

**The Parochial Church Council  
of the Ecclesiastical Parish of  
Holy Trinity, Cheltenham**

**Annual Report and Financial  
Statements**

**for the year ended 31 December 2018**

**Registered Charity No. 1130299**

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The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Annual report and financial statements for the year ended 31 December 2018

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Trustees Report

Administrative information

Holy Trinity Church (Trinity) is situated in Cheltenham. It is part of the Diocese of Gloucester within the Church of England. The correspondence address is Holy Trinity Church, Trinity House, 100-102 Winchcombe Street, Cheltenham, GL52 2NW.

The Parochial Church Council of the Ecclesiastical Parish of Holy Trinity, Cheltenham is a charity registered in the UK with the Charity Commission, charity number 1130299.

Officers and Trustees who have served from 1 January 2018 until the date this report was approved are:

**Officers**

	<i>Name</i>	<i>Post</i>	<i>Dates (if part year)</i>
<b>Chair</b>	Rev Andrew Blyth	Team Rector	
<b>Treasurer</b>	Christine Robertson	Treasurer	
<b>Secretary</b>	Jenny Harris	Secretary	Appointed 1 October 2018
<b>Electoral Roll Officer</b>	Julia Thomson	Electoral Roll Officer	Appointed 1 October 2018

**Elected Trustees**

<b>Wardens</b>	Helen Stott James Mears		
<b>Deanery Synod</b>	David Baker Garry McCrea Maddie Hall Richard McConnell Michael Darbandi		Resigned 23 April 2018  Appointed 23 April 2018
<b>Elected Members</b>	Michelle Dearman Peter Strachan Rebecca Lee Richard McConnell Simon Firkins Stephen Cartwright Alex Metcalfe Jenny Harris Joanna Daykin James Decourcy Luke Briner Madeline Stanimeros David Lee Mark Giles Tom Johnson		Resigned 23 April 2018 Resigned 23 April 2018  Resigned 23 April 2018  Appointed 23 April 2018 Appointed 23 April 2018 Appointed 23 April 2018
<b>Ex. Officio Members</b>	Rev Timothy Grew Rev Gareth Dickinson Jill Cheesman	Team Vicar Non-Stipendiary Minister Secretary to Trustees & Electoral Roll Officer	Resigned 30 September 2018

### Structure, governance and management

The method of appointment of Trustees is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and then may stand for election to the PCC to serve alongside licensed Parish Ministers and elected Church Wardens as the board of Trustees. When appointing newly elected Trustees, Trinity ensures they are fully aware of their responsibilities in relation to Charities Commission guidance and the objectives of Trinity. No formal training is offered to Trustees, however, provision is being considered for future appointments.

To facilitate and manage the day-to-day operations of the Trust, the Trustees delegate certain authorities to a Standing Committee ("Senior Leadership Team", "SLT") which meets weekly, and also employ staff to undertake day-to-day operations.

In 2018 the SLT consisted of:

Rev Andrew Blyth – Team Rector  
Rev Timothy Grew – Team Vicar  
Helen Stott – Church Warden  
James Mears – Church Warden  
Rev Gareth Dickinson – Non-Stipendiary Minister  
David Baker – Pastor  
Hilary Grew – Pastor  
Harry Steven – Operations Director (to 23<sup>rd</sup> April 2018)  
Mike Darbandi – Operations Manager

The SLT meets weekly and also calls upon specialist advice, for example in the area of Health and Safety or Employment Relations as required.

The charities' Bankers, Solicitors and Auditors are listed below:

Solicitors	Bankers	Auditors
BPE Solicitors LLP St James' House St James' Square Cheltenham GL50 3PR	NatWest Bank PLC 31 Promenade Cheltenham GL50 1LE	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

Trinity also has a number of strategic partnerships in mutual pursuit of its objectives. During the year, these included New Wine Trust, Kingdom Power Trust, and Trinity Cheltenham Trust Limited.

### Pay policy for key management personnel

The Trustees consider the Board of Trustees and the SLT as comprising the key management personnel of the Church in charge of directing and controlling the Church and running and operating the Church on a day to day basis. All elected Trustees and the church wardens give of their time freely and no elected Trustee or church warden remuneration was paid in the year. The Team Rector and Team Vicar are stipended directly by the Diocese of Gloucester.

