has agreed to become our honorary treasurer, and brings with him a wealth of experience in business and the financial world. Jenny Shaw is now our safeguarding officer: this is an enormous role, no longer restricted to requesting checks on new employees and volunteers, but encompassing child protection, recruitment, health and safety and seemingly endless mandatory parish policies – we are very grateful to her.

Some people, at this APCM, are stepping down from roles: I will not name them all as, due to the necessity of writing this report some time before it will be delivered, there will probably be further changes in the interim. However it is only proper that I record thanks on your behalf to Phil Kerby, who is leaving the post of webmaster. Phil has done such a good job on our website, despite also working full-time elsewhere, and we are very grateful to him. Carol Caven is ready to hand on the role of electoral roll officer, so our thanks to her, and our thanks also to Carolyn Howard-Jones, who has

Worplesdon Parochial Church Council

Trustees' Annual Report for the year ended 31 December 2016, continued

so ably filled the position of PCC Secretary, a particularly demanding role during an interregnum and when 'settling in' a new rector; with her new and exciting job at the cathedral she too needs to reduce her commitments here.

The continuance of good work already begun is of vital importance, and our services to the community through the baby and toddler group, Monday club and café, Smilers, the café at Fairlands, the parish lunches and our house groups and work with Worplesdon View are a credit to all those involved. We have increased our outreach to Worplesdon Primary and Wood Street Infant schools and I am indebted to the 'Open the Book' team and to Martin Wright for sharing in this important ministry with me.

Looking to the future, there are various pressing issues. Several fall under the category of 'buildings': the kitchen and bathroom facilities in both churches need attention, as does the sound system at St Alban's, and the windows in the hall – and there will always be the ongoing maintenance requirements inevitable in older buildings. But while our buildings are a part of our mission, they are not the most important part. It is who we are as people, and how we deal with our fellow church members and those amongst whom we live, study, socialise and work, that say more about our Christian faith than the story any bricks and mortar can tell. The catchy phrase 'what would Jesus do?' (WWJD) may have had its day, but the principle holds good: do we, in every interaction we have with others, follow the example of the One whom God sent to teach us how to be fully human?

In the months to come, just as the vision groups and PCC have to think about their priorities for our parish, so do we as individuals need to consider where, in our lives, our Christian faith and love of God and parish, rank in our order of concerns. A new rector, and skilled clergy colleagues, and efficient vision groups, and willing volunteers, can do nothing without the financial commitment of church members. Our treasurer will make available to us, at the APCM, a new way of giving, backed by the national Church, and proven to be a more effective way of supporting the local parish. Later in the year we will look, together, at how we can be a beacon of Christian light in Worplesdon and Wood Street, by devoting our time, skills and resources in the way that God, as we listen in prayer, is directing us. Everyone has a part to play; everyone is loved and valued by God.

I end with my thanks to you all, for the warm welcome I have received, and for your ongoing support and friendship. May God bless us as we continue this journey together.

The Revd Alex Russell, on behalf of the PCC

Date: 11 April 2017

Worplesdon Parochial Church Council
Trustees' Annual Report for the year ended 31 December 2016, continued

REPORTS FROM THE WARDENS AND THE PROPERTY VISION GROUP

ST MARY'S

The highlight of repairs to St. Mary's was a new boiler system. At the same time a new water main was installed.

TIDY UP DAYS

There were 4 tidy up days where once more we were fortunate to have the help of community workers.

QUINQUENNIAL INSPECTION

The following items listed in the inspection were completed

- Drainage survey completed
- Broken floor board replaced
- Lych gate roof cleared and repaired
- All ivy removed from the walls of the church
- Cleared gutters and down pipes on the church room

INSPECTIONS

Annual inspections were carried out on the Plate and Vestments and the Church Yard. There was also an Archdeacon's Visitation.

BELLS: Clapper for bell 8 replaced

SOUND SYSTEM: Upgraded and serviced

ORGAN: was tuned twice in March and September

CLOCK on Tower was serviced

VESTRY SAFE: Lock serviced and 11 new keys were cut

TREES: Diseased tree near Rectory was cut down.

Miscellaneous electrical and minor repairs were carried out. These are noted in the log book which is presented for your inspection.

Glenda Archer, Warden

ST ALBAN'S

St Alban's is in relatively good repair- we have had two tidy up days in 2016 where lights in the church have been changed, gutters cleaned, fascia boards scrubbed, hedges and undergrowth cut back. It would be lovely to see more people attend tidy up days as these are good opportunities to get a lot of cleaning and maintenance done but also a social occasion.

