



The Parochial Church Council of the
ecclesiastical parish of St Stephen, Norwich

Annual report and
financial statements for
the year ended
31 December 2020

The Parochial Church Council of the ecclesiastical parish of St Stephen, Norwich

Referred to in this report as "the PCC"

Registered charity number 1147706

Situated in the centre of Norwich, St. Stephen's Church is part of the Norwich Diocese within the Church of England.

Address: Rampant Horse Street, Norwich NR2 1QP
Tel: 01603 617697
Email: admin@ststephensnorwich.org
Website: www.ststephensnorwich.org

Vicar & PCC Chair*	Revd Canon Madeline Light
Curate*	Revd Dr Alex Irving (to 31 August 2020)
Authorised Worship Assistant	Mr Adam Jackson
Ordinands	Mr Ian Fifield
	Mrs Sam Luscombe (from 1 September 2020)
Churchwarden*	Mr Chris Killen
Churchwarden and Vice-Chair*	Mrs Biddy Collyer
Treasurer*	Mrs Susan Stapleford
Secretary	Mr Paul Light
Deanery Synod Representative*	Mr Roy Roberts
Deanery Synod Representative*	Mrs Doreen Cochrane

*indicates member of the PCC and trustee of the charity

PCC members and trustees of the charity in 2020 or at the date of this report:

(in addition to those marked * above)

Mr Douglas Bird	Mrs Val Chipperfield (to 16 September 2020)
Mr Tim Coe	Dr Zoe Matthews
Mrs Jean Norris	Mrs Pat Sibthorpe
Miss Charlotte Snell	Mr Peter Stephenson

Banks: Co-operative Bank, London Street, Norwich
Barclays Bank PLC, Red Lion Street, Norwich

Independent examiner: Mr Philip Buttinger ACMA

Introduction to the annual report 2020

When this year started, little did we know what it would bring! We had had conversations in the standing committee about worst case scenarios, including the question - did we have enough in our reserves? The lockdown due to the pandemic is worse than anything we imagined. Despite this and the shrinking of our reserves, miraculously we have not needed to make anyone redundant. The staff learned new skills and were soon producing an online service that went from OK to good. Miraculously we had the skills to do this. Like many clergy I did wonder last March whether we would have any church left by the time we were free to meet again. Services online are so different to anything we have done before. Miraculously many people have learned how to find the service on YouTube and meet at the Zoom coffee after church on Sunday, as well as gather for daily morning prayer.

The team that supports the work at St Stephen's have been wonderful. We immediately started weekly team meetings and got into a rhythm of planning and recording services. You know who the heroes have been: Lisa juggling video and audio recordings, printed service sheets, newsletter and supporting families; Adam teaching us to record better and each week editing our offerings and keeping in touch with young adults; Alex (curate), Ian (ordinand), Dave (trainee Reader) and Sam (ordinand from September 2020) with me planning and executing services, all listening and learning from each other. You continued to pay for Clare to support the homeless and she has seen some unexpected answers to prayer during this time as well as some extra challenges.

The Café staff were furloughed, and you have made sure that they are not out of pocket by making up the government provision to 100% salary. They negotiated the return of the Café in July with various rules and regulations to be obeyed to keep everyone safe. In 4 months, the Café was buzzing only to be closed again at the end of October.

We did open the church before the Café, but it was very quiet as people understandably avoided the city for fear of catching Covid. We reopened again bravely in December, but it was miserable for staff and the few customers alike.

The Richard Caister project started with a lecture attended by 70 people but that was the first and last lecture in person. Some were put online and the banners, and booklets will continue to be available in the church. Although this was a disappointment and was not what Alex had envisaged as an ending to his curacy, he soon had a future to plan for. He and his family moved to Nottingham in September to start a new job as lecturer with St Mellitus College, East Midlands. We were sorry to see him, Sophia and Rachael leave but so pleased that we had a had a fruitful three years with them as part of our community.

You will see that our finances have suffered but we did not use all our reserves in the year. Some people with time to think have decided they should move churches or homes, and although this is always sad we know that the pandemic has adjusted our priorities in a healthy way. At the end of the year, we are still a healthy community and miraculously still seem to be a community despite months of isolation. We seem to have got stronger, people have told me time and again that they have talked to people via Zoom who they would not have normally met. We have Covid-secure habits that will enable us to open the Café quickly when the time comes.

