

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF ST MARY, STOKE NEWINGTON

Diocese of London  
Parish Number: 0515

Charity Registration Number: 1133877

Report & Accounts  
31 December 2019

Simply Churches  
Chartered Accountants  
17 Heathville Road  
London N19 3AL



# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON**

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# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON

## Legal and Administrative Information For the year ended 31 December 2019

<b>Charity Name</b>	The Parochial Church Council of the Ecclesiastical Parish of St Mary, Stoke Newington	
<b>Charity no</b>	1133877. The Parish was established in the 14 <sup>th</sup> Century and is a charity which was formally registered with the Charity Commission on 28 January 2010.	
<b>Principal Address</b>	Stoke Newington Church Street, London N16 9ES	
<b>The Governing Document</b>	Parochial Church Council Powers Measure (1956) as amended and Church Representation Rules.	
<b>Objective</b>	Our Mission Statement is "We are here to share the loving hospitality of God, seeing Christ in friend and stranger".	
<b>Members of the PCC</b>	The Members of the PCC who served during the year or who were serving at the date of this report were:	
	Clergy	Rev Dilly Baker (Rector) Roxane Liddell (Assistant Curate)
	Churchwardens	Mr Andrew McCully Mr Grant Cocks
	Ex Officio	Mr Jonathan Gebbie Ms Judith Simpson
	Elected Lay Representatives	Mr Jeremy Okai Mr Pete Stickland Ms Rhian Beynon Ms Bonnie Chiu Mr Pete Simon Ms Alberta Bunbury Ms Anne Taylor Adenike Bola Sanni
		Mr John Guest Mr James Lyons Mr Mark Perrett Ms Valerie Lang Ms Olamide Kama Ms Elaine Simpson Mr Bruce Castle Miss Connie Blackett-Ord
	Lay Representatives to the Deanery Synod	Adenike Bola Sanni Rhian Beynon
<b>Key Management Personnel</b>	Those in charge of directing, controlling, running and operating the Church on a day to day basis are the Rector and members of the Standing Committee.	
<b>Bankers</b>	Co-op Bank PO BOX 250 Skelmersdale WN8 6WT	
<b>Independent Examiner</b>	John Helm Simply Churches 17 Heathville Road London N19 3AL	
<b>Quinquennial Inspector</b>	Oliver West & John Scott Architects The Studio, 3A Bath Road London W4 1LL	



# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON**

## **Report of the Parochial Church Council For the year ended 31 December 2019**

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The Parochial Church Council of the Ecclesiastical Parish of St Mary Stoke Newington ("the PCC") submits its report and the financial statements of the PCC for the year ended 31 December 2019. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report.

The PCC co-operates with the incumbent in promoting the whole mission of the Church within its Parish and beyond. It also has responsibility for the non-stipendiary staff and the maintenance of the church buildings.

### **1. Structure, Governance & Management**

The PCC met 8 times and the Standing Committee 5 times during the year since the past APCM. The meetings on 24 April and 25 May were held via Zoom.

At its first meeting in May 2019, the PCC approved its safeguarding policy statement, appointed Judith Simpson as its Safeguarding Officer and Claire Garrett as Children's Champion; carried out the Safeguarding Audit and received a report from the Safeguarding Officer.

Proceedings during the year were dominated by the arrangements for the redevelopment of the New Church Rooms. It was the major item of business at every meeting, together with the funding for the project. Work began in April, but various delays meant that it was not completed by the end December deadline. All work ceased when the Government imposed the Covid-19 lockdown in March 2020. The PCC received a presentation from the Project Manager at its April and May 2020 meetings.

The PCC received regular reports from the Treasurer about the parish's financial position. The meeting in November 2019 considered the budget for 2020, which showed a significant deficit. However, the meeting concluded that until we knew when the new Centre would be operating, it was difficult to gauge our income. The meeting in March 2020 received a revised outturn for the 2019 budget, which showed that we had after all managed to keep within budget. However, it noted again that the financial position in 2020 would be very uncertain and that a concerted effort to raise income was advisable, once fund-raising for the new Centre had been completed.

The meeting in May 2019 considered the Mission Action Plan, and in June, the PCC had a more detailed discussion of the 'Love tenderly' strand, which had been identified as that on which least progress had been made.

The meeting in September 2019 approved a Climate Emergency Policy, which was discussed further at the meeting in November. Connie Blackett-Ord was appointed as the Climate Emergency champion.

