

**PAROCHIAL CHURCH COUNCIL OF HOLY
SEPULCHRE CAMBRIDGE**

CHARITY NUMBER 1133975

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

**PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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Charity Number
1133975

Principal Address

St Andrew the Great Church
St Andrew's Street
Cambridge
CB2 3AX

Principal Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
ME19 4TA

Auditors

Chater Allan LLP
4A Newmarket Road
Cambridge
CB5 8DT

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
PAROCHIAL CHURCH COUNCIL'S ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Background

Holy Sepulchre's PCC has the responsibility of co-operating with the vicar, Rev Alasdair Paine, in promoting in Cambridge the whole mission of the church, pastoral, evangelistic, and ecumenical. It also has maintenance responsibilities for St Andrew the Great Church, Holy Sepulchre Church (the Round Church), 1 Pretoria Road and 64/64A St Albans Road.

Membership

Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

During the year and the time at which these accounts were approved the following served as members of the PCC:

Vicar: Rev Alasdair Paine (Chairman)

Associate Vicar: Rev Tom Hutchings

Curate: Rev Robbie Strachan

Wardens: Mr Matthew Byatt
Mr Piyush Jani

Representatives on the Diocesan Mrs Katherine Banks
Mrs Sue Davies-Scourfield
Mrs Sarah Robinson
Mr Christopher Townsend

Representatives on the Deanery Mrs Christina Hay

Synod: Prof Peter Robinson
Dr Stephen Walley (PCC Secretary)

Co-Opted: Dr Simon Wadsley (from June 2019)

<i>Elected:</i>	Dr Ugochukwu Akuwudike	Mrs Jennifer Hainsworth (from April 2019)
	Mrs Carolyn Ash	Dr Benjamin Miller (from April 2019)
	Mrs Katherine Banks	Mrs Ruth Oakley (to April 2019)
	Mr David Barry	Mr Christopher Townsend
	Mrs Sue Davies-Scourfield	Mr Michael Trend
	Mrs Sarah Dingley	Dr Simon Tustin
	Mr James Hay	Dr Anna Young (to April 2019)

Committees

The PCC operates through a number of committees, which meet between full meetings of the PCC.

Finance and Standing Committee:

This committee, required by law, has the power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. It also oversees the general financial aspects of the work of the church by monitoring income and expenditure, budgeting and coordinating the annual Gift Day.

Property Committee:

Attends to matters concerning the stewardship of all buildings used by the church.

World Mission Group (WMG):

Coordinates the use of a budget provided by the PCC for the support of mission work outside the UK.

UK Mission Group (UKMG):

Coordinates the use of a budget provided by the PCC for the support of mission work in the UK.

**PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
PAROCHIAL CHURCH COUNCIL'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Review of Activities

We continued with our mission of bringing the gospel to Cambridge and seeking to send gospel workers to the world. We should be very thankful to God for all those who have served in our shared ministry to internationals, undergraduates, children and youth, 20s-30s, senior citizens and those in small groups meeting around the city as well as centrally. We remain thankful for the giving which has made this possible.

There were relatively few changes on the staff team. Rachel Wadsley stepped back from her work with internationals, and Sarah Robinson from leading the women's work. Tom Beaumont, our church manager, moved after six years with us to be Operations Director at Christians in Sport. Sarah Robinson kindly helped to fill the gap by becoming our Interim Senior Administrator. Various models of administration were considered, culminating in 2020 with the appointment of a full-time Senior Administrator and a Vicar's Assistant. Simon Wadsley took over from Peter Robinson as Treasurer.

As a church family we have read Deuteronomy, Romans, Revelation, 1 Thessalonians, Psalms and other Bible passages for our Sunday sermons. We had a marvellous away-day in June with Glen Scrivener, who was scheduled to lead a mission in 2020 - sadly cancelled due to Covid-19.

In some ways 2019 was a challenging year for some of the staff, with pastoral problems that required a good deal of attention. We remain concerned about the trajectory of the Church of England in its attitude to the Bible's teaching on marriage. But we are so thankful for the Lord's leading of us as a church, and that in His goodness we remain a happy, united and outward-looking fellowship. It has been lovely to see good numbers at the prayer meeting.

