

Annual Report & Financial Statement

for the year ended 31 December 2019



The
Church
the

St
George
—in-the—
east

Parochial
Council of

Ecclesiastical Parish of St George-in-the-East with St Paul

Parish Information

The Anglican Parish of St George-in-the-East with St Paul serves a rapidly changing community in the far west of London's East End. We are located between the City and Docklands, along the Highway that links the City with the Docklands and Essex. The area includes extremes of wealth and deprivation and has been home to many generations of immigrant groups (the majority now are Bengali) alongside lifelong, City and other professionals.

Foreword

Pope Francis has coined the phrase that 'realities are greater than ideas'. In 2019, at St George-in-the-East we have come to concur with this true saying. For readers of this report who are part of and know the community of St George-in-the-East, so many prayerful and inspirational ideas have become a reality in our midst in the past year.

In many ways the activities of the year culminated with the joyous celebrations on the Feast of Christ the King on Sunday 24th November with the Bishop of Stepney, Joanne Grenfell, who joined us that morning to baptise three people, including one of our homeless community, confirm seven and receive one of our number, Ivonne, into the Church of England (as she was confirmed as a Roman Catholic in Ecuador). It was exciting to see people from our Nossa Voz, Open Table and Choir Church worshipping communities as well as our own Sunday congregation baptised, confirmed and received.

We could see this as a culmination of ideas planted, nurtured and watered in previous years but in fact this is a step along the road to seeing new disciples made from among our community here in Shadwell. We are only just at the beginning.

Last year I reported that Fiona Lawrence was exploring giving more of her working time as Administrator to parish outreach. In 2019, Fiona has begun to meet the people living and working in the Watney Market area of the neighbourhood and has developed a small team to build community and ministry there. Seeing lay people find their Christian vocation and take steps to intentionally explore it is a key purpose of parish churches. We have seen some of our people do just that in 2019. We pray more will in 2020...

Sometimes that calling is to formal church leadership and ordination to the Priesthood. In the summer we delighted in welcoming Revd.'s Josh and Alanna Harris and their daughter to the parish as our Resource Church curates. They will be training in the parish for three years. We also welcomed Caitlin Harland as a three year St Mellitus ordinand to the parish team.

Exploring vocation prayerfully may sometimes lead us away from things we love. We were sad to say goodbye to a former member of our Lay Community, Frankie Webster, who left the church for pastures new at Christmas. We look forward to hearing what God has in store for her in the years to come.

In different and tragic circumstances we also said goodbye to Diana Woodbridge who died at Christmas time. Diana was a dearly beloved member of the congregation who worshipped and served in the church for 10 years.

Sometimes realities are hard. But as faithful people we live with expectant hearts that God meets us in the midst of reality and beckons us to see the world as it really is, with eyes of love.

This report shares some of the lively reality of our parish church and community. It is a reflection of lives well lived and shared for the greater glory of Him who binds us together.

Fr Richard Springer, Rector

Governance

We are a parish of the Diocese of London, in the Stepney Episcopal Area (Deanery of Tower Hamlets). Our parish school is St Paul's Whitechapel CE Primary School a short walk away in Wellclose Square.

The St George-in-the-East Parochial Church Council (PCC), is a registered charity (No.1133761).

Katie Purser is the parish Administration Worker. The parish office is in the church.

The PCC is a corporate body established by the Church of England. The PCC has ultimate responsibility for all matters affecting the parish.

Day to day management is exercised by (and as appropriate delegated to) the clergy, churchwardens and officers of the PCC, assisted by the Director of Operations and Parish Administrator.

Although members of the PCC in the past may have been trustees of the Watney Street Hall Trust, Planet Street Institute Charitable Trust and the Thomas Dickerson

Trust Funds, these Trusts no longer exist although the remaining funds are still held by the PCC to benefit the inhabitants of the parish and the Church building.

