



Parochial Church Council of St Nicholas, Harpenden

Trustees' Report and Financial Statements

For the year ended 31 December 2021

Parochial Church Council of St Nicholas, Harpenden

Contents

	Page
Legal and Administrative Information	1
Report of the Trustees	2-12
Independent Examiner’s Report	13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17-26

Parochial Church Council of St Nicholas, Harpenden

Legal and Administrative Information

Charity number	1130793
Business address	Parish Office St Nicholas Church Church Green Harpenden AL5 2TP
Trustees	Reverend Canon Dr D L Stamps Reverend S Goodson Reverend J Brown All members of the PCC
Secretary	Ms S Longden
Accountants	Brendan Philip Chambers F.F.A. Fusion Accountancy Limited Fountain Court 2 Victoria Square St Albans AL1 3TF
Bankers	HSBC 1 High Street Harpenden AL5 2RS
Key management personnel	Incumbent: Reverend Canon Dr D L Stamps Associate Vicars: Reverend S Goodson, Reverend J Brown Parish Wardens: Kevin Featherstone, Tim Linacre PCC Treasurer: Jacqueline Agg

Parochial Church Council of St Nicholas, Harpenden

Report of the Trustees

for the year ended 31 December 2021

The trustees present their report and the financial statements for the year ended 31 December 2021.

The trustees who served during the year and up to the date of this report are:

Clergy: Revd Canon Dr Dennis Stamps (Incumbent), Revd Sally Goodson, Revd James Brown

Churchwardens: Kevin Featherstone, Tim Linacre

Elected Members: Jacqueline Agg, Mike Box (from July 2021), Judith Card, Wendy Fulford (until March 2021), Tony Gilbert, Claire Glendinning (until March 2021), David Howell, Sarah John, Maureen Lamburn (from November 2021), Anne MacDougall, Christy Monson, Linda Oakes, Heather Richards, William Say, Tamsen Wallis, David Williams

General and Diocesan Synod: Tim Fleming (from September 2021)

Deanery Synod: Julie Aldridge, Agneta Burton, Rosemary Farmer, Ann Halstead (from March 2021), Richard Hurst

Co-opted: Michelle McCulloch (from July 2021)

Aims and purposes

The Parochial Church Council of St Nicholas, Harpenden (hereafter, "PCC") has complied with the duty in section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission (i.e. public benefit statement). Every PCC member is a trustee of The Parochial Church Council of St Nicholas, Harpenden.

The PCC is committed to encourage the work of God in mission and ministry in the Parish by sustaining the Parish vision statement:

CONNECT, BELONG, SHARE, GROW - Our mission is to build connections, encourage belonging, and share an appealing faith that grows a vibrant Christian community at every stage of life. In addition, we state that we are an inclusive church, called to be caring, loving and welcoming to all.

The Parish has the responsibility of cooperating with the incumbent, the Reverend Canon Dr Dennis Stamps, and the associate vicars, Reverend Sally Goodson and Reverend James Brown, to promote this vision and to promote the whole mission of the Church - pastoral, evangelistic, social and ecumenical.

Report of the Trustees

for the year ended 31 December 2021

Objectives

In order to achieve our aims and purposes, the PCC:

- i. Seeks to connect with the whole community by ensuring a pattern and variety of styles of worship services in all three churches that are open to everyone in the community.
- ii. Seeks to connect with the wider community by encouraging each church to serve all ages in the community by offering select services through programmes and by making available the use of our facilities and resources.
- iii. Seeks to encourage belonging by providing courses and classes in preparation for baptism and confirmation and providing social events and activities for all ages.
- iv. Seeks to share an appealing faith by creating welcoming churches with quality worship services and a range of interesting courses and events to supplement.
- v. Seeks to grow a vibrant Christian community, by enabling a wide variety of volunteer roles that sustain the life and mission of the church and by offering personal and corporate opportunities for people to grow in faith and understanding.
- vi. Seeks to support these objectives and church activities by maintaining the fabric of our three churches and their halls, and through good and effective governance and the management of finances.

Achievements and performance

2021 was another year of learning to live with COVID-19 and the associated restrictions imposed and guidance given by the UK Government to safeguard public health. While many of our normal activities were unable to take place, the Parish continued to adjust so that we were able to fulfil our mission.

During 2021, the Parish undertook a number of activities to help realise our mission and its aims and objectives. Across our three churches, our achievements and performance, in these respects, can be summarised as follows.

i. Connecting with the whole community by ensuring a pattern and variety of styles of worship services in all three churches that are open to everyone in the community

Across the Parish our services embrace a range of styles of worship designed to have a wide appeal and to be as inclusive as possible. All our services are publicised to the whole community via the Parish website, Facebook, weekly emails and external noticeboards.