#### **1.2 Executive**

The Standing Committee has the power to transact any business of the PCC between its meetings, subject to any directives given by the PCC, and in January –December 2019 comprised of the Rector, the church wardens, Jeremy Okai, Judith Simpson,, Pete Stickland and James Lyons, with Anne Taylor joining from May 2019.

#### **1.3 Church Attendance**

The electoral roll is completely reviewed and revised once every six years. At March 2018 the electoral stood at 203 and at March 2019 it stood at 224. Owing to Covid-19, the Electoral Roll has not yet been updated for 2020

#### **1.4 Risk Management**

Financial risk is managed by the Treasurer and Administrator who report to both the Rector and the Standing Committee. In recognition of the increased demands and level of risk associated with future plans for the project to develop the new St Mary's Centre the PCC agreed to establish a Finance Group to support the Treasurer in the preparation and monitoring of the budget and the raising of funds both for church's work and for the new Centre.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON

## Report of the Parochial Church Council For the year ended 31 December 2019

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The Finance Group is convened by Andrew McCully (churchwarden) and involves Jeremy Okai (Treasurer), James Lyons (PCC member) and Andrew Wildridge. In the course of 2019 it has reviewed budget management, advised the PCC on the setting of the budget for 2019 and advised the PCC on financial risks in plans for the new Centre.

### 2. Activities & Strategies

During 2019 St Mary's continued to thrive as a Parish Church offering a variety of styles of worship to meet the needs of a diverse parish and sought to live out its stated mission of offering hospitality to friend and stranger alike.

Within the worshipping life of the church our pattern of services has continued unchanged. We have seen an increasing number of families participate in our 9.30 All-Age service whilst also having to say goodbye to a few families. Our I Am service continues to attract a diverse congregation with an increased number of people involved in leading various aspects of the service.

Matins attracts a small but committed group of attenders whilst Evensong has been enriched over the year by the presence of a very talented choir who found us one day and asked if they could sing! The beauty of their music has attracted a small increase in the number of people enjoying this ancient service.

Our two Meditation Groups continue to attract significant numbers of people each week from our local community.

Study groups set up the previous year continued in 2019: The Men's Group, the Women's Spirituality Group, and 3 Lent groups which studied, 'The Long Road to Heaven' by Tim Heaton.

Over the year there has been a significant change in personnel amongst those leading St Marys: Jonathan Gebbie decided to take a break from his ministry as a Lay Reader for the foreseeable future; Tony Sheeran stepped back in having taken some time out from the parish; Patrick Neyman joined us in the summer for a year's placement as a 'Stepney Intern' putting his hand to anything and everything in the life of the parish; Chris Brice, retired priest, has now made his home at St Mary's, and is contributing on an occasional basis to the leading of worship at the I Am service. Sadly, at the end of the year our much loved priest and colleague Graeme Watson, was diagnosed with cancer and died in early January. Graeme will be missed immensely at St Mary's for all that he contributed. His legacy however, not least in our meditation groups, will live on.

Much of our life in 2019 has been focused on building the new St Mary's Centre. Work on the building began in April and was expected to be completed by the end of the year. However, due to various hitches, the work soon fell behind schedule and did not meet the Xmas deadline. Church members have continued to fundraise throughout the year and have given generously of their time and money to ensure this project is a success. Inevitably all groups who regularly use the Centre had to find alternative venues during this building project and we look forward to welcoming the majority of them back when the new Centre is able to open and the pandemic over.

Some of the highlights during 2019 have been:

- a record number of people attending the Carol Service - almost 600 in total;
- an Advent Retreat day facilitated by Evonne Galloway and Sara Cottingham exploring spirituality through the Arts;
- the setting up of a Community Choir, under the charismatic guidance of Nick Jenkins. The choir proved to be a huge success at the Carol Service;
- The Winter Market - organised by Elizabeth Smallman and held once again in the New Church - a wonderful fundraiser for the Centre;
- 'Come & Sing Fauré Requiem' directed by Geoff Weaver to mark Remembrance Sunday;
- The piloting of the '2nd Chance Café' run by volunteers on a 'pay-as-you-feel' basis, using up cycled veg from the local area;
- the continued work of the North Hackney Welcome Project, supporting a Syrian Refugee family. Thanks especially to Ann Sheeran, who has worked so tirelessly on this and who is now stepping down as Chair of the project;
- a creative arts workshop involving children from the school to create a new set of life-size nativity figures made out of willow and papier maché.

