



# **The Collegiate Church of St Mary, Warwick**

Parochial Church Council — Registered Charity N<sup>o</sup>: 1128087

## **Financial Statements**

for the year ending December 31, 2020

**2020**

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## Reference and Administrative Items

Address (Church and Parish Office)	Old Square Warwick CV34 4RA	
Diocese	Diocese of Coventry within the Church of England	
Website	<a href="http://www.stmaryswarwick.org.uk">www.stmaryswarwick.org.uk</a>	
Charitable Status	Registered Charity No. 1128087 (since February 16th 2009).	
Trustees	All members of the PCC as follows:	
	Incumbent & Chairman	Rev'd Vaughan Roberts
	Churchwardens	John Luxton, Gail Guest
	Curate	Alyca Timmis
	Deanery Synod Rep	Gillian James
	Elected PCC Members	John Adams (Treasurer), Anne Brar ( <i>from November 2020</i> ), Victoria Bartholomew ( <i>Secretary until July 2020</i> ), David Clark Grahame Edmonds ( <i>resigned August 2020</i> ), Nicholas Edwards ( <i>from November 2020</i> ), Alan Faulkner Desmond Jack, Tony King, Jayne McHale, Carol Warren, Alice Webber ( <i>from November 2020</i> ).
PCC Ex Officio Members	Reader	Doreen Mills
	Parish Administrator	Felicity Bostock ( <i>retired March 2020</i> )
Independent Examiners	Steven Mugglestone FCA Michael Harwood & Co. Chartered Accountants & Registered Auditors	Greville House 10 Jury Street Warwick CV34 4EW
Banker	Lloyds Bank PLC	12 Swan Street Warwick CV34 4BJ
Solicitors	Rotherham & Co.	8 The Quadrant Coventry CV1 2EG
Insurance Broker	Bausor Hall Associates Ltd.	Unit 7, Mercia Business Village Westwood Business Park Coventry CV4 8HX

## REPORT OF THE PAROCHIAL CHURCH COUNCIL

The Council presents its report and Financial Statements of the Church for the year ended 31st December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out on page 12 (and following) and comply with the Parochial Church Council Powers Measure (1956), the Churches Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019.

## AIMS AND PURPOSES

St Mary's PCC has the responsibility of co-operating with the incumbent, the Rev'd Vaughan Roberts, in promoting in the ecclesiastical parish the pastoral, evangelistic, social and ecumenical mission of the Church. The PCC also has the responsibility of maintaining the fabric of the historic Church of St Mary's, a Grade I listed building.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

St Mary's Church operates as a member of a Team Ministry together with St Nicholas', St Paul's and All Saints' Emscote and in conjunction with St Michael's Budbrooke & Chase Meadow. The Warwick Team Ministry is part of the Warwick and Leamington Deanery in the Church of England Diocese of Coventry.

The method of appointment of PCC members is set out in the Church Representation Rules and the membership consists of the incumbent (our Rector), our curate, churchwardens and other members elected by congregation members who are on the Electoral Roll of the church. All those who attend our services are encouraged to register on the Electoral Roll and stand for election to the PCC.

In addition, any Deanery Synod Representatives are automatically members of the PCC. Furthermore, we have had two ex officio members, our Reader for the full year and our Parish Administrator until the end of March 2020.

The PCC is responsible for making decisions on all matters of general concern and importance to the parish. While our Operations Manager oversees the day-to-day running of the material side of church life, it is the PCC that determines general policy and decides how the funds of the PCC are to be spent.

The PCC met five times during the year with an average attendance of 80%. The March meeting was cancelled because of the national lockdown. The PCC operates a number of sub-committees to deal with individual aspects of parish life. These sub-committees include a Standing Committee to manage day-to-day fabric and finance matters, and committees looking at items such as Ministry, Safeguarding and Pastoral Care.

All sub-committees regularly report back to the PCC with minutes or reports of their deliberations and decisions, and these are then discussed and reviewed by the full PCC as necessary. In addition, the PCC has responsibilities for managing policies and risks related to Health and Safety, Safeguarding, Employment Regulations and Discrimination. All these areas are reviewed regularly, policies updated and training put in place for key staff.

The PCC reviews pay and remuneration for all employees on an annual basis, taking into account the annual rate of inflation, the prevalent minimum and living wage levels and any changes in job description and responsibility.

## OBJECTIVES AND ACTIVITIES

The PCC remains committed to maintaining St Mary's role in the life of the town and enabling as many people as possible to worship at our church. The church is a hub for the local area, attracting local people as well as visitors

and tourists. People enter the building for a variety of reasons, worship, prayer, history and culture being but a few of these.

The Coronavirus pandemic has seriously affected our ability to meet some of our annual objectives. The PCC has continued with its duty to keep the building in good repair, but it has not been possible to open the building to anything like the usual extent. As always, the PCC is immensely grateful to all those who were able to give their time, knowledge and passion to make and keep the church alive and vital, and to offer a warm welcome to those who were able to enter for whatever reason.

The PCC also has a responsibility to ensure that the church operates on a sound financial footing, with good, effective and responsible business practices. The PCC remains mindful that these practices must support rather than hinder the spiritual work of the church.

The church's outward giving programme extends beyond the boundaries of CV34 to support both national and international causes. Any member of our congregation is welcome to suggest such a cause and these are discussed, recommended and approved by the Standing Committee and the PCC.

## PUBLIC BENEFIT

The trustees confirm that they have complied with the Charities Act 2011 and in planning our activities for the year we have considered the Commission's guidance on public benefit and the advancement of religion. In particular, we try to enable people to live out their faith as part of our parish community through:

Worship and prayer

Provision of pastoral care for people living in the parish

Missionary and outreach work

## ACHIEVEMENTS AND PERFORMANCE

### WORSHIP

During 2020 St Mary's life and ministry changed dramatically. Until mid-March the range and variety of worship continued as it has always done but, following the announcement of the first national lockdown, worship was moved online with a single pre-recorded service streamed at 10.30 each Sunday morning. The services were attended and appreciated by members of St Mary's congregations and by people from across the country and internationally as well. The PCC thanks everyone who played their part in these services: clergy, lesson readers, intercessors and members of the lockdown choir. Special thanks are given to Dave Clark for countless hours spent assembling all the various contributions into a coherent offering.

