

CHRIST CHURCH PARISH CHURCH

Annual Report and Financial Statements

of the Parochial Church Council

for the year ended 31st December 2007

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**Christ Church Parish Church
Year Ended 31 December 2007**

CHURCH LEADERSHIP REPORT FOR YEAR ENDED 31 DECEMBER 2007

GOVERNANCE & MANAGEMENT

Christ Church has been serving this parish, in Weston super Mare, for over 150 years and during that time has made significant contributions, not least the formation of the towns largest charity, Weston Hospicecare. Christ Church is an Anglican Church staffed by a full time vicar and Church Army evangelist, plus a non-stipendiary training curate, part time paid youth worker in training, voluntary pastoral assistant, five licensed readers all facilitated by an administrative post of 25 hours per week. The legal decision making body is it's Parochial Church Council, which is advised by a number of sub-committees and especially the two Church Wardens. As a church it seeks to be relevant to those who choose to worship here and also those who live within the defined parish boundary, not forgetting those who are in contact from outside those boundaries.

The P.C.C. meets 6 times a year and there is an Annual Parochial Church Meeting, for all those registered on the formal electoral roll of the Church. The P.C.C. is comprised of twelve elected members, five ex-officio and four deanery synod representatives, making a total of twenty-one.

The church is responsible for all it's financial affairs and conforms to the practice of making a contribution to the Diocese who cover all clergy and housing costs.

OBJECTIVES AND ACTIVITIES

The objectives are firstly to provide for the spiritual needs of the community, by both practising and preaching the command of Jesus, to share the love of God, seen primarily in the Ten commandments and then subsequently in the life and example of Jesus Christ. Secondly, to practice pastoral love and practical support to any who need it. Thirdly, to offer training and education, through a variety of courses held on site but also through the church school.

Our principal activities are to provide relevant opportunities for worship plus facilities for all age groups, principally a high quality Pre-school , three Parent and Toddler groups, youth activities midweek and on a Sunday, pastoral visiting in a number of Residential Homes and to individuals and groups of both older men and ladies, all in addition to our regular worship on Sunday's and other occasions.

VOLUNTEERS

Christ Church is heavily indebted to its army of volunteers, who give their time and talents in ensuring that everything functions, as it should. Volunteers cover every aspect of our ministry, including preaching and leading, running groups, cleaning and flowers, maintenance, service preparation, music and catering. With a stated membership of well over 200, a large proportion will be actively engaged in supporting what is happening.

EMPLOYEES

The Diocese of Bath and Wells covers the income of the two full time staff, reimbursed by the church's annual contribution. The administrator is paid for as part of church expenses, as is the cleaner for the Spire Centre, for 4 hours a week.

ACHIEVEMENTS IN 2007

During the year we revisited the way we looked after the ministry amongst our young people and consequently involved many more adults. Our annual Holiday Club attracted a cross section of children from across the area. It has been, to some extent, a year of consolidation coming after the intensity of completing the Spire Centre. We have, however, run a variety of courses, not least our Alpha Course, due to finish soon.

**Christ Church Parish Church
Year Ended 31 December 2007**

The year has seen not insubstantial developments in the way churches of all denominations have worked together, actioned by the will to take part in HOPE08, in which we play our part. A good number enjoyed a helpful Houseparty at Brunel Manor, Torquay, and a cause for praise is that one of our readers has been accepted for training for ordination.

GENERAL

In company with all town churches we have an eclectic congregation. For various reasons this year, we have seen an appreciable increase in the numbers of people attending our services and becoming members. Some of the growth is from those moving into the area, others have transferred churches, and most satisfyingly we have seen growth through new Christians.

RISK MANAGEMENT & RESERVES

It is the ongoing responsibility of the leadership team to be aware of future developments, especially when it comes to maintaining buildings and presenting an environment which is healthy, welcoming and attractive. The P.C.C. take their responsibilities seriously in terms of managing the risks involved.

**Christ Church Parish Church
Year Ended 31 December 2007**

THE PCC RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The PCC is responsible for all parish finance, its management and control, including the appointment of a treasurer. While it may delegate some of its duties, this does not remove its legal responsibilities.

