

**PAROCHIAL CHURCH COUNCIL OF  
ST. MARY-LE-TOWER, IPSWICH**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2017**

**Charity Number 1128976**

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

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# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## Charity Reference and Administrative Details

Year ended 31<sup>st</sup> December 2017

Charity registration number

1128976

Trustees

Mr R H Hanley  
Mrs Sue Adair  
Mr Ian Lord  
Mr Mark Hollingsworth  
Mr James Cutting  
Mrs Sonia Docherty  
Mrs Sally Graham  
Mr Richard Hanley  
Dr Russell Hall  
Mrs Carolyn Heyburn  
Dr Vicky Moss  
Mrs Hilary Norman  
Mr Alan Way

Bankers

Lloyds Bank  
Andover

CAF Bank  
Kings Hill, West Malling

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## Trustees Annual report

### Year Ended 31<sup>st</sup> December 2017

The Trustees present their report and the accounts of the charity for the year ended 31<sup>st</sup> December 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

## Trustees of the charity

The trustees who have served during the year and since the year end were as follows:

Mrs Sue Adair	representative on Deanery Synod and Diocesan Synod
Mr Ian Lord	representative on Deanery Synod
Mrs Sarah Jenkins	representative on Deanery Synod
Mr Mark Hollingsworth	Hon. Treasurer
Mr James Cutting	
Mrs Sonia Docherty	Dr Russell Hall
Mrs Sally Graham	Dr Vicky Moss
Mr Richard Hanley	Mr Alan Way
Mrs Carolyn Heyburn	Mrs Hilary Norman

## Aims and Purposes

St Mary-le-Tower Ipswich PCC has the responsibility of cooperating with the incumbent, Revd Canon Charles Jenkin, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, spiritual, evangelistic, social, ecumenical and community engagement. The PCC is also specifically responsible for the maintenance of the Church of St Mary-le-Tower Ipswich and the adjacent Church House and Tower House buildings. The PCC describes its overall vision as follows.

### **We are a strategic Christian ministry in the Town Centre of Ipswich,**

- proclaiming the Kingdom in worship, presence and service,
- celebrating Christian pilgrimage richly in music,
- learning from Jesus in scripture and in one another,
- inspiring new generations with Christian faith and music,
- worshipping formally and thinking progressively,
- caring for and supporting one another,
- rooted in Christian tradition and Anglican style,
- affirming our place in our deanery and diocesan communities.

### **We will play a distinctive part in building community in the Town Centre of Ipswich,**

- offering a generous welcome to everyone,
- maintaining a beautiful and historic house of prayer,
- being an inclusive Christian community of all ages
- being a friend to business, professions and institutions,
- establishing a public profile for our work and activity
- encouraging established and growing communities,
- growing alongside other churches.

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## **We will seek the Kingdom of God with:**

- passion for life,
- love for the excluded,
- concern for the healing of creation,
- lively debate and discussion,
- longing for justice and peace,
- valuing the wisdom of years,
- in the company of children and young people.

## **Objectives and activities**

### **Worship, Spiritual Growth and Pastoral Care**

The PCC aims through the provision of services of divine worship and other opportunities for spiritual reflection and learning, to provide an environment where people are able to explore their spiritual nature and as a whole person to grow in Christian faith, in commitment to the revelation of God in Jesus Christ, and in service to the Church and the wider community. The PCC is committed to being an open and inclusive Christian community.

### **Care of the Church and Ministry of Welcome**

The PCC maintains the fabric of the church as an historic house of prayer, as the civic church of Ipswich, and as a beautiful and inspiring place for weddings, funerals and other significant community events. We seek to promote activities that will increase the profile of the church within the town centre and make it more widely known. The PCC aims to have the church open every day of the week for visitors to the town centre of Ipswich, for the purposes of prayer, or for quiet meditation, or to visit the church as a tourist attraction.