Home communion is provided by each of our three District churches for those who are housebound.

St Nicholas Church

At St. Nicholas the normal pattern of services includes Holy Communion, Sung and Said Eucharist, Sung Evensong, morning and evening prayer, Morning Praise (lay-led Service of the Word with a sermon) and Simply Worship (simple informal service with a family focus).

Parochial Church Council of St Nicholas, Harpenden

Report of the Trustees

for the year ended 31 December 2021

During the first three months of the year, we offered a range of online services, from Sunday worship (including communion and Morning Praise formats) to morning and evening prayers. As the restrictions eased, in-person services returned gradually, with our full programme of weekly worship resuming in September 2021. One Sunday morning service is live-streamed to allow people to attend online as well as in person.

Our Advent soup and carols and Christingle services were well attended. Numbers at the Christmas Eve crib and Christmas Day services were down on pre-pandemic years as the latest wave of Covid infections took hold.

All Saints' Church

All Saints' has a regular Sunday morning pattern of one worship service and two Holy Communion services per month. As in-person services returned during the year, the Sunday morning service continued to be a hybrid service, to allow people to attend in person or online. In addition, a fortnightly weekday Holy Communion service is held.

A series of Advent videos were produced and uploaded onto social media and our outdoor carols around the fire pit was very successful. Numbers at the Christmas Eve crib service and Christmas Day services were down due to the high number of Covid infections locally.

St Mary's church

St. Mary's had pre-recorded services during periods of lockdown in the early part of 2021, and returned to church in-person in April 2021. The main Sunday morning service is livestreamed, to allow people to watch the service from home. The Tuesday morning service has grown in number as people found this quieter space, with a small congregation, to be their preferred option. Simply Worship returned in person during April and is also livestreamed to enable access for those who cannot attend in person. The 11am service of Holy Communion on the first Sunday returned in church in August 2021.

Our Christmas services were carefully planned to avoid the very crowded crib services and carol service. A walk through "Come and Visit Bethlehem" attracted families and other visitors. We were able to return to our monthly service at the local retirement flats in the summer of 2021, and sang carols there before Christmas.

- ii. Connecting with the wider community by encouraging each church to serve all ages in the community by offering select services through programmes and by making available the use of our facilities and resources***

St Nicholas Church

The regular programme at St. Nicholas includes Sunday Clubs for children and Toddler Time, offering age-appropriate activities focused on building fellowship and an understanding of the Bible and our faith. Our popular Simply Worship services returned in person during 2021.

As restrictions eased during the year, we were able to open Cornelia's Coffee Shop to provide an opportunity for all ages to connect and support one another. Church Watch volunteers enabled St

Parochial Church Council of St Nicholas, Harpenden

Report of the Trustees

for the year ended 31 December 2021

Nicholas to stay open to the public when allowed, and a team of volunteers enabled access for private prayer.

Regular collections for the foodbank provided the opportunity for anyone in the community to drop food and non-food items off which were then delivered to the two existing projects that we support: The Salvation Army in Harpenden and FEED, the food bank at the Vineyard Church in St Albans.

Many community groups benefit from being able to use the Church and hall, including St Nicholas Primary School, 21st Harpenden Brownies, 10th Harpenden Guides and Rangers and 12th Harpenden Scout Group, although many suspended indoor face to face activities in 2021.

All Saints' Church

All Saints' Church hall is normally almost fully booked throughout the year. As Covid restrictions eased during 2021, the number of groups resuming their activities increased. Our hall users include the nursery 'Fingertips', the Harpenden Child Contact Centre, Dance Groups for school age children, RSPB, a flower arranging group, and Brownies and Guides.

The Church also allows the Harpenden Money Advice Centre - a charity helping those in financial difficulty - to use its building during weekdays.

In the run up to Christmas, almost all the children from a local primary school visited church to hear the Christmas story.

St. Mary's Church

St. Mary's seeks to connect with the wider community by opening the Church and hall to external groups such as a Nursery, the WI, ballet classes, lace makers and for private hire. Our regular hirers returned during 2021. Our Tuesday Afternoon Group resumed in July, with a garden party.

A Little Lunch is a group organised jointly with scouts that meets once a month providing a two-course lunch and companionship for the over 75s living alone in Harpenden. These lunches resumed in December 2021.

Collections of donated items for the local foodbank continued throughout 2021.

iii. Encouraging belonging by providing courses and classes in preparation for baptism and confirmation and providing social events and activities for all ages

Courses in preparation for baptism and for confirmation are regularly organised at the Parish-level, each year. We offered baptism preparation online and baptism services as restrictions allowed. Eleven young people and one adult were prepared for Confirmation during 2021 and confirmed in November. Nine children were prepared and admitted to Communion during the autumn of 2021.