Church Attendance

The electoral roll at the 2019 APCM showed 430 names (2018 - 403). The average attendance on a normal Sunday during 2019 was 725 (2018 - 736).

Volunteers

The PCC and church staff encourage church members to serve in an appropriate area of church life and ministry. Approximately 350 people served in this way during 2019 and 2018.

Financial Review of the Year

The principal funding sources are regular giving by standing order, one off donations, Gift Day (see Note 14), the Jesus Lane Trust and collections at services. Major expenditure is on staff employment costs, staff housing costs, the Parish Share, grants made by the World Mission Group, grants made by the UK Mission Group, grants made from Gift Day income, and running and maintenance of the St Andrew the Great church building.

Policy on Reserves

The PCC does not aim to build up significant cash reserves, but aims to spend the large majority of income received each year on gospel purposes. All of the unrestricted reserves, not already invested in functional properties, are designated for specific purposes. Total reserves at 31 December 2019 are £775,715, of which £508,809 are fixed assets, and £1,250 are restricted.

The Contingency Fund represents a legacy from a previous vicar of the church, and a £5,500 legacy received in May 2014. This fund is used to underwrite new initiatives and help cashflow when necessary.

The Ministry Fund was set up from the residue of the bequest from the estate of Margaret Welch for the funding of gospel initiatives as authorised by the PCC.

The Restoration Fund is used to hold money set aside for restoration and repairs of St Andrew the Great and Round Church buildings. For some years the PCC has placed the rent received from Cambridge Christian Heritage into this fund.

The Vicar's Discretionary Fund was set up during 2012 as a restricted fund for discretionary payments authorised by the Vicar and Wardens to people in need.

**PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
PAROCHIAL CHURCH COUNCIL'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Induction and Training of Trustees

Members of the PCC are the Charity Trustees. All members are sent an annual reminder of their responsibilities, with specific reference to the Charity Commission advice on duties of a Trustee and on financial management. They are also offered training at seminars run by local legal firms.

Remuneration of Staff

A Remuneration Committee consisting of a Churchwarden, the Treasurer and another church member determines employment packages for recommendation to the Finance & Standing Committee. Stipends for pastoral staff are linked to the Ely Diocesan rates for Church of England clergy and stipends for administrative staff are linked to the University of Cambridge salary scales.

Public Benefit

The Holy Sepulchre's PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular the PCC try to enable ordinary people to live out their faith as part of the local community through:

- Worship and prayer; learning about the gospel; and developing their knowledge and trust in Jesus.
- Provision of pastoral and practical care for people living in the local community.
- Missionary and outreach work.

Risk Management

The major risks to which Holy Sepulchre's PCC is exposed have been identified and reviewed, and systems have been established to manage those risks.

Responsibilities of the Parochial Church Council Members

The Parochial Church Council (PCC) members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, (United Kingdom Generally Accepted Accounting Practice).

The PCC members are required to prepare financial statements for each financial year that 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, including the net income and expenditure of the charity, for the year. In preparing these financial statements the PCC members are required to:

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

Plans for Future Periods

The Holy Sepulchre's PCC intends to continue its main aim of promoting the gospel in Cambridge and beyond.

On behalf of the PCC

DocuSigned by:

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Rev Alasdair Paine (Chairman)

21 July 2020

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL

We have audited the financial statements for the Parochial Church Council of Holy Sepulchre Cambridge for the year ended 31 December 2019 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes on pages 9 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Statement of Recommended Practice: Accounting and Reporting by 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) and the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

In our opinion the financial statements:

- give a true and fair view of the state of the PCC's affairs as at 31 December 2019 and of the PCC's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL (CONTINUED)

Responsibilities of the Council Members

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the PCC's members, as a body in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the members those matters that we are required to state to them in an audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the PCC and the PCC's members as a body, for our audit work, for this report, or for the opinions we have formed.

