

**THE PCC OF THE ECCLESIASTICAL PARISH OF
CAMBRIDGE ST MARY THE GREAT
WITH ST MICHAEL**

**Unaudited Financial Report
For the year ended 31 December 2019**

Registered Charity No 1127668

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
PCC Report
For the year ended 31 December 2019

PCC Members during the year:

Chair

The Rev'd Canon Adrian Daffern Vicar

Churchwardens

Margaret Johnston
 Joye Rosenstiel

Deanery Synod Representatives

Margaret Ingram
 Sarah deMas Secretary

Diocesan Synod Representatives

Arvan Pritchard Vice-Chair

Ex-officio members

The Rev'd Andrew Day Assistant Curate
 The Rev'd Devin McLachlan Associate Vicar
 The Revd Helen Orr Associate Priest

Attending members (non-voting)

Sam Hayes Director of music
 Jennifer Houghton Minutes Secretary
 Richard Summers Church Operations Manager

Licensed Lay Ministers

Shirley Holder

Co-opted Members

Patrick Brooke	Treasurer	from April 2019
Ed Cearns	Market Square Chaplain	from April 2019
Graham Day	Assistant Treasurer	until April 2019

Elected Members

Lorna Atwell		
Patrick Brooke	Treasurer	retired April 2019
Ed Cearns		retired April 2019
Brian Corby		elected April 2019
Andrew Crawford		
Alexander Crockford		
Tom Culver		
Graham Day	Assistant Treasurer	elected April 2019
Katherine Denmead		
Selwyn Image		elected April 2019
Karen Lim		retired April 2019
Anne Lindley		elected April 2019
Veronica McDouall		
Carolynn Pritchard		
Clare Redfern		retired April 2019
Catherine Smart		
Sally Vernon		
Andrew Watson		
Alan Weeds		

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
PCC Report
For the year ended 31 December 2019

Address: Great St Mary's, The University Church
Senate House Hill
Cambridge
CB2 3PQ

Registered Charity No.: 1127668

Independent Examiners: Staffords
Chartered Accountants
Unit 1 Cambridge House
Camboro Business Park
Oakington Road
Girton
CB3 0QH

Banks:	HSBC Bank	Santander UK plc.
	PO Box 85	Bridle Road
	City Office	Bootle
	Cambridge	Merseyside
	CB2 3HZ	L30 4GB

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
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Great St Mary's is one of the ancient parish Churches of Cambridge, dating probably from before the Norman Conquest in 1066. In the 13th century the patronage of the living was in Crown hands; but in 1342 Edward III granted it to his new foundation of King's Hall. In 1546 Henry VIII merged King's Hall with Michaelhouse to form Trinity College. Trinity College is still patron and lay rector of Great St Mary's. The Church has been served since medieval times by curates, termed Vicar since 1867. Great St Mary's has been the Church of the University of Cambridge since scholars first arrived in the city in about 1209. The Church was the home of lectures, sermons, disputations and degree ceremonies held by the University for several centuries. Some university ceremonies continue to be held in it. Great St Mary's has come to be recognised as the civic Church of Cambridge also.

The patronage of St Michael's was anciently in private hands; but in 1323 Hervey de Stanton acquired it and gave it to his new college, Michaelhouse. When Michaelhouse and King's Hall were merged, Trinity College became patron and lay rector of St Michael's. The vicarage was united with Great St Mary's in 1908; the parishes were united in 1954.

Structure, Governance and Management

The PCC confirm that the annual report and examined accounts comply with the requirements of the Charities Act 2011 and the Charities SORP FRS 102.

Governing Document

The Parochial Church Council is a corporate body established by the Church of England and the PCC operates under the Parochial Church Council Powers Measure.

Recruitment and Appointment of PCC

The appointment of PCC members is governed by and set out in the Church Representation Rules. Elected members are elected by Election by the Electoral Roll membership at the Annual Parochial Church Meeting.

Training of PCC members

Appropriate training is provided as necessary and all PCC members are required to undergo Safeguarding training.

Risk Management

The PCC periodically reviews the major risks to which the Charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. These procedures are periodically reviewed to ensure they continue to meet the needs of the Charity.

Organisational Structure & Decision Making

The diverse activities of the Church are grouped in four ministries, Great St. Mary's Church, Michaelhouse, the University, and Education & Heritage.

In order to carry out its aims and objectives, the PCC has established sub-committees (all of which report to the PCC) to manage and oversee the following policy areas:

Legal responsibilities	Finance and general purposes
	Property management
	Safeguarding
Ministry	Pastoral strategy
	Wider concerns
	Worship
	Youth and children
Working Parties	Communications group
	Environment group

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
PCC Report
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Organisational Structure & Decision Making (cont.)

The PCC takes decisions for the parish. Responsibility for day to day operation of the parish is delegated to the relevant staff and clergy. The committees of the PCC review needs, prepare proposals, and submit reports to the PCC for information and approval. PCC members are either elected or are ex officio. The elected membership is drawn from the congregation. Some attend meetings but do not have voting rights such as the Director of Music and Church Operations Manager. Working parties are set up as necessary and the PCC liaise with the Trustees of Michaelhouse, Church Schools of Cambridge and other partners as necessary.

