

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

**Unaudited Financial Report
For the year ended 31 December 2018**

Registered Charity No 1127668

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
PCC Report
For the year ended 31 December 2018

PCC Members during the year:

Chair

The Rev'd Canon Adrian Daffern	Vicar	(From September 2018)
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Churchwardens

Margaret Johnston
 Joye Rosenstiel

Deanery Synod Representatives

Margaret Ingram	
Arvan Pritchard	Vice-Chair
Sarah deMas	Secretary

Diocesan Synod Representatives

Arvan Pritchard

Ex-officio members

The Rev'd Andrew Day	Assistant Curate	(From September 2018)
The Rev'd Devin McLachlan	Associate Vicar	
The Very Revd Peter Judd	Acting Priest in Charge	(Left September 2018)
The Revd Helen Orr	Pioneer Minister, Michaelhouse	

Attending members (non-voting)

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

Licensed Lay Ministers

Shirley Holder

Co-opted Members

Graham Day	Assistant Treasurer	(Co-opted June 2018)
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Elected Members

Lorna Atwell		
Patrick Brooke	Treasurer	
Ed Cearns		
Andrew Crawford		(From April 2018)
Alexander Crockford		(From April 2018)
Tom Culver		
Graham Day		(Left April 2018)
Katherine Denmead		(From April 2018)
Karen Lim		
Anne Lindley		(Left April 2018)
Veronica McDouall		(From April 2018)
Carolynn Pritchard		
Clare Redfern		
Catherine Smart		
Sally Vernon		
Andrew Watson		(From April 2018)
Alan Weeds		(From April 2018)

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
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For the year ended 31 December 2018

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

Registered Charity No.: 1127668

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

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

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

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

Structure, Governance and Management

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

Governing Document

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

Recruitment and Appointment of PCC

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

Training of PCC members

Appropriate training is provided as necessary.

Risk Management

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

Organisational Structure & Decision Making

During 2018, the diverse activities of the Church were grouped in four ministries, Great St. Mary's Church, Michaelhouse, University Chaplaincy and Heritage.

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

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

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

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

Staffing

Canon Adrian Daffern was inducted as the new vicar in September 2018 and moved into the vicarage which was newly refurbished by the Diocese.

On the induction of the new vicar, Reverend Peter Judd (former Dean of Chelmsford Cathedral), stepped down as Priest-in-Charge. We are grateful to him, Devin McLachlan, Associate Vicar, and a team of retired clergy for ensuring that the life of Great St. Mary's with its many services run smoothly and effectively during the Vacancy.

Shortly after the appointment of the new vicar a part time non stipendiary curate, Andrew Day, was appointed.

Early in the year, Alexandra Smaridge one of our part-time verging/shop staff left and we took the opportunity to strengthen our 'front of house team' by creating a new full time role of shop and welcome supervisor to which Lorraine Walton was subsequently appointed.

At the year end, the clergy team comprises a full time Vicar, part time Associate Vicar, part time Curate, Licensed Lay reader and part time Pioneer Minister supported by a team of retired clergy. Full time lay staff are the Church Operations Manager, Parish/Music Secretary, Facilities manager and Front of House Supervisor. The part time staff include the Director of Music, his assistant the Organist, the Finance Manager, Business Systems Support Manager and Education officer. There are two part time Assistant Vergers and four other part time staff involved in the running of the shop. Our paid staff are supported by many volunteers who contribute greatly to all we do.

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

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

Related parties

The Michaelhouse Centre (Charity No. 1068472)

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

The Society of Cambridge Youths

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

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PCC Report
For the year ended 31 December 2018

Public benefit

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

Objectives and aims

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

Achievements and performance

During 2018 the church undertook a variety of activities designed to achieve outcomes that would help it achieve its objectives:

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

The Church offers four services every Sunday, morning prayer Monday to Friday, a 'fresh expression' worship service on Monday, Wednesday and Thursday in Michaelhouse and Communion on a Thursday lunchtime also in Michaelhouse. Other service and activities are held to mark significant events such as Christmas or Easter, or Lent.

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

A number of special services over the year which help to cement our role, in supporting and developing the diverse and varied life of the City and University of Cambridge and its residents. These include the Justice Service; Remembrance Day service (both attended by around 1,200 people); University Services (including University Sermons and the staff and student carol services); Memorial Services, Blessing of the animals; Blessing of the Bicycles. There were many Carol Services in December with over 40,000 people attending in total. All these services help to draw in a diverse range of people, many of whom might not otherwise attend the Church.