A year we will never forget, from which we will have learned lessons that could not have been learned any other way. It paves the way for a new chapter in the life of the St Stephen's community.

The good news stories include an adult baptism, a long-term homeless man returning to his family and settling with them, another younger homeless man getting accommodation, a woman experiencing domestic abuse being rehoused, a young family moving to a house with a garden, and so much more supported by this church. These signs of the kingdom give us hope in the darkest days.

Madeline Light

Revd Canon Madeline Light, Vicar

St Stephen's Norwich PCC - Annual report for the year ended 31 December 2020

The members of the PCC, who are the trustees of the charity, have pleasure in submitting their annual report and the financial statements for the year ended 31 December 2020.

Worship

Being together to pray and worship is an essential time for any church community. It looked as if Covid-19 was going to stop that happening. It didn't. Across the country, churches rose to the challenge and St Stephen's was no exception. Although, often in 2020, the church building was closed, we were able, through the wonders of YouTube, to meet, albeit virtually. Much time, effort and patience was involved in putting the services together and they kept us connected as a worshipping community. We may have been drinking our own coffee and tea, but we were still able to chat and catch up via Zoom meetings after the 10.00 service. An added joy was the actual 9.00 communion service in church when we were able to be there in person.

Structure, governance and management

The charitable object of St Stephen's is promoting in the ecclesiastical parish the whole mission of the Church. The governing documents are the Parochial Church Council Powers Measure (1956) as amended and the Church Representation Rules 1969, as amended 2011.

The method of appointment of PCC members is as set out in the Church Representation Rules. All church attendees are encouraged to register on the Electoral Roll and to consider standing for election to the PCC. The PCC, under the chairmanship of the vicar, is responsible for developing and monitoring strategy and policy and makes all major decisions, including those relating to staff appointments. Day to day matters are delegated to the standing committee or staff as appropriate. Strict limits of authority with respect to spending are in place. The vicar may elect to delegate the function of chairing the PCC meetings to a member of the PCC with the PCC's approval.

PCC members during 2020 are listed on page 1. The PCC met five times and the standing committee met ten times in the year. The vicar held formal meetings with all senior staff on a regular basis. Some senior members of staff supervise other members of staff and/or volunteers. Pay levels for all staff are set by the PCC, having regard to local pay levels for similar positions.

The PCC and other officers have a wide variety of backgrounds, experience and professions. Some have considerable experience as trustees of charities. PCC members are made aware of new legislation through sources such as the Diocese.

As part of the Norwich East Deanery, and through the Transforming Norwich network of church leaders, St Stephen's continues to play its part in the proclamation of the Christian Gospel, both by word and by deed, in working with other churches.

Objectives and public benefit

The vision of St Stephen's is of a people gathered to explore and express faith in God, as many have done in this place for hundreds of years. We aim to do this by being open to the love of the Father, the truth of Jesus shown in the Bible and the work of the Holy Spirit to transform our lives and help us serve others. Our aim is to have open doors, open hands and an open heart to God, to the city and to our own community. We do this through worship on Sunday, daily prayer, a daily and expanding Café and a wide variety of small groups. Sanctuary, prayer, hospitality, openness and freedom are values that we aspire to nurture as we witness the power of God at work bringing people to faith, healing and restoring lives.

The trustees have had regard to the Charity Commission's guidance on public benefit. The Café continued to open six days a week except when Covid-19 restrictions prevented operations. When open, it continued to host a wide range of individuals, groups and services, including Love the Street, Foodbank and Community Chaplaincy. The Café's public benefit also includes enabling a significant number of volunteers of diverse circumstances to gain confidence through working in a sociable environment. Alongside the Café vulnerable adults are supported by the staff, led by Clare, our designated community worker.

St Stephen's Norwich PCC - Annual report for the year ended 31 December 2020

Objectives and public benefit (continued)

During the year the PCC secured a 30-year lease for The Chapel on Fellowes Plain, previously occupied under a series of short-term licences. Covid-19 restrictions have resulted in the suspension of most of our own activities there, but we have been pleased that local charity ENYP have been able to use the Chapel as a base for their food parcel delivery operation.