Staffing

The Vicar is The Reverend Canon Adrian Daffern, who is supported by The Reverend. Devin McLachlan as part-time Associate Vicar and a 'Ministry Team' of non-stipendiary priests and lay ministers. They in turn are supported by a faithful group of retired clergy.

At the year end, the Ministry Team comprised the Vicar, Associate Vicar (half stipend), Self-Supporting Curate, Licensed Lay Minister, and honorary Associate Priest. During the year the church has participated in the Ministry Experience Scheme and the MES placement and the Church Operations Manager are also part of the Ministry Team. The non-stipendiary lay Chaplain to the Market Place and Lay Children's Minister form part of a wider Ministry Team.

Full time lay staff are the Church Operations Manager, Parish/Music Secretary, Facilities Manager/Head Verger, Front of House Supervisor and Assistant Verger. The part time staff include the Director of Music, the Assistant Director of Music, the Finance Manager, Business Systems Support Manager and Education officer. There is a part-time Assistant Vergers and four other part-time staff involved in the running of the shop. One of our long standing part-time shop staff retired at the end of this year. Paid staff are supported by many volunteers who contribute greatly to all we do.

Pay and remuneration of PCC staff is determined by recommendation from the Finance and General Purposes Committee to the PCC. This committee reviews comparable areas of pay and uses these to make its recommendations.

Staff training is arranged through our Joint Annual Review process. There is a system of formal annual reviews and regular line management meetings for staff.

Related parties

The Michaelhouse Centre (Charity No. 1068472)

In 1997 the PCC set up a charitable company, limited by guarantee, to raise funds and oversee the conversion and restoration of St Michael's Church. The primary object of the Charity is "to advance the Christian faith; to advance education, particularly in the arts; and to further such other charitable purposes as the Trustees shall from time to time determine". This ambitious conversion was achieved and the Michaelhouse Centre opened in October 2002. The Company occupies part of St Michael's Church under licence and successfully runs alongside the parish. A minority of the Michaelhouse Trustees are also PCC members.

The Society of Cambridge Youths

Is an independent organisation which accepts responsibility for ringing the bells of Great St Mary's for Sunday Services, University Services and other special occasions. The Society was founded in 1724 and is the second oldest bell ringing society with a continuous history. Regular practices are held on Monday evenings and there is a resident membership of around 25 who regularly ring the bells.

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
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Public benefit

The PCC has paid due regard to the Charity Commission guidance on public benefit in deciding what activities the Charity should undertake.

Objectives and aims

The parish of St Mary the Great and St Michael is located in the heart of Cambridge, and 'Great St. Mary's' is the University and Civic church, committed to providing a centre of worship, celebration and welcome - a place for exploring and living out faith, undertaking advocacy, supporting social justice and promoting an inclusive vision of society. This mission shapes and directs our activities.

Achievements and performance

During 2019 the church undertook a variety of activities designed to achieve outcomes that would help it achieve its objectives:

- *Bearing witness to and providing opportunities for Christian Worship*

The Church has traditionally offered four services every Sunday. This year we have also held Morning Prayer, Monday to Friday, with a Eucharist on a Wednesday lunchtime and Red Letter days. At Michaelhouse, in addition to our innovative Children's Tuesday Communion Service (The Ark) we have held a regular 'fresh expression' worship service on a Thursday morning, and have created opportunities for engaging with students and young people on a Wednesday lunchtime (Edge) and Sunday evening (Heart's Ease). Other service and activities are held to mark significant events such as Christmas or Easter, or Lent.

- *Engaging with and supporting the life of the City of Cambridge, its University and Residents*

There have been a number of special services over the year which help to cement our role, in supporting and developing the diverse and varied life of the City and University of Cambridge and its residents. These include; Remembrance Day service (attended by around 1,200 people); University Services (including University Sermons and the staff and student carol services); Memorial Services, Blessing of the animals; Blessing of the Bicycles. Many local charities and organisations held their Carol Services in the church during December. We held two Candlelit Carols this year which were both full. In the midst of the busy period in December, we were able work with the family (and Cambridge University) to plan and host the funeral of Jack Merritt, an employee and member of the University who was murdered in the 'London bridge Terror Attack'. This was a significant event with 1,200 people attending. All these services help to draw in a diverse range of people (around 40,000 people attended the various services and events during December) many of whom might not otherwise attend Church.

We have developed our relationship with various facets of the University and our Vicar is now a Fellow of Lucy Cavendish College.

The church has a strong and supportive relationship with Park Street School for whom it provides governors and acts of collective worship. The school also use the church for significant occasion such as marking the beginning and end of term and saying farewell to leavers. This year, for the first time St Philips School held their Christmas service in the church.

This year we have developed our relationship with the College Dean's and Chaplains and are currently exploring how our joint ministry can be further developed

The church organises a series of free lunchtime concerts providing a facility for residents and visitors and an opportunity for musicians to showcase their talents. We also make the church (and Michaelhouse chancel) available for partnership events and for hire as a concert, meeting and lecture venue.