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Chater Allan LLP
Chartered Accountants & Registered Auditors
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

Chater Allan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

04 August 2020

Date:

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2019 £	Total 2018 £ as restated
Income from:						
Donations and legacies	2(a)	713,185	-	216,026	929,211	1,034,590
Charitable Activities	2(b)	86,018	23,011	-	109,029	121,877
Investments	2(c)	336	-	-	336	172
Total Income		799,539	23,011	216,026	1,038,576	1,156,639
Expenditure on:						
Charitable Activities	3	828,666	6,349	216,276	1,051,291	1,152,949
Total Expenditure		828,666	6,349	216,276	1,051,291	1,152,949
Net Income/(expenditure)		(29,127)	16,662	(250)	(12,715)	3,690
Transfer Between Funds:		-	-	-	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	18	10,000	-	-	10,000	25,000
Net Movement in Funds		(19,127)	16,662	(250)	(2,715)	28,690
Reconciliation of funds:						
Total funds brought forward		542,584	247,346	27,977	817,907	762,740
Prior year adjustment	15	-	-	(26,477)	(26,477)	-
Total funds brought forward as		542,584	247,346	1,500	791,430	762,740
Total funds carried forward		523,457	264,008	1,250	788,715	791,430

Income and expenditure is derived solely from continuing operations.

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019		2018	
		£	£	£	£
				as restated	
FIXED ASSETS:					
Tangible Fixed Assets	7		508,809		507,018
CURRENT ASSETS:					
Stock	8	3,697		2,696	
Debtors	9	32,567		80,328	
Cash at Bank and In Hand		370,985		289,434	
		<u>407,249</u>		<u>372,458</u>	
LIABILITIES:					
Creditors: Amounts falling due within one year	10	<u>124,343</u>		<u>74,046</u>	
NET CURRENT ASSETS			<u>282,906</u>		<u>298,412</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>791,715</u>		<u>805,430</u>
PENSION PROVISION	18		(3,000)		(14,000)
NET ASSETS			<u><u>788,715</u></u>		<u><u>791,430</u></u>
THE FUNDS OF THE CHARITY:					
Unrestricted Funds	12	523,457		542,584	
Designated Funds	13	264,008		247,346	
		<u>787,465</u>		<u>789,930</u>	
Restricted Funds	14	1,250		1,500	
TOTAL CHARITY FUNDS			<u><u>788,715</u></u>		<u><u>791,430</u></u>

Approved by the Parochial Church Council on 8 June 2020 and signed on its behalf by:

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Revd Alasdair Paine

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Revd Alasdair Paine (Chairman) 21 July 2020

DocuSigned by:

S. Wadsley

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Dr Simon Wadsley (Treasurer) 19 July 2020

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £ as restated
Cash used in operating activities	1	85,776	45,364
Cash flows from investing activities:			
Dividends, interest and rents from investments		335	171
Purchase of tangible assets		(4,560)	(3,113)
Net cash provided by/(used in) investing activities		<u>(4,225)</u>	<u>(2,942)</u>
Change in cash and cash equivalents in the reporting period	2	81,551	42,422
Cash and cash equivalents at the beginning of the reporting period		289,434	247,012
Cash and cash equivalents at the end of the reporting period		<u>370,985</u>	<u>289,434</u>

Notes to Cash flow statement

1. Reconciliation of net income for the year to net cash flow from operating activities

	2019 £	2018 £ as restated
Net movement in funds	(2,715)	28,690
Adjustments for:		
Depreciation charges	528	701
Loss on disposal of fixed assets	2,241	-
Dividends, interest and rents from investments	(336)	(172)
Decrease/(Increase) in stocks	(1,001)	1,515
Decrease/(Increase) in debtors	47,762	12,869
Increase/(Decrease) in creditors	39,297	1,761
Net cash inflow (outflow) from operating activities	<u>85,776</u>	<u>45,364</u>

2. Analysis of cash and cash equivalents

	At 1 January 2019 £	Cash flow £	At 31 December 2019 £
Cash at bank and in hand	289,434	81,551	370,985
	<u>289,434</u>	<u>81,551</u>	<u>370,985</u>

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1 STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, together with applicable accounting standards and the Charities SORP (FRS 102). The financial statements comprise the accounts of the PCC.

The financial statements have been prepared under the historical cost convention except for the valuation of 1 Pretoria Road, as explained in Note 7 below.

The PCC constitutes a public benefit entity as defined by FRS 102.

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 in 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.

Restricted funds represent amounts given to the PCC where the donor has specified that the funds are spent on a particular purpose.

Income

Voluntary income

Collections are recognised when received by the PCC.

