

Charity Registration No. 1129662

CHRIST CHURCH CHORLEYWOOD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

CHRIST CHURCH CHORLEYWOOD

LEGAL AND ADMINISTRATIVE INFORMATION

Members

Revd David Hall (Vicar)
Geoff Roberts (Churchwarden)
Revd Jacob Harrison (Curate)
Duncan Kerr (Diocesan Synod)
Sylvia Mann (Churchwarden)
Revd Terence Russoff (Curate)
Mary Alderson
James Gardner
Rodger Lutterodt
Geoff Marshall-Taylor
Gordon Cutting
Brian Donnelly
Andrew Farr
Mark Sullivan
Olu Olanrewaju
Philippa Greenslade

Charity number 1129662

Principal address

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Chorleywood
Herts
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Auditor

Cansdales
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HP7 9QS

Bankers

CAF Bank Ltd
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Legal Advisors

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CHRIST CHURCH CHORLEYWOOD

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CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The members of the PCC of Christ Church Chorleywood in the Diocese of St Albans present their report and the financial statements for the year ended 31st December 2018. The format and content of the reports and financial statements are presented to comply with the requirements of The Charities Act 2011, in accordance with the financial reporting standard applicable in the UK and RO Ireland published on 16th July 2014 and the Church Accounting Regulations 2006 (FRS 102) and follow the Charities SORP 2015.

Objectives and activities

Objectives of the PCC are to cooperate with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social, and ecumenical.

The Vision is to seek, as part of the Worldwide Church, to encourage people to know God's love in Christ and together show that love in word and action, summarised as: *'God's love, know it, show it, share it, declare it.'* The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community.

Public Benefit - When planning our activities for the year, the incumbent and the PCC have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. Activities include:

- Regular public worship open to all
- Pastoral work, including visiting the sick and the bereaved
- Teaching Christianity through sermons, courses and small groups
- The provision of a youth club with a Christian ethos
- Support for the activities of Christ Church School
- Promoting the whole mission of the Church through activities for senior citizens, parents and toddlers and other special need groups
- Supporting other charities in the UK and overseas

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Achievements and performance

Church membership

Electoral Roll At the 2018 annual meeting there were 357 on the Electoral Roll (371 at the 2017 annual meeting).

Sunday Attendance (adults), based on mission returns to diocese is typically:

Total	274	(2017: 295)
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There is an average of 68 younger children (under 11) who attend Sunday morning groups in The Junction. On average 40 (40) attended midweek activities. 81 Attended the Summer event for 11-14 year olds. In addition the church has 19 Home Groups involving 191 people which meet throughout the week, including a 'Young Adults' Group.

Review of the year

The PCC met 11 times in 2018, attendance averaging 90%. Additionally, committees of PCC with co-opted members met regularly to consider specific responsibilities on Finance, Mission, Volunteering and Personnel and to make recommendations to the full PCC, while the Standing Committee met two monthly between PCCs. At the 2018 APCM Pippa Greenslade and Olu Olanewaju were elected to the PCC, each for three years. At the April 2019 APCM, Mary Alderson and Geoff Marshall-Taylor stepped down from the PCC.

In addition to consideration of a range of Financial and Fabric matters and Future Plans that are recorded elsewhere in this report, there was a continued focus on housing matters to fulfil the plan to sell two of the four church houses and buy one more suitable for a curate which was both convenient for the village and in the school catchment area. The proceeds from the sale of the Oakfield house sold in July 2017 were received from the diocese in late 2018. Ruardean was sold in July 2018 and the funds were received immediately. The search for an appropriate property was continued. In accordance with the amended investment policy to hold houses in the medium-term to generate income until such time as the capital may be required, Berry Way is now held for rental purposes; with our curate Jacob Harrison remaining in Little Croft the new house to be purchased will initially be used as a rental property.

This strategy had arisen from an earlier change in policy to provide full-time ministry staff with a housing allowance rather than requiring them to live in a church house, and this allowance was restructured to ensure it matched the local housing market. The medium-term capital needs of the church, Junction and resourcing projects were also reviewed to develop a policy for applying both the funds released after these changes in the housing portfolio as well as legacy funds. The most immediate opportunity considered was the appointment of our Worship Minister, but funds were also applied to replace both the loudspeaker system that failed in May and the piano that failed in November. The project for installation of solar PV panels on the Junction roof was delayed as a result of planning permission problems.