A new fence was erected around 2 sides of the church between the kitchen and St Alban's House and between the church and the flats. This has created a gated secure area which is safe for our children to play in after church and for the Holiday Club.

Tarmacking of the driveway was supposed to have happened in November. Due to water and gas pipe works to St Alban's house and weather issues this has been delayed but should be completed soon.

At Christmas the boiler in the church broke beyond repair and a new boiler was installed early 2017.

I would like to thank all those who help with the cleaning, gardening and grass cutting and general handiwork.

Susie Moore, Warden

PROPERTY VISION GROUP REPORT

Our objective for 2016 was to carefully work through the Quinquennial Reports requirements and recommendations. Where work is required, we endeavour to have it done so that it will last many years and keep the buildings so that they are suited for future generations.

Both churches are essentially sound but there are some significant items such as the refurbishment of the stained glass windows at St Marys and the refurbishment or replacement of toilets at St Albans. We have tried to build up

Worplesdon Parochial Church Council Trustees' Annual Report for the year ended 31 December 2016, continued

contingency funds in anticipation of these costs but inevitably, prices rise and we have to balance the 'nice to do' and sustainability with using funds to further the essential mission of a church.

Inevitably there are many smaller jobs such as a clapper coming off one of the bells and one of the highlights at the end of 2016 was just as we got the heating at St Mary's working really well, the hall boiler at St Albans failed terminally.

The new tarmac at St Albans has suffered appalling delays as a result of issues with the water and gas supplies to St Albans House. This will hopefully be completed in the Spring in time for the 50th celebrations.

Funds have been put to one side for maintenance but with operational costs exceeding normal church income, we have to minimise outgoings – not increase them: We need to ensure that everyday tasks are covered by volunteers. Regular cleaning rotas have declined and we after many years superb support by the cleaning rota, we are now having to approach contractors for St Albans church cleaning. Whilst the current volunteer labour is greatly appreciated, we simply need more people to help with grass cutting and at Tidy Up days. If you feel that you can give even an hour a month, please have a word with Dan Shaw, the Clergy or the Church Wardens

Dan Shaw

TREASURER'S REPORT

Governance

The Worplesdon Parochial Church Council has the responsibility of co-operating with the Incumbent in promoting in the ecclesiastical parish the whole mission of the Church: pastoral, evangelical, social and ecumenical. It also has maintenance responsibilities for both St Mary's and St Alban's churches, St Alban's Hall and the Church Office.

The full PCC met 7 times during 2016 (2015:6) with an average attendance of 77.5% (2015: 79%) The Vision Groups met between meetings and minutes of their deliberations were received by the full PCC and discussed where necessary. All members of the PCC have received a briefing and supporting documentation to assist in understanding their duties as Charity Trustees. Following my appointment as Honorary Treasurer in February 2017, I stepped down from the PCC in March 2017 in order that I may be able to act independently in carrying out my role.

Key Indicators

The average adult weekly attendance on a "normal" Sunday was 85 adults (2015: 86) plus 12 children (2015:15) but this number increases at festivals.

The parish clergy conducted 20 baptisms (2015:16), 9 weddings (2015:13), 20 funerals in church and at the crematorium (2015:17).

Risk Management

The major risks of the charity have been reviewed and systems and procedures have been established to manage those risks. This includes an annual audit of our child protection procedures. The PCC adheres to the Diocesan Safeguarding Policy (Children and Vulnerable Adults), and many of our officers participated in Diocesan Training on this subject. The Church follows the Diocesan Drink and Drugs Policy, which applies to all users of its buildings.

Financial Management

The financial administration of the Parish is supported by a team of 4 part-time volunteers together with the day to day assistance from our Parish administrator, Michaela Kelly. Additionally, we hire in the accounting services of a third party to help us finalise the monthly management accounts and year-end files. In an ideal world, the services provided by the third party should be done in-house and therefore if there are any volunteers who can help, I would be grateful if they could contact me.

During the year, regular management accounts were prepared for review by the PCC together with budgets and forecasts.

Financial Review- Incoming Resources

Parishioners will note that the total income for 2016 (£166,186) has decreased significantly over 2015 (£735,128), primarily due to the prior year one-off income arising from the sale of St Alban's house of £536,801. Excluding the sale income, a year on year comparison shows a £32,141 decline which arises mainly from a reduction in planned giving, donations and legacies offset by an increase in investment income (due to the rental income from The Oval, our new rental property).