Our choirs of some 75 members continue to flourish greatly enhancing our worship and services and significant occasions. The choirs provide musical opportunities for those involved, including the annual choir tour which in 2019 visited Dublin.

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
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For the year ended 31 December 2019

Achievements and performance (cont.)

- *Developing our Ministry to Visitors*

Our visitor numbers now exceed 300,000 a year and this year significant work was undertaken to improve the experience and safety of those climbing the tower. We also installed a new welcome desk and created a new visitor welcome leaflet and guide

We hosted various events and exhibitions, including an exhibition of photographs organised by Cambridge Refugee Action Group. The Archetypes Sculptures Exhibition (commissioned by the Jubilee Foundation) continued (until January 2020) in the churchyard. These events generate interest from tourists and locals alike.

- *Supporting Social Justice and Promoting an Inclusive Vision of Society*

Working as part of Cambridge Churches Homelessness Project, regular accommodation is provided in the church for the homeless during the winter months. The Wider Concerns Committee organised special collections on behalf of third parties during the year, which collected moneys for charitable work overseas. We also continued our relationship with Partners for Change, Ethiopia, providing a retail outlet for sales of their goods. A talk by a returned accompanier from the World Council of Churches Ecumenical Accompaniment programme in Palestine/Israel was well attended. During the year we have worked with a number of local charities and have developed a particularly close relationship with Centre 33 who provide free confidential support for young people and for whom our Vicar serves as an Ambassador.

- *Children and Young People*

Our ministry to children and young people is developing well under the care of our Children's Lay Minister and many volunteers. Children and Young People are a fundamentally important part of our church community and this year, we have experimented with having children at the front of the church during Parish Communion and making use of St. Andrews Chapel. The Ark experimental communion service for young children and their parents/carers is well attended and much appreciated, providing a Fresh Expressions approach to ministry to young children. Christian teaching leading to baptism or confirmation was offered to young people (and adults).

The Boys, Girls and Junior choirs provide a solid musical education and other opportunities for young people whether or not they are otherwise involved with the church.

- *Education and Heritage*

The education programme is now integrated into the life of Great St. Mary's and continues to engage many schools (and school children) from near and far. In the region of 550 school children visited the church during the year for our tours and activities and nearly as many came from foreign schools. In addition, we ran five well attended sessions in the school holidays which involved working with around 150 children. During the year we also engaged with the Cambridge home school community and Red to Green who support people with learning disabilities. As part of our joint project with Church Schools of Cambridge we worked with them on offering Footprints of Faith walks, a Christmas exhibition for schools and engaging with RE co-ordinators from local schools.

- *Concern for the Environment*

The Environment Group's members are active in raising awareness of environmental issues and have worked with other groups and churches across the city to respond to and highlight environmental issues. We are continuing to work towards the highest Eco Church status.

- *Safeguarding*

Safeguarding has continued to be a high priority. The Safeguarding Committee has met regularly and practices and procedures have been reviewed and up-dated. Training for staff and volunteers has continued and we have worked to raise awareness of Safeguarding issues. A new protective screen, electronic locking system and additional cameras have been installed to secure the choir area and to allow us to monitor movement in and out of the church. Our new safeguarding Officer and key staff met with advisors from the Diocese and reviewed all our procedures and processes using the Parish Dashboard system.

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Achievements and performance (cont.)

- *Building Community and Pastoral Care*

We have worked on ways of developing support and engagement with the church community and providing pastoral care. There are geographically based house groups meetings and events are organised such as the Women's and Men's breakfasts. Our clergy have provided pastoral visits and we have held various social events. Our Ministry to the community surrounding the church has developed significantly this year as our Market Place Chaplain has worked to build relationships with those who work in and visit the City's market.

- *Developing Communication*

Our social media presence is developing. There has been significant activity on our Facebook pages and we now have over a thousand Twitter followers. During the year, we have reviewed our welcome leaflets and introduced a 'Term Card'. The church and those involved in our work have featured in the local and national press and media.

- *Ensuring our Systems and Processes are Fit for Purpose*

During the year, individual staff and volunteers undertook various training courses and we visited University Church in Oxford as a staff team, to share and learn from the team there. We also reviewed various processes, installed a new EPOS till system for better management of sales and stock in the shop, updated risk assessments and drafted new policies where appropriate

Principal risks and uncertainties

The principal financial risk is if there were to be circumstances in which the tower had to be closed for a time. Work was undertaken during the course of the year to ensure that the tower staircase is as safe as possible for visitors and extra staff are now on duty at peak visitor times to ensure safe flow up and down. There is a risk that visit numbers will decline, but all the indications are that Cambridge continues to be a popular visitor attraction.

Financial Review

Our major sources of income have remained strong and increased during this year. The revenue from the tower has increased by over 15% and we have also increased shop revenue. Our income from pledged giving has also increased following our pledged giving campaign. The PCC was again pleased this year to approve an increase in our Ministry Share above that asked, and also to sponsor a student from the Ministry Experience Scheme for this year.