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON**

## **Report of the Parochial Church Council For the year ended 31 December 2019**

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I would like to thank everyone who has contributed to the life and vitality of this vibrant parish over the last year. A particular thanks to our Hospitality Coordinator, Tamar, to our Wardens, Andrew and Grant, who have served us diligently over this last year, to Jeremy and Judith in their respective work as Treasurer and Secretary, to Michael for his inspirational contribution towards our music, to Roxane our curate for all her dedication and commitment and to all my colleagues who help prepare and lead worship at St Mary's churches.

2019 finished on a very positive note for St Mary's; little did we realise what was coming down the line, 2 months later, in the form of a global pandemic. Life in 2020 so far, has been very different, but that is for a future report.

Dilly Baker, Rector

### **Church Wardens' Report (Andrew McCully and Grant Cocks)**

The past year was significant for the quinquennial inspections of both churches. These are the mandatory inspections conducted by our assigned architect John Scott under the London Diocesan Scheme for the Inspection of Churches – a five year point of reckoning for church wardens for all the work that needs to be done to keep our buildings safe and in good condition for our life as a congregation. The Old Church inspection was conducted in February and the New Church inspection followed in June.

For the Old Church, it was no surprise that the inspection painted a picture of what it described as "picturesque decay". We know that the basic fabric of the building remains in poor condition. The inspection's most urgent recommendations were focused on preventing, as the report put it, the decay creeping over the line into neglect.

During the early part of the year full attention was given to the repairs needed to make the floor in the Old Church safe. Some of the stone tiles had become damaged and broken. Emergency works were carried out to repair these unsafe tiles ensuring they no longer posed a hazard.

The quinquennial report highlighted that the iron bar inside the mullions in the tower is rotting. The process to get approval for the repair works is underway, however, this has been delayed due to Covid-19 restriction resulting on a longer than expected time to receive the go-ahead. The current situation has also meant that additional funding will need to be sought for the work. Different avenues for this are currently being considered.

Lastly, the monitoring of the movements in the north aisle has continued to be a key activity. Measurements of the existing crack takes place at regular intervals. In addition, we are now planning to step up this process to monitor movements in the pillars which appear to have worsened over the last few months. This is likely to lead to an extensive project of refurbishment in the not too distant future.

For the New Church, despite numerous niggles and recommendations for repair and attention, the report confirms the fabric as basically sound. The main focus was on the roof, our continuing problem. In the run up to the inspection we had to complete more urgent repairs to the north side to replace slates which had fallen (in dramatic a crash in heavy wind during a Sunday service) but this had been just the latest in a series of patch-and-mend projects over recent years. The inspection recommended that we develop a strategy for the eventual replacement of all the roof coverings, clearly a massive undertaking for which we have now started the search for funding. Internally, the report recognised both the problems to insulation and more importantly the health and safety risks of missing roof panels above the nave with more coming loose and threatening to fall. The long term solution must lie in the overall strategy for the roof, but the immediate replacement of the missing panels and repairs to those at risk were successfully completed later in the year. Other urgent repairs to the guttering await the search for more funds once we have completed the work on the new St Mary's Centre NI6.

For that has dominated our attention and that of the whole PCC in the course of the year, looking forward to the inspirational community space which will welcome, among many other guests, the Hackney Winter Night Shelter, the Hackney Migrant Centre and the Hackney Food Bank. Work started in summer with so much excitement after all our successful work to raise the funds, appoint contractors and clear the church rooms and vestries. We were optimistic that the work would be completed by the end of the year. Unfortunately, when our contractors started excavating, they found the foundations of the existing centre were not as shown on the original drawings and new foundations had to be redesigned.

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON**

## **Report of the Parochial Church Council For the year ended 31 December 2019**

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They also discovered that some of the New Church's drains were damaged and unconnected to the exterior draining system and needed new work. All this, compounded by delays in the specification and ordering of the steel frame of the main building, led to postponement of the date for completion of the building to Easter 2020 and work to cut costs and simplify or postpone plans for the exterior landscaping. The end was in sight when sadly all construction had to stop with the imposition of the Covid-19 lockdown, though fortunately just after the work had been completed to make the main building watertight and secure to complete all the internal work. At the time of writing, optimism has returned with the restart of the building and the opening once more in sight.

