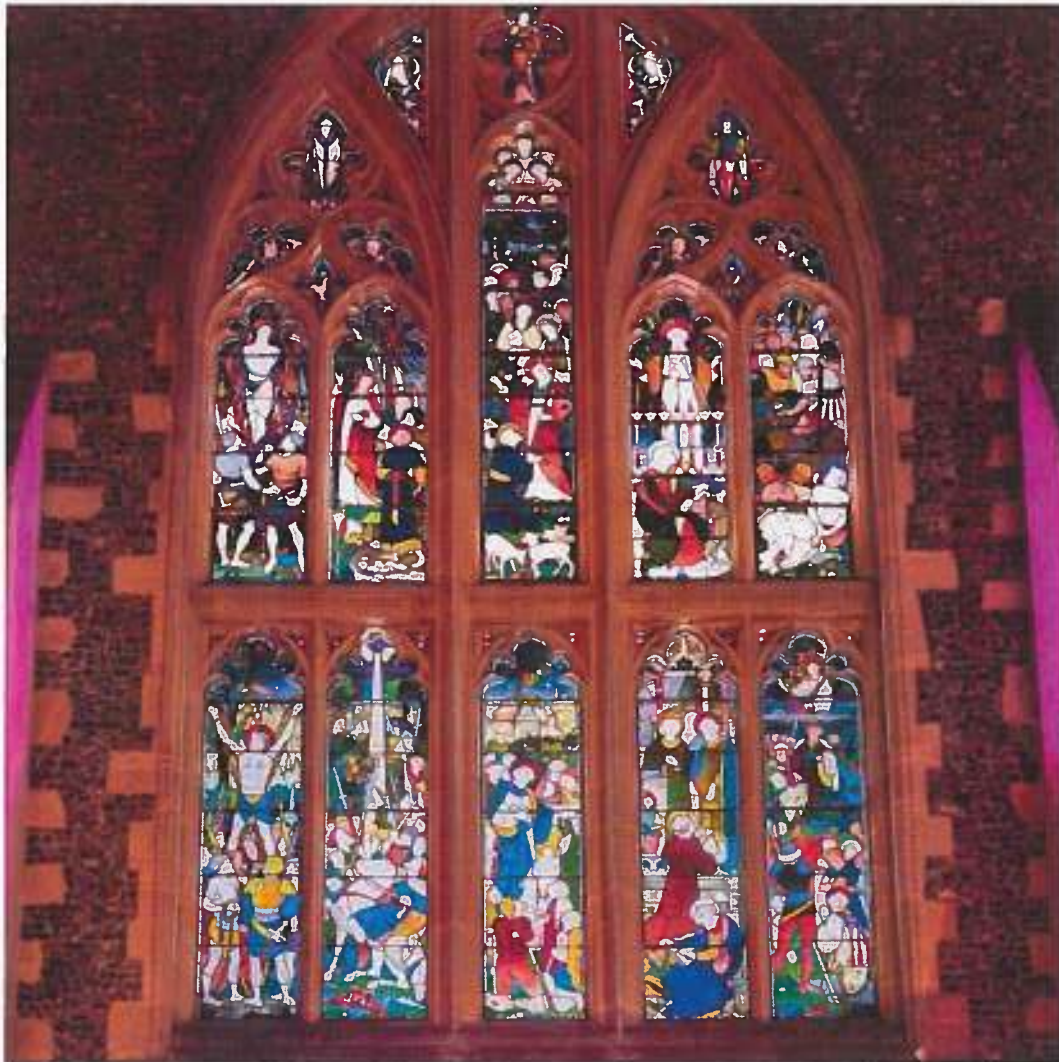




The Parish Church of
St Peter Great Berkhamsted



**2018 Trustees Report
and
Financial Statements**

Registered Charity number 1130108

Address for correspondence

The Parish of Great Berkhamsted
Parish Office, The Court House
Church Lane
Berkhamsted, Hertfordshire
HP4 2AX

Our Bankers

NatWest Bank Plc.
199 High Street
Berkhamsted,
Hertfordshire,
HP4 1BH

CAF Bank Ltd
25, Kings Hill Avenue
Kings Hill
West Malling, Kent
ME19 4JQ

The CBF Church of
England Funds
80 Cheapside
London
EC2V 6DZ

Our Independent Examiners

Hillier Hopkins LLP
Radius House
51 Clarendon Road
Watford
WD17 1HP

Incumbent during the reporting period

Rev'd. Canon Timothy Pilkington.

Church Wardens

Mark Grego and Tim Hennessey

Hon. Treasurer

Richard Hackworth

The photographs of St Peter's Church in this report were taken by Colin Drake during the 2018 Festival of Light, and are reproduced with permission.

Trustees

The Trustees who have served during the period 1st January 2018 until the Annual Parochial Church Meeting (APCM) on 14th April 2019 when this report was approved are set out below. The 2018 APCM was held on 22nd April 2018. Office holders for the period 2018 to 2019 are indicated.

Clergy

The Revd Penny Nash (until 29th July 2018)
The Revd Canon Timothy Pilkington (*Team Rector*)
The Revd John Russell
The Revd Simon Vivian

Churchwardens

Mark Grego
Tim Hennessey

Other PCC members

Penny Abbott
Julian Dawson (*PCC Secretary*)
Richard Currie
Astrid Biddle
Carolynne Charman
Hilary Elliott
John Gerry
Christopher Green (*also Chairman of the Diocesan Advisory Committee*)
Alison McMunn
Prunella Murray
David Northcott

Deanery Synod

Alan Conway
Carole Dell
Richard Hackworth (*Hon PCC Treasurer and the All Saints representative on PCC*)

Trustee Report for the year ended 31st December 2018

Trustees constitute the Parochial Church Council, and are referred to as the PCC in this report.

Each member of the PCC has confirmed that they have reviewed this report and that to the best of their knowledge it is correct and that there are no additional important matters which should be brought to the attention of the Charity Commission or the Diocese of St Albans.

Introduction and background

The Church of England Parish of Great Berkhamsted is situated in Hertfordshire. The town of Berkhamsted is served by churches of all major denominations. There are two churches in the Parish of Great Berkhamsted. One is St Peter's to which this report solely relates. The other is a self-governing Local Ecumenical Partnership with the Methodist Church at All Saints Church.

St Peter's is part of a Team Ministry alongside four other parishes in nearby villages - St Peter and St Paul in Little Gaddesden, St John the Baptist Great Gaddesden, St Lawrence in Nettleden, and Holy Trinity in Potten End. Each of these parishes is self-governing. This report concerns the PCC of St Peter's only.

PCC responsibilities include the care and maintenance of St Peter's Church, the Court House, the Court House Cottage and All Saints House, and also parts of the Rectory Lane Cemetery, all of which are located in Berkhamsted.