From July 5<sup>th</sup> the single Sunday service became a live (and livestreamed) service, back in church with a limited congregation and socially distanced seating. In September it was a joy to welcome back the choir, with their own socially distanced seating replacing the choirstalls in the Sanctuary.

The second lockdown in November saw us revert to online services only for another month, including Remembrance Sunday. With the easing of restrictions on December 2<sup>nd</sup>, we were able to return to live and/or livestreamed acts of worship in church. Activity commenced with a livestreamed Advent Carol Service. While attendance was restricted to clergy and choir only, it was wonderful to see the massed ranks of our boys', girls' and adults' choirs performing together for the first time in nearly a year.

The difficult decision not to admit a congregation for the Advent Carol Service was repeated for the Christmas Carol service, which was again livestreamed with just clergy and a full choir present in the church. Congregations were however able to attend the four Christmas services, two on Christmas Eve and two on Christmas Day.

It would be an understatement to say that this has been a challenging year, and it has fallen to a small team of

dedicated volunteers to ensure that the church is open, closed, cleaned after every use and generally operating safely. The PCC is enormously grateful to this team, without whose support much of our activity would not have been possible.

All that said, the PCC wishes to acknowledge one individual who has been responsible for facilitating all our in-church activities and therefore records a huge vote of thanks to our new Operations Manager, Mary Adams. It is thanks to Mary's tireless efforts that the church was fully risk-assessed, reconfigured and equipped for opening in July and then able to continue operating safely through to the end of the year.

The timing of her appointment to the role in March, just as the first lockdown was announced, meant that a large challenge instantly became a huge one. We are immensely grateful that it is a challenge to which Mary has risen with such assurance.

The PCC believes that livestreaming of services will now continue to be a significant part of our worship offering, even when life returns to a more normal pattern. Livestreaming allows us to reach and address not just the needs of our own community but the needs of a much larger one. The variety of our acts of worship (choral and said) will continue to be made available to anyone who has the means to access them, whether that be physically or online.

Music has always been a vital part of St Mary's life and ministry, and it has continued to play its role throughout an incredibly tough year. Offerings from the lockdown choir, recitals from our organists, live singing from our choirs and more recently online rehearsals have all ensured that our musical ministry remains in good health. The ongoing financial support from the Friends of Cathedral Music and the St Mary's Guild of Ex-Choristers continues to secure the post of organ scholar, while the support of the Ouseley Trust and the Warwick Choral Trust has enabled the continued provision of weekly vocal coaching (online and, when possible, in person) for the boy and girl choristers.

**Note:** in the following paragraphs, 2019 statistics are given in brackets for comparison.

The following attendance figures for 2020 must be viewed through the lens of social distancing which has reduced our maximum capacity to somewhere under 120 (where in previous years we have hosted more than 600 for a single service). Comparisons with 2019 are given but are therefore somewhat less meaningful than in previous years. We are not able to accurately record the number of people reached with our online offerings.

Given the limited attendance capacity since returning to live services in July, the average Sunday attendance for 2020 was 94 (171) adults and 12 (28) children and young people. Averages for midweek services are not available as only a few Wednesday evensongs have been possible since mid-March.

As already stated, we were not able to open the church to a congregation for our Advent and Christmas Carol Services, but our combined attendance across the Christmas Eve and Christmas Day services reached 323 (1582). We were also not able to open church for Remembrance Sunday in 2020, but were delighted that the Regimental Service was able to proceed this year with an attendance of 57 (298).

5 (8) weddings and 1 (1) blessing were celebrated at St Mary's during 2020, along with 2 (12) baptisms or thanksgivings. There were also 6 (9) funerals.

The number on the Electoral Roll stood at 142 (108).

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## DEANERY SYNOD

One member of the PCC sits on the deanery synod which provides the PCC with an important link between the parish and the wider structures of the church.

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## CHURCH FABRIC

The PCC's intention had been to minimise expenditure on church fabric during 2020 in anticipation of major work starting on the restoration of the tower. However, it proved not possible to commence work on the tower during 2020 for a variety of reasons: national lockdowns, lack of funds and the challenge of raising funds during a difficult year, discussions with our telecommunications tenant about the impact of scaffolding on their equipment and

discussions with the County Council regarding road closures while the scaffolding is erected. We hope to be able to commence work on the scaffolding before the summer.

Our two-fold fundraising strategy remains in place, but all plans have been delayed. Many of the normal grant-making bodies have, not surprisingly, focused on people rather than buildings during 2020. As and when we and our consultants feel that the time is right, we will be submitting applications in support of our short-term fabric work and commencing a programme of activity to financially secure the longer-term future of our ministry and music.

Two significant fabric projects were unavoidable during 2020. Heavy rainfall during the late summer revealed two roofing problems. The first, a leak in the nave roof was repaired in quick time thanks to an 80% grant from the Historic England Covid-19 Emergency Heritage at Risk Response Fund.

The second, water ingress in the north porch, revealed rather more significant work required to a number of roof areas above the porch and the staircase. Another 80% grant, from the Historic England Major Works Fund, was successfully secured and repair work commenced before Christmas. A new roof is now in place above the song school staircase and landing and the remaining work is due for completion before the end of March. The combined cost for these two projects reached a total of £200,000 with the church contributing 20% of the necessary funds.

The new nave chairs have proved to be a great blessing in the past 12 months. Easy reconfiguration of the layout, and the “easy clean” nature of the chairs themselves played a significant role in allowing us to reopen our doors to congregations in July and to the choir in September.

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## OTHER CHARITABLE WORK

For a number of years St Mary's has aimed to make annual charitable donations equal in value to approximately 10% of the income received from the King Henry VIII Endowed Trust. Given the overall drop in our income, this outward giving target was not met in 2020.

We hope to return to a more normal level of charitable donation in 2022.

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## TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

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



## TREASURER'S FINANCIAL REVIEW, YEAR ENDED 31 DECEMBER 2020

When the PCC agreed the budget for 2020 there was already an expectation of a financially challenging year. The budget set out the forecast income and expenditure for the usual range of church activities, and excluded income related to the Capital Campaign and income from unpredictable sources such as legacies.

