





The Parish Church of Saint John and Saint Martin

**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST. JOHN AND ST.  
MARTIN (BEVERLEY MINSTER)**

**Charity No. 1132704**

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
OF THE  
PAROCHIAL CHURCH COUNCIL**

**For the year ended 31 December 2015**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
JOHN & ST MARTIN (BEVERLEY MINSTER)**

*The Church in Tickton ✠ St Leonard's, Molescroft ✠ St Peter's, Woodmansey*

**Incumbent:**

*Rev'd Jeremy Fletcher  
The Minster Vicarage  
Highgate  
Beverley  
HU17 0DN*

**Bankers:**

*Barclays Bank PLC  
4 North Bar Within  
Beverley  
HU17 8AY*

*CCLA Investment Management Ltd  
The CBF Church of England Funds  
80 Cheapside  
London EC2V 6DZ*

**Statutory Auditors:**

*Forrester Boyd Robson Limited  
Chartered Accountants  
Kingfisher Court  
Plaxton Bridge Road  
Woodmansey, near Beverley  
HU17 0RT*

## CONTENTS

	<u>PAGE</u>
Annual Report	5
Financial Review	17
Plans for the Future	18
Financial Statements	20
Independent Examiner's Report	22
Statement of Financial Activity	23
Balance Sheet	24
Cash Flow Statement	25
Notes to the Accounts	26
Appendix A – Minster Operating Statement & 2016 budget	44

## **ANNUAL REPORT FOR 2015**

### **Background**

The Parochial Church Council of the Ecclesiastical Parish of St. John and St. Martin (Beverley Minster) has the responsibility of co-operating with the Vicar, the Rev'd Jeremy Fletcher in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

This includes the mission of the Minster's associate churches of St Leonard's, Molescroft, St Paul's, Tickton, Tickton (as part of The Church in Tickton, an Anglican Methodist Local Ecumenical Partnership) and St Peter's, Woodmansey. Each of these has a Management Committee, which is elected annually by its congregation and reports to the PCC.

The PCC's powers and responsibilities in respect of the repairs and maintenance of the historic fabric of Beverley Minster are delegated annually to the Beverley Minster Old Fund, which is an independent trust.

### **PCC related charities**

The incumbent of the Parish, being the Vicar, together with the Churchwardens for the time being, are not Trustees of any other charity. The incumbent in his own right is a Trustee of the Beverley Minster Old Fund (reg. no. 224208).

### **ENDOWMENT FUNDS**

Endowment funds include bequests from Cecil Bainton deceased, C H Barringer deceased and C M L Walker deceased, and also included is the Naylor Fabric Fund of Tickton Church. In 2015, the Director of Music was pleased to receive an endowment of £15,000 from The Friends of Cathedral Music

### **BEVERLEY MINSTER SHOP LTD**

The PCC is the Beneficial Owner of 100% of the Issued Share Capital of Beverley Minster Shop Ltd and exercises its control through nominee directors appointed by the PCC. All of the profits of the Company are transferred to the PCC for the unrestricted benefit of Beverley Minster.

The financial result of Beverley Minster Shop Ltd is included in the PCC's financial statements, in accordance with the Accounting & Reporting by Charities: Statement of Recommended Practice SORP (FS102 ) 2015

## **INDEPENDENT TRUSTS**

Beverley Minster has an involvement with a number of independent trusts, which are listed below. More information about these trusts is provided in note 10.

Vicar and Churchwardens' Account

Hallgarth Field

Beverley Minster Old Fund

Friends of Beverley Minster

Canon Nolloth Trust

The John Cooper Melling Fund

## **PCC MEMBERSHIP**

Members of the PCC are ex-officio or elected in accordance with the Church Representation Rules. To qualify for election to the PCC, candidates must be on the Electoral Roll of The Ecclesiastical Parish of St. John and St. Martin.

During the period since January 2015, the following served as members of the PCC:

PCC members whose membership ceased at the APCM April 2015

Mr I Merryweather

Mrs K Vickers

Mrs L Bowser

PCC members whose membership ceased at other times in 2015

Rev'd Rachel Young

Mr. Robert Edwards

PCC members whose membership commenced at other times in 2015

List of members at December 2015

*Ex-Officio Clergy*

Rev'd Jeremy Fletcher

Rev'd Valerie Clarke

Rev'd Gareth Atha

*Churchwardens*

St Martin      Mr P Mounstephen

Mrs S King

St John        Mr C Tatman

Mr D Moss

Weel            Vacant

Wardens of the Associated Churches:

St Leonards    Mr A Hancock

St Peters        Mrs D Pollard

Tickton          Vacant (Methodist Steward: Mrs K Powell)

*Deanery Synod/PCC elected until 2017*

Mr R Powell  
Mrs S Robson  
Mrs D Pollard  
Mrs J Shaw  
Mrs C Mounstephen

*PCC elected until 2016*

Mr David Almond  
Mr Robert Edwards  
Mr Martin Frankland  
Mrs Rosemary Hart  
Miss Alice Lee  
Mrs Deena Sharples

*Elected until 2017*

Mrs Frances Bowes  
Ms Estella Champion  
Mr Edward Lock  
Mrs Sarah Merrell  
Miss Naomi Merriweather  
Mrs Val Sargeant

*Elected until 2018*

Mrs Anne Almond  
Mr John Bull  
Mr Martin Doolan  
Mr Tony Dakin  
Mr Tony Kelham  
Mrs Margaret Wright

*Co-opted*

None

To contact any member of the PCC, please write to them at

The Parish Centre  
38 Highgate  
Beverley  
East Yorkshire  
HU17 0DN

**Officers**

Vice Chairman:	Mr M Doolan
Treasurer	Mr J Bull
Secretary to the PCC:	Mrs A Almond
Electoral Roll Officer:	Mrs C Bull

**Advisors to the PCC**

**Auditors**

Forrester Boyd Robson Limited  
Chartered Accountants  
Kingfisher Court  
Plaxton Bridge Road  
Woodmansey  
HU17 0RT

**Bankers**

**Minster**

Barclays Bank PLC  
4 North Bar Within  
Beverley  
HU17 8AY

CCLA Investment Management Ltd  
The CBF Church of England Funds  
80 Cheapside  
London  
EC2V 6DZ

**St. Leonard's**

Yorkshire Bank  
39 Saturday Market Place  
Beverley  
HU17 9AQ

**St. Peter's**

NatWest  
60 Market Place  
Beverley  
HU17 8AA

**The Church in Tickton**

Yorkshire Bank  
39 Saturday Market Place  
Beverley  
HU17 9AQ



## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Ecclesiastical parish of St. John and St. Martin (Beverley Minster) is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution, but work within the framework of Church of England ecclesiastical law, consisting of the Parochial Church Powers Measure (1956) and the Church Representation Rules. Charitable status was received on 13 November 2009.

Parish Name: Beverley, St. John and St. Martin (Beverley Minster)  
Minster address: Minster Yard North, Beverley. HU17 0DP  
Parish Centre: 38 Highgate, Beverley. HU17 0DP

## **COMMITTEES**

The Parochial Church Council meets regularly and operates through committees which meet between full meetings of the PCC and as necessary to conduct relevant, urgent or minor business.

**The Standing Committee:** meets regularly to transact urgent business and set the PCC agenda. The Standing Committee comprises:

The Vicar  
The Churchwardens  
The Deputy Churchwardens  
The Deputy Chairman of the PCC  
The Treasurer  
The PCC Secretary

**Finance:** advises on financial matters and gives detailed scrutiny to financial affairs.

**Mission Action:** advises on mission in the parish and beyond, including the distribution of financial support.

**Plant and Facilities:** advises on property issues, manages and maintains PCC property.

**Worship:** advises the Minister and the PCC in regard to worship within the Minster.

**Minster Youth and Children:** oversees all aspects of Youth and Children's Ministry

**Enterprise:** has an overview of all income generation, and "outward facing" parts of the Minster's life.

**Staffing:** reviews the terms and conditions under which staff are employed and advises on staffing issues.

All committee terms of reference were reviewed and confirmed by the PCC in 2013, and further reviewed by each committee in 2014.