Worplesdon Parochial Church Council Trustees' Annual Report for the year ended 31 December 2016, continued

Financial Review – Resources Expended

Overall, the annual running expenses of the church have remained practically constant at approximately £175,000. However for both years, there have been additional property provisions/costs of £10,000 (2016) and £19,000 (2015) to cover respectively a property provision and the new boiler. Within the costs for 2016 there are one-off items of approximately £5,000 (quinquennial costs/garden machinery theft/rector's house decoration) together with additional £4,000 accounting and governance costs.

Balance Sheet

Following the sale of St Alban's House in 2015, a proportion of the proceeds (£311,454) has been invested in a property at The Oval, Wood Street, which has been subsequently let out. The remainder of the proceeds is on deposit (approximately £240,000) pending a decision by the PCC as to the use of these funds.

The debtors (amounts owed to the Parish) of £48,068 primarily relates to gift aid recoverable from HMRC. In respect of creditors (amounts the Parish owes), the major part of the balance is a provision for costs for the outstanding drive upgrade at St Alban's.

As mentioned above, £10,000 has been reserved in 2016 for the general building reserve, which now stands at £71,107 and is available to cover both quinquennial costs and general church building upgrades.

Restricted reserves stand at £37,743 which arises mainly from the Bells Fund (£11,030) and The Friends of Worplesdon Parish (£14,605)

Overall the unrestricted reserves available within the Parish are £710,047, representing a decrease of £21,010 over 2015.

Summary

Overall the Parish had a deficit of £19,445 for 2016 which is primarily due a falling income.

To improve the position for 2017, the rental income for The Oval is now fully on stream which together with a refreshed 'events' programme, should show an increase in income. Additionally, action is planned to halt the decline in planned giving with the adoption of the Parish Giving Scheme (to be explained further at the APCM) together with a stewardship campaign. Lastly, consideration will need to be given to investing in our churches/hall to make them more attractive for weddings and hiring and of course, increasing the congregation.

In conjunction with the income initiatives, all costs are under review with a budgeting process in progress. It should be noted that within the overall costs of £175,000, approximately 45% represents the parish share cost and is therefore fixed. Taking this into account, it leaves the current running costs at approximately £97,000 per annum, of which salaries and outward giving account for approximately £41,000, leaving £56,000 to cover all other costs. Accordingly, the Parish is very sensitive to any additional expenditure and if there are any thoughts or help that can be offered to help reduce our costs, they would be most welcome.

The PCC would like to thank Worplesdon Parish Council for their valued long-term financial support of £2,500 for the upkeep and improvement of the St Mary's Churchyard.

In conclusion, the PCC wishes to thank everyone who has generously supported the life and work of the Church in the parish with their time, talents and finances over the last year as together we seek to grow God's Kingdom in Worplesdon. Specifically, I would like to thank the accounting team for all their help in producing and completing the annual parish accounts for 2016.

John McLean OBE FCA

Honorary Treasurer

Worplesdon Parochial Parish Council

Date: **11 April 2017**

Independent Examiner's Report to the Trustees of Worplesdon Parochial Church Council

I report on the financial statements of the Parochial Church Council for the year ended 31 December 2016 as set out on pages 9 to 20

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of the PCC ("the trustees") and the examiner

The charity's trustees are responsible for the preparation of the financial statements. 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 financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all of the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- a) 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 2011 Act; and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Andrew Skilton, ACA
Independent Examiner
Brewers Chartered Accountants
Bourne, House, Queen Street, Gomshall, Surrey, GU5 9LY

Date: **11 April 2017**

**WORPLESDON PAROCHIAL CHURCH COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	NOTE	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL 2016	TOTAL 2015
INCOME AND ENDOWMENTS FROM:		£	£	£	£
Donations and legacies	2a	106,310	4,468	110,778	143,094
Charitable activities	2b	44,549	-	44,549	51,228
Investments	2c	10,853	6	10,859	4,005
Other exceptional income	2d	-	-	-	536,801
Total income		161,712	4,474	166,186	735,128
EXPENDITURE ON:					
Raising funds	3a	1,766	296	2,062	1,377
Charitable activities	3b	182,610	2,613	185,223	195,145
Total expenditure		184,376	2,909	187,285	196,522
Net gains/ (losses) on investments On revaluation	7a	1,654	-	1,654	(158)
NET INCOME/(EXPENDITURE) and NET MOVEMENT IN FUNDS		(21,010)	1,565	(19,445)	538,448
BALANCES BROUGHT FORWARD 1 JANUARY 2016		731,057	36,178	767,235	228,787
BALANCES CARRIED FORWARD 31 DECEMBER 2016		710,047	37,743	747,790	767,235