The 2020 budget included incremental expenditure in a number of areas: a salary budget increase to accommodate staff changes in the administration department, funds to cover a predicted loss in the shop and visitor staff, general increases in running costs (insurance and utilities), ongoing and increasing maintenance bills for the organ and costs of fundraising consultancy. On top of these, the PCC also made the customary allowance for general fabric repairs.

In the worst-case scenario, an operating deficit of up to £80,000 was predicted. As in previous years, this budget was not accepted lightly and various activities were commissioned to look at ways of increasing income and reducing or deferring expenditure. As March progressed it became clear that a major rethink of the budget would be necessary.

The first national lockdown brought a halt to all activity within the church building and the closure of the church for a minimum of three months. Cashflow predictions, reviewed by the Standing Committee, showed the likely month by month impact of both full and limited closures and assessed possible courses of actions to mitigate loss of income. At this time, we were predicting an average deficit of £7,000 per month before taking preventative action.

Decisions were taken to work with all suppliers to renegotiate or terminate contracts where possible and to take advantage of the Government's Coronavirus Job Retention Scheme. All employees were placed on furlough at the beginning of April, with the government funding 80% of the salaries and the church "topping up" the remaining 20%. The only exception was the Operations Manager, who remained in place to handle all remaining day-to-day business activity and to administer the furlough scheme not just for the St Mary's staff but for staff in the other four churches of the Warwick Team. St Mary's provides payroll services for all the churches in the Warwick Team.

Expense reduction, under the ever-watchful eye of our Operations Manager, was successful in many areas, and negotiations with our telecoms tenant brought an unexpected but very welcome windfall. However, by May, the losses were already considerable and Standing Committee concluded that the 20% salary top up was not sustainable. Top up payments ceased at the end of May.

It also became apparent that it would not be possible to reopen St Mary's as a tourist attraction in a Covid-secure way in 2020 and possibly for a large proportion of 2021. With the potential ending of the furlough scheme and the impending increase in employer contributions as the scheme wound down, Standing Committee and PCC reluctantly concluded that redundancies were inevitable in the Visitor Service Team. It was with great sadness that six redundancy packages were prepared and duly accepted. Our thanks go to those six people for their many years of loyal and hard-working service.

The ability to reopen the building in a limited way in July was very welcome but did very little to ease the financial pressures. The reduced number of services and controlled number of attendees for the remainder of the year meant that Service collections for the full year were just over £19,000 down against the budget. Our visitor income (donations and tower charges) ended the year over £25,000 lower than budgeted. We also lost nearly £10,000 of income from the combination of lettings (hiring the building out for concerts) and service fees (weddings).

On a very positive note, the level of planned giving by Standing Order has remained constant throughout the year and met the budget forecast. We are hugely grateful to all our congregation members who have continued their giving and also to those who have joined the planned giving scheme during the year. Planned giving, which assures us of a fixed income, is of great assistance as we plan our way through these difficult times.

As we reopened the church, we took advantage of the revised furlough scheme which permitted part-time working. Under this scheme, our musicians, premises verger and administrative assistant all returned to work for a limited number of hours – somewhere between one third and one half of normal hours. Under the terms of the scheme, the church has paid in full for all hours worked and the government has funded 80% of the salary for all hours that were not worked. We are very grateful to our worship vergers who have given their time voluntarily since July, thereby allowing us to open and close for private prayer and be prepared for services without incurring any cost.



We were unable to open the church for the annual Christmas Tree Festival and Victorian Evening, and our choirs were unable to attend their customary round of carol singing events. While these events help to swell the coffers, they also provide immense joy to large numbers of the local community and were sorely missed by thousands. We look forward to their return in 2021. While physical Christmas trees may not have been possible, the PCC thanks Helen and Tony Fitzpatrick for their staging of a truly wonderful Virtual Christmas Tree Festival online, which gave many the chance to enjoy highlights from previous years and get into the festive spirit during December.

After such a challenging year it is not in the least bit surprising that the final figures show that we ended the financial year with an operating deficit of just over £40,000. This is reflected in the diminished level of unrestricted reserves.

As we turn to 2021, we continue to face a huge level of uncertainty with regard to church life in the short and medium term and, unavoidably, this will affect our income adversely. Putting aside costs associated with fundraising (for the tower and the longer-term future), our provisional budgets for 2021 show that losses could reach £90,000.

A considerable proportion of any deficit will be due to fabric, but we remain committed to the maintenance of our church. The north roofs project is yet to complete and we need to replace our central heating system before the end of the year. We will be working to secure further grants against specific projects, but cost is inevitable. We will continue to minimise any and all expenditure and certainly defer any optional expenditure for as long as possible.

We are also committed to retaining our remaining staff, and will take advantage of the furlough scheme for as long as it is available. While we wish to reopen to visitors in as full and meaningful a way as possible, we are undecided as to the future of our shop and unsure about the necessity for and financial feasibility of hiring paid staff. We had planned to recruit a Development Officer in 2020 to handle our Visitor Services, lettings, events and publicity, but these plans are on hold. It is clear that we will remain highly dependent on voluntary staff to fill as many gaps as possible as we set out on the road to a full reopening. We certainly look forward to welcoming back our church guides, when the time is right, as they play such an important role in the visitor experience.

At the time of writing, the PCC has no coherent plan to address the perilous position in which we find ourselves. Losing one fifth of our unrestricted reserves in one year might be recoverable, but losing half of our reserves in the space of two years is a warning sign that we cannot ignore. We will have to assess every project, large or small, on its merits. We will have to prioritise our spending according to necessity rather than desirability. We must not flinch from difficult decisions and some “nice to have” projects may fall by the wayside.

## THE KING HENRY VIII ENDOWED TRUST – MINISTRY AND MISSION IN WARWICK & BUDBROOKE

St Mary's is one of five churches in Warwick and Budbrooke that receive annual payments from the Trust, which was set up in 1545. The amount to be paid to the Church is set out in the Trust's Scheme, which is approved by the Charity Commission. All payments are Restricted and only to be used for the prescribed purpose for which they are given. The five churches receive 50% of the Trust's net income, allocated in accordance with the Scheme. The scheme was modified early in 2015, with the agreement of the PCC's, to change allocations following the closure of Christ Church.