### **Choral Tradition and Music**

The PCC is committed to the provision of Christian worship in our church which can be broadly described as formal liturgy in the Anglican choral tradition. We seek to draw as many people as possible to our services, from a wide area including all of Ipswich and the surrounding area, for whom this traditional style of worship is attractive and inspiring. The PCC aims to provide access to a very high standard of performance in this spiritual tradition and musical art form, including the weekly Sunday provision of Choral Matins, Choral Eucharist and Choral Evensong,

The PCC resources a substantial music department with professional music staff to direct and train the choir, to accompany singing and to play the organ at services. The PCC is committed particularly to enabling children and young people from a wide area, as well as adults, to take a full part in the musical life of the church, and to give them a significant musical education and Christian nurture. The welfare and spiritual growth of young people is an important priority in our church.

The PCC runs a Tuesday lunchtime concert series from May through to December and this is part of the PCC's community engagement, which makes a distinctive contribution to the life of the Town Centre.

### **Community Engagement**

The PCC aims to work with community partners in building community and social capacity within the town centre of Ipswich, as an expression and outworking of Christian service to the wider community. With this vision, the PCC has embarked on a major project to provide Shared Community Space in Tower House, 17 Tower St, opposite the church. The project is in two parts, the north and south wings, which have different foci but which will be managed as an integrated whole.

The north wing was purchased outright by the PCC in late 2014 from Suffolk County Council for £180k to be a Parish Hall and Song School, and the footprint of this property includes most of the Tower House car park. The PCC regards this building as part of its investments. The south wing was transferred by Suffolk County Council

## **PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

to the PCC at the same time in 2014 at no cost, along with an obligation to provide Shared Space for various community groups. SCC also provided a substantial grant for urgent external repairs which were carried out in 2015.

The PCC maintains the churchyard in partnership with the borough council, as a green oasis within the busy town centre where people may come and sit and meet together. The churchyard is another key place of interaction with the wider community.

### **Achievements and performance**

#### **Worship, Spiritual Growth and Pastoral Care**

The PCC maintains four services each Sunday, except during the times when the choir is on holiday when there is no Matins or Evensong. A quiet traditional (BCP) celebration of Holy Communion at 8am draws a small congregation between 6 and 12. The choir sings both Choral Matins at 9.30am and Choral Evensong at 5pm (in winter) or 6.30pm (in summer), and the service draws congregations (including the choir) of between 20 and 45 depending on the specific choir resources rostered. Though the numbers other than in the choir at these traditional choral services are relatively low, the maintenance of these services forms a central part of continuing the choral tradition at St Mary-le-Tower, both in the training of the choir and in the joy of singing these services.

The 10.30am Choral Eucharist draws much the largest regular congregation at St Mary-le-Tower with numbers generally between 50 and 80 including the choir. This is a formal modern service according to Common Worship, order 1. Numbers at this service were lower in 2016, mainly through a number of deaths in 2015 and long-term illness. This service provides the social heart of the church and, beyond the choir, this service is the time when most of the church's more active volunteers are gathered.

Taken all together this pattern of services provides a rich experience of formal worship in which particularly young people are deeply involved within the choir. The weekly sermon in the 10.30am service forms the main opportunity for Christian teaching in the life of the church.

Four regular midweek services are offered. On Mondays at 12 noon there is a quiet service of Prayers for Peace and Wholeness, which attracts a small congregation. At 10.30am on Wednesdays there is a traditional (BCP) celebration of Holy Communion which is attended mainly by more elderly people who appreciate a shorter and midweek service. Numbers at this service range between 12 and 16.

Short services of Choral Evening Prayers are held at 6.40pm on Mondays and Tuesdays during term time, at which the girl or boy choristers sing. These services form the final part of the separate training sessions for these sections of the choir on these days and the choristers share the leading with readings and prayers as well as singing. Chorister parents often attend these services before taking their children home.

In 2016, new Christian nurture sessions were introduced as part of the Monday and Tuesday chorister programme, and this represents a shift of resources from the Sunday School to these midweek sessions. This development was one of the parish's "Growing in God" objectives.

There are several house groups meeting regularly which provide an opportunity for people to learn and pray together, and which regularly encourage others to join them. A Lent Course was run in which participants met for a simple Lent lunch after worship on Sunday followed by the course material.

Pastoral Care of the congregation is delivered mainly by a team of Lay Elders under the direction of the incumbent. This includes the distribution of the Sacrament at home on a regular basis to those who request it so that their important links with the Church are maintained. Where necessary or requested the clergy are always pleased to visit those in particular need.