During 2019 the PCC met 6 times. PCC members who served in this time are as follows:

Elected members

Louise Barling	<i>from April 2019</i>
Claire Moll-Namas	<i>from April 2019</i>
Ivonne Lojan Maldonado	<i>from April 2019</i>
Marta Corti	
Alan Dorji	
Philip Hogan	
Francelise Mamilonne	
Annadale Ramanoop	
Tom Daggett	<i>until April 2019</i>
Alexandra Nelson	<i>until April 2019</i>
Allan Ramanoop	<i>until April 2019</i>
Diana Woodbridge	<i>until December 2019</i>

Ex-officio members

Rev. Richard Springer	<i>Clergy</i>
Rev. Vienna McCarthy	<i>Clergy</i>
Canon Angus Ritchie	<i>Clergy</i>
Rev. Alanna Harris	<i>Clergy – June 2019</i>
Rev. Josh Harris	<i>Clergy – June 2019</i>
Sophie Campkin	<i>Churchwarden</i>
Tricia Bing	<i>Deanery Synod Rep</i>
Shermara Fletcher	<i>Deanery Synod Rep</i>



Confirmations with Bishop Joanne

'Hope not fear' with Muslim neighbours

Our mission

In planning the activities the PCC have applied the guidance on public benefit issued by the Charity Commission. We have continued to grow and innovate in many areas of our church life. We particularly highlight the following things: –

Growth in the number of people reached by the church – our average Sunday attendance before the Covid lockdown was running at 70 children and adults, an increase of 15 people over the previous year, and we welcomed 12 new people into membership of the church through baptism and through their confirmations. Whilst numbers in themselves do not tell the whole story, we are proud to have increased our church family.

Growth in our work with young people – over the past year we have further developed our work with young people within the church, to reflect the increasing number of children and young people in our congregation. We now have four groups for different ages of children meeting regularly, and have been delighted to see our young people participating in leading worship, and in taking leading roles in some of our social action work, including OpenTable and the campaign for affordable housing.

Our Choir Church has also gone from strength to strength, under the leadership of Tom Daggett. Not only has this brought our relationship with the school into ever closer focus, it's also enabled us to welcome children and their families into the wider church community. It was a particular joy to see the National conference which suggest that this project has the capacity to develop in many other places, and to make a similar impact for church communities across the land.

Growth in our types of worship – over the past year, we have had a number of new ways of worshipping and of being church. Different small groups such as our Nossa Voz and the Worship Table met regularly for fellowship and worship in different styles. We've also welcomed the development throughout the year of small groups

looking at Bible study both after churches and through weekday groups. Our reflective sessions of worship throughout the week of prayer and Compline have proved valuable as a supplement to our regular Sunday worship, and as a basis for developing some of our online worship which has been required as a result of the Covid-19 crisis.

Growth in our impact and work with our local communities – one of the highlights of the year has been successful work on creating a community land trust to generate much-needed homes in our local area. Whilst this is inevitably a long term project, with the news that funding has been awarded by the Greater London Authority to start the necessary scoping and design work we have taken a major step forward. This work was valuable in its own right, but has also brought us into new relationships with other groups and organisations, and has also begun to highlight some of the more immediate housing needs for those who live around our area.

Our campaign to make the land around the church safer, brighter, and more usable was also successful with a commitment by the local authority to direct street lighting in the park, and to make it a place more welcoming to many people in the community.

The continued work of the team supporting the OpenTable has also been a great gift to the church and to some of those people around us who do not have permanent homes. The guiding principle of the work done has been generosity, and a reflection of our common humanity, ensuring that this is work done with and by homeless people not to or for homeless people. The project has received national attention, and has been successful in raising funds, and other things to support it, including a successful Christmas gifts appeal led by children in the church.

Our work with the community has also identified a number of other needs to improve the liveability of our local area, and has raised a range of issues around food poverty and other types of deprivation. Whilst this work was already starting before the Covid-19 crisis began, it has grown and deepened its impact in the last months. The development of a group of volunteers who have been committed to providing emotional and practical support to many people in the area. Support with food parcels, and with providing a telephone contact service have all helped people at times of significant isolation.