## **OBJECTIVES AND ACTIVITIES**

The Beverley Minster Parochial Church Council (PCC) is responsible, with the Vicar, Rev'd Jeremy Fletcher, for the vision and strategy of the Church and its fulfilment.

## **PUBLIC BENEFIT**

When considering the objectives of the charity, the trustees are aware of the Charity Commission's guidance on public benefit in "The Advancement of Religion for the Public Benefit" and have regard to it in their work in the Parish. The PCC believes that by working with the incumbent, and cooperating in all matters of concern and importance for the promotion of the whole mission of the Church, pastoral, evangelistic, social and ecumenical, the Minster and its associate churches provide a benefit to the public by:

- Providing resources and facilities for public worship, pastoral care and spiritual, moral and intellectual development both for its members and anyone who wishes to benefit from what the church offers;
- Promoting Christian values and service by members of the Churches in the Parish to their communities, to the benefit of individuals, families and society as a whole.

## **REVIEW OF PROGRESS AND ACHIEVEMENTS IN THE YEAR**

The PCC met 7 times in 2015 (eight in 2014). The Annual Parochial Church Meeting was held in April 2015. Key decisions taken by the PCC included the approval of a Free Will Offer to the common fund of the Diocese of £157,500 for 2016 (including a £7,500 tithe from a legacy), approving further capital investment in the sound system and approving the 2016 budget for presentation to the APCM in April 2016.

Anne Almond was approved as a candidate for Reader ministry, and we were pleased when she was approved for training.

Clergy and Staff: In 2015 the Revd Val Clarke, House for Duty Associate Vicar, announced her retirement, and left in January 2016. Gareth Atha, our Curate, married Rachael in February 2015. Ben Merrell, our Assistant Youth and Children's Minister, and his wife Sarah, are now the proud parents of Isla, and we administered paternity leave for the first time. Both Emily Hoe (Youth and Children's Minster) and Ian Seddon (Assistant Organist) have had time off ill, and their departments have covered their absence well.

Events. The promised new chairs were installed in March 2015, and have enabled the Minster to be used much more flexibly. For example ITV took over the Minster for four days to turn us into Westminster Abbey for a series on Queen Victoria, and will do the same in 2016. The turn round for this, and for the Christmas festival of Food and Drink, the Retro and Wedding Fairs, and the major dinner for The Prince's Trust is now much simpler, and storage issues are reduced also.

The Christmas Tree Festival continues to thrive. Up to 5000 people attended, and contributed significantly financially to our mission and ministry. The 'Gruffalo' days now regularly attract over 200 children and adults four times a year. 'Discover' Beverley Minster has continued, with three Fridays and two evenings giving people the opportunity to learn more of our ministry and mission. We hosted a varied programme of events including David Starkey for the Literature Festival, and our usual regular round of concerts. We watched the Tour de Yorkshire whizz past in May, and held family events in the Minster to celebrate. Yorkshire Day in August was commemorated inside and outside the Minster with music and stalls.

Services have included the East Riding Carers' Service and the East Riding Remembrance service, where the preacher was the Rt Revd Alison White, the new Bishop of Hull. There was a major service on October 25 commemorating the 600<sup>th</sup> Anniversary of Agincourt. We held our second 'Volunteers' Service', celebrating all who offer time and talent to the Minster's ministry. 'Sunday at Seven', an informal service of worship, teaching and ministry, has become well established, and our Advent and Epiphany processions continue to be a highlight. The Minster Choir recorded and released another CD, and is planning a tour to Germany in 2016. The Girls' Choir is at full strength, and there are up to 50 under 18s who regularly lead our worship.

Mission and Ministry. Our system of pastoral care began to be refreshed in 2015, and 'Pastoral friends' will be allocated to those who are not part of any formal pastoral groups in early 2016. We established a service of Healing on the Thursday of each half term. In 2015 a rota of people was established to each spend an hour in prayer at St Katherine's Chapel, and then to lead anyone in the Minster in prayer at noon, six days a week. This has been a major blessing. We replaced the annual 'Alpha' discipleship course with a bi-annual 'Start! Course (lasting six weeks), with further six week modules from the 'Pilgrim' Course to help people in their discipleship. We used 'Giving in Grace' as the means of a focus on stewardship and planned giving, and saw a pledged increase of 8% among regular givers.

Development. In 2015 the Minster and St Mary's formally constituted a Joint Board', chaired by the Archdeacon of the East Riding, to make a bid to the Heritage Lottery Fund for millions of pounds to open up our buildings to more visitors, along with planning for multi million pound repairs and developments. The plan is to make a bid in November 2016

### **Electoral roll and church attendance**

A new Electoral Roll was prepared in 2013 and has been continuously maintained since then. Following the usual fall in membership when the new roll was prepared, membership has risen and at the end of 2015 stood at 361 members. There were 362 members on the Electoral Roll presented at the APCM in 2015 (342 in 2014).

Average adult attendance at the Minster and daughter churches is shown below:

<b>Church</b>	<b>2015</b>	<b>2014</b>
Beverley Minster	189	200
Children under 16 years of age	16	19
Molescroft	25	26
Tickton	20	18
Children under 16 years of age	3	2
Woodmansey	10	10
Children under 16 years of age	0	0

Communicants at Easter and Christmas (figures in brackets are for 2014):

<b>Church</b>	<b>Easter Day</b>	<b>Christmas</b>
Beverley Minster -	296 (308)	431 (388)
Molescroft	33 (34)	16 (15)
Tickton	28 (29)	0 (10)
Woodmansey	13 (13)	21 (8)

Conducting weddings, funerals and baptisms is an important element in the life of the church, and is also a valuable contribution to the wider community. In 2015, we conducted 26 weddings (21), 66 funerals (62) and 61 baptisms (58).

The Minster is also the venue for civic and other special services and events throughout the year.

## **TAXATION**

The PCC of Beverley Minster enjoys charitable status for taxation purposes and is thereby exempt from income/Corporation Tax either on its income or capital surpluses.

## **INVESTMENT AND RESERVES POLICY**

It is the policy of the PCC to maintain unrestricted general funds at a level which equates to three months general operating expenses plus one extra month's salaries. The reserves policy was amended in 2015 to include an additional £50,000 capital reserve. Performance against this policy is shown in note 16. The reserves policy was reviewed by the Finance committee at the end of 2013 and confirmed by the PCC at its meeting in February 2014. The policy was further reviewed in 2015, and it was decided to add a capital reserve requirement of £50,000.

The PCC's current account is held at Barclays Bank, and is linked to a deposit account with automatic transfer between the funds each day. Other deposits are held with the Central Board of Finance equity and property accounts. The associate churches bank with the Yorkshire and NatWest banks, and also hold deposits with the CBF.

The Finance Committee will continue to review the practicality and effectiveness of this and to assess the need for other financial policies in the course of 2016.

## **VOLUNTARY HELP**

The PCC receives substantial voluntary help across many areas of Parish life, including both financial support and invaluable help in fundraising activity, manning reception in the Parish Centre, stewarding at events and other directly mission related activities. While it isn't possible to put a financial value on the time so freely given, these volunteers make an essential contribution to the Minster's funds.

## **CHURCHYARD**

The Minster Churchyard is 'closed' to further burials and under the Local Government Act 1972, it is now the responsibility of East Riding of Yorkshire Council to maintain the Church's grounds, paths etc. The Churchyard at Tickton is open.

**GRANTS AND DONATIONS****Discretionary charitable donations – See note 3(c) to the Financial Statements**

It has been the practice to tithe the budgeted incoming planned giving and put those funds at the disposal of the Mission Action Group who decide on their disposition. In 2014, the Group also had at its disposal £9,000 allocated from the Froomes legacy in 2013, and a further £2,777 from previous years.