Charity law requires the PCC as trustees of the Church to prepare an annual report and financial statements for each financial year that give a true and fair view of the Church's financial activities during the year and of its financial position at the end of the year. The PCC is also required to ensure that these are subjected to an annual independent examination or audit and to present these to the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

In preparing these financial statements, the PCC are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and enable them to ensure that the financial statements comply with the Charities Act 1993 and applicable accounting standards. They are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the PCC and signed on its behalf by:

Chairman

**Christ Church Parish Church
Year Ended 31 December 2007**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRIST CHURCH PARISH
CHURCH**

We have audited the financial statements of Christ Church Parish Church for the year ended 31st December 2007 which comprise a Statement of Financial Activities, Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 9 to 10.

This report is made solely to the Members of the PCC, as a body. Our audit work has been undertaken so that we might state to the Members of the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Members of the PCC as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE PCC AND THE AUDITORS

The responsibilities of the members of the PCC for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of PCC Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993 and the Church Accounting Regulations 2006. We also report to you if, in our opinion, the PCC's report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members of the PCC' remuneration and transactions with the PCC is not disclosed.

We read the PCC's report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the PCC in the preparation of the financial statements, and of whether the accounting policies are appropriate to Christ Church's circumstance, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Christ Church Parish Church
Year Ended 31 December 2007**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRIST CHURCH PARISH
CHURCH (continued)**

OPINION

Without qualifying our opinion, we draw attention to the note 3(f) in the financial statements and to the negative balance of restricted funds as shown in the Balance Sheet for the year ended 31st December 2007 which show that the PCC's current liabilities exceeded its total assets by £18422 (2006 £59895). This has arisen due to the effect of section 96(2) (a) of the Charities Act 1993 in that the ownership of the new building known as The Spire Centre is vested in the Diocese of Bath and Wells whilst the funding and liabilities associated with that building are those of the PCC.

In our opinion the financial statements give a true and fair view of the state of the affairs of Christ Church as at 31 December 2007 and of its incoming resources and application of resources in the year then ended, and have been properly prepared in accordance with the Charities Act 1993 and the Church Accounting Regulations 2006.

Tallford House
38 Walliscote Road
Weston-s-Mare, BS23 1LP

BUTTERWORTH JONES
Chartered Accountants
& Registered Auditors

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**Christ Church Parish Church
Year Ended 31 December 2007**

STATEMENT OF FINANCIAL ACTIVITIES

INCOMING RESOURCES		Unrestricted Funds	Restricted Funds	Total Funds	
	Note	£	£	2007 £	2006 £
Incoming Resources from Donors	2(a)	95032	43224	138256	164464
Other Voluntary Incoming Resources	2(b)	12694	2632	15326	6632
Income from operating activities; - to Further the Council's objects	2(c)	17042	-	17042	14516
- to Generate Funds, (Fund Raising)		-	1483	1483	15807
Income from Investments	2(d)	531	5980	6511	6443
Total Incoming Resources		125299	53319	178618	207862
RESOURCES USED					
Grants – Church Overseas	3(a)	4342	318	4660	4770
Home Mission	3(b)	5233	-	5233	5980
Activities directly relating to the work of the Church	3(c)	74647	-	74647	69693
Support Costs	3(d)	26444	3451	29895	20453
Church Management and Administration	3(e)	21481	2642	24123	25707
The Spire Centre	3(f)	-	(1413)	(1413)	25310
Total Resources Used		132147	4998	137145	151913
NET (OUTGOING) / INCOMING RESOURCES		(6848)	48321	41473	55949
GROSS TRANSFERS BETWEEN FUNDS		2622	(2622)	-	-
NET MOVEMENT IN FUNDS		(4226)	45699	41473	55949
BALANCES BROUGHT FORWARD AT 31 DECEMBER 2006		16500	(76395)	(59895)	(115844)
BALANCES CARRIED FORWARD AT 31 DECEMBER 2007		12274	(30696)	(18422)	(59895)

**Christ Church Parish Church
Year Ended 31 December 2007**

BALANCE SHEET

FIXED ASSETS

	Note	2007 £	2006 £
Tangible Fixed Assets	4(a)	10000	10000
Investments	4(c)	3864	3864
		13864	13864

CURRENT ASSETS

Short-term Deposits	5	101596	100157
Cash at Bank and In Hand	6	3268	13297
		104864	113454

CREDITORS: DUE WITHIN ONE YEAR

	7	77150	97213
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NET CURRENT ASSETS

		27714	16241
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TOTAL ASSETS LESS CURRENT LIABILITIES

		41578	30105
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CREDITORS: DUE AFTER MORE THAN ONE YEAR

	8	60000	90000
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NET ASSETS

		(18422)	(59895)
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FUNDS

Unrestricted		12274	16417
Restricted		(30696)	(76312)
	9	(18422)	(59895)

Approved by the Parochial Church Council on and signed on its behalf by:

(Warden)

(Warden)

The notes on pages 9 to 15 form an integral part of these financial statements.