How have we done all this?

Chiefly, we've done this by continuing to listen to what we believe God is calling us to do in our area, and finding ways of channelling the many skills and other resources which we have within our community.

As well as our worshipping community, we have also been blessed with a number of people who have worked within the church to help to deliver some of our projects. As a result of a number of grants, and the recognition of St George-in-the-East as a

place which can help other churches to learn and develop skills, we have been fortunate to have a number of paid staff and trainees. The parish team is,

Rector – Fr Richard Springer
Associate Rector – Mtr Vienna McCarthy
Curates – Revd's Alanna and Josh Harris
Assistant Priest – Fr Angus Ritchie
Ordinand – Caitlin Harland
Open Table Coordinator – Shermara Fletcher
Parish Worker – Lorima Cook (from September 2019)
Administration Worker – Katie Purser (from February 2020)
Director of Music – Tom Daggett
Premises Manager – Fiona Lawrence
Housekeeper – Susan Wright
Director of Operations – Mark Griffiths (until August 2019)

We are also grateful to Sophie Campkin as the outgoing Churchwarden – she has been Churchwarden for three years. Without appointments to the role of a second Warden nor in the last year to Treasurer has meant Sophie has carried the weight of holding the administrative burden on behalf of the PCC.

What should we be doing in the next year and beyond?

We know through our outreach, and the discussions we've had within the church that there is an appetite to continue with our support to our local communities. The affordable housing project still has a number of stages to go through before new houses are created, but this may create an opportunity for us to address in partnership with local people around some of the immediate needs created by substandard or overcrowded housing. Our work through the Community Land Trust will continue, but, with Citizens UK and other partners, we will be listening to local people to improve living conditions in the area, building on the successes of the lighting in the park campaign. Emerging ideas include the possibility of a community café, and a new use for the old morgue building in the church gardens.

We will be trying to bring the Open Table model to a national audience, to share our learning about how it has worked, and what it offers to churches and to the people and communities around them.

Building on the successes of Choir Church, our Director of Music is developing similar models elsewhere across the country. And at the same time, we will be looking to ensure that our own musical tradition within choir church and within the church family as a whole continues to deepen, broaden and develop.

We will be continuing to learn about how to be a resource church, and how to use the gifts and skills within our ordained and lay team of people. As a resource church we are in partnership with one parish church in our deanery of Tower Hamlets, St Matthew Bethnal Green.

We will be looking at how to develop our online and social media presence, as a way of reaching new people who may not be traditional churchgoers, and of celebrating the great work being done in the area, and the great grace of God which makes it all possible.



Baptisms at St George's with our curates Josh and Alanna



Getting ready for carols at Christmas



Phil speaking on homelessness

Financial Review

Total income for the year was £305,452 (2018: 273,253) with expenditure of £359,612 (2018: 431,896), resulting in net expenditure before movement on investments of £54,160 (2018: deficit £158,673). Once the gain on investments of

£104,209 (2018: £8,179) is factored in, the net movement in funds for the year shows an increase of £50,049 (2018: deficit of £150,464).

Closing funds at the end of the year amounted to £592,342 (2018: £542,292) of which £68,260 (2018: £54,825) was restricted.

Reserves Policy

The PCC recognises the need to hold reserves to allow protection of its core activities in the event of income shortfalls and to promote balanced strategic planning. Reserves are defined as income that becomes available and which is to be expended at the discretion of the PCC in furtherance of its objects but which has not yet been spent, committed or designated. The PCC has a policy of holding £50,000 for this purpose.

It is our policy to invest our fund balances with the CBF Church of England Investment Fund. At the year-end, free cash reserves showed a negative balance of £51,851. As a result, the Trustees made a decision to un-designate and transfer £20,000 of the future development fund back to the general fund in 2020. Given the situation caused by COVID-19, it may be that future transfers may be required.

With the designated future development fund running at £563,080 at the end of the year, even after allowing for building related costs, the Trustees are confident that additional funds can be released for general purposes if required. The trustees continue to monitor reserves against planned income and expenditure and will look to boost the unrestricted free reserves in the future. Based on this the PCC consider the church to be a going concern.