Charity	Donation 2015	Donation 2014
CMS – The Draysons		5,245
Beverley Schools Christian Trust	£2,000	£2,600
Church Mission Society	£1,000	£1,000
Jacob's Well	£1,000	£2,000
The Richardsons	£1,100	£1,100
Christ for All in Andhra Pradesh	£1,000	£2,000
CPAS	£1,000	£1,000
The Church Army	£1,000	£1,000
Beverley Against Poverty	£0	£1,000
CTB Festival of Life	£0	£1,000
Christian Vision for Men	£0	£1,000
Hull HARP	£5	£1,000
Embrace the Middle East	£0	£929
The Bible Society	£500	£ 600
The Leprosy Mission	£500	£ 600
The Barnabas Fund	£0	£ 500
Ordination Candidate's Fund	£0	£168
Marie Curie	£0	£75
SASH	£0	£50
International Nepal Fellowship	£600	£0
Donation to refugees in Hungary	£259.50	£0
<b>Total Charitable Donations</b>	<b>£9,964.50</b>	<b>£22,867</b>

The budget for donations for the year was £10,320. The underspend has been transferred to reserves and added to the MAG's 2016 budget.

In view of the generous legacy received in 2014, the PCC decided to increase its donation to the Diocese to £175,000.

## **RISK MANAGEMENT**

Risk has been defined by the PCC as:

The threat or possibility that an action or event will adversely affect our ability to function;

The possibility that a beneficial action or event will be overlooked.

### **Financial Risk**

The day to day management of financial risk is delegated by the PCC to the PCC Finance Committee, and it is this Committee that is responsible for reviewing the PCC's annual budget, with particular focus on the General, Development and Youth Funds. The Treasurer circulates management accounts to the Committee each month, showing the financial position compared to the previous year and budget, and a forecast outturn for the year.

In 2011 it became apparent that at the current level of deficit, the PCC's reserves would be exhausted by 2017 – even though the PCC was not contributing the full amount of the Parish Share. As part of its 5 year financial plan the PCC therefore aimed to achieve a balanced budget by 2014. Substantial legacies received in 2013 have had a positive impact on the Minster's reserves, and so it was felt safe and appropriate to continue a high level of support to the Diocese and to other charities, even though this results in a continued budget deficit. Consequently, the budget for 2014 adopted by the PCC was for a deficit of almost £137,000, to be covered from reserves. In making this decision, the PCC felt that supporting the diocese was an appropriate use of reserves in furtherance of the Minster's mission and ministry.

Despite this deficit, the PCC is keen to maintain its support of the Diocese in their striving to recruit and train more clergy, by substantially increasing the offer of funds to the diocese in 2015.

The regular planned giving by our generous supporters is the bedrock of our funding, and we are ever grateful to those givers. However, the truth is that between 2010 and 2014, this giving fell by 5%, while inflation rose by 13%. This situation poses the most serious risk to the financial stability of the PCC. 2015 reversed the downward trend, and planned giving rose almost to 2011 levels. Towards the end of 2015, we launched a Giving in Grace campaign, which resulted in commitments to increase giving by around 8% which would take us back to pre-2010 levels of giving.

Following a detailed review of spending, a recruitment freeze was imposed in 2015.

### **Reputational Risk**

This can be minimized by encouraging best practice in all aspects of the Parish's management, thereby reducing the risk of inappropriate actions which could have a

damaging effect on the Parish. This extends both to staff and volunteers, all of whom need to be familiar with their duties and adhere to laid down procedures.

### **Serious incidents**

No incidents resulting in significant loss of money or assets, damage to the Minster's property or harm to the Minster's work, beneficiaries or reputation have occurred during the year.

### **Statutory and Legal Requirements**

The PCC strives to comply with Church of England guidelines, Charity Commission regulations, accountancy procedures, Health and Safety requirements and all other legislation relating to the conduct of its affairs. Health and safety issues are regularly discussed at PCC meetings.

### **Operational Risk**

Other than the financial risk detailed above, the PCC believes that the Operational Risk to the Parish is relatively low. There is constant concern over the fabric of the Minster, care of which is delegated to a separate charity, Beverley Minster Old Fund. Of most immediate concern is the condition of the roof and some of the stained glass windows. The estimated total cost of these repairs is £6.4 million, but other plans for improved lighting and accessibility will bring the cost up to almost £8 million, and work to raise these funds began during the year. A working group of representatives of the PCC, the Old Fund and the Friends has been set up to drive the project forward. As well as these essential repairs, we also have a number of other improvements in sustainability, interpretation and accessibility to the Minster which could be realized should the appeal raise more than the £8 million needed.

### **Finance definitions**

*Operating and Financial accounts.* The operating accounts include the General, Development and Youth funds, which are budgeted, and exclude any revaluations of property or investments. When comparisons with the budget are made, only the Minster's figures are used. The financial accounts are the full accounts including all funds, the Associate Churches, and also including transfers between funds and revaluations.



## **FINANCIAL REVIEW**

We began the year having budgeted for a deficit on the General and Youth funds of £137,000 and ended the year with a surplus of £26,059 a swing of over £163,000. This swing can be partly explained by two significant receipts – bequests of £85,500 and donations of almost £20,000. I'm also pleased to further report that in addition to these two significant areas, most of our other income streams were also up on 2014. There were some areas which didn't show an improvement: catering, which declined, mainly due to the difficulty in recruiting volunteers; shop profit, which despite a lot of hard work by all involved deteriorated; and concert income which also failed to reach the 2014 level. Concert income in 2014 was particularly high because of the success of the Johnny Cash Tribute concert, while there wasn't an equivalent concert in 2015. On the other hand our regular events, the wedding fair, Prince's Trust dinner, Festival of Food and Drink and, most importantly, the Christmas Tree Festival continue to be successful both in financial terms, and also confirming the importance of the Minster as a community asset, bringing thousands of people into contact with the Church. Finally, the Minster was used as a location in the new ITV series about Queen Victoria

As well as the positives in income, I'm also pleased to report that our total expenditure for the year was also lower than in 2014 and lower than budgeted. Our major expense, our contribution to the Diocese, was increased from £148,000 to £175,000. This increase reflected the very healthy state of our reserves and desire to use them in support of our mission. If we exclude the increase of £27,000 in donation to the Diocese, expenses were £15,000 below 2014, and almost £3,000 below budget.

### ***Giving in Grace Campaign***

Direct giving from the congregation remains our major source of income. Covenanted regular giving is especially valuable as it allows us to plan our mission activity in advance with greater certainty. During the year we ran a Giving in Grace Campaign to strengthen both our income and our contact with our supporters. The result of the campaign was a committed increase of over £8,000, an 8.4% increase on the existing level.

### ***Capital investment***

Our strong financial position, and a commitment by the Friends of Beverley Minster to donate 50% of their total cost, allowed us to replace the old chairs in the Minster at a total cost of £95,218. Our sound system in the Minster was upgraded and modernised at a cost of £18,893. We also began a major refurbishment of the organ, and spent £40,892 on this. We estimate that this represents 50% of the final cost, and should be finished in the first quarter of 2016. The cost of the organ refurbishment is covered by restricted funds currently on deposit.

### **Budget 2016**

Our budget for 2016 once again forecasts a significant deficit, this time £85,910. This budget brings in the commitments made in the Giving in Grace campaign, but, as usual, does not anticipate any legacies or significant donations. Although we have imposed a freeze on recruitment, the budget includes appointing a new Head Virger when the current incumbent retires.

### **Remuneration**

The accounts include an accrual of £2,250 for the Independent Examiner's remuneration. No trustees have received remuneration during the period. One trustee received reimbursement of £109.98 for expenses incurred in the provision of refreshments for customers hiring Minster premises

### **Support for music in the Minster.**

Music plays an important part in worship at the Minster. Over the past few years the choir, led by our Director of Music, has grown, and now includes a girls' choir. As well as the Director of Music, the choir is supported by an assistant organist. Financially, music is funded through the general fund. In 2015, we received an endowment of £15,000 from the Friends of Cathedral Music as well as a grant of £5,000 from the Ouseley Trust. Both of these grants were invested to provide an ongoing income to support our music. The proceeds from our organ recitals were also invested in the same way.

