

**Parochial Church Council of Cirencester  
with Watermoor & St Lawrence**  
Charity Registration Number - 1135068

**Annual Report and Unaudited Financial Statements**

**Year Ending 31 December 2016**

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Index**

	Page
Trustees' Report	2-9
Independent Examiners Report	10
Statement of Financial Activities	11
PCC Balance Sheet	12
Notes to the Financial Statements	13-24

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Reference and Administrative Information**

**Charity Name** Parochial Church Council of Cirencester with Watermoor and St Lawrence  
("PCC")

**Charity Reg No** 1135068

**Registered Office** The Parish Office, 1 Dollar Street, Cirencester GL7 2AJ

**Diocese** Diocese of Gloucester (within the Church of England)

**Officers**

Chairman	Reverend Canon L Doolan
Vice-Chairman	Mr P Cottey
Honorary Secretary	Mr H Gray
Honorary Treasurer	Mr J Bathurst

**Church Buildings**

St John Baptist:	Market Place, Cirencester
Holy Trinity:	Watermoor Road, Watermoor, Cirencester
St Lawrence:	Countess Lilius Road, Chesterton, Cirencester

**Advisers**

Independent Examiners:	Wenn Townsend, Gosditch Street, Cirencester, Glos.
Solicitors:	Sewell, Mullings and Logie, Solicitors, Dollar Street, Cirencester, Glos.
Bankers:	Lloyds TSB Banking Group, Castle Street, Cirencester, Glos.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Members of the PCC and Trustees of the charity**

**Clergy (ex-officio)**

The Reverend Canon L Doolan	Vicar (Chair)
The Reverend H Gilbert	Associate Vicar
The Reverend P Light	Associate Priest
The Reverend K Richardson	Assistant Curate

**Churchwardens (ex-officio)**

	<b>St John Baptist</b>	<b>Holy Trinity</b>	<b>St Lawrence</b>
Apr 16 –	Mr S Smith*	Mr P Cottey (Vice-Chair)	Mrs M Austin
Apr 17	Mrs H Hammond	Mrs B Springate	
Apr 15 –	Mr S Smith*	Mr P Cottey (Vice-Chair)	Mrs M Austin
Apr 16	Mrs H Hammond	Mrs S Gargett	

**Elected Members**

	<b>St John Baptist</b>	<b>Holy Trinity</b>	<b>St Lawrence</b>
Apr 16 –	Miss A Anderson *	Mrs R Gray	Mr J Light
Apr 17	Mrs S Beck	Mrs J Henson*	Mrs J Godsell
	Mrs J Ivison*	Mr H Gray	
	Mr M Radford	Mr J Lawrence	
	Mr M Stratton	Mr J Eaton	
Apr 15 –	Miss A Anderson *	Mrs J Eaton	Mr J Light
Apr 16	Mr D Bristow	Mrs M Gilman	
	Mr O Cooper	Mrs R Gray	
	Mrs J Ivison *	Mrs J Henson*	
	Mrs H Hammond	Mr A Jones	
	Mr C Jones		
	Mr D Corcoran		
	Mr M Stratton		

\* Deanery Synod Representatives

**Co-opted Members**

Honorary Secretary (ex officio) – Mr H Gray  
Honorary Treasurer (ex officio) – Mr J Bathurst  
Mr B Janes

**Ex-Officio Members (additional)**

Mr R Marlowe  
Mr R Williams\*  
Miss P Phillips

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Trustees Report of the PCC for the Year Ended 31 December 2016**

The PCC presents the annual report and financial statements of the Trustees of the charity for the year ended 31 December 2016.

**Structure, Governance and Management (including Risk Management)**

The PCC is a body corporate and registered charity. The members of the PCC are the trustees of the charity. The PCC members are unpaid volunteers who receive no emoluments from the PCC other than the reimbursement of reasonable and vouched out of pocket expenses.

The method of appointment of PCC members is set out in the Church Representation Rules. The membership consists of the incumbent and all members of the clergy team, churchwardens and members of the congregation elected by members of the congregation on the electoral roll of the church. All members of the congregations are encouraged to register on the Electoral Roll and to stand for election to the PCC. Additional members may be co-opted as required, including to fulfil the roles of Hon. Secretary and Hon. Treasurer. New trustees are given an introduction to their responsibilities as trustees and training as required.

The PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent. The full PCC met 11 times during the year (2015: 10 times) with an average level of attendance of 73 % (2015: 62%).

Given its wide responsibilities the PCC has a number of committees considering aspects of the parish life, including: Finance, Personnel, a Social Responsibility Group, a Parish Learning Group and a Parish Property Group. Other groups overseeing specific elements of the parish include the Parish Hall at Watermoor committee and the congregational committees at Holy Trinity and St Lawrence churches. A Parish Social Committee organised events during the year. These committees have certain delegated authority under their terms of reference and are all responsible to the PCC and report back to it regularly with minutes of their deliberations being received by the full PCC, where appropriate, and discussed as necessary.

