

# St Stephen's Norwich



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

Annual report and  
financial statements for  
the year ended  
31 December 2021

# 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](mailto:admin@ststephensnorwich.org)  
**Website:** [www.ststephensnorwich.org](http://www.ststephensnorwich.org)

Vicar & PCC Chair*	Revd Canon Madeline Light
Curate*	Revd Dr Ian Fifield (from 27 June 2021)
Ordinands	Ian Fifield (to 27 June 2021)
	Sam Luscombe
Trainee licensed lay minister	Dave Humphreys
Anna Chaplain	Margaret Blackshaw (from 11 October 2021)
Churchwardens*	Chris Killen (to 18 April 2021)
	Zoe Matthews (from 18 April 2021)
Churchwarden and Vice-Chair*	Biddy Collyer
Treasurer*	Susan Stapleford Pink
Secretary	Paul Light
Deanery Synod Representatives*	Gail Halley (from 18 April 2021)
	David Humphreys (from 18 April 2021)

\*indicates member of the PCC and trustee of the charity

## PCC members and trustees of the charity in 2021 or at the date of this report:

(in addition to those marked \* above)

Douglas Bird	Tim Coe (to 18 April 2021)
Susan Clarke (from 18 April 2021)	Lynne Daniels (from 18 April 2021)
Peter Emmrich (from 18 April 2021)	Richard Gilbert (from 18 April 2021)
Zoe Matthews	Jean Norris (to 18 April 2021)
Roy Roberts	Pat Sibthorpe (to 18 April 2021)
Charlotte Snell (to 18 April 2021)	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 2021

This second year dominated by Covid was in some respects easier, because although the lockdown lasted longer than we might have hoped and using the church building for worship and the Café was delayed, when we did eventually open our doors they stayed open. The 2020 skills that enabled us to worship together, watching a recorded service followed by a Zoom coffee in which people talked to others they had only seen at a distance before, equipped us for 2021. Adam Jackson's technical skills and Megan Rawling's commitment to recording sung worship were all critical to the production of online worship. Having adapted to online services we had to unlearn our reclusive habits. All these different changes were made easier for staff by maintaining our connection as a team, meeting regularly on Zoom. The first opening up after lockdown in 2020 prepared us for the numerous rules about sanitising, mask wearing and much more. The staff supported each other and remained a secure committed group.

There were opportunities to make radical changes to the service pattern, bringing together the two previous congregation groups in a 10.30 service while providing weekly communion at 9.00 for those who had got used to coming to church at that early hour. Our congregation has changed in composition. As you will see later in this report many people left and many people have joined.

As a way of engaging with the impact of the pandemic an art exhibition was mounted with six local artists who produced a huge range of work that filled the church for three weeks in the autumn. The friendship with the artists was a joy. Who knows what may come from it?

We have welcomed Ian Fifield as deacon after being ordained in June which has strengthened the service leading team. Dave Humphreys despite being very unwell for a while has continued his training as Reader (Licensed Lay Minister) and Sam Luscombe our ordinand will become curate at St Stephen's next year. Margaret Blackshaw trained and was licensed as an Anna Chaplain for ministry with older people in the congregation. My moving to part-time hours is only possible because we have such a strong ministry team.

In the autumn, Lisa Fifield took on children's work alongside operations management, opening a baby and carer group three mornings per week in the Chapel. This Little Fellowes group that had started many years ago has flourished with the additional hours, and the numbers of people involved can be found later in the report. This has led to the playpen and toys in church coming into their own as we become better known for this provision.

We have learned more of the faithfulness of God and have been drawn to praying more than ever. The Zoom morning prayer that sustained us daily through lockdown is still creating a regular prayerful place for many. It has been remarkable to almost break even financially and to see the Café coming to life again, with a new streamlined menu and ways of working.

A huge "thank you" to those who have worked so hard to bring us through this pandemic-dominated year. This has been a year of challenge and opportunities lived hopefully.

***And hope does not put us to shame, because God's love has been poured out into our hearts through the Holy Spirit, who has been given to us. Romans 5.5***



**Revd Canon Madeline Light, Vicar**

## **St Stephen's Norwich PCC - Annual report for the year ended 31 December 2021**

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 2021.

### **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 2021 are listed on page 1. The PCC met seven times and the standing committee met eleven 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 Community Chaplaincy Norfolk. 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. The Chapel was used for nine months of the year as a hub from which food parcels were delivered to people in need, especially families.