The Non-Stipendiary Minister and other staff members serving on the SLT are employed by the PCC. Pay is reviewed independently by the elected Trustees and any increases are agreed, mindful of the Church's charitable objectives and increases in average earnings.

### Risk management

On a regular basis, the SLT and Trustees discuss and assess the major risks to which the Church is exposed and consider the safeguards that can be implemented to mitigate those risks. The Trustees consider the major risks to include safeguarding and matters relating to property. In accordance with the Statement of Recommended Practice

for charities Trustees annually review and update the formal risk assessment which was initially approved by the Trustees in 2006.

### **Objectives and activities**

The Trustees have the responsibility of co-operating with the Incumbent, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The Board also has maintenance responsibilities for Trinity's Church building.

The Mission statement for Trinity Cheltenham is to: "Make committed followers of Jesus, who change communities and nations for Him". In simple terms, this means that we are aiming to help people in their journey of faith in God, to grow in maturity and Christian impact, here in Cheltenham, throughout the region, UK and beyond.

The Trustees are committed to enabling as many people as possible to worship at Trinity and become part of the parish community. We maintain a policy of being open and inclusive for all sections of the community and to provide a portfolio of ministries and practical support which is as diverse as possible to meet the growing needs of the people of Cheltenham and the wider communities with which we have a connection.

### **Review of achievements, performance and future plans**

Trinity Cheltenham is a large church which serves both the town of Cheltenham and surrounding region. We welcome anyone who wishes to attend our regular Sunday services and other activities as appropriate during the week. We do not operate on the basis of formal membership and as such it is difficult to measure the scope of our influence within the local community; however, we estimate that approximately 1,000 people consider themselves to 'belong' to the church family.

We maintain an Electoral Roll of those entitled to vote in our formal meetings and this is reported on at each Annual General Meeting and filed with the Minutes. 340 names were on the register at 31 December 2018 (369 at 31 December 2017).

This year has been focused on moving forward with a new strategic vision for our church: All in with God, All in with each other and All in for the World. The continuing transition after the appointment of a new Team Rector in 2017 has been evident as some people have felt it right to move to other churches and as new people have joined us. This has been particularly the case in the area of finance where a significant number of previous givers have either stopped or reduced their donations. The PCC have had to take action to reduce expenditure and use reserves to manage a large operating deficit to allow time for a sustained focus on attracting new giving. It is encouraging to report that this now showing very positive results.

Trinity continues to operate from its main worship space, Holy Trinity Church on Portland Street, and through the use of 'Trinity Fusion', 'Trinity House' and the office premises located on Winchcombe Street. Both 'Trinity Fusion' and 'Trinity House' are owned by a separate charitable trust, Trinity Cheltenham Trust Limited and the offices are rented by the Trust, they grant Trinity the right to non-exclusive use of the facilities and we are very grateful for this support.

#### All in with God

Sunday celebrations have remained the most obvious expression of our church community life:

- We continue to gather people from a considerable distance for worship, prayer, teaching, reflection and fellowship together, in a way that is open to all.
- We have been pleased to note further diversity in those engaging with us in terms of age profile and racially, socially and educational background.
- Children's and Youth Ministry continue to be particular areas of strength. It is estimated that on a monthly basis we connect with over 70 young people and over 160 children through our Sunday activities.

#### All in with each Other

The heart-beat of Trinity community life remains our gatherings in a network of weekly 'Life' groups and other small groups dedicated to particular interests or needs – these include groups for students, men, women, children and young people.

- A high priority and level of resource is given to the pastoral care of those engaging with the church through the allocation of staff team and through the support of Life Group leaders and other volunteers.

- A variety of events and training courses for church members are organised through the year - for example, for those engaged, married, divorced, parents.

All our areas of church life and ministry rely on the dedication and skill of the staff and volunteers serving in our ministry, operations and administrative teams:

- The Trustees recognise that many people serve in ways that can be largely 'hidden' to others and seek through team leaders and members of staff to demonstrate appreciation, support and give opportunities for people to develop in their gifts and interests. We see this as a key area for continuous attention.
- The Discipleship Year programme continues to be a key way in which we invest in young adults and we are very appreciative of the way in which those on the programme contribute to many areas of church life.
- We have continued to see encouraging developments in the leadership and activities of the Men's and Women's ministry.