The church has a strong and supportive relationship with Park Street School for whom it provides governors and acts of collective worship. The school also use the church for significant occasion such as marking the beginning and end of term and saying farewell to leavers.

The church provides chaplaincy to the University staff. This was pioneered by Great St Mary's and Trinity College in 1996. And has provided an important service to sections of the wider University community not normally covered by college chapels and led to the setting up of a new University Faith Forum. We are currently exploring how this ministry can be further developed.

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

Our choirs of some 75 members continue to flourish greatly enhancing our worship and services and significant occasions. The choirs provide musical opportunities for those involved, including the annual choir tour which in 2018 visited Wells and Salisbury.

- *Developing our Ministry to Visitors*

Our visitor numbers now exceed 300,000 a year and the employment during 2018 of dedicated 'front of house' staff and the development of further visitor resources has enabled us to improve the quality of information and the experience available to them.

The revenue from the visitors has enable bring forward plans to improve the safety and visitor experience for those climbing the tower. This work will be undertaken in 2019.

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Achievements and performance (cont.)

2018 was the Centenary of the ending of the First World War. The Church responded to this by developing special resources relating to the way in which the war influenced the lives of the congregation and particularly the women of Cambridge. Supported by the National Lottery and in partnership with History Needs You, the church hosted a significant day of lectures, events, exhibitions and re-enactment which involved over 3,000 visitors and participants. We also hosted a photographic exhibition in Michaelhouse on the theme of Cambridge in the First World War.

The church has provided a prominent location (for a period of eighteen months) for the Archetypes Sculptures Exhibition (commissioned by the Jubilee Foundation). The sculptures are designed to raise questions and promote reflection on the fundamentals of the Christian faith and it has generated interest from tourists and locals alike.

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

Working as part of Cambridge Churches Homelessness Project, regular accommodation is provided in the church for the homeless during the winter months. In 2018 the church also hosted an event to raise awareness of homelessness issues and funds for Jimmy's Night Shelter. The Wider Concerns Committee organised eight special collections on behalf of third parties during the year, which collected moneys for charitable work overseas. We also continued our relationship with Partners for Change, Ethiopia, providing a retail outlet for sales of their goods. During the year we also develop a partnership with Rowan Humberstone (a local charity working with people with learning difficulties) selling items in our shop that were produced by them and their clients. The Amnesty International travelling exhibition was on display in the church for a month during the summer.

- *Children and Young People*

Our ministry to children and young people is developing well and is a fundamentally important part of our church community and its work. The Ark experimental communion service for young children and their parents/carers is well attended and much appreciated, providing a Fresh Expressions approach to ministry to young children.

There is Children's Church regularly on Sundays.

Christian teaching leading to baptism or confirmation was offered to young people (and adults).

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

- *Education and Heritage*

The education programme is now integrated into the life of Great St. Mary's and continues to engage many schools (and school children) from near and far. In the region of 500 school children visited the church for our tours and activities and a further 400 came from foreign schools. In addition, over the summer we ran four well attended sessions in the summer in the Museums series which involved working with around 200 children. During the year we developed two new independently led RE activities and as part of our partnership with Church Schools of Cambridge we delivered training in May to 50+ RE teachers at the launch of the new SACRE syllabus.

- *Concern for the Environment*

The Environment Group's members are active in raising awareness of environmental issues. We have installed solar panels on our new south aisle roof and worked with other groups and churches across the city to respond to and highlight environmental issues. Our Gas supply has been changed to a 'green' vegan provider. We are continuing to work towards Eco Church status.

- *Safeguarding*

Safeguarding has continued to be a high priority with staff and volunteers being trained and policies and practices being reviewed and agreed. During 2018 we also commissioned an independent Safeguarding audit.

- *Building Community and Pastoral Care*

The Pastoral Care Group works on ways of developing support and engagement with the church community. Meetings and events are organised such as the Women's and Men's breakfasts and 'Desert Island Discs' with the Vicar

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Achievements and performance (cont.)

- *Developing Communication*

Our Business Systems Support Manager reviewed and amended our policies and procedures to ensure that we were GDPR compliant. We have been developing our use of the website and (particularly) social media in support of our objectives.

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

During the year, staff undertook training various training courses, we updated risk assessments and drafted a new Conflict of Interest Policy. We also reviewed our cash handling processes and investigated options for better management of sales and stock in the shop.

