

Fewston & Blubberhouses Churches PCC
Annual Report and Financial Statements

For the year ended

31 December 2017

Fewston & Blubberhouses PCC

Contents

	Page
Annual report	1 - 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 - 13

Fewston & Blubberhouses PCC Annual Report

The PCC presents their report together with the financial statements for the year ended 31 December 2017.

The accounts have been prepared in accordance with the requirements of the Charities Act 2011, the Statement of Recommended Practice “Accounting and Reporting for Charities” (SORP 2005) issued by the Charity Commission, the Charities (Accounts and Reports) Regulations 2005 and the Church Accounting Regulations 2006.

Constitution

Fewston & Blubberhouses Churches PCC administers the churches of St Michael & St Lawrence, Fewston, and St Andrews, Blubberhouses.

PCC Members

The PCC members who have served from 1 January 2017 are as follows:

Vicar	Revd. Graham Shield – Resigned 31.10.17
Churchwardens	Mrs Pat Anderson Mrs Cheri Beaumont
Treasurer	Mrs Alison Bowers
Elected members	Mrs Pat Anderson (Hon. Secretary) Mrs Yvonne Dale Winder Mrs Cheri Beaumont Mr Ian Bergel (07.04.17) Mr John Bowers Mrs Rebecca Campbell (PCC Vice Chair, Child Protection Officer) Miss Iris Myers Mrs Sally Robinson Mrs Daphne Wilson
Non-Elected Member	Mr John Charman Ex Officio Lay reader
Independent examiner	Malcolm Walker Walker Broadbent Associates Limited Chartered Accountants Lencett House 45 Boroughgate Otley LS21 1AG
Bankers	Yorkshire Bank 10 Kirkgate Otley West Yorkshire LS21 3HJ

Fewston & Blubberhouses PCC Annual Report

Structure, governance & management

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is exempted by order from registering with the Charity Commission.

As well as having oversight of the general finances of the churches mentioned above, the PCC are also responsible for the Washburn Heritage Project, the Fewston Parochial Church Hall and the Fewston Bell ringers' Association. The finances of the Washburn Heritage Centre are also incorporated in the financial statements which follow.

Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

There are currently no policies or procedures for the recruitment, induction or training of PCC members.

The PCC conducts its work through the following committees:

The PCC Finance Sub Committee

The Washburn Heritage Centre Management Committee

The Parochial Hall Committee

The Spirituality Sub Group

The Fewston Bell Ringers' Association

Members of the PCC serve on these committees, and these committees bring recommendations to the PCC for consideration.

Objectives and activities

The PCC has the responsibility of co-operating with the Vicar/Incumbent, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has responsibility for the management of The Washburn Heritage Centre and the Parochial Hall.

Achievements and performance

Fewston Parish Church is open year round and holds regular Sunday services in addition to the normal Baptisms, Weddings and Funerals as requested by parishioners. St Andrews Blubberhouses is closed for the winter due to its exposed location but opens for services on Mothering Sunday until Christmas. Services are normally held every two weeks throughout this period.

The Washburn Heritage Centre (WHC) continues to be a popular venue with 11,000 visitors in 2017 (over 70,000 visitors since first opening in 2011). Further there were 1,500 attendees at the 57 Events held during the year. The membership has increased to almost 400 and our volunteers now number in the 90s. The Fewston Assemblage project finished successfully in early 2017 and a new project has been initiated regarding improving the lighting in the church which will come to fruition in early 2018.

Fewston & Blubberhouses PCC Annual Report

The Parochial Church Hall serves the village of Fewston and surrounds as a centre for a variety of social activities such as Badminton, Snooker, Dances, Theatre groups, Charity Teas / Refreshments and a variety of fund raising activities. The Parochial Church Hall continued with further repairs and upkeep of the hall during 2017, overseen by the PCC.

The regular Quinquennial fabric inspection at St Andrews, Blubberhouses in 2015 revealed further ongoing maintenance work required. There is now effective heating due to the recent roof repairs. 'Friends of Blubberhouses Church' continues to support the church with fund raising events throughout the year.

Risk review

Members of the PCC are aware of the potential risks both financial and otherwise that might occur either in the church or in The Washburn Heritage Centre. They have taken appropriate action to control and minimise these risks.

Financial review

The accounts show that the PCC's general income exceeded expenditure by income by £497 (2016: (£1,724)). Most items of income are similar to those of 2016. The Heritage Centre Tea Room has successfully generated income to cover Centre running costs. The Church continues to struggle to meet rising overheads, chiefly on utilities, and cash flow during 2017 has been tight.

Fundraising on all fronts remains energetic, imaginative and successful.