#### All in for the World

We seek to support people around us with differing kinds of needs through a combination of practical support and spiritual guidance.

- Alpha remains an important vehicle through which we introduce people to the Christian faith and seek to draw people into the life of the church. We ran three courses during the year. Many who come through Alpha continue on into the life of the church, where they find belonging, serve and engage in our wider mission.
- Our practical outreach to serve the needs of our local community continues as a major priority for our time and resources – much, of course, is unseen and informal, based on personal relationships and local acts of service. These include our Money Matters advice service, weekly groups for parents and carers of toddlers and for the elderly.
- The 'Kings Table' and 'The Garage' provide an integrated approach to support vulnerable adults, those at risk of social exclusion and the homeless. We serve in excess of 8,000 meals per year and provide a range of specialist advice to guests in partnerships with other local agencies.

The Trustees also remain committed to Trinity's calling to be a resource to the wider church

- We ran a number of conferences and training events for people from across our region in areas of common interest such as Worship and the work of The Holy Spirit.
- We used our buildings to host a number of events organised by partners including an event bringing together public bodies and community leaders to address the issue of human trafficking.
- We remain a significant contributor to the work of the 'New Wine' network of churches through members of staff serving at the Summer conferences, a large number of our members attending these and at various other events.

We continue to support a large number of partners around the world through both prayer, and with financial resourcing:

- We support a number of individuals who have worshipped at Trinity and are now serving in other places.
- We have maintained a key strategic partnership with the Diocese of Kericho in Kenya to help fund church development and community development projects.
- We support a number of third party charities including Hope for Justice, Compassion UK, Open Doors and International Justice Mission.

As the Team Rector and Trustees develop the church's vision and strategic priorities for the next 3-5 years we continue to be alert to new arenas of ministry and fresh ways to connect with modern culture and the challenges that confront the church in this day and age. Inevitably this must mean an openness to further changes to the way in which the Trust operates, allocation of resources in areas such as staffing and in setting of priorities.

The Leadership and members of the Parochial Church Council of Trinity would like to convey their sincere thanks to everyone within the wider Trinity family, who help in whatever capacity to fulfil the mission of 'making committed followers of Jesus who change communities and nations for Him'.

## Financial review

This has been a very challenging year for the Trust. Faced with a significant decrease in income through voluntary giving, the Trustees have closely monitored cash-flow, made significant reductions in expenditure through a freeze on appointments and implemented a strategy for increasing voluntary giving. Whilst it has been necessary to use a large amount of the Trust's reserves to manage the situation without detrimental impact on operations, the actions taken by the Trustees have stabilised the situation and are now resulting in significantly increased giving which will cover future operating expenditure and restore reserves. The Trustees continue to monitor the situation very closely and are further reviewing potential costs savings in areas of ministry, the potential for changing use/disposal of physical assets and the structure and roles undertaken by the staff team to ensure these match to the Trust's needs and vision.

Total income in 2018 was £943,003, representing a decrease on income received during 2017. Of this, £57,522 was received for specific activity and as such was restricted within our accounts. During the year, a total of £120,423 was recovered through Gift Aid; this is a very small decrease on Gift Aid recovered in 2017.

Total expenditure in the year increased to £1,050,808, of which £58,230 was expended against restricted funds. This resulted in a deficit in the year of £107,805 compared with a surplus of £28,810 in 2017.

Of the £57,522 of restricted income received during the year, and the £22,488 restricted funds brought forward, £58,230 was disbursed. The restricted funds have been ring-fenced in our accounts and will be utilised for their intended purpose during the coming year.

Trinity continue to develop internal controls, reporting and general financial management, with the aim of maintaining its objectives in light of uncertain levels of income. This will continue to be a focus throughout 2019 to ensure that our limited resources are directed in line with our objectives.

## Reserves policy

**General Fund:** The Trustees do not intend to build up operational reserves. To minimise the risk of being unable to meet all its financial obligations as they fall due, focusing on the need to pay staff salaries and expenses, the Trustees manage cash flow so that there is usually at least sufficient cash flow reserve to pay next month's wages.