**Christ Church Parish Church
Year Ended 31 December 2007**

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, applicable accounting standards and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) issued in March 2005.

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

FUNDS

Unrestricted funds - are general funds available for use at the PCC's discretion to further the general objectives of the Church and which have not been designated for specific purposes

Designated funds - are unrestricted funds set aside by the PCC for specific future purposes or projects.

Restricted funds - are funds that can only be used in accordance with specific restrictions imposed by donors or which have been raised for particular restricted purposes within the objects of the Church. 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.

INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Church is legally entitled to the income and the amount can be quantified with reasonable certainty.

Collections are recognised when received by or on behalf of the PCC. Planned giving is recognised only when received. Grants and legacies are accounted for as soon as the PCC is notified of its legal entitlement and the amount due is known with sufficient reliability.

Income tax recoverable on gift aid donations is recognised when the income is received.

Funds raised by events, are accounted for gross. Rental income from the letting of the halls is recognised when the rental is due.

Dividends and interest are accounted for when receivable.

Realised gains or losses are recognised when investments are sold.

RESOURCES USED

Expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributable to one of the functional categories of resources used in the SOFA. The Church is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Grants and other charitable giving are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The diocesan quota is accounted for when payable.

**Christ Church Parish Church
Year Ended 31 December 2007**

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)

FIXED ASSETS

Furniture, Fittings and Equipment

In line with prior years, expenditure on Furniture, Fittings and Equipment is written-off when incurred.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off cost on a straight-line basis over expected useful economic lives as follows, subject to annual review:

Silverware	Nil (considered having an indefinitely long useful life)
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INVESTMENTS

Investments are included at cost with market value noted in 4(c).

CURRENT ASSETS

Amounts owing to the PCC at 31st December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove un-collectable. Short-term deposits include cash held on deposit either with the Diocesan Board of Finance or Bank.

**Christ Church Parish Church
Year Ended 31 December 2007**

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. INCOMING RESOURCES

2(a) Incoming Resources from Donors	Note	Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	2007	2006
Donations		6211	36161	42372	37995
Church Collections	12	72232	-	72232	71123
Tax Recovered under Gift Aid		14368	7063	21431	54562
Designated Giving:					
Mission		2221	-	2221	784
		95032	43224	138256	164464

2(b) Other Voluntary Incoming Resources	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2007	2006
Church Events	12472	2632	15104	6428
Miscellaneous	222	-	222	204
	12694	2632	15326	6632

2(c) Income from Charitable and Ancillary Trading	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2007	2006
Use of Church Facilities	4369	-	4369	3782
Diocesan Fees	10607	-	10607	8000
Bookstall / Magazine	1483	-	1483	1238
Sale of Fixed Assets	35	-	35	635
Reimbursements	548	-	548	861
	17042	-	17042	14516

2(d) Income from Investments	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2007	2006
Dividends and Interest	531	5980	6511	6443
	531	5980	6511	6443

3(a) Grants		Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	2007	2006
Missionary and Charitable giving:					
Grants		-	318	318	635
Overseas Missions	10	4342	-	4342	4135
		4342	318	4660	4770

**Christ Church Parish Church
Year Ended 31 December 2007**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. RESOURCES USED

3(b) Grants

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2007 £	2006 £
Missionary and Charitable giving:				
Home Mission	1659	-	1659	1775
Training & Education	379	-	379	987
Youth Worker	2018	-	2018	2054
Parish Worker	1177	-	1177	1164
	5233	-	5233	5980

3(c) Activities directly relating to Work of the Church

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2007 £	2006 £
Ministry				
Diocesan Quota	63014	-	63014	59861
Clergy Expenses	3569	-	3569	2508
Church Service Expenses	829	-	829	1012
Diocesan Fees	7235	-	7235	6312
	74647	-	74647	69693

3(d) Support Costs

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2007 £	2006 £
Church:				
Utilities	7921	-	7921	6499
Insurance	2474	-	2474	2375
Rates	406	-	406	484
Repairs and Maintenance	4461	3451	7912	7831
Events and Activities	10636	-	10636	2849
Bookstall / Magazine	546	-	546	415
Total Support Costs	26444	3451	29895	20453