Risk management

During 2020 we have been through the grips of the Covid pandemic and therefore have been very mindful of risks associated with the infection, within the operation of both church and Café and of our service to the wider community. Numerous risk assessments have been produced and implemented, guided by Government and Church of England guidance. Communication of new procedures to staff, volunteers and church community have been paramount. Additional Covid-secure risk assessments have been required by all external groups using the premises. All internal risk assessments have been reviewed by the Standing Committee and external risk assessment review delegated to the Operations Manager.

The PCC has complied in 2020 in all respects with the House of Bishops' guidance on safeguarding. Safeguarding policies and procedures, in respect of children and vulnerable adults, have been maintained in line with Diocesan guidance. There is a named person to whom concerns can be addressed. During 2020 we have audited our procedures using the Parish Safeguarding Dashboard and have achieved Level 3. All members of the PCC have access to the dashboard and can track progress over time. A Recruitment of Ex-Offenders policy has been agreed by the PCC. Additional risk assessments for Messy Church and Kids Matter sessions have been put in place and the Register of Activities submitted to the Diocese via the Parish Dashboard.

The database of personal information within the church has been monitored and amended in line with the General Data Protection Regulations, especially during this time where communication with individuals has been through more electronic means. The use of CCTV within church is in line with our policy and procedure and is registered with the Information Commissioner's Office.

With regard to finance, the Treasurer provided the PCC with management accounts on a quarterly basis. Standing Committee have scrutinised monthly reports, including cash flow projections, during this time whilst the church and Café income has been affected by shutdown. The PCC keeps alert to changes in legislation affecting such matters as employment, discrimination, health and safety and data protection. Employee pension enrolment has been checked and verified.

The church publicises its points of contact in order that the public can raise concerns with ease. These can be found on the website, as well as physically on the church noticeboard. The PCC is fully prepared to investigate legitimate concerns which are brought to its attention.

Electoral roll and church attendance

At the date of the 2019 annual meeting there were 93 names on the electoral roll. No annual meeting was held in 2020. Our worshipping community at the end of 2020 was 102 (2019: 124) adults and 9 (2019: 6) children aged under 18; in the year there were 22 (2019: 14) leavers and 7 (2019: 12) joiners. The average combined attendance covering all services, in person and on line, on a usual Sunday in 2020 was estimated at 100 (2019: 100).

St Stephen's Norwich PCC - Annual report for the year ended 31 December 2020

Children and families

2020 has been a year of opportunity to develop and extend our work with children and families within the community.

Little Fellowes has evolved and adapted over time. Having story-telling and singing elements within the sessions has brought much fun and laughter, even on Zoom. There is a strong focus on building relationships and support. This resulted in one family being supported whilst moving out of a flat into a lovely house with a back garden for the children to play in.

We have made fruitful links with the Principal and SENCO at The Free School and have delivered a Kids Matter parenting course with three of their families. Two of these families came to the Christmas Hark! performance and are still in contact with us through a WhatsApp group.

As a result of the Kids Matter group, we have started a monthly Messy Church session. On the first session we had one family from Kids Matter and one from Little Fellowes attend. Future dates have been set and are eagerly awaited.

At the start of lockdown, we contacted both The Free School and Bignold School, to see if there were families in need of support. By working closely with Soul Foundation, we have been able to supply weekly food parcels to these families, as well as building friendships with them. Once Messy Church can resume, these families will be invited to join us.

A big thank you to everyone who has supported us with prayer throughout this year and to the team who work so hard through a rollercoaster of a year.

Financial review

In spite of the pandemic and the consequential suspension of Café operations for large parts of the year, St Stephen's finances continue to be in good heart. The PCC is very grateful for the continued support from all who have contributed either financially or with their time.

Note 20 to the accounts sets out the main financial impacts of the pandemic. Café sales at £51,832 were 58% lower than in 2019. Unrestricted income from regular donations has increased slightly from the level in previous years. The Government's Coronavirus Job Retention Scheme provided support totalling £24,789. Total income for the year from all sources was £207,207 (2019: £277,652).

The total of all reserves at 31 December 2020 was £126,777 (2018: £177,594). The allocation between the various church funds can most easily be seen in note 15 to the accounts. The PCC maintains a reserves policy such that the target minimum level of reserve in the General Fund is sufficient to enable main operations to continue for at least three months without income. At the end of 2020, the target minimum level of reserves, based on the approved budget for 2021, was £53,110 whereas the balance in the General Fund was £98,488. The PCC therefore considers the charity to be financially sustainable, and the going concern basis of accounts preparation is appropriate.