To the governance matters addressed routinely were added an update and regular review of Safeguarding procedures to align with those required by the Church of England and a detailed implementation plan to maintain compliance with the GDPR procedures was introduced, including an upgrade to the guidelines for use of IT systems. A Mission Action Planning morning was held in March with staff, PCC and other church members re-affirming the priority of 'making new disciples' during 2018 and 2019.

Grants proposed by the Mission Action Group were approved from the allocation of 17% of church donations. The church continues to be entirely dependent on its members' God-inspired gifting, availability, experience and commitment (in time, talents and treasures) in fulfilling its mission: 'God's Love: Know It, Show It, Share It, Declare It.'

Plans for Future Periods

As noted previously, the plan remains to purchase another house suitable in the mid term for a curate's use, in the short term to generate rental income to provide a steady income stream to support the church's ministry and to provide housing for future curates.

As noted, Mission Action Planning (MAP) has endorsed the priority of 'making new disciples' during 2018 and 2019, specifically in the Home, the Neighbourhood, the Community and the Workplace.

To achieve greater integration of new members and discipleship of existing members, the weekly 'Discovery' evenings will continue during term time; starting with a meal, people attend one of a variety of group activities.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

We continue to develop the potential of The Junction and, volunteers permitting, will seek to maximise the use of its excellent meeting facilities for both the community and church members. As Outreach is so dependent on relationships, we seek to involve even more volunteers of all ages in the church's ministry, as well as to improve communications within the fellowship and with the wider community. As also noted earlier, a key part of our outreach work was the regular visiting programme, underpinned by prayer support, and this has continued and grown through the year with 3000 homes reached through the year.

Financial review

Following a deficit in 2017 of £25k in unrestricted general (but not designated) funds, there has been a surplus in 2018 of £166k. The surplus excluding the gain on the sale of 1 Ruardean Cottage was £38k. Overall giving increased by 80k during the year.

Parish share represented 34% of operating costs. Staff salaries and expenses were a further 34%, and the remaining 32% of operating costs included repayment of £11k of mortgage capital.

Net assets stand at £2,147k at 31st December 2018, mainly represented by houses purchased to support the church's ministry and cash at bank. The portfolio is regularly reviewed against staffing and investment needs, and one house is currently available for rental. All stipends exceed the National Living Wage.

As a result of the PCC's policy to give 17% of unrestricted gift income to the General Mission Fund to support mission partners and organisations outside the parish, £105k was donated in 2018 in Christian Outreach.

Christ Church has adequate reserves to cover contingencies and anticipated outflows, and still carry a significant balance of funds forward, principally represented by the Legacy Fund for which several projects are planned.

Total receipts were £612k (an increase of 16.0%) as detailed in the financial statements. £572k was spent to provide the Christian ministry of Christ Church, (a 2.8% increase) due mainly to the employment of a Worship Minister and the increase in staffing of the youth ministry.

The balances for unrestricted general funds brought forward at the beginning of the year were £22k, and those carried forward at 31st December 2018 were £42k. There is an overall surplus of £20k to be carried over to 2019, a positive response to the £25k deficit of 2017.

Funding: The church is funded mainly by the voluntary contributions of its members, enhanced by tax repayments where appropriate, but also through rental, interest received on deposits and charges made for special services (i.e. weddings and funerals). Since the opening of The Junction the Church has also received donations for its use as a venue for Children's Parties etc.

Property Houses at 59 Lower Road, 4 Berry Way are held in Trust for the PCC by the Diocese of St Albans and included in the balance sheet, after revaluation by a local estate agent. 9 Oakfield was sold in 2017 although the funds were not received from the diocese until 2018. Ruardean was sold in July and an offer was made on another property in the parish, however, this purchase did not go through and the search for a new property continues.

Financial Policies reviewed annually

Investment Policy

£274k of Endowment funds are held by the Diocese as the trustee, and the PCC gains from how these funds are invested - at present this is from the rental of a house.