The notes on pages 11 to 20 form part of these financial statements

**WORPLESDON PAROCHIAL CHURCH COUNCIL
BALANCE SHEET
AS AT 31 DECEMBER 2016**

	NOTE	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL 2016 £	TOTAL 2015 £
FIXED ASSETS					
Tangible fixed assets	6	4,020	-	4,020	5,314
Fixed asset investments	7	356,406	-	356,406	43,298
		<u>360,426</u>	<u>-</u>	<u>360,426</u>	<u>48,612</u>
CURRENT ASSETS					
Debtors	8	48,068	2,231	50,299	72,008
Short-term deposits		321,622	24,677	346,299	631,380
Cash at bank and in hand		20,058	12,399	32,457	60,577
		<u>389,748</u>	<u>39,307</u>	<u>429,055</u>	<u>763,965</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	9	40,127	1,564	41,691	45,342
		<u>349,621</u>	<u>37,743</u>	<u>387,364</u>	<u>718,623</u>
NET CURRENT ASSETS					
		<u>710,047</u>	<u>37,743</u>	<u>747,790</u>	<u>767,235</u>
PARISH FUNDS					
General Unrestricted Funds	11	710,047	-	710,047	731,057
Restricted Income Funds	12	-	37,743	37,743	36,178
		<u>710,047</u>	<u>37,743</u>	<u>747,790</u>	<u>767,235</u>

Approved by the Parochial Church Council on 11 April 2017 and signed on its behalf by

Mrs Susie Moore (Church warden)

Mrs Glenda Archer (Church warden)

The notes on pages 11 to 20 form part of these financial statements.

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES

FUNDAMENTAL ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value and have been prepared on the accruals accounting basis.

The financial statements for the year ended 31 December 2015 are the first financial statements prepared in accordance with FRS102. The date of transition to FRS102 was 1 January 2015. The trustees have considered whether in applying the accounting policies required by FRS102 a restatement of comparatives was needed. No restatements were required.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the transactions, assets and liabilities of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

The financial statements do not include funds collected for other charities, whether these funds are sent directly to the charities by the organisers or are passed through the PCC's bank account. They also do not include fees for weddings, funerals and other services which are assigned by the incumbent to the Diocesan Board of Finance.

GOING CONCERN

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern thus the PCC continues to adopt the going concern basis of accounting in preparing the financial statements

FUNDS

Restricted Funds represent:

1. income from trusts or endowments which may be expended only on those restricted objects specified in the terms of the trust or bequest, and
2. donations or grants received for a specific object or invited by the PCC for a specific object.

These funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the accounting period is carried forward as a balance on that fund. The money received for different funds is normally co-mingled and is not normally placed on deposit in separate bank accounts. Deposit interest is apportioned to individual restricted and unrestricted funds on the basis of the average balance of these different funds.

Unrestricted Funds are funds which are available for the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

INCOME

Planned giving, collections and donations are recognised when received. Tax recoverable on gift aid donations is recognised when the donation is received. Grants are recognised when the PCC is notified of its legal entitlement and the amount due. Legacies are recognised when the PCC is notified of its legal entitlement following grant of probate and is notified of the amount due and the settlement date. Rental income from the letting of church premises is recognised when the rental is due.

Dividends are accounted for when receivable and interest is accrued. Income from the Halsey Bequest Fund is recorded based on when funds are received by the Guildford Diocesan Board of Finance.

Services donated by members of the parish are normally not included in the financial statements. It is neither appropriate nor feasible to evaluate the voluntary work done by members of the church, because participation in church activities is part of what it means to be a Christian and is the bedrock upon which the ministry and mission of the parish is built. Services donated by "outside" individuals and organisations are normally included in the financial statements.

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (Continued)

EXPENDITURE

Grants and donations for missionary and other charitable giving are accounted for when paid or when awarded, if that award creates a binding obligation on the PCC. The diocesan parish share is accounted for when it is due. Any parish share which is unpaid at the balance sheet date is provided for in these financial statements as an operational (though not a legal) liability and is shown as a creditor in the balance sheet. All other expenditure is generally recognised when it is incurred and includes attributable VAT where it cannot be recovered.

EXCEPTIONAL EXPENDITURE

One-off and large value payments are normally included in the financial statements as exceptional items of expenditure, to ensure that within the financial statements there is information concerning the significant items of expenditure authorised by the PCC. Also, this ensures that the amounts shown in the financial statements for the other categories of expenditure are comparable with prior years.

GAINS AND LOSSES ON INVESTMENT ASSETS

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on the revaluation of investments at the balance sheet date.

FIXED ASSETS

Consecrated and benefice property are not included in the financial statements in accordance with section 10 of the Charities Act 2011. See note 6d for a description of these assets.