Trinity is a 'Resource Church' and is not subject to the standard Parish Share system. We have agreed a schedule of contribution to the diocese which has been agreed with the PCC. It is only paid when sufficient cash is available, but normally via monthly payments in arrears with the final balance for the year usually settled in January the following year. Income from regular monthly standing orders remains sufficient to pay staff, Gift Aid reclaims are made monthly to improve cash flow.

**Restricted Funds:** There are a small number of restricted funds that the Church operates including some mission projects and specific pastoral matters. These funds recognise that individuals sometimes want to give to a specific ministry and allow this to happen.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to function.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Trinity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Annual report and financial statements for the year ended 31 December 2018**

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**Disclosure of information to the auditors**

Each trustee has taken the steps that they ought to have taken as Trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

**Auditors**

A resolution proposing that Hazlewoods LLP be reappointed as auditors of the Parochial Church Council of the Ecclesiastical Parish of Holy Trinity, Cheltenham was passed at the Trustees Meeting held on 26 November 2018.

This report was approved by the Trustees on <sup>8<sup>th</sup> April</sup> ..... 2019 and signed on their behalf by



**Rev Andrew Blyth  
Chairman**



## **Opinion**

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Holy Trinity, Cheltenham 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 the incoming resources and application of resources, including its income and expenditure, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

## **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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, except to the extent otherwise explicitly stated in our report, 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.

**The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Independent auditors' report to the members of The Parochial Church Council for the  
Ecclesiastical Parish of Holy Trinity, Cheltenham**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, the Trustees 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group and the parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and nonfinancial information in the Trustee's Annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**HAZLEWOODS LLP**  
Chartered Accountants and Statutory Auditor

..... 11 April ..... 2019

**Cheltenham**

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Statement of financial activities for the year ended 31 December 2018  
Including income and expenditure account

	Note	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £ As restated
<b>Income and endowments from:</b>					
Donations and legacies	2	808,374	53,613	861,987	996,044
Other trading activities	3	77,107	3,909	81,016	80,062
Investments		-	-	-	-
<b>Total income and endowments</b>		<b>885,481</b>	<b>57,522</b>	<b>943,003</b>	<b>1,076,106</b>
<b>Expenditure on:</b>					
Raising funds	4	(176)	-	(176)	(352)
Charitable activities	5	(992,402)	(58,230)	(1,050,632)	(1,046,944)
<b>Total expenditure</b>		<b>(992,578)</b>	<b>(58,230)</b>	<b>(1,050,808)</b>	<b>(1,047,296)</b>
Net (expenditure)/income		(107,097)	(708)	(107,805)	28,810
<b>Reconciliation of funds</b>					
Total funds brought forward		169,932	22,488	192,420	163,610
Total funds carried forward	13-15	62,835	21,780	84,615	192,420

**The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham**  
**Balance sheet as at 31 December 2018**

Registered Charity No: 1130299

	Note	2018 £	2018 £	2017 £ As restated	2017 £ As restated
<b>Fixed Assets</b>					
Tangible assets	9		25,745		40,194
<b>Current Assets</b>					
Stocks		7,500		6,800	
Debtors	10	40,483		20,870	
Cash at bank and in hand		68,176		185,944	
		<u>116,159</u>		<u>213,614</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	(57,289)		(61,388)	
<b>Net Current Assets</b>			<u>58,870</u>		<u>152,226</u>
<b>Net Assets</b>			<u>84,615</u>		<u>192,420</u>
<b>The Funds of the Charity</b>					
Restricted income funds	13		21,780		22,488
Unrestricted income funds	14		62,835		169,932
<b>Total Charity Funds</b>	15		<u>84,615</u>		<u>192,420</u>

The financial statements were approved by the Parochial Church Council on 30th April 2019 and signed on its behalf by



**Christine Robertson**  
Treasurer



**Helen Stott**  
Church Warden

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Cash flow statement for the year ending 31 December 2018