Principal risks and uncertainties

The principal financial risk is if there were to be circumstances in which the tower had to be closed for a time. All foreseeable precautions are being taken to ensure that the tower staircase is as safe as possible for visitors and extra staff are now on duty at peak visitor times to ensure safe flow up and down. The decking at the top of the tower was replaced in 2016 at a cost of some £40,000. And plans are in hand for further safety improvements in 2019. There is a risk that visit numbers will decline, all the indications are that Cambridge continues to be a popular visitor attraction.

Financial Review

Our major sources of income have remained steady this year. We have continued to generate strong revenue from visitors to the tower and also increased shop revenue. We are looking to strengthen our verging, welcoming and shop team and so look to maintain and increase this revenue next year. Our income from pledged giving and donations has also remained steady, and we are looking to increase these through a new pledged giving campaign. The PCC was pleased this year to approve an increase of 4% in our Ministry Share for 2019.

The major expenditure this year has been to repair the South Aisle Roof, a project which has been hanging over us for many years. Fund raising continues for this work, which we have facilitated by means of a £100,000 mortgage over 6 years and a congregational loan of £50,000. The repayment of the mortgage and loan will be met through fund raising with any extra required coming from general funds. The PCC has approved work to improve safety on the tower staircase and security in the Narthex area, to be done early in 2019. The cost of this work will be met from bequests, the Fabric Fund, and also from fund raising. To help cover this we have transferred £20,000 from the General Fund to the Fabric Fund. Despite this the fabric fund will again be depleted, so there will be a requirement to replenish it again in the future.

For the time being we are not recognising the income from the mobile phone contract while difficulties with the installation are resolved.

Principal funding sources

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

Investment policy

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

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Financial Review (cont.)

Reserves policy

The level of reserves that should be maintained should be sufficient to ensure the Church continues to function throughout the ensuing year. Unusual income, such as bequests and occasional unrestricted lump sums, for use in funding non-regular needs, are held in reserves as designated funds. Following the recent renovation of the Church, the charity is working towards holding one year's worth of running costs (around £375,000). At the year end the total funds held were £903,257, of which £2,372 were restricted funds unavailable for the general purposes of the charity. At the year end £751,140 of unrestricted funds would only be realisable by disposing of fixed assets. At the year end the PCC held unrestricted reserves excluding fixed assets of £149,745 (2017: £103,290). Any surpluses in coming years will allow the PCC to build towards the reserve target.

Investments

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

Volunteers

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

Future Developments

Following the appointment of a new Vicar, we expect to undertake a process of strategic re-visioning and hope to include as many of our stakeholders as possible in this process. In the meantime, we will focus on developing our existing objectives by:

- Continuing and developing our role as a place of worship and welcome for all who wish to join us.
- Developing ways to help people engage with the Christian faith and its relationship to the important topics of the day including a possible lecture series.
- Building on our relationships with the University, the City and its residents so that we can be responsive to their needs and work positively with them in our role as the Civic and University church.
- Playing our part in the new Multi-faith Forum and its development, whilst consulting and reflecting on how we can best serve the University in the context of our own Christian tradition.
- Developing our collaboration with the Church Schools of Cambridge in a joint Christian heritage and education programme with church and non-church schools in Cambridge and the surrounding areas as part of our wide outreach. Exploring ways of aligning our Christian heritage and education work with that of the Diocese of Ely.
- Building on our strong relationship with Park Street School.
- Improving our ministry of welcome to the 300,000 visitors a year. Looking at the way in which we manage the flow of visitors around the building and upgrading fire and other safety precautions for the tower. Including improvements to the shop and welcome and development of the income raising potential.
- Continuing to develop our policies and practices for safeguarding. Including addressing issues raised in the independent safeguarding review undertaken in 2018, installing a screen in the south end of the narthex to provide protection for the choir and reviewing our training needs.
- Undertake a comprehensive review and updating of all our policies

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Future Developments (cont.)

- Continuing to develop the ministry of worship, music, study, pastoral care and for children and young people.
- Raising awareness of social and environmental issues and working towards Eco Church status.
- Continuing to develop our international and UK mission partnerships and fund raising activities, and social initiatives such as the Cambridge Churches Homelessness project in collaboration with eight churches and a synagogue.
- Seeking funds with the Michaelhouse Trustees to raise the chancel floor to make a larger, safer and more useable area.