Revd. Canon Timothy Pilkington is our Rector and he has been supported by Revd. Simon Vivian, our first post Curate. The parish has also been supported by Mrs Lex Bradley-Stow, Assistant Chaplain at Berkhamsted School until she left in August 2018. We are currently supported by Miss Olivia Davies, also Assistant Chaplain at Berkhamsted School, who joined us in August 2018. We are very grateful to the School for enabling Mrs Bradley-Stow and Miss Davies to work with St Peter's.

Full time clergy are supported by a large number of volunteers including lay ministers, Church Wardens, members of the church choir, Sunday school and youth leaders, as well as many people who serve on committees and assist with administrative and worship tasks.

There are 279 names on the Electoral Roll (267 in 2017). Our "normal Sunday attendance", including children, in 2018 as submitted to the Diocese of St Albans is 160 (130 in 2017). During 2018 there were 34 baptisms, 4 weddings and 6 funerals at St Peter's.

Public benefit

The PCC is a Public Benefit Entity within the meaning of Financial Reporting Standard 102, and it has regard for the Charity Commission guidance on public benefit. The principal aims of the PCC are to serve its local community by:

- Providing a full programme of public Christian worship.
- Teaching the Christian faith.
- Encouraging and enabling as many people as possible to worship at St Peter's Church and to become members of our church community.
- Offering appropriate pastoral care within the local community.
- Promoting the whole pastoral, evangelistic, ecumenical and social missions of the Church of England.

St Peter's church is open during each day. All people of any faith or none are welcome to come into St Peter's to pray, to seek help and find peace. Our clergy take worship into the church schools, and lay ministers and others carry worship and pastoral care into private and residential homes. The PCC is pleased to provide meeting space to a local group of Muslims as our guests for weekly prayer.

In support of its Christian mission the PCC hires out the facilities of the Court House and St Peter's Church for a wide range of public and private events. The Court House is used by children's, recreational and teaching groups, and by families for private occasions. It is used for regular church sponsored events such as lunch clubs for the elderly. It is also hired for private business events such as book fairs and charity sales. St Peter's hosts a full range of high quality music concerts and recitals in the church for the benefit of the local community. The PCC generally receives fees for the use of its facilities but these amount to significantly less than total operating and maintenance costs. During 2018, St Peter's has also contributed to outreach events for the wider community including a Petertide Tea and Teddy Zip Wire off the Tower in June, Oktoberfest music festival in September and the Festival of Light in November plus organised a variety of social activities such as a Safari supper and lunches for members of our own congregation.

The Court House has been used less than usual during the last quarter of 2018 due to essential building maintenance, and will return to full use in 2019.

Our parish magazine, Your Berkhamsted, is sold and distributed throughout Berkhamsted. The Parish Website is active and highly informative. The parish magazine and website are important vehicles for PCC communication with the local community.

Governance structure and PCC responsibilities

The PCC is a body corporate and is registered as a UK charity. The Governing documents of the PCC are the Church Representation Rules and the Parochial Church Councils (Powers) Measure 1956. The PCC complies with the Charities Act 2011, appropriate charity accounting and reporting standards, and the management procedures of the Church of England. Annual PCC accounts are subject to Independent Examination.

Members of the PCC for the year ending 31st December 2017 are listed above together with specific roles and responsibilities where applicable. Elected members are appointed by the Annual Parochial Church Meeting (APCM) for three years. The PCC has no corporate trustees and no trustees hold title to any PCC properties. The PCC has met on 4 occasions during 2018 with an average attendance of 88%. Copies of the minutes of the PCC meetings are available for reference on the St Peter's church website

<http://www.stpetersberkhamsted.org.uk/groups/pcc>.

Trustee induction and training

New members of the PCC are provided with copies of recent accounts, the PCC budget and meeting minutes. Significant changes in legislation are brought to the attention of the PCC from a variety of sources including regular mailings from the St Alban's Diocese and the Charity Commission. PCC members with specific responsibilities may attend relevant training courses offered by the Diocese and others as appropriate.

Committees

Selected PCC activities are delegated to sub-committees which meet as required between full meetings of the Council. Reports of their activities are received and discussed at PCC meetings as appropriate, and reports of committee activities are presented to the APCM. The principal committees are as follows.

Buildings Committee

The Buildings Committee plans and oversees the maintenance and development of all properties which fall within the responsibility of the PCC. Faculty authorisation for work is obtained from the Diocese of St Albans as appropriate.

Court House Group

This group oversees management of the Court House.

Finance Committee

This oversees the financial aspects of PCC activities, subject to PCC direction where appropriate.

Pastoral Group

The Pastoral Group supports and visits members of the parish with pastoral needs, including bereavement support.

Standing Committee

This committee is required by law. It consists of the stipendiary clergy, the two church wardens, the two deputy wardens if they are appointed, the honorary treasurer and the honorary secretary. It has the power to transact the business of the PCC between its meetings.

Your Berkhamsted Committee

This Committee oversees management of the parish magazine, Your Berkhamsted. In addition, informal groups are convened to manage specific parish events as appropriate.

Compliance

The PCC seeks to implement recognised and appropriate best practice to comply with relevant regulation and standards. In particular, the PCC attaches a high priority to safeguarding matters and has appointed a Safeguarding Officer, and the PCC has implemented controls and procedures to comply with the General Data Protection Regulations.

Related organisations

The Parish of Great Berkhamsted is not a parent or subsidiary undertaking of any other organisation and is not in an Associate, Joint Venture or Joint Arrangement relationship with any other organisation. However, the PCC is active within the local community in several ways and the following allied self-governing organisations may be noted.

All Saints Church

All Saints Church, Berkhamsted (Registered Charity number 1153162) is an Anglican/Methodist Local Ecumenical Partnership (LEP). The LEP is administered as part of the West Hertfordshire and Borders Methodist Circuit and is also part of the Parish of Great Berkhamsted. Ultimate responsibility for the management of All Saints Church lies with the Anglican Methodist Association (Berkhamsted) Ltd (Registered Charity number 280703 and Company number 01493109). All day to day management responsibility is delegated to the All Saints Council which is funded directly by the All Saints congregation.

The Friends of St Peter's

The object of the Friends of St Peter's Great Berkhamsted (Registered Charity number 1160314) is the preservation, repair, maintenance and improvement of the fabric of St Peter's Church and associated Churchyards. The PCC receives occasional grants from the Friends for the care of the church, for which it is very grateful. The PCC has agreed to collaborate with the Friends of St Peter's and with Dacorum Borough Council in a project to enhance the Rectory Lane Cemetery during the period November 2017 to October 2020. Please see Financial Report Note 13.

Church schools

There are two church schools within the parish of St Peter's supported by the PCC:

- a) Thomas Coram Church of England School, Head of School Mrs Jackie Cutler.
- b) Victoria Church of England Infant and Nursery School, Head of School Mrs Caroline Crozier.