Movable church furnishings held by the Rector and churchwardens 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. Expenditure to renew, improve or add to such assets is written off as an expense.

Freehold land and buildings not deemed as investment properties are included in the financial statements at their estimated original cost. They are being depreciated on a straight-line basis over a period of one hundred years from the date when the construction of the building was completed.

Machinery and equipment is depreciated on a straight line basis over four years. Individual items with a purchase price of £500 or less are written off when the asset is acquired.

Investments held as fixed assets are included in the financial statements either at open market valuation or at the mid-market value at the balance sheet date and the gain or loss on revaluation in the Statement of Financial Activities.

CURRENT ASSETS

Amounts owed to the PCC at the balance sheet date in respect of fees, rents, tax recoverable on gift aid donations and other sources of income are shown as debtors, less provision for amounts that may prove to be uncollectible. Short-term deposits and cash at bank are funds held on deposit with Lloyds TSB Bank plc.

FINANCIAL INSTRUMENTS

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

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
2	<u>INCOME AND ENDOWMENTS FROM:</u>				
2a	Donations and legacies				
	Planned giving:				
	Gift aid donations	75,858	-	75,858	85,527
	Tax recoverable	17,505	-	17,505	21,415
	Other planned giving	2,633	-	2,633	3,468
	Collections (open plate) at all services	8,563	-	8,563	9,378
	Collections – Gift Aid Tax recoverable	1,751	-	1,751	1,751
	Grants	-	2,500	2,500	2,500
	Donations and appeals	-	1,164	1,164	2,894
	Legacies	-	75	75	10,000
	Other funds received from - "Friends"	-	729	729	6,161
		106,310	4,468	110,778	143,094
2b	Charitable activities				
	Fund raising activities				
	Donated services and facilities	-	-	-	-
	Other incoming resources	1,777	-	1,777	4,324
	Other activities – Stewardship Supper	-	-	-	-
	St Mary's bells fund	-	-	-	62
	Church letting				
	St Albans House	-	-	-	5,075
	St Albans Church hall	10,519	-	10,519	9,200
	St Albans Church room	-	-	-	300
	Parish magazine ("Crossways")	3,780	-	3,780	4,084
	Fees	23,761	-	23,761	23,974
	Other church activities	4,712	-	4,712	4,209
		44,549	-	44,549	51,228
2c	Investments				
	Interest income from bank deposits	1,771	6	1,771	578
	Income from investment assets	986	-	986	1,183
	Income from the Halsey Bequest Fund	1,563	-	1,563	2,244
	Rental income re Oval net of agent	6,533	-	6,533	-
	Running fees	-	-	-	-
		10,853	6	10,859	4,005
2d	Other exceptional income				
	Gain on sale of property	-	-	-	536,801
		-	-	-	536,801

Of the £143,094 donations and legacies at 31 December 2015; £127,981 were unrestricted funds and £15,113 were restricted funds. Of the £51,228 charitable activities at 31 December 2015; £48,842 were unrestricted funds and £2,386 were restricted funds. Of the £4,005 investments at 31 December 2015; £3,999 were unrestricted funds and £6 were restricted funds. Of the other exceptional income at 31 December 2015 all were unrestricted funds.

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
3	<u>EXPENDITURE ON:</u>				
3a	Raising funds				
	Planned giving:	74	-	74	216
	Fund raising activities:				
	"Friends"	-	91	91	78
	Other fund raising activities costs	1,692	205	1,897	1,083
		1,766	296	2,062	1,377
3b	Charitable activities				
	Missionary and other charitable giving	10,206	-	10,206	12,235
	Ministry costs	82,681	-	82,681	84,315
	Church running costs	28,102	85	28,187	28,748
	St Albans Hall expenditure	5,448	-	5,448	6,038
	Routine maintenance expenditure	22,341	2,528	24,869	15,393
	St Mary's boiler	-	-	-	19,000
	Depreciation of fixed assets	1,294	-	1,294	1,963
	Administration and other support costs	25,047	-	25,047	20,473
	Parish magazine production costs	1,495	-	1,495	2,415
	Other items of expenditure	5,996	-	5,996	4,565
		182,610	2,613	185,223	195,145
3c	Missionary and other charitable giving				
	The church overseas	1,200	-	1,200	1,450
	UK church organisations	600	-	600	2,900
	UK secular charities	8,406	-	8,406	7,885
	Other donations	-	-	-	-
		10,206	-	10,206	12,235
3d	Ministry costs				
	Parish share	78,117	-	78,117	78,103
	Assistant staff costs	1,810	-	1,810	2,030
	Rector's expenses	195	-	195	1,919
	Clergy telephones, insurance etc.	1,281	-	1,281	2,213
	Clergy house repairs	1,278	-	1,278	50
		82,681	-	82,681	84,315
3e	Church running costs				
	Choirs, organists, vergers and bell ringers	18,190	-	18,190	19,481
	Church heat, light and insurance	8,106	-	8,106	6,842
	Sanctuaries, service books and other costs relating to church services	1,806	85	1,891	2,425
		28,102	85	28,187	28,748
3f	Routine maintenance costs				
	St Albans House	141	-	141	3,120
	St Mary's Church	19,226	1,306	20,532	5,233
	St Alban's Church	1,800	-	1,800	4,330
	St Mary's Churchyard	1,174	1,222	2,396	2,710
		22,341	2,528	24,869	15,393