The general aim for funds is that balances are split between 6 accounts, with each protected by the Government Deposit Protection Scheme. If this is not possible (e.g. when we hold funds with which to purchase a house), such funds are spread evenly between the deposit accounts.

We plan to keep 3 months of expenditure in deposit accounts (£150k at present), as a matter of best practice.

It is not clear whether there will be any other funds for investment once the house purchase is complete, so this needs to be considered by Finance Committee and PCC in the coming months. Generally it would be expected that any investments would be low-medium risk, and ethical, but this needs review as indicated above.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Reserves Policy

The Christ Church PCC identifies designated reserves to cover any anticipated income deficits and also for maintenance work on the church and church properties. In addition, an unrestricted reserve equating to approximately 2 months' operations is established to cover working capital, staff absences and short term debts. These reserves are reviewed annually and will be clearly specified both in annual accounts and monthly management accounts. It is intended that if reserves are used as described above, the level of the reserves should be restored from an appropriate fund. Generally this will be done within the same financial year, although for some large items (e.g. church maintenance or repairs), this could be done over more than one financial year.

Risks Policy

The PCC annually reviews its risks that may be registered under five headings: Regulatory (eg Safeguarding of Children & Vulnerable Adults, Health & Safety, Data Protection and Employment Law); Financial (eg fraud, loss of data or expertise and viability); Operational (eg food hygiene and maintenance); Organisational (eg management of resources and processes); and Insurable (eg property and accident). In terms of both likelihood and impact, the key risks are Regulatory and Financial, and relevant policies are reviewed annually and a person or management group designated to give detailed oversight of each. Financial controls are specified to give accountability with diversity and confidentiality, contingency plans are in place to ensure continuity of finance management, financial reports are made to every PCC meeting, and budgets agreed before the start of each year. Safe procedures are established for day to day activities, and risk assessments carried out for non-standard programmes eg youth weekends. The Charity Commission's Big Board Talk checklist is completed annually, and the PCC is satisfied that risks have been reduced to an acceptable level.

Grant Making Policy

The PCC has a policy of giving a minimum of 17% of unrestricted gift income to the General Mission Fund which currently supports Mission work outside the Parish. Subject to a review of the financial situation to be held in July 2019, it was agreed that this would then be increased back to the 20% level in place before The Junction was built. The beneficiaries of this Fund are selected annually by the PCC under the guidance of the Mission Action Group. In addition the PCC may give occasional small grants for other purposes from unrestricted funds, and also distributes restricted funds given by the congregation for specific missions and projects. Grants are made directly overseas only to organisations that have been personally vetted by a member of the congregation and have provided a report on the application of any previous grants.

Trustee Training Policy

Each PCC Member is provided on election with a welcome pack that includes financial information and a copy of the PCC handbook. This handbook is reviewed annually and provides a commentary on the responsibilities of council membership and trusteeship; it also includes a digest on how Christ Church is organised and governance exercised plus reference to further information. An interactive session is held with each new member, separately or as a group, to ensure that any questions can be fully addressed.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure, and is registered with the Charity Commission as a charity.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

Election of a PCC Member for a period of three years (or less if replacing someone who has retired early) takes place at the Annual Parochial Church Meeting; this also applies to election of representatives for the Deanery Synod who are automatically on the PCC as well; election of Churchwardens takes place annually at the Annual Meeting of Parishioners.

Organisation and Structure

Standing Committee meets between scheduled PCC meetings, with delegated financial powers of up to £1,500, and shares with wardens the management oversight, accountability and coordination of executive groups. Members: Vicar, Wardens, Treasurer, Chairs of Action Groups, PCC Secretary.

The general terms of the Action Groups are: to pray about the particular area of our church's life; to work under the policy guidelines of the PCC; to recommend to the PCC new policy initiatives; and to discover and use the gifts of others. The specific terms of the action groups are:

The Facilities Management Group: To be responsible for the maintenance and development of physical resources, including church, land and buildings; 59 Lower Road; 1 Ruardean Cottages (sold July 2018); 4 Berry Way; furniture and equipment and audio/visual equipment. Also to provide a framework to apply technology to the ministry and administration of Christ Church, particularly but not exclusively involving ICT, AV and the Website. Members: Geoff Roberts (Chair to September 2018). Olu Olanewaju (Chair - Sept. 2018 to date), Tony Leather, Frank Kay, Rob Corden, Warren Tranter, Tolu Fatogbe. It met three times during 2018.