The Trustees make payments directly to the Diocese to cover the stipends, pensions and housing costs for nominated clergy and lay workers within the five parishes in a set order. The balance is allocated to the PCC's. Of this St Mary's is currently entitled to 40%, which can only be used for furthering the religious and other charitable work of the Church of England within the Warwick parishes. The Trustees have the discretion to change this percentage allocation, and it is the responsibility of the PCC to ensure and demonstrate that the terms of this grant are respected.

A variation to the allocation of the church share was agreed by the Trustees and the PCC's to establish a Project Pool, managed by the Trustees, with all the PCC's of the Warwick parishes being able to bid for funds for specific projects.

St Mary's use of the grant is presented in the annual accounts. This demonstrates how the grant has been used to cover our mission in Warwick, specifically to cover expenditure associated with our ministry, worship and music. As well as covering the costs of clergy and custos, the grant allows St Mary's to continue with its fine musical tradition.

Our range of worship, music and our accessibility distinguish St Mary's amongst the Warwick churches and the PCC is immensely grateful to the King Henry VIII Endowed Trust, without whose support this work would not be possible.

## SUMMARY OF KING HENRY VIII ENDOWED TRUST INCOME & EXPENDITURE

This table shows a summary of the deployment of funds from the King Henry VIII Endowed Trust during 2020:

	2020 (£)	2019 (£)
Carried forward from previous year	+ 49,244	+ 4,552
Debtor previous year	-	-
Income current year	+ 107,976	+ 156,902
CJRS rebate against salaries	+ 16,818	-
Expenditure current year	- 114,709	- 112,210
<b>Balance to carry forward</b>	<b>59,329</b>	<b>49,244</b>

## PAYMENTS TO THE DIOCESE

Payments are made by the Trust to the Diocese to cover the stipend, pension and housing costs for the Vicar of St Mary's and these are recorded in the Diocesan accounts. The payment to the Diocese from St Mary's is in addition to the payment from the Trust and covers clergy training costs and a housing supplement for upkeep of the St Mary's rectory, and also a contribution to the Support Fund to assist other parishes in the Diocese.

	Paid By	2020 (£)	2019 (£)
Stipend, pension and NI	KH VIII	38,949	37,956
Training & Housing	St Mary's	18,983	19,157
Diocesan Support Fund & Deanery Costs	St Mary's	20,985	20,045
<b>Total received by the Diocese</b>		<b>78,917</b>	<b>77,158</b>

## RESTRICTED FUNDS

In this year's accounts we have introduced a "Restricted Music Fund" in addition to the "Restricted Fund" and the "Capital Campaign Fund". This allows us to provide clear separation between these three funds.

## RESTRICTED FUND

At its core, the Restricted Fund contains our legacy Caxton, Rance and Library share portfolios which have been reserved for fabric projects since 2012. Specific project donations, such as the £10,000 donation from the Friends of St Mary's, will also be placed in the Restricted Fund. Funds restricted for the use of music are now separated out.

## RESTRICTED MUSIC FUND

The Restricted Music Fund contains the remainder of the very generous Mary Cochrane legacy and the remainder of the grants from the Ouseley Trust (a 2-year grant in support of vocal coaching) and the Friends of Cathedral Music (a 5-year grant in support of the post of organ scholar) as well as regular payments from the St Mary's Guild of Ex-Choristers (organ scholar) and the Warwick Choral Trust (vocal coaching).

The following table presents a high-level view of the income and expenditure of this fund during 2020:

	Legacy £	FoCM £	GExC £	Ouseley £	WCT £	Total £
Balance at Jan 1 2020	41,193	18,667	0	2,930	0	62,790
2020 income	-	-	2,500	-	1,710	4,210
Fund Interest	21	-	-	-	-	21
General Music Ministry	(21,729)	-	-	-	-	(21,729)
CJRS rebate against salaries	10,988	-	-	-	-	10,988
Organ Scholar Support	-	(4,000)	(2,500)	-	-	(6,500)
Vocal Coaching Support	-	-	-	(1,758)	(1,710)	(3,468)
<b>Balance at Dec 31 2020</b>	<b>30,473</b>	<b>14,667</b>	<b>0</b>	<b>1,172</b>	<b>0</b>	<b>46,312</b>

## RESERVES POLICY

The unrestricted reserves at the end of 2020 show a balance of £150,596, a decrease of over £40,000 on the value at the end of 2019. The decrease is mostly attributable to necessary expenditure on fabric and the loss of income due to church closures during the year. The balance in the King Henry VIII restricted fund has increased by £10,000 to £59,330 and the combination of the two funds stands at £209,925, a decrease of £30,000 from 2019.

The St Mary's PCC has a policy to hold unrestricted reserves to a minimum value of £100,000 or 5 times the predicted annual operating deficit if that should prove to be greater. In the current climate, the predicted average deficit (excluding capital campaign activity) for the next 5 years is around £40,000 per annum and so our current level of reserves is only sufficient to cover 4 years. The PCC is aware that we are therefore operating outside policy and has accepted that in the short-term our options to address the deficit are limited. The PCC will review finances in detail at its March and May meetings to determine an appropriate course of action.

Although unrestricted reserves have shrunk by £40,000, the overall balance of reserves stood at £705,079, an increase of £80,000 from year end 2019. This is attributable once again to the increased value of investments, an increase in the King Henry VIII Fund and to increases on the balance for the Capital Campaign.

## INVESTMENT POLICY

The Church has a small portfolio of investments with the majority in CBF Shares. Note 10 to the Financial Statements details the investments in which the Church's funds are held. With interest rates continuing to be low the PCC has not actively reviewed the investment policy in 2020.

## PLANS FOR THE FUTURE

As already indicated, short- and medium-term plans are non-existent. While we continue to feel that it is important to keep our building open as much as possible, we are currently unclear as to how that will be achieved. We have always stated that the value, both to the local and the wider community, of being able to visit St Mary's during the day is beyond any cost calculation. However, we will need to ensure that we have the minimum number of staff present in the building to meet Health and Safety regulations and also to ensure our duty of care to our own employees. An affordable and meaningful reopening plan is being devised by our senior Churchwarden.

Given the short season for which we were open as a visitor attraction in 2020 we had not tackled the challenge of recruiting volunteers. We are very much aware of the need to expand and diversify the volunteer base and aware that our approach to this challenge will shape our ability to reopen during 2021.

One of the more positive stories emerging from 2020 is the reception of our online offering, whether pre-recorded or livestreamed. We are working on plans to improve and expand this offering during 2021 in the belief that there will continue to be an extended audience for years to come.