St. Nicholas Church

St. Nicholas Church regularly offers other courses, classes, social events, and activities: including coffee after services, Sunday clubs for children, the Harpenden Julian meeting, home study groups, the Bible reading fellowship group, Mothers' Union, Supper Club, afternoon tea for the bereaved

Parochial Church Council of St Nicholas, Harpenden

Report of the Trustees

for the year ended 31 December 2021

and a range of other events. Many of these activities continued to be restricted by the pandemic during 2021 but several returned during the last few months of the year.

The Christmas Fayre was very successful; it was held both indoors and outdoors and involved many church groups including our local scout and guide groups. Cornelia's coffee shop has continued to provide a social hub for the community whenever it has been possible for it to open.

All Saints' Church

Younger members of the congregation are invited to attend our Sunday Club during our Sunday worship. At the end of the service, the children are encouraged to share what they have done with the rest of the congregation.

Busy Bunnies, our weekly toddler group, recommenced in September. A well-attended picnic was held in the summer, with cream teas delivered to those who were unable to be there in person. Sunday coffee recommenced during the autumn.

St. Mary's Church

St Mary's continued its all-age service called Simply Worship once a month. With respect to social events, we continued coffee by Zoom twice each week, until we could resume coffee after services in church. We have been unable to hold our fete, or Harvest supper, but a Harvest quiz was given out to complete at home to raise funds for charity and two picnics were held during the summer.

Members of our congregation across the Parish participated in the annual 'Bike and Hike' event in September.

iv. Sharing an appealing faith by creating welcoming churches with quality worship services and a range of interesting courses and events to supplement

Our new Parish website, designed to be more user-friendly and welcoming, went live during 2021.

The livestreaming of Morning and Evening prayer on Tuesdays, Wednesday and Thursday, which began in 2020, has continued, and receives a good number of views on our Facebook pages.

Across the Parish, Lent courses were offered. Each of our churches had small groups that met either in person at members of the congregation's homes, or online.

The Church Pastoral teams across our Parish continued to spend time regularly calling members of the congregation, particularly those who felt unable to attend church in person to stay in touch.

St. Nicholas Church

Wherever possible the Church has offered worship services in Church during the year. Our Simply worship service continues to be very popular, attracting a larger number of families on the first Sunday of the month.

A number of outdoor services made use of the greater freedom to meet and offered another way to engage with our community. The quality of the musical element of services has never been higher thanks to the Director of Music, the members of the choir and music groups.

Parochial Church Council of St Nicholas, Harpenden

Report of the Trustees

for the year ended 31 December 2021

All Saints' Church

All Saints' moved to a single Sunday service during lockdown and this has continued as services have returned to church, after consultation with the congregation. A number of new events and worship opportunities have taken place during the year. In Holy Week, an art installation consisting of three black crosses, was placed in the garden, with the central cross turning gold on Easter Day. Creationtide was celebrated during the month of September as part of our commitment to the Eco Church project.

St. Mary's Church

Simply worship services have adapted by creating high quality recorded music for our services and encouraging participation by joining in actions and signs when we couldn't sing. Our craft activities were simplified to avoid mixing, and to provide materials for creative activity to each family.

Lent bags were delivered to homes for our Simply Worship congregation, and Palm crosses to our 9.30 congregation. This doorstep visiting enabled us to maintain contact with people whilst we could not meet in Church and it was well received.

Our monthly Bible study group met by Zoom, and returned to meeting in Church during the year.

Our organists maintained high standards of music for our services, despite the absence of hymn singing for the first part of the year.

v. Growing a vibrant Christian community, by enabling a wide variety of volunteer roles that sustain the life and mission of the Church and by offering personal and corporate opportunities for people to grow in faith and understanding

Across the Parish we rely heavily on the goodwill of volunteers in so many capacities. From membership of formal committees like the PCC, DCCs to clearly structured volunteering positions like those of the Wardens, Treasurers, Property Managers, Lettings and so on, to those who assist with our services by arranging flowers, acting as Altar Servers, welcomers or sidespeople, run the sound and light equipment, reading our lessons and leading our prayers, to providing music and bell ringing. Others help to maintain the grounds and the Garden of Remembrance, organise the food bank donations, lead or help with Sunday club, organise groups like the Mothers' Union, Supper Club, home groups, prayer groups, and a whole host of other roles. Without these willing volunteers our community would not be as vibrant, as supportive, as inclusive, or as able to be a force for good in our wider community.

The work of our Local Ministry Development Team (LMDT) at All Saints' Church continues to be integral to the spiritual development of that community and the wider Parish. They particularly help with leading worship and in caring for pastoral and spiritual needs of the congregation.