### **Risk management**

During 2021 we have adapted to the changes in Government guidance as we have dealt with the Covid pandemic. As restrictions have been lifted we have been mindful of the need to keep people safe, recognising the level of anxiety within the community. Risk assessments have been updated to reflect this at every stage.

Those using the building for lettings have been supported in assessing the risks associated with meeting again, and new risk assessments have been put in place for the reopening of Little Fellowes at the Chapel.

# St Stephen's Norwich PCC - Annual report for the year ended 31 December 2021

## Risk management (continued)

The PCC has complied in 2021 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 2021 we have continued to audit 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. Additional risk assessments for Messy Church and Kids Matter sessions have been put in place and The Register of Activities has been 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. 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 has presented management accounts drawn up to the previous month-end at each meeting of the PCC. The standing committee has scrutinised monthly reports, including cash flow projections. A review of internal financial controls was undertaken. 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 2021 annual meeting there were 100 names on the electoral roll. Our worshipping community at the end of 2021 was 104 (2020: 102) adults and 9 (2020: 9) children aged under 18; in the year there were 24 (2020: 22) leavers and 26 (2020: 7) joiners. The average combined attendance covering all services, in person and online, on a Sunday in October 2021 was estimated at 78 (2020: 100).

## 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 £77,593 were 53% higher than in 2020 but still 37% down on 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 £20,200 (2020: £24,789). Total income for the year from all sources was £261,174 (2020: £207,207).

The total of all reserves at 31 December 2021 was £113,923 (2020: £126,777). 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 2021, the target minimum level of reserves, based on the approved budget for 2021, was £49,220 whereas the balance in the General Fund was £78,163. 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 unrestricted income to support other charities and individuals in furtherance of its charitable objects. During the year the designated Giving Fund provided donations totalling £12,585.

# St Stephen's Norwich PCC - Annual report for the year ended 31 December 2021

## Financial review (continued)

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 Buttinger ACMA has provided as Independent Examiner.

## SUMMARY OF ST STEPHEN'S ACTIVITIES

### Worship and prayer

There were 33 services posted on YouTube. From 1 January to 16 May these were pre-recorded and edited by Adam Jackson; from 31 May to 31 August they were recorded in church. A 9am Holy Communion service took place in the building as soon as restrictions allowed. A new service pattern was established; 9.15 Holy Communion and 10.30 alternating Holy Communion and Service of the Word. Megan has recorded over 90 videos that can be used to lead our singing when she is not present. Morning prayer at 9.30 every weekday on Zoom has continued with between 7 and 16 people attending. It is projected in the church so that people in the building can participate. Prayer triplets met as soon as they were allowed. Gail Halley continued to administer a prayer request network of over 40 people.

*The pandemic has brought fresh creativity and a bigger perspective ... God has heard our prayers and been faithful to us*

### Café

In 2021 the Café banked £77,593 in sales and £3,879 in donations. With food costing £22,155 and salaries not covered by furlough grants amounting to £45,945, a helpful contribution of £13,372 to overhead costs was generated. We only traded for nine months of the year, but paid our staff 100% for the whole year, topping up furlough payments. There were 19,801 individual customer orders over 213 days. A huge £2,734 worth of home-made cakes and scones were donated to the Café and sold for £10,936. Our pricing policy continues to enable people on a low income to have high quality food and drink at this Café; discounts of £1,600 were granted over the year enabling people to have a drink and something to eat for just £1.

*The Café is much more than financial profit or loss ... Working together we feed each other*

### Young adults

Adam Jackson continued to keep in touch with the established group of young adults. It became obvious at the end of the year that he had been so successful that his role was no longer needed. Since 2013 Adam has been a critical member of the staff team and without his work the age profile of the church would be very different.

*So much is done behind the scenes*

### Children and families

Little Fellowes, baby and carer group, started at the Chapel in September 2021 providing three, two hour sessions a week on Tuesday, Wednesday and Friday. 65 families attended at least once, and 48 returned more than three times. Lisa led this with three volunteer helpers. The Christmas event in church drew 12 children with parents or grandparents. The carers are mothers, child minders, fathers and grandmothers. The children range in age from 0 to 36 months. Sam Roberts helped Lisa run Messy Church once a month. This attracted four families.