The Finance Committee: To provide financial advice to the PCC and also be responsible in conjunction with the Vicar and Wardens for the custody and management of the parish funds in accordance with the procedures laid down. Members: Sam Devadoss (Chair & Treasurer - resigned April 2018), Peter Cockburn (Finance Sec - resigned August 2018), Geoff Roberts (Warden and Chair, Treasurer - from May 2018 - September 2018), Mark Sullivan (Chair and Treasurer from September 2018), John Heyward, Stephen Johnson and David Wilson. It met formally six times during 2018.

The Mission Action Group To maintain and develop contact and support for those engaged in mission at home and abroad, and to develop awareness of mission at Christ Church, including making recommendations on the missionary scholarship fund and general mission fund allocations. Members: Duncan Kerr (Chair), Julie Dickins, Brian Donnelly, Andy Farr, Sylvia Mann (Warden). It met ten times during 2018.

Personnel Care Group To assist the PCC in its responsibilities as employers and carers for our employed and voluntary staff, and to assist in their recruiting, assessment and on-going support. Members: Sylvia Mann (Chair) David Hall (Vicar), Geoff Roberts (Warden), Geoff Marshall-Taylor, Duncan Kerr. It met eleven times during 2018.

Volunteering Group To encourage the biblical principles of good stewardship within the Christ Church community by identifying and embracing gifts of time, talent and money. Members: Mary Alderson (Chair), Carolyn Baul, John Heyward, Rodger Lutterodt, Alison Rickard. It met three times during 2018.

Contribution of volunteers

The current work of Christ Church could not be sustained without the contribution made by many volunteers in all aspects of its ministry. Nearly 260 members of the congregation assist in various ways before, during and after Sunday services and with children's and youth work on Sundays or during the week, or as school governors. About 100 volunteers help to keep the church running in numerous ways such as cleaning the linen or the brass, arranging flowers, clock winding, banking the weekly collections, building maintenance and of course serving and welcoming at the Junction. Others are involved in governance/ management, largely through membership of the PCC or its committees and at least 70 contribute to some aspects of pastoral ministry such as leading home groups or bereavement visiting. Unquantifiable numbers make a contribution in some form of other pastoral or community work, while a non-stipendiary minister is a member of the clergy team. A total of nearly 300 people are actively involved, many having multiple roles. While it is impossible to give a precise number of hours these volunteers give between them, an estimate is 2,800 hrs per month or twice the hours of the stipendiary staff, and including some crucial expertise.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Remuneration & Expenses of PCC Members

The stipends of the vicar (David Hall) and of the curate Jacob Harrison (Terence Russoff is non-stipendiary) are paid by the Diocese out of a fund raised from parishes charged to the PCC as part of the Parish Share. The expenses excluding housing refunded to the clergy totalled £11,300 (£7,509 in 2017). This figure is not directly comparable, however, because it now includes expenses incurred in running special events and travel allowances. The other key managers, the Church Wardens, are volunteers, and like other PCC Members they received no remuneration or reimbursed expenses during the year, other than specific non-personal expenses incurred.

Other Staff Employed at 31st December

Youth Minister	Simon Tulett
Children's Minister	Brianna Ricciardo
Worship Minister/YPF	Ben Holbrook
Pastoral Minister	Tracy Brown, Laura Joiner (both part-time).
Facilities Manager	Tarja Kesanto
Admin Assistant and Finance	Sarah Wright (part time)
Y&C Interns	Daniel Robson, Josh Besley (both part time)
Cleaner caretaker	Anne Fulker (part time)

None of the staff employed by the PCC have any duties concerned with governance or the generation of funds. No member of staff is paid in excess of £60,000.

The average number of staff employed in 2017 was 11, 4 being full time and 7 part time. The full time equivalent staff employed was 7.73.