There is a Standing Committee, comprising the Vicar, Associate Vicar, together with the churchwardens from all churches, the Secretary, the Treasurer, which has the power to transact business in emergency situations. Any decisions by it are required to be ratified by the full PCC at the next meeting. There was one requirement for the Standing Committee to meet during the year.

As a registered charity the PCC must comply with all aspects of charity law, including submitting annual returns to the Charity Commission. In addition the PCC is required to submit an annual report and financial statements to the Diocese of Gloucester.

Whilst the PCC has no formal Risk Management Strategy Policy, it regularly identifies and discusses issues which may impact on its assets and operations. Follow-up action is communicated to sub-committees or individuals where appropriate, and reinforced at weekly staff/management meetings. The PCC reviews its policies for Children and Young People/Vulnerable Adults.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Aims and Purposes**

**Objectives and Activities for the Public Benefit**

The aims of the PCC as defined under the **PCC (Powers) Measure 1956** are to co-operate with the Vicar in promoting in the Parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is committed to enabling as many people as possible to worship at our churches and to become part of our parish community. The PCC maintains an overview of worship throughout the parish. Our services and worship put into practice faith, through prayer, scripture, music and sacrament.

When considering our activities for the year the Vicar and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular we try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the Gospel; and developing their knowledge and trust in Jesus
- Provision of pastoral care for people living in the parish
- Missionary and outreach work

To facilitate this work it is important that we maintain the fabric of our churches and other buildings.

**Achievement and Performance**

**Worship and Prayer**

Services, which are open to all members of the community, have been held every Sunday in all churches. These provide an opportunity to join together in worship. A range of other worship opportunities during the week are provided to meet different spiritual needs. These include daily morning and evening prayer (provided as times of quiet contemplation), a mid-day Eucharist (for visitors as well as local community), a mid-week evening Eucharist, a weekly hour of silent prayer and services in hospitals and care homes (to meet the needs of those unable to get to church regularly).

We offer a number of dedicated groups for young people within the Parish, including Little Angels, Trinity Kids, Sparks and Sparklers, Flames and Blaze. In 2015 the Parish appointed a Youth Worker and two part-time Children's Workers (Hugo Kennard and Fiona Hawes).

Our engagement with students at the Royal Agricultural University (RAU) has also been productive and has resulted in a number of special services being organised for them in their own chapel as well as some of them engaging with our community. Our engagement with the RAU also resulted in their annual graduation ceremony being organised in St John Baptist Church.

The number of parishioners on the Church Electoral Roll was 480 in the year (2014: 420). There continues to be development in the number of families within the congregations of our churches. It was pleasing that so many of the community who don't normally attend our services came to join us for services at the major festivals, particularly Christmas and Easter.

Our church also provides opportunities for all to mark and thank God at the milestones of their journey through life. In particular we are pleased to welcome all those wanting to hold baptisms, weddings and funerals in our churches.

## Parochial Church Council of Cirencester with Watermoor & St Lawrence For the year ending 31 December 2016

### **Church Buildings**

The Church of St John Baptist is a landmark in the centre of Cirencester and a building of great interest and importance for locals and visitors alike. The PCC is pleased that it has been possible through a rota of stewards to ensure the building is open during the day throughout the week to welcome tourists, visitors and also those wanting an opportunity for private prayer. Holy Trinity, Watermoor has also been opened during the day for visitors and private prayer.

Our churches are also made available for wider public use, and there has been a regular series of bookings from local societies offering concerts and other events, particularly in St John Baptist.

The PCC is very pleased to be able to offer three of our buildings to the wider public as “community halls”. The Parish Centre, Parish Hall at Watermoor and St Lawrence Church have all been regularly booked during the week for a variety of activities, from art groups to fitness classes: from Brownies to Senior Citizen Groups. They have also been used on a more ad-hoc basis for children’s parties, family celebrations and other special occasions.

### **Pastoral Care**

The church was also pleased to continue to support a wide variety of youth work including the youth groups Little Angels, Trinity Kids, Sparks, Sparklers, Flames and Blaze. The clergy presence at the Royal Agricultural University, Cirencester College and Deer Park School, continued to make pastoral support available to those who need it.

The Vicar and Clergy team has also provided pastoral care and support for many members of the community affected by illness, bereavement or other unhappiness. Regular visits are provided to hospitals and care homes, offering services as well as individual support. Personal visits are also made, where requested, to the sick and infirm. This can include celebrating communion with them, either at home or in hospital. There is a group of trained Pastoral Visitors and a ‘pew-watch’ group known as ‘Shepherds’.

The PCC has agreed policies for the protection and safeguarding of children, young people and vulnerable adults, in line with Diocesan recommendation, and a system for DBS checking members who work with these groups.

### **Missionary and Outreach Work**

A healthy church is one that is constantly reaching out to those in the wider community who are not yet part of the congregation. Outreach to all elements of the local community continues to be a key focus for the Vicar and Clergy team, and the Vicar has been involved with all those important events where the town is gathered together. He is also able to make a contribution to the life of the town through regular features in the local paper and contributions to other public events.