Gift Aid donations are administered directly by the Church and the Gift Aid is recognised as income at the same time that the donation is recognised as income, which is when the donation is received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the ultimate receipt is virtually certain, and the monetary value can be measured reliably.

Amounts charged and raised at church events, such as money for food provided, and sale of books at the church bookstall, are recognised as income. Associated expenditure is recognised separately under Resources Expended.

Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value at the time of gift to the PCC, if material and feasible, or else at the amount actually realised from their disposal.

Rental income

Rental income from the letting of church premises is recognised when the rent is due in accordance with the arrangement, lease or licence.

Income from investments

Dividends and interest are accounted for when receivable.

Expenditure

Liabilities

Liabilities are recognised as soon as the legal or constructive obligation arises.

Grants payable

These are recognised in the accounts when a commitment has been made externally and there are no pre-conditions still to be met for entitlement to the grant which remain within the control of the PCC.

Activities directly relating to the work of the Church

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

**PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Expenditure (continued)

Governance costs

These include the costs of the preparation and audit of the statutory accounts and the cost of any legal advice to trustees on governance or constitutional matters.

Fixed Assets

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is excluded from the accounts by Section 10(2) (a) and (c) of the Charities Act 2011. No value is placed on moveable church furnishings held by the church wardens 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 during the year on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Capitalisation of tangible fixed assets

Tangible fixed assets are capitalised if they will be used for more than one year and cost over £500.

Depreciation of tangible fixed assets

Depreciation is provided on all fixed assets on a straight line basis calculated to write off the cost over their expected useful lives, as follows:

Fixtures and fittings	5 - 10 years straight line
Computer equipment	3 years straight line

No depreciation is provided on buildings due to their high residual value.

Leasing and Hire Purchase Commitments

Assets held under finance leases are capitalised at the present value of the minimum lease payments and are depreciated over the shorter of the lease term and the useful life of the asset concerned. Interest is recognised in the Statement of Financial Activities over the period of the lease so as to produce a constant periodic rate of charge on the balance of the capital repayments outstanding.

Assets held under hire purchase contracts are capitalised in the balance sheet and are depreciated over the useful life of the asset concerned. The interest element of the rental obligations is recognised in the Statement of Financial Activities so as to produce a constant periodic rate of charge on the balance of the capital repayments outstanding. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Stock

Stock is books held for sale on the Church bookstall. It is valued at the lower of cost or net realisable value.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where 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.

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Going Concern

The Trustees have a reasonable expectation that the PCC has adequate resources to continue in operational existence for the foreseeable future and the PCC is well placed to manage its operating risks successfully despite the current uncertain economic outlook. Specifically the Trustees have considered the impact of the COVID-19 pandemic which occurred after the year end. They do not believe that it presents a going concern risk to the PCC. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Pension Costs

One member of staff is a member of the Church of England Funded Pension Scheme, a defined benefits scheme. Contributions payable to this scheme, less deficit recovery payments, are charged to the Statement of Financial Activities account so as to spread the cost of the pension over the employee's expected working life. The pension charge is calculated on the basis of actuarial advice. These contributions are invested separately from the course's assets. Under Section 28 of FRS 102 provision is made for agreed deficit recovery payments.

Taxation

The PCC is a charity and as such is not liable to taxation.

Volunteers

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

2 INCOME

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
				2019 £	2018 £
(a) Donations and legacies					
Standing Orders	597,238	-	-	597,238	594,717
Collections	22,549	-	-	22,549	19,416
Gifts	66,398	-	96,382	162,780	244,077
Gifts in kind	27,000	-	-	27,000	57,600
Staff Support	-	-	119,644	119,644	118,780
	713,185	-	216,026	929,211	1,034,590
(b) Charitable activities					
Church Life	32,187	-	-	32,187	34,090
Events	29,969	-	-	29,969	26,247
All Saints Garden	14,600	-	-	14,600	13,313
Property Letting	5,650	23,011	-	28,661	42,611
Bookstall	2,214	-	-	2,214	2,803
Fees, Royalties and other Honoraria	248	-	-	248	2,463
StAG Room Hire	1,150	-	-	1,150	350
	86,018	23,011	-	109,029	121,877
(c) Investments					
Bank Interest	336	-	-	336	172
	336	-	-	336	172
Total	799,539	23,011	216,026	1,038,576	1,156,639