The Diocesan Parish Share for 2017 was £13,309 and the church was unable to pay this in full in the year. The PCC decided that it could afford to pay £8,305 and this amount has been paid in full. Additionally arrears remain from 2009, 2014, 2015 and 2016, bringing total share arrears to £18,562, which we hope to pay when funds are available. Most other items of expenditure are at similar levels to those of 2016.

Fewston & Blubberhouses PCC Annual Report

Reserves policy

The PCC currently has negative unrestricted reserves of (£151) with further “restricted” reserves of £87,642. The PCC considers that operational reserves, representing twelve months’ normal expenditure, are the minimum required to meet any emergency costs as they arise, and currently this would amount to approximately £20,000. Work to rebuild the unrestricted reserves has commenced and will continue in 2018. It is acknowledged that this will be a major challenge in the current financial climate.

This report was approved by the PCC on 3rd April 2018 and signed on its behalf by:

Pat Anderson
PCC Secretary

Alison Bowers
PCC Treasurer

Fewston & Blubberhouses PCC
Notes to the financial statements
For the year ended 31 December 2017

This report on the financial statements of the PCC for the year ended 31 December 2017, which are set out on pages 6 to 13, is in respect of an examination carried out under s.145 of the Charities Act 2011 (“the Act”).

Respective responsibilities of the PCC and examiner

The PCC is responsible for the preparation of financial statements. The PCC considers that an audit is not required for this period under s.145 of the Act, and that an independent examination is needed.

It is my responsibility to:

- (1) examine the financial statements (under s.145(5)(b) of the Act);
- (2) follow the procedures laid down in the General Directions given by the Charity Commission: and
- (3) to state whether particular matters have come to my attention.

Basis of independent examiner’s report

My examination was carried out in accordance with the General Directions given by the Charity Commission under s.145 of the Act. An examination includes a review of the accounting records kept by the PCC and a comparison of the financial statements with those records. It also includes considering any unusual items or disclosures in the financial statements and seeking explanations from the PCC concerning 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 financial statements.

Independent examiner’s statement

In the course of 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 s.130 of the Act; and
 - to prepare accounts which accord with the accounting records and which comply with the regulationshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Malcolm V Walker B Mus FCA CTA
Walker Broadbent Associates Limited
Chartered Accountants
Lencett House
45 Boroughgate
Otley
LS21 1AG
26th March 2018

Fewston & Blubberhouses PCC
Notes to the financial statements
For the year ended 31 December 2017

Fewston & Blubberhouses PCC
Notes to the financial statements
For the year ended 31 December 2017

1. Accounting policies

1.1. Accounting convention

The financial statements have been prepared in accordance with the Church Accounting Regulations, the Statement of Recommended Practice “Accounting and Reporting by Charities” (SORP 2005) and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention, except for the valuation of fixed assets and investments.

The financial statements encompass the general activities of the Church, and the more specific activities of the Church Hall, the bellringers and the Washburn Heritage Centre.

1.2. The Washburn Heritage Centre

As more fully explained in the Annual Report, the Washburn Heritage Centre (“WHC”) is a significant aspect of the PCC’s activities. Accordingly, the income and expenditure of the WHC has been accounted for separately from all other activities, and further analysis is given in note 4. None of the building costs have been capitalised. All costs have been written off as incurred.

1.3. Fund accounting

Restricted funds represent income received for a specific object or purposes, and which can only be spent on the specific object or purpose for which the funds were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

The Church Hall funds, the bellringers’ funds, the Education & Worship committee funds and the Washburn Heritage Centre are all treated as restricted funds.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

1.4. Incoming resources

Planned giving, collections and donations are accounted for when received. *Tax refunds* are accounted for when the incoming resource to which they relate is received. *Grants and legacies* are accounted for when received. *All other income* is recognised when it is received.

1.5. Resources expended

Grants and donations are accounted for when paid over or when awarded. *The diocesan parish share* is accounted for as it is paid. All other expenditure is accounted for when it is incurred.

1.6. Fixed assets

Consecrated and beneficed property is not included in the accounts in accordance with s. 96(2) of the Charities Act 2011.

The Washburn Heritage Centre is also not capitalised in the accounts. The PCC are of the opinion, having consulted the Diocese that, as the centre has been built on church land and is connected to the church, it would be pointless to value this separately from the church itself. The expenditure in respect of the construction of the Centre has been written off as incurred.

Moveable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal, are inalienable property. Such property is not valued in the financial statements and expenditure on acquisitions of such property are written off as incurred.

Individual items of equipment used within the church premises are also written off on acquisition.