Members of the church community are also active in ‘Open The Book’, which provides leadership of assemblies in local primary schools. The clergy team also regularly lead assemblies in local schools and colleges and the mission of our Youth and Children’s Workers is to reach out to the whole of the local community.

The PCC has entered into a Bishop’s Mission Order and has an on-going relationship with the community known as the ‘Upper Room’ in Cirencester. A Council of Reference, chaired by Canon Andrew Braddock, now meets to monitor this relationship.

Mission giving is also an important part of the life of the Parish and we continue to provide financial support, through the Diocese, for less fortunate parishes as well as organising regular ‘special collections’.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Churches Together**

During the year the Vicar and PCC have continued to develop ecumenical relations in the community through pro-active leadership of the work of Churches Together in Cirencester, through supporting Street Pastors, Cirencester Signpost, the Good Friday procession, the Community Tidy-up, houses for Syrian refugees, Christian Aid, the Women's Day of Prayer and the Foodbank.

**Thanks to All**

A more detailed report of the activity of our churches in Cirencester can be found on the website [www.cirenparish.co.uk](http://www.cirenparish.co.uk) The PCC extends its thanks to the team of clergy and readers, the staff and all the volunteers who have worked so hard and given so generously to enable so much to be achieved during the year.

**Financial Review**

The financial position for the year, as summarised in the Statement of Financial Activities, shows a reduction of £17,364 (2015: £45,039 reduction) in unrestricted funds in the year, before revaluations of assets or transfers between funds. However this has been supported by investment income from assets of £26,362 (2015: £17,076), a number of sundry donations and contributions from restricted and endowment funds to meet non-capital expenses. After adjustment for these items the financial result for the year for the PCC would be a loss of £ 43,726. The PCC has experienced a similarly negative result in all recent years and has been maintained through the strength of reserves arising from the generosity of past generations.

The PCC is aware that a policy of relying on reserves to meet current expenditure is unsustainable, and in setting a budget for 2016 continued its approach to constraining expenditure as far as possible. However, when the budget was set, it was expected that expenditure on the life of the church would need to be supported from reserves.

In 2016 the PCC has decided to pursue a 'growth' strategy in the expectation that by increasing those engaged with the church it will be possible to increase the income received through Planned Giving and other donations. This strategy was supported by the appointment of a youth worker and two part-time children's workers, which it is expected will be paid for through dedicated (Restricted) donations. However the PCC has been forced to set a deficit budget for a further year. The issue of sustainability continues to be a major concern for the PCC.

**Reserves Policy**

The PCC aims to maintain free reserves in unrestricted funds at a level which equates to approximately 6 months of unrestricted expenditure (c.£185,000) to provide for emergency situations that may occur from time to time. The balance of reserves £488,628 at the year end significantly exceeds this target.

Restricted funds are used to meet expenditure wherever relevant and possible. Key restrictions on funds currently include:

- the asset that is the Parish Centre
- funds restricted for the maintenance of the fabric of St John Baptist
- funds restricted for the maintenance of the fabric of Holy Trinity, Watermoor
- funds restricted to support the mission of the Youth and Children's Workers.



Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Investment Policy**

Funds which may be required to meet short-term liabilities are held immediately available in bank accounts or deposit funds. The balance of funds, including Restricted and Endowment funds, are currently invested in a portfolio of income generating assets, which is diversified both through the “managed funds” selected being well diversified, and through the PCC investing in a range of “managed funds” from different providers, in 2016 we invested £ 240,000 with Cheviot Asset Management that had previously been held in cash in 2015. Direct investment in a single company is limited to less than 1% of total funds.

During 2016 the income generated from assets totalled £36,613 or 1.8% of opening funds (£42,588 or 2.2% in 2015). The change in capital value of the assets in 2016 was £74,604 or 3.7% of opening funds (£85,444 or 4.4% in 2015). The total return in the year was therefore 5.6% of opening funds (6.6% in 2015).

**Charitable Grants**

The system of Mutual Support ended in 2015, therefore the old model of separating out Mutual share from the overall Diocesan quota no longer applies; the total Diocesan Quota for 2016 was £ 149,000 and has increased to £ 161,000 in 2017 owing to the new formula. The new method takes half of the benefice cost to the Diocese and the other half is based on usual Sunday attendance over the last 3 years; our Sunday attendance figures, although increased, have not translated into higher levels of giving hence we need to budget to cover the overall cost of the Quota for the next 5 years.

**Significant Plans for the Future**

In addition to those projects identified above, the following significant capital projects are being considered by the PCC:

1. A programme of cleaning and repair to the South Porch interior (ground floor and upper room) of the church of St. John Baptist. This scheme is being developed at present and the architect anticipates that the cost will be in the region of £40,000 to £60,000 which is anticipated to last until July 2017 owing to additional issues discovered.
2. At the church of Holy Trinity, Watermoor there are schemes for the replacement of the interior lights.

The Friends of Cirencester Parish Church have indicated their willingness to assist with part of the cost of the above works.