## SIGNATORIES

Approved by St Mary's PCC on 2 April 2021 and signed on their behalf by:



Rev'd V Roberts (Chairman)

## INDEPENDENT EXAMINER'S REPORT TO THE PCC OF ST MARY'S WARWICK

I report on the accounts of the charity for the year ended 31 December 2020 which are set out on the following pages.

### RESPECTIVE RESPONSIBILITIES OF THE PCC AND THE EXAMINER

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and section 144 (2) of the Act do not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

### BASIS OF THIS REPORT

My examination was carried out in accordance with general Directions given by the Charity Commission under section 145 of the Act and in the Church guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### INDEPENDENT EXAMINER'S STATEMENT

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

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act and the Regulations 2006

or

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



**Steven Mugglestone BA (Hons) FCA**

Michael Harwood & Co  
Greville House  
10 Jury Street Warwick  
CV34 4EW

## ACCOUNTING POLICIES

### BASIS OF ACCOUNTING

The charity constitutes a public benefit entity as defined by FRS102. The Financial Statements have been prepared on a going concern basis under the historical cost convention as modified for the revaluation of freehold property and in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001.

They comply with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and applicable regulations.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

### INCOMING RESOURCES

All incoming resources are accounted for on an accruals basis and grants are recognised when received. Legacies, donations, giving and other income are accounted for when received.

### RESOURCES EXPENDED

Resources Expended are classified at a high level under the Parish's functional categories of expenditure, but more detail is given in the Notes to the Financial Statements. Costs included within each functional category comprise direct expenditure attributable to the activity.

Grants in respect of charitable donations are recognised when awarded.

### INVESTMENTS

Investments are stated at fair value.

### DEPRECIATION

It is PCC policy to maintain any freehold property to at least its current standard and to charge to the income and expenditure account the cost of maintenance as incurred. In the opinion of the PCC the resulting charges do not materially differ from the value that could be attributed had the freehold buildings been depreciated.

Expenditure on the purchase of office equipment i.e. computers, photocopiers etc. is written off to income and expenditure as incurred.

### STOCK

Stocks are stated at the lower of cost and net realisable value.

### FUND ACCOUNTING

General funds comprise the accumulated surplus or deficit on the income and expenditure account. The funds are available for use at the discretion of the PCC in furtherance of the general objectives of the Parish.

Designated funds comprise unrestricted funds which have been set aside at the discretion of the PCC for specific purposes.

Restricted funds are funds subject to specific restricted conditions imposed by donors.

## STATEMENT OF FINANCIAL ACTIVITIES (YEAR ENDED 31 DECEMBER 2020)

	Notes	Unrestricted Funds £	Restricted Funds £	King Henry VIII £	Music Restricted Funds £	Capital Campaign £	Total Funds 2020 £	Total Funds 2019 £
<b>Incoming Resources</b>								
Voluntary income	1	99,000	52,198	124,794	15,198	73,427	364,617	369,305
Activities for generating funds	2	7,890	-	-	-	-	7,890	52,756
Income from investments	3	11,189	-	-	21	-	11,210	11,987
Church activities	4	12,988	-	-	-	-	12,988	39,859
Other incoming resources	5	39,948	-	-	-	472	40,420	18,136
Capital Campaign								
<b>Total incoming resources</b>		<b>171,015</b>	<b>52,198</b>	<b>124,794</b>	<b>15,219</b>	<b>73,899</b>	<b>437,125</b>	<b>492,043</b>
<b>Resources Expended</b>								
Fund raising trading costs	6	15,938	23	-	-	-	15,961	55,231
Church activities	7	189,596	42,198	114,708	31,697	17,211	395,410	429,761
Governance Costs	8	3,540	-	-	-	-	3,540	4,638
Capital Campaign Projects								
<b>Total resources expended</b>		<b>209,074</b>	<b>42,221</b>	<b>114,708</b>	<b>31,697</b>	<b>17,211</b>	<b>414,911</b>	<b>489,630</b>
Net resources (before transfers)		(38,059)	9,977	10,086	(16,478)	56,688	22,214	2,413
Transfers between funds		-	(62,790)	-	62,790	-	-	-
<b>Net resources before other recognised gains</b>		<b>(38,059)</b>	<b>(52,813)</b>	<b>10,086</b>	<b>46,312</b>	<b>56,688</b>	<b>22,214</b>	<b>2,413</b>
<b>Other recognised gains &amp; losses</b>								
Additions		-	-	-	-	-	-	-
Unrealised gains on investment assets	10	(3,673)	23,340	-	-	(450)	19,217	57,565
<b>Net movement in funds</b>		<b>(41,732)</b>	<b>(29,473)</b>	<b>10,086</b>	<b>46,312</b>	<b>56,238</b>	<b>41,431</b>	<b>59,978</b>
Balance brought forward at 01.01.20		192,329	402,221	49,243	-	19,856	663,649	603,671
<b>Balance carried forward at 31.12.20</b>		<b>150,597</b>	<b>372,748</b>	<b>59,329</b>	<b>46,312</b>	<b>76,094</b>	<b>705,080</b>	<b>663,649</b>

All activities are classified as continuing. The notes beginning on page 16 form part of these Financial Statements.

**Note:** Appendix 1 contains the 2019 Statement of Financial Activities for comparison

## BALANCE SHEET (YEAR ENDED 31 DECEMBER 2020)

	Notes	2020 £	2019 £
<b>Fixed Assets</b>			
Investments	10	404,515	385,298
<b>Total Fixed Assets</b>		<b>404,515</b>	<b>385,298</b>
<b>Current Assets</b>			
Bookstall Stocks		16,265	10,710
Debtors	11	11,253	11,066
Cash at bank and in hand		282,533	272,889
<b>Total Current Assets</b>		<b>310,051</b>	<b>294,665</b>
<b>Creditors</b>			
Amounts falling due within one year	12	9,486	16,314
<b>Net Current Assets</b>		<b>300,564</b>	<b>278,351</b>
<b>Net Assets</b>		<b>705,080</b>	<b>663,649</b>
<b>Restricted Funds of the Charity</b>			
Restricted Funds	13	372,748	339,408
Restricted Fund Bookstall Refurbishment	13	-	23
King Henry VIII		59,329	49,243
Music Restricted Fund	13	46,312	62,790
Capital Fund	13	76,094	19,856
<b>Total Restricted Funds</b>		<b>554,483</b>	<b>471,320</b>
<b>Unrestricted Funds of the Charity</b>			
Designated Funds (Bookstall)	14	22,698	22,763
General funds		127,898	169,566
<b>Total Unrestricted Funds</b>		<b>150,596</b>	<b>192,329</b>
<b>Net Funds</b>	15	<b>705,080</b>	<b>663,649</b>

The notes beginning on page 16 form part of these Financial Statements.