Statement of Trustees' Responsibilities


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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the income and expenditure, of the Charity for that period. In preparing those financial statements, the Trustees are required to:

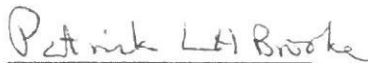
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the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

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

Approved by the PCC on 3 April 2019



The Rev'd Canon Adrian Daffern (Chair)



Dr Patrick Brooke (Treasurer)

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

This reports on the accounts of the Trustees for the year ended 31 December 2018 is in respect of an examination carried out under the Church Accounting Regulations 2006 and s145 of the Charities Act 2011.

Respective responsibilities of Trustees and Examiner

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

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

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

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission.

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

Independent Examiner's statement

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

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

- to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records, comply with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015)
- have not been met; or

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

Date: 10/4/19

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

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
Statement of Financial Activities incorporating the Income and Expenditure Account
For the year ended 31 December 2018

		Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME FROM	Note				
Donations & legacies		165,002	97,031	262,033	232,604
Other trading activities		254,068	-	254,068	246,587
Income from investments		28,964	-	28,964	29,865
Other incoming resources		-	-	-	-
Income from charitable activities		22,619	-	22,619	23,832
TOTAL INCOME	3	470,653	97,031	567,684	532,888
EXPENDITURE ON					
Charitable activities		331,082	342,802	673,884	384,864
Raising funds		91,430	-	91,430	72,505
Other expenses (including Development)		2,066	-	2,066	233
TOTAL EXPENDITURE	4	424,578	342,802	767,380	457,602
NET INCOME/(EXPENDITURE) BEFORE UNREALISED GAINS ON INVESTMENT ASSETS		46,075	(245,771)	(199,696)	75,286
Unrealised gains/(losses) on investment assets in year		-	-	- (10,000)
Funds transferred in year		-	-	-	-
NET MOVEMENT IN FUNDS		46,075	(245,771)	(199,696)	65,286
Balances brought forward at 1 January 2018		854,810	248,143	1,102,953	1,037,667
BALANCES CARRIED FORWARD AT 31 DECEMBER 2018		900,885	2,372	903,257	1,102,953

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


The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
Balance Sheet
As at 31 December 2018

		2018	2017
	Note	£	£
Fixed Assets	8		
Fixtures & fittings		18,355	34,031
38 Eachard Road (freehold)		475,000	475,000
55 Hanover Court (leasehold)		<u>275,000</u>	<u>275,000</u>
		768,355	784,031
Current Assets			
Debtors	9	19,263	14,209
Gift shop stock		9,520	8,793
Cash at bank and in hand		47,990	75,464
Bank Deposits		202,460	264,412
HSBC Deposit		13,534	26,517
Friends of Great St Mary's Bank		<u>12,515</u>	<u>12,238</u>
		305,282	401,633
Creditors: Amounts falling due within one year	10	(<u>45,380</u>)	(<u>32,711</u>)
Net Current Assets		259,902	368,922
Creditors: Amounts falling due in more than one year	11	(<u>125,000</u>)	(<u>50,000</u>)
TOTAL NET ASSETS		<u>903,257</u>	<u>1,102,953</u>
FUNDS	16		
Unrestricted funds		206,419	160,344
Property investment gain reserve		<u>694,466</u>	<u>694,466</u>
Total Unrestricted funds		900,885	854,810
Restricted		<u>2,372</u>	<u>248,143</u>
		<u>903,257</u>	<u>1,102,953</u>

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

Approved by the Parochial Church Council on 3 April 2019 and signed on its behalf by:


The Rev'd Canon Adrian Daffern (Chair)


Dr Patrick Brooke (Treasurer)

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
Statement of Cash Flows
As at 31 December 2018

	Note	2018	2017
		£	£
Net cash used in operating activities		(131,096)	143,214
<i>Cash flows from investing activities:</i>			
Interest and dividends		710	2,600
Purchase of equipment		-	(1,900)
Property rental income		<u>28,254</u>	<u>27,265</u>
Net cash provided by investing activities		28,964	27,965
Change in cash and cash equivalents in the year		(102,132)	171,179
Cash and cash equivalent brought forward		<u>378,631</u>	<u>207,452</u>
Cash and cash equivalent carried forward		<u>276,499</u>	<u>378,631</u>
Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds		(199,696)	65,286
Adjustments for:			
Depreciation charges		15,676	15,675
Dividends, interest and rents from investments		(28,964)	(29,865)
Revaluation of investment properties		-	10,000
(Increase) in stocks		(727)	(1,216)
Decrease in debtors		(5,054)	15,181
Increase in creditors		<u>87,669</u>	<u>68,153</u>
Net cash (used in) / provided by operating activities		(<u>131,096</u>)	<u>143,214</u>