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## Choral Tradition and Music

2017 saw continuing steady improvement in the standard of the choir and its numbers. The choir is managed as a single choir with the following sections: boy choristers, girl choristers, soprano choral scholars, alto/tenor/bass (ATB) choral scholars, adult sopranos, and adult ATB voices. Considerable care goes into achieving a balanced deployment of the various sections of the choir across the regular programme of choral services, ensuring equal opportunities among chorister and choral scholar sections.

A 3 year grant was received from the Ouseley Foundation in 2016 for the vocal teaching of choral scholars and a part time singing teacher has been employed as part of the music staff. This funding has enabled a significant improvement in the quality of the singing of the whole choir.

A lively programme of concerts was arranged during the year which with the support of sponsorship is enabling the concert programme to make a net contribution to music department finances. The programme of Tuesday Lunchtime Concerts draws regular audiences between 60 and 100. The 'Tower Chamber Choir' is an integrated part of the Music department and puts on four concerts a year. This choir engages a wider circle of singers than the regular choir and is an important part of the wider engagement of the church in the musical life of the town and county.

A new venture in 2017 was a performance of Handel's Messiah in December, put on in partnership with the Choral Foundation for St Mary-le-Tower, with a highly professional small orchestra and soloists, and with the choristers of the choir singing the soprano arias. Despite snowy weather on the day, the performance was a great success and this concert is now planned as a regular annual Choral Foundation Concert, to promote the work of the Foundation and to raise funds. It is hoped that this Messiah project will become a regular high profile feature of the Ipswich Christmas scene, strengthening the public profile of the music of St Mary-le-Tower.

## Community Engagement

Since 2010 St Mary-le-Tower has been running an annual Grand Christmas Tree Festival, with the principal aims of:

- promoting the presence of the church in the town centre,
- bringing new visitors to the church,
- networking with Ipswich businesses, charities and community groups,
- fundraising, and
- providing an enjoyable project for the church community to work on together.

Although the festival has proved very hard work for those involved and it has taken quite a few years to build up visitor numbers, the 2017 festival finally established the event as a huge success with growing participation, visitors and business sponsorship. In 2017 there were over 110 trees, over 3,500 visitors and over £5,800 was raised for the music of SMLT and other local charities. An important part of this has been a significant increase in business sponsorship in 2017, which was enabled in part by the PCC's decision to make the festival specifically in aid of the music of SMLT.

In the Tower House Community Centre project, from July 2015 there was a community café tenant in the ground floor of the south wing, with the intention that this should generate income to support the general operation of the south wing as Shared Community Space. Although the café brought much life and activity to the project and certainly helped to establish the project as a going concern, it proved financially unsustainable and the tenant closed the café and left the project in July 2017.

Since then the PCC has been, with the help of a paid consultant, scoping the way ahead for the project. In late 2017, the PCC decided that the new Song School aspect of the whole project should proceed, enabling the music department to move in after Easter 2019, using project development funds already in hand. This decision also has the aim of freeing up the current song school, the ground floor of Church House at the east end of the churchyard, to become a new source of regular income to the PCC to support the work of the music department, either through rental income or outright sale.

Meanwhile, in 2017 the project has supported the following licensees:

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- Got To Read, a charity teaching adults to read with one to one tuition by volunteers,
- The African and Caribbean Health Support Forum, a charity supporting groups and individuals with health issues
- PALOP, a CIC providing Portuguese translation services to the Portuguese speaking communities in Ipswich.
- Oyster Print, a CIC providing relief printing activities.
- Ipswich Disability Advice Bureau Internet Training Café, aimed at supporting those who must now apply for benefits on line.
- PACT, a charity providing counselling to children who are divorcing.

Amongst the wider church and community engagements of members of Church, the incumbent's roles were:

- Bishop's clergy appointee on the chapter of St Edmundsbury Cathedral
- Trustee and vice-chair of CA Ipswich (Ipswich and District Citizens Advice Bureau)
- Trustee of Ipswich Faith and Community Forum.

