

**PAROCHIAL CHURCH COUNCIL OF ST. MARY'S AND HOLY
TRINITY BOW**

Reports and Unaudited Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

PAROCHIAL CHURCH COUNCIL OF ST. MARY'S AND HOLY TRINITY BOW

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PAROCHIAL CHURCH COUNCIL OF ST. MARY'S AND HOLY TRINITY BOW

Reference and administrative details of the charity, its trustees and advisers
for the year ended 31 December 2020

Trustees	Rev Tim May Rev Andrew Rider (From October 2020) Frances Reynolds (Until October 2020) Elizabeth Marshall Althea Baker Andrew Sargent Simon Herbert Andy Spracklen (Until October 2020) (Jenny) Ming Clarke Peter Nicholls Graciela Aranzalez (Until October 2020) Emilio Hornsey (Until October 2020) Chrystabel Austin Duke Oputa (Until October 2020) Olivette Cole Wilson Amanda Claremont Samuel Brown (From October 2020) Alex Douglas (From October 2020) Lucinda May (From October 2020)
Charity registered Number	1130902
Principal office	St Mary's Church, 230 Bow Road, London E3 3AH
Accountants	Mr Michael Zakiewicz Chartered Accountants 8 Wrights Road Bow London E3 5LD
Bankers	Barclays Bank Plc. 21 Bow Road London E3 3AA Reliance Bank Limited Faith House 23-24 Lovat Lane London EC3R 8EB
Architect	Mr Alex Sherratt

PAROCHIAL CHURCH COUNCIL OF ST. MARY'S AND HOLY TRINITY BOW

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR 2020

THE PARISH OF ST MARY WITH HOLY TRINITY, BOW ("BOW CHURCH")

Safeguarding

The PCC has adopted the Diocese of London's safeguarding policy relating to children, young people and vulnerable people. The PCC is committed to the principles of best practice in relation to safeguarding and complies with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 in respect of having due regard to House of Bishops' guidance on safeguarding children and vulnerable adults.

Rector's report

Our mission is to promote the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England.

1. Bow Church is a place of Christian worship and witness in an historic and fast changing part of inner east London. We draw from the richness of our past, live in a dynamically changing present and believe in a hopeful future.
2. I was licensed on the 2nd September 2019 by Bishop Pete Broadbent, the acting Bishop of Stepney. The previous Bishop of Stepney noted at the start of the recruitment process for my post "*the Parish Profile and Bishop's Statement must make it clear that we are looking for someone with the ideas and ability to grow the church, develop partnerships, engage with the building's development, and be open to creative exploration of churches planning an evening or midweek congregation*". Therefore, 2020 began by establishing a program of growth and change. The parish profile and interview process asserted the need to grow and develop the ministry and mission within the rapidly changing social and ecclesiastical context of London. Therefore on 11th January, 2020 the PCC took a day to consider some of the potential possibilities we have in front of us. We discussed the opportunities and the challenges of growth and change. We celebrated the hard work and solid foundation for growth established in recent years, not least the stalwart efforts made by numerous volunteers during the integrum. We also recognised the challenges but also the need for growth. At the time I was licenced, we had the smallest Anglican church attendance in relation to overall parish population. It is a big parish and there are many areas we have little connection with. We discussed these topics:
 - I. New worshipping communities. Creating a varied ecosystem of church expressions across the parish. This means reaching new people in new places in new ways.
 - II. Experimenting with practice based Christianity to grow deeper and stronger in our discipleship. How can we grow as followers of Jesus in our everyday lives?
 - III. As we grow bigger we'll also need to grow smaller so people at multiple levels can find a place to belong, contribute, to be known and therefore to be missed. Pastoral care and through smaller groupings is essential.
 - IV. Partnering with the diocese, the council and tenants for the two ecclesiastical sites that make up the parish in addition to St Mary's (St Leonard's and Holy Trinity).
 - V. The church in the parish. Building on initiatives like The Bow Foodbank to bring life to our community in the name of Jesus.