With access to the buildings limited both by the closure of the Churches and by the construction the annual full terrier and inventory has been delayed and will be completed later in the year.

As set out in the Finance and PCC reports our consideration of the health of our finances has continued across the year to be dominated by the new centre, both because of the costs of the project requiring continued fundraising and because of the loss of income from the church rooms. Despite increases in stewardship giving we were forced to limit our contributions to the Diocese's Common Fund in the year and to promise a reduced contribution in 2020. We will need to renew efforts in the coming year to grow our commitment to stewardship.

Throughout the year our work has only been possible with the help and support of so many across our St Mary's community. But particular thanks must go to Jeff Manning for all the work he does carrying out minor repairs and maintenance during the year and for organising our contractors when we need more significant work. The jobs of church warden could not be done without his significant support and we are very grateful.

### **Work with Children and Young People (Anne Taylor, Convenor of Children and Youth)**

Children attend both the two main Sunday morning services but they mostly come to the All Age Service at 9.30am in the Old Church. This continues to be pretty well attended by young families, with around 10-20 children at the service each week. A good number volunteer regularly as servers, and some contribute to content, often with their parents. Most children attending church are aged under 10, though we do have a few young teens.

During the year some of our children and young people have come together to sing at church services, and also joined in wider choral events such as the Fauré Requiem in November. Some helped create the striking new set of nativity figures for the crib with pupils from St Mary's school, and several have undertaken individual fundraising challenges for the new St Mary's Centre.

We decided to rest our annual Children & Families BBQ last year, and the one planned for this summer is now sadly on hold for obvious reasons. During lockdown we've had some of the older children join in the Zoom services with their parents. Once we're able to get back into our buildings the challenge will be how to accommodate our younger children in particular under social distancing requirements.

### **3. Going Concern**

The significant event to have occurred prior to the signing of these accounts has been the lockdown restrictions made necessary by the Covid-19 pandemic, which broke out in early March 2020.

Each year it's the PCC's responsibility to state whether or not the annual accounts have been drawn up on a going concern basis (see the accounting policy note on page 22). Going concern is the assumption that an entity in this case the PCC, has the resources (financial or otherwise) needed to continue operating for the foreseeable future and, in particular, for at least 12 months from the date of approval by the PCC of these annual accounts. If the going concern principle did not apply then the accounts would be drawn up on an insolvent basis.

Clearly, as part of this year's going concern review, the PCC has had to consider the likely impact of COVID-19 pandemic on its ministry. It has concluded that the financial risks to that ministry have increased significantly as a result of the lockdown restrictions imposed by the Government and the closure of the church building and halls mandated by the central authority of the Church of England. As a result, income from hiring out the church halls has ceased and is not expected to

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## Report of the Parochial Church Council For the year ended 31 December 2019

return to anything like a normal level until the latter part of 2020. The impact of the lockdown on the finances of our church family members, whose giving provides the bulk of our financial support, remains unclear but it is likely to be moderately adverse. The PCC understands that there will not be any relief from the Diocese by way of a reduction of our parish share in 2020, its largest single item of expenditure.

Against this background, the PCC has reviewed its financial forecast for 2020, including the value of its property and investment assets. This review indicates that it will incur a large deficit in 2020 but that its cash reserves are more than adequate to absorb that deficit. Accordingly, it has concluded that it is appropriate to prepare the 2019 Accounts on a going-concern basis and that it is not necessary to make any adjustment to these accounts as a result of the lockdown restrictions. The PCC will continue to keep both the short-term and longer-term impact under review and in particular, the 'degree of return to normality' will be actively monitored in the latter part of 2020, with a view to assessing the likely carryover into 2021 and the effect on the 2021 Budget.

### 4. Financial Review

The PCC's main sources of funding are the free will offerings of church members and other in attendance at church meetings, and income from the hiring out the church buildings.

#### 4.1 Financial Activity and Financial Position

The Statement of Financial Activities and Balance Sheet can be found on pages 11 and 12 respectively. The Church's reserves decreased by £410,598 during the year (2018 – increased by £5,858). The balance sheet shows total net assets of £809,907 (2018: £1,220,505).

Included in total funds are amounts totalling £15,341 (2018: £52,541) which are restricted. These balances have either been raised for, and their use restricted to, specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 9 to the accounts together with an analysis of movements in the year.