### Care of the Church and Weekday Ministry of Welcome

During 2017, a scheme was drawn up for the chancel plaster repairs which became necessary in 2016, but the work remained outstanding while funds were sought. Investigations had revealed significant deterioration of the plaster leading to delamination of the skim layers. The underlying problem was diagnosed as damp entering the wall from a leaking gully above, which was then unable to escape because of past use of incorrect mortar on the exterior and a non-breathable paint system on the interior wall. The PCC has been advised that the same problem could exist elsewhere in the church where there has been a confluence of the same three factors.

The ministry of lay volunteers as Weekday Welcomers continued under the leadership of a churchwarden, but there is a need for more people on this team. A weekday cleaner is a regular presence in church in the morning, and in the afternoon parish office staff kept an eye the church while it is open. Weekend verger duties are covered by volunteers. The church remains open 7 days a week, and there is a steady flow of people who come into the church on a daily basis.

A group of volunteer church gardeners is working hard to improve the churchyard in partnership with the Borough Council. This is a healthy and productive partnership.

### Financial Review

Total unrestricted fund income in the year 2017 amounted to £132,750, of which £94,442 was voluntary income including Gift Aid. The restricted income totalled £41,014, bringing (with growth in endowment funds) the total to £175,371. This represents an 11% decrease in income, of £22,534. Details are given in the Financial Statements. PCC is addressing the decline in voluntary income as part of its Strategic Financial Plan.

Total unrestricted fund expenditure in the year amounted to £172,889. Total restricted fund expenditure totalled £62,112. Overall expenditure has been decreased by £12,140, or 5% on 2016. The PCC are encouraged by this development. Details are given in the Financial Statements.

2017 represents the first full financial year without any major income (donations) and expenditure within the 17 Tower Street project, enabling PCC to clearly see landscape for a 'normal' financial year. The net decrease in all funds during the year of £33,681 is in line with PCC budget forecasts.

The overall year-on-year net deficit across unrestricted and restricted funds remains of continued concern to PCC. A draft financial strategic plan has now been developed by PCC, which predicts a return to a balanced budget within 4 years. This Strategic Financial Plan contains a strategy of five pillars of doctrine to address the budget deficit - these five now underpin every financial decision made by PCC:

1. Exercise very tight cost control through effective budgeting.
2. Build, and sustain, strong reserves in investments.



## **PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

3. Encourage giving through openness, transparency, and simplicity.
4. Develop a centralised method of identifying, and then bidding for, activities which require major funding.
5. Developing new sources of regular income to the PCC.

The PCCs paid staff in 2017 comprised the following posts: Director of Music (P/T); Assistant Organist (P/T); Parish Administrator (P/T); 2 Choir Assistants (P/T); 1 Cleaner (P/T); 1 Caretaker (P/T).

### **Reserves Policy**

It is the PCCs policy to maintain a large reserve fund in order to generate income to sustain the ministry of the church and in particular the choral tradition. The use of designated restricted funds to support development in the 17 Tower Street Shared Community Space Project is important for the long-term ministry goals of the PCC.

Investment reserves are of £341,256 are currently sufficient to sustain the church in its current operations and planned developments for an estimated further 4 years. Moreover, the PCC retains and uses a property (Church House) for its music school, parish meetings and utilises further its unused space for a private residential rental (income). PCC has investigated disposal of the property, but concluded moving the music school and parish meeting space to the 17 Tower Street project and retaining Church House as part of a wider income generating project to be more practical. The PCC recognises, and is addressing in its Financial Strategic Plan, the need to generate additional funds to re-build its investment portfolio to ensure the reserves can continue to provide a sustainable source of revenue.

### **Volunteers**

The PCC would like to thank all the volunteers who work so hard to sustain the life of St Mary-le Tower in very many ways. In particular we would like to mention our churchwardens (Mrs Katrina Robertson and Mrs Mary Baldry), our Elders (Mr Richard Hanley, Mrs Hilary Norman and Mrs Cathy Moss), and all who sustain the music and welcome of St Mary-le-Tower church.

### **Structure, governance and management**

The Parochial Church Council is a corporate body established by the Church of England, which operates under the Parochial Church Council Measure. The PCC is a registered charity. The method of appointment of PCC members is set out in the Church Representation Rules. At St Mary-le-Tower the membership of the PCC consists of the incumbent (our vicar), churchwardens, and those elected by members of the congregation who are on the electoral roll of the church to be either Deanery Synod representatives or elected members of the PCC. All those who regularly attend our services are encouraged to register on the Electoral Roll of the church and to stand for the PCC if they wish.