## SIGNATORIES

Approved by St Mary's PCC on 2 April 2021 and signed on their behalf by:



Rev'd V Roberts (Chairman)



## STATEMENT OF CASH FLOWS

	2020 £	2019 £
<b><u>Cash flows from operating activities:</u></b>		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	41,431	59,977
Adjustments for:		
- (Gains)/losses on investments	(19,216)	(57,565)
- Dividends, interest and rents from investments	(11,210)	(11,987)
- (Increase)/decrease in stocks	(5,556)	(2,304)
- (Increase)/decrease in debtors	(188)	635
- Increase/(decrease) in creditors	(6,829)	(8,547)
<b>Net cash provided by (used in) operating activities</b>	<b>(1,568)</b>	<b>(19,792)</b>
<b><u>Cash flows from investing activities:</u></b>		
Dividends, interest and rents from investments	11,210	11,987
Proceeds from sale of investments	-	-
Purchase of investments	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>11,210</b>	<b>11,987</b>
<b><u>Cash flows from financing activities:</u></b>		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>9,642</b>	<b>(7,805)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>272,889</b>	<b>280,695</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>282,531</b>	<b>272,889</b>

## NOTES TO THE FINANCIAL STATEMENTS (YEAR ENDED 31 DECEMBER 2020)

	2020					2019	
	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total	Total
<b>1. Voluntary Income</b>							
Collections and envelopes	£ 10,752	-	-	-	-	£ 10,752	29,702
Planned giving	42,111	-	-	-	1,140	43,251	42,709
Income tax refunds	14,164	-	-	-	350	14,514	17,790
Other collections	6,364	11,626	-	-	71,937	89,927	89,792
Income from visitors	3,261	-	-	-	-	3,261	26,104
- Boxes and Tower	1,032	-	-	-	-	1,032	3,666
- Candles and others	-	-	107,976	-	-	107,976	156,902
King Henry VIII Trust income	500	-	-	-	-	500	-
Legacies	-	40,572	-	4,210	-	44,782	-
Grants	20,816	-	16,818	10,988	-	48,622	-
CJRS	-	-	-	-	-	-	-
CC giving and donations	-	-	-	-	-	-	2,640
<b>Subtotal</b>	<b>99,000</b>	<b>52,198</b>	<b>124,794</b>	<b>15,198</b>	<b>73,427</b>	<b>364,617</b>	<b>369,305</b>
<b>2. Activities for generating funds</b>							
St Mary's bookstall	£ 7,890	-	-	-	-	£ 7,890	50,161
CC event income	-	-	-	-	-	-	2,595
<b>Subtotal</b>	<b>7,890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,890</b>	<b>52,756</b>
<b>3. Income from Investments</b>							
Investment Income	£ 11,177	-	-	-	-	£ 11,177	11,942
Bank interest	12	-	-	21	-	33	45
<b>Subtotal</b>	<b>11,189</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>11,210</b>	<b>11,987</b>

	2020					2019				
	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total				
<b>4. Church Activities</b>	£	£		£	£	£				£
Service fees	2,714	-		-	-	2,714				5,183
Lettings income	1,704	-		-	-	1,704				9,721
Choir	4,650	-		-	-	4,650				11,973
Recharges of administration costs	1,267	-		-	-	1,267				845
Fund raising	2,653	-		-	-	2,653				12,137
<b>Subtotal</b>	<b>12,988</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>12,988</b>				<b>39,859</b>
<b>5. Other Incoming Resources</b>	£	£		£	£	£				£
VAT reclaim	15,235	-		-	472	15,707				4,092
Income from telecommunications mast	24,713	-		-	-	24,713				14,044
<b>Subtotal</b>	<b>39,948</b>	<b>-</b>		<b>-</b>	<b>472</b>	<b>40,420</b>				<b>18,136</b>
<b>6. Fund Raising Trading Costs</b>	£	£		£	£	£				£
St Mary's bookstall	15,938	23		-	-	15,961				55,231
<b>Subtotal</b>	<b>15,938</b>	<b>23</b>		<b>-</b>	<b>-</b>	<b>15,961</b>				<b>55,231</b>

	2020					2019		
	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total		£
<b>7. Church Activities</b>								
British Legion	-	-	-	-	-	-		716
Discretionary donations and outward giving	614	-	-	-	-	614		690
Myton Hospice	-	-	2,482	-	-	2,482		10,162
<b>Clergy Expenses:</b>								
Clergy standins	-	-	86	-	-	86		966
Clergy expenses	-	-	1,906	-	-	1,906		4,924
<b>Music Establishment Costs:</b>								
Salaries	16,621	-	16,620	27,707	-	60,948		59,359
Expenses (including organ tuning and repairs)	3,171	-	500	3,990	-	7,661		18,750
<b>Property Maintenance:</b>								
St Mary's	16,818	31,590	30,000	-	384	78,792		99,386
Other property costs and fees	239	10,608	-	-	16,061	26,908		9,710
Capital Campaign repairs (was Special Projects)	-	-	-	-	-	-		3,600
<b>Property Running Costs:</b>								
Insurance	27,009	-	-	-	-	27,009		25,989
Cleaning and Waste Disposal	661	-	-	-	-	661		2,036
Supplies & regular servicing	10,377	-	-	-	-	10,377		8,842
Premises expenses	835	-	-	-	-	835		1,645
Power & Utilities— Churches	15,020	-	-	-	-	15,020		19,802
Other Costs	450	-	-	-	-	450		1,800
<b>Administration:</b>								
Staff Costs	20,307	-	14,434	-	-	34,741		26,458
Photocopier costs	-	-	-	-	-	-		2,998
Office costs	10,426	-	-	-	666	11,092		10,746
Marketing	1,023	-	-	-	-	1,023		2,840
Fund raising costs	37,890	-	-	-	100	37,990		19,616
<b>Ministry:</b>								
Parish share	20,985	-	18,983	-	-	39,968		39,202
Worship & Ministry costs	3,096	-	15,365	-	-	18,461		25,092
St Mary's Reception	-	-	14,332	-	-	14,332		24,000
Choir	4,056	-	-	-	-	4,056		10,432
<b>Subtotal</b>	<b>189,596</b>	<b>42,198</b>	<b>114,708</b>	<b>31,697</b>	<b>17,211</b>	<b>395,410</b>		<b>429,761</b>