In addition the PCC are undertaking a review of their entire property portfolio, with a view to assessing its usefulness in fulfilling the core purposes of the PCC.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Trustees' Responsibilities for the Financial Statements**

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the charity's transactions and to disclose with reasonable accuracy at any time its financial position and to enable them to ensure that any financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust deed.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods principles in the applicable Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**By order of the Trustees**

**Signed:** .....  
**The Reverend Canon L W Doolan**

**Date: 31 March 2017**

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
For the year ending 31 December 2016

**Independent Examiner's Report to the Trustees of Cirencester Parochial Church Council with Watermoor and St Lawrence**

I report on the financial statements of the Charity for the year ended 31 December 2016.

**Respective responsibilities of Trustees and examiner**

The Charity's Trustees are responsible for the preparation of the accounts. 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. The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commissioners under section 145(5) (b) of the 2011 Act; and
- 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 Commissioners. 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 to 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.

**Name:** Stephen Michael Shelley

**Relevant Professional qualification or body:** Chartered Accountant

**Address:** Wenn Townsend  
5 Gosditch Street  
Cirencester  
Gloucestershire  
GL7 2AG

**Date:** 7 April 2017

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Statement of Financial Activities  
For the year ending 31 December 2016

	Note	Unrestricted	Restricted	Endowment	TOTAL FUNDS	
		£	£	£	2016	2015
					£	£
<b>INCOME</b>						
Voluntary income:						
-Incoming resources from donors	2(a)	229,431	12,254	-	241,685	228,270
-Other voluntary incoming resources	2(b)	-	42,839	-	42,839	52,860
Other activities	2(c)	91,285	275	-	91,560	102,787
Investment income	2(d)	11,534	16,621	8,458	36,613	42,588
<b>TOTAL</b>		<b>332,250</b>	<b>71,989</b>	<b>8,458</b>	<b>412,697</b>	<b>426,505</b>
<b>EXPENDITURE</b>						
Raising funds	3(d)	1,813	-	-	1,813	6,480
Grants	3(a)	24,677	12,678	767	38,122	34,649
Charitable activities	3(b)	308,167	50,019	7,691	365,877	348,754
Church management and administration	3(c)	41,319	7,800	-	49,119	60,302
<b>TOTAL</b>		<b>375,976</b>	<b>70,497</b>	<b>8,458</b>	<b>454,931</b>	<b>450,185</b>
<b>INVESTMENT MOVEMENTS</b>						
Realised gains/ (losses) on disposals of investments		-	-	-	-	(5,509)
Unrealised gains/(losses) on investments		26,362	27,595	20,647	74,604	90,953
<b>NET INCOME/(EXPENDITURE)</b>		<b>(17,364)</b>	<b>29,087</b>	<b>20,647</b>	<b>32,370</b>	<b>(23,680)</b>
Transfer between funds		-	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(17,364)</b>	<b>29,087</b>	<b>20,647</b>	<b>32,370</b>	<b>62,264</b>
<b>RECONCILIATION OF FUNDS:</b>						
BALANCES BROUGHT FORWARD AT 1 JANUARY 2016		505,992	1,250,137	246,059	2,002,188	1,940,424
<b>BALANCES CARRIED FORWARD AT 31 DECEMBER 2016</b>	9,10	<b>488,628</b>	<b>1,279,224</b>	<b>266,706</b>	<b>2,034,558</b>	<b>2,002,188</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.  
All Incoming Resources and Resources Expended derive from continuing activities.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Balance Sheet  
For the year ending 31 December 2016

	Notes	2016 £	PCC 2015 £
<b>Fixed Assets</b>			
Investments	5(a)	1,513,897	1,206,026
Tangible Fixed Assets	5(b)	400,735	409,053
<b>NET FIXED ASSETS</b>		<b>1,914,632</b>	<b>1,615,079</b>
<b>Current Assets</b>			
Debtors	7	69,449	61,709
Cash at bank and in hand		72,985	356,137
<b>TOTAL CURRENT ASSETS</b>		<b>142,434</b>	<b>417,846</b>
<b>Current Liabilities</b>			
Creditors	8	22,508	30,737
<b>NET CURRENT ASSETS</b>		<b>119,926</b>	<b>387,109</b>
<b>TOTAL NET ASSETS</b>		<b>2,034,558</b>	<b>2,002,188</b>
<b>Funds</b>			
Unrestricted	10	488,628	505,992
Restricted	10	1,279,224	1,250,137
Endowment	10	266,706	246,059
<b>TOTAL FUNDS</b>		<b>2,034,558</b>	<b>2,002,188</b>

Approved by the Parochial Church Council on 31 March 2017 and signed on its behalf by:

..... Reverend Canon L W Doolan  
Chairman

..... Mr J Bathurst  
Honorary Treasurer

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

## 1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

### **Basis of Reporting**

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) (effective 1 January 2015) – (Charities SORP (FRS 102)). Parochial Church Council of Cirencester with Watermoor and St Lawrence meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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.

Reconciliation with previous Generally Accepted Accounting Practice.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. At the date of transition no restatements were required.