Of the £1,377 raising funds at 31 December 2015; £346 was unrestricted and £1,031 was restricted. Of the £195,145 charitable activities at 31 December 2015 £192,261 was unrestricted and £2,884 was restricted. Of the £12,235 missionary and other charitable giving at 31 December 2015; £11,069 was unrestricted and £1,166 was restricted. Of the £84,315 ministry costs at 31 December 2015 all were unrestricted. Of the £28,748 church running costs at 31 December 2015; £28,530 were unrestricted and £218 were restricted. Of the £15,393 routine maintenance costs £13,893 were unrestricted and £1,500 were restricted.

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
3					
3g	Administration and other support costs				
	Parish administrator	10,114	-	10,114	9,910
	Computer and photocopier	1,100	-	1,100	1,305
	Postage and stationery	815	-	815	1,288
	Parish office	1,520	-	1,520	1,212
	Bank charges	410	-	410	380
	Other items	305	-	305	250
	Assistant parish administrator	3,105	-	3,105	3,213
	Advertising, posters and website	918	-	918	267
	Bookkeeping and accountancy	2,500	-	2,500	-
	Independent examination fees	4,260	-	4,260	2,648
		25,047	-	25,047	20,473
3h	Exceptional expenditure				
	St Mary's church				
	Boiler	-	-	-	19,000
	St Albans church				
		-	-	-	19,000

Of the £20,473 administration and other support costs at 31 December 2015 all were unrestricted.

4. NUMBER OF EMPLOYEES AND STAFF COSTS

	2016	2015
Number of employees at the end of the year	5	5
	2016	2015
	£	£
Salaries and wages	25,945	27,289
Social security costs	95	-
	26,040	27,289

The five people employed by the PCC during 2016 were the Director of Music, vergers at St Mary's church, the parish administrator and the assistant parish administrator.

No staff received total employee benefit of more than £60,000 in either 2016 or 2015.

5 AMOUNTS PAID TO MEMBERS OF THE PCC AND THEIR ASSOCIATES

The amounts paid to members of the PCC and related parties for services provided were as follows:

	2016	2015
	£	£
John Collier, verger at St Mary's Church	2,597	2,517
Michaela Kelly, the parish administrator	10,046	9,910
Carolyn Howard-Jones, assistant parish administrator	3,105	3,213
	15,748	15,640

Expenses such as repairs, postage and stationery and other out of pocket expenses paid on behalf of the Church were reimbursed to 5 members and their associates of the PCC during 2016. No members were remunerated in the year.

The PCC has agreed that, if considered appropriate, grants will be awarded to young persons who are members of our congregations, normally for a period between school and university. There were no payments in 2016 or 2015.

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. TANGIBLE FIXED ASSETS

6a. Costs, Accumulated Depreciation and Net Book Value

	Freehold Land and Buildings (see note 6b) £	Unrestricted funds Machinery and Equipment £	Total £
Cost			
At 1 January 2016	7,612	13,196	20,808
Additions	-	-	-
Disposals	-	(600)	(600)
At 31 December 2016	7,612	12,596	20,208
Accumulated Depreciation			
At 1 January 2016	3,654	11,840	15,494
Charge for the year	76	1,218	1,294
Disposal	-	(600)	(600)
At 31 December 2016	3,730	12,458	16,188
Net Book Value			
At 31 December 2015	<u>3,958</u>	<u>1,356</u>	<u>5,314</u>
At 31 December 2016	<u>3,882</u>	<u>138</u>	<u>4,020</u>

6b Freehold Land and Buildings

Property	Date of Acquisition	Cost
Part of the land between St Mary's Church and the A322 road	1935	Nil
St Albans's Church Hall, Wood Street Village	December 1967	£7,612
Total cost		£7,612

See also note 6c

6c Land and Buildings

St Mary's Church, Perry Hill, Worplesdon

This is a Grade 1 listed building. The oldest part of this church is the Chantry or North Chapel, which is no later than the 11th century. The chancel dates from the 13th century and the Nave is 14th century in origin. Significant changes were made to this church in later centuries. The value of this building and its contents for insurance purposes was £6,132,787 at 1 June 2014. The PCC is responsible for the maintenance and upkeep of the churchyard at this church. The church and churchyard have not been included in the financial statements for the reasons set out below.