#### 4.2 Reserves Policy

The PCC in 2019 maintained the policy set in the previous year for the requirements for free reserves (i.e. those unrestricted funds not invested in tangible assets) that, given the nature of the church's work, free reserves should be the equivalent of £30,000 and £45,000 kept on deposit where funds permit.

The PCC believes this provides sufficient flexibility to cover temporary shortfalls in income and will allow the church to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 December 2019, the church had net free reserves of £792,621 (2018: £1,165,142) as follows:

	2019 £	2018 £
<b>Total reserves</b>	<b>809,907</b>	<b>1,220,505</b>
Less: restricted funds	(15,341)	(52,541)
Less: tangible fixed assets	(1,945)	(2,822)
<b>Free reserves</b>	<b>792,621</b>	<b>1,165,142</b>
<b>Free reserves requirement:</b>		
Reserve agreed by PCC	80,000	80,000
Balance allocated to the anticipated cost of the new building	712,621	1,085,142
<b>Free reserves</b>	<b>792,621</b>	<b>1,165,142</b>



# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON

## Report of the Parochial Church Council For the year ended 31 December 2019

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### 4.3 Investment Policy

The PCC is in the process of formulating an investment policy. Funds in excess of immediate working capital requirement are placed in a bank deposit account.

### 4.4 Grants Policy

The PCC makes occasional grants to support charitable endeavours both in the UK and abroad. The policy of the church is to give grants on the basis that they are subject to annual review. At present St Mary's supports its link parish in Tete, Mozambique and Christian Aid. We also give to local charities that resonate with our mission such as the Hackney Migrant Centre and the Hackney Winter Night Shelter. In addition, we have occasional one-off collections e.g. Children's Society at Christmas.

### 5. Plans for Future Periods

This year, we will be working on developing those projects and ideas, consistent with our mission, enabling us to live out our intention to see Christ in friend and stranger. In particular, we will focus on completing the building of the new St Mary's Centre and will seek to develop partnerships with those interested in working with us within the new centre - most especially in the area of social justice and service to the more marginalised.

We will continue to develop the worshipping life of our faith community, responding appropriately to the varied needs of diverse congregations.

We will seek to increase 'planned giving' across our congregations.

### 6. Responsibilities of Trustees for the Financial Statements

The PCC is responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and of the income and application of income of the charity for that period.

In preparing those financial statements, the PCC is required to:

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

The PCC is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables 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 governing document. The PCC is 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. The PCC is responsible for the maintenance and integrity of the charity and financial information included in the charity's website.

### 7. Approval

The report of the PCC was approved by the PCC on 20 July 2020 and signed on its behalf by:

Rev Dilly Baker 

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON**

**Report of the Independent Examiner to the Parochial Church Council of St Mary, Stoke Newington**

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I report on the accounts of the Parochial Church Council of St Mary Stoke Newington for the year ended 31 December 2019, which are set out on pages 10 to 18.

***Respective responsibilities of PCC and examiner***

The PCC are responsible for the preparation of the accounts. The PCC consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

***Basis of independent examiners' report***

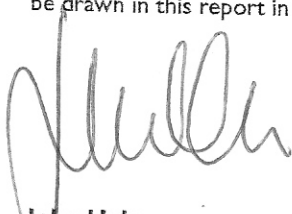
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items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

***Independent examiners' statement***

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

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

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



**John Helm**  
Chartered Accountant

20 July 2020

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY,  
STOKE NEWINGTON**

**Statement of Financial Activities  
For the year ended 31 December 2019**

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
<b>Income from:</b>	2						
Donations and legacies		79,347	220,516	299,863	106,273	91,014	197,287
Charitable activities		540	-	540	7,567	-	7,567
Other trading activities		17,418	4,540	21,958	28,983	7,635	36,618
Investments		7,588	-	7,588	6,678	-	6,678
Other		-	239	239	9,505	-	9,505
<b>Total Income</b>		<b>104,893</b>	<b>225,295</b>	<b>330,188</b>	<b>159,006</b>	<b>98,649</b>	<b>257,655</b>
<b>Expenditure on:</b>							
Raising funds	3	857	-	857	6,466	-	6,466
Charitable activities	4	487,149	262,495	749,644	171,351	72,676	244,027
<b>Total Expenditure</b>		<b>488,006</b>	<b>262,495</b>	<b>750,501</b>	<b>177,817</b>	<b>72,676</b>	<b>250,493</b>
Net gains/(losses) on investments	7	9,715	-	9,715	(1,304)	-	(1,304)
<b>Net (expenditure)/income</b>	5	<b>(373,398)</b>	<b>(37,200)</b>	<b>(410,598)</b>	<b>(20,115)</b>	<b>25,973</b>	<b>5,858</b>
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>(373,398)</b>	<b>(37,200)</b>	<b>(410,598)</b>	<b>(20,115)</b>	<b>25,973</b>	<b>5,858</b>
Total funds brought forward		1,167,964	52,541	1,220,505	1,188,079	26,568	1,214,647
<b>Total funds carried forward</b>		<b>794,566</b>	<b>15,341</b>	<b>809,907</b>	<b>1,167,964</b>	<b>52,541</b>	<b>1,220,505</b>