The PCC of the Ecclesiastical Parish of Cambridge St Mary the Great with St Michael
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

1 Legal Form

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

2 Accounting Policies

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

Basis of preparation

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

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

Going Concern Basis

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

Funds

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

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

Income

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

Voluntary income and capital sources

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

Other income

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

Income from investments

- Interest entitlements are accounted for as they accrue.

Grant income

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

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Legacy income

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

Resources expended

Grants

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

Activities directly relating to the work of the Church

- The diocesan parish share is accounted for when payable. Any parish share unpaid at 31 December is accounted for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet. The PCC considers that there is only one main activity - that of running the church. Therefore no further analysis of church activities has been made in the accounts.

Fixed Assets

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

Investment Properties

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

Stocks

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

Current Assets

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

Short terms deposits include cash held on deposit.

Creditors and provisions

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

Financial instruments

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

Pension costs

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

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3 Income from:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Donations & legacies				
Pledged giving and donations	105,437	28,009	133,446	140,255
Tax recoverable	24,447	4,572	29,019	27,407
Collections	22,260	15,669	37,929	21,380
Boxes	9,053	-	9,053	10,263
University grants	3,805	-	3,805	13,371
Listed Places of Worship Scheme Grants	-	31,098	31,098	5,424
Heritage Lottery Fund Grant	-	10,000	10,000	7,650
Church Schools of Cambridge Grant	-	7,683	7,683	6,558
Friends of Great St Mary's	-	-	-	296
	<u>165,002</u>	<u>97,031</u>	<u>262,033</u>	<u>232,604</u>
Other trading activities				
Concerts & events	8,937	-	8,937	8,282
Tower and shop	245,131	-	245,131	238,305
	<u>254,068</u>	<u>-</u>	<u>254,068</u>	<u>246,587</u>
Income from investments				
Interest and dividends	710	-	710	2,600
Property rental	28,254	-	28,254	27,265
	<u>28,964</u>	<u>-</u>	<u>28,964</u>	<u>29,865</u>
Income from charitable activities				
Church lettings and fees	16,263	-	16,263	16,635
Heritage Lottery Education	3,956	-	3,956	4,137
St Michael's license fee	2,400	-	2,400	3,060
	<u>22,619</u>	<u>-</u>	<u>22,619</u>	<u>23,832</u>
Other incoming resources	-	-	-	-
Total income	<u>470,653</u>	<u>97,031</u>	<u>567,684</u>	<u>532,888</u>

4 Expenditure on

Charitable Activities: Church Running Costs

Parish share: salaries, housing and training	83,634	-	83,634	76,755
Clergy expenses	7,293	-	7,293	4,018
Children and youth	797	-	797	8
Sacristan, vestments and robes	-	-	-	156
Flowers	2,358	-	2,358	1,918
balance c/f	<u>94,082</u>	<u>-</u>	<u>94,082</u>	<u>82,855</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Charitable Activities (continued)				
balance b/f	94,082	-	94,082	82,855
Communion wine and candles	1,836	-	1,836	1,976
Organists' salaries and fees	23,088	9,669	32,757	30,817
Choir and other expenses	14,867	-	14,867	14,741
Music	2,212	-	2,212	3,625
Organ and piano maintenance	3,372	-	3,372	3,198
Administration salaries	80,835	-	80,835	69,122
Staff training & recruitment	-	-	-	1,028
Stationery and copying	8,629	-	8,629	6,274
Equipment & IT	4,823	-	4,823	2,920
Telephone & internet	526	-	526	2,806
Postage	430	-	430	170
Books & subscriptions	63	-	63	260
Bank charges	327	-	327	145
Sundry	3,487	-	3,487	2,369
Cleaning	8,652	-	8,652	7,374
Verging and stewarding	25,238	-	25,238	27,544
Church insurance	14,720	-	14,720	10,627
Utilities	11,210	-	11,210	9,766
Maintenance	20,708	288,263	308,971	63,495
St Michael's insurance	-	-	-	1,514
St Michael's maintenance	2,471	-	2,471	1,535
Heritage education	6,379	7,683	14,062	17,667
Heritage Lottery Fund - WW1 project	-	9,506	9,506	-
Depreciation	380	15,295	15,675	15,675
Wider Concerns Collections	-	12,386	12,386	1,600
Independent Examiner	2,747	-	2,747	1,583
Legal fees	-	-	-	2,880
Accountancy	-	-	-	1,298
	<u>331,082</u>	<u>342,802</u>	<u>673,884</u>	<u>384,864</u>
Expenditure on Raising funds				
Tower and shop	71,374	-	71,374	55,381
Concerts	5,892	-	5,892	5,195
Property management & repairs	8,539	-	8,539	9,009
Advertising & website	5,625	-	5,625	2,920
	<u>91,430</u>	<u>-</u>	<u>91,430</u>	<u>72,505</u>
Other resources expended				
Diocesan loan interest payable	-	-	-	233
Methodist loan interest payable	2,066	-	2,066	-
	<u>2,066</u>	<u>-</u>	<u>2,066</u>	<u>233</u>
Total expenditure	<u>424,578</u>	<u>342,802</u>	<u>767,380</u>	<u>457,602</u>