	2020					2019				
	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total	Unrestricted	Restricted	KH VIII	Music Restricted
<b>8. Governance Costs</b>										
Legal Fees	£ 420	-	-	-	-	£ 420				
Independent Examiner's Fee	3,120	-	-	-	-	3,120				
<b>Subtotal</b>	<b>3,540</b>	-	-	-	-	<b>3,540</b>				
<b>9. Staff Costs</b>										
Wages and salaries	£ 44,846	-	59,384	25,602	-	£ 129,832				
Social security costs	1,969	-	571	1,290	-	3,830				
Pensions	2,202	-	797	815	-	3,814				
<b>Subtotal</b>	<b>49,017</b>	-	<b>60,752</b>	<b>27,707</b>	-	<b>137,476</b>				
Average number of employees	11									

## Notes:

The Collegiate Church of St Mary participates in the Pension Builder Scheme (PB 2014) section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

PB 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable of £3,813 (2019: £3,893).

A valuation of the scheme is carried out once every three years. PB 2014 is valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. The most recent scheme valuation completed was carried out as at 31 December 2016. This revealed, on the ongoing assumptions used, a surplus of £1.8m. There is no requirement for deficit payments at the current time. A valuation as at 31 December 2019 was under way as at 31 December 2020.

The legal structure of the scheme is such that if another employer fails, the Collegiate Church of St Mary could become responsible for paying a share of that employer's pension liabilities.

No employee received emoluments over £60,000 in the year.

No trustee received emoluments or expenses in the year.

	2020					2019				
	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total	Unrestricted	Restricted	KH VIII	Music Restricted
<b>10. Investments</b>										
Market value 1 January 2020	£ 42,413	£ 339,408				£ 385,298				£ 327,733
Net unrealised investment gains/(losses)	(3,673)	23,340				19,217				57,565
<b>Market value 31 December 2020</b>	<b>38,740</b>	<b>362,748</b>				<b>404,515</b>				<b>385,298</b>
Original Cost	168,713	-				168,713				168,713
The market value of the investments held by the Parochial Church Council is as follows:-										
	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total				
COIF Shares	£ 6,493	£ -				£ 6,493				£ 6,103
CBF shares	7,048	-			362,748	369,796				346,002
Portfolios	25,199	-			3,027	28,226				33,193
<b>Subtotal</b>	<b>38,740</b>	<b>-</b>			<b>365,775</b>	<b>404,515</b>				<b>385,298</b>
Investment income is analysed as follows:-										
	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total				
COIF Shares	£ 10,359	£ -				£ 10,359				£ 183
CBF Shares	631	-			-	631				10,058
Legacy/ Portfolio	187	-			-	187				1,701
<b>Subtotal</b>	<b>11,177</b>	<b>-</b>			<b>-</b>	<b>11,177</b>				<b>11,942</b>
All investment income arises from UK investments.										

		2020					2019	
11. Debtors	Debtors & prepayments	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total	£
		£	£	£	£	£	£	£
		11,117	-	-	-	136	11,253	11,066
	<b>Subtotal</b>	<b>11,117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>136</b>	<b>11,253</b>	<b>11,066</b>
12. Creditors ( <i>amounts falling due within one year</i> )	Trade creditors Accruals Deferred Income Other creditors	Unrestricted	Restricted	KH VIII	Music Restricted	C Campgn	Total	£
		£	£	£	£	£	£	£
		2,177	-	-	-	-	2,177	862
		5,115	-	-	-	-	5,115	9,383
		-	-	-	-	-	-	-
		2,194	-	-	-	-	2,194	6,069
	<b>Subtotal</b>	<b>9,486</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,486</b>	<b>16,314</b>



## 13. Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of investment income held on trusts to be applied for specific purposes

	Balance 1 Jan '20 £	Net movement in funds £	(Utilised) / Released £	Transfer £	Balance 31 Dec '20 £
Caxton Book Trust	36,268	2,494	-	-	38,762
Rance Bequest	10,505	722	-	-	11,227
St Mary's Library Fund	292,635	20,124	-	-	312,759
Restricted	62,790	10,000	-	(62,790)	10,000
Bookstall Refurbishment Fund	23	(23)	-	-	0
King Henry VIII	49,243	10,086	-	-	59,329
Music Restricted	-	(16,478)	-	62,790	46,312
Capital Campaign	16,380	56,688	-	-	73,068
Capital Campaign Portfolio	3,476	(450)	-	-	3,026
	<b>471,320</b>	<b>83,163</b>	-	-	<b>554,483</b>

In June 2012, the PCC approved the transfer of the three historical restricted funds, the Caxton Book Trust, the Rance Bequest and St. Mary's Library Fund, into the new restricted fund, The Capital Fund. This table shows the respective value of each fund although the funds are now effectively consolidated into the Capital Fund.