St Stephen's sets aside 10% of its net income which is not restricted for any other purpose to support other charities and individuals in furtherance of its charitable objects. During the year the designated Giving Fund provided donations totalling £13,645.

The financial risks within the charity are considered regularly and reasonable measures have been put in place to mitigate these. The principal areas of risk involved the potential loss of revenue streams which underpin the work of St Stephen's. These are kept under regular review, with particular attention being paid to the impacts of the temporary suspension of Café operations under Covid-19 restrictions.

The accounts have been prepared in accordance with financial reporting standard FRS102. The accounts present sufficient detail in order to be as transparent as possible. Questions from church members and other stakeholders regarding these accounts are welcomed.

Turnover for the year was below the level at which an audit is required. The PCC is grateful, once again, for the voluntary service which Mr. Philip Buttiger ACMA has provided as Independent Examiner.

St Stephen's Norwich PCC - Annual report for the year ended 31 December 2020

Fabric

Churchyard

- Norwich City Council, who maintain the trees in the churchyard, have offered to provide and plant an additional tree, *Acer tataricum subsp. ginnala* in the churchyard. It will provide beautiful autumn colour, in front of the holly. We have Diocesan approval and planting is awaited.

Building maintenance and repair

- The 2018 Quinquennial inspection and report identified maintenance requirements according to impact and urgency. The more serious and urgent requirements have been reviewed with a further building inspection and quotations sought. Most of the work will be in the north side of the building and includes repair and repointing of stonework and buttresses, overhauling rainwater goods and gutters.

Church heating system

- KGB Commercial Heating have taken over maintenance of the church heating system which is now 8 years old and needs more attention. A pump has been replaced this year. Problems in the components of the control system have been identified and remedial work is awaited.

Restoration of the church pipe organ

- Following faculty approval for the organ restoration being granted, a section of the church website has been written to provide an opportunity for donors to contribute to the restoration work. A pamphlet has been prepared and is included in the information on the church website. It can be downloaded from there if required. Promotion of the restoration project was not seen as appropriate during the pandemic, but it is hoped that fundraising can restart sometime in 2021.

Approval

This annual report was approved by the PCC on 24 March 2021.



Revd Canon Madeline Light
PCC Chair

St Stephen's Norwich PCC – Independent examiner's report on the accounts
Report to the trustees/members of The Parochial Church Council of the Ecclesiastical Parish of St Stephen
Norwich, Charity no 1147706
on accounts for the year ended 31 December 2020
set out on pages 8 to 20

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income did not exceed £250,000 and I am qualified to undertake the examination by being a qualified member of the Chartered Institute of Management Accountants.

It is my responsibility to:

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

Basis of independent examiner's statement

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

Independent 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 Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

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.

Signed:



Date: 4 . 4 . 2021

Name: Philip Buttinger ACMA

Relevant professional qualification: Associate of the Chartered Institute of Management Accountants

Address: 6 Bucks Yard, Oak Street, Norwich, NR3 3FA



The Parochial Church Council of the Ecclesiastical Parish of St Stephen, Norwich
Registered Charity No. 1147706

Financial Statements for the Year Ended 31 December 2020

Statement of financial activities

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Incoming resources	3				
Income from:					
Donations and legacies		148,330	40	148,370	148,923
Charitable activities		51,241	-	51,241	124,837
Other trading activities		2,150	-	2,150	1,875
Investments		412	-	412	553
Other		4,672	362	5,034	1,464
Total		206,805	402	207,207	277,652
Resources expended					
Expenditure on:					
Raising Funds		-	-	-	-
Charitable activities	5	256,069	1,955	258,024	345,002
Total		256,069	1,955	258,024	345,002
Net income/(expenditure) before transfers		(49,264)	(1,553)	(50,817)	(67,350)
Transfers between funds		-	-	-	-
Net movement in funds		(49,264)	(1,553)	(50,817)	(67,350)
Reconciliation of funds:					
Total funds brought forward		175,394	2,200	177,594	244,944
Total funds carried forward		126,130	647	126,777	177,594