### **Funds**

Unrestricted funds represent the funds of the PCC that are not subject to any restriction regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are to be used in accordance with specific restrictions imposed by the donor. Funds have been given historically for a number of specific areas of expenditure, and the remaining restricted funds include:

- the fabric of St John Baptist
- the bells of St John Baptist
- separate funds for both the flowers of St John Baptist and Holy Trinity Watermoor
- funding for Youth and Children's Workers within the Parish

The PCC also has a number of permanent endowment funds which provide an income to support the repair and maintenance of St John Baptist.

### **Income**

#### *Voluntary income and capital sources*

Collections are recognised when received by or on behalf of the PCC.

Special collections are recognised as Restricted Income.

Planned giving receivable under Gift Aid is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the income is recognised.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**Accounting Policies (Continued)**

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

Funds raised by fetes, garden parties and similar events are accounted for gross.

*Other Income*

Rental income from the letting of PCC buildings is recognised when the rental is due.

*Income from investments*

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

*Gains and losses on investments*

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on the revaluation of investments at 31 December.

**Expenditure**

*Grants*

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

*Allocation between funds*

Relevant expenses are allocated firstly against income from endowment funds, and then, where possible, against restricted funds. All remaining expenses are met from unrestricted funds.

**Fixed Assets**

*Consecrated property and moveable church furnishings*

Consecrated and beneficed property of any kind is excluded from the financial statements by **section 10(2)(a), Charities Act 2011**.

Moveable church furnishings held by the Vicar 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 respective Church Inventories, which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000, there is insufficient cost information available and therefore such assets are not valued in the financial statements. Items acquired since January 2000 have been capitalised and depreciated in the financial statements over their currently anticipated useful economic life, which is estimated at 15 % on a reducing balance basis.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**Accounting Policies (Continued)**

All expenditure in the year on consecrated or beneficed buildings, individual items under £1,500 or on the repair of moveable church furnishings acquired before 1 January 2000 is written off as incurred.

*Other freehold properties*

Property is depreciated at 2% on a straight line basis on the buildings element only; land is not depreciated.

*Other fixtures, fittings and office equipment*

Equipment used within church premises is depreciated at 25 % on a straight line basis. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

**Investments**

Investments are valued at market value at 31 December.

**Current assets**

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors, with provision being made for any amounts that may prove impossible to collect.

**Net Expenditure**

Net expenditure in the year is stated after charging:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Depreciation	8,318	8,409
Under provision 2015 Fees	-	1,620
Independent Examiners Fees	1,920	1,920
Accounts preparation Fees	2,280	2,280



Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**2. INCOME**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2016      2015 £            £	
<b>2(a) Incoming resources from donors</b>					
Planned Giving	111,772	-	-	111,772	108,682
Collections (open plate) at all services	16,564	-	-	16,564	15,917
Parish Church visitors donations	59,384	-	-	59,384	56,238
Sundry donations	19,162	11,575	-	30,737	21,276
Income tax recoverable	22,549	679	-	23,228	26,157
	<b>229,431</b>	<b>12,254</b>	<b>-</b>	<b>241,685</b>	<b>228,270</b>
<b>2(b) Other voluntary incoming resources</b>					
Special collections	-	2,042	-	2,042	2,299
Youth and Children's Workers donations	-	19,565	-	19,565	34,858
Friends of Cirencester Parish Church	-	9,232	-	9,232	2,853
Fundraising campaign for Parish Church	-	-	-	-	-
Listed Places of Worship VAT reclaim	-	-	-	-	-
John Jones Charity	-	12,000	-	12,000	12,000
Legacies	-	-	-	-	850
	<b>-</b>	<b>42,839</b>	<b>-</b>	<b>42,839</b>	<b>52,860</b>
<b>2(c) Income from other activities</b>					
Church hire	23,032	-	-	23,032	23,094
Hall hire	32,205	-	-	32,205	30,936
Fees	16,777	-	-	16,777	22,237
Office services	1,841	-	-	1,841	2,117
Rents received	14,950	-	-	14,950	10,804
Events Income(Parish Fayre, Organ Festival, Xmas trees, School of Faith Magazines	1,894 586	275 -	- -	2,169 586	12,978 620
	<b>91,285</b>	<b>275</b>	<b>-</b>	<b>91,560</b>	<b>102,787</b>
<b>2(d) Income from investment (including reclaimable tax</b>					
Quoted shares and securities	11,534	16,068	8,458	36,060	41,818
Bank etc deposits	-	553	-	553	770
	<b>11,534</b>	<b>16,621</b>	<b>8,458</b>	<b>36,613</b>	<b>42,588</b>