*Connections are happening which are taking us out into the community*

# St Stephen's Norwich PCC - Annual report for the year ended 31 December 2021

## Community work

Community work continued through all lockdowns. Two people were enabled to get into permanent accommodation. One person returned to his family after 19 years of estrangement. The Hope into Action house was decorated, and three new male residents settled. The REST detox house, a separate charity, was opened during the year and eight people have lived there. Two have detoxed from methadone and three have given up alcohol. There are six volunteers supporting this work. Most referrals and some volunteers happen via the church. The CAP Money course started again after lockdown and 14 people attended six courses. The church hosted Soul Church on a Wednesday evening to feed between 30 and 50 people each week, and provided office and meeting space for the Norfolk Community Chaplaincy who support ex-offenders.

*The number of people being helped is very encouraging*

## Eco Church

An Eco Church group was convened by Hannah Emrich in July 2021. It has met regularly, supported the climate change pilgrimage and led a service during COP26. The group is connected with diocesan initiatives through Hannah's involvement with the diocese Environmental Working Group. As part of this effort, Lisa Fifield applied for a Bronze award for St Stephen's under the Eco Church scheme run by Christian environmental charity A Rocha. The group has started conversations about having solar panels on the roof of St Stephen's, for which church member John Moore has produced a feasibility study. In addition to this, the group is planning resources and activities to encourage the congregation to live more sustainably.

*Everybody in the group contributes and it feels dynamic*

## Fabric

The major repairs to the external fabric identified in the 2017 quinquennial report were completed in the year. This included mending stonework and repairing faulty rainwater goods that were responsible for significant water ingress on the north wall near the north door. The work was carried out by David Willan. The cost of £20,324 was covered by the St Stephen's Trust. The nine-year-old boilers have needed many replacement parts that will keep them going for many more years. The possibility of restoring the organ remains unresolved through lack of finance.

*Generosity from the past is benefitting present maintenance of the building*

## Approval

This annual report was approved by the PCC on 2 April 2022.

*Madeline Light*

**Revd Canon Madeline Light**  
PCC Chair

**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 2021  
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 £1 million 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: 27. 4. 22

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 2021

Statement of financial activities

	Notes	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
<b>Incoming resources</b>	3				
<b>Income from:</b>					
Donations and legacies		170,394	4,750	175,144	148,370
Charitable activities		78,626	-	78,626	51,241
Other trading activities		5,800	-	5,800	2,150
Investments		42	-	42	412
Other		1,562	-	1,562	5,034
<b>Total</b>		<b>256,424</b>	<b>4,750</b>	<b>261,174</b>	<b>207,207</b>
<b>Resources expended</b>					
<b>Expenditure on:</b>					
Raising Funds		-	-	-	-
Charitable activities	5	274,000	28	274,028	258,024
<b>Total</b>		<b>274,000</b>	<b>28</b>	<b>274,028</b>	<b>258,024</b>
<b>Net income/(expenditure) before transfers</b>		<b>(17,576)</b>	<b>4,722</b>	<b>(12,854)</b>	<b>(50,817)</b>
<b>Transfers between funds</b>		-	-	-	-
<b>Net movement in funds</b>		<b>(17,576)</b>	<b>4,722</b>	<b>(12,854)</b>	<b>(50,817)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		126,130	647	126,777	177,594
<b>Total funds carried forward</b>		<b>108,554</b>	<b>5,369</b>	<b>113,923</b>	<b>126,777</b>

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## Balance sheet

	Notes	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
<b>Fixed assets</b>					
Tangible assets	2.3,8	21,543	-	21,543	35,699
Investments		-	-	-	-
<b>Total fixed assets</b>		<b>21,543</b>	<b>-</b>	<b>21,543</b>	<b>35,699</b>
<b>Current assets</b>					
Debtors	9	5,685	-	5,685	5,958
Cash at bank and in hand	11	91,656	5,369	97,025	95,021
<b>Total current assets</b>		<b>97,341</b>	<b>5,369</b>	<b>102,710</b>	<b>100,979</b>
<b>Creditors: amounts falling due within one year</b>	10	10,330	-	10,330	9,901
<b>Net current assets</b>		<b>87,011</b>	<b>5,369</b>	<b>92,380</b>	<b>91,078</b>
<b>Total assets less current liabilities</b>		<b>108,554</b>	<b>5,369</b>	<b>113,923</b>	<b>126,777</b>
<b>Provisions for liabilities</b>		-	-	-	-
<b>Total net assets</b>		<b>108,554</b>	<b>5,369</b>	<b>113,923</b>	<b>126,777</b>
<b>Funds of the Charity</b>	2.4,14,15				
Restricted funds		-	5,369	5,369	647
Unrestricted funds		108,554	-	108,554	126,130
<b>Total funds</b>		<b>108,554</b>	<b>5,369</b>	<b>113,923</b>	<b>126,777</b>