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5 Staff Costs & Transactions with PCC Members

	2018	2014
	£	£
Wages and salaries (including rent paid)	177,987	155,243
Social security costs (including Employer's Allowance reduction)	9,483	7,963
Pension costs	1,549	690
	<u>189,019</u>	<u>163,896</u>

The average number of the staff during the year was 22 (2017: 17). No employee has received emoluments which exceed £60,000.

No PCC member has been paid a salary in the 2018 or 2017. The PCC considers there are no paid Key Management Personnel. During the year Chater Allan LLP, a firm of which G Day is a partner, charged fees of £509 (2017: £324) for Accountancy advice relating to the Listed Places of Worship Grant Scheme. Nothing was owed at the year end (2017: £nil).

During the year the PCC members made donations to the PCC without condition totalling £10,119 (2017: £13,517)

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

Expenses of £3,157 (2017: £1,563) were reimbursed to PCC members for Church costs incurred personally.

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

No PCC members were reimbursed expenses for out of pocket expenses relating to their ministry work (2017: 5 members reimbursed £7,833).

6 Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
INCOME FROM			
Donations and Legacies	160,316	72,288	232,604
Other trading activities	246,587	-	246,587
Income from investments	29,865	-	29,865
Other incoming resources	-	-	-
Income from charitable activities	23,832	-	23,832
TOTAL INCOME	<u>460,600</u>	<u>72,288</u>	<u>532,888</u>
EXPENDITURE ON			
Charitable activities	308,117	76,747	384,864
Raising funds	72,505	-	72,505
Other expenses (including Development)	233	-	233
TOTAL EXPENDITURE	<u>380,855</u>	<u>76,747</u>	<u>457,602</u>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS BEFORE TRANSFERS	79,745 (4,459)	75,286
Unrealised losses on investment assets in year	(10,000)	-	(10,000)
Transfers between funds	-	-	-
NET MOVEMENT IN FUNDS	69,745 (4,459)	65,286
Balances brought forward at 1 January 2017	<u>785,065</u>	<u>252,602</u>	<u>1,037,667</u>
BALANCES CARRIED FORWARD AT 31 DECEMBER 2017	<u>854,810</u>	<u>248,143</u>	<u>1,102,953</u>

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7 Analysis of Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	751,140	17,215	768,355
Current Assets	178,458	126,824	305,282
Long term Liabilities	-	(125,000)	(125,000)
Current Liabilities	(28,713)	(16,667)	(45,380)
Fund Balance	900,885	2,372	903,257

8a Tangible Fixed Assets - Investment Properties

	33 Eachard Road Freehold	55 Hanover Court Leasehold	Total
Market Value at 1 January 2018	475,000	275,000	750,000
Movement on revaluation in year	-	-	-
Market Value as at 31 December 2018	475,000	275,000	750,000
Historical Cost	6,700	48,834	55,534

55 Hanover Court was revalued on an open market basis on 13 November 2017 by Wesley & Huff and considered by the PCC not to have changed in value.

33 Eachard Road was revalued on an open market basis on 31 December 2016 by Tucker Gardner and considered by the PCC not to have changed in value.