	2018 £	2017 £
		<b>As restated</b>
<b>Cash flows from operating activities</b>		
Net expenditure over income for the financial year	(107,805)	28,810
<i>Adjustments for</i>		
Depreciation of property plant and equipment	14,449	14,253
(Increase)/Decrease in trade and other receivables	(19,613)	6,613
Increase in inventories	(700)	(1,800)
(Decrease)/Increase in trade payables	(4,099)	17,326
<b>Net cash (expended)/generated from operating activities</b>	<b>(9,963)</b>	<b>36,392</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	-	(1,349)
<b>Net cash outflow from investing activities</b>	<b>-</b>	<b>(1,349)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(117,768)</b>	<b>63,853</b>
Cash and cash equivalents at the beginning of the year	185,944	122,091
Cash and cash equivalents at the end of the year	68,176	185,944

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Notes to the financial statements for the year ended 31 December 2018

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1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (amendment) Regulations 2006 together with applicable accounting standards and the Charities Statement of Recommended Practice 2015 for FRS 102. The financial statements have been prepared under the historical cost convention. The trust constitutes a public benefit entity as defined by FRS 102. The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast a significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of one year from the date of approval of the financial statements. On review, the Trustees have concluded that they are to adopt the going concern basis in preparing the annual statements.

1.3 Funds

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

Restricted funds represent the funds of the charity that can only be used for particular restricted purposes with in the objects of the charity. Restrictions arise when specific by the donor or when funds are raised for particular purposes.

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

1.4 Income and endowments

Collections are recognised when received by or on behalf of the charity. Planned giving receivable and other donations under Gift Aid are recognised only when received. Income Tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies to the charity are accounted for as soon as the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the charity is reasonably certain. The charity is not registered for VAT.

1.5 Expenditure

Expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. Costs are attributed to one of the financial categories of expenditure in the statement of financial activities. The support costs are apportioned directly to the charitable activity where possible, the remainder are split equally between Ministry support and Pastoral and Evangelistic expenses support.

1.6 Fixed assets

Consecrated and beneficed property of any kind is excluded from the financial statements by s96(2)(a) of the Charities Act 1993.

Fixtures, fittings and office equipment - depreciation is provided using the straight line method at rates calculated to write off the assets over their useful economic lives. The rate used is 25% per annum apart from for specific assets whose useful life is considered to be longer, whereby the appropriate rate is used to a minimum of 10%. Amounts are capitalised where they exceed £1,250 and where the life of the assets is not less than three years.

- 1.7 Operating Leases  
Rentals payable under operating leases are charged against income on a straight line basis over the lease term.
- 1.8 Pensions  
The charity operates a defined contribution pension scheme. Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.
- 1.9 Stock  
Stock is valued at the lower of cost and net realisable value.
- 1.10 Ethical standards  
In common with many other organisations of our size and nature, we use our auditors to assist with the preparation of the financial statements.
- 1.11 Judgements and estimation uncertainty  
The Trustees make estimates and assumptions concerning the future. There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.
- 1.12 Cash and cash equivalents  
Cash and cash equivalents comprise cash in hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.
- 1.13 Trade debtors  
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.  
  
Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.
- 1.14 Trade creditors  
Trade creditors are obligations for pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.  
  
Trade creditors are recognised initially at the transaction price and are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.
- 1.15 Financial instruments  
Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.  
  
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Notes to the financial statements for the year ended 31 December 2018

2.	Donations and legacies				
		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2018 Total</b>	<b>2017 Total</b>
		£	£	£	£
	Gift Aid, legacies and other donations	454,095	48,343	502,438	534,314
	Gift Aid recoverable	120,423	-	120,423	120,678
	Collections at services/other no tax giving	233,856	-	233,856	322,723
	Missionary appeals including gift aid recoverable	-	5,270	5,270	18,329
	<b>Total 2018</b>	<b>808,374</b>	<b>53,613</b>	<b>861,987</b>	<b>996,044</b>
	<b>Total 2017</b>	<b>919,653</b>	<b>76,391</b>		<b>996,044</b>
3.	Other trading activities				
		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2018 Total</b>	<b>2017 Total</b>
		£	£	£	£
	Church activities:				
	Income from specific activities	50,194	-	50,194	44,812
	Pastoral and evangelistic	26,038	3,909	29,947	34,352
	Worship media activity income	875	-	875	898
	<b>Total 2018</b>	<b>77,107</b>	<b>3,909</b>	<b>81,016</b>	<b>80,062</b>
	<b>Total 2017</b>	<b>69,684</b>	<b>10,378</b>		<b>80,062</b>
4.	Raising funds				
		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2018 Total</b>	<b>2017 Total</b>
		£	£	£	£
	Cost of Worship media activity income	176	-	176	352
	<b>Total 2017</b>	<b>352</b>	<b>-</b>		<b>352</b>