Mr Rob Halls is the Executive Headteacher of both schools

Other local charities

The PCC nominates trustees for some independent local charities.

Staff, and volunteers

The St Peter's Parish office is operated by two salaried employees. Church music is led by a Director and Assistant Director of Music, and an Organist who are paid fees for their services. The work of the whole church in every area of activity is supported by many unpaid volunteers who receive only out of pocket expenses. The PCC is very grateful and appreciative of the untiring and voluntary support to the mission of the church donated by members of the church congregation. Since the life of the church is defined through these donations of time and talents the PCC considers that it would be inappropriate to quantify them across the whole church community. However, a reasonable and conservative estimate of the total contribution donated by members of the PCC alone would be in the region of 500 person-days pa.

Management responsibilities

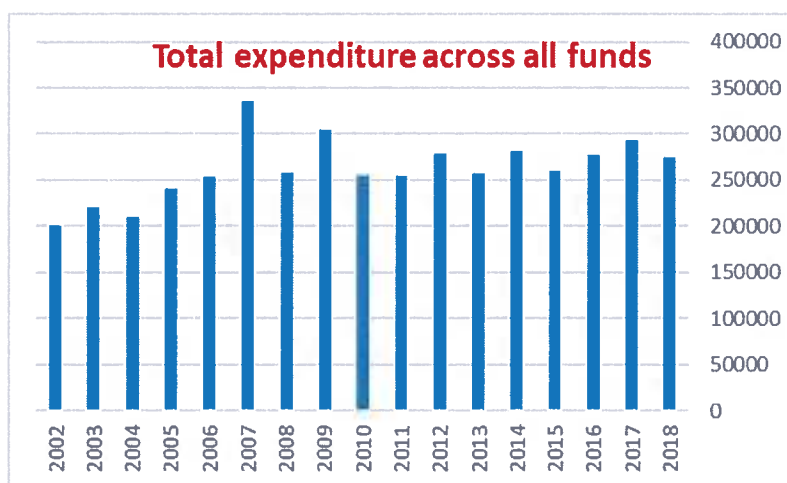
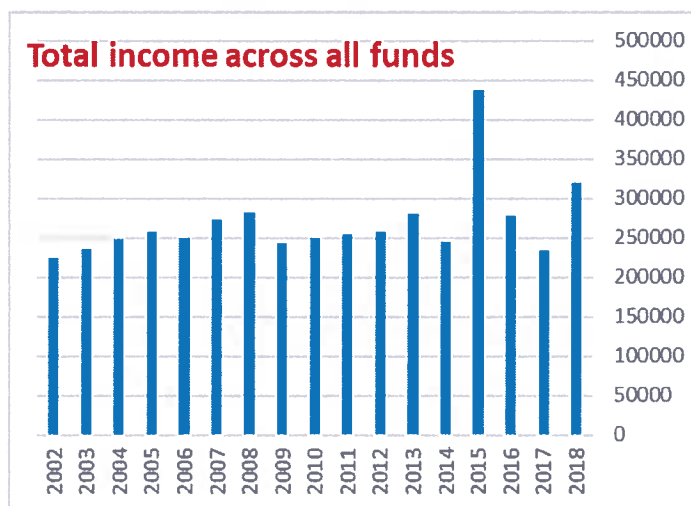
The PCC is ultimately responsible for the conduct and management of the charity but the majority of day to day management decisions are taken as appropriate by the following members of the PCC:

- Rector of the Parish of Great Berkhamsted (Rev'd Canon T Pilkington),
- Church Wardens (Mr M Grego and Mr T Hennessey),
- Hon Treasurer (Mr R Hackworth), and
- Chairman of the Buildings Committee (Dr C Green).

Management decisions are subject to ratification by the PCC which is always consulted in advance on particularly significant matters. The PCC delegates responsibility for church music to the Director of Music (Mr A Davis), who is not a trustee.

Summary financial results

Total income across all funds is approximately £319,400 (£234,000 in 2017). Expenditure across all funds is approximately £274,000 (£293,000 in 2017). Excluding property, PCC funds amount to approximately £277,000 (£231,600 in 2017). The total of all PCC funds is approximately £1.66m (£1.57m in 2017). Total income and expenditure in comparison with the recent past is summarised in the following charts.



Charitable grants and beneficiaries

Outward Giving

Fund raising events and church service collections are carried out for a number of charities. During 2017 the PCC made gifts to charities totalling approximately £6000. Details are summarised in Note 8 to the Financial Report.

Principal plans, constraints and risks

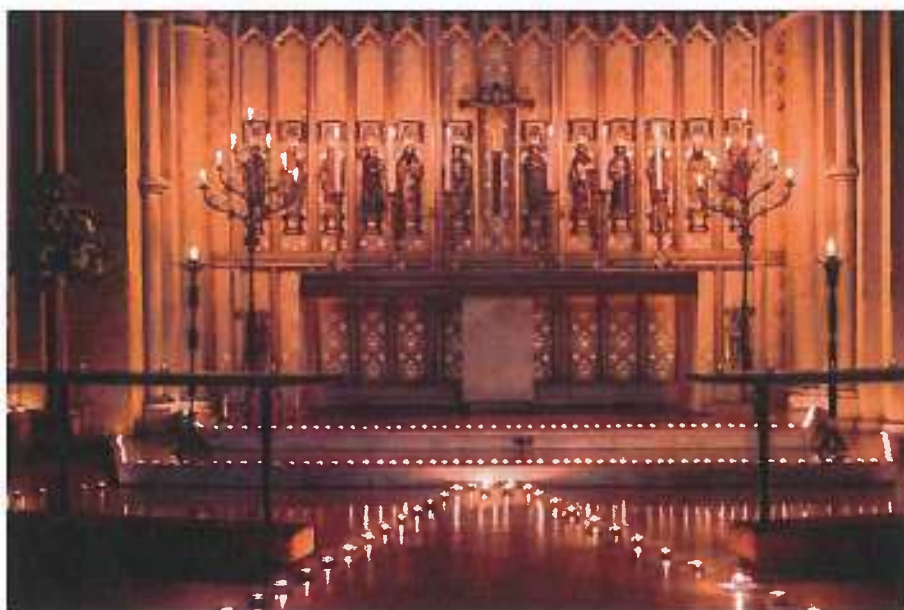
The PCC aims to strengthen resources and develop skills in order successfully to grow church membership and to serve the community well in the foreseeable future. It has therefore developed a strategic plan involving the whole church congregation and Diocesan advisers.