Whilst all these areas were planned for further development, the discussions we had led to the decision that we need to employ an administrator to enable the above. And the following initial and immediately actionable projects would help us to move in the above direction:

- Wednesday Coffee Morning
 - A lent initiative called Cedar that will experiment with 'practice based Christianity' (II)
 - Gardening on the site of St Leonard's Bromley by Bow
 - A discussion group for those who want to explore Christianity
8. In the first quarter of the year, the above projects were all established but with the arrival of the Covid-19 pandemic every aspect of the church was affected and plans necessarily changed. With the national lockdown came a radical rethinking of what we do as a church with the following results:
- a. Streaming all services live through Zoom.
 - b. Developing online socials, discussion groups, and support groups such as 'Cedar.'
 - c. Establishing better systems of information and communication both digital, phone, letter and in person to inform and care for church members and those on the fringe of church.
 - d. Continuing to support the Bow Foodbank which grew exponentially over 2020 (see below report)
9. Whilst restrictions lessened in the summer we were unable to re-enter the church for public worship as the much delayed building works (see below) were still underway but from 13th September until the November lockdown we met at St Mary's for public worship. Right through the summer we have continued to run the monthly Saturday Morning cleaning and Gardening sessions which has seen a number of new recruits. Our thanks once again to Chrystabel Austin for leading this important project.
10. Eleanor Rusbridge became Parish Administrator in January until Rebecca Green took over the post in July. In the same month we welcomed the Reverend Andy Rider as Assistant Curate as he took up the post of Dean of Mission to the Bishop of Stepney. We welcomed Chantelle Johnson as a part-time intern with her time split between us and the Bishop of Stepney. Lastly we gained Stephen Curtis, an Ordinand based at St Mellitus College on placement with us for three years. These appointments have allowed us to both stabilise and advance in a turbulent time. As a result of this growing team we are in a much better position to both grow in depth and numbers in 2021.
11. Christmas saw both the opportunity to celebrate within our building but the arrival of 'Tier 4' restrictions and the need for increased Covid security. Successful print and digital marketing campaigns and the trialling of a children's carol service led to many new people attending. We counted over 250 attendants at our in person Christmas services which all things considering felt like a step forward.
12. Every aspect of the church relies on the generosity of each other. As you'll see below, congregational giving has continued to increase by both amount of givers and total amount given. Additionally the number of people who contribute to services and other aspects of church life has grown. Our APCM (delayed from May due to lockdown restriction) took place in October where we thanked those members of the PCC who stood down, welcomed those who continued or became members for the first time. Furthermore, we marked with gratitude the exceptional contribution of Frances Reynolds who stood down as Churchwarden after 7 years, whilst Pete Nichols thankfully continues and Chrystabel Austin begins her tenure. Pleasingly there are too many individuals to name and thank but the Church is the product of what we each give to one another and then to our parish and I'm humbled by the ever increasing generosity of time, money and love that flows from this church. Thank you.

13. At the time of writing 2020 was very much not the 'end' of the challenges related to Covid-19. Until Easter we chose, in line with Church and government guidance, to close the church for public worship. Easter was a magnificent reopening and we now look forward to all that the lessening restrictions will afford.

Reverend Timothy May, Rector

Conservation report

Our second Heritage Fund-funded project, which had been delayed throughout 2019, was completed during 2020. We had planned to carry out the works to improve surface drainage around the building, but we learned in January that this would necessitate expensive temporary changes to the churchyard wall to allow access for the vehicles. The expense of this was felt to be disproportionate and it was decided to delay the drainage works until we could find a more cost-effective approach, and instead HF permitted us to change the project purposes to carry out repair, remedial and conservation work to the roof and high-level stonework. Our contractors went ahead with this work despite lockdown and completed it in September. While the scaffolding was in place, we also commissioned refurbishment and cleaning of the windows and grilles, which had not been done for a generation. A specialist conservator worked on the stained glass east window, cleaning and repairing it possibly for the first time since its installation in 1952.