The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Notes to the financial statements for the year ended 31 December 2018

5. Charitable activities	Note	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £ As restated
<b>Activities undertaken:</b>					
<b>Missionary appeals</b>					
Trinity Supported Mission Partners					
Missionary and charitable giving		34,874	56,847	91,721	88,537
Administrative expenses		-	-	-	-
Support costs	6	6,065	-	6,065	6,015
		40,939	56,847	97,786	94,552
<b>Ministry</b>					
Parish Share		135,360	-	135,360	130,876
Welcome and discipleship		1,814	-	1,814	706
Staff costs	7	275,957	-	275,957	282,886
Worship, prayer and teaching		8,897	-	8,897	9,232
Printing, postage and stationery		595	-	595	849
Depreciation	9	7,225	-	7,225	7,127
Support costs	6	187,774	-	187,774	172,116
		617,622	-	617,622	603,792
<b>Pastoral &amp; evangelistic expenses</b>					
Sunday School and Youth					
Activities		12,707	-	12,707	17,257
Gifts and pastoral care		13,173	704	13,877	24,038
Alpha, training & evangelistic expenses		25,333	68	25,401	34,162
Staff costs	7	79,493	-	79,493	93,422
Administrative expenses		7,273	146	7,419	2,615
Support costs	6	190,372	465	190,837	171,751
Other expenses		5,490	-	5,490	5,355
		333,841	1,383	335,224	348,600
<b>Total cost of activities undertaken</b>		992,402	58,230	1,050,632	1,046,944
<b>Total cost of activities undertaken 2017</b>		978,946	67,998		1,046,944

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Notes to the financial statements for the year ended 31 December 2018

6. Support costs

	Note	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
<b>Church running expenses</b>					
Insurance		3,872	-	3,872	3,793
Utilities and telephone		10,848	-	10,848	14,244
Cleaning		6,390	-	6,390	6,016
Repairs and maintenance		880	-	880	944
General running costs		83,641	-	83,641	83,435
Other expenses		17,954	-	17,954	9,280
Events expenses		10,196	465	10,661	7,538
Administrative expenses		2,089	-	2,089	1,358
Depreciation	9	7,224	-	7,224	7,126
Staff costs	7	235,881	-	235,881	211,348
Audit and accountancy fees		5,236	-	5,236	4,800
<b>Total support costs</b>		<b>384,211</b>	<b>465</b>	<b>384,676</b>	<b>349,882</b>

The above support costs are allocated between activities based on time spent on those activities or if they are property related costs, equally between ministry and pastoral and evangelistic expenses as detailed below:

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
Missionary appeals	6,065	-	6,065	6,015
Ministry	187,774	-	187,774	172,116
Pastoral & evangelistic expenses	190,372	465	190,837	171,751
<b>Total support costs</b>	<b>384,211</b>	<b>465</b>	<b>384,676</b>	<b>349,882</b>
<b>Total support costs 2017</b>	<b>349,828</b>	<b>54</b>		<b>349,882</b>

The charity does not provide any grant funding or similar support.

7. Staff costs

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
<b>Number of employees</b>		
The average monthly numbers of full time equivalent employees were:	19	20

No employee earned more than £60,000 in the year (2017 - nil).

**Employment costs**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	499,626	505,341
Social security costs	36,755	35,066
Other pension costs	33,394	23,284
Recruitment costs	676	959
Other staff costs	20,880	23,006
	<u>591,331</u>	<u>587,656</u>

8. Pension costs

The charity operates a defined benefit scheme for the benefit of all employees. The assets of the scheme are administered by Trustees in a fund independent from the charity. The charity has enrolled into the government auto enrolment scheme. The pension costs charged in the financial statements represent the contributions payable in the year by the charity, and amounted to £33,394 (2017 - £23,284).

Contributions totalling £3,762 (2017 - £3,531) were payable to the scheme at the end of the year and are included in creditors.