Parochial Church Council of St Nicholas, Harpenden

Report of the Trustees

for the year ended 31 December 2021

- vi. Supporting these objectives and church activities by maintaining the fabric of our three churches and their halls, and through good and effective governance and the management of finances***

The programme of work to maintain our three Churches has continued, although some projects and areas of expenditure were put on hold in view of the impact of the pandemic on our income as a Parish.

St Nicholas Church

The improvements to our sound and light system, to facilitate better live streaming of our services, were carried out. A ramp was installed at the West-end door of the Church, providing improved entry/exit access. Work has also been undertaken to clear the gutters of both the Church and hall.

All Saints' Church

During the year the insulation of the vestry and sacristy was improved, and the south wall of the Church hall was repaired, with improved insulation added here as well. An initial assessment of the work required to split the heating controls between the Church and the hall was carried out.

St. Mary's Church

In 2021, major repairs were carried out to the carpark to create a stronger surface over the most frequently used area of the car park. This had been long awaited and required major fundraising over a number of years. New signs were added to the car parking areas.

The eco-Church group began work in July, to assess the energy efficiency of our buildings. A water butt has been kindly donated to enable easy watering of our gardens.

Fire security systems were updated, internal lighting was replaced with energy-efficient bulbs; and other items of general maintenance carried out.

Parochial Church Council of St Nicholas, Harpenden

Report of the Trustees

for the year ended 31 December 2021

Financial review

Total receipts on unrestricted funds were £585,142 (£484,078 general unrestricted funds and £101,064 designated funds). Unrestricted voluntary donations of £354,530 were received (£338,267 general unrestricted and £16,263 designated), including £60,304 from Gift Aid. Restricted donations of £11,882 were also received. Planned Giving, through the Parish Giving Scheme and envelopes remained constant, despite the ongoing effects of Covid restrictions. Non-planned giving remains significantly lower than pre-Covid as fewer in-person services were held and attendance was lower. We are very grateful for the legacies of £76,266 received during the year, one of which is a substantial amount for the benefit of St Nicholas Church. Income from the use of our church halls recovered during 2021 as a number of groups who use our halls returned to face to face meetings.

£499,585 was spent from general unrestricted funds to provide our Christian ministry from our three churches, including the net contribution of £282,946 to the diocesan parish share that provides the stipends, housing and training for clergy both pre and post ordination. The sum that each parish in the diocese is asked to find is calculated on a formula that is based mainly on a head count of the congregations.

Expenditure on our services and church buildings increased during 2021, as a result of the St Mary's car park improvements, the installation of live streaming equipment and the purchase of new choir robes at St Nicholas. £61,002 of this expenditure was funded from restricted funds.

Each year we support a number of international and local charities and in 2021 £16,172 was given. This figure includes donations from the PCC, the profits of Cornelia's coffee shop, plus service collections and various fundraising events held across our three churches.

The net result for the year was an excess of payments over receipts £15,727 on free undesignated funds. Adding bank and deposit balances brought forward at the beginning of the year, the balances carried forward as at 31st December on free undesignated funds totalled £29,913. The total funds at 31 December 2021 were £1,290,040.

Reserves policy

It is the policy of the PCC to hold in unrestricted reserves the equivalent of three months general running costs and salary costs. The trustees believe this amount to be £60,000; this is held in designated funds. It is also the policy of the PCC to hold an amount in designated funds for likely building works at the next quinquennial inspection and to meet unexpected maintenance and repair costs in our three District churches and the clergy houses.

Included within unrestricted funds is freehold property of £945,280, representing the cost of land and buildings owned by the PCC. These freehold property funds can only be realised by disposal of the properties.

In addition, the PCC holds restricted funds of £129,214. These funds mainly arose from legacies. The majority will be utilised in the next couple of years, in accordance with donor wishes, for example to fund improvements and significant repairs to our church buildings and the memorial garden at St Nicholas. These funds are held in cash within the funds of the Parish.

Report of the Trustees

for the year ended 31 December 2021

Plans for future periods

For 2022 our focus remains managing the post-pandemic period for our Parish and each of our three churches, so that we continue to re-connect with the whole community through a variety of worship services, programmes, social events and activities for all ages. We will also continue to make available the use of our facilities and resources to the community.

As a Parish we are reviewing and updating our mission, to clarify our strategic priorities. This will include enabling the mission priority of All Saints, enhancing our ministry to families and young people, and engaging with the diocesan priority of making new disciples in our Parish.

To support this, and all our objectives and church activities, we will continue to maintain the fabric of our three churches and their halls. We are also seeking opportunities to reduce our ongoing financial deficit.