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

3 EXPENDITURE ON:

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2019 £	2018 £ as restated
Charitable activities					
(a) Grants					
UK Mission (Note 17)	39,050	-	-	39,050	42,580
World Mission (Note 17)	42,800	-	-	42,800	40,360
Other (Note 17)	-	-	96,632	96,632	125,081
	<u>81,850</u>	<u>-</u>	<u>96,632</u>	<u>178,482</u>	<u>208,021</u>
(b) Direct Costs					
Parish Share	143,661	-	-	143,661	140,609
Students' Curate	33,780	-	-	33,780	30,879
Hub Workers	78,889	-	-	78,889	72,056
Music Director	21,350	-	-	21,350	15,299
Church Management and Administration	50,265	-	-	50,265	65,370
International Workers	77,045	-	-	77,045	83,395
Student Workers	-	-	106,677	106,677	100,185
Women's Worker	20,226	-	-	20,226	21,046
Youth Worker	12,965	-	12,967	25,932	37,185
Pension provision interest cost	-	-	-	-	1,000
Staff Expenses	22,200	-	-	22,200	28,170
Church Life	59,305	-	-	59,305	77,263
Events	42,145	-	-	42,145	31,802
Bookstall	1,762	-	-	1,762	4,744
Church Utilities and Church Maintenance	37,601	6,349	-	43,950	44,307
Depreciation	528	-	-	528	701
Loss on Disposal of Assets	2,241	-	-	2,241	-
Rent in kind	27,000	-	-	27,000	57,600
Staff Housing Costs	86,726	-	-	86,726	101,315
	<u>717,689</u>	<u>6,349</u>	<u>119,644</u>	<u>843,682</u>	<u>912,926</u>
(c) Support Costs					
Administration	9,881	-	-	9,881	12,341
Printing	14,728	-	-	14,728	15,741
Bank Charges	1,938	-	-	1,938	620
(d) Governance - Audit	<u>2,580</u>	<u>-</u>	<u>-</u>	<u>2,580</u>	<u>3,300</u>
	<u>29,127</u>	<u>-</u>	<u>-</u>	<u>29,127</u>	<u>32,002</u>
Total	<u><u>828,666</u></u>	<u><u>6,349</u></u>	<u><u>216,276</u></u>	<u><u>1,051,291</u></u>	<u><u>1,152,949</u></u>

The PCC has one charitable activity which is church-based ministry.

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

4 TOTAL EXPENDITURE

	Staff Costs £	Depreciation £	Other Costs £	Total 2019 £	Total 2018 £
Charitable Activities:					
Grants	-	-	178,482	178,482	208,021
Church Activities Direct	436,364	528	406,790	843,682	912,926
Church Activities Support	-	-	29,127	29,127	32,002
	436,364	528	614,399	1,051,291	1,152,949

5 STAFF COSTS

	2019 £	2018 £
Wages and Salaries	310,998	296,178
Social Security Costs	21,772	26,715
Pension Costs	50,614	58,949
	383,384	381,842

During the year the PCC employed staff as shown in Note 3.

	2019	2018
The average number of staff during the year was:	15	15

The Jesus Lane Trust provides a grant towards the salaries of the student workers at St Andrew the Great. The Jesus Lane Trust is a charity established to support Christian Gospel work amongst students in Cambridge.

Rev Alasdair Paine and Rev Tom Hutchings are employed by the Diocese of Ely so their costs are not included here.

During the year, Rev Robbie Strachan received a salary of £24,770 for his role as Students' Curate. By virtue of this role, he is an ex officio member of the PCC. Mrs Sarah Robinson received remuneration of £17,241 for her role as Women's Worker (to August 2019) and Senior Administrator (from September 2019). The Deanery Synod elected her to the Diocesan Synod and consequently she is an ex officio member of the PCC.

During the year 4 (2018 - 6) trustees, in their capacity as employees of the PCC or the Diocese of Ely, were reimbursed for expenses incurred for mileage and hospitality of £2,492 (2018 - £2,298).

During the year remuneration received by key management personnel totalled £61,679. No employee earned more than £60,000 in the year (2018 - none).