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Notes to the financial statements for the year ended 31 December 2018

9.	Tangible fixed assets		<b>Fixtures, fittings and equipment</b>
			<b>£</b>
	<b>Cost</b>		
	At 1 January 2018		152,280
	Additions in the year		-
	Disposals in the year		(1,749)
	At 31 December 2018		150,531
	<b>Depreciation</b>		
	At 1 January 2018		112,086
	Charge for the year		14,449
	Disposals for the year		(1,749)
	At 31 December 2018		124,786
	<b>Net book values</b>		
	At 31 December 2018		25,745
	At 31 December 2017		40,194
10.	Debtors		
		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	General debtors	4,360	1,556
	Gift Aid recoverable	23,293	10,260
	Prepayments and accrued income	12,830	9,054
		40,483	20,870
11.	Creditors: amounts falling due within one year		
		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
			<b>As restated</b>
	Expense creditors	17,863	18,458
	Other creditors	17,795	22,544
	Accruals	11,844	11,206
	Deferred income	9,787	9,180
		57,289	61,388

The financial statements have been restated to properly recognise restricted income in reserves that was previously recognised as accruals.

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Notes to the financial statements for the year ended 31 December 2018

12. Deferred income

	2018	2017
	£	£
<b>Grants and donations</b>		
Balance as at 1 January 2018	9,180	6,743
Received in the year	21,423	15,530
Amount released to income and endowments	<u>(20,816)</u>	<u>(13,093)</u>
Balance as at 31 December 2018	<u>9,787</u>	<u>9,180</u>

Balance at the beginning of the 2017 included £11,260 fees levied for the 2017/18 Discipleship Year. All deferred income brought forward were released in full during the year.

Income received in the year, but deferred to a later period included £11,700 fees levied for the 2018/19 Discipleship Year.

13. Restricted funds

	1 January 2018	Income and endowments	Expenditure	31 December 2018
	£	£	£	£
Special collections	-	4,206	(4,206)	-
Specific purposes	22,022	49,407	(50,132)	21,297
Pastoral and evangelistic	466	3,909	(3,892)	483
	<u>22,488</u>	<u>57,522</u>	<u>(58,230)</u>	<u>21,780</u>

**Purposes of restricted funds**

**Special collections**

Significant gifts were received mainly for projects in Kenya and to support a school in Romania.

**Specific purposes**

Anonymous gifts from congregation members for specific purposes received and paid on their behalf in the year.

**Pastoral and evangelistic**

Several donations were received specifically to support some of the outreach activities of the church, namely Kings Table and the Women's ministry.

14. Unrestricted funds

	1 January 2018	Income and endowments	Expenditure	31 December 2018
	£	£	£	£
General	<u>169,932</u>	<u>885,481</u>	<u>(992,578)</u>	<u>62,835</u>

The Parochial Church Council for the Ecclesiastical Parish of Holy Trinity, Cheltenham  
Notes to the financial statements for the year ended 31 December 2018

15. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2018 as represented by:			
Tangible fixed assets	25,745	-	25,745
Current Assets	94,379	21,780	116,159
Current Liabilities	(57,289)	-	(57,289)
	62,835	21,780	84,615

16. Transactions with Council Members

Key Management personnel received £153,515 (2017 - £105,760)

There are three members of staff who are Elected Trustees (not appointed Trustees with the Charities Commission), these members of staff only receive remuneration in respect of services they provide undertaking their staff roles and not in respect of their services as elected trustees. Other trustees did not receive any payments from the PCC in respect of their role as directors.

The value of total remuneration, including benefits in kind received and employer pension contributions was as follows:

Gareth Dickinson

- Total remuneration, including benefits in kind £53,083 (2017 - £51,689)
- Employer's pension contributions paid £9,354 (2017 - £9,334)

David Baker

- Remunerations £42,109 (2017 - £38,624)
- Employer's pension contributions paid £2,262 (2017 - £1,038)

Michael Darbandi

- Remunerations £38,412 (2017 - £nil)
- Employer's pension contributions paid £2,073 (2017 - £nil)

No trustees were reimbursed for personal expenses by the charity during the year (2017 - £nil). There were no other related parties during the year (2017 - £nil).