### **Plans for the Future**

#### **“The Vision Thing”**

Towards the end of 2012 we started a process to formulate and define our vision, and bring it together with our mission and values. We will also look to integrate our budgeting and financial planning with this process. A small group has been set up to begin this work, which will involve consultation with the wider congregation at key stages of the process. It had been intended that an Action Plan would be approved by the PCC in 2013, but pressure of work means this group has not yet met. However, an early outcome of the process has been to restate our mission as servants of the Gospel to be:

- A People of Worship – Rejoicing in God
- A Light to the World – Reflecting Christ
- A Community of Love – Revealing the Spirit

Every PCC Committee undertook a review of its activities with the Vision document as a template, and this process continues

#### **Joint development project with St.Mary's**

It has been apparent for some time that a considerable amount of money needs to be spent on re-roofing the Minster, repairing Great East and Great West stained glass windows and replacing the chairs in the Minster. These repairs are deemed to be

essential. In addition, there are a number of other areas, such as re-lighting that are considered highly desirable. The essential repairs have been estimated at £6.7m, with possibly a further £3-4m on the aspirational items. At the same time, St. Mary's need to spend £5m on essential repairs.

Rather than compete for the same funds, our two great churches decided to work together with the theme of two great churches, one town story. Preliminary work has started on the project, but nothing has yet been spent.

**This report has been adopted by a meeting of the Parochial Church Council (PCC) held on 16/03/2015 and signed on behalf of the PCC by Revd. Jeremy Fletcher (Chairman) and John Bull, (Treasurer).**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

### **Statement of trustee responsibilities applicable to members of the PCC of the Ecclesiastical Parish of St. John and St. Martin (Beverley Minster)**

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

The law applicable to charities in England and Wales, requires the 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 the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Beverley Minster prepares its first financial statements that comply with FRS 102 for the year ended 31 December 2015. Beverley Minster's date of transition to FRS 102 is 1 January 2015. For Beverley Minster the transition to FRS 102 has not resulted in any changes in accounting policies compared to those used previously.

### **Annual Financial Statements**

The attached financial statements for the year ended 31 December 2015, have been prepared in accordance with the relevant Church Accounting Regulations, applicable Accounting Standards and Statement of Recommended Practice (FS 102) 2015.

It is recommended that the Annual Report and Financial Statements for the year ended 31<sup>st</sup> December 2015 be adopted and approved for submission to the Annual Parochial Church Meeting.

John Bull  
Treasurer to the PCC  
March 2016

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE PCC OF THE ECCLESIASTICAL PARISH OF ST. JOHN AND ST. MARTIN (BEVERLEY MINSTER)**

I report on the Church Accounts for the year ended 31<sup>st</sup> December 2015 which are set out on pages 21 to 39.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that

an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

**Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

**Michael Beckett BA FCA**

Forrester Boyd Robson  
Kingfisher Court  
Plaxton Bridge Road  
Woodmansey  
Beverley  
HU17 0RT

Date:

Signed:

## FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. JOHN AND ST. MARTIN (BEVERLEY MINSTER)

**Consolidated Statement of Financial Activities for the year ended 31 December 2015**

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	2014 Total funds
	£	£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	353,953	76,715	15,000	445,668	258,287
Activities for generating funds	70,426	3,695	-	74,121	77,756
Investment income	23,492	1,036	-	24,528	23,095
Incoming resources from charitable activities	79,610	3,116	-	82,726	53,840
Other incoming resources	-	-	-	-	-
<b>Total incoming resources</b>	<b>527,480</b>	<b>84,562</b>	<b>15,000</b>	<b>627,043</b>	<b>412,978</b>
<b>Resources used</b>					
Cost of generating funds	2,866	37	-	2,903	3,965
Fundraising trading cost of goods sold and other	21,973	644	-	22,618	26,933
Investment management costs	-	-	-	-	-
Charitable activities	415,359	52,623	-	467,981	450,980
Governance costs	5,487	200	-	5,287	8,556
<b>Total resources used</b>	<b>445,684</b>	<b>53,104</b>	<b>-</b>	<b>498,788</b>	<b>490,433</b>
Gains/(losses) on investment assets	5,458	-	771	6,229	26,802
<b>Net income / (expenditure) resources before transfer</b>	<b>87,254</b>	<b>31,459</b>	<b>15,771</b>	<b>134,483</b>	<b>(50,652)</b>
Transfers between funds	(4,654)	(1,146)	5,800	-	-
Gains/(losses) fixed assets	-	-	-	-	67,500
<b>Net movement in funds</b>	<b>82,600</b>	<b>30,313</b>	<b>21,571</b>	<b>134,483</b>	<b>16,848</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	1,189,248	186,912	499,846	1,876,006	1,859,159
<b>Total funds carried forward</b>	<b>1,271,848</b>	<b>217,225</b>	<b>521,417</b>	<b>2,010,490</b>	<b>1,876,006</b>

FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF ST. JOHN AND ST. MARTIN (BEVERLEY MINSTER)

**BALANCE SHEET AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible Assets	5a	1,136,118	986,714
Investments	5b	<u>393,762</u>	<u>369,233</u>
		1,529,880	1,355,947
<b>CURRENT ASSETS</b>			
Stock		1,199	0
Debtors	6	25,629	28,375
Short-term deposits	6a	375,616	337,903
Cash at bank and in hand	6b	<u>111,932</u>	<u>178,968</u>
		514,375	545,247
<b>CURRENT LIABILITIES</b>			
Creditors	7	33,765	25,188
<b>NET CURRENT ASSETS</b>		<u><b>480,610</b></u>	<u><b>520,059</b></u>
<b>TOTAL NET ASSETS</b>		<u><b>2,010,490</b></u>	<u><b>1,876,006</b></u>
Represented by:			
Unrestricted funds		1,271,848	1,189,248
Restricted funds		217,225	186,912
Endowment funds		<u>521,417</u>	<u>499,846</u>
		<b>2,010,490</b>	<b>1,876,006</b>

Approved by the PCC of the Ecclesiastical Parish of St. John & St. Martin (Beverley Minster) and signed on its behalf by the Rev'd Jeremy Fletcher (Chairman) and Mr. John Bull (Treasurer)

\_\_\_\_\_ Rev'd Jeremy Fletcher (Chairman)

\_\_\_\_\_ Mr. John Bull (Honorary Treasurer)

Date:



FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. JOHN AND ST. MARTIN (BEVERLEY MINSTER)

**CASH FLOW STATEMENT for the year ended 31 December 2015**

**Cash flows from operating activities:**

Net income	134,483
Gain on investment assets	( 6,229)
Unadjusted error on investments	2,500
Depreciation	5,598
Interest receivable	( 2,515)
Dividends receivable	( 22,013)
Decrease in debtors	2,746
Increase in stock	( 1,199)
Increase in creditors	8,577
Net cash provided by (used in) operating activities	<u>121,948</u>

**Cash flows from financing activities**

Interest receivable	2,515
Dividends receivable	22,013
Net cash provided by (used in) financing activities	<u>24,528</u>

**Cash flows from investing activities**

Purchase of tangible fixed assets	( 114,110)
Assets under construction	( 40,892)
Purchase of investments	( 20,800)
Net cash provided by (used in) investing activities	<u>( 175,802)</u>

Change in cash and cash equivalents in the reporting period ( 29,326)

Cash and cash equivalents at the beginning of the reporting period	516,874
Cash and cash equivalents at the end of the reporting period	<u>487,548</u>
Change in cash and cash equivalents in the reporting period	<u>( 29,326)</u>

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2015

### 1 ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Statement of Recommended Practice 2015 (FRS 102) published by the Charity Commission in 2014.

The financial statements have been prepared under the historical cost convention, except for the value of investment assets which are shown at market value, and include all transactions, assets and liabilities for which the PCC is responsible in law by consolidating, based on information provided, the accounts of Beverley Minster; its related Restricted Funds; and its three Daughter Churches. They do not include the accounts of church groups that owe their main affiliation to another body or those that are informal gatherings of church members.