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Balance sheet

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Fixed assets					
Tangible assets	2.3,8	35,699	-	35,699	51,631
Investments		-	-	-	-
Total fixed assets		35,699	-	35,699	51,631
Current assets					
Debtors	9	5,958	-	5,958	7,354
Cash at bank and in hand	11	94,374	647	95,021	151,311
Total current assets		100,332	647	100,979	158,665
Creditors: amounts falling due within one year	10	9,901	-	9,901	32,702
Net current assets		90,431	647	91,078	125,963
Total assets less current liabilities		126,130	647	126,777	177,594
Provisions for liabilities		-	-	-	-
Total net assets		126,130	647	126,777	177,594
Funds of the Charity					
Restricted funds	2.4,14,15	-	647	647	2,200
Unrestricted funds		126,130	-	126,130	175,394
Total funds		126,130	647	126,777	177,594

Approved by the PCC on 24 March 2021 and signed on their behalf by



Revd Canon Madeline Light, PCC Chairman

The notes on pages 10 to 20 form part of these financial statements.

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts, and in accordance with 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) issued on 16 July 2014 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102. There are no material uncertainties about the charity's ability to continue to operate.

Note 2 Accounting policies

The following accounting policies have been applied by the charity.

2.1 Income

Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Legacies

Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Donated goods

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so. Perishable goods donated for resale and with low values are accounted for as donations (at fair value) with an equal, balancing amount charged to the appropriate expenditure category and are not brought into stock. (see note 4)

Volunteer help

The church relies heavily upon the work undertaken by volunteers, in all of its activities. Whilst the value of these contributions is significant, it is not practical for it to be measured in financial terms and so this is not reflected in these accounts.

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

2.2 Expenditure and liabilities

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Provisions for liabilities

Liabilities are measured at the best estimate of the amount required to settle the obligation(s) at the reporting date.

2.3 Assets

Fixed assets

The general purpose in accounting for certain items as fixed assets is to spread their costs over the years in which the items are expected to be useful. The church's fixed assets each fall into one or more of the following categories —

- Consecrated and benefice property, which is excluded from the accounts by s.10(2)(a)&(c) of the Charities Act 2011.
- Other land and buildings held on behalf of the PCC for its own use or as investment and which is valued in these accounts at a fair but prudent valuation which is considered to be a reasonable estimate of fair value.
- Moveable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal. These are inalienable property and are listed in the church's inventory, which can be inspected at any reasonable time.
- Fixed assets for which, because of the passage of time, there is insufficient cost information available. Such assets are not valued in these financial statements.
- Improvements and renewals to the church building which are inseparable from the building and which are not valued in these financial statements.
- Fixed assets with an original cost less than £300 which have been written off in the year of acquisition.
- Heritage assets which are assets with historical, artistic, scientific, technological, geophysical or environmental qualities maintained principally for their contribution to knowledge and culture. St Stephen's does not recognise the value of heritage assets in its balance sheet as the cost of obtaining valuations exceeds the usefulness of such valuations.
- Significant assets (with an original cost of £300 or more) which have been acquired as part of or since the church's major re-ordering in 2011/12. Relevant assets acquired prior to 2014 were introduced at their fair value at 1 January 2014 as deemed cost. Assets are depreciated over their expected useful lives.

Debtors

Debtors are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity.

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

2.4 Fund Accounting

PCC funds are analysed under specific headings, as follows.

General funds represent the 'free' funds of the PCC that are not subject to any restriction regarding their use and are available for application for the general purposes of the PCC.

Designated funds are earmarked by the PCC for particular purposes but are nevertheless still unrestricted as the PCC can redesignate the funds if it wishes.

Restricted funds are funds collected or donated for a particular purpose and cannot be used by the PCC for any other purpose except by agreement with the donor(s).

The funds of the PCC have been appropriately analysed and the statement of financial activities has been prepared in accordance with this analysis.

Note 3 Analysis of income

	Notes	Unrestricted Funds £	Restricted Funds £	Total for 2020 £	Total for 2019 £
Donations and legacies					
Tax-efficient planned giving		62,209	-	62,209	50,386
Other planned giving		11,340	-	11,340	12,385
Collections at services		1,320	-	1,320	7,920
Non-recurring donations		25,711	40	25,751	31,513
Donations for the Chapel		3,415	-	3,415	6,555
Legacies		-	-	-	-
Tax recovered (Gift Aid)		19,196	-	19,196	18,153
Grants received		25,139	-	25,139	22,011
Total		148,330	40	148,370	148,923
Charitable Activities					
Statutory fees (retained by PCC)		410	-	410	691
Café sales		50,831	-	50,831	124,146
Fundraising activities		-	-	-	-
Total		51,241	-	51,241	124,837
Other trading activities					
Hire of building		2,150	-	2,150	1,875
Investment income					
Bank interest		412	-	412	553
Rent		-	-	-	-
Total		412	-	412	553
Other incoming resources		4,673	361	5,034	1,464
Total incoming resources		206,806	401	207,207	277,652

In 2019 no income related to restricted funds.