Designated Funds

Legacies Policy: Legacies, not otherwise restricted, will be put into a designated legacy fund to be used for the general purposes of the church, at the discretion of the PCC. The intention -where circumstances make it possible and responsible - is to use legacy income for specific, identifiable projects reflecting the donor's wishes (if known), but it could also be used to meet day to day operational costs, subject to PCC guidelines. When such income is spent, 20% will usually be allocated to support capital Christian mission projects outside the parish, unless the donor has otherwise directed (ie one-off, often building, projects).

Charity Grants: A summary of all grants and donations given in 2018 to other charities is presented in the financial statements.

Auditors' Fees The amount paid for the audit of the 2018 accounts by a registered auditor was £3,870 (£3,720 in 2017).

Report on Fabric, Goods & Ornaments

In a year which included the Quinquennial Inspection the focus was both on general maintenance and upgrades to basic systems: a new Fire Alarm Panel and System was installed, the server was upgraded (not least to help with the requirements of the General Data Protection Regulations) and various aspects of plumbing were improved! We continued to progress the concept of Solar PV panels on the roof of The Junction - but ran into problems in getting the requisite planning permission so that project carried over into 2019. We are also conscious of the pressures on space in terms of office accommodation, additional 'quiet' and work rooms as well as a distinct lack of storage space: accordingly quite some time has been spent in considering what options are available - something that has been happily taken on board by the Facilities Management Group. Several contracts for professional routine maintenance continue, from electrical and gas inspections, checking of the lightning conductors, door maintenance etc. through to carpet cleaning in the welcome area. These typically consume half the maintenance budget, but we are also indebted to a number of volunteers working with the Facilities Management Group who quietly ensure that our church continues to be well maintained.

CHRIST CHURCH CHORLEYWOOD

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of members' responsibilities

The members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and of the incoming resources and application of resources of the PCC for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 members are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the PCC and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Parochial Church Council Powers Measure (1956). They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members' report was approved by the Board of Members.

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Revd David Hall (Vicar)
Vicar & Chairman
Dated:

CHRIST CHURCH CHORLEYWOOD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHRIST CHURCH CHORLEYWOOD

Opinion

We have audited the financial statements of Christ church Chorleywood (the 'PCC') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the PCC in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the PCC's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CHRIST CHURCH CHORLEYWOOD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHRIST CHURCH CHORLEYWOOD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the members' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the statement of members' responsibilities, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the PCC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

CHRIST CHURCH CHORLEYWOOD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHRIST CHURCH CHORLEYWOOD

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mr James Foskett (Senior Statutory Auditor)
for and on behalf of Cansdales

.....

Chartered Accountants
Statutory Auditor

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Cansdales is eligible for appointment as auditor of the PCC by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHRIST CHURCH CHORLEYWOOD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds 2018 £	Endowment funds designated 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
Income and endowments from:						
Donations and legacies	2	595,626	-	17,129	612,755	528,790
Charitable activities	3	92,780	-	-	92,780	65,725
Interest	4	3,078	-	-	3,078	1,467
Other income	5	6,797	-	2,218	9,015	14,713
Total income		698,281	-	19,347	717,628	610,695
Expenditure on:						
Charitable activities	6	647,081	-	18,265	665,346	664,007
Other	8	12,981	-	-	12,981	12,988
Total resources expended		660,062	-	18,265	678,327	676,995
Net gains/(losses) on investments		128,410	-	-	128,410	117,513
Net income for the year/ Net movement in funds		166,629	-	1,082	167,711	51,213
Fund balances at 1 January 2018		1,695,322	274,057	9,818	1,979,197	1,927,984
Fund balances at 31 December 2018		1,861,951	274,057	10,900	2,146,908	1,979,197

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

CHRIST CHURCH CHORLEYWOOD

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	11		1,002,657		1,400,638
Current assets					
Stocks	13	801		823	
Debtors	14	40,899		11,751	
Cash at bank and in hand		1,253,099		749,811	
		<u>1,294,799</u>		<u>762,385</u>	
Creditors: amounts falling due within one year	15	<u>(30,639)</u>		<u>(53,025)</u>	
Net current assets			1,264,160		709,360
Total assets less current liabilities			<u>2,266,817</u>		<u>2,109,998</u>
Creditors: amounts falling due after more than one year	16		(119,909)		(130,801)
Net assets			<u>2,146,908</u>		<u>1,979,197</u>
Income funds					
Restricted funds	18		10,900		9,818
Endowment funds - designated			274,057		274,057
<u>Unrestricted funds</u>					
Designated funds	19	1,820,421		1,673,266	
General unrestricted funds		41,530		22,056	
		<u>1,861,951</u>		<u>1,695,322</u>	
			<u>2,146,908</u>		<u>1,979,197</u>