Fund-raising has continued to pay for the work to repair the South Aisle Roof, and we have made the first payments to pay off the mortgage taken out to enable that work to be done. The repayment of the mortgage and loan taken out at the same time will continue to be met through fund raising with any extra required coming from general funds.

The main item of exceptional expenditure this year was the work to improve safety on the tower staircase and security in the Narthex area. The cost of this work was met from the Fabric Fund, and also from general funds. As a result, the Fabric Fund has become depleted, so there is a requirement to replenish it again in the future. At the end of the year essential repair work was done to the top of the tower, and we are informed that further substantial work, with an estimated cost of around £140,000, will be required in the next 5 years. We are not anticipating a further increase in income in revenue from the tower, so the PCC will need to be careful with expenditure to ensure sufficient funds are available for repaying the mortgage and loan and to prepare for the cost of this further work.

There was an exceptional property cost this year due to the City Council for essential work on a block of flats containing one of our properties.

Principal funding sources

The major regular sources of funds for normal operations are charitable donations from Church members and charges for visitors to view Cambridge from the tower and the sale of gifts and books. Additional regular sources of income are letting the Church building for concerts and other events, rents from the two residential properties, gifts and donations from visitors and a statutory grant from the University.

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For the year ended 31 December 2019

Financial Review (cont.)

Investment policy

Great St Mary's investment policy is that reserves are invested in deposit accounts, which are reviewed regularly.

Reserves policy

The level of reserves that should be maintained should be sufficient to ensure the Church continues to function throughout the ensuing year. Unusual income, such as bequests and occasional unrestricted lump sums, for use in funding non-regular needs, are held in reserves as designated funds. Following the recent renovation of the Church, the charity is working towards holding one year's worth of running costs (around £375,000). At the year end the total funds held were £942,529, of which £7,074 were restricted funds unavailable for the general purposes of the charity. At the year-end £828,280 of unrestricted funds would only be realisable by disposing of fixed assets. At the year end the PCC held unrestricted reserves excluding fixed assets of £107,173 (2018: £149,745). Any surpluses in coming years will allow the PCC to build towards the reserve target.

Investments

The Charity holds two properties as investments, for annual rental and capital growth.

Volunteers

The Church has continued to rely on some 100 volunteers throughout the year in addition to the paid staff. It is not possible to quantify their efforts but they are greatly appreciated.

Future Developments

We are undertaking a process of strategic re-visioning and hope to include as many of our stakeholders as possible in this process. The PCC met for a day in June to consider their vision for the future and groups to explore the topic were held after church on Sundays in the early autumn. This work continues and in the meantime, we will focus on developing our existing objectives by:

- Continuing and developing our role as a place of worship and welcome for all who wish to join us.
- Developing ways to help people engage with the Christian faith and its relationship to the important topics of the day.
- Building on our relationships with the University, the City and its residents so that we can be responsive to their needs and work positively with them in our role as the Civic and University church.
- Continuing our education programme whilst exploring ways of developing our Christian heritage and education work in partnership with the Diocese of Ely and Church Schools of Cambridge.
- Building on our strong relationship with Park Street School.
- Continuing to improve our ministry of welcome to the 300,000 visitors a year including looking at the way in which we manage the flow of visitors around the building and interpretation.
- Continuing to ensure that Safeguarding processes and administration are robustly carried out and policies and practices reviewed.
- Undertake a comprehensive review and updating of all our policies
- Continuing to develop the ministry of worship, music, study, pastoral care and for children and young people.
- Raising awareness of social and environmental issues and working towards Eco Church status.
- Continuing to develop our international and UK mission partnerships and fund raising activities, and social initiatives such as the Cambridge Churches Homelessness project in collaboration with eight churches and a synagogue.
- Consider with the trustees of Michaelhouse the nature of our relationship and how best we can enable it to thrive both now and as part of the strategic visioning.
- To play our role in wider church networks. For example hosting the Major Churches Residential Conference in 2021.

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For the year ended 31 December 2019

Statement of Trustees' Responsibilities

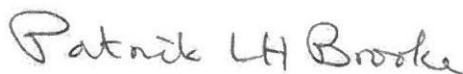
The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed require 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 the income and expenditure, of the Charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to 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.

Approved by the PCC on 18 March 2020



Dr Patrick Brooke (Treasurer)

**Independent Examiner's Report to the
Parochial Church Council of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael**

This reports on the accounts of the Trustees for the year ended 31 December 2019 is in respect of an examination carried out under the Church Accounting Regulations 2006 and s145 of the Charities Act 2011.

Respective responsibilities of Trustees and Examiner

The Charity's trustees consider that an audit is not required for this year under Section 142(2) of the Charities Act 2011 (the 2011 Act) and that an Independent Examination is required.

Having satisfied myself that the PCC is not subject to audit under Charity Law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners in Section 145(5)(b) of the 2011 Act; and
- 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 PCC 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 a full 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 statements below.

Independent Examiner's statement

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

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

- to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records, comply with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015)
- 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.