6 PENSION COSTS

The PCC operates a defined contribution pension scheme for all directly employed members of staff, apart from one member of staff who is in the Church of England Pension Scheme. The assets of the scheme are held separately from those of the PCC in an independently administered fund. The pension cost charge represents contributions payable by the PCC to the fund and amounted to £41,047 (2018 - £43,945). At the year end there were outstanding pension contributions of £5,096 (2018 - £4,370) that were paid in January 2020.

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

7 FIXED ASSETS FOR USE BY THE PCC

		Freehold Land & Buildings	Fixtures & Fittings	Total
		£	£	£
Tangible Fixed Assets				
Gross Book Value	As at 1 January 2019	544,993	162,487	707,480
	Additions	-	4,560	4,560
	Disposals	-	(2,490)	(2,490)
	As at 31 December 2019	<u>544,993</u>	<u>164,557</u>	<u>709,550</u>
Depreciation	As at 1 January 2019	42,585	157,877	200,462
	Charge for year	-	528	528
	Eliminated on disposal	-	(249)	(249)
	As at 31 December 2019	<u>42,585</u>	<u>158,156</u>	<u>200,741</u>
Net Book Value	As at 31 December 2019	<u>502,408</u>	<u>6,401</u>	<u>508,809</u>
Net Book Value	As at 31 December 2018	<u>502,408</u>	<u>4,610</u>	<u>507,018</u>

The freehold land and buildings comprise the houses located at 1 Pretoria Road and 64/64A St Albans Road. The gross value of 1 Pretoria Road is that estimated for the property when it was let in 1997, and is considered a fair estimate of the value in use of the property. Under FRS 102 section 35.10 (c) the fair value is treated as deemed cost. The historical cost of 1 Pretoria Road was £6,000.

The fixed assets of the PCC are all used for charitable purposes.

8 STOCK

	2019	2018
	£	£
Books for re-sale	<u>3,697</u>	<u>2,696</u>

9 DEBTORS

	2019	2018
	£	£
Other debtors	-	4,954
Gift Aid recoverable	19,758	63,183
Prepayments and accrued Income	12,809	12,191
	<u>32,567</u>	<u>80,328</u>

10 CREDITORS: amounts falling due within one year

	2019	2018
	£	£
		as restated
Trade creditors	14,115	-
Accruals and deferred income	93,852	56,578
Tax and other social security costs	6,343	5,876
Other creditors	7,033	6,592
Pension deficit reduction provision (Note 18)	3,000	5,000
	<u>124,343</u>	<u>74,046</u>

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

11 OPERATING LEASE COMMITMENTS

	Land and Buildings	
	2019	2018
	£	£
Total minimum lease payments for leases which expire between 1 and 5 years	34,667	61,886
Amounts payable within one year	26,807	37,946
Amounts payable between one and five years	7,860	23,940

Lease payments of £41,492 have been recognised as an expense for the year.

	Office Equipment	
	2019	2018
	£	£
Amounts payable within one year	4,110	-
Amounts payable between one and five years	-	9,042

Lease payments of £4,932 have been recognised as an expense for the year.

12 UNRESTRICTED FUNDS

	Revaluation Reserve	PCC General	Total
	£	£	£
Balance at 1 January 2019	194,000	348,584	542,584
Incoming Resources	-	799,539	799,539
Resources Expended	-	(828,666)	(828,666)
Actuarial gains/(losses) on defined benefit pension schemes	-	10,000	10,000
Balance at 31 December 2019	194,000	329,457	523,457

13 DESIGNATED FUNDS

	Ministry Fund	Contingency Fund	Restoration Fund	Total
	£	£	£	£
Balance at 1 January 2019	47,000	15,357	184,989	247,346
Incoming Resources	-	-	23,011	23,011
Charitable Expenditure	-	-	(6,349)	(6,349)
Balance at 31 December 2019	47,000	15,357	201,651	264,008

Ministry Fund

For the funding of gospel initiatives as authorised by the PCC.

Contingency Fund

This is a legacy received from a previous vicar of the Church and a legacy received in May 2014 and is considered as a contingency.

Restoration Fund

For restoration and repairs of any Church buildings.