Approved by the PCC on 23 March 2022 and signed on their behalf by



Revd Canon Madeline Light, PCC Chair

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 2021

## 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 2021

## 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 2021

## 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 2021 £	Total for 2020 £
<b>Donations and legacies</b>					
Tax-efficient planned giving		62,415	-	62,415	62,209
Other planned giving		12,966	-	12,966	11,340
Collections at services		1,255	-	1,255	1,320
Non-recurring donations		23,947	3,800	27,747	25,751
Donations for the Chapel		4,588	-	4,588	3,415
Tax recovered (Gift Aid)		17,623	950	18,573	19,196
Grants received	2	47,600	-	47,600	25,139
<b>Total</b>		<b>170,394</b>	<b>4,750</b>	<b>175,144</b>	<b>148,370</b>
<b>Charitable Activities</b>					
Statutory fees (retained by PCC)		1,033	-	1,033	410
Café sales		77,593	-	77,593	50,831
Fundraising activities		-	-	-	-
<b>Total</b>		<b>78,626</b>	<b>-</b>	<b>78,626</b>	<b>51,241</b>
<b>Other trading activities</b>					
Hire of building		5,800	-	5,800	2,150
<b>Investment income</b>					
Bank interest		42	-	42	412
Rent		-	-	-	-
<b>Total</b>		<b>42</b>	<b>-</b>	<b>42</b>	<b>412</b>
<b>Other incoming resources</b>		<b>1,562</b>	<b>-</b>	<b>1,562</b>	<b>5,034</b>
<b>Total incoming resources</b>		<b>256,424</b>	<b>4,750</b>	<b>261,174</b>	<b>207,207</b>

In 2020 £401 of income related to restricted funds.

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## 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.

<b>Sales of donated goods</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Sale value	10,936	7,062
Deemed value of donation	2,734	1,767

### Note 5 Analysis of expenditure

	Notes	Unrestricted Funds	Restricted Funds	Total for 2021	Total for 2020
		£	£	£	£
<b>Resources expended</b>					
Diocesan parish share		54,531	-	54,531	54,531
Staff pay and expenses	20	113,324	-	113,324	121,599
Church electricity, gas and water		8,629	-	8,629	8,645
Church insurance		5,437	-	5,437	5,456
Advertising		695	28	723	1,802
Depreciation		14,982	-	14,982	15,932
Donations - charities/mission	6	12,585	-	12,585	13,645
Direct costs for The Café		22,155	-	22,155	15,877
Direct costs for The Chapel		3,781	-	3,781	6,722
Church running expenses —					
Office and telephone		2,395	-	2,395	2,591
Vestry/altar		62	-	62	24
Subscriptions		2,273	-	2,273	1,868
Repairs and maintenance		28,192	-	28,192	3,747
Cleaning and waste disposal		2,153	-	2,153	2,297
Hospitality		86	-	86	260
Sundry		390	-	390	350
Sundry church costs		2,330	-	2,330	1,948
Project costs		-	-	-	730
<b>Total resources expended</b>		<b>274,000</b>	<b>28</b>	<b>274,028</b>	<b>258,024</b>

In 2020 £1,955 of expenditure related to restricted funds.

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## 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	50,660	-	62,664	113,324
Church electricity, gas and water	5,114	-	3,515	8,629
Church insurance	-	-	5,437	5,437
Advertising	-	-	695	695
Depreciation	5,192	-	9,790	14,982
Donations – charities/missions	-	-	12,585	12,585
Direct costs for The Cafe	22,155	-	-	22,155
Direct costs for The Chapel	-	-	3,781	3,781
Church running expenses:				
Office and telephone	-	-	2,395	2,395
Vestry/Altar	-	-	62	62
Subscriptions	-	25	2,248	2,273
Repairs and maintenance	-	-	28,192	28,192
Cleaning and waste disposal	1,756	-	397	2,153
Hospitality	-	-	86	86
Sundry	-	-	390	390
Sundry Church Costs	-	-	2,330	2,330
Project costs	-	-	-	-
<b>Total unrestricted resources expended</b>	<b>84,877</b>	<b>25</b>	<b>189,098</b>	<b>274,000</b>