The financial statements were approved by the Members on

.....
Revd David Hall (Vicar)
Trustee

.....
Geoff Roberts (Churchwarden)
Trustee

CHRIST CHURCH CHORLEYWOOD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	22		(2,308)		(32,975)
Investing activities					
Purchase of tangible fixed assets		-		(23,023)	
Proceeds on disposal of tangible fixed assets		513,410		397,513	
Interest received		3,078		1,467	
Net cash generated from investing activities			516,488		375,957
Financing activities					
Repayment of bank loans		(10,892)		(11,047)	
Net cash used in financing activities			(10,892)		(11,047)
Net increase in cash and cash equivalents			503,288		331,935
Cash and cash equivalents at beginning of year			749,811		417,876
Cash and cash equivalents at end of year			1,253,099		749,811

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

Christ Church Chorleywood is a Parochial Church Council (PCC) that was registered with the Charity Commission on 15 May 2009. The address of the registered office can be found on the legal and administrative page.

1.1 Accounting convention

The financial statements have been prepared in accordance with the PCC'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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The PCC is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the PCC has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the members in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the PCC.

1.4 Incoming resources

Income is recognised when the PCC is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the PCC has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the PCC has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Resources used are included on an accruals basis inclusive of VAT, which is not recoverable.

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Individual items costing more than £2,000 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Valuation basis
Church equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Consecrated and beneficed property of any kind is excluded from the financial statements by s.96(2)(a) of the Charities Act 2011.

Movable 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 heritage property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time. For heritage property acquired prior to 2002 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Items acquired since 1st January 2002 have been capitalised and depreciated in the financial statements over their currently expected useful economic life (initially over 4 years) on a straight-line basis.

All expenditure incurred in the year on consecrated or benefice buildings, individual items under £2,000 or on the repair of movable church furnishings acquired before January 2002 is written off as incurred.

Other land and buildings owned by the PCC are shown on a valuation basis in accordance with the Financial Reporting Standard 102 - ie full valuation every 5 years.

1.7 Stocks

Stock is shown at the lower of cost or net realisable value.

1.8 Employee benefits

The church operates a stakeholder pension scheme for employees, to which the employer also contributes. An auto-enrolment scheme started on 1st April 2017. The annual contributions paid are charged against income.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2018	2018	2018	2017
	£	£	£	£
Taxed standing orders	351,181	6,291	357,472	329,969
Collection envelopes & other gift aid	81,767	6,036	87,803	49,024
Income tax recoverable on SO & gift aid	112,432	2,947	115,379	94,749
Untaxed standing order / GAYE	25,192	80	25,272	22,491
Collections of loose cash & other donations	19,522	1,775	21,297	32,557
Legacies	5,532	-	5,532	-
	<u>595,626</u>	<u>17,129</u>	<u>612,755</u>	<u>528,790</u>
For the year ended 31 December 2018	<u>595,626</u>	<u>17,129</u>	<u>612,755</u>	<u>528,790</u>
	<u>500,326</u>	<u>28,464</u>		<u>528,790</u>
For the year ended 31 December 2017	<u>500,326</u>	<u>28,464</u>		<u>528,790</u>

3 Charitable activities

	2018	2017
	£	£
Weddings	5,988	5,842
Funerals	8,267	7,502
YPF Events	14,703	5,503
Hire of rooms	18,314	14,993
Junction events	5,042	4,586
Toddlers	2,859	2,057
Bookstall	1,667	2,368
Rental	17,530	14,909
Other trading income	18,410	7,965
	<u>92,780</u>	<u>65,725</u>
	<u>92,780</u>	<u>65,725</u>