The Rectory and the Parish Office, Perry Hill, Worplesdon

The Rectory and the Parish Office were constructed in 1987. The Parish Office has a separate entrance but is not detached from the Rectory and the Rectory's garage. The Rectory and the Parish Office have not been included in the financial statements for the reasons set out below.

St Albans's Church and Church Hall, Wood Street Village

The Church and Church Hall were constructed in 1967. The value of this building and its contents for insurance purposes was £1,482,197 at 1 June 2015. This is a single building and the PCC have concluded that the Church and Hall cannot be sold while the Church continues to be used for church activities. The Church Hall has been included in the financial statements at its original cost. St Alban's Church has not been included in the financial statements for the reasons set out below.

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6c Land and Buildings, continued

Consecrated and benefice land and buildings

The Charities Act 2011 states in section 10 that benefice property and consecrated property are removed from the definition of charity for the purposes of the Act and should not be included in the PCC's financial statements. Accordingly, St Mary's Church and the Churchyard, St Alban's Church, the Rectory and the Parish Office have not been recorded as being assets owned by the PCC and are excluded from the balance sheet.

The PCC's responsibility for the maintenance, repair and upkeep of land and buildings

The Diocese of Guildford is responsible for the maintenance and repair of the Rectory. The PCC is responsible for the maintenance and repair of the Parish Office and the other properties specified above and for the maintenance and upkeep of the churchyard at St Mary's Church.

7. FIXED ASSET INVESTMENTS

Fixed Asset Investments	(7a)	44,952
Investment Property	(7d)	311,454
		356,406

7a Investments: Historical Cost and Market Value

	At 31 December 2016			At 31 December 2015		
	Number of units	Historical Costs £	Market Value £	Number of units	Historical Costs £	Market Value £
CAF UK Equity Income Fund	9,726	9,726	14,204	9,726	9,726	13,272
CAF Fixed Interest Fund	30,012	30,013	30,748	30,012	30,013	30,026
		39,739	44,952		39,739	43,298
			2016			
			£			
Market value 1 January 2016			43,298			
Purchases at cost			-			
Disposals at carrying value			-			
Revaluation gain/ (loss)			1,654			
Market value, 31 December 2016			44,952			

Market value is the mid-point between the bid price and the offer price. CAF is the Charities Aid Foundation.

7b The Halsey Bequest Fund

Half of the income from the Halsey Bequest is paid to Worplesdon PCC and the other half is paid to Guildford Cathedral. The receipts and payments of the Halsey Bequest Fund are administered by The Guildford Diocesan Board of Finance. The income received from The Halsey Bequest is included in the income from investments (see note 2c).

None of the investment assets of The Halsey Bequest Fund are included in the balance sheet as investment assets of Worplesdon PCC. The Halsey Bequest Fund is not administered by the PCC. The PCC is not consulted when trustees are appointed nor when investments are purchased or sold and no member of the PCC is a trustee of The Halsey Bequest Fund.

Funds obtained by the trustees of The Halsey Bequest Fund from the disposal of investments have to be reinvested and only the income from these investments can be paid to Worplesdon PCC and Guildford Cathedral.

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. FIXED ASSET INVESTMENTS continued

7c The Tom and Elizabeth Crowdy Bequest

Under the will of the late Mrs Elizabeth Crowdy, the residue of her estate was left "absolutely" to St Mary's Church, Worplesdon with the desire that the income from the investment of these funds be used for the internal and external upkeep of St Mary's Church and the desire that the capital sum be used only when absolutely necessary. Her wish was that these funds should be known as the Tom and Elizabeth Crowdy Bequest.

In round figures, the PCC received £72,000 from the Tom and Elizabeth Crowdy Bequest during 2000 and used £29,000 of this money during 2002 to help pay for urgent repairs to the tower parapet and bell cote of St Mary's Church.

7d Investment Property

During the year the PCC purchased investment property 24 The Oval, Wood Street Village for £311,454. Rental income net of agent costs are recognised as investment income (see note 2c). The latest valuation of this property is its purchase cost value.