Other matters

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

The last quinquennial inspection was held in 2017. The church has developed a plan to carry out these works which includes an estimation of costs and timescales. This plan is reviewed and updated regularly by the Building Advisory Group and supervised by Fiona Lawrence, now Premises Manager.

Risk Statement

In common with other churches and charities the PCC faces risks be they operational, financial or reputational. The PCC will consider the major areas of risk to which it is exposed, measuring both the likelihood and impact of a particular event or action and will establish systems to mitigate those risks. This will involve regular reviews in identification, assessment and monitoring.

COVID 19

As a result of the COVID-19 pandemic the church, along with most other churches, has been unable to continue to operate as it would under normal conditions. The trustees have taken all appropriate and necessary actions to adhere to the government guidelines to control the spread of the virus, and have for example moved 'gatherings' on-line. Slowly as restrictions are lifted the church building has once again been open for limited use.

The Trustees believe that the church will be able to continue operating, and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

Statement of Responsibilities of the Members of the Parochial Church Council

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC are required to:

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

The PCC is 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 and the Charity (Accounts and Reports) Regulations 2008. 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.

Approval

This report was approved by the PCC and signed on their behalf by:

Rev. Richard Springer

Date: _____

INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF
ST GEORGE-IN-THE-EAST WITH ST PAUL
('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2019 on pages 12 to 23 following, which have been prepared on the basis of the accounting policies set out on pages 14 to 16.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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

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

Jacob Farley ACA
Institute of Chartered Accountants in England and Wales

2020

Stewardship
1 Lamb's Passage
London
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PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	11,868	95,250	107,118	58,160
Charitable activities	4	2,304	-	2,304	299
Other trading activities	5	188,603	-	188,603	204,010
Investments		177	87	264	545
Other income		1,942	5,223	7,164	10,239
Total income and endowments		<u>204,893</u>	<u>100,560</u>	<u>305,452</u>	<u>273,253</u>
EXPENDITURE ON:					
Charitable activities	6	265,569	89,942	355,512	426,300
Raising funds	7	3,015	1,086	4,101	5,596
Other		-	-	-	-
Total expenditure		<u>268,584</u>	<u>91,028</u>	<u>359,612</u>	<u>431,896</u>
Net gains/(losses) on investments		104,209	-	104,209	8,179
Net income/(expenditure)		<u>40,517</u>	<u>9,531</u>	<u>50,049</u>	<u>(150,464)</u>
Transfers between funds	13	(3,903)	3,903	-	-
Net movement in funds		<u>36,615</u>	<u>13,434</u>	<u>50,049</u>	<u>(150,464)</u>
Reconciliation of funds:					
Total funds brought forward		487,467	54,825	542,292	692,756
Total funds carried forward	13	<u>524,082</u>	<u>68,260</u>	<u>592,342</u>	<u>542,292</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on page 14 - 23 form part of these accounts.

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
FIXED ASSETS		-	-	-	-
CURRENT ASSETS					
Debtors	9	1,250	6,207	7,457	16,584
Investments	10	563,080	-	563,080	458,871
Cash at bank and in hand	11	(37,788)	62,054	24,266	82,092
		526,542	68,260	594,802	557,546
CREDITORS: Amounts falling due within one year	12	(2,460)	-	(2,460)	(15,254)
Net current assets / (liabilities)		524,082	68,260	592,342	542,292
Total assets less current liabilities		524,082	68,260	592,342	542,292
TOTAL NET ASSETS		524,082	68,260	592,342	542,292
FUND BALANCES	13				
Unrestricted Funds					
General funds		(51,559)	-	(51,559)	13,521
Designated funds		575,641	-	575,641	473,946
		524,082	-	524,082	487,467
Restricted Funds		-	68,260	68,260	54,825
		524,082	68,260	592,342	542,292

The financial statements were approved by the members of the PCC on

2020 and were signed on its behalf by:

Rev. Richard Springer

Charity number: 1133761

The notes on page 14-23 form part of these accounts.