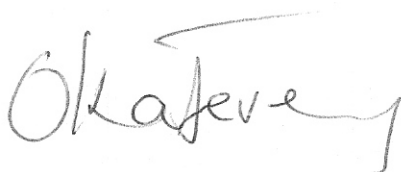
**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON**

**Balance Sheet  
As at 31 December 2019**

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
<b>Fixed Assets</b>					
Tangible Assets	6	1,945	-	1,945	2,822
Investments	7	71,617	-	71,617	61,902
		73,562	0	73,562	64,724
<b>Current Assets</b>					
Debtors	8	35,792		35,792	31,502
Cash At Bank And In Hand		686,942	15,341	702,283	1,125,818
		722,734	15,341	738,075	1,157,320
<b>Creditors - Amounts Falling Due Within One Year</b>	9	1,730	-	1,730	1,539
<b>Net Current Assets</b>		721,004	15,341	736,345	1,155,781
<b>Net Assets</b>		<b>794,566</b>	<b>15,341</b>	<b>809,907</b>	<b>1,220,505</b>
Represented by:					
Restricted Funds	10	-	15,341	15,341	52,541
Unrestricted Income Funds		794,566	-	794,566	1,167,964
<b>Total Funds</b>		<b>794,566</b>	<b>15,341</b>	<b>809,907</b>	<b>1,220,505</b>

The financial statements were approved by the PCC on 20 July 2020 and signed on its behalf by:

Jeremy Okai  
Treasurer



# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON

## Notes to the Financial Statements For the year ended 31 December 2019

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### I. 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 accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of leasehold land and buildings and investments which are shown at market value.

The financial statements 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 an affiliation to another body or those that are informal gatherings of church members.

The PCC meets the definition of a public benefit entity under FRS 102.

#### Going Concern

There are no material uncertainties about the charity's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

#### Income recognition

Voluntary income and donations (including legacies) are accounted for once the PCC has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The PCC is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations and property maintenance costs.

Charitable expenditure includes those costs in fulfilling the PCC's principal objects, as outlined in the Report of the PCC. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the PCC's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the PCC.
- Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON

## Notes to the Financial Statements For the year ended 31 December 2019

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### 1. Accounting Policies (continued)

#### Tangible Fixed Assets

##### *Consecrated Property and Moveable Church Furnishings*

Consecrated land and benefice property such as the church building and rectory is excluded from the accounts in accordance with s10 of the Charities Act 2011. Moveable church contents are held by the rector and churchwardens on special trust for the PCC and require a faculty for disposal are accounted as inalienable property unless consecrated. All expenditure incurred on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is expensed within the Statement of Financial Activities.

*Other Fixtures, Fittings & Office Equipment.* The cost of other furniture, fittings and equipment, less any expected residual value, is depreciated on a straight line basis over the effective useful life of the asset, which has been estimated as four years.

#### Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

#### Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

#### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising 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 recognised at their settlement amount.

#### Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MARY, STOKE NEWINGTON**

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**2. Income**

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Donations & legacies				
Offerings and donations	71,829	31,628	103,457	148,037
Income tax reclaimed	4,897	-	4,897	11,388
Grants	2,621	188,888	191,509	37,862
	<u>79,347</u>	<u>220,516</u>	<u>299,863</u>	<u>197,287</u>
Charitable activities				
Mission trips	-	-	-	-
Fee income (net of fees paid to Diocese)	540	-	540	7,567
	<u>540</u>	<u>0</u>	<u>540</u>	<u>7,567</u>
Other trading activities				
Bookstall, magazine etc	-	-	-	170
Votive candles	1,119	-	1,119	1,362
Fund raising events	-	4,540	4,540	7,635
Lettings income	16,299	-	16,299	27,451
	<u>17,418</u>	<u>4,540</u>	<u>21,958</u>	<u>36,618</u>
Investments				
Dividends	2,217	-	2,217	2,174
Bank Interest	5,371	-	5,371	4,504
	<u>7,588</u>	<u>0</u>	<u>7,588</u>	<u>6,678</u>
Other	-	239	239	9,505
	<u>0</u>	<u>239</u>	<u>239</u>	<u>9,505</u>
	<u>104,893</u>	<u>225,295</u>	<u>330,188</u>	<u>257,655</u>

**3. Expenditure on Raising Funds**

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Lettings – cleaning, maintenance & repair	857	-	857	5,978
Fundraising – event costs, votive candles etc	-	-	-	488
	<u>857</u>	<u>0</u>	<u>857</u>	<u>6,466</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MARY, STOKE NEWINGTON**

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**4. Expenditure on Charitable Activities**

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Common Fund	35,000	732	35,732	78,300
Staff costs (see note 4a)	18,853	-	18,853	17,699
Church Life & Outreach	10,312	17,257	27,569	5,498
Missionary & Charitable Giving and Gifts (see note 4b)	599	4,736	5,335	4,192
Provision of Office & Support	5,274	-	5,274	4,516
Provision of Buildings and Facilities	46,484	15,119	61,603	63,394
Building project - New Rooms	369,006	224,652	593,658	68,778
Governance costs	1,620	-	1,620	1,650
	<b>487,148</b>	<b>262,496</b>	<b>749,644</b>	<b>244,027</b>

**4a Expenditure – Staff Costs**

In addition to the many volunteers who give their time to the church, there were 3 (2018: 4) employees whose costs are included within Staff Costs above. Their aggregate emoluments were as follows:

	2019 £	2018 £
Gross salaries	17,270	17,322
Redundancy	1,000	-
Employer's National Insurance	289	-
Pension contributions	293	377
	<b>18,852</b>	<b>17,699</b>

These figures exclude the amounts paid to the Diocese for the incumbent and the curates, who are funded through the Common Fund. No employee (2018: nil) received emoluments in excess of £60,000 during the year.

**4b Expenditure – Missionary & Charitable Giving and Gifts**

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Giving to organisations:				
Night Shelter	-	-	-	1,470
Angola, London, Mozambique Association (ALMA)	-	-	-	250
Tete Fund	-	1,558	1,558	250
Christian Aid	-	1,429	1,429	1,279
Children's Society	-	488	488	457
Moorfields & St Anne's	-	170	170	-
Hackney Foodbank	-	-	-	316
Bahamas Flood Relief	510	490	1,000	-
Bishops Lent Appeal	-	601	601	-
Gifts to individuals	89	-	89	170
	<b>599</b>	<b>4,736</b>	<b>5,335</b>	<b>4,192</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MARY, STOKE NEWINGTON**

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**5. Net (Expenditure)/Income**

This is stated after charging:

Depreciation of owned assets  
Independent examination fee (including preparation of financial statements)

2019 £	2018 £
1,094	1,040
1,500	1,650
<u>2,594</u>	<u>2,690</u>

**6. Tangible Fixed Assets**

**Cost**

At 1 January 2019  
Additions

At 31 December 2019

**Depreciation**

At 1 January 2019  
Charge for Year

At 31 December 2019

**Net Book Value**

At 31 December 2019

At 31 December 2018

Fixtures, fittings & equipment £
4,161
217
<u>4,378</u>
1,339
1,094
<u>2,433</u>
1,945
2,822

All of the fixed assets are used for charitable purposes.