PCC initiatives are constrained by available funds. Historically, donated income represents 65% – 70% of General Fund income. In addition to the traditional method of making regular donations through bank Standing Orders, donors may also donate through on-line services such as MyDonate, Justgiving and Easyfundraising. The PCC encourages regular donors to use the Parish Giving Scheme (PGS) which provides administrative and financial advantages over traditional bank Standing Orders. The PCC encourages all donors to Gift Aid their donations.

The average age of the congregation continues to increase, with associated medium to long term risks of reducing donated income and reducing numbers of volunteers for some roles. The PCC is addressing these risks by encouraging new members and through outreach to the community through the strategic plan mentioned above.

St Peter's Church is a Grade II* listed building parts of which date from the thirteenth century. The Court House dates from the sixteenth century. Maintenance of these properties is therefore a continuing and generally expensive responsibility. The PCC sets money aside for this work in a (Designated) Building fund.

PCC policy is to manage normal business risks in line with best practice. The charity has not suffered any material damage due to failures of, or inadequate management of, controls.



Independent Examiner's Report to the trustees of The Parish of Great Berkhamsted, St Peter for the year ended 31 December 2018

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2018 which are set out on pages 12 to 34.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Neil Cundale BSc FCA
Hillier Hopkins LLP
Chartered Accountants
Radius House
51 Clarendon Road
Watford
Herts WD17 1HP

Date 26 March 2019

PCC of Great Berkhamsted St Peter
Statement of Financial Activities
For the period from 01 January 2018 to 31 December 2018

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
Incoming resources						
Incoming resources from generated funds						
Voluntary income	175,057	91,546	—	—	266,603	177,122
Activities for generating funds	1,721	3,851	5,770	—	11,343	11,436
Investment income	18,529	—	—	—	18,529	19,910
Incoming resources from charitable activities	16,685	3,544	840	—	21,069	23,996
Other incoming resources	1,872	—	—	—	1,872	1,659
Total income	213,863	98,942	6,610	—	319,415	234,122
Resources used						
Cost of generating funds	8,355	5,458	1,554	—	15,367	14,678
Charitable activities	210,221	43,251	2,793	—	256,265	275,650
Governance costs	2,100	—	—	—	2,100	2,720
Total expenditure	220,676	48,709	4,347	—	273,732	293,048
Net income / (expenditure) resources before transfer	(6,812)	50,232	2,263	—	45,683	(58,926)
Transfers						
Gross transfers between funds - in	—	32,208	—	—	32,208	159,851
Gross transfers between funds - out	—	(30,100)	(2,108)	—	(32,208)	(159,851)
Other recognised gains / losses						
Gains / losses on investment assets	—	40,000	—	—	40,000	—
Net movement in funds	(6,812)	92,340	155	—	85,683	(58,926)
Reconciliation of funds						
Total funds brought forward	30,181	1,535,266	6,121	—	1,571,568	1,630,494
Total funds carried forward	23,368	1,627,607	6,276	—	1,657,251	1,571,568
Represented by						
Unrestricted						
General fund	23,368	—	—	—	23,368	30,181
Designated						
Buildings Fund	—	52,936	—	—	52,936	25,179
Clergy support fund	—	20,801	—	—	20,801	20,801
Court House	—	56,250	—	—	56,250	—
Legacy	—	93,183	—	—	93,183	113,183
Little Fishes	—	1,045	—	—	1,045	867
Parish Magazine	—	3,193	—	—	3,193	4,937
Property	—	1,380,000	—	—	1,380,000	1,340,000
RLCP Contingency	—	20,200	—	—	20,200	30,300
Restricted						
Flower Fund	—	—	277	—	277	122
St Catherine Chapel	—	—	6,000	—	6,000	6,000

PCC of Great Berkhamsted St Peter

Balance sheet (Separate funds) As at: 31 December 2018

	General Fund	Designated Funds	Restricted Funds	Endowment Funds	At 31/12/2018 £	At 31/12/2017 £
Fixed assets						
Tangible assets	2,588	1,380,000	—	—	1,382,588	1,343,888
Fixed assets	2,588	1,380,000	—	—	1,382,588	1,343,888
Current assets						
Debtors	11,750	—	—	—	11,750	15,800
Cash at bank and in hand	11,980	247,607	10,486	—	270,073	215,220
Current assets	23,730	247,607	10,486	—	281,823	231,020
Liabilities						
Creditors: Amounts falling due in one year	2,950	—	4,210	—	7,160	3,340
Net current assets less current liabilities	20,780	247,607	6,276	—	274,663	227,680
Total assets less current liabilities	23,368	1,627,607	6,276	—	1,657,251	1,571,568
Total net assets less liabilities	23,368	1,627,607	6,276	—	1,657,251	1,571,568
Represented by						
Unrestricted						
Unrestricted - General fund	23,368	—	—	—	23,368	30,181
Designated						
Designated - RLCP Contingency	—	20,200	—	—	20,200	30,300
Designated - Buildings Fund	—	52,936	—	—	52,936	25,179
Designated - Clergy support fund	—	20,801	—	—	20,801	20,801
Designated - Court House	—	56,250	—	—	56,250	—
Designated - Legacy	—	93,183	—	—	93,183	113,183
Designated - Little Fishes	—	1,045	—	—	1,045	867
Designated - Parish Magazine	—	3,193	—	—	3,193	4,937
Designated - Property	—	1,380,000	—	—	1,380,000	1,340,000
Restricted						
Restricted - St Catherine Chapel	—	—	6,000	—	6,000	6,000
Restricted - Flower Fund	—	—	277	—	277	122
Funds of the church	23,368	1,627,607	6,276	—	1,657,251	1,571,568

The Trustee Report and Accounts for 2018 were approved on behalf of the PCC by the Standing Committee at its meeting on

20 MARCH 2019



Rev'd. Canon Tim Pilkington, Chairman



Richard Hackworth, Hon. Treasurer

Dated 20 MARCH 2019

Financial Report for the year ended 31 December 2018

Financial responsibilities of trustees

The PCC is responsible for preparing annual financial statements in accordance with Charity law which give a true and fair view of the state of affairs of the PCC and of its financial activities. In summary, Trustees financial responsibilities are to:

- Evidence the trustees' responsibility for public accountability and Stewardship.
- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether the policies adopted are in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' and with applicable accounting standards, 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 assume that the PCC will continue in operation.
- Keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the PCC and to enable them to ensure that the financial statements comply with the Charities Act 2011.
- Safeguard the assets of the PCC and take reasonable steps for the prevention and detection of fraud or other irregularities.
- Maintain reserves at an adequate level appropriate to the Charity objectives and responsibilities.

Accounting standards

Accounts have been prepared on the going concern basis in accordance with relevant requirements of the Charities Act 2011, the Church Accounting Regulations 2006, the Charities Statement of Recommended Practice 2015 (SORP 2015) and the Financial Reporting Standard 102 (March 2018).

The accounts include all material transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups which owe their main affiliation to another body, nor those that are informal gatherings of church members.