.....
Matthew Pettifer FCA
Institute of Chartered Accountants in England and Wales
Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road
Girton, CB3 0QH
United Kingdom

Date: 31/5/20

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
Statement of Financial Activities incorporating the Income and Expenditure Account
For the year ended 31 December 2019

		Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
INCOME FROM	Note				
Donations & legacies		182,967	176,404	359,371	262,033
Other trading activities		298,434	-	298,434	254,068
Income from investments		29,998	-	29,998	28,964
Other incoming resources		3,658	-	3,658	-
Income from charitable activities		<u>26,380</u>	<u>-</u>	<u>26,380</u>	<u>22,619</u>
TOTAL INCOME	3	541,437	176,404	717,841	567,684
EXPENDITURE ON					
Charitable activities		443,120	188,366	631,486	673,884
Raising funds		119,566	-	119,566	91,430
Other expenses (including Development)		<u>2,517</u>	<u>-</u>	<u>2,517</u>	<u>2,066</u>
TOTAL EXPENDITURE	4	565,203	188,366	753,569	767,380
NET INCOME/(EXPENDITURE) BEFORE UNREALISED GAINS ON INVESTMENT ASSETS		(23,766)	(11,962)	(35,728)	(199,696)
Unrealised gains/(losses) on investment assets in year		75,000	-	75,000	-
Funds transferred in year		<u>(16,667)</u>	<u>16,667</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		34,567	4,705	39,272	(199,696)
Balances brought forward at 1 January 2019		<u>900,885</u>	<u>2,372</u>	<u>903,257</u>	<u>1,102,953</u>
BALANCES CARRIED FORWARD AT 31 DECEMBER 2019		<u>935,452</u>	<u>7,077</u>	<u>942,529</u>	<u>903,257</u>

The notes on pages 14 to 22 form part of the financial statements

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
 Balance Sheet
 As at 31 December 2019

		2019		2018	
	Note	£	£	£	£
Fixed Assets	8				
Fixtures & fittings		5,200		18,355	
38 Eachard Road (freehold)		525,000		475,000	
55 Hanover Court (leasehold)		<u>300,000</u>		<u>275,000</u>	
			830,200		768,355
Current Assets					
Debtors	9	10,934		19,263	
Gift shop stock		20,376		9,520	
Cash at bank and in hand		39,322		47,990	
Bank Deposits		190,306		202,460	
HSBC Deposit		10,719		13,534	
Friends of Great St Mary's Bank		<u>12,812</u>		<u>12,515</u>	
		284,469		305,282	
Creditors: Amounts falling due within one year	10	(<u>63,807</u>)	(<u>45,380</u>)		
Net Current Assets			220,662		259,902
Creditors: Amounts falling due in more than one year	11	(<u>108,333</u>)	(<u>125,000</u>)		
TOTAL NET ASSETS			<u>942,529</u>		<u>903,257</u>
FUNDS	16				
Unrestricted funds		165,986		206,419	
Property investment gain reserve		<u>769,466</u>		<u>694,466</u>	
Total Unrestricted funds		935,452		900,885	
Restricted		<u>7,077</u>		<u>2,372</u>	
		<u>942,529</u>		<u>903,257</u>	

The notes on pages 14 to 22 form part of the financial statements

Approved by the Parochial Church Council on 18 March 2020 and signed on its behalf by:



The Rev'd Canon Adrian Daffern (Chair)

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
Statement of Cash Flows
As at 31 December 2019

	Note	2019	2018
		£	£
Net cash used in operating activities		(50,188)	(131,096)
<i>Cash flows from investing activities:</i>			
Interest and dividends		774	710
Purchase of equipment		(3,150)	-
Property rental income		<u>29,224</u>	<u>28,254</u>
Net cash provided by investing activities		26,848	28,964
Change in cash and cash equivalents in the year		(23,340)	(102,132)
Cash and cash equivalent brought forward		<u>276,499</u>	<u>378,631</u>
Cash and cash equivalent carried forward		<u>253,159</u>	<u>276,499</u>
Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds		39,272	(199,696)
Adjustments for:			
Depreciation charges		16,305	15,676
Dividends, interest and rents from investments		(29,998)	(28,964)
Revaluation of investment properties		(75,000)	-
(Increase) in stocks		(10,856)	(727)
Decrease in debtors		8,329	(5,054)
Increase in creditors		<u>1,760</u>	<u>87,669</u>
Net cash (used in) / provided by operating activities		(<u>50,188</u>)	(<u>131,096</u>)

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

1 Legal Form

The Parochial Church Council is a corporate body established by the Church of England and operates under the Parochial Church Powers Measure 1956 as currently amended and the Church Representation Rules as currently amended. The Church Wardens Measure 2011 is also applicable. The church is a registered charity registered in England and Wales number 1127668. Our address is Great St Mary's, The University Church, Senate House Hill, Cambridge, CB2 3PQ.

2 Accounting Policies

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

Basis of preparation

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, together with FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" and Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 102 (2015). Great St Mary's PCC meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared under the historical cost convention except for investment properties which are shown at market value.

Going Concern Basis

The PCC considers that the going concern basis is appropriate as they consider the reserves levels and expected giving and other income to be at sufficient levels to ensure that the PCC can meet its financial obligations for the next 12 to 18 months and on that basis the PCC is a going concern. There are no material uncertainties about the PCC's ability to continue.