There was also major work inside the church, with the installation of two new toilets in what had been the organ loft. A new storage area was built above. A ramp to access the disabled toilet meant that the organ had to be temporarily removed. These toilets are a major improvement to the church's facilities and will be a great asset for both church and secular activities post-lockdown.

The heritage element of the project consisted of several lectures and music events, which had taken place in 2019, and in 2020 an important new heritage website providing educational materials, with text written by The Gentle Author from Spitalfields Life. A virtual tour of the church was also created both to allow people to "visit" the church online, and also to provide a basis for the training of volunteer guides in preparation for a programme of tours of the building planned in due course.

The conservation and building works were completed in September but we have not been able to celebrate due to lockdown. We had been looking forward to an official opening ceremony for the toilets.

We thank our supportive and thoughtful contractors, Borrás Construction, for an excellent job securing the building's future for another generation, in particular for extra efforts they made to accommodate the parish's needs and to ensure the works were cost-effective. We acknowledge too the contributions made by external funders, without which such conservation would not be possible. Our thanks to the: All Churches Trust; City Bridge Trust; Grocers' company; Heritage Fund; London Borough of Tower Hamlets; and National Churches Trust.

Elizabeth Marshall, Chair of the Building Group

Deanery synod report

Lockdown largely prohibited Deanery activities during the year, especially as the election of parish representatives, part of the APCMs, was delayed until the autumn. We kept up with the developing Area strategy and in September we bade farewell to the Area Dean, Revd Andy Rider, who was moving to be Area

Dean of Mission, in fact working on that strategy. We welcomed Revd Preb Jane Hodges who took over from him. The Lay Chair also stood down and I acted as an interim until the new Synod could meet, early in the new year, to elect a replacement. As we now have a woman Bishop of London, a woman Bishop of Stepney, a woman Archdeacon, and now a woman Area Dean, the veteran Phillip Rice, of St Paul's Shadwell, thought he should stand to rectify the gender imbalance, and he was duly elected.

In November, the Synod agreed a motion put forward that the Deanery, and the Diocese of London, should lobby the government to do more to alleviate food poverty, on the basis of the huge increase we have seen in demand for the Foodbank. This was agreed and went forward to Diocesan Synod which approved it at their meeting in March this year.

Elizabeth Marshall, Deanery Synod Representative

[Fabric report](#)

Our Quinquennial Inspection Report (QI) was due in 2019. This is a five-yearly look at the church building to see what condition it is in and to set out what repairs are needed. The QI report highlights works which are urgent and should be done immediately and those which can wait a little longer but will need attention. The QI was postponed in 2019 because the Heritage Fund project works, including high level works identified by the previous QI in 2014, were scheduled for completion during that year. That work, as it transpired, was finally accomplished as part of the HF2 project which finished September 2020. See "Conservation Report". The latest QI was carried out by Alex Sherratt, our Church Architect, in November 2020 and the finalised report was delivered in March 2021.

General

These numbers refer to the year from January to December 2020.

Expenditure on repair, security and maintenance in the year was an estimated £3,593 (it was £3652.07 in 2019), equivalent to £9.84 per day. Utilities spending amounted to £2353.01 which, taken together with the buildings insurance premium [renewed in June 2020] of £5670.40, amounts to a total £11616 spent to run, secure, insure and maintain St Mary's Church building. This is just under £32 per day.

Overall buildings insurance was renewed with Ecclesiastical Insurers for one year from June 2020 to June 2021. The premium of £5670.40 was considered to be excessive but Ecclesiastical were not prepared to agree to a reduction and for 2021 / 2022 we are arranging an alternative provider (Trinitas Church Insurance) which will lower the annual premium by more than £2000.