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

14 RESTRICTED FUNDS

	Jesus Lane Trust	Specific Gifts Fund	Vicar's Discretionary Fund	Gift Day 2018	Gift Day 2019	Total StAG Funds
	£	£	£	£	£	£
Balance at 1 January 2019	-	1,500	-	26,477	-	27,977
Prior year adjustment	-	-	-	(26,477)	-	(26,477)
Voluntary Income	119,644	6,818	5,000	2,437	82,127	216,026
Charitable Expenditure	(119,644)	(7,068)	(5,000)	(2,437)	(82,127)	(216,276)
Balance at 31 December 2019	-	1,250	-	-	-	1,250

Jesus Lane Trust

Grants from the Jesus Lane Trust which are used for paying the salaries of the student workers.

Specific Gifts Fund

Gifts to the church which are nominated for a specific recipient.

Vicar's Discretionary Fund

These are discretionary payments to persons in need and are covered by specific gifts received for this purpose.

Gift Day 2018

A one-off collection was held in November 2018 to raise funds for the Jesus Lane Trust (50%), our World Mission partners (30%), and GAFCON (20%).

Gift Day 2019

A one-off collection was held in November 2019 to raise funds for The Matthew Ministry (50%), Wellfield Church (25%), and Mongolian Union Bible Society (25%).

15 PRIOR YEAR ADJUSTMENT

We previously accounted for Gift Day expenditure in the year it was paid to beneficiaries, rather than the year in which the associated income was accounted for and received. With Gift Day typically held in November, associated expenditure was accounted for early in the next financial year. We believe that a more helpful presentation is to match income and expenditure in the same year by accruing for expenditure at the year end, as there is an obligation to pay over Gift Day income to specific beneficiaries. We have therefore restated the year ended 31 December 2018 financial statements to increase accruals and grants paid by £26,477, and to reduce restricted funds at 31 December 2018 by £26,477. This reflects Gift Day income received before 31 December 2018 that was paid to beneficiaries in February 2019.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fixed Assets	508,809	-	-	508,809
Net Current Assets	14,648	264,008	1,250	279,906
Fund Balance	523,457	264,008	1,250	788,715

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

17 ANALYSIS OF GRANTS

All grants with a value greater than £100 are recorded in the tables below. External giving is directed through the World Mission and UK Mission groups, the annual Gift Day, and church members make gifts for specific beneficiaries.

	£		£
World Mission Group		UK Mission Group	
B & J	4,400	Christian Graduate Society	100
D & A	6,600	Kirkby le Soken PCC	500
J & Y	4,400	St Nicholas Church Tooting	7,500
Jonathan & Rachel Vaughan	3,200	St Philemon's Church Toxteth	7,500
Julia Snodgrass	200	Terrington St Clement Parish Church	
Kathleen Spence	4,400	(via Gospel Ministry Support Trust)	13,500
M	500	Trinity Church Scarborough	500
Mongolian Union Bible Society	4,400	Wellfield Church	8,650
Myrto Theocharous	4,400	Book tokens provided to ordinands	800
Nerena Nethercoat	4,400		<u>39,050</u>
Tomas Uher	4,400		
Book tokens provided to mission partners	1,500	Specific Gifts (directed by donor)	<u>7,068</u>
	<u>42,800</u>	Vicar's Discretionary Fund	<u>5,000</u>
Gift Day 2018 income received in 2019		Gift Day 2019 income received in 2019	
GAFCON	487	The Matthew Ministry	41,063
Jesus Lane Trust	1,219	Wellfield Church	20,532
D & A	731	Mongolian Union Bible Society	20,532
	<u>2,437</u>		<u>82,127</u>

	£
The total value of grants over £50 given to institutions during the year was	112,983
The total value of grants over £50 given to individuals during the year was	65,499
	<u>178,482</u>

18 PENSION PROVISION

One member of staff (2018 - 1) is a member of the Church of England Funded Pension Scheme.

	2019	2018
	£	£
Balance as at 1 January	19,000	48,000
Deficit contributions paid	(3,000)	(5,000)
Interest cost	-	1,000
Remaining change to the balance sheet liability (SOFA)	(10,000)	(25,000)
Balance as at 31 December	<u>6,000</u>	<u>19,000</u>
Due in less than one year (Note 10)	3,000	5,000
Due in more than one year	<u>3,000</u>	<u>14,000</u>

The charity has entered into deficit recovery plans in respect of the Church of England Funded Pension Scheme: see Note 19.