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Statutory Information

The Parochial Church Council of St George-in-the-East with St Paul is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found in the Governance section of the Trustees' Annual Report.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain assets, which are measured at fair value through the Statement of Financial Activities. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC has assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC has considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC is able to remove the designation on the designated funds and so allow their use for general charitable purposes and has concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

In making this assessment the trustees have considered the impact of Covid-19 and have concluded that its impact on net income will not be material.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.
- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from the rental of church buildings.

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred. This includes rental property that makes up part of the consecrated and beneficed assets.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. The PCC current has not assets in excess of the capitalisation threshold.

f) Investments

Current asset investments are held to generate income and/or for their investment potential. Investments are valued at their market value (fair value) at the balance sheet date.

g) Leased assets

The charity has an operating lease for a photocopier. The commitments under this lease are included in note 11 to the accounts.

h) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

i) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

j) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

k) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

3 Donations and legacies

	Total	
	2019	2018
	£	£
Church collections	3,214	2,796
Donations of cash or similar	8,309	6,320
Donations in kind for distribution to beneficiaries	-	1,900
Tax recoverable	2,509	2,056
Special collections	-	285
Grants	93,000	44,803
Fundraising	85	-
	<u>107,118</u>	<u>58,160</u>

4 Income from charitable activities

	2019	2018
	£	£
Rental of church properties	1,500	-
Other ministry activities	804	299
	<u>2,304</u>	<u>299</u>

5 Income from other trading activities

	2019	2018
	£	£
Rental of church properties	188,603	204,010
	<u>188,603</u>	<u>204,010</u>

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Charitable expenditure

	2019	2018
	£	£
a Costs incurred directly on specific activities		
Ministry expenses:		
Common Fund Contribution	82,800	80,600
Salaries, wages & honoraria	83,655	114,116
Contribution towards costs of Assistant Priest	33,000	9,276
Rent for clergy accommodation	38,567	7,577
Worship and teaching	2,910	6,525
Mission and outreach	971	-
Clergy expenses	394	24
Organist fees	2,100	2,210
Staff development	1,495	3,250
Movable furnishings & equipment	3,269	2,797
Professional and legal fees	300	15,857
Community costs	-	3,929
Special community events	2,404	1,300
Events and hospitality	3,475	1,096
Choir Church costs	7,734	6,202
Open table costs	3,185	654
Hidden workers expenses	4,911	-
Other expenditure	3,075	1,576
Donated goods distributed		1,900
	<u>274,246</u>	<u>258,889</u>
Property expenses:		
Church repair and maintenance	17,700	10,244
Quinquennial maintenance	8,267	9,818
Development and major works	3,719	77,911
St George's flats repairs and maintenance	4,096	9,135
Glebe flat costs	10,344	18,869
Rectory repairs and maintenance	-	7,238
Utilities	8,299	7,870
Cleaning	6,824	3,874
	<u>59,249</u>	<u>144,959</u>
Grants payable (note 6c)	160	732
	<u>333,655</u>	<u>404,580</u>
b Costs incurred on support & administration		
Governance costs		
Independent examiner's fee	2,220	2,340
	<u>2,220</u>	<u>2,340</u>
Administration	8,500	8,378
Insurance	11,137	11,001
	<u>21,857</u>	<u>21,719</u>
Total expenditure	<u>355,512</u>	<u>426,299</u>

The fee payable to the independent examiner for preparing and examining the accounts was £2,460 (2018: £2,100). The charity paid no additional amounts (2018: £nil) to Stewardship for other services.