**7. Fixed Asset Investments**

**Market Value**

At 1 January  
Net of purchases and sales  
Net gain on revaluation

At 31 December

**Market value represented by investments in:**

CBF Fixed Interest Shares  
CBF Investment Fund  
CBF 50p Shares

2019 £	2018 £
61,902	63,206
-	-
9,715	(1,304)
<u>71,617</u>	<u>61,902</u>
11,600	11,350
33,317	28,063
26,700	22,489
<u>71,617</u>	<u>61,902</u>

No original cost information is available. The investments are held in the name of St Mary PCC, Stoke Newington.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MARY, STOKE NEWINGTON**

**Notes to the Financial Statements  
For the year ended 31 December 2019**

**8. Debtors**

	2019 £	2018 £
Prepayments	19,317	18,879
Income tax recoverable	14,037	10,000
Lettings receivable	2,438	2,622
	<u>35,792</u>	<u>31,501</u>

**9. Creditors - Amounts Falling Due Within One Year**

	2019 £	2018 £
Accruals	<u>1,610</u>	<u>1,539</u>

**10. Restricted Funds**

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2019 £
Church Urban Fund	5,390	1,227	(1,302)	-	-	5,315
Alma	0	-	-	-	-	0
Night Shelter	546	1,885	(1,557)	-	-	874
Flower Fund	0	455	(455)	-	-	0
Tete Fund	2,217	800	(1,558)	-	-	1,459
Palatine Estate Charity grant	251	20,000	(15,119)	-	-	5,132
Christian Aid	0	1,428	(1,428)	-	-	0
Bishop's Discretionary Fund	288	313	(601)	-	-	0
Church Bells	14	-	-	-	-	14
Nepal	200	-	-	-	-	200
Interfaith	44	-	-	-	-	44
Old Church Development Fund	0	400	(400)	-	-	0
Children Society	0	533	(488)	-	-	45
Kitchen refurbishment	89	-	(89)	-	-	0
The New Church - New Build Fund	30,859	193,703	(224,562)	-	-	0
Diocese of Stepney	0	732	(732)	-	-	0
Migrant Family	12,643	1,226	(13,494)	-	-	375
Mediation policy	0	20	-	-	-	20
Clergy expenses	0	115	-	-	-	115
Chairs	0	1,748	-	-	-	1,748
Bahamas Flood Relief	0	490	(490)	-	-	0
Moorfields & St Anne's	0	170	(170)	-	-	0
Lectionary	0	50	(50)	-	-	0
<b>Total</b>	<u>52,541</u>	<u>225,295</u>	<u>(262,495)</u>	<u>0</u>	<u>0</u>	<u>15,341</u>

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARY, STOKE NEWINGTON

## Notes to the Financial Statements For the year ended 31 December 2019

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### 10. Restricted Funds (continued)

Descriptions of the main restricted funds are as follows:

**Tete Fund** represents funds received for the purpose of supporting the church community in Tete, Angola.

**Palatine Estate Charity Grant** represents funds received from Palatine Estate Charity (charity no. 250880) for the purpose of maintenance and repair of the Parish Church.

**The Old Church – Roof Maintenance** represents funds raised (from the Listed Places of Worship Roof Repair Fund) for the repair to the roof of The Old Church

**New Build** represents funds raised for the rebuilding of the community halls adjacent to the new church.

**Migrant Family** represents funds raised by the North Hackney Welcome Project to resettle a Syrian Refugee Family

### 11. Financial Commitments

At 31 December 2019 the PCC is part way through a building project to provide new annex to the church. The contract is for £1,270,800 (incl VAT) and £501,600 had been paid to the contractor by 31 December 2019 in accordance with the terms of the contract, leaving a further £769,200 to be paid as the building work progresses. It is expected that the building work will be completed by July 2020.

### 12. Related Party Transactions and Balances

Rev Dilly Baker, Rector and member of the PCC, Andrew McCully and Mr Grant Cocks (church wardens), and Mark Blackett-Ord, are the trustees of the Palatine Trust Charity (Charity Registration No 250880) (the charity"). During 2019 the charity made a grant of £20,000 (2018: £10,000) to the PCC to be applied to building maintenance.

The Old Church Stoke Newington Limited (company registration no. 08886915) ("TOC") was established on 11 February 2016 in order to "build community through the arts and encourage creativity for all". TOC operates the Old Church Building under annual licence from the PCC as an arts venue, hosting a wide variety of events including all genres of music, art exhibitions and fairs, dance, comedy and theatre/performance. The relationship with the PCC is governed by a Memorandum of Understanding (dated 1 July 2016). The directors of TOC include Rev Dilly Baker, the Rector and a member of the PCC. During 2019:

- the PCC made payments totalling £4,200 (2018: £4,200) to TOC for the PCC's use of the premises
- TOC met the cost of the building's insurance £4,700 (2018: £4,254).

During the year members of the PCC did make unrestricted offerings and donations to the church of £12,190 (2018: £11,600).