Eligibility for Independent Examination and application of Small Entity Accounting Standards.

For the year ending 31st December 2018 the total assets of the charity are less than £5.1m net, its gross income is less than £1m net and it employs less than 50 staff. The charity therefore qualifies to prepare its Report and Accounts in compliance with the Accounting Standards for Smaller Entities (FRS 102, 1a). In accordance with FRS 102 and the Charities SORP 2015 the charity is not required to commission a formal audit and may rely upon Independent Examination of its Annual Report and Accounts.

Funds

The PCC operates twelve funds which are set out below. The PCC holds no Endowment funds.

Unrestricted funds

General fund - receives the regular income of the PCC and is used for normal operating and recurring expenses including insurance, utility, administration and housekeeping costs.

Designated unrestricted funds

Buildings fund - to support property maintenance and improvements.

Clergy Support fund – to hold unrestricted reserves to support potential shortfalls in General fund income.

Court House fund – holds money specifically donated for maintenance and enhancement of the Court House. This fund was created during 2018.

Legacy fund – to hold all legacies bequeathed to the PCC. All money received from legacies is accounted for through this fund.

Little Fishes – to support the Little Fishes children's group.

Parish Magazine fund – to support the production and distribution of the parish magazine, "Your Berkhamsted".

Property fund – represents the fair value to the PCC of the properties held for the benefit of the PCC. The properties are legally vested in the Diocesan Board of Finance as Custodian Trustee.

Rectory Lane Cemetery Project (RLCP) fund – holds money set aside to supplement funds raised by the RLCP between November 2017 and October 2020 to ensure that the RLCP is able to meet its fund raising obligations arising from a Lottery Heritage Fund grant

Restricted funds

Petertide fund – holds money specifically given to the PCC to support the Petertide charities selected by the PCC.

Flower fund – holds money received for the provision of flowers in St Peter's Church.

Restricted fund – holds money received by the PCC for other restricted purposes.

St Catherine's Chapel fund – holds funds specifically donated for restoration of the St Catherine's chapel.

Agency funds

These hold funds collected by the PCC acting as agent for independent organisations and individuals. No formal Agency Agreements are in place.

Independent organisations include charities and the Diocese of St Albans. Money held for charities is usually collected during church services such as funerals, or in “red bucket” appeals on behalf of specified charities. The PCC ensures that the identities of the charities concerned are made clear to church congregations at the time of the collection.

Money collected on behalf of the Diocese consists of fees for parochial church services such as weddings and funerals.

Money collected on behalf of individuals includes fees due to musicians, bell ringers and church vergers for optional services provided at weddings or other special events. These fees are paid by those commissioning the services concerned and not by the PCC.

These funds are referred to collectively as “Agency Funds”. They are not PCC assets although they generally reside temporarily in PCC bank accounts until disbursed, which the PCC aims to complete promptly. The Balance sheet shows the value of Agency funds held at year end. During 2018 the PCC has collected and disbursed approximately £6,900 through Agency funds.

Incoming resources

All income is recognised when receipt of that income by the PCC is considered highly probable, and is accounted for gross. The value of the very considerable amount of time and expertise given free of charge by volunteer members of the congregation in a wide variety of ways is not quantified.

Expended resources

Expenditure is recognised when it is incurred and is accounted for gross. Parish support costs are not apportioned to specific activities. Grants and donations are recognised when paid over, or when awarded if that award creates a binding or constructive obligation on the PCC.

Fixed assets

Property

Property assets are as follows.

- a) Consecrated and benefice property including St Peter’s Church and the Rectory Lane Cemetery. This is not included in the accounts in accordance with s. 10(2) to 10(4) of the Charities Act 2011. The PCC has maintenance responsibility for these properties and for ensuring that they are adequately insured.
- b) The Court House. The PCC considers that the potential market value of the Court House, and the costs of a potential sale, would depend heavily on several important

considerations which can neither be reliably identified nor assessed in advance. This property is therefore valued at zero.

- c) Movable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal. These are inalienable property, listed in the church inventory, which can be inspected by arrangement at any reasonable time. These assets are valued at zero.
- d) Residential property consisting of the Court House Cottage and All Saints House. During the year ending 31st December 2018 the Court House Cottage has been rented on the open market, and All Saints House has been occupied by our Curate and his family free of rent. The increase in the UK House Price Index during 2018 indicates that it is appropriate to increase the value of these assets by 3% at the end of this Financial Year.

All expenditure incurred on the property set out under a) to d) above, whether for maintenance or improvement, is written off.

Insured value

As at 31st December 2018 PCC property and contents is insured for a total replacement cost of £26m, £22.9m of which relates to St Peter's church.

Other fixed assets

Fixed assets with a purchase price of £1,000 or less are written off when the asset is acquired. Other fixed assets, such as office equipment, with a purchase price greater than £1,000 are depreciated on a straight line basis over 5 years unless the PCC determines otherwise in specific cases.

Current assets

Cash at bank and in hand. The PCC operates bank accounts with CAF Bank Ltd, NatWest Bank plc and with CCLA Investment Management Ltd. Small cash floats are also held for certain activities.

Inventories. The PCC holds small inventories of office supplies, housekeeping materials, worship supplies and books. The fair sale value of these is considered to be immaterial and inventories are valued at zero

Debtors. Amounts owing to the PCC at 31st December in respect of fees, rents, Gift Aid and other income are shown as debtors less any provision for amounts that may prove uncollectable. All utility and insurance costs are paid by monthly Direct Debits and therefore no accruals have been made for prepayments.

Intangible assets

The PCC has not identified any intangible assets with material value.

Liabilities

Long term commitments

The PCC has no outstanding borrowings or long term funding commitments towards other organisations.

Current liabilities

Creditors.

Material payments considered to be highly likely although not yet invoiced are recorded as liabilities.

As a registered charity the PCC has no tax liabilities.

Reserves

PCC policy is to maintain a minimum General fund balance of not less than 2 months regular planned income to cover likely day to day transactions. Normal monthly planned income is approximately £10,000 to £11,000. As at 31st December 2018 the General fund balance is approximately £23,400 in compliance with PCC policy.

PCC policy is to determine no formal reserve policies for other funds since these would serve no useful management purposes.

Cash investments

PCC investment policy is to hold cash in excess of that required for day to day activities but likely to be required at call in a CCLA CBF cash deposit account. This account is considered to represent no investment risk to the PCC. Funds can be accessed within 10 working days. Cash which the PCC considers is likely to be required in more than 1 year but less than 5 years is invested in term deposit accounts selected by reference to the return offered and finance industry risk ratings. As at 31st December 2018 no such term deposit accounts were held.

Risk management

The PCC considers that there is no significant risk of material adjustments to transactions relating to the current or previous reporting periods.