#### **Funds**

*Unrestricted funds* represent the funds of the PCC that are not subject to any restrictions regarding their use. Funds designated for a particular purpose by the PCC are also considered to be unrestricted.

*Restricted funds* can only be used as specified by a donor or when funds are raised for a particular purpose.

*Endowment funds* are a form of restricted fund where the donor has specified that only the income from the money or asset donated can be spent. The original asset (the 'capital') cannot normally be spent (except in the case of expendable endowments – not the type of endowment existing here). The donor of the endowment fund specifies the use to which the income can be put, so it can be more restricted than for the general purposes of the PCC.

#### **Incoming Resources**

Income is generally credited to the Statement of Financial Activities on an accruals basis. Income is deferred when it is part of a project which requires it to be accounted for in a future period. Legacies and bequests that have been notified to the PCC are only taken into revenue, and hence, the SOFA on their actual receipt.

#### **Resources Expended**

Items of expenditure are charged to the Statement of Financial Activities on an accruals basis. The offer to the Diocese is charged as paid, usually monthly, although the commitment is for a full year.

#### **Fixed assets and basis of valuation**

##### *Consecrated property and movable church furnishings*

Consecrated and beneficed property of any kind is excluded from the accounts by S.10(2)(a) of the Charities Act 2011. No value is placed on movable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred in the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off in the year of expenditure

#### *Other freeholds*

The Church Hall, Peter Harrison Room, Parish Centre and the residential property at 23 Outer Trinities were professionally valued in November 2014 by John English BSc M.R.I.C.S., an independent chartered surveyor. The land and properties were revalued on the basis of open market value. The next revaluation is due in 2019.

No depreciation is provided on the basis that, considering their residual value and length of expected lives, any depreciation would be immaterial.

#### *Tangible Assets*

These are valued as set out in the relevant Note to the Accounts (see Note 5)

#### *Church equipment*

During the year, work commenced a major refurbishment and improvement of the Minster's organ. By the end of the year, the work was about 50% complete at a cost of almost £41,000. We anticipate the work to be completed early in 2016. The Minster's sound system was also upgraded and modernised.

#### *Office and other equipment*

Equipment used within the church premises is generally depreciated on a straight line basis over 4 or 5 years. Individual items with a purchase price of £1,000 or less are written off when the asset is acquired. During 2015, the Minster purchased new chairs for £95,217, and these have been given a conservative life of 20 years. The upgrade to the sound system, £18,893, has been given a 5 year life.

#### *Investments*

Funds are placed in low and medium risk ethical investments with the objective of receiving income. The investment policy is to achieve a rate of return, based on the current value of investments, of at least 1% more than the prevailing rate on the Church of England Deposit Account (0.75% at 31 December 2012).

### **Basis of Valuation – 31 December 2015**

#### *Property*

The Church Hall (including the Emmaus Room), Peter Harrison Room, Parish Centre and 23 Outer Trinities are included at their 2014 valuation.

Changes in valuations are shown as unrealized gains or losses, which are respectively credited or charged within the Statement of Financial Activities (SOFA)

### **Current Assets**

#### *Debtors*

Amounts owing to the PCC at the 31<sup>st</sup> December, in respect of fees, rents or other income are shown as debtors less provisions for amounts that may prove uncollectable.

#### *Stocks*

Value of stocks of the choir CD held by the Director of Music

#### *Accrued income*

Income earned in the year which has not yet been invoiced, claimed or payment received

#### *Liabilities*

Amounts owing by the PCC at the 31<sup>st</sup> December, are shown as creditors, provisions, or deferred income.

### **Allocation of Costs**

Costs that relate to specific activities of the PCC are allocated directly to that activity.

Support costs include all administrative costs, payroll costs of the administrative staff and virgers, and the running costs of the Parish Centre. Support costs are apportioned between the costs of income generation, charitable activity and governance according to the estimated time spent by staff on each type of activity.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

## Note 2 - INCOMING RESOURCES

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	2014 Total
	£	£	£	£	£
<b>Incoming resources from generated funds</b>					
<i>Voluntary Income</i>					
Planned giving	121,590	8,399	-	129,989	130,449
Tax recoverable	37,966	2,098	-	40,065	33,432
General collections	34,976	-	-	34,976	31,717
Donations	21,803	61,217	-	83,020	8,147
Refreshment donations	4,079	-	-	4,079	3,392
Prayer candle donations	8,870	-	-	8,870	8,419
Bequests	90,558	-	-	90,558	17,345
Grants	18,666	5,000	15,000	38,666	11,550
Visitor box donations	15,445	-	-	15,445	13,836
<b>Total Voluntary Income</b>	<b>353,953</b>	<b>76,714</b>	<b>15,000</b>	<b>445,667</b>	<b>258,287</b>
<i>Activities for generating funds</i>					
Concerts, events & recitals	40,363	2,083	-	42,446	39,440
Hospitality food	-	-	-	-	254
Photography permits	3,984	-	-	3,984	4,355
Shop contribution	17,729	-	-	17,729	21,322
Catering	6,544	-	-	6,544	12,070
Other fundraising income	1,805	1,612	-	3,417	315
<b>Total income from fundraising</b>	<b>70,426</b>	<b>3,695</b>	<b>-</b>	<b>74,121</b>	<b>77,756</b>
<i>Investment Income</i>					
Interest	1,479	1,036	-	2,515	2,052
Dividends	22,013	-	-	22,013	21,043
<b>Total Investment Income</b>	<b>23,492</b>	<b>1,036</b>	<b>-</b>	<b>24,528</b>	<b>23,095</b>
<i>Church activities</i>					
Lettings	44,632	-	-	44,632	24,879
Rents	7,248	-	-	7,248	7,248
Church fees	24,537	422	-	24,959	17,140
Magazine sales	1,790	-	-	1,790	2,247
Mission income	270	2,694	-	2,964	2,046
Sundry income	1,134	-	-	1,134	280
<b>Total Church activities</b>	<b>79,610</b>	<b>3,116</b>	<b>-</b>	<b>82,726</b>	<b>53,840</b>
<b>Total Incoming Resources</b>	<b>527,480</b>	<b>84,562</b>	<b>15,000</b>	<b>627,042</b>	<b>412,978</b>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

Note 3.1 – USE OF RESOURCES

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	2014 Total funds £
<i>3a Cost of generating voluntary income</i>					
Cost of generating voluntary income	1,847	37	-	1,884	2,086
Allocated support costs	1,019	-	-	1,019	1,000
<i>Total</i>	<i>2,866</i>	<i>37</i>	<i>-</i>	<i>2,903</i>	<i>3,086</i>
<i>3b Fundraising &amp; trading costs</i>					
Concerts & events costs	7,126	644	-	7,771	8,332
Hospitality costs	188	-	-	188	206
Photo permit costs	150	-	-	150	-
Catering	1,900	-	-	1,900	2,798
Other trading and fundraising costs	850	-	-	850	100
Allocated support costs	11,760	-	-	11,760	15,340
<i>Total</i>	<i>21,973</i>	<i>644</i>	<i>-</i>	<i>22,618</i>	<i>26,776</i>
<i>3c Cost of church activities</i>					
Mission & charitable giving	9,965	619	-	10,584	23,783
Ministry - freewill offer to Diocese	175,000	-	-	175,000	148,000
Mission costs	10,351	-	-	10,351	9,232
Cost of services & worship	38,630	4,173	-	42,802	36,989
Clergy expenses & housing costs	5,097	-	-	5,097	8,572
Church & Minster running costs	57,283	-	-	57,283	66,966
Parish Hall, rooms & Centre costs	15,829	-	-	15,829	14,921
Outreach	2,834	-	-	2,834	3,056
Visitor ministry	2,854	-	-	2,854	1,838
Youth & Children's ministry	-	4,464	-	4,464	6,015
Major building costs	2,281	-	-	2,281	8,736
Allocated support costs	95,235	43,367	-	138,603	125,519
<i>Total</i>	<i>415,359</i>	<i>52,623</i>	<i>-</i>	<i>467,981</i>	<i>453,627</i>
<i>3d Governance</i>					
Audit, examination & legal fees	2,198	(200)	-	1,998	5,259
Allocated support costs	3,289	-	-	3,289	3,240
<i>Total</i>	<i>5,487</i>	<i>(200)</i>	<i>-</i>	<i>5,287</i>	<i>8,499</i>
<b>Total Resources Used</b>	<b>445,684</b>	<b>53,104</b>	<b>-</b>	<b>498,788</b>	<b>491,988</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2015