Funds

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

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

Income

Income is recognised when the PCC has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Voluntary income and capital sources

- collections are recognised when received by or on behalf of the PCC.
- Planned Giving receivable under covenant is recognised only when received.
- Income tax recoverable on covenants or gift aid donations is recognised when income is recognised.

Other income

- rental income from the letting of the church premises is recognised when the rental is due.
- Gift shop and tower income is recognised net of VAT.

Income from investments

- Interest entitlements are accounted for as they accrue.

Grant income

- Grant income is recognised when the PCC is legally entitled to the income and it can be measured with reasonable certainty.

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Legacy income

- for legacies entitlement is taken as the earlier of the date on which either: the PCC is aware that probate has been granted, the estate has been finalised and notification has been made by the Executors to the Trust that a distribution will be made, or when a distribution is received from the Estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably.

Resources expended

Grants

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

Activities directly relating to the work of the Church

- The diocesan parish share is accounted for when payable. Any parish share unpaid at 31 December is accounted for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

The PCC considers that there is only one main activity - that of running the church. Therefore no further analysis of church activities has been made in the accounts.

Fixed Assets

Consecrated property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Assets listed in the Church inventory, which require a faculty for disposal, are inalienable property and not included in the accounts. For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since 1 January 2000 have been capitalised and depreciated in the accounts over their currently anticipated useful economic life (initially over 5 years) on a straight line basis.

Investment Properties

Investment properties are shown at market value, valued regularly by a professional valuer.

Stocks

Stocks held for the gift shop and book shop are shown at the lower of cost and net realisable value.

Current Assets

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

Short terms deposits include cash held on deposit.

Creditors and provisions

Creditors and provisions are recognised when the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, aside from the concessionary loan from the Diocese of Ely, which, as a discounted loan below market rate is a complex financial instrument. The PCC has elected to account for the concessionary loan at repayment amount, as permitted by the Charities SORP. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension costs

The PCC contributes to an Auto-Enrolment pension scheme on behalf of its employees. This is a defined contribution pension scheme. Contributions are accounted for when payable.

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3 Income from:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Donations & legacies				
Pledged giving and donations	97,173	20,163	117,336	133,446
Tax recoverable	25,722	-	25,722	29,019
Collections	25,346	10,891	36,237	37,929
Boxes	12,190	-	12,190	9,053
University grants	22,536	-	22,536	3,805
Ministry Experience Scheme	-	1,400	1,400	-
Listed Places of Worship Scheme Grants	-	7,335	7,335	31,098
Heritage Lottery Fund Grant	-	-	-	10,000
Church Schools of Cambridge Grant	-	3,793	3,793	7,683
Michaelhouse Chancel Repairs Grant	-	132,525	132,525	-
Friends of Great St Mary's	-	297	297	-
	<u>182,967</u>	<u>176,404</u>	<u>359,371</u>	<u>262,033</u>
Other trading activities				
Concerts & events	14,506	-	14,506	8,937
Tower and shop	283,928	-	283,928	245,131
	<u>298,434</u>	<u>-</u>	<u>298,434</u>	<u>254,068</u>
Income from investments				
Interest and dividends	774	-	774	710
Property rental	29,224	-	29,224	28,254
	<u>29,998</u>	<u>-</u>	<u>29,998</u>	<u>28,964</u>
Income from charitable activities				
Church lettings and fees	20,695	-	20,695	16,263
Heritage Lottery Education	3,065	-	3,065	3,956
St Michael's license fee	2,620	-	2,620	2,400
	<u>26,380</u>	<u>-</u>	<u>26,380</u>	<u>22,619</u>
Other incoming resources	3,658	-	3,658	-
Total income	<u>541,437</u>	<u>176,404</u>	<u>717,841</u>	<u>567,684</u>

4 Expenditure on

Charitable Activities: Church Running Costs

Parish share: salaries, housing and training	86,884	-	86,884	83,634
Clergy expenses	8,985	300	9,285	7,293
Children and youth	592	-	592	797
Flowers	2,966	-	2,966	2,358
balance c/f	<u>99,427</u>	<u>300</u>	<u>99,727</u>	<u>94,082</u>