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 4 Donated goods

Income from charitable activities includes the proceeds from the sale of cakes etc. which have been donated to the church for sale in The Café.

Sales of donated goods	2020	2019
	£	£
Sale value	7,062	15,340
Deemed value of donation	1,767	3,835

Note 5 Analysis of expenditure

	Notes	Unrestricted Funds £	Restricted Funds £	Total for 2020 £	Total for 2019 £
Resources expended					
Diocesan parish share		54,531	-	54,531	47,391
Staff pay and expenses	17	121,599	-	121,599	113,682
Church electricity, gas and water		8,645	-	8,645	11,144
Church insurance		5,456	-	5,456	5,402
Advertising		577	1,225	1,802	3,793
Depreciation		15,932	-	15,932	10,678
Other costs		-	-	-	-
Donations - charities/mission	6	13,645	-	13,645	16,955
Direct costs for The Café		15,877	-	15,877	38,365
Direct costs for The Chapel		6,722	-	6,722	6,797
Church running expenses —					
Office and telephone		2,591	-	2,591	2,570
Vestry/altar		24	-	24	300
Subscriptions		1,868	-	1,868	2,303
Repairs and maintenance		3,747	-	3,747	26,079
Cleaning and waste disposal		2,297	-	2,297	3,276
Hospitality		260	-	260	585
Sundry		350	-	350	1,555
Sundry church costs		1,948	-	1,948	5,563
Project costs		-	730	730	48,564
Total resources expended		256,069	1,955	258,024	345,002

In 2019 £4,065 of expenditure related to restricted funds.

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 5 (continued)

Analysis of expenditure from unrestricted funds, on charitable activities, by activity

	The Café (unrestricted)	Open Pipes Project (unrestricted)	Other ordinary ministry of the church (unrestricted)	Totals for unrestricted funds
	£	£	£	
Resources expended				
Diocesan parish share	-	-	54,531	54,531
Staff pay and expenses	59,459	-	62,140	121,599
Church electricity, gas and water	5,323	-	3,322	8,645
Church insurance	-	-	5,456	5,456
Advertising	-	-	577	577
Depreciation	6,064	-	9,868	15,932
Donations – charities/missions	-	-	13,645	13,645
Direct costs for The Café	15,877	-	-	15,877
Direct costs for The Chapel	-	-	6,722	6,722
Church running expenses -				
Office and telephone	-	-	2,591	2,591
Vestry/Altar	-	-	24	24
Subscriptions	-	25	1,843	1,868
Repairs and maintenance	-	-	3,747	3,747
Cleaning and waste disposal	1,370	-	927	2,297
Hospitality	-	-	260	260
Sundry	-	-	350	350
Sundry church costs	-	-	1,948	1,948
Project costs	-	-	-	-
Total unrestricted resources expended	88,093	25	167,951	256,069

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 6 Donations and grants made	2020	2019
	£	£
To organisations		
Celebrate Norwich and Norfolk	500	500
Christians Against Poverty	-	1,000
Christian Aid	750	-
The Church's Ministry Among Jewish People	750	1,500
Covenant Players	-	500
East Norfolk Youth Project	1,000	-
HART Charity	-	1,000
HeartEdge	500	-
Hebden Bridge PCC	500	-
King's Chamber Orchestra	-	625
Old Meeting House Church	-	600
Radical Church	-	851
Saltmine Theatre Company	850	-
Saltmine Trust	-	1,509
Shevet Achim	-	2,000
St Georges Church Tunis	-	1,207
Tearfund (Cyclone Adai)	-	1,000
Transforming Norwich	-	1,000
Trunch Group of Churches	1,000	-
Try Praying	200	500
The Vidiyal Trust	500	1,000
We Will Go – childrens work	1,715	-
YMCA Norfolk	3,000	-
Total to organisations	11,265	14,792
To individuals		
Charlotte Snell	1,000	-
Stuart Lees	-	500
Payments to other individuals	1,380	1,663
Total to individuals	2,380	2,163
Grand total	13,645	22,205

Note 7 Stocks

The church holds a small stock of goods for its café operation. As these are perishable their value is minimal and so is not included in these accounts.