**Note:** For purpose of comparison, Appendix 2 contains the 2019 Notes related to Restricted Funds.

## 14. Designated Funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance 1 Jan '20 £	New Designations £	(Utilised) / Released £	Balance 31 Dec '20 £
St Mary's Bookstall (Represented by bookstall assets)	22,763	(65)	-	22,698

**Note:** For purpose of comparison, Appendix 2 contains the 2019 Notes related to Designated Funds.

## 15. Analysis of Net Assets between Funds

	Investments £	Net Current Assets £	Total £
<b>Restricted funds:</b>			
Caxton Book Trust	38,762		<b>38,762</b>
Rance Bequest	11,227		<b>11,227</b>
St Mary's Library Fund	312,759		<b>312,759</b>
Restricted		10,000	<b>10,000</b>
Bookstall Refurbishment Fund		0	<b>0</b>
King Henry VIII		59,329	<b>59,329</b>
Music Restricted		46,312	<b>46,312</b>
Capital Campaign inc Portfolio	3,026	73,068	<b>76,094</b>
<b>Subtotal</b>	<b>365,774</b>	<b>188,709</b>	<b>554,483</b>
<b>Unrestricted funds</b>	38,741	111,856	150,597
<b>Total Funds</b>	<b>404,515</b>	<b>300,565</b>	<b>705,080</b>
Unrealised gains included above	235,801		<b>235,801</b>
<b>Historical cost of investments</b>			
Caxton Book Trust	12,254		
Rance Bequest	3,550		
St Mary's Library Fund	98,878		
Portfolio	54,031		
<b>Total Cost</b>	<b>168,713</b>		

**Note:** For purpose of comparison, Appendix 2 contains the 2019 Notes for the Analysis of Net Assets between Funds

## 16. Related Party Transactions

There were no Related Party Transactions requiring disclosure for the year ending December 31st, 2020.

## 17. Capital Commitments for 2020

St Mary's had made no capital commitments before the end of 2020 that carried over to 2021.

## 18. Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the levels of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

## APPENDIX 1: STATEMENT OF FINANCIAL ACTIVITIES (YEAR ENDED 31 DECEMBER 2019)

	Notes	Unrestricted Funds £	King Henry VIII £	Restricted Funds £	Capital Campaign £	Total Funds 2019 £	Total Funds 2018 £
<b>Incoming Resources</b>							
Voluntary income	1	184,364	156,902	24,870	3,169	369,305	282,471
Activities for generating funds	2	50,161	-	-	2,595	52,756	81,608
Income from investments	3	11,956	-	31	-	11,987	12,016
Church activities	4	39,859	-	-	-	39,859	32,443
Other incoming resources	5	17,171	-	-	965	18,136	24,440
Capital Campaign		-	-	-	-	-	-
<b>Total incoming resources</b>		<b>303,511</b>	<b>156,902</b>	<b>24,901</b>	<b>6,729</b>	<b>492,043</b>	<b>432,978</b>
<b>Resources Expended</b>							
Fund raising trading costs	6	53,687	-	1,544	-	55,231	64,411
Church activities	7	280,183	112,210	26,121	11,247	429,761	400,872
Governance Costs	8	4,638	-	-	-	4,638	2,490
Capital Campaign Projects		-	-	-	-	-	-
<b>Total resources expended</b>		<b>338,508</b>	<b>112,210</b>	<b>27,665</b>	<b>11,247</b>	<b>489,630</b>	<b>467,773</b>
Net resources (before transfers)		(34,997)	44,692	(2,764)	(4,518)	2,413	(34,795)
Net income from Capital Campaign		-	-	-	-	-	-
Transfers between funds		-	-	-	-	-	-
<b>Net resources before other recognised gains</b>		<b>(34,997)</b>	<b>44,692</b>	<b>(2,764)</b>	<b>(4,518)</b>	<b>2,413</b>	<b>(34,795)</b>
<b>Other recognised gains &amp; losses</b>							
Additions		-	-	-	-	-	-
Unrealised gains on investment assets	10	3,350	-	53,483	732	57,565	(10,877)
<b>Net movement in funds</b>		<b>(31,647)</b>	<b>44,692</b>	<b>50,719</b>	<b>(3,786)</b>	<b>59,978</b>	<b>(45,672)</b>
Balance brought forward at 01.01.19		223,976	4,551	351,502	23,642	603,671	649,343
<b>Balance carried forward at 31.12.19</b>		<b>192,329</b>	<b>49,243</b>	<b>402,221</b>	<b>19,856</b>	<b>663,649</b>	<b>603,671</b>

## APPENDIX 2: SELECTED NOTES FROM THE 2019 FINANCIAL STATEMENTS (FOR COMPARISON)

### 13. Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of investment income held on trusts to be applied for specific purposes.

	Balance 1 Jan '19	Net movement in funds	(Utilised) / Released	Transfer	Balance 31 Dec '19
	£	£	£	£	£
Caxton Book Trust	30,553	5,715			36,268
Rance Bequest	8,849	1,656			10,505
St Mary's Library Fund	246,523	46,112			292,635
Restricted (Music)	64,010	-	(1,220)		62,790
Bookstall Refurbishment Fund	1,567	-	(1,544)		23
King Henry VIII	4,551	44,692			49,243
Capital Campaign	20,898	(4,518)			16,380
Capital Campaign Portfolio	2,744	732			3,476
	<b>379,695</b>	<b>94,389</b>	<b>(2,764)</b>	<b>-</b>	<b>471,320</b>

In June 2012, the PCC approved the transfer of the three historical restricted funds, the Caxton Book Trust, the Rance Bequest and St. Mary's Library Fund, into the new restricted fund, The Capital Fund. This table shows the respective value of each fund although the funds are now effectively consolidated into the Capital Fund.

### 14. Designated Funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance 1 Jan '19	New Designations	(Utilised) / Released	Balance 31 Dec '19
	£	£	£	£
St Mary's Bookstall (Represented by bookstall assets)	26,288	(3,526)		22,763

## 15. Analysis of Net Assets between Funds

	Investments £	Net Current Assets £	Total £
<b>Restricted funds:</b>			
Caxton Book Trust	36,268		<b>36,268</b>
Rance Bequest	10,505		<b>10,505</b>
St Mary's Library Fund	292,635		<b>292,635</b>
Restricted (Music)		62,790	<b>62,790</b>
King Henry VIII		49,243	<b>49,243</b>
Bookstall Refurbishment Fund		23	<b>23</b>
Capital Campaign inc Portfolio	3,477	16,379	<b>19,856</b>
<b>Subtotal</b>	<b>342,885</b>	<b>128,435</b>	<b>471,320</b>
<b>Unrestricted funds</b>	42,413	149,916	192,329
<b>Total Funds</b>	<b>385,298</b>	<b>278,351</b>	<b>663,649</b>
Unrealised gains included above	216,585		<b>216,585</b>
<b>Historical cost of investments</b>			
Caxton Book Trust	12,254		
Rance Bequest	3,550		
St Mary's Library Fund	98,878		
Portfolio	54,031		
<b>Total Cost</b>	<b>168,713</b>		

2020