PCC members are elected for three year terms and 6 posts become available for election each year. PCC members are trustees for the operation of St Mary-le-Tower Church, and are responsible for making decisions on all matters of general concern and importance to the life of the church including in deciding how the funds of the PCC are to be spent. The PCC routinely meets 7 times a year and additionally as required.

The Standing Committee meets in the periods between each PCC meeting and additionally as required, to deal with the time-consuming details that are difficult to deal within a full PCC meeting. This includes finance, staffing, maintenance, health and safety, pastoral issues and policy development.

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## Administrative Information

St Mary-le-Tower is situated in Tower Street, Ipswich IP1 3BE. It is part of the Diocese of St Edmundsbury and Ipswich within the Church of England. The correspondence address is: The Parish Office, Tower House, 17 Tower St. Ipswich IP1 3BE. The registered charity number is 1128976.

PCC members who have served at any time since 1<sup>st</sup> January 2017 are:



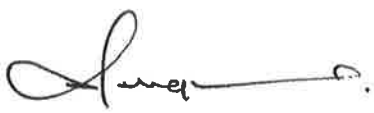
**Ex Officio members:**

Incumbent:	The Revd Canon Charles Jenkin (Chairman)
Churchwardens:	Mrs Mary Baldry Mrs Katrina Robertson

**Elected members:**

Mrs Sue Adair	representative on Deanery Synod and Diocesan Synod
Dr Russell Hall	representative on Deanery Synod
Mr Mark Hollingsworth	Hon. Treasurer
Mr James Cutting	
Mrs Sonia Docherty	
Mrs Sally Graham	
Mr Richard Hanley	
Mrs Hilary Norman	
Mr Ian Lord	
Mrs Carolyn Heyburn	
Dr Vicky Moss	

On behalf of the board

Name, Trustee	<b>Revd Canon Charles Jenkin (Chairman)</b>	Signature	
	<b>Mrs Katrina Robertson (Churchwarden)</b>		
	<b>Mrs Mary Baldry (Churchwarden)</b>		
	<b>Mr Mark Hollingsworth (Hon. Treasurer)</b>		

Date *28th October 2018*

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## Independent Examiners Report to the Parochial Church Council of St Mary-Le-Tower Ipswich

I report on the accounts of the charity for the year ended 31<sup>st</sup> December 2017 which are set out on page 10 to 25.

### Respective responsibilities of trustees and examiner

The PCC are responsible for the preparation of the accounts. The PCC consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity 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 the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts 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:

- 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 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave 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.

*Nicholas Farr FCA*

*Moore Green Accountants  
22 Friars Street  
Sudbury  
Suffolk  
CO10 2AA*

*Date*

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## Statement of Financial Activities (Including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £	Total 2016 £
<b>Income and endowments from:</b>						
Donations and legacies	2	94,442	5,331	-	99,773	129,414
Charitable activities	3	2,450	27,015	-	29,465	29,392
Other trading activities	4	26,562	-	-	26,562	23,822
Investments	5	9,297	8,667	1,607	19,571	15,277
Other						
<b>Total income and endowments</b>		<b>136,084</b>	<b>37,680</b>	<b>1,607</b>	<b>175,371</b>	<b>197,905</b>
<b>Expenditure on:</b>						
Raising funds	6	17,922	10,814	-	28,736	34,021
Charitable activities	7	154,967	17,998	-	172,965	190,403
Other	8	5,556	29,967	-	35,523	26,466
<b>Total expenditure</b>		<b>178,445</b>	<b>58,779</b>	<b>-</b>	<b>237,224</b>	<b>250,890</b>
<b>Net income/(expenditure)</b>		<b>(42,361)</b>	<b>(21,099)</b>	<b>1,607</b>	<b>(61,853)</b>	<b>(52,985)</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses):</b>						
Gains/(losses) on revaluation of fixed assets		14,019	11,175	2,978	28,172	36,380
Gains/(losses) on sale of investment assets		-	-	-	-	(5,478)
<b>Net movement in funds</b>		<b>(28,342)</b>	<b>(9,924)</b>	<b>4,585</b>	<b>(33,681)</b>	<b>(22,083)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		732,347	227,964	35,829	996,140	1,018,222
<b>Total funds carried forward</b>		<b>704,005</b>	<b>218,040</b>	<b>40,414</b>	<b>962,459</b>	<b>996,139</b>

PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

		2017 £	2016 £
<b>FIXED ASSETS</b>	<b>Note</b>		
Tangible assets	12	553,832	553,832
Investments	13	341,256	362,294
		895,088	916,126
<b>CURRENT ASSETS</b>			
Stocks	14	-	700
Debtors	15	716	4,414
Investments	16	10,876	35,702
Bank		63,237	50,378
		74,828	91,196
<b>Creditors - amounts falling due within one year</b>	17	7,458	11,183
<b>NET CURRENT ASSETS</b>		67,371	80,013
<b>TOTAL ASSETS</b>		962,459	996,139
<b>PARISH FUNDS</b>	18		
Unrestricted		704,005	732,347
Restricted		218,040	227,963
Endowment		40,414	35,829
<b>TOTAL FUNDS</b>		962,459	996,139

The financial statements were approved and authorised for issue by the Board on 10 October 2018

Signed on behalf of the board of trustees

Name

MARU HOLLINGWORTH

Date

10 October 2018.

The notes on page 12 to page 25 form part of these financial statements.

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017

### 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

The Parochial Church Council of St Mary-Le-Tower, Ipswich is a charity registered in England / Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are that of a parish and civic church.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to 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 (as updated through Update Bulletin 1 published on 2 February 2016)<sup>1</sup>, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

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 the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to 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 are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 21.

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017

### 1 Summary of significant accounting policies (continued)

#### (b) Funds

*Unrestricted funds* are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

*Restricted funds* are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

*Endowment funds* are funds the capital of which must be retained either permanently or, at the PCC's discretion, the income derived from them may be used either as restricted or unrestricted income funds depending on the purpose for which the endowment was established in the first place.

#### (c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017

### 1 Summary of significant accounting policies (continued)

#### (d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### (e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Land and buildings were valued using cost basis

#### (f) Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

#### (g) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

#### (h) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### (i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.



# PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017

### 1 Summary of significant accounting policies (continued)

#### (j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

#### (k) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

#### (l) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### (m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### (n) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017**

**2 Income from donations and legacies**

		Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
		£	£		
Planned giving:	Gift Aid	41,797	1,599	43,396	56,005
	Tax	17,147	400	17,547	19,658
Collections plate		15,943		15,943	12,767
Other		3,155		3,155	7,494
Box receipts		984		984	995
Donations and grants		15,416	3,333	18,749	32,495
		<u>94,442</u>	<u>5,331</u>	<u>99,773</u>	<u>129,414</u>

**3 Income from charitable activities**

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£		
Fees for weddings and funerals	2,428		2,428	1,053
Rental income 17 Tower Street		20,100	20,100	19,133
Choir tour fees		6,915	6,915	7,425
Utility refunds	22		22	1,801
	<u>2,450</u>	<u>27,015</u>	<u>29,465</u>	<u>29,392</u>

**4 Income from other trading activities**

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£		
Coffee mornings and social	864		864	1,085
Concert income	16,425		16,425	11,813
Tree festival	8,928		8,928	10,762
Sundry income	346		346	162
	<u>26,562</u>	<u>0</u>	<u>26,562</u>	<u>23,822</u>

**PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017**

**5 Income from investments**

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£		
Dividends and deposit income	4,791	10,274	15,065	9,943
Rent of Church House	4,506	-	4,506	5,334
	<u>9,297</u>	<u>10,274</u>	<u>19,571</u>	<u>15,277</u>

**6 Analysis of expenditure on raising funds**

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£		
Tree festival	4,202		4,202	6,821
Concert:				
Performers fees	7,677		7,677	12,778
Other expenses	668		668	661
Other expenses:				
Licence fees and subscriptions	1,019		1,019	317
Advertising	711		711	300
Waste Collections and kitchen supplies	431		431	0
Choir tours		10,814	10,814	11,539
Refreshments	412		412	735
Catering for social events			0	0
Accountancy	2,052		2,052	450
Independent examiners fees	750		750	420
	<u>17,922</u>	<u>10,814</u>	<u>28,736</u>	<u>34,021</u>