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 8 Fixed assets

	Tangible assets £
Cost	
At 1st January 2020	100,391
Additions / (disposals)	-
At 31st December 2020	<u>100,391</u>
Depreciation	
At 1st January 2020	48,760
Charge for the year	<u>15,932</u>
At 31st December 2020	<u>64,692</u>
Net book value	
At 31st December 2020	<u>35,699</u>
At 31st December 2019	<u>51,631</u>

Note 9 Debtors

	2020	2019
	£	£
Trade debtors	750	210
Gift Aid	1,673	6,484
Government Job Retention Scheme	1,992	-
Other accrued income / prepayments	1,543	660
Total	<u>5,958</u>	<u>7,354</u>

Note 10 Creditors

	2020	2019
	£	£
Accrued expenses	977	3,666
PAYE	1,185	1,074
VAT	4,499	9,337
Trade creditors	3,240	18,265
Total	<u>9,901</u>	<u>32,702</u>

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 11 Cash at bank and in hand

	2020	2019
	£	£
Co-operative Current Account	7,814	21,698
Barclays Current Account No 1	1,826	12,879
Barclays Current Account No 2	1,477	677
Barclays Deposit Account	3,159	35,136
CCLA Investment Management Limited	40,078	40,078
Epworth Affirmative Management Limited	40,313	40,073
iZettle Collection Account	-	201
Undeposited receipts	133	333
Petty Cash	61	76
Café Float	160	160
Total	91,021	151,311

Note 12 Statement of cash flows

	2020	2019
	£	£
Cash flows from operating activities		
<i>Net cash provided by operating activities</i> (see note 13)	(56,702)	(26,335)
Cash flows from investing activities:		
Interest	412	513
(Acquisition) / disposal of property and other fixed assets	-	(34,951)
<i>Net cash provided by (used in) investing activities</i>	412	(34,398)
Change in cash in the period	(56,290)	(60,733)
Cash at the beginning of the year	151,311	212,044
Cash at the end of the year	95,021	151,311

Note 13 Reconciliation of net income to net cash flow from operating activities

	2020	2019
	£	£
Net income as per SoFA	(50,817)	(67,350)
Adjustments for:		
Depreciation charges	15,932	10,678
Interest	(412)	(553)
Decrease/(increase) in debtors	1,396	10,364
Increase/(decrease) in creditors and provisions	(22,801)	20,526
Net cash provided by operating activities	(56,702)	(26,335)

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 14 Restricted and designated Funds

Giving Fund	<p>The PCC designates a proportion of its unrestricted income for charitable giving. The balance in this fund represents monies so designated but not yet donated.</p> <p>At 31st December 2020 the balance held in this fund was £1,759.</p>
Open Pipes Project	<p>This is a designated fund to underwrite a maximum of £30,000 towards the initial costs of the major project to recommission the T C Lewis pipe organ at St Stephen's Church. The PCC agreed this level of initial funding, and it is hoped sufficient outside funding will be attracted to enable these funds to be reimbursed to the Church.</p> <p>At 31st December 2020 the balance held in this fund was £25,883.</p>
Richard Caister Project	<p>This restricted fund comprises grants and donations to be used in the furtherance of knowledge in relation to this former Vicar of St Stephen's Church. As well as generating academic interest, it is hoped that the various talks and exhibitions will attract members of the public, thus also being seen as a mission project.</p> <p>At 31st December 2020 the balance held in this fund was £647.</p>

Note 15 Movements in funds

	Balance at 31st December 2019		Transfers between unrestricted funds			Surplus / (Deficit)	Balance at 31st December 2020
	£	Incoming £	Expended £	£	£	£	£
General Fund (Unrestricted)	146,272	206,029	(242,090)	(11,723)	(47,784)	98,488	
Designated Funds (Unrestricted)							
Giving Fund	3,540	141	(13,645)	11,723	(1,781)	1,759	
Open Pipes Project	25,582	635	(334)	-	301	25,883	
Totals for unrestricted funds	175,394	206,805	(256,069)	-	(49,264)	126,130	
Restricted Funds							
Richard Caister Project	2,200	402	(1,955)	-	(1,553)	647	
Totals for Restricted Funds	2,200	402	(1,955)	-	(1,553)	647	
	177,594	207,207	(258,024)	-	(50,817)	126,777	