4 Interest

	Total	Total
	2018	2017
	£	£
Interest receivable	3,078	1,467
	<u>3,078</u>	<u>1,467</u>
	<u>3,078</u>	<u>1,467</u>

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Other income

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Other income	6,797	2,218	9,015	14,713
For the year ended 31 December 2017	13,187	1,526		14,713

6 Charitable activities

	2018 £	2017 £
Staff costs	193,763	206,295
Parish share	196,035	187,301
House repairs & maintenance	5,412	10,472
House mortgage interest	3,539	3,355
Church running expenses	43,964	33,212
Church projects	17,118	19,268
Church training and mission	5,076	3,194
Pastoral care	4,022	1,862
Resources for work with young people	806	3,039
Resources for work with children	1,319	3,545
Use of other income	38,898	34,001
Charitable activity costs (in relation to note 3)	35,443	28,834
Office expenses	8,175	3,750
Equipment costs	1,178	2,495
Bank charges	153	140
Auditors remuneration	5,100	3,857
	<u>560,001</u>	<u>544,620</u>
Grant funding of activities (see note 7)	105,345	119,387
	<u>665,346</u>	<u>664,007</u>
Analysis by fund		
Unrestricted funds	647,081	632,882
Restricted funds	18,265	31,125
	<u>665,346</u>	<u>664,007</u>

Included in auditors remuneration is £1,230 for other services (2017: £nil).

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

7 Grants payable

	2018	2017
	£	£
Grants payable:		
Church overseas - missionary societies	53,555	59,620
Church overseas - relief / development agencies	11,434	16,992
Home missions & church societies	40,356	42,775
	<u>105,345</u>	<u>119,387</u>
	<u><u>105,345</u></u>	<u><u>119,387</u></u>

8 Other

	Unrestricted funds	Total
	2018	2017
		£
Depreciation	12,981	12,988
	<u>12,981</u>	<u>12,988</u>
	<u><u>12,981</u></u>	<u><u>12,988</u></u>

9 Members

None of the members (or any persons connected with them) received any remuneration or benefits from the PCC during the year.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
Full Time Equivalent	8	8

Employment costs

	2018 £	2017 £
Wages and salaries	177,252	188,570
Social security costs	10,804	11,893
Other pension costs	5,707	5,832
	<u>193,763</u>	<u>206,295</u>

No settlement agreements were made with any employees during the year (2017: one employee for £25,300).

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Freehold land and buildings £	Church equipment £	Total £
Cost			
At 1 January 2018	1,380,000	83,511	1,463,511
Disposals	(385,000)	-	(385,000)
At 31 December 2018	<u>995,000</u>	<u>83,511</u>	<u>1,078,511</u>
Depreciation and impairment			
At 1 January 2018	-	62,873	62,873
Depreciation charged in the year	-	12,981	12,981
At 31 December 2018	<u>-</u>	<u>75,854</u>	<u>75,854</u>
Carrying amount			
At 31 December 2018	<u>995,000</u>	<u>7,657</u>	<u>1,002,657</u>
At 31 December 2017	<u>1,380,000</u>	<u>20,638</u>	<u>1,400,638</u>

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Tangible fixed assets (Continued)

As at 15th August 2013, all four houses then owned by the PCC were revalued by John Roberts (Chorleywood Estate Agents) on the basis of open market value. The PCC is satisfied that the values for the two remaining Church Houses are not less than this balance sheet valuation of £995,000. Church equipment represents items audio visual, office and communications telecoms purchased for both The Junction and the church and is being depreciated over 4 years.

12 Financial instruments

	2018	2017
	£	£

Carrying amount of financial assets

Debt instruments measured at amortised cost	37,096	3,117
	37,096	3,117

Carrying amount of financial liabilities

Measured at amortised cost	150,548	183,826
	150,548	183,826

13 Stocks

	2018	2017
	£	£

Finished goods and goods for resale	801	823
	801	823

14 Debtors

	2018	2017
	£	£

Amounts falling due within one year:

Other debtors	37,096	3,117
Prepayments and accrued income	3,803	8,634
	40,899	11,751

15 Creditors: amounts falling due within one year

		2018	2017
	Notes	£	£

Mortgage on 4 Berry Way	17	10,984	10,984
Other creditors		5,955	2,916
Accruals and deferred income		13,700	39,125
		30,639	53,025