Internal Fabric

Front door: The overall finish of the work on the front doors, following their re-hanging by Evander Glazing in 2019 remains unsatisfactory, we will, therefore, seek to refurbish the door finish asap in 2021. Evander also proved incapable of renovating the door latch during 2020, despite several requests and visits to review this issue; which was eventually undertaken by Thompson's in January of 2021.

Back door: The back-door security chain remains a problem as various types have been installed but have not proved to be robust enough despite considerable product research by Andy Spracklen. As part of the refurbishment of the Parish Room, toilet and entrance hall area in 2021, we plan to renovate the back door frame which requires repositioning as it remains loose and insecure.

Gas and electricity: The cost of electricity and gas for the 12 months January to December 2020 was £2353.01 which is lower than 2019 (£3280.75) due, in the main, to the Church not being open for worship for many months. Nevertheless, substantial internal and exterior works proceeded at stages from February through to September and the heating was utilised at various times during the project.

We remain part of a green energy bundle under the 'parish buying' bulk purchasing contract arrangement and continue to follow advice, as reported last year, to keep minimum heating temperature in the church at 12°C, a policy designed to save energy and money.

Annual Internal Maintenance

Boiler: the main boiler servicing was carried out by Jim Lawrence of Lawrence BMS on 12 November 2020 [estimated cost of £600, as we have yet to be invoiced for this work]. Dave Green of TBS, who was our boiler maintenance specialist for many years, has now retired and we are using Jim Lawrence on Dave's recommendation.

Fire inspection: the fire safety equipment was checked by Morgantics on 9 October 2020.

Instruments

Piano: the piano was last tuned in April 2018. A new tuning had been anticipated for 2020 but this was not arranged due the coronavirus pandemic lockdown. A tuning will be arranged asap in 2021.

Organ: The PCC approved a budget for the refurbishment, reinstallation and general improvement of the Church organ via a decision taken in January 2020. Simon Herbert has undertaken a large amount of exceptional work in coordinating this project and we are most grateful for all his efforts. At the end of 2020, and also at the time of writing in March 2021, we were awaiting approval of a Petition for Faculty from the DAC in order to commence the project.

Bells: any bell ringing has been suspended since early 2020 due to the coronavirus pandemic.

External Fabric

Roof Alarm: E-bound AVX Ltd carried out their annual service of the roof alarm on 18 November 2020.

Gutters and drains: Hall & Randall cleared the gutters and water runways on 07 December 2020 This annual service is provided by the Diocese. The lower parish room gutters and accessible surface water drains are cleaned on church cleaning days which are usually once a month although this schedule was suspended during the pandemic lockdowns in 2020 and the first quarter of 2021. Tower Hamlets Council continues to arrange for the clearance of the drains in the church path and this took place in June 2020.

Lighting: Servicing of the external and internal lighting was carried out by CES Lighting and Electrical Engineers during a visit on 2 February 2021. This review found the control systems for the external lights in poor repair and we are in the early stages of considering a project to reconfigure and upgrade all the lights in Churchyard. The current system was installed some 20 years ago and is probably not now fit for purpose. CES had also undertaken the servicing of internal lights [bulbs and fittings] on 4 February 2020.

Safety systems: SafeTech Services Ltd inspected, tested and certified our tower and roof fall arrest systems and lifelines on 15 November 2020.

Lightning Conductor: R C Cutting Ltd. carried out the bi-annual servicing of the Tower Lightning Conductor 15 December 2020.

Tower Clock: The clock was last serviced on 16 January 2020 and the 12-month maintenance is now due. The Cumbria Clock Company is not currently travelling to undertake servicing work due to coronavirus restrictions but a suitable time will be arranged asap.

Pete Nicholls and Chrystabel Austin, Churchwardens

Bow foodbank

Bow Foodbank is an independent charity founded in March 2014 and run by a partnership of local churches and others in Bow. Volunteers from Bow Church were instrumental in setting it up and have always been represented at every level of the organisation from management to the day to day running.