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes to the accounts

Note 16 Trustees

No trustees were paid any remuneration nor, save as disclosed in note 18 below, received any other benefits from an employment with the charity. One Trustee received a gift of £1,000 in recognition of the contribution made during her period of internship, as disclosed in Note 6. No trustee expenses have been incurred. Unrestricted donation income includes £36,798 (2019 £26,125) received from trustees and related parties.

Note 17 Paid employees

Staff costs	2020	2019
	£	£
Salaries and wages	118,289	110,967
Social security costs (net of Employment Allowance)	1,568	1,426
Other employee benefits	1,742	1,289
Total staff costs	121,599	113,682

Average head count in the year	2019	2018
Part time	9	10
Full time	1	0
Estimated full time equivalent	5	5

The Charities SORP obliges charities to disclose whether they had any employees who received employee benefits (excluding employer pension costs) of more than £60,000. St Stephen's did not.

The charity made no redundancy payments during the reporting period.

Note 18 Related party transactions

Grants received includes £350 (2019 £11,170) received from St Stephen's Church Trust Estates, a charity whose trustees include three members of the PCC.

Note 19 Independent examiner

The trustees are grateful to their independent examiner, Mr Philip Buttinger ACMA who provided his services without charge.

Note 20 Financial effects of the COVID-19 pandemic

Financial sustainability

Although there was significant loss of income in many areas of operation, leading to an excess of expenditure over income of £50,817, this deficit was approximately in line with the budget for the year. The PCC maintains a reserves policy such that the minimum target level of reserve in the General Fund is sufficient to enable main operations to continue for at least three months without income. At 1 January 2021 the target minimum level of reserves, based on the approved budget for 2021, was £53,110 whereas the balance in the General Fund was £98,488. The PCC therefore considers the charity to be financially sustainable, and the going concern basis of accounts preparation continues to be appropriate.

St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2020

Notes on the accounts

Note 20 Financial effects of the COVID-19 pandemic (continued)

The main areas affected by the pandemic were as follows:-

The Café

The café adhered to the Government's restrictions and closed between 21 March and 26 July 2020, and 5 November to 2 December 2020. The café also closed on 24 December 2020 and remained closed in January 2021. This had a material effect, and it is estimated St Stephen's "lost" approximately £39,000 of net café income (sales less cost of sales) during this period. This estimate is based on the approved budget for 2020.

The Chapel

Donations received in respect of the Chapel fell from £6,555 during 2019 to £3,415 during 2020. This loss of income would have been much higher were it not for the receipt of £1,400 as a donation towards the costs of the Chapel from a charity supporting families in need of support during the pandemic.

Cash collections at services

The Church was closed for a substantial part of 2020. The overall loss of income from service collections is reflected when comparing £7,920 collected during 2019 compared to £1,320 in 2020. Gift Aid Small Donations Scheme income on the vast majority of these donations meant a further loss of 25% of the shortfall.

Planned giving

In 2019 planned giving totalled £62,771 which rose to £73,549 in 2020. Gift Aid was claimed on the majority of this giving.

Non-recurring giving

Although £25,751 was received in 2020 compared to £31,513 in 2019, one donation of £10,000 in 2019 was for a specific purpose, the non-recurring giving for the general operation of the Church therefore showed a considerable increase in 2020. Again, Gift Aid was claimed on the majority of these donations.

Coronavirus Job Retention Scheme

During the year £24,789 was received from H M Revenue & Customs in respect of the above scheme, principally in respect of café managers placed on furlough. This enabled all staff to be retained during 2020, with the PCC continuing to pay 100% of all furloughed staffs' salaries.

Overhead expenditure

Although no control could be exercised over certain fixed costs, such as Diocesan parish share, Chapel costs and Church insurance, the closure of the Church led to a reduction in Church light, heat & power costs. (£8,645 in 2020, £11,144 in 2019). There was also no repeat of the costs of major repairs incurred in 2019. Perhaps to be expected, sundry Church costs also showed a marked reduction due to the closure of St Stephen's for large parts of the year.