Risk management

The PCC, as trustees, have assessed the risks the charity faces and have drawn up a risk matrix which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening, and the measures taken to manage them. The trustees review this risk matrix and risk areas regularly at their meetings and at meetings of the Standing Committee and Finance Committee. The trustees are satisfied that systems are in place, or arrangements are in hand, to manage the risks that have been identified.

In particular, insurance cover is in place, and the finances of the PCC are kept under review. The PCC has approved and adopted the Promoting a Safer Church Policy Statement of the Church of England. The Parish follows national safer recruitment guidance for the recruitment of volunteers (including carrying out DBS checks for relevant roles), has in place relevant risk assessments and Best Practice Guidelines for working with Young People and Vulnerable Adults provided by the Diocese. The Parish has committed to respond appropriately and proportionately, in accordance with the Policy Statement and guidance, to any safeguarding allegations and to work closely with the Diocesan Safeguarding Adviser and/or relevant statutory agencies when necessary.

Report of the Trustees

for the year ended 31 December 2021

Structure, governance and management

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a registered charity (Charity Number 1130793). The appointment of PCC members is governed by and set out in the Church Representation Rules. The membership consists of the incumbent (the Reverend Canon Dr Dennis Stamps), the associate vicars (Reverend Sally Goodson and Reverend James Brown), churchwardens, a member elected to General and Diocesan Synod together with members elected to PCC and Deanery Synod by those members of the congregation who are on the electoral roll of the Parish. In addition, the Parish Safeguarding Officer is co-opted as a member.

New members of the PCC are required to complete a trustee registration form and are provided with a booklet "Trusteeship – An Introduction for PCC Members". The PCC appoints a secretary and a minutes secretary, who attend PCC meetings as observers. All those who attend our services are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the Parish, including deciding on how the funds of the PCC are to be spent. The PCC works with the Rector and the associate vicars to promote the vision of the Church.

The full PCC met six times during the year, with an average level of attendance of 63%. Given its wide responsibilities, the PCC has a number of committees - each dealing with a particular aspect of Parish life (Finance Committee; Giving Committee; Pay Committee). The remit of each committee is set by the PCC and it receives regular reports from each, which are discussed as necessary. The Finance Committee oversees the management of the PCC budgets; the Giving Committee oversees fund raising; and the Pay Committee oversees the pay and remuneration of the PCC's employees (with delegated powers to set salaries). The PCC Treasurer provides regular financial reports, which are discussed as necessary by the PCC. A Standing Committee oversees the agenda and arrangements for the PCC meetings.

Each year the PCC donates some of its unrestricted giving to support Mission work outside the Parish. The charities supported are selected annually by the PCC under the guidance of the Giving Committee.

Each of the three churches in the Parish (St. Nicholas; All Saints'; and St. Mary's) have their own district church councils (DCC) and they each report to the PCC, with their reports also being discussed as necessary. The members of each DCC are elected by those on the electoral roll in each Church district.

The PCC is responsible for the maintenance of all the district churches and halls. It is also responsible for the maintenance of three clergy houses; a rental property on Church Green; and the Parish also contributes to the maintenance of the Rectory.

Report of the Trustees

for the year ended 31 December 2021

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping proper accounting records which 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.

On behalf of the board

Reverend Canon Dr D L Stamps

5 May 2022

Parochial Church Council of St Nicholas, Harpenden

**Independent Examiner's Report to the Trustees on the Unaudited Financial Statements of
Parochial Church Council of St Nicholas, Harpenden**

I report on the accounts of Parochial Church Council of St Nicholas, Harpenden for the year ended 31 December 2021 set out on pages 14 to 26.

Respective responsibilities of trustees and independent examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the Act), does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Act; to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 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 the 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently 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:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 130 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Brendan Philip Chambers F.F.A.

Independent examiner

5 May 2022

Parochial Church Council of St Nicholas, Harpenden

**Statement of Financial Activities
for the year ended 31 December 2021**

	Notes	Unrestricted funds		Restricted funds	Total 2021	Total 2020
		General £	Designated £	£	£	£
Income						
Donations and legacies	2	338,267	98,629	16,882	453,778	422,231
Charitable activities	3	143,776	2,435	3,495	149,706	111,929
Investment income	4	2,035	-	11	2,046	2,381
Total income		484,078	101,064	20,388	605,530	536,541
Expenditure						
Charitable activities	5	499,585	5,011	70,881	575,477	540,039
Total expenditure		499,585	5,011	70,881	575,477	540,039
Net income/(expenditure) before transfers		(15,507)	96,053	(50,493)	30,053	(3,498)
Transfers between funds		(220)	(3,432)	3,652	-	-
Net movement in funds		(15,727)	92,621	(46,841)	30,053	(3,498)
Total funds brought forward		990,920	93,012	176,055	1,259,987	1,263,485
Total funds carried forward		975,193	185,633	129,214	1,290,040	1,259,987