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

16 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Mortgage on 4 Berry Way	17	119,909	130,801
		<u> </u>	<u> </u>

17 Loans and overdrafts

	2018 £	2017 £
Mortgage on 4 Berry Way	130,893	141,785
	<u> </u>	<u> </u>
Payable within one year	10,984	10,984
Payable after one year	119,909	130,801
	<u> </u>	<u> </u>

In March 2004 a 25-year repayment mortgage was received from RBS for £322,190 in order to buy 4 Berry Way (on which it therefore has a charge), of which £130,893 remains outstanding. Interest payable is 2% above prevailing Bank Base Rate. The PCC periodically reviews the housing assets and considers whether they continue to meet staffing and investment needs.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2018	Movement in funds		Balance at 31 December 2018
	£	Incoming resources £	Resources expended £	£
Clergy gift fund	4,974	2,218	-	7,192
Young at heart	903	-	-	903
YPF donations	659	-	-	659
Flower sponsorship	1,056	-	-	1,056
Other restricted (non recurring)	316	-	-	316
Mission & Charitable Grants	1,910	17,129	(18,265)	774
	<u>9,818</u>	<u>19,347</u>	<u>(18,265)</u>	<u>10,900</u>

Clergy Gift Fund: used specifically to support the wider ministries of the clergy of the church.

Young at Heart: money given to support ministry amongst older members of the church.

YPF donations: money given to support specific activities of the YPF (age range 14-18).

Flower sponsorship: money given to support the work of the church in outreach to the local community, such as a flower festival to which non-members of the church are invited.

Other restricted (non recurring): smaller sums given for specific ministry or purposes of the church.

Mission & Charitable Grants: money given to support nominated organisations or individuals. Detailed in note 7.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					Balance at 31 December 2018 £
	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £	
House reserve	964,186	-	-	(513,410)	128,410	579,186
Equipment assets for depreciation	17,267	-	-	-	-	17,267
Legacy funds	78,197	5,532	-	11,507	-	95,236
House purchase fund	423,881	-	-	513,410	-	937,291
Reserve for general operating expenses	85,000	-	-	-	-	85,000
Worship leader fund	11,507	-	-	(11,507)	-	-
Capital mission fund	5,000	-	-	-	-	5,000
Reserve for church & house maintenance	86,900	-	-	-	-	86,900
Mission & charitable grants	1,328	100,293	(87,080)	-	-	14,541
	<u>1,673,266</u>	<u>105,825</u>	<u>(87,080)</u>	<u>-</u>	<u>128,410</u>	<u>1,820,421</u>

20 Analysis of net assets between funds

	Unrestricted funds £	Endowment funds £	Restricted funds £	Total 2018 £	Total 2017 £
Fund balances at 31 December 2018 are represented by:					
Tangible assets	728,600	274,057	-	1,002,657	1,400,638
Current assets/(liabilities)	1,253,260	-	10,900	1,264,160	709,360
Long term liabilities	(119,909)	-	-	(119,909)	(130,801)
	<u>1,861,951</u>	<u>274,057</u>	<u>10,900</u>	<u>2,146,908</u>	<u>1,979,197</u>

21 Related party transactions

Unrestricted donations were received during the year from 15 Trustees totaling £78,745 (2017: 19 Trustees totaling £62,980).

Grants totaling £6,726 (2017: £4,825) were made to Health & Hope UK (Reg, Charity 1151105), of which James Gardner is a trustee as well as being a trustee of Christ Church.

CHRIST CHURCH CHORLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

22 Cash generated from operations	2018	2017
	£	£
Surplus for the year	167,711	51,213
Adjustments for:		
Investment income recognised in statement of financial activities	(3,078)	(1,467)
Gain on disposal of investments	(128,410)	(117,513)
Depreciation and impairment of tangible fixed assets	12,981	12,988
Movements in working capital:		
Decrease in stocks	22	196
(Increase) in debtors	(29,148)	(943)
(Decrease)/increase in creditors	(22,386)	22,551
Cash absorbed by operations	<u>(2,308)</u>	<u>(32,975)</u>