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

c Grants payable

	Institutions £	Individuals £	2019 £
Grants for UK and overseas mission	-	-	-
Grants for the relief of poverty	-	160	160
	<u>-</u>	<u>160</u>	<u>160</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2018 £
Grants for UK and overseas mission	176	-	176
Grants for the relief of poverty	556	-	556
	<u>732</u>	<u>-</u>	<u>732</u>

7 Cost of raising funds

	2019 £	2018 £
Fundraising costs	-	4,070
Publicity	4,101	1,526
	<u>4,101</u>	<u>5,596</u>

8 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

The average monthly number of employees during the year was 6 (2018: 5). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the members of the PCC and the key staff named below. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Employer pension contributions	2019 £
Members of the PCC			
M Griffiths	19,500	293	19,793
S Fletcher	14,400	228	14,628
			<u>34,421</u>

The following amounts were payable in the previous year:

	Wages & salaries	Employer pension contributions	2018 £
Members of the PCC			
M Griffiths	28,462	452	28,914
S Fletcher	12,719	209	12,928
			<u>41,842</u>

Mark Griffiths (director of operations) and Shermara Fletcher were employed by the church and received the above payments for serving in that capacity, not for serving as members of the PCC; these payments are permitted by the charity's governing document.

Rev. Richard Springer and Canon Dr. Angus Ritchie (who are clergy members of the PCC) receive a stipend from the Diocese and so they are not employees; some of the Parish Share paid to the Diocese is used to help meet the cost of these stipends. The Rev. Richard Springer, Dr Angus Ritchie and Mthr. Vienna McCarthy were all provided with accommodation (which is customary for clergy). There was no cost to the PCC. with regards to the accommodation provided for the Rev. Richard Springer; other accommodation costs were £16,987 and £21,580 respectively and are shown as 'rent for clergy accommodation' in note 6 to the accounts.

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Payroll costs included a redundancy payment of £2,287.50 (2018: £Nil) paid to M Griffiths. The payment comprises of statutory payments. Redundancy and termination payments are charged when the liability or obligation arises.

9 Debtors

	2019	2018
	£	£
Falling due within one year:		
Tax recoverable	1,250	2,056
Other debtors	6,207	14,528
Total debtors	<u>7,457</u>	<u>16,584</u>

10 Current asset investments

	2019	2018
	£	£
Shares in the CBF Church of England Investment Fund at market value		
At 1 January	458,871	437,192
Additions	-	13,500
Revaluations	104,209	8,179
At 31 December	<u>563,080</u>	<u>458,871</u>

11 Cash at Bank and in Hand

	2019	2018
	£	£
Cash at bank with immediate access	20,077	37,381
Bank deposits	4,059	44,601
Petty cash	129	110
	<u>24,266</u>	<u>82,092</u>

12 Creditors: liabilities falling due within one year

	2019	2018
	£	£
Trade creditors	-	6,893
Taxation and social security	-	5,317
Accruals	2,460	3,044
	<u>2,460</u>	<u>15,254</u>

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2019 £	Incoming resources 2019 £	Outgoing resources 2019 £	Investment gain/(loss) 2019 £	Transfers in the year 2019 £	Closing balance 2019 £
<i>Designated Funds</i>						
Future developments	458,871	-	-	104,209	-	563,080
Presentation bibles	15,075	17	(176)	-	(14,900)	17
Open table	-	156	(2,592)	-	-	(2,436)
Children resource	-	80	-	-	14,900	14,980
	<u>473,946</u>	<u>253</u>	<u>(2,767)</u>	<u>104,209</u>	<u>-</u>	<u>575,641</u>
<i>General Unrestricted Funds</i>	<u>13,522</u>	<u>204,639</u>	<u>(265,817)</u>	<u>-</u>	<u>(3,903)</u>	<u>(51,559)</u>
Total Unrestricted Funds	<u>487,468</u>	<u>204,893</u>	<u>(268,584)</u>	<u>104,209</u>	<u>(3,903)</u>	<u>524,082</u>
<i>Restricted Funds</i>						
Affordable housing	4,809	-	(3,827)	-	-	982
Belfry	4,203	202	(156)	-	-	4,249
Choir church	9,970	5,250	(7,734)	-	-	7,486
Church refurbishment	6,911	37	-	-	-	6,948
Disability access	-	-	(3,719)	-	3,719	-
Fees for LDF & Rector	-	414	-	-	-	414
Hidden workers	5,435	-	(4,911)	-	-	524
Near neighbours	3,003	-	-	-	-	3,003
Open table	-	4,250	(110)	-	-	4,140
Parish history brochure	1,087	17	(1,086)	-	-	18
Rectory redecoration	-	15	-	-	184	199
Resource Church grant	(16,853)	88,375	(69,486)	-	-	2,036
Youth safety	-	2,000	-	-	-	2,000
Watney Street building fabric	36,261	-	-	-	-	36,261
	<u>54,826</u>	<u>100,560</u>	<u>(91,028)</u>	<u>-</u>	<u>3,903</u>	<u>68,260</u>
Aggregate of funds	<u>542,294</u>	<u>305,452</u>	<u>(359,612)</u>	<u>104,209</u>	<u>-</u>	<u>592,343</u>