Parochial Church Council of St Nicholas, Harpenden

**Balance Sheet
as at 31 December 2021**

	Notes	2021	2020
		£	£
Fixed assets			
Tangible assets	9	945,280	945,280
Current assets			
Debtors	10	4,797	11,225
Investments	11	5,760	5,040
Cash at bank and in hand		356,650	324,554
		<u>367,207</u>	<u>340,819</u>
Creditors: amounts falling due within one year	12	<u>(22,447)</u>	<u>(26,112)</u>
Net current assets		344,760	314,707
Net assets		<u>1,290,040</u>	<u>1,259,987</u>
Funds	13		
Restricted income funds	14	129,214	176,055
Unrestricted income funds	15	1,160,826	1,083,932
Total funds		<u>1,290,040</u>	<u>1,259,987</u>

The financial statements were approved by the trustees on 5 May 2022 and signed on its behalf by

Reverend Canon Dr D L Stamps
Trustee

Mrs J Agg
Treasurer

Parochial Church Council of St Nicholas, Harpenden

**Cash Flow Statement
at 31 December 2021**

	Notes	£	2021 £	£	2020 £
Cash flows from operating activities					
Net cash provided by operating activities	17		30,770		(1,956)
Cash flows from investing activities:					
Dividends and cash interest		2,046		2,381	
(Gain)/loss on value of non-cash investments		(720)		(324)	
Net cash flows from investing activities			1,326		2,057
Change in cash and cash equivalents in the reporting period			32,096		101
Cash and cash equivalents at 1 January			324,554		324,453
Cash and cash equivalents at 31 December			<u>356,650</u>		<u>324,554</u>

**Notes to the Financial Statements
for the year ended 31 December 2021**

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared 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) – SORP FRS 102 (effective 1 January 2019).

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved applying SORP FRS 102 (effective 1 January 2019) rather than the version of the Statement of Recommended Practice referred to in the regulation but which has since been withdrawn. The accounts are prepared on the basis that the PCC is a going concern, and that the PCC is a public benefit entity under SORP FRS 102.

There have been no changes of accounting policy or changes to accounting estimates and no material prior year errors have been identified in the reporting period (SORP FRS 102) .

1.2 Going concern

These financial statements are prepared on the basis of the charity being a going concern. The trustees make their own assessment of the charity's ability to continue as a going concern to assure themselves of the validity of this assumption when preparing accounts. In making this assessment, the trustees take into account all available information about the future for at least, but not limited to, 12 months from the date the accounts are approved.

1.3 Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Gifts donated for resale are included as income when they are sold.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

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

Income from the coffee shop is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

**Notes to the Financial Statements
for the year ended 31 December 2021**

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability when it is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

The parish share is accounted for when payable. Any quota unpaid at 31st December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.5 Tangible fixed assets and depreciation

Consecrated and beneficed property is excluded from the accounts by S.10(2)(c) of the Charities Act 2011.

No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal, since the PCC considers this to be inalienable property.

All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Land and buildings are included at cost at 31st December 2021.

1.6 Investments

Current asset investments are at the lower of cost and net realisable value.

1.7 Defined contribution pension schemes

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

2. Donations and legacies

	Unrestricted funds		Restricted funds	Total 2021	Total 2020
	General	Designated			
	£	£	£	£	£
Donations	338,267	16,263	11,882	366,412	378,231
Grants	-	11,100	-	11,100	-
Legacies	-	71,266	5,000	76,266	44,000
For the year ended 31 December 2021	338,267	98,629	16,882	453,778	422,231
For the year ended 31 December 2020	355,230	-	67,001		422,231

A discretionary COVID support grant was received from St Albans City and District Council during 2021.

**Notes to the Financial Statements
for the year ended 31 December 2021**

3. Income from charitable activities

	Unrestricted funds		Restricted funds	Total 2021	Total 2020
	General	Designated			
	£	£	£	£	£
Printing	187	-	-	187	3,732
Church hall and property lettings	56,516	-	-	56,516	40,868
Housing allowance	51,320	-	-	51,320	51,320
Fees	20,741	-	-	20,741	13,364
Events and trading	-	2,435	3,495	5,930	2,645
Bank charges refund	15,012	-	-	15,012	-
For the year ended 31 December 2021	143,776	2,435	3,495	149,706	111,929
For the year ended 31 December 2020	109,481	-	2,448		111,929