Day to day operational risks are managed as appropriate and proportionate in accordance with recognised best practice.

An important operational risk is potential loss of computer data which would severely reduce the PCC's ability to function. Reputable security software is installed on computer equipment and important computer data is automatically and regularly backed-up off-site.

The greatest financial risk is considered to be inadequate General fund cash flow to support regular commitments. To manage this risk a General fund budget is prepared each year for PCC approval, and outline annual cash flow estimates are projected for the following two to

three years.

Regular summaries of year-to-date cash flows for the General fund and the Building fund are circulated to the PCC with supporting commentaries.

Remuneration

Staff

The PCC employs two people who staff the Parish Office Monday to Friday. (During the last quarter of 2018 these staff have worked partly from home due to essential building maintenance work.)

Trustees

Clergy are employed by the Diocese of St Albans and receive no additional remuneration from the PCC. No trustees are remunerated by the PCC for their contributions to the charity.

All trustees are reimbursed by the PCC for out of pocket expenses incurred on PCC business and evidenced by reasonable receipts. The total of unclaimed trustee expenses is considered to be immaterial.

Individual trustees might carry out unrelated roles in the church for which they may be paid a parochial fee in accordance with a scale approved by the PCC. Examples include bell ringers and musicians. These fees are paid by the people commissioning the services concerned, such as wedding couples and families for funerals, and not by the charity. In these cases, the PCC would normally collect these fees on behalf of the people concerned and hold them in an agency account (where they are not counted as PCC assets) until they are disbursed.

Related Party Transactions

All trustees have confirmed that neither they, nor any of their relatives, nor any company in which they have financial interests, have been party to any PCC transactions in the year ending 31st December 2018. No trustees have any financial interests in any PCC assets.

Other key management

The Director of Music and the Assistant Director of music, and the church organist receive fees from the PCC for their professional services. They are not trustees.

Notes to this Financial Report

1. Cash flow statement.
2. Donated income and Gift Aid
3. Legacies.
4. Investment income.
5. Transactions with employees and trustees and related persons.
6. Employment costs.
7. Pension scheme.
8. Grants and outward giving.
9. Parish share.
10. Parochial fees.
11. Fixed assets.
12. Accrued assets and liabilities
13. Fund reports.

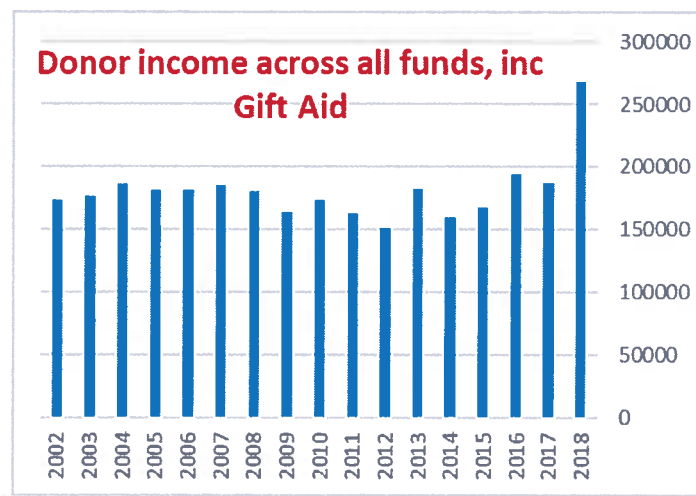
1 Statement of Cash Flows									
						Years ending			
						31/12/2018		31/12/2017	
						Unrestricted	Fund types	Restricted	All funds
						£	Designated	£	£
Cash flows from operating activities									
Fund income from SOFA						213,863	98,942	6,610	319,415
Less investment income						-17,875	0	0	-17,875
Less bank interest						-654	0	0	-654
Less increase in debtors						4,050	0	0	4,050
Cash income from operating activities						199,384	98,942	6,610	304,936
Fund expenditure from SOFA						220,676	48,709	4,347	273,732
less increase in creditors						-450	0	0	-450
less depreciation						-1,300	0	0	-1,300
Cash expenditure on operating activities						218,926	48,709	4,347	271,982
Net cash provided by (used in) operating activities						-19,541	50,232	2,263	32,954
Cash flows from investments and interest									
Rental income						17,875	0	0	17,875
Bank interest						654	0	0	654
Equipment purchase						0	0	0	0
Net cash flows from investments and interest						18,529	0	0	18,529
Change in cash during 2018						-1,012	50,232	2,263	51,483
Cash balance brought forward from 2017						40,943	168,315	5,121	214,380
Cash balance at 31 December 2018						39,931	218,547	7,385	265,863
									19,910
									-51,926
									266,305
									214,380

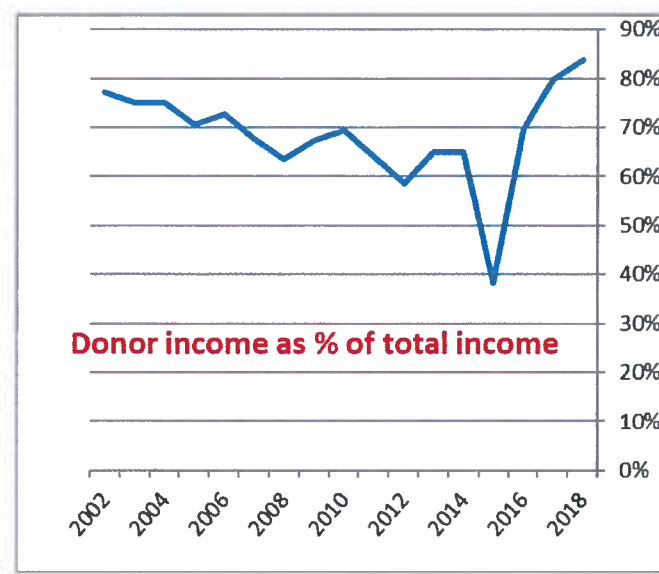
	Reconciliation of net income/(expenditure) to net cash flow from operating activities					
Net movement in funds as reported in the SOFA						
Less investment and interest	-6,812	92,340	155	85,683	-58,926	
Less revaluation of property assets (see note a) below)	-18,529	0	0	-18,529	-19,910	
Less fund transfer in	0	-40,000	0	-40,000	0	
Plus fund transfer out	0	-32,208	0	-32,208	-27,951	
Depreciation charges	1,300	30,100	2,108	32,208	27,951	
Decrease in Debtors	4,050	0	0	1,300	1,300	
Plus increase in creditors	450	0	0	4,050	5,200	
Net cash provided by (used in) operating activities	-19,541	50,232	2,263	450	500	
				32,954	-71,835	
Analysis of cash and cash equivalents						
Cash at banks and in hand						
Notice deposits	39,931	218,547	7,385	265,863	214,380	
Overdraft facilities	0	0	0	0	0	
	0	0	0	0	0	
Total cash and cash equivalents (see note b) below)	39,931	218,547	7,385	265,863	214,380	
Notes to Statement of cash flows						
(a)	Asset revaluations and fund transfers					
The SOFA records net movements in funds including interfund transfers and revaluation of property assets, which have therefore been accounted for in the reconciliation of net movements in funds with cash flows.						
(b)	Reconciliation of Charity "Cash at banks and in Hand" to total bank balances					
Please note that the cash balances at 31 December presented in the Balance Sheet and Fund Asset reports include Agency funds which are not assets of the Charity. "Cash at Bank and in Hand" presented on Fund Asset reports and Balance sheets is therefore higher to those presented above.						
The relevant Agency fund balances are £4210 for 2017 and £840 for 2016.						
Total charity cash holdings as presented above						
Cash held for Agency funds awaiting disbursement						
Cash holdings presented in Balance Sheet.						