3(e) Church Management and Administration

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2007 £	2006 £
Administration	6662	-	6662	7110
Salaries	10398	-	10398	9320
Audit Fee	2046	-	2046	1050
Expenses to be reimbursed	1263	-	1263	828
Sundry Expenses	1112	-	1112	466
Loan Interest	-	2642	2642	6933
	21481	2642	24123	25707

**Christ Church Parish Church
Year Ended 31 December 2007**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. RESOURCES USED (continued)

3(f) The Spire Centre

During 2005 PCC entered into contracts totalling £591,843 in relation to the building of the new addition to the church known as the Spire Centre. In order to finance the building costs it raised a loan of £150,000 from the Diocese of Bath and Wells and further short term interest free loans from its parishioners. The legal title to the building is vested in the Diocese and is excluded from these accounts under Charities Act 1993 section 96(2)(a). The outstanding obligations in respect of these loans and the retentions under the building contracts remain and have been shown as liabilities of the PCC. The PCC is confident that further fund raising will enable it to meet these obligations as they fall due despite the current negative balance of restricted funds as shown in the balance sheet. The negative expense shown on the statement of financial activities represents retentions accrued in the prior year which are no longer going to be charged to the PCC.

4. FIXED ASSETS FOR USE BY THE PCC

4(a) Tangible Fixed Assets

	Silverware	Total
	£	£
Cost and Valuations		
As at 1 st Jan 2006 and 31 Dec 2007	10000	10000
 Depreciation		
As at 1 st Jan 2006 and 31 Dec 2007	-	-
 Net Book Values		
31 st December 2006	10000	10000
31 st December 2007	10000	10000

Note 4a-1: Ownership of the Spire Centre is vested in the PCC and Title Deeds are held by the Diocesan Board of Finance. Current balance sheet values reflect the building costs to date.

4(b) Inalienable and Historic Assets

- (i) Consecrated properties are excluded from all accountability under Charities Act 1993 by section 96(2)(a) of the Act. The PCC has maintenance responsibility for land and buildings of the Church.
- (ii) Neither the vicarage nor the church is owned by the PCC.

**Christ Church Parish Church
Year Ended 31 December 2007**

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. FIXED ASSETS FOR USE BY THE PCC (continued)

4(c) Investments

	2007	2006
	£	£
Greville Fund Shares (at cost)	3864	3864

(Market value at 31st December 2007 £5031, 2006 £4928)

5. SHORT-TERM DEPOSITS

	2007	2006
	£	£
Building Fund	101596	100157

6. CASH AT BANK AND IN HAND

	2007	2006
	£	£
General Fund	476	5755
Vicar's Charity Fund	1516	1405
Building Fund	242	5206
Spire Centre	999	650
Cash in Hand	35	281
	3268	13297

7. CREDITORS: DUE WITHIN ONE YEAR

	2007	2006
	£	£
Accruals	3100	4050
Loans (Interest Free)	57000	74700
Retentions on New Building	17050	18463
	77150	97213

8. CREDITORS: DUE AFTER MORE THAN ONE YEAR

	2007	2006
	£	£
Loan from Diocese of Bath & Wells (Repayable in 5 instalments from December 2006 at a variable rate of interest)	60000	90000

9. FUND DETAILS

Analysis of Net Assets by Fund

	Fixed Assets	Current Assets	Current Liabilities	Total Funds
	£	£	£	£
General Fund	10000	5374	3100	12274
Building Fund	-	101596	134050	(32454)
Maintenance Fund	-	242	-	242
Vicar's Charity Fund	-	1516	-	1516
	10000	108728	137150	(18422)

**Christ Church Parish Church
Year Ended 31 December 2007**

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. MISSION GIVING

	2007	2006
	£	£
Bible Society	245	420
Ray & Jill Lockhart – CMJ	245	420
Dr Felicity Mussell - Interserve	3400	3200
Trevor & Helen Sworn – WEC Tear Fund	452	95
Total Overseas	4342	4135
Holiday Club	104	149
Misc – Grants	228	591
Training & Education	379	368
Youth Church	270	619
Youth Worker College Fees	1057	1035
Youth Worker	2018	2054
Parish Worker	1177	1164
Total Home	5233	5980
Total Mission Giving	9575	10115

11. REPAIRS OVER £500

Carpet Cleaning £575
Repairs to Church Windows £1872
North Doors £1578

12. BREAKDOWN OF CHURCH COLLECTIONS

	2007	2006
	£	£
Giving Envelopes	28153	26743
Banker's Orders	34225	34112
Collections	9854	10268
	72232	71123