**Note 4 Analysis of personnel & other support resources used by the PCC**

	Staff Costs	Depr'n	Other Allocated Support Costs	Direct Costs	2015 Total Costs	2014 Total
	£	£	£	£	£	£
<b>Total parish</b>						
Cost of generating voluntary income	756	-	264	1,884	2,903	3,181
Cost of fundraising & trading costs	8,893	-	2,866	10,858	22,618	74,601
Church & charitable activities	163,940	5,598	11,927	286,515	467,981	451,764
Governance costs	2,498	-	791	1,998	5,287	8,556
	176,087	5,598	15,848	301,255	498,788	538,101

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 DECEMBER 2015

**5a TANGIBLE FIXED ASSETS**

	Total all churches		Total 2015	Total 2014
	Freehold land and buildings	Equipment & furnishings		
	£	£	£	
Gross book value				
At 1 January 2015	985,000	44,631	1,029,631	962,131
Additions	-	114,110	114,110	-
Revaluations	-	-	-	67,500
Disposals	-	-	-	-
Work in Progress		40,892	40,892	-
At 31 December 2015	<u>985,000</u>	<u>199,633</u>	<u>1,184,633</u>	<u>1,029,631</u>
Depreciation				
At 1 January 2015	-	42,917	42,917	41,390
Charge for the year		5,598	5,598	1,527
At 31 December 2015	-	<u>48,515</u>	<u>48,515</u>	<u>42,917</u>
Net book value				
At 31 December 2014	<u>985,000</u>	<u>1,714</u>	<u>986,714</u>	<u>920,741</u>
At 31 December 2015	<u>985,000</u>	<u>151,118</u>	<u>1,136,118</u>	<u>986,714</u>

Details of freehold land & buildings

	Value		Revaluation	
	2015	2014	2015	2014
	£	£	£	£
23 Outer Trinities	285,000	285,000	-	25,000
The Parish Centre	465,000	465,000	-	15,000
The Parish Hall	155,000	155,000	-	20,000
The Peter Harrison Room	80,000	80,000	-	7,500
	<u>985,000</u>	<u>985,000</u>	-	<u>67,500</u>



**TANGIBLE FIXED ASSETS (continued)****(5b) Investments****Group**

Investments which are included at their market value as at 31st December 2015 have a historic cost of £336,057 (2014 £315,217). Current market value of the investments is £393,762 (£369,233).

	2015	2014
	£	£
Interest received from Bank and other Deposit Accounts	2,515	1,418
Dividends received from P.C.C. investments	16,764	15,587
Dividends received from Diocesan investments	5,249	6,091
	<u>24,528</u>	<u>23,097</u>
The investments earned a gross rate of return on market value of	7.3%	6.1%

The P.C.C. receives half the income from the Estate of Grace Farrar deceased, but does not hold or control the investments, which are administered by the Diocese of York. The total value of the investments £289,868, which generated a total income of £9,563, a return of 3.3% (3.6% in 2014). The income was divided between the PCC and the Old fund, with the PCC Receiving £4,782. The 2015 yield includes an accrual for Qtr 4 of £1,442. The actual Qtr 4 return, received in February 2015, was £1,504, which would have only marginally improved the yield.

**Parent**

In addition to the disclosure for group investments above, the parent charity also has the following investment in a wholly owned subsidiary undertaking.

The P.C.C. holds as part of its investments, 1,000 shares of £1.00 in Beverley Minster Shop Ltd., at a cost of £25,000, representing 100% of the issued share capital. Beverley Minster Shop Ltd pays all its net profits to the PCC and these figures are included in the Consolidated Statement of Financial Activity. The profit accruing to the PCC in 2015 was £17,690 (£21,322)

**Summary of investments held and their movements**

	Opening balance	Additions	Disposals	Revaluations	Impairments	Closing balance
Treasury stocks	29,693	-	-	(605)	-	29,088
Investment funds	109,799	-	-	1,494	-	111,293
Fixed interest funds	105,297	-	-	(4,073)	-	101,224
Property funds	98,701	20,800	-	7,656	-	127,157
Investment in Minster Shop	25,000	-	-	-	-	25,000
<b>Total all investments</b>	<b>368,490</b>	<b>20,800</b>	<b>-</b>	<b>4,472</b>	<b>-</b>	<b>393,762</b>

**6 DEBTORS, PREPAYMENTS & STOCK ON HAND**

	2015	2014
	£	£
Prepayments	5,970	6,366
Trade & other debtors	11,964	17,970
Accrued income	7,694	4,039
Stock on hand	<u>1,199</u>	<u>0</u>
	26,828	28,375

**7 LIABILITIES – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Prepaid income	2,612	1,812
Trade creditors	2,752	930
Other creditors	2,744	1,673
Agency collections	15,673	7,428
Less: Inter-group creditors	<u>(98)</u>	<u>0</u>
	23,682	11,843
Accruals	9,833	13,344
Liabilities > 1 year	250	0
Total liabilities & accruals	33,765	25,188

## 8 Staff Costs & Staffing Levels

*Staff costs consist of:*

	2015	2014
Salaries	159,233	147,470
National insurance	11,526	10,160
Pension costs	<u>5,328</u>	<u>5,198</u>
	176,087	162,828

	2015	2014
The number of employees at 31 December was	10	10
Full-time equivalent at 31 December	7.4	9.4
No. of employees with a salary under £10,000	4	4
No. of employees with a salary between £10,000 and £20,000	2	4
No. of employees with a salary exceeding £20,000	4	2

No employees received total employee benefits of more than £60,000.

## **8a Pension and similar obligations**

Beverley Minster (PB Classic) 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. Bonuses may also be declared, depending upon the 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 to 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 considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable.

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2013. This revealed, on the ongoing assumptions used, a surplus of £0.5m. There is no requirement for deficit payments at the current time.

Pension Builder 2014 will be valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. Pension Builder 2014 commenced in February 2014 so the first full valuation of that section will be carried out at the next CWPF valuation date, 31 December 2016.

Beverley Minster contributes 8% of basic salary for those employees in the scheme. No contribution is required to be made by the employee. The contributions for the year totalled £5,328 (2014 £5,198).

Beverley Minster had 4 active members and 4 deferred members in the DCS at 31 December 2015.

Some staff are not currently included in the pension scheme and will be included in the workplace pension scheme at our staging date in February 2017.

## 9 ENDOWMENT FUNDS

Following enactment of the Church Accounting Regulations 2006, the Financial Statements include both the income arising from and the capital values of the following:

The Cecil Bainton legacy	Trustees: the PCC
The C H Barringer legacy	Trustees: the PCC
The P Terry legacy	Trustees: the PCC
The CML Walker legacy	Trustees: the PCC
The Naylor Fabric Fund of Tickton Church	Trustees: the PCC
The Beverley Minster Music Fund	Trustees: the PCC

During the year, the PCC received an endowment of £15,000 from the Friends of Cathedral Music, which was invested in the CCLA property fund.

## 10 INDEPENDENT TRUSTS

The Vicar and Church Warden's accounts are not included in the Consolidated Accounts as they are administered separately by the Incumbent and Churchwardens. In addition, the Hallgarth field is vested in the York Diocesan Board of Finance as Custodian Trustees with the Vicar and Churchwardens of Beverley Minster as Administrative Trustees. For this reason, the Hallgarth Field accounts are not included in the consolidated accounts.