2 Donated income and Gift Aid

In total the PCC received donations, including Gift Aid, from all sources and across all funds of approximately £268,700. £82,500 of this total is a grant from the John Apthorp Trust towards renovation of the Court House, for which the Trustees are most grateful. Excluding this exceptional item, donated income is approximately £185,200, 18% of which is Gift Aid. (Some Gift Aid received relates to donations received in 2017.) The principal sources of donated income are as follows.

Source	2018	2017
Planned monthly donations excluding Gift Aid		
Direct to PCC	£95,926	£95,067
Exceptional grant from the John Apthorp Trust	£82,500	-
Parish Giving Scheme (PGS)	£52,768	£45,788
MyDonate	£5,296	£6,581
Total	£235,490	£147,436
Gift Aid received		
Claimed by PCC	£22,079	£26,930
Received through PGS	£10,548	£11,327
Received through MyDonate	£603	£1,385
Total Gift Aid	£33,231	£39,642
Total income from all donations	£268,721	£187,078





3 Legacies

The PCC has received no legacies during the year ending 31st December 2018.

4 Investment income

Investment income consists of:

- a) Interest of £654 earned by cash held on deposit with CCLA.
- b) Rental income totalling £17,875 from the Court House Cottage.

5 Financial transactions with employees, trustees, professional services and related person transactions

Donations

Details of all personal donations are confidential to the parish Planned Giving Co-ordinator and the Treasurer, including those of PCC members and their families. Donations to the charity made by trustees and their family members are typical of donations made by the church congregation as a whole.

Reimbursement of expenses

Clergy, employees and trustees may incur out-of-pocket expenses on behalf of the PCC which are reimbursed against reasonable evidence of payment. During 2018 expense reimbursements are as follows.

Group (numbers making claims)	Total reimbursements
Employees (5 people)	£2,756
Members of the clergy (3-4 people)	£9,199
Other trustees (6 people)	£1,799
Total (15 people)	£13,753

The maximum total reimbursement of expenses paid to a single trustee (other than members of clergy) in the reporting period is £830. The PCC has made no loans to trustees or staff.

Professional fees

Independent Examination fees during 2018 are £2,200. Professional fees may also be paid for architectural, design and installation services necessary for the maintenance of PCC property.

6 Employment costs

The PCC employs two office staff and three musicians. The total gross remuneration paid during 2018 is £29,643. In 2018 the PCC collected and paid to HMRC Income Tax and National Insurance totalling £2681. There have been no redundancy or termination costs and the PCC has no liability for post-employment or post-retirement benefits.

7 Pension scheme

In accordance with the 2008 Pensions Act the PCC offers membership of a pension scheme to all eligible workers. The PCC participates in the Church Workers Pension Fund (CWPF) for lay staff, which has provided the following statement relating to the Scheme.

The PCC participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The employer pensions costs charged to the SoFA in the year are contributions payable (2018: £905, 2017: £905).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, the PCC could become responsible for paying a share of that employer's pension liabilities.

8 Grants and outward giving

Money collected on behalf of independent charities is accounted for through Agency funds. Charitable grants and contributions paid in 2018 include:

- a) £1,272 to The Children's Society.
- b) £423 to the Royal British Legion.
- c) £2,126 to charitable appeals by the Diocese of St Albans.
- d) £2,115 to Toybox.

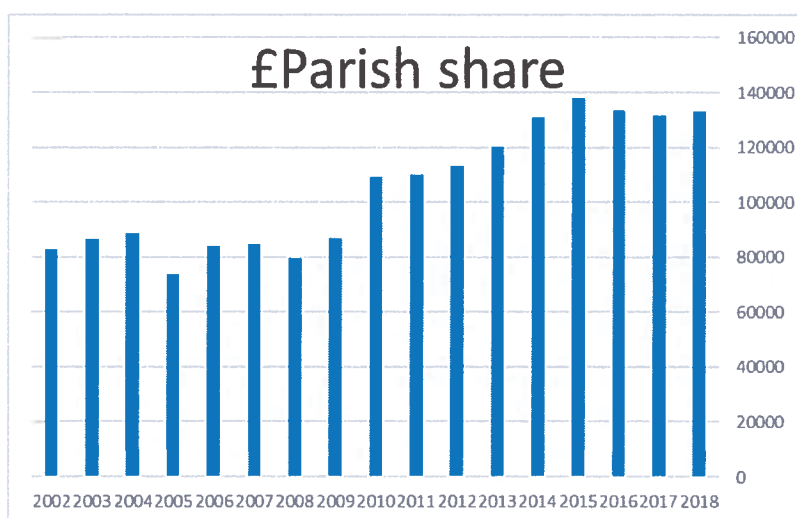
Money is also donated to various charities at pastoral services such as funerals which is generally not managed by the PCC. Such donations are not included in the above amounts.

9 Parish Share

The Parish Share is paid to the Diocese of St Albans to contribute towards clergy employment costs, ministerial training, and to assist less well-off parishes in the Diocese. Annual Parish Share expenditure is:

2016	£133,296
2017	£131,659
2018	£132,455
2019	£131,674

The Parish Share is the single largest item of PCC expenditure, representing approximately 60% of General fund expenditure. Parish share in comparison with the recent past is summarised in the following chart.



10 Parochial Fees

The Church of England sets standard fees for parochial church services such as weddings, funerals and memorial services, part of which is retained by the PCC and part of which is remitted to the Diocese of St Albans. In addition, the PCC sets its own fees for providing “extras” such as an organist, the choir, bell ringers and administrative support if requested. Parochial fees are reviewed annually. In 2018 the PCC received a total of approximately £3,230, and the Diocese a total of approximately £2,125. Diocesan fees are accounted for through an Agency account.