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## Notes to the accounts

<b>Note 6 Donations and grants made</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>To organisations</b>		
Artless Theatre	471	-
Barnabas Fund re Food.Gives	500	-
Barnabas Fund re Afghan Christians	1,000	-
Bible Project	250	-
Celebrate Norwich and Norfolk	-	500
Christian Aid	200	750
Church's Ministry Among Jewish People	-	750
East Norfolk Youth Project	-	1,000
HeartEdge	1,000	500
Hebden Bridge PCC	-	500
Hope into Action	1,040	-
Nepalese Church	500	-
Norwich Foodbank	40	-
Peruvian Mission	500	-
REST CIC	3,000	-
Saltmine Theatre Company	-	850
Saltmine Theatre Company re Passion Play	500	-
Shevet Achim	1,000	-
Toilet Twinning	224	-
Trunch Group of Churches	-	1,000
Try Praying	-	200
The Vidiyal Trust	1,000	500
We Will Go – childrens work	57	1,715
YMCA Norfolk	-	3,000
<b>Total to organisations</b>	<b>11,282</b>	<b>11,265</b>
<b>To individuals</b>		
Charlotte Snell	-	1,000
Payments to other individuals	1,303	1,380
<b>Total to individuals</b>	<b>1,303</b>	<b>2,380</b>
 <b>Grand total</b>	 <b>12,585</b>	 <b>13,645</b>

## 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 2021

## Notes to the accounts

### Note 8 Fixed assets

	Tangible assets £
<b>Cost</b>	
At 1st January 2021	100,391
Additions/(Disposals)	826
At 31st December 2021	<u>101,217</u>
<b>Depreciation</b>	
At 1st January 2021	64,692
Charge for the year	14,982
At 31st December 2021	<u>79,674</u>
<b>Net book value</b>	
At 31st December 2021	<u>21,543</u>
At 31st December 2020	<u>35,699</u>

### Note 9 Debtors

	2021 £	2020 £
Trade debtors	650	750
Gift Aid	1,772	1,673
Government Job Retention Scheme	-	1,992
Other accrued income/prepayments	3,263	1,543
<b>Total</b>	<u>5,685</u>	<u>5,958</u>

### Note 10 Creditors

	2021 £	2020 £
Accrued expenses	1,261	977
PAYE	917	1,185
VAT	3,362	4,499
Trade creditors	4,790	3,240
<b>Total</b>	<u>10,330</u>	<u>9,901</u>

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## Notes to the accounts

### Note 11 Cash at bank and in hand

	2021	2020
	£	£
Co-operative Current Account	24,466	7,814
Barclays Current Account No 1	577	1,826
Barclays Current Account No 2	31	1,477
Barclays Deposit Account	9	3,159
CCLA Investment Management Limited	30,078	40,078
Epworth Affirmative Management Limited	40,318	40,313
iZettle Collection Account	646	-
Undeposited receipts	746	133
Petty Cash	14	61
Café Float	140	160
<b>Total</b>	<b>97,025</b>	<b>95,021</b>

### Note 12 Statement of cash flows

	2021	2020
	£	£
<b>Cash flows from operating activities</b>		
<i>Net cash provided by operating activities (see note 13)</i>	<b>2,788</b>	<b>(56,702)</b>
<b>Cash flows from investing activities:</b>		
Interest	42	412
(Acquisition)/disposal of property and other fixed assets	(826)	-
<i>Net cash provided by (used in) investing activities</i>	<b>(784)</b>	<b>412</b>
Change in cash in the period	2,004	(56,290)
<b>Cash at the beginning of the year</b>	<b>95,021</b>	<b>151,311</b>
<b>Cash at the end of the year</b>	<b>97,025</b>	<b>95,021</b>

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

	2021	2020
	£	£
<i>Net income as per statement of financial activities</i>	<b>(12,854)</b>	<b>(50,817)</b>
<b>Adjustments for:</b>		
Depreciation charges	14,982	15,932
Interest	(42)	(412)
Decrease in debtors	273	1,396
Increase/(decrease) in creditors and provisions	429	(22,801)
<i>Net cash provided by operating activities</i>	<b>2,788</b>	<b>(56,702)</b>

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## Notes to the accounts

### Note 14 Restricted and designated Funds

#### Designated funds

Giving Fund

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. At 31<sup>st</sup> December 2021 the balance held in this fund was £4,128.