Beverley Minster is connected with the Beverley Minster Old Fund, an Endowment established in 1579 by Queen Elizabeth I for the maintenance of the building. It is managed by independent Trustees and is not a responsibility of the PCC.

The Friends of Beverley Minster are also connected with the Minster and have an independent constitution and Council.

The Canon Nolloth Trust, which was registered with the Charity Commission on 12 September 1963, is administered by the Diocese of York. The Trust holds 61 units in the M&G Charifund Account and the income is paid into the Diocesan Stipend Account. The Trust also owns land in Beverley known as the 'Vicar's Garden'.

The John Cooper Melling fund was established in 2001 to be used for Children's and Youth Ministry projects at Beverley Minster. The fund, which receives donations from members of the Melling family, is administered by the Incumbent and Youth Minister.

## 11 CONNECTED PERSONS – MEMBERS OF THE PCC

### Clergy

During 2015 the Clergy received the following:

	2015 £	2014 £
Reimbursement of actual expenditure	2,296	5,156
Accommodation costs	2,472	3,443
	<u>4,768</u>	<u>8,599</u>

## 12 ACCUMULATED FUNDS

Unrestricted (and Designated) Funds include:

The Minster General Fund, the daughter churches' general funds, the bell fund and the projects development fund. The Newham investments are included. These were classified as an endowment fund before 2009.

Note: Part of the Coster bequest was the main source of funds to purchase the parish centre, a general fund fixed asset. Hence, this portion of the Coster bequest was treated as spent by the end of 2009. The income from the remaining Coster fund, invested in shares, was designated for youth work in 2010 and 2011. From 2012, the Coster income reverted to the PCC which made a commitment to the continued development of the Youth and Children's Ministry. The result of this, coupled with increased staffing, means that the Youth fund is now in deficit.

Restricted Funds include:

The Vicar's garden fund, the organ fund, the youth fund, Dorcas fund, flower fund, mission committee fund, the bell fund, men's group, choir fund and various restricted modest donations not yet spent, collectively known as the specific one-off fund. Also the Tom Kell fund of Tickton church.

Endowment (Capital) Funds include:

Bequests from Cecil Bainton deceased, C.H. Barringer deceased, P.Terry deceased and C.M.L. Walker deceased, Friends of Cathedral Music (Beverley Minster Music Fund) and also the Naylor Fabric fund of Tickton Church.

### 13 MINSTER FUNDS

Details of the movements & balances on the various Funds are set out below:-

Fund	Opening balance	Incoming resources	Resources used	Transfers	Revaluations	Closing balance
<b>Unrestricted funds</b>						
Minster General	941,579	478,419	(420,915)	(80,422)	5,458	924,119
St. Peter's General	22,573	8,196	(5,781)	-	-	24,988
St. Leonard's General	31,539	15,886	(16,491)	-	-	30,934
Tickton General	7,813	22,707	(18,077)	(47)	-	12,396
<b>Total</b>	<b>1,003,504</b>	<b>525,207</b>	<b>461,264</b>	<b>80,469</b>	<b>5,458</b>	<b>992,437</b>
<b>Designated funds</b>						
Minster Development	171,060	-	(1,276)	75,500	-	245,284
Minster Youth	43	59	-	-	-	102
Minster Music	356	-	-	-	-	356
Minster Flowers	-	1,400	777	-	-	623
Vicar's Garden	-	-	(40)	40	-	-
Minster Organ	3,231	87	-	-	-	3,318
Tickton Chapel Aid	10,681	18,627	-	47	-	29,355
Tickton Development	500	-	-	-	-	500
Tickton James Graves	(127)	-	-	-	-	(127)
<b>Total</b>	<b>185,744</b>	<b>20,173</b>	<b>2,093</b>	<b>75,587</b>	<b>-</b>	<b>279,411</b>
Total Unrestricted & Designated	<b>1,189,248</b>	<b>545,380</b>	<b>463,356</b>	<b>4,882</b>	<b>5,458</b>	<b>1,271,848</b>
<b>Restricted funds</b>						
Minster Asst Organist	-	2,400	(2,400)	-	-	-
Minster Development	-	53,799	-	-	-	53,799
Minster Youth	(22,102)	16,318	(47,631)	-	-	(53,415)
Minster Bells	-	120	(660)	540	-	0
Minster Music	295	563	(307)	-	-	551
Minster Flowers	-	-	(393)	393	-	-
Vicar's Garden	-	500	(450)	418	-	468
Minster Men's Group	323	61	-	-	-	384
Minster One-off	171	-	-	-	-	171
Minster Organ	188,978	8,030	(644)	(2,132)	-	194,232
Dorcas	544	261	0	-	-	805
St. Peter's CFA	-	533	(533)	-	-	-
St. Peter's HARP	-	86	(86)	-	-	-
St. Peter's Organ	-	1,528	-	-	-	1,528
Tickton Restricted	18,703	-	0	-	-	18,703
<b>Total</b>	<b>186,912</b>	<b>84,198</b>	<b>(53,104)</b>	<b>(781)</b>	<b>-</b>	<b>217,225</b>
<b>Endowment funds</b>						
Minster Music	-	15,000	-	5,800	(636)	20,164
Minster Investments	56,689	-	-	-	1,407	58,096
Minster Properties	440,000	-	-	-	-	440,000
Tickton Naylor Fabric	482	-	-	-	-	482
Tickton War Stock	2,675	-	-	-	-	2,675
<b>Total</b>	<b>499,846</b>	<b>15,000</b>	<b>-</b>	<b>5,800</b>	<b>771</b>	<b>521,417</b>
Total all funds	<b>1,876,006</b>	<b>644,578</b>	<b>516,460</b>	<b>137</b>	<b>6,229</b>	<b>2,010,490</b>



**Summary of movement by type of fund**

	Opening balance	Incoming resources	Resources used	Transfers	Revaluations	Closing balance
Unrestricted funds	1,003,504	525,207	(461,264)	(80,469)	5,458	992,437
Designated funds	185,744	20,173	(2,093)	75,587	-	279,411
<b>Total unrestricted funds</b>	<b>1,189,248</b>	<b>545,380</b>	<b>(463,356)</b>	<b>(4,882)</b>	<b>5,458</b>	<b>1,271,848</b>
Restricted funds	186,912	84,198	(53,104)	(781)	-	217,225
Endowment funds	499,846	15,000	-	5,800	771	521,417
<b>Total all funds</b>	<b>1,876,006</b>	<b>644,578</b>	<b>(516,460)</b>	<b>137</b>	<b>6,229</b>	<b>2,010,491</b>

**14 PROPERTY INSURANCES**

The Minster, Parish Hall and the Peter Harrison Room are insured through Ecclesiastical Insurance to a value of £45,640,000. The contents are insured for £1,245,000. The Parish Centre, 38 Highgate is insured for £560,851 with contents at £32,829. The house at 23 Outer Trinity is insured for £230,344. Its contents are not insured by the PCC.

St. Peter's, Woodmansey, is also insured through Ecclesiastical for £1,584,072 and the contents for £38,250. St. Leonard's, again insured by Ecclesiastical has cover of £777,284 and £39,428 for the contents. Finally, Tickton is insured for £1,378,543 and the contents for £36,384, again with Ecclesiastical.

**15 CAPITAL COMMITMENTS**

We have committed approximately £45,000 from the Organ Restricted fund deposit account to complete the organ refurbishment in 2016.