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			Restricted funds £	2019 £
	General funds £	Designated funds £			
Debtors	1,250	-	6,207	7,457	
Investments held as current assets	-	563,080	-	563,080	
Cash at bank and in hand	(50,349)	12,561	62,054	24,266	
Creditors falling due within one year	(2,460)	-	-	(2,460)	
	<u>(51,559)</u>	<u>575,641</u>	<u>68,260</u>	<u>592,342</u>	

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2018 £	Incoming resources 2018 £	Outgoing resources 2018 £	Investment gain/(loss) 2018 £	Transfers in the year 2018 £	Closing balance 2018 £
<i>Designated Funds</i>						
Future developments	437,192	-	-	8,179	13,500	458,871
Presentation bibles	15,157	94	(176)	-	-	15,075
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	452,349	94	(176)	8,179	13,500	473,946
<i>General Unrestricted Funds</i>						
	166,408	227,775	(356,161)	-	(24,501)	13,522
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted Funds	618,757	227,869	(356,337)	8,179	(11,001)	487,468
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Restricted Funds</i>						
Affordable housing	-	5,000	(191)	-	-	4,809
Belfry	3,532	671	-	-	-	4,203
Charitable legacy	585	-	-	-	(585)	-
Charities	266	256	(256)	-	(266)	-
Children club	165	-	-	-	(165)	-
Choir church	8,514	20,370	(10,849)	-	(8,065)	9,970
Church refurbishment	4,713	30	-	-	2,168	6,911
Disability access	500	16,038	(47,345)	-	30,807	-
Hidden workers	5,500	-	(65)	-	-	5,435
Near neighbours	3	3,000	-	-	-	3,003
Parish history brochure	1,078	9	-	-	-	1,087
Presentation bibles	(104)	-	-	-	104	-
Rectory redecoration	(14)	-	-	-	14	-
Resource Church grant	-	-	(16,853)	-	-	(16,853)
Thomas Dickenson	13,000	11	-	-	(13,011)	-
Watney Street building fabric	36,261	-	-	-	-	36,261
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	73,999	45,385	(75,559)	-	11,001	54,826
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Aggregate of funds	692,756	273,254	(431,896)	8,179	-	542,294
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			2018 £
	General funds £	Designated funds £	Restricted funds £	
Debtors	16,584	-	-	16,584
Investments held as current assets	-	458,871	-	458,871
Cash at bank and in hand	12,193	15,075	54,825	82,093
Creditors falling due within one year	(15,254)	-	-	(15,254)
	<hr/>	<hr/>	<hr/>	<hr/>
	13,523	473,946	54,825	542,294
	<hr/>	<hr/>	<hr/>	<hr/>

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

The purposes of each restricted fund are as follows:

Affordable housing - For a project worker to run the project to provide affordable housing.

Belfry - Donations from Bellringers to be used for the maintenance and upkeep of the bells and belfry.

Choir church - For the establishment and running of a choir church at the school linked to the Church.

Church refurbishment – For the refurbishment of the interior of the Church.

Disability access - To provide a temporary disabled access and an accessible toilet.