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

<b>3</b>	<b>EXPENDITURE</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>TOTAL FUNDS</b>	
		<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>3(a)</b>	<b>Grants</b>					
	Mission and charitable giving:					
	Mutual support	24,252	-	-	24,252	24,253
	Special collections	-	12,678	-	12,678	9,005
	Poor and needy – Cirencester	-	-	767	767	391
	Parish Fayre mission allocations	425	-	-	425	-
	Vicar and churchwardens	-	-	-	-	1,000
		<u>24,677</u>	<u>12,678</u>	<u>767</u>	<u>38,122</u>	<u>34,649</u>
<b>3(b)</b>	<b>Charitable Activities</b>					
	Ministry:					
	Diocesan Parish Share	124,829	-	-	124,829	126,128
	Clergy expenses	5,384	-	-	5,384	6,088
	Upkeep of services	2,627	-	3,009	5,636	3,957
	Music and musicians	25,693	-	-	25,693	25,973
	Flowers	-	721	-	721	1,265
	Children, youth and family work	2,307	31,376	-	33,683	26,047
	Entertaining and hospitality	298	-	-	298	476
	Buildings maintenance, repairs, security:					
	Parish Church	1,989	3,333	4,682	10,004	19,659
	Holy Trinity	598	14,589	-	15,187	3,154
	St Lawrence	12,220	-	-	12,220	15,505
	Parish Centre	8,623	-	-	8,623	11,864
	Watermoor Hall	794	-	-	794	1,340
	Upkeep of churchyard and grounds:					
	Parish Church	1,820	-	-	1,820	1,565
	Holy Trinity	3,341	-	-	3,341	1,488
	St Lawrence	270	-	-	270	146
	Capital projects:					
	Parish Church: Property Investment	2,024	-	-	2,024	4,044
	Parish Church: Lighting	-	-	-	-	2,010
	Watermoor Hall: Toilet Refurbishment	863	-	-	863	-
	Equipment maint & purch	30,290	-	-	30,290	1,268
	Insurance	17,516	-	-	17,516	19,109
	Light, heat and utilities	29,144	-	-	29,144	35,143
	Premises cleaning	8,145	-	-	8,145	9,044
	Caretaker & vergers	27,158	-	-	27,158	25,375
	Rent paid	1,875	-	-	1,875	7,500
	Other expenditure	359	-	-	359	605
		<u>308,167</u>	<u>50,019</u>	<u>7,691</u>	<u>365,877</u>	<u>348,754</u>

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

3. EXPENDITURE (Continued)	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS	
3(c) Church management and administration				2016 £	2015 £
Administration:					
Wages	20,319	-	-	20,319	33,434
Stationery, printing and postage	6,968	-	-	6,968	7,961
Telephone	841	-	-	841	405
Book-keeping	1,316	-	-	1,316	1,273
Equipment maintenance & purchases	540	-	-	540	324
Miscellaneous	665	-	-	665	1,697
Subscriptions	849	-	-	849	722
Bank costs and other investment charges	-	-	-	-	30
Depreciation	518	7,800	-	8,318	8,409
Bad debt write-off	283	-	-	283	227
Professional fees:					
Accountancy & Examination fees	4,200	-	-	4,200	4,200
Under provision 2014 Audit & Account Fees	-	-	-	-	1,620
Legal fees	4,820	-	-	4,820	-
	<b>41,319</b>	<b>7,800</b>	<b>-</b>	<b>49,119</b>	<b>60,302</b>
<b>3(d) Costs of raising funds</b>					
Planned giving costs	255	-	-	255	250
Event Costs (Parish Fayre, Organ Festival, Xmas Trees, School of Faith)	1,558	-	-	1,558	6,230
	<b>1,813</b>	<b>-</b>	<b>-</b>	<b>1,813</b>	<b>6,480</b>

**4(a) Employees**

The average number of persons employed by the PCC is 11. There is no employee earning over £60,000.

**4(b) The Diocesan Parish Share**

The Diocesan "Parish Share" is payable to the Diocese of Gloucester, and is the Parish's contribution to Diocesan expenditure. It is calculated by the Gloucester Diocesan Board of Finance using a formula based on usage of clergy resources and average sundry attendance.

**4(c) Clergy Expenses**

The clergy are reimbursed travelling expenses at the recommended Diocesan rates. It is the PCC's policy also to reimburse the clergy's out of pocket parish expenses. Clergy stipends are met by the Diocese of Gloucester, and accordingly are not provided for in these financial statements.

**4(d) PCC Members Remuneration**

PCC members' received no emoluments and their expenses in the year were also zero. PCC members were offered one ream of A4 printing paper to help defray the cost of printing papers for meetings.