	Unrestricted funds Investment Property
Valuation	
At 1 January 2016	-
Additions	311,454
Disposals	-
 At 31 December 2016	 <u>311,454</u>

8. DEBTORS

	Unrestricted funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Hall rents, Advertisers-parish magazine	2,435	-	2,435	1,208
Halsey Bequest income	1,563	-	1,563	2,244
Prepaid expenses	1,986	-	1,986	1,985
Recoverable – Gift aid	42,084	2,231	44,315	51,339
Diocesan Funds held for PCC	-	-	-	15,000
Other sundry debtors	-	-	-	232
	<u>48,068</u>	<u>2,231</u>	<u>50,299</u>	<u>72,008</u>

9. CREDITORS: Amounts falling due within one year

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Utilities & suppliers	2,883	-	2,883	2,883
Independent examiners fee	3,300	-	3,300	2,640
Deferred income - lettings income	1,050	-	1,050	190
Other amounts owed to creditors	22,592	1,564	24,156	27,298
Outward giving (note 13)	10,302	-	10,302	12,235
Outward Giving – Parish Tree	-	-	-	96
Bank charges - Friends	-	-	-	-
	<u>40,127</u>	<u>1,564</u>	<u>41,691</u>	<u>45,342</u>

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. CONTRACTUAL OBLIGATIONS

Expenditure contracted for but not provided for in these financial statements totalled £nil (2015 £nil).

11. GENERAL UNRESTRICTED FUNDS

	Balances 31/12/2015 £	Incoming resources £	Resources expended £	Transfer In/out £	Balances 31/12/2016 £
PCC General Funds					
Tangible Fixed Asset	5,314	-	1,294	-	4,020
Other Funds	621,338	161,712	183,082	(10,000)	589,968
Crowdy Bequest Funds	43,298	1,654	-	-	44,952
Building Reserve Fund	61,107	-	-	10,000	71,107
	731,057	163,366	184,376	-	710,047

12. RESTRICTED INCOME FUNDS

	Balances 31/12/2015 £	Incoming resources £	Resources expended £	Transfers In/out £	Balances 31/12/2016 £
Concert to pay for a new piano	169	-	-	-	169
Parish youth	569	-	-	-	569
St Mary's Church (Altar Linen/candles)	150	-	-	-	150
St Mary's Churchyard (Path)	149	-	-	-	149
St Mary's Churchyard Parish Council Grant	1,000	2,500	1,222	-	2,278
St Mary's Garden of Remembrance	1,610	1,079	-	-	2,689
St Mary's Bells repairs funds	12,330	6	1,306	-	11,030
St Albans chairs	108	-	-	-	108
Easter Lilies	-	85	85	-	-
St Alban's Hall Development Fund	158	-	-	-	158
Choir	470	-	-	-	470
Organ	5,293	75	-	-	5,368
Friends of Worpleston parish	13,967	729	91	-	14,605
Music concert for Max Choi	205	-	205	-	-
Outward giving	-	-	-	-	-
	36,178	4,474	2,909	-	37,743

**WORPLESDON PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

13. RESOURCES EXPENDED- MISSIONARY AND OTHER CHARITABLE GIVING

	PCC Donations 2016 £	PCC Donations 2015 £
The Church Overseas		
Community of St Mary Masasi, Tanzania	1,200	1,450
	1,200	1,450
UK Church Organisations		
Children's Society	-	1,450
Christian Solidarity Worldwide	600	1,450
	600	2,900
UK Secular Charities		
Action Aid	1,400	1,450
Guildford Street Angels	750	700
The Chase (Shooting Star Children's Hospice)	750	700
North Guildford Food Bank	750	700
Worplesdon Pre-school	400	350
Little Crickets Pre-school	400	350
Wood Street Infants school	400	350
Worplesdon School	400	350
Woking Hospice	750	1,000
Christian Aid	1,302	435
St Peter's, Stoke Hill	1,200	-
Vaughan House	-	1,000
Max Chai	-	500
	8,502	7,885
Other Donations		
Support for individuals	-	-
	-	-
Total of missionary and other charitable giving	<u>10,302</u>	<u>12,235</u>

The calculation of our tithed (10%) giving is normally based on the unrestricted voluntary income shown at note 2a on page 13. If there are any fund raising events held during the year, specifically for our Outward Giving Charities then the sum raised, net of expenses £Nil (£1,844 in 2015), reduces the amount payable from general funds.

Charitable Collections

Funds collected for missionary societies and other charities are excluded from these financial statements, whether these funds are sent directly to the charities by the organisers of the collection or are passed through the PCC's bank account. So that tax can be reclaimed for gift donations, funds collected are usually remitted directly to the charities.