8b Fixtures & Fittings

Cost	£
At 1 January 2018	78,377
Additions in year	-
At 31 December 2018	78,377
Depreciation	
At 1 January 2018	44,346
Charge for the year	15,676
At 31 December 2018	60,022
Net Book Value	
At 31 December 2018	18,355
At 31 December 2017	34,031

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9 Debtors

	2018	2017
	£	£
Income Tax recoverable	5,815	6,721
Accounts receivable	1,864	1,488
Prepayments & accrued income	11,584	6,000
	<u>19,263</u>	<u>14,209</u>

10 Creditors: amounts falling due within one year

Taxes and social security	3,627	3,244
VAT	8,679	6,321
Sundry creditors and accruals	33,074	23,146
	<u>45,380</u>	<u>32,711</u>

11 Creditors: amounts falling due in more than one year

Amounts falling due in 2-5 years	66,667	-
Amounts falling due in more than 5 years	58,333	50,000
	<u>125,000</u>	<u>50,000</u>

This is made up of two loans:

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

A loan of £100,000 repayable in 12 equal instalments over 6 years. Interest accrued in each 6 month period is payable with that instalment. At 31/12/2017 £8,333 had been repaid.

12 Secured Debts

The following secured debts are included within creditors:

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

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13 Operating Lease Commitments

The PCC is committed to make lease payments of £547 (2017: £2,189) in the next 12 months and a further £nil (2017: £547) after one year and before five years on leases.

The amount included in expenditure this year for lease payments is £2,189.

14 Capital Commitments

Amounts contracted for but not provided in the financial statements amounted to £57,307 (2017: £nil).

15 Independent examination fees

	2018 £	2017 £
Independent Examination fee	<u>2,450</u>	<u>2,365</u>

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16 Fund Movements	Balance b/f	Income	Expenditure	Gains / (losses) on investment assets	Fund transfers	Balance c/f
	£	£	£	£	£	£
<i>Unrestricted Funds</i>						
General fund	100,327	468,172	424,578	- (20,000)		123,921
Property investment gain reserve	694,466	-	-	-	-	694,466
<i>Designated Funds</i>						
Fabric fund	50,000	-	-	-	20,000	70,000
Music fund	10,017	2,481	-	-	-	12,498
	<u>854,810</u>	<u>470,653</u>	<u>424,578</u>	<u>-</u>	<u>-</u>	<u>900,885</u>
<i>Restricted Funds</i>						
Church Schools Grant	-	7,683	7,683	-	-	-
Heritage Lottery Fund	32,511	-	15,296	-	-	17,215
Heritage Lottery Fund - WW1	-	10,000	9,505	-	-	495
Fondiller fund	1,414	-	-	-	-	1,414
AD fund	6,662	-	-	-	-	6,662
Friends of Great St Mary's	12,234	-	-	-	-	12,234
Roof fund	81,276	61,838	288,263	-	- (145,149)	
Assistant Organist Fund	63,470	-	9,670	-	-	53,800
Wider Concerns	-	17,511	12,386	-	-	5,125
Sansom bequest	50,576	-	-	-	-	50,576
	<u>248,143</u>	<u>97,032</u>	<u>342,803</u>	<u>-</u>	<u>-</u>	<u>2,372</u>
Total	<u>1,102,953</u>	<u>567,685</u>	<u>767,381</u>	<u>-</u>	<u>-</u>	<u>903,257</u>

Designated Funds

The Music fund represents income which the PCC has set aside for the provision of music.

The Fabric fund represents funds which the PCC has set aside for the fabric of the Church.

Restricted Funds

The Church Schools fund represents a grant from the Church Schools of Cambridge towards Heritage Education costs.

The Heritage Lottery Fund represents funding to 2016 for the capital expenditure of the Heritage Centre & ongoing costs. The fund balance includes the net book value of fixed assets funded by the grant.

The Heritage Lottery Fund - WW1 fund represents a grant for the WW1 activity day and exhibition in 2018.

The Fondiller fund represents funds set aside for visiting preachers expenses, at the discretion of the Vicar.

The AD fund represents funds received for general purposes at the discretion of the Vicar.

The Friends of Great St Mary's fund represents funds donated to the Friends of Great St Mary's.

The Roof Fund represents funds received for the repair of the South Aisle roof.

The Organist Fund represents restricted donations specifically made for the salary of a second organist.

The Wider Concerns fund represents funds collected to pass on to other charities.

The Sansom bequest fund represents funds received for distribution to Wider Concerns, at the discretion of the PCC.