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

19 PENSION PROVISION

Holy Sepulchre PCC (Cambridge) participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

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 Scheme's assets and liabilities to each specific Responsible Body, and this means 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 towards benefits and expenses accrued in that year, plus the figures highlighted in the table below as being recognised in the SoFA.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2% per annum;
- RPI inflation of 3.4% per annum (and pension increases consistent with this)
- Increase in pensionable stipends of 3.4% per annum;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% per annum.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below:

Percentage of pensionable stipends:	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2017 and 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2018 and over 2019 is set out in the table below.

	2019	2018
	£	£
Balance sheet liability at 1 January	19,000	48,000
Deficit contributions paid	(3,000)	(5,000)
Interest cost (recognised in SoFA)	-	1,000
Remaining change to the balance sheet liability* (recognised in SoFA)	(10,000)	(25,000)
Balance sheet liability at 31 December	<u>6,000</u>	<u>19,000</u>

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

19 PENSION PROVISION (CONTINUED)

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2019	December 2018	December 2017
Discount rate	1.1% pa	2.1% pa	1.4% pa
Price inflation	2.8% pa	3.1% pa	3.0% pa
Increase to total pensionable payroll	1.3% pa	1.6% pa	1.5% pa

The legal structure of the scheme is such that if another Responsible Body fails, Holy Sepulchre PCC (Cambridge) could become responsible for paying a share of that Responsible Body's pension liabilities.

20 STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR YEAR ENDED 31 DECEMBER 2018

	Unrestricted Funds £ as restated	Designated Funds £ as restated	Restricted Funds £ as restated	Total 2018 £ as restated
Income from:				
Donations and legacies	830,927	-	203,663	1,034,590
Charitable Activities	96,266	25,261	-	121,527
Investments	172	-	-	172
Other	350	-	-	350
Total Income	927,715	25,261	203,663	1,156,639
Expenditure on:				
Charitable Activities	901,906	5,275	245,768	1,152,949
Total Expenditure	901,906	5,275	245,768	1,152,949
Net Income/(expenditure)	25,809	19,986	(42,105)	3,690
Transfer Between Funds:	-	-	-	-
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit pension schemes	25,000	-	-	25,000
Net Movement in Funds	50,809	19,986	(42,105)	28,690
Reconciliation of funds:				
Total funds brought forward	491,775	227,360	43,605	762,740
Total funds carried forward	542,584	247,346	1,500	791,430

**PAROCHIAL CHURCH COUNCIL OF HOLY SEPULCHRE CAMBRIDGE
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FOR THE YEAR ENDED 31 DECEMBER 2019**

21 RELATED PARTY TRANSACTIONS

The Jesus Lane Trust has some trustees in common with the PCC (Mr Piyush Jani, Rev Alasdair Paine and Prof Peter Robinson). The Jesus Lane Trust made a grant of £119,644 (2018 - £118,780) to the PCC, as shown in Note 14. The PCC made a grant of £1,219 (2018 - £13,238) to the Jesus Lane Trust (from Gift Day 2018). At the year end, the PCC owed £1,937 (2018 - £15,079) to the Jesus Lane Trust.

The Gospel Ministry Support Trust has some trustees in common with the PCC (Mr Matthew Byatt, Prof Peter Robinson, Mrs Sue Davies-Scourfield and Dr Simon Wadsley). The PCC made grants of £13,500 (2018 - £17,250) to the Gospel Ministry Support Trust, for Terrington St Clement Parish Church, as shown in Note 17. At the year end, the PCC owed £nil to the Gospel Ministry Support Trust (2018 - £nil).

The Matthew Ministry has one trustee in common with the PCC (Prof Peter Robinson). The PCC made grants of £41,063 (2018 - £nil) to The Matthew Ministry, as shown in Note 17. At the year end, the PCC owed £41,063 (2018 - £nil) to The Matthew Ministry.

Certain employees of the PCC are ex officio members of the PCC, and their remuneration and expense claims are disclosed in Note 5.

The PCC has employed Mr J Townsend, a close relative of the trustee Mr C Townsend, as Youth Worker since September 2018. Mr J Townsend is employed on the same terms and pay scale as equivalent pastoral employees.