**16 RESERVES POLICY AND CURRENT STATUS**

The PCC confirmed a reserves policy which set the level of liquid reserves which the Minster should hold as the equivalent of 3 month's general expenses, 4 month's salaries and a £50,000 capital reserve. The position at the end of 2015 was as follows:

	2015	2014
<b>Total Reserves</b>	2,010,490	1,876,006
Less:		
Endowed funds	(521,417)	(499,846)
Restricted funds	<u>(217,225)</u>	<u>(186,912)</u>
<b>Unrestricted reserves</b>	<b>1,271,848</b>	<b>1,189,248</b>
Less non-liquid reserves:		
Peter Harrison Room	(80,000)	(80,000)
Parish Centre	(465,000)	(465,000)
Equipment & furnishings	(61,759)	(856)
Investments	<u>(319,049)</u>	<u>(313,591)</u>
<b>Unrestricted liquid reserves available</b>	<b>346,040</b>	<b>329,801</b>
 <i>Reserves required by PCC policy</i>		
4 month's salary costs	58,696	54,276
3 month's expenses	80,425	82,290
Capital reserve	<u>50,000</u>	<u>50,000</u>
	<b>189,121</b>	<b>186,566</b>
	<hr/>	<hr/>
<b>Liquid reserve surplus</b>	<b>156,919</b>	<b>143,235</b>
	<hr/> <hr/>	<hr/> <hr/>

**17 SPECIAL COLLECTIONS ON BEHALF OF OTHERS (Agency Accounts)**

The Minster regularly collects funds on behalf of others. These funds are administered by the Minster, and pass through the Minster's bank account, but do not form part of the Minster's income.

These collections are held in separate agency accounts from the time of collection until such time as the funds are disbursed. It is the PCC's aim to make payments as soon as possible, although in the case of some funeral collections the family's instructions may not be immediately available. The negative figures shown below represent expenditure the Minster has incurred on behalf of a third party and which will be recouped.

The balances on these accounts are shown below.

	2015	2014
Choir tour	8,016.83	882.68
Diocesan fees	1,408.00	996.00
Clergy - funeral travel	20.00	-
Collections for others	883.39	(0.60)
Funeral collections	304.20	-
Hull HARP	281.55	-
Staff leaving present	140.00	-
Minster Old Fund tours	1,584.58	2,681.60
Minster Old Fund visitor donations	<u>2,908.32</u>	<u>2,868.76</u>
	<b>15,546.87</b>	<b>7,428.44</b>

## 18 ACCOUNTING FOR FINANCIAL INTERACTION WITH THE BEVERLEY MINSTER OLD FUND

There are a number of agreed financial arrangements between the PCC and the Beverley Minster Old Fund. The Minster's virgers provide roof and ground tours of the Minster on behalf of the Old Fund, so the income from these tours, less the associated salary cost is passed on to the Old Fund. We have also agreed that the proceeds from the visitor donation boxes in the Minster are shared equally. The Old Fund contributes almost 30% of the Minster's heating costs and also pays 50% of the Minster's fabric insurance cost. The Old Fund also makes a donation to the PCC equivalent to the prior year's net tour income (net of virgers' costs and VAT).

## 19 POST BALANCE SHEET EVENTS

No significant events have occurred since 31 December 2015 which materially affect the position set out in the Consolidated Accounts.

## APPENDIX A

## Beverley Minster operating statement &amp; budget 2016

The Minster operating statement relates only to the Minster, and only to the General Fund and Youth Ministry.

	Actual						Budget 2016
	2010	2011	2012	2013	2014	2015	
<b>Incoming Resources</b>							
<i><b>Direct Giving</b></i>							
Planned Giving	110,138	111,632	103,078	107,595	105,627	107,438	116,990
Gift Aid	25,261	35,923	26,802	29,374	29,201	33,620	27,070
Collections	33,693	28,312	28,046	25,963	25,715	27,727	25,580
Donations	5,374	23,023	8,727	1,802	5,290	17,762	3,180
Bequests	5,000	20,000	20,500	277,833	16,854	85,558	-
Visitor Donations	16,335	18,214	16,027	14,356	13,836	15,445	15,860
Daughter Churches	24,031	21,337	19,836	21,300	21,300	17,900	18,430
<b>Total Direct Giving</b>	<b>219,833</b>	<b>258,441</b>	<b>223,016</b>	<b>478,224</b>	<b>217,823</b>	<b>305,450</b>	<b>207,110</b>
<i><b>Church Activity</b></i>							
Church Fees	9,266	16,079	12,804	9,417	7,154	21,006	17,320
Mast Rental	7,248	7,248	7,248	7,248	7,248	7,248	7,250
Mission Activity	-	-	-	196	284	370	-
Magazine Sales	3,020	2,331	2,511	2,215	2,247	1,790	1,790
Donations for refreshments	732	1,515	1,331	2,110	3,392	4,079	3,810
Donations for prayer candles	5,797	7,464	8,148	7,548	8,419	8,870	9,250
Photo Permits	4,084	4,315	3,966	3,978	4,355	3,984	4,190
<b>Total Church Activity</b>	<b>30,147</b>	<b>38,951</b>	<b>36,009</b>	<b>32,712</b>	<b>33,099</b>	<b>47,346</b>	<b>43,610</b>
<i><b>Enterprise Activity</b></i>							
Lettings	16,146	22,885	25,460	22,858	23,814	43,021	40,740
Catering	17,620	25,380	18,057	19,594	12,070	6,544	-
Concerts, events, organ recitals	21,893	28,755	39,161	30,683	35,456	34,069	27,550
Shop surplus	17,082	20,632	21,008	18,361	21,322	18,929	20,500
Other	556	166	844	1,555	300	1,676	500
<b>Total Enterprise Activity</b>	<b>73,297</b>	<b>97,817</b>	<b>104,530</b>	<b>93,050</b>	<b>92,962</b>	<b>104,240</b>	<b>89,290</b>
Investment Income	25,284	31,318	23,182	23,224	21,671	22,583	21,450
Other Incoming Resources	-	4,393	-	-	-	-	-
<b>Total Incoming Resources</b>	<b>348,561</b>	<b>430,920</b>	<b>386,737</b>	<b>627,210</b>	<b>365,555</b>	<b>479,619</b>	<b>361,460</b>

APPENDIX A (Continued)

Beverley Minster operating statement

	Actual						Budget 2016
	2010	2011	2012	2013	2014	2015	
<b>Application of Resources</b>							
Cost of Generating Funds							
Voluntary Income	521	888	943	673	535	661	430
Fundraising Costs	13,101	21,095	18,188	13,500	12,694	11,249	9,040
Grants & Donations							
Outside Giving	10,400	10,615	12,964	30,400	13,867	9,965	11,140
Church Work							
Freewill Offer	140,000	148,000	125,276	148,000	148,000	175,000	157,500
Clergy Expenses & Housing Costs	5,982	7,795	6,324	7,027	8,599	5,097	7,510
Parish Mission	709	(580)	1,717	2,842	1,815	2,025	2,500
Service & Worship	20,030	22,197	23,225	28,587	28,334	37,625	37,580
Minster Operating Expenses	41,348	31,296	45,404	51,181	52,497	42,319	46,480
Parish Hall & Rooms	14,730	12,406	15,804	15,581	15,323	15,829	15,440
Parish Centre	3,310	4,371	3,730	6,279	6,676	4,584	4,980
Property Projects	3,721	62,508	5,248	0	15,200	2,281	6,000
Other Property Costs	440	400	400	555	1,270	1,090	490
Outreach	2,727	2,696	2,433	2,977	3,056	2,692	2,960
Staff Training	860	338	818	719	853	118	1,000
Visitor Ministry	1,101	2,034	858	431	1,574	2,854	3,100
Ministry Support							
Virger Salaries	43,979	53,859	66,853	51,028	53,090	52,213	55,620
Ministry Support Salaries	32,370	35,300	34,587	35,481	42,326	43,599	43,670
Support Costs	11,362	11,233	12,036	7,761	11,266	10,906	9,800
Governance	787	827	4,448	5,003	5,059	2,198	2,760
Youth Ministry	6,712	8,263	8,502	2,191	28,627	31,254	29,370
<b>Resources used total</b>	<b>354,190</b>	<b>435,542</b>	<b>389,758</b>	<b>410,216</b>	<b>450,662</b>	<b>453,559</b>	<b>447,370</b>
<b>Surplus/(Deficit)</b>	<b>(5,629)</b>	<b>(4,621)</b>	<b>(3,021)</b>	<b>216,994</b>	<b>(85,107)</b>	<b>26,059</b>	<b>(85,910)</b>