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**5 FIXED ASSETS FOR USE BY THE PCC**

**5(a) Fixed Asset Investments**

		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Shares and Securities	As note 6	1,165,109	845,505
Bank Deposits		118,788	130,521
Investment Property		230,000	230,000
		<u>1,513,897</u>	<u>1,206,026</u>

**5(b) Tangible Fixed Assets**

		<b>Properties</b>	<b>Office Equipment</b>	<b>Furniture and Fittings</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>ACTUAL/DEEMED COST</b>	At 1st Jan 2016	522,601	21,585	42,742	586,928
	Additions	-	-	-	-
	At 31st Dec 2016	<u>522,601</u>	<u>21,585</u>	<u>42,742</u>	<u>586,928</u>
<b>DEPRECIATION</b>	At 1st Jan 2016	117,001	21,585	39,289	177,875
	Charge for the year	7,800	-	518	8,318
	At 31st Dec 2016	<u>124,801</u>	<u>21,585</u>	<u>39,807</u>	<u>186,193</u>
<b>NET BOOK VALUE</b>	At 31st Dec 2016	<u>397,800</u>	<u>-</u>	<u>2,935</u>	<u>400,735</u>
<b>NET BOOK VALUE</b>	At 31st Dec 2015	<u>405,600</u>	<u>-</u>	<u>3,453</u>	<u>409,052</u>

The value of freehold land included within the Properties category above is £129,423

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**6 INVESTMENTS AND SECURITIES**

Source	Item	Units		Prices		Value 31/12/15 £	Realised £	Reval'n £	Value 31/12/16 £
		31/12/15 £	31/12/16 £	31/12/15 £	31/12/16 £				
<b>Unrestricted Funds</b>									
Unrestricted	CCLA CBF Inv't Inc Units	17,408	17,408	13.5222	15.04	235,394	-	26,362	261,756
<b>Total: Unrestricted</b>						<b>235,394</b>	<b>-</b>	<b>26,362</b>	<b>261,756</b>
<b>Restricted Funds: St John Baptist Fabric</b>									
St John Baptist Fabric	M & G Charifund Inc Units	23,440	23,440	14.3387	15.35	336,099	-	23,803	359,902
St John Baptist Fabric	CCLA CBF Fix'd Int Secs Inc Units	17,378	17,378	1.6005	1.69	27,813	-	1,597	29,410
St John Baptist Fabric	CCLA COIF- Ethical Inv't Inc Units	74	74	1.9015	2.09	140	-	14	154
Cheviot Asset Management Funds		-	-	-	-	-	-	2,181	247,181
<b>Total: St John Baptist Fabric Funds</b>						<b>364,052</b>	<b>-</b>	<b>27,595</b>	<b>636,647</b>
<b>Endowment Funds: Cirencester Parish</b>									
Cumberland Jones	CCLA CBF Fix'd Int Secs Inc Units	4,205	4,205	1.6005	1.69	6,730	-	387	7,117
Queen Annes Bounty	CCLA CBF Fix'd Int Secs Inc Units	29	29	1.6005	1.69	46	-	3	49
S H Saunders	CCLA CBF Fix'd Int Secs Inc Units	440	440	1.6005	1.69	704	-	41	745
Taylor	M & G Charibond Inc Units	18,198	18,198	1.2203	1.29	22,207	-	1,209	23,466
Unknown donors	CCLA COIF- Ethical Inv't Inc Units	35,562	35,562	1.9015	2.09	67,622	-	6,853	74,475
Unknown donors	CCLA COIF- Ethical Inv't Inc Units	28,351	28,351	1.9015	2.09	53,909	-	5,463	59,372
Vernon	CCLA CBF Fix'd Int Secs Inc Units	3,442	3,442	1.6005	1.69	5,509	-	316	5,825
Vernon	M & G Charifund Inc Units	881	885	14.3387	15.35	12,632	-	895	13,527
Dyer Street	M & G Charifund Inc Units	5,349	5,349	14.3387	15.35	76,698	-	5,432	82,130
<b>Total: Cirencester Parish Endowment Funds</b>						<b>246,059</b>	<b>-</b>	<b>20,647</b>	<b>266,706</b>
<b>Investment Portfolio Summary</b>									
Cirencester Parish	Unrestricted Funds					235,394		26,362	261,756
<b>Total:</b>									
St John Baptist- Fabric	Restricted Funds					<b>364,052</b>		27,595	636,647
Watermoor- Fabric	Restricted Funds								
<b>Total:</b>									
Cirencester Parish	Endowment Funds					<b>246,059</b>		20,647	266,706
St Lawrence	Endowment Funds								
<b>Total:</b>									
<b>GRAND TOTAL:</b>						<b>845,505</b>	<b>-</b>	<b>74,604</b>	<b>1,165,109</b>

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**7. DEBTORS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Parish of Cirencester Limited	45,288	42,846
Trade debtors	10,211	13,796
Income tax recoverable	9,900	-
Prepayments	-	1,332
Parish Church Guides	3,440	3,440
Other	610	295
	<b>69,449</b>	<b>61,709</b>

**8. LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade Creditors	12,249	15,047
Accountancy & Examination fees	3,200	3,200
Clergy expenses	1,000	1,000
Other taxes and social security costs	152	5,366
Rent	1,875	1,875
2015 fees paid in 2014	-	212
Other liabilities	4,032	4,037
	<b>22,508</b>	<b>30,737</b>

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**9. ANALYSIS OF NET ASSET BY FUND**