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	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Charitable Activities (continued)				
balance b/f	99,427	300	99,727	94,082
Communion wine and candles	1,704	-	1,704	1,836
Ministry experience scheme	3,000	700	3,700	-
Organists' salaries and fees	24,615	14,691	39,306	32,757
Choir and other expenses	15,370	-	15,370	14,867
Music	5,240	-	5,240	2,212
Organ and piano maintenance	4,181	-	4,181	3,372
Administration salaries	75,003	-	75,003	80,835
Stationery and copying	8,486	-	8,486	8,629
Equipment & IT	5,525	-	5,525	4,823
Telephone & internet	1,049	-	1,049	526
Postage	259	-	259	430
Books & subscriptions	250	-	250	63
Bank charges	157	-	157	327
Sundry	3,650	-	3,650	3,487
Cleaning	9,933	-	9,933	8,652
Verging and stewarding	53,116	-	53,116	25,238
Church insurance	15,165	-	15,165	14,720
Utilities	11,101	-	11,101	11,210
Maintenance	90,915	7,673	98,588	308,971
St Michael's maintenance	4,452	132,525	136,977	2,471
Heritage education	5,369	3,793	9,162	14,062
Heritage Lottery Fund - WW1 project	-	397	397	9,506
Depreciation	1,010	15,295	16,305	15,675
Wider Concerns Collections	-	12,992	12,992	12,386
Independent Examiner	2,859	-	2,859	2,747
Legal fees	900	-	900	-
Accountancy	384	-	384	-
	<u>443,120</u>	<u>188,366</u>	<u>631,486</u>	<u>673,884</u>
Expenditure on Raising funds				
Tower and shop	89,572	-	89,572	71,374
Concerts	9,355	-	9,355	5,892
Property management & repairs	15,073	-	15,073	8,539
Advertising & website	5,566	-	5,566	5,625
	<u>119,566</u>	<u>-</u>	<u>119,566</u>	<u>91,430</u>
Other resources expended				
Methodist loan interest payable	2,517	-	2,517	2,066
	<u>2,517</u>	<u>-</u>	<u>2,517</u>	<u>2,066</u>
Total expenditure	<u>565,203</u>	<u>188,366</u>	<u>753,569</u>	<u>767,380</u>

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5 Staff Costs & Transactions with PCC Members

	2019	2018
	£	£
Wages and salaries (including rent paid)	196,482	177,987
Social security costs (including Employer's Allowance reduction)	10,456	9,483
Pension costs	2,649	1,549
	<u>209,587</u>	<u>189,019</u>

The average number of the staff during the year was 20 (2018: 22). No employee has received emoluments which exceed £60,000.

No PCC member has been paid a salary in the 2019 or 2018. The PCC considers there are no paid Key Management Personnel.

During the year Chater Allan LLP, a firm of which G Day was a partner, charged fees of £384 (2018: £509) for Accountancy advice relating to the Listed Places of Worship Grant Scheme. Nothing was owed at the year end (2018: £nil).

During the year the PCC members made donations to the PCC without condition totalling £10,886 (2018: £10,119)

A small immaterial part of expenses paid to the clergy may have related to their services as members of the PCC.

Expenses of £8,973 (2018: £3,157) were reimbursed to PCC members for Church costs incurred personally.

PCC members are not reimbursed for personal out of pocket expenses.

No PCC members were reimbursed expenses for out of pocket expenses relating to their ministry work (2018: £nil).

6 Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
INCOME FROM			
Donations and Legacies	165,002	97,031	262,033
Other trading activities	254,068	-	254,068
Income from investments	28,964	-	28,964
Other incoming resources	-	-	-
Income from charitable activities	22,619	-	22,619
TOTAL INCOME	<u>470,653</u>	<u>97,031</u>	<u>567,684</u>
EXPENDITURE ON			
Charitable activities	331,082	342,802	673,884
Raising funds	91,430	-	91,430
Other expenses (including Development)	2,066	-	2,066
TOTAL EXPENDITURE	<u>424,578</u>	<u>342,802</u>	<u>767,380</u>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS BEFORE TRANSFERS	46,075 (245,771) (199,696)
Unrealised losses on investment assets in year	-	-	-
Transfers between funds	-	-	-
NET MOVEMENT IN FUNDS	46,075 (245,771) (199,696)
Balances brought forward at 1 January 2018	<u>854,810</u>	<u>248,143</u>	<u>1,102,953</u>
BALANCES CARRIED FORWARD AT 31 DECEMBER 2018	<u>900,885</u>	<u>2,372</u>	<u>903,257</u>

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7 Analysis of Net Assets by Fund

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed Assets	828,280	1,920	830,200
Current Assets	154,312	130,157	284,469
Long term Liabilities	-	(108,333)	(108,333)
Current Liabilities	(47,140)	(16,667)	(63,807)
Fund Balance	<u>935,452</u>	<u>7,077</u>	<u>942,529</u>

8a Tangible Fixed Assets - Investment Properties

	38 Eachard Road Freehold	55 Hanover Court Leasehold	Total
Market Value at 1 January 2019	475,000	275,000	750,000
Movement on revaluation in year	<u>50,000</u>	<u>25,000</u>	<u>75,000</u>
Market Value as at 31 December 2019	<u>525,000</u>	<u>300,000</u>	<u>825,000</u>
Historical Cost	<u>6,700</u>	<u>48,834</u>	<u>55,534</u>

38 Eachard Road and 55 Hanover Court were revalued on an open market basis on 28 February 2020 by Tucker Gardner, and this valuation is considered an appropriate approximation to the market value as at 31 December 2019

8b Fixtures & Fittings

Cost	£
At 1 January 2019	78,377
Additions in year	<u>3,150</u>
At 31 December 2019	<u>81,527</u>
Depreciation	
At 1 January 2019	60,022
Charge for the year	<u>16,305</u>
At 31 December 2019	<u>76,327</u>
Net Book Value	
At 31 December 2019	<u>5,200</u>
At 31 December 2018	<u>18,355</u>