4. Investment income

	Unrestricted funds		Restricted funds	Total 2021	Total 2020
	General	Designated			
	£	£	£	£	£
Trust funds	1,061	-	-	1,061	1,025
Deposit accounts	974	-	11	985	1,356
For the year ended 31 December 2021	2,035	-	11	2,046	2,381
For the year ended 31 December 2020	2,277	-	104		2,381

**Notes to the Financial Statements
for the year ended 31 December 2021**

5. Expenditure on charitable activities

	Unrestricted funds		Restricted funds	Total 2021	Total 2020
	General	Designated			
	£	£	£	£	£
Clergy expenses	1,837	-	-	1,837	2,597
Services	30,473	-	11,059	41,532	27,710
Activities	4,693	413	-	5,106	2,657
Houses	19,567	-	-	19,567	30,246
Stipend contribution	114,234	-	-	114,234	101,338
Ministry support contribution	220,032	-	-	220,032	220,086
Church upkeep	41,041	-	49,943	90,984	63,354
Church halls and buildings	21,830	2,985	-	24,815	27,472
Magazine costs	-	-	-	-	280
Overseas and home mission giving	6,000	1,350	8,822	16,172	20,190
Staff costs	24,286	-	-	24,286	22,078
Staff pension costs	1,943	-	-	1,943	1,650
Telephone and computer costs	6,474	-	-	6,474	8,515
Postage and stationery	3,121	263	-	3,384	4,691
General expenses	1,460	-	1,057	2,517	4,276
Accountancy fees	2,594	-	-	2,594	2,899
For the year ended 31 December 2021	499,585	5,011	70,881	575,477	540,039
For the year ended 31 December 2020	500,920	-	39,119		540,039

Included in accountancy fees is £259 for payroll services (2020: £499).

6. Employees

Employment costs

	Total 2021	Total 2020
	£	£
Wages and salaries	24,286	22,078
Social security costs	-	-
Pension costs	1,943	1,650
	26,229	23,728

No employees received emoluments of more than £60,000 (2020: None).

Number of employees

The average monthly numbers of employees (excluding the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

2021	2020
Number	Number
2	2

**Notes to the Financial Statements
for the year ended 31 December 2021**

7. Trustees' emoluments

The Reverend Canon Dr D L Stamps, The Reverend S Goodson and The Reverend J Brown were paid for expenses incurred in carrying out their duties and their living expenses were subsidised.

8. Pension costs

The charity operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the charity and was as follows:

	Total 2021	Total 2020
	£	£
Pension charge	1,943	1,650

9. Tangible fixed assets

	Land and buildings freehold	Total
	£	£
Cost		
At 1 January 2021 and At 31 December 2021	945,280	945,280
Net book values		
At 31 December 2020	945,280	945,280
At 31 December 2021	945,280	945,280

The trustees are of the opinion that the market value of properties at the year-end would significantly exceed the book values included in the financial statements but they are unable to quantify this excess in the absence of a professional valuation. The costs of valuation are not considered justifiable in view of the intention to retain ownership of these existing properties for the foreseeable future.

10. Debtors

	Total 2021	Total 2020
	£	£
Other debtors	4,797	11,225

**Notes to the Financial Statements
for the year ended 31 December 2021**

11. Current asset investments

	Total 2021 £	Total 2020 £
Other unlisted investments	5,760	5,040

12. Creditors: amounts falling due within one year

	Total 2021 £	Total 2020 £
Accruals and deferred income	22,447	26,112

13. Analysis of net assets between funds

	Unrestricted funds		Restricted funds	
	General £	Designated £	Total £	funds £
Fund balances as at 31 December 2021 as represented by:				
Tangible fixed assets	945,280	-	945,280	-
Current assets	52,360	185,633	237,993	129,214
Current liabilities	(22,447)	-	(22,447)	-
	975,193	185,633	1,160,826	129,214

Fund balances as at 31 December 2020 as represented by:

Tangible fixed assets	945,280	-	945,280	-
Current assets	71,752	93,012	164,764	176,055
Current liabilities	(26,112)	-	(26,112)	-
	990,920	93,012	1,083,932	176,055

**Notes to the Financial Statements
for the year ended 31 December 2021**

14. Restricted funds

The movements on restricted funds during 2021 were as follows:

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2021 £
All Saints District	9,085	20	(162)	-	8,943
St Mary's District	5,485	303	-	-	5,788
St Mary's legacies	465	5,000	-	-	5,465
St Mary's car park	23,276	750	(23,005)	-	1,021
St Nicholas District	47,481	15	(5,283)	-	42,213
Friends of St Nicholas	20,409	-	-	-	20,409
St Nicholas legacies	40,000	-	-	(263)	39,737
St Nicholas sound and light	18,100	-	(21,532)	3,432	-
St Nicholas choir robes	2,746	8,063	(11,072)	263	-
Cornelia's Coffee Shop	5,066	3,495	(6,866)	-	1,695
Others	3,942	2,742	(2,961)	220	3,943
	176,055	20,388	(70,881)	3,652	129,214