11 Fixed assets

Property		
Property at fair market value at 31 st December 2017		£1,340,000
Additions and disposals	-	
Revaluation	£40,000	
Property at fair market value at 31 st December 2018		£1,380,000
Office equipment		
Office equipment at 31 st December 2017		£3,888
Purchase price	£6,488	
Depreciation brought forward 1 st January 2018	(£2,600)	
Additions and disposals	-	
Depreciation applied 31 st December 2018	(£1,300)	
Net book value at 31 st December 2018		£2,588
Total net book value of fixed assets at 31st December 2018		£1,382,588

12 Accrued assets and liabilities

Accrued assets

As at 31st December 2018 the PCC is owed an estimated £15,000 of Gift Aid refund due from HMRC. This income has been accrued to the General fund.

Accrued liabilities

£2,500 has been accrued to the general fund for the professional fees of Independent Examiners.

Contingent liability

The PCC has underwritten the fund raising activities of the Rectory Lane Cemetery Project (RLCP) to the value of a maximum of £10,100 for each of three years between

June 2017 and September 2020. This money has been set aside from the Building fund and is held in a separate designated fund. Any part of this money not required to support the RLCP at the end of each year will be released back to the Building fund. It is considered unlikely that the PCC will be required to contribute this money to the RLCP. During 2018, £10,100 has been returned to the Building fund and this liability now stands at £20,200.

13 Fund reports

Fund transfers

The following significant fund transfers have been made:

- a) £20,000 from the Legacy fund to the Building fund for repairs to the Court House roof.
- b) £10,100 from the RLCP fund to the Building fund.
- c) £770 from the Verger Agency fund to the General fund. This money is parochial fees for providing church vergers. As these posts are currently held on an honorary basis these fees have been passed directly to the Charity.

Other fund transfers have been made during the year for administrative convenience such as managing fund balances between PCC bank accounts.

Fund movements, and fund assets and liabilities

Summary reports are given below.

PCC of Great Berkhamsted St Peter
Fund movement summary
Selected period: 01 January 2018 to 31 December 2018

Fund	Fund balances brought forward	Incoming Resources	Outgoing Resources	Transfers	Gains and Losses	Fund balances Carried forward
Buildings - Buildings Fund	25,179	12,289	14,633	30,100	—	52,936
Clergy - Clergy support fund	20,801	—	—	—	—	20,801
CourtH - Court House	—	82,500	28,358	2,108	—	56,250
Flower - Flower Fund	122	840	685	—	—	277
Legacy - Legacy	113,183	—	—	(20,000)	—	93,183
LitFsh - Little Fishes	867	608	431	—	—	1,045
Magazine - Parish Magazine	4,937	3,544	5,288	—	—	3,193
Petertide - Petertide	0	5,770	3,662	(2,108)	—	0
Property - Property	1,340,000	—	—	—	40,000	1,380,000
RLCP - RLCP Contingency	30,300	—	—	(10,100)	—	20,200
Cath - St Catherine Chapel	6,000	—	—	—	—	6,000
General - General fund	30,181	213,863	220,676	—	—	23,368
Totals	1,571,568	319,415	273,732	—	40,000	1,657,251

PCC of Great Berkhamsted St Peter
Statement of Assets and Liabilities (by fund)
As at: 31 December 2018

	Balance	Previous balance
Buildings Fund : Designated		
<i>Cash at bank and in hand</i>		
0600: Natwest Current	1	1
0601: CAF Bank Account	52,935	25,179
	<u>52,936</u>	<u>25,179</u>
Total for Buildings Fund : Designated	52,936	25,179
Clergy support fund : Designated		
<i>Cash at bank and in hand</i>		
0605: CCLA Account	20,801	20,801
	<u>20,801</u>	<u>20,801</u>
Total for Clergy support fund : Designated	20,801	20,801
Court House : Designated		
<i>Cash at bank and in hand</i>		
0601: CAF Bank Account	56,250	—
	<u>56,250</u>	<u>—</u>
Total for Court House : Designated	56,250	—
Flower Fund : Restricted		
<i>Cash at bank and in hand</i>		
0601: CAF Bank Account	277	122
	<u>277</u>	<u>122</u>
Total for Flower Fund : Restricted	277	122
Legacy : Designated		
<i>Cash at bank and in hand</i>		
0605: CCLA Account	93,183	113,183
	<u>93,183</u>	<u>113,183</u>
Total for Legacy : Designated	93,183	113,183
Little Fishes : Designated		
<i>Cash at bank and in hand</i>		
0601: CAF Bank Account	1,020	842
0652: Little Fishes Float	25	25
	<u>1,045</u>	<u>867</u>
Total for Little Fishes : Designated	1,045	867

	Balance	Previous balance
Parish Magazine : Designated		
<i>Cash at bank and in hand</i>		
0600: Natwest Current	(70)	(70)
0601: CAF Bank Account	3,263	5,007
	<u>3,193</u>	<u>4,937</u>
Total for Parish Magazine : Designated	3,193	4,937
 Property : Designated		
<i>Tangible assets</i>		
0500: Property	1,380,000	1,340,000
	<u>1,380,000</u>	<u>1,340,000</u>
Total for Property : Designated	1,380,000	1,340,000
 RLCP Contingency : Designated		
<i>Cash at bank and in hand</i>		
0605: CCLA Account	20,200	30,300
	<u>20,200</u>	<u>30,300</u>
Total for RLCP Contingency : Designated	20,200	30,300
 St Catherine Chapel : Restricted		
<i>Cash at bank and in hand</i>		
0601: CAF Bank Account	6,000	6,000
	<u>6,000</u>	<u>6,000</u>
Total for St Catherine Chapel : Restricted	6,000	6,000
 General fund : Unrestricted		
<i>Tangible assets</i>		
0510: Equipment	2,588	3,888
	<u>2,588</u>	<u>3,888</u>
<i>Cash at bank and in hand</i>		
0600: Natwest Current	(1,724)	691
0601: CAF Bank Account	12,238	8,495
0605: CCLA Account	—	410
0625: Natwest Stewardship Account	1,366	3,297
0651: St Peters Choir Float	100	100
0660: Income Tax Debtor	15,000	15,800
0670: Other Debtors and Accrued Income	(3,250)	—
	<u>23,730</u>	<u>28,792</u>
<i>Creditors: Amounts falling due in one year</i>		
Z04: Accounts Payable	2,950	2,500
	<u>2,950</u>	<u>2,500</u>
Total for General fund : Unrestricted	23,368	30,181

	Balance	Previous balance
Agency collection : Restricted		
<i>Cash at bank and in hand</i>		
0600: Natwest Current	1,804	116
0601: CAF Bank Account	1,948	724
0625: Natwest Stewardship Account	458	—
	4,210	840
<i>Agency accounts</i>		
6699: Agency collections	4,210	840
	4,210	840
Total for Agency collection : Restricted	0	0
Grand Total	1,657,251	1,571,568