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9 Debtors

	2019 £	2018 £
Income Tax recoverable	5,744	5,815
Accounts receivable	531	1,864
Prepayments & accrued income	4,659	11,584
	<u>10,934</u>	<u>19,263</u>

10 Creditors: amounts falling due within one year

Taxes and social security	3,476	3,627
VAT	5,703	8,679
Sundry creditors and accruals	54,628	33,074
	<u>63,807</u>	<u>45,380</u>

11 Creditors: amounts falling due in more than one year

Amounts falling due in 2-5 years	83,333	66,667
Amounts falling due in more than 5 years	25,000	58,333
	<u>108,333</u>	<u>125,000</u>

This is made up of two loans:

An interest free loan of £50,000 due for payment in two instalments, the first £25,000 being due in December 2024 and the balancing £25,000 being due in December 2025.

A loan of £100,000 repayable in 12 equal instalments over 6 years. Interest accrued in each 6 month period is payable with that instalment. At 31/12/2019 £25,000 had been repaid.

12 Secured Debts

The following secured debts are included within creditors:

Bank loans	<u>75,000</u>	<u>91,667</u>
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The bank loan is secured by way of a legal charge over the 55 Hanover Court investment property. The loan is repayable over a period of 6 years until June 2024. The interest rate on the loan is variable, with an initial rate of 2.90%.

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13 Operating Lease Commitments

The PCC is committed to make lease payments of £nil(2018: £547) in the next 12 months on leases.
 The amount included in expenditure this year for lease payments is £547.

14 Capital Commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2018: £57,307).

15 Independent examination fees

	2019 £	2018 £
Independent Examination fee	<u>2,600</u>	<u>2,450</u>

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16 Fund Movements	Balance b/f	Income	Expenditure	Gains / (losses) on investment assets	Fund transfers	Balance c/f
	£	£	£	£	£	£
<i>Unrestricted Funds</i>						
General fund	123,921	536,210	502,807	-	(31,667)	125,657
Property investment gain reserve	694,466	-	-	75,000	-	769,466
<i>Designated Funds</i>						
Fabric fund	70,000	50	62,283	-	15,000	22,767
Music fund	12,498	5,177	113	-	-	17,562
	<u>900,885</u>	<u>541,437</u>	<u>565,203</u>	<u>75,000</u>	<u>(16,667)</u>	<u>935,452</u>
<i>Restricted Funds</i>						
AD fund	6,662	-	300	-	-	6,362
Assistant Organist Fund	53,800	-	14,691	-	-	39,109
Choir Robes Fund	-	5,000	-	-	-	5,000
Church Schools Grant	-	3,793	3,793	-	-	-
Fondiller fund	1,414	-	-	-	-	1,414
Friends of Great St Mary's	12,234	297	-	-	-	12,531
Heritage Lottery Fund	17,215	-	15,295	-	-	1,920
Heritage Lottery Fund - WW1	495	-	397	-	-	98
Michaelhouse Chancel	-	132,525	132,525	-	-	-
North Cambridge Ministry Experience	-	1,400	700	-	-	700
Roof fund	(145,149)	18,831	7,673	-	16,667	(117,324)
Sansom bequest	50,576	-	-	-	-	50,576
Wider Concerns	5,125	14,558	12,992	-	-	6,691
	<u>2,372</u>	<u>176,404</u>	<u>188,366</u>	<u>-</u>	<u>16,667</u>	<u>7,077</u>
Total	<u>903,257</u>	<u>717,841</u>	<u>753,569</u>	<u>75,000</u>	<u>-</u>	<u>942,529</u>

Designated Funds

Music fund	represents income which the PCC has set aside for the provision of music.
Fabric fund	represents funds which the PCC has set aside for the fabric of the Church.

Restricted Funds

AD fund	represents funds received for general purposes at the discretion of the Vicar.
Assistant Organist Fund	represents restricted donations specifically made for the salary of a second organist.
Choir Robes Fund	represents restricted donations specifically made for the purchase of choir robes.
Church Schools Grant	represents a grant from the Church Schools of Cambridge towards Heritage Education costs.
Fondiller fund	represents funds set aside for visiting preachers expenses, at the discretion of the Vicar.
Friends of Great St Mary's	represents funds donated to the Friends of Great St Mary's.
Heritage Lottery Fund	represents funding to 2016 for the capital expenditure of the Heritage Centre & ongoing costs. The fund balance includes the net book value of fixed assets funded by the grant.
Heritage Lottery Fund - WW1	represents a grant for the WW1 activity day and exhibition in 2018.
Michaelhouse Chancel	represents funds received for the works on the Chancel of Michaelhouse.
North Cambridge Ministry Experience	represents funds received to cover the expenses of the ministry experience placement candidate.
Roof Fund	represents funds received for the repair of the South Aisle roof.
Sansom bequest	represents funds received for distribution to Wider Concerns, at the discretion of the PCC.
Wider Concerns	represents funds collected to pass on to other charities.

Fund Transfers

During the year a transfer was made of £15,000 from the general fund to the designated fabric fund, and a transfer of £16,667 from the general fund to the restricted roof fund, to offset part of the deficit on that fund.