The movements on restricted funds during 2020 were as follows:

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2020 £
All Saints District	14,632	2,062	(7,609)	-	9,085
St Mary's District	5,928	948	(1,391)	-	5,485
St Mary's legacies	573	-	(108)	-	465
St Mary's car park	22,000	7,786	(6,510)	-	23,276
St Nicholas District	46,244	6,498	(1,069)	(4,192)	47,481
Friends of St Nicholas	20,409	-	-	-	20,409
St Nicholas legacies	-	40,000	-	-	40,000
St Nicholas sound and light	8,908	5,000	-	4,192	18,100
St Nicholas choir robes	-	2,746	-	-	2,746
Cornelia's Coffee Shop	12,238	2,448	(7,500)	(2,120)	5,066
Others	3,942	2,065	(14,932)	12,867	3,942
	134,874	69,553	(39,119)	10,747	176,055

Purposes of restricted funds

All Saints' District/St Mary's District/St Nicholas District: funds set aside for each of the three District churches in the Parish.

St Mary's legacies/St Nicholas legacies: legacies left to the District churches in the Parish.

St Mary's Car Park: money given for car park improvements at St Mary's Church.

**Notes to the Financial Statements
for the year ended 31 December 2021**

14. Restricted funds (continued)

Friends of St Nicholas: money given for the preservation, repair, restoration, improvement and ornamentation of the fabric and the precincts of the Parish Church of St Nicholas Harpenden.

St Nicholas sound and light: money given to improve the sound, lighting and video/livestreaming and lighting system in St Nicholas Church.

St Nicholas choir robes: money given to purchase new choir robes for St Nicholas Church choir.

Cornelia's: profits from Cornelia's Coffee Shop to be used for charitable giving.

These funds are held in cash within the funds of the Parish.

15. Unrestricted funds

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

The movements on unrestricted funds during 2021 were as follows:

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2021 £
Designated:					
General legacies	93,012	-	(2,985)	-	90,027
St Nicholas legacies	-	71,266	-	-	71,266
St Nicholas District	-	16,695	(2,026)	(3,432)	11,237
All Saints' District	-	11,918	-	-	11,918
St Mary's District	-	1,185	-	-	1,185
Designated funds	93,012	101,064	(5,011)	(3,432)	185,633
General:					
Freehold property	945,280	-	-	-	945,280
Free undesignated funds	45,640	484,078	(499,585)	(220)	29,913
General undesignated funds	990,920	484,078	(499,585)	(220)	975,193
Total unrestricted funds	1,083,932	585,142	(504,596)	(3,652)	1,160,826

**Notes to the Financial Statements
for the year ended 31 December 2021**

15. Unrestricted funds (continued)

The movements on unrestricted funds during 2020 were as follows:

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2020 £
Designated:					
General legacies	93,012	-	-	-	93,012
Designated funds	93,012	-	-	-	93,012
General:					
Freehold property	945,280	-	-	-	945,280
Free undesignated funds	90,319	466,988	(500,920)	(10,747)	45,640
General undesignated funds	1,035,599	466,988	(500,920)	(10,747)	990,920
Total unrestricted funds	1,128,611	466,988	(500, 920)	(10,747)	1,083,932

Purposes of unrestricted funds

General legacies: this fund is used to identify legacies that have been set aside in earlier years in accordance with the then PCC decision that any legacy received in excess of £1,000 would be set aside for a specific purpose as agreed by the PCC.

St Nicholas legacies: this legacy fund is used to identify donations from legacies which are set aside for St Nicholas District church.

St Nicholas District/All Saints' District/St Mary's District: these funds are used to identify money set aside for each of the three District churches in the Parish.

Freehold property: the balance on this fund is the accounts value of the properties owned by the PCC.

16. Related party transactions

During 2021 the charity received £43,076 in donations from its PCC members. The donors did not attach any conditions to the gifts which required the church to significantly alter the nature of its existing activities.

**Notes to the Financial Statements
for the year ended 31 December 2021**

17. Cash flows from operating activities

	2021	2020
	£	£
Reconciliation of net income/(expenditure):		
Net income (as per statement of financial activities)	30,053	(3,498)
Adjustments for:		
Dividends, interest and rent from investments	(2,046)	(2,381)
Decrease/(Increase) in debtors	6,428	(8,267)
(Decrease)/Increase in creditors	(3,665)	12,190
Net cash from operating activities	30,770	(1,956)