Fees for LDF & rector - This fund holds the church's share of marriage and burial fees.

Hidden workers – To fund the project on Hidden Workers in the parish establishing a worshipping community.

Near Neighbours - This fund is to support an initiative inspired by the national charity near-neighbours whose aim is to support local and community groups and see people brought together.

Open Table - This is to fund an initiative to build community with the homeless and the vulnerably housed within the area.

Parish history brochure - This is an old historical fund to be used for Church publicity.

Rectory redecoration - This fund has been used to finance the periodic redecoration of the rectory.

Resource Church grant – Funding as per a proposal to the Diocese to be a Resource Church.

Youth safety - This is a fund established by a £2,000 gift for youth work.

Watney Street fund for building fabric - Funds to be used for the maintenance and development of the building.

The **Future development designated fund** represents funds available for the church for future developments, including property upgrades and refurbishments. Removal of the designation allows money in this fund to be spent on general charitable purposes.

The **Children resource designated fund** represents funds available for use with children's ministry and activities.

14 Operating lease commitments

The charity has an operating lease for a photocopier. The minimum amount payable in respect of this lease is as follows:

	2019	2018
	£	£
Payments falling due:		
Within one year	1,008	1,008
Between one and five years	1,512	2,520
After five years	-	-
	<u>2,520</u>	<u>3,528</u>

During the year the charity was charged £1,008 (2018: £1,008) for its operating lease.

15 Transactions with related parties

During the year the charity did not receive any donations (2018: £nil) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).

No expenses (2018: £nil) were paid to, or for, non-clergy members of the PCC; reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a PCC member are not included in this disclosure.

Except as disclosed above and in note 8 'Analysis of staff costs', there have been no other transactions with related parties during the year.

16 Events since the year end

As explained in the Trustees' report, the charity has been affected by the recent outbreak of COVID-19 and as a result has had to temporarily suspend all physical gatherings. The Trustees are monitoring income and expenditure and, if it becomes necessary, will take measures to mitigate the impact of COVID-19 on the charity's cash reserves. The trustees are aware that during 2020 there will be some loss of income but due to the uncertain nature of future COVID 19 restrictions are unable to reliably estimate the overall financial impact of COVID-19 at the present time.

PAROCHIAL CHURCH COUNCIL OF ST GEORGE-IN-THE-EAST WITH ST PAUL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	<u>Unrestricted funds</u>				<u>Unrestricted funds</u>			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		2019	2019	2019	2019	2018	2018	2018	2018
		£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	11,712	156	95,250	107,118	13,467	-	44,693	58,160
Charitable activities	4	2,304	-	-	2,304	299	-	-	299
Other trading activities	5	188,603	-	-	188,603	204,010	-	-	204,010
Investments		79	98	87	264	417	94	34	545
Other income		1,942	-	5,223	7,164	9,582	-	657	10,239
Total income and endowments		204,639	253	100,560	305,452	227,775	94	45,384	273,253
EXPENDITURE ON:									
Charitable activities:	6	262,802	2,767	89,942	355,512	350,565	176	75,559	426,300
Raising funds	7	3,015	-	1,086	4,101	5,596	-	-	5,596
Other		-	-	-	-	-	-	-	-
Total Expenditure		265,817	2,767	91,028	359,612	356,161	176	75,559	431,896
Net gains/(losses) on investments		-	104,209	-	104,209	-	8,179	-	8,179
Net income/(expenditure)		(61,178)	101,695	9,531	50,049	(128,386)	8,097	(30,175)	(150,464)
Transfers between funds	13	(3,903)	-	3,903	-	(24,501)	13,500	11,001	-
Net movement in funds		(65,080)	101,695	13,434	50,049	(152,887)	21,597	(19,174)	(150,464)
Reconciliation of funds:									
Total funds brought forward		13,521	473,946	54,825	542,292	166,408	452,349	73,999	692,756
Total funds carried forward	13	(51,559)	575,641	68,260	592,342	13,521	473,946	54,825	542,292