**7 Analysis of expenditure on charitable activities**

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£		
Missionary & charitable giving				
Overseas				180
UK		2,611	2,611	1,832
Ministry costs				
Diocesan parish share	53,055		53,055	60,975
Vicar's expenses				3,205
Salaries including NI				
Verger, cleaner, caretaker, administrator	25,486	1,889	27,375	26,241

PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup>  
December 2017

7 Analysis of expenditure on charitable activities (continued)

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£		
Director of music, organist, choir assistants	41,656		41,656	36,322
Church running maintenance				
Choir, choir expenses, music	6,238		6,238	9,360
Music for choir		1,846	1,846	3,134
Organ & piano tuning		284	284	777
Church insurance	9,958		9,958	7,990
Church care (security)		482	482	8,570
Church utilities	7,788		7,788	5,845
Administration	866		866	1,289
Cassocks				525
Altar supplies	1,277		1,277	1,451
Bells maintenance				132
Flowers for festivals				75
Sanctuary Guild	511		511	
Exterior repairs to Church				908
Church Tile Renovations		312	312	3,055
Minor repairs & servicing		5,915	5,915	7,205
Churchyard & sundry maintenance				533
Furniture & equipment		2,809	2,809	478
Donation box		1,850	1,850	
Funeral Expenses	175		175	2,331
Printing, postage, stationary	2,855		2,855	3,182
Bank charges	1,012		1,012	995
Car park Administration	761		761	528
Telephone	1,660		1,660	1,914
Subscriptions	336		336	139
Stock write off	700		700	
Sundry expenses	631		631	1,232
	<u>154,967</u>	<u>17,998</u>	<u>172,965</u>	<u>190,403</u>

**PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017**

**8 Analysis of other expenditure**

	Unrestricted Funds £	Restricted Funds £	Total 2017	Total 2016
Properties				
Church House				
Structural & minor repairs	282		282	850
Insurance	568		568	1,006
Maintenance & cleaning	252		252	-
Utilities	4454		4,454	-
Sundry expenses				60
17 Tower Street				
Professional advice, search fees		15,548	15,548	3,428
Property owner's insurance		2,360	2,360	265
Utilities		3,481	3,481	308
Fire and Security		1,186	1,186	-
Rates				-
Building renovations		7,392	7,392	149,245
	<u>5,556</u>	<u>29,967</u>	<u>35,523</u>	<u>26,466</u>

**9 Independent examiners remuneration**

The independent examiners remuneration amounts to an independent examination fee of £750 (2016 - £420).

**10 Trustees' and key management personnel remuneration and expenses**

The trustees neither received nor waived any remuneration during the year (2016: £Nil).

The trustees did not have any expenses reimbursed during the year (2016 - £Nil).

**11 Staff costs and employee benefits**

The average monthly number of employees during the year was as follows:

	2017 Number	2016 Number
Raising funds	-	-
Charitable activities	7	8
Governance	-	-
	<u>7</u>	<u>8</u>

**PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017**

**11 Staff costs and employee benefits (continued)**

The total staff costs and employee's benefit's was as follows:

	2017 £	2016 £
Wages and salaries	68,704	61,694
Social security		821
Defined contribution pension costs	329	48
	<hr/>	<hr/>
	69,033	51,666
	<hr/>	<hr/>

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

**12 Tangible fixed assets**

	Investment properties	Land and buildings	Plant, machinery Fixtures and fittings	Total
	£	£	£	£
Cost or valuation:				
At 1 <sup>st</sup> January 2017	-	553,832	-	553,832
Additions				
Disposals				
Revaluation				
At 31 <sup>st</sup> December 2017	<hr/> -	<hr/> 553,832	<hr/> -	<hr/> 553,832
Depreciation:				
At 1 <sup>st</sup> January 2017				
Charge for the year				
Impairment				
Revaluation				
Eliminated on disposals				
At 31 <sup>st</sup> December 2017	<hr/> -	<hr/> -	<hr/> -	<hr/> -
Net book value:				
At 1 <sup>st</sup> January 2017	<hr/> -	<hr/> 553,832	<hr/> -	<hr/> 553,832
At 31 <sup>st</sup> December 2017	<hr/> -	<hr/> 553,832	<hr/> -	<hr/> 553,832

**PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> December 2017**

**12 Tangible fixed assets (continued)**

The net book value of land and buildings comprised:

	2017 £	2016 £
Investment properties:		
Freehold	-	-
Land and buildings:		
Freehold	553,832	553,832
	<u>553,832</u>	<u>553,832</u>
	<u>553,832</u>	<u>553,832</u>

**13 Fixed asset investments**

	Listed investments	Other investments	Total
Cost or valuation			0
At 1st January 2017	362,294	-	362,294
Additions			0
Disposals	(51,825)	-	(51,825)
Revaluation	28,172	-	28,172
At 31st December 2017	<u>341,256</u>	-	<u>341,256</u>
Impairment			
At 1st January 2017	-	-	-
Written off	-	-	-
Written back	-	-	-
Eliminated on disposals	-	-	-
At 31st December 2017	<u>-</u>	<u>-</u>	<u>-</u>
Carrying amount:			
At 1st January 2017	<u>362,294</u>	-	<u>362,294</u>
At 31st December 2017	<u>341,256</u>	-	<u>341,256</u>

PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup>  
December 2017

13 Fixed asset investments (continued)

	2017	2016
Investments at fair value comprise:		
Equities	341,256	362,294
Securities	-	-
Cash within investment portfolio	-	-
	<u>341,256</u>	<u>362,294</u>

14 Stocks

	2017 £	2016 £
Finished goods (Choir CDs)	0	700
	<u>0</u>	<u>700</u>

All stock held is for sale.

15 Debtors

	2017 £	2016 £
Trade debtors	716	4,414
	<u>716</u>	<u>4,414</u>

16 Current asset investments

	2017 £	2016 £
Listed investments	0	0
Other investments	0	0
Short term deposits	10,876	36,852
	<u>10,876</u>	<u>36,852</u>

Short-term deposits: The deposits are with the Church of England deposit fund, managed by CCLA investment Management Limited. They are the first point of call from monies needed the church activities.



**PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup>  
December 2017**

**17 Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	4,125	4,517
Accruals and deferred income	3,333	6,666
	<u>7,458</u>	<u>11,183</u>

**18 Fund reconciliation**

	Opening Balance at 1 January 2017 £	Movement £	Closing Balance 31 December 2017 £
<b>Unrestricted Funds</b>			
General Fund (incl St. Nicholas PRT)	325,200	(26,600)	298,600
Church House	403,897	997	404,894
Legacies & Gifts	2,227	(2,227)	-
Sanctuary Guild	1,023	(512)	511
	<u>732,347</u>	<u>(28,342)</u>	<u>704,005</u>

PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup>  
December 2017

18 Fund reconciliation (continued)

Restricted Funds

Bells	87	-	87
Charities	29,280	(3,655)	25,625
Choir Memorial	9,089	2,160	11,249
Choral Scholarship	12,703	1,517	14,220
Choir Tour	204	-	204
Concert	-	-	0
Fabric	49,830	(1,346)	48,484
Harriet Bacon	4,914	403	5,317
Organ	-	-	-
Usherwood	20,540	216	20,756
17 Tower Street Project	101,317	(9,219)	92,098
	<u>227,964</u>	<u>(9,924)</u>	<u>218,040</u>

	Opening Balance at 1 January 2017 £	Movement £	Closing Balance 31 December 2017 £
<b>Endowment Funds</b>			
Choir Memorial Trust	6,132	1,088	7,220
Harriet Bacon Trust	29,697	3,498	33,195
	<u>35,829</u>	<u>4,586</u>	<u>40,415</u>
<b>TOTAL FUNDS</b>	<u>996,139</u>	<u>(33,680)</u>	<u>962,459</u>

**PAROCHIAL CHURCH COUNCIL OF ST. MARY-LE-TOWER, IPSWICH**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup>  
December 2017**

**19 Pensions and other post-retirement benefits**

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £329 (2016 - £48).

The defined contribution liability is allocated to unrestricted funds.

**20 Related party transactions**

There are no related party transactions during the period (2016: £ nil).