**PCC**

	Unrestricted	Restricted	Endowment	TOTAL FUNDS	
				2016	2015
				£	£
Investments	491,756	755,435	266,706	1,513,897	1,248,426
Tangible Fixed Assets	2,935	397,800	-	400,735	409,053
Current Assets	16,445	125,989	-	142,434	375,446
Current Liabilities	(22,508)	-	-	(22,508)	(30,737)
<b>Total</b>	<b>488,628</b>	<b>1,279,224</b>	<b>266,706</b>	<b>2,034,558</b>	<b>2,002,188</b>

Different types of funds are defined as follows:

- Unrestricted funds are those that are not subject to any restriction regarding their use and are available for any purpose deemed appropriate by the PCC.
- Restricted funds are those in relation to which both income and capital elements are available to the PCC, but only for a certain purpose(s) specified when the money is received. For example, the terms of the gift may stipulate that it can only be used for maintaining the fabric of one or more of the churches. Currently the Restricted funds include funds for:
  - the fabric of St John Baptist
  - the bells of St John Baptist
  - separate funds for the flowers of both St John Baptist and Holy Trinity Watermoor
  - funds to meet the costs of Youth and Children's Workers within the Parish
- Endowment funds arise where the PCC is entitled to benefit from the income received from a particular investment (usually for a purpose specified when the gift was made) but cannot benefit from the capital itself. The PCC has a number of permanent endowment funds which provide an income for the repair and maintenance of St John Baptist.

**10. MOVEMENT OF FUNDS**

**PCC**

	Unrestricted	Restricted	Endowment	TOTAL FUNDS	
				2016	2015
				£	£
Balance brought forward at 1 Jan 16	505,992	1,250,137	246,059	2,002,188	1,940,424
Surplus/(deficit) for the year	(17,364)	29,087	20,647	32,370	61,764
<b>Balance carried forward at 31 Dec 16</b>	<b>488,628</b>	<b>1,279,224</b>	<b>266,706</b>	<b>2,034,558</b>	<b>2,002,188</b>

Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**11. Parish of Cirencester Limited (trading as The Corner Stone)**

The Parish of Cirencester Limited is effectively controlled by the PCC, and therefore its income, costs, assets and liabilities are consolidated with those of the PCC in these financial statements. The company is limited by guarantee and consequently does not have a share capital. The guarantee is provided by the directors of the company and is limited to £1 each. The directors of the company can only be appointed by resolution approved by the PCC.

A summary of the Financial Performance of the subsidiary alone is noted below:

<b>Cornerstone</b>	<b>2016</b> £	<b>2015</b> £
Turnover	41,760	36,609
Cost of sales	(22,323)	(21,113)
<b>Gross profit</b>	<b>19,437</b>	<b>15,496</b>
Other Administrative expenses	(10,472)	(12,000)
 Covenant to the PCC	 2,892	 Nil

The company has returned to profit but still has negative assets.

The aggregate of the assets, liabilities and funds is:

	<b>2016</b> £	<b>2015</b> £
Assets	47,603	37,825
Liabilities	(5,941)	(1,761)
Interest free loan from PCC repayable on demand	(42,400)	(42,400)
<b>Funds</b>	<b>(738)</b>	<b>(6,336)</b>

As a result of trading in 2016 the company covenanted profits of £2,892 to the PCC (2015: £ zero)



Parochial Church Council of Cirencester with Watermoor & St Lawrence  
Notes to the Financial Statements  
For the year ending 31 December 2016

**12. Related Party Transactions**

The following related party transactions are noted:

- Miss A Anderson was employed by the PCC to assist with administration. Her remuneration is included in the total wages bill disclosed in Note 3c.
- Mrs H Hammond is married to Dr A Hammond who is employed as the Parish Director of Music.
- Mr Williams was paid to provide gardening services to the PCC during the year. These payments are included in the cost of Upkeep of churchyard and grounds in Note 3b.
- Rev'd Canon L Doolan, Mr S Smith, Mr P Cottey, Mrs H Hammond, and Mrs J Godsell are ex-officio Council members of the Friends of Cirencester Parish Church (FCPC), Miss A Anderson was secretary to the Council during the period. FCPC provides occasional grants to support the maintenance of the fabric of St John Baptist Church, Holy Trinity and St Lawrence Church Centre
- Rev'd Canon L Doolan and Mr S Smith are Trustees of the John Jones Charity, which provides regular donations towards the maintenance of the Fabric of St John Baptist Church.
- Mr P Cottey and Mr H Gray undertake occasional verging duties for additional events, which services are paid for by a small charge to the event organiser.
- Mr J Lawrence undertakes verging duties at the Parish Church.

**13. Insurance Valuation of the Buildings**

The properties owned and managed by the PCC are currently valued for insurance purposes as follows:

<b>Building</b>	<b>Description</b>	<b>Insurance Valuation</b>
St John Baptist	Church	£30,868,593
Holy Trinity, Watermoor	Church	£ 7,436,242
St Lawrence, Chesterton	Church and Community Hall	£ 380,595
Parish Centre	Parish Office and Community Hall	£ 584,799
Watermoor Hall	Community Hall	£ 338,267
1 Coxwell Street	Office space	£ 240,800
6 West Market Place	Commercial premises	£ 230,000