Open Pipes Project

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. At 31<sup>st</sup> December 2021 the balance held in this fund was £26,263.

#### Restricted funds

Richard Caister Project

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. At 31<sup>st</sup> December 2021 the balance held in this fund was £619.

Open Pipes Project

This restricted fund relates to donations received specifically towards the costs of the major project to recommission the T C Lewis pipe organ at St Stephen's Church. At 31<sup>st</sup> December 2021 the balance held in this fund was £4,750.

### Note 15 Movements in funds

	Balance at 31st December 2020			Transfers between unrestricted funds	Surplus/Deficit	Balance at 31st December 2021
	£	Incoming £	Expended £	£	£	£
<b>General Fund (unrestricted)</b>	98,488	256,019	(261,390)	(14,954)	(20,325)	78,163
<b>Designated Funds (unrestricted):</b>						
Giving Fund	1,759	-	(12,585)	14,954	2,369	4,128
Open Pipes Project	25,883	405	(25)	-	380	26,263
<b>Totals for Unrestricted Funds</b>	<b>126,130</b>	<b>256,424</b>	<b>(274,000)</b>	<b>-</b>	<b>(17,576)</b>	<b>108,554</b>
<b>Restricted Funds</b>						
Richard Caister Project	647	-	(28)	-	(28)	619
Open Pipes Project	-	4,750	-	-	4,750	4,750
<b>Totals for Restricted Funds</b>	<b>647</b>	<b>4,750</b>	<b>(28)</b>	<b>-</b>	<b>4,722</b>	<b>5,369</b>
	<b>126,777</b>	<b>261,174</b>	<b>(274,028)</b>	<b>-</b>	<b>(12,854)</b>	<b>113,923</b>

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## 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. No trustee expenses have been incurred. Unrestricted donation income includes £45,405 (2020 £36,798) received from trustees and related parties.

### Note 17 Paid employees

<b>Staff costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries and wages	110,640	118,289
Social security costs (net of Employment Allowance)	1,246	1,568
Other employee benefits	1,438	1,742
<b>Total staff costs</b>	<b>113,324</b>	<b>121,599</b>

<b>Average head count in the year</b>	<b>2021</b>	<b>2020</b>
Part time	8	9
Full time	1	1
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 one redundancy payment during the reporting period. This is included in the above salaries and wages total.

### Note 18 Related party transactions

Grants received includes £21,324 (2020 £350) received from St Stephen's Church Trust Estates, a charity whose trustees include three members of the PCC.

During the year Ian Fifield was ordained as a deacon and licensed to St Stephen's, as a result becoming a member of the PCC. His wife Lisa is employed by the PCC as Operations Manager and Children and Families Co-ordinator; her employment commenced in September 2019 and continued unchanged through the year. Ian does not take part in discussions and decisions concerning his wife's employment.

### Note 19 Independent examiner

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

# St Stephen's Norwich PCC – Financial statements for the year ended 31 December 2021

## Notes to the accounts

### 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 £12,854, this situation was approximately in line with budgeted figures.

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 2022 the target minimum level of reserves, based on the approved budget for 2022, was £49,220 whereas the balance in the General Fund at 1 January 2022 was £78,163. The PCC therefore considers the charity to be financially sustainable, and the going concern basis of accounts preparation is appropriate.

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

#### The Café

The Café adhered to the Government's restrictions and closed between 1 January and 12 April 2021. This had a material effect, and it is estimated St Stephen's "lost" approximately £12,500 of net café income less cost of sales during this period. This estimate is based on the agreed budgeted figures for 2021.

#### Cash collections at services

The church was closed for a substantial part of 2021. The overall loss of income from service collections is reflected when comparing £7,920 collected during 2019, the last pre-pandemic year, compared to £1,255 in 2021. Gift Aid Small Donations Scheme income on the vast majority of these donations meant a further loss of 25% of the shortfall.

#### Coronavirus Job Retention Scheme

During the year £20,200 was received from H M Revenue & Customs in respect of the above scheme, the vast majority of which related to café managers. This enabled all staff to be retained during 2021, with the PCC determining 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 for example, the closure of the church led to a continued decrease in church light, heat and power costs.