The last session of Bow Foodbank in Bow Church was on 16 March 2020 as the churches were then closed before the first national lockdown started on 23 March 2020. Thanks to Father Javier's generosity the Foodbank moved temporarily to the car parking space at the side of St Catherine's until we found temporary premises a couple of months later at the Bromley by Bow Centre where everyone has been equally welcoming and helpful to us. Throughout all 3 lockdowns the Foodbank management has worked tirelessly to keep the Foodbank open as have all the volunteers involved. The time, energy and generosity of both time and spirit has been hugely appreciated by the clients.

On 16 March 2020 we saw 130 clients. On Monday the 29 March 2021, we saw 722. We used to let clients choose their own food but with ever increasing numbers, this was no longer possible so clients now have a choice of a bag based on meat, fish, vegetarian or non cook plus whatever extras eg oil, soap powder that we have the budget for at the time.

We had always done paper registration but after lockdown 1 we didn't do any form of registration as it was too dangerous to get so close to other people. However we introduced digital registration in November 2020 as we thought we were going to have to limit the number of visits each client could have. Money became very short in October / November 2020 but thanks to a very successful fundraising drive, we now have funds till next autumn. This is however contingent on the numbers of clients staying roughly the same. If there is a huge increase, this date could change. However as the money situation has improved we have been able to offer clients weekly visits until the end of May 2021.

We might also need to move from the Bromley by Bow Centre in the next few months because their regular initiatives will start up again coupled with our need for more storage. We're looking at alternatives both with a view to moving the Foodbank and / or storing the food elsewhere and bringing it over for the Monday session, which will almost certainly have cost implications.

Throughout all the turmoil of the last year we have tried very hard to keep our ethos of welcome, respect and care for our clients and for some months now have been able to offer basic hospitality of tea and coffee. Whether we will ever be able to go back to the original model is debatable but the ethos, which is so fundamental to Bow Foodbank, remains the same.

Chrystabel Austin, Churchwarden

Financial performance

St. Mary's continues to illustrate a well sustained financial performance even during the pandemic. The planned giving increased significantly from £37,876 to £56,101 because more members have signed up to standing orders. St Mary's is grateful for the financial commitment.

Due to the pandemic, the rental income declined slightly, but over all St Mary's have generated surplus in 2020. It is anticipated that in 2021, St. Mary's will incur more expenses in order to facilitate the growth.

The total expenditure has increased in 2020 as well. The unrestricted expenses increased from £61,205 to £90,141. The major contribution to the increase is in the church running expenses. The major changes in the St. Mary's operation is that we hired a full-time member of staff in 2020. This helps the rector to focus on his ministerial duties. St Mary's has also spent money on the sound and visual equipment in order to run the services on line because of the Covid-19 lock down.

The second largest expenditure is the Diocesan parish contribution, which increased from £37,000 in 2019 to £38,000 in 2020. The PCC acknowledges that our contribution is below many other churches in London Diocese. We aim to grow the church so that more income could be generated to increase our contribution to the diocese.

The church has both debt and equity investments with CCLA. The total interest and dividend received for 2020 was £7,700, which is slightly below the 2019 level (£7,796). Thankfully, St. Mary's operation does not rely on investment income. The investments are for the long term purpose.

To sum up, St. Mary's has shown a strong financial performance mainly due to the generosity of our members. The church continues to enjoy a good liquidity and a strong balance sheet.

PAROCHIAL CHURCH COUNCIL OF ST. MARY'S AND HOLY TRINITY BOW

Statement of financial activities

(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM					
Donations and legacies	2	137,769	150,007	287,776	249,741
Charitable activities	2	18,633		18,633	23,521
Income from investments	2	7,700		7,700	7,796
Other incoming resources	2	124		124	130
TOTAL INCOME		164,226	150,007	314,233	281,188
EXPENDITURE ON:					
Raising Funds	3	230		230	2,411
Charitable activities	3	89,911	313,687	403,598	88,919
		<u>90,141</u>	<u>313,687</u>	<u>403,828</u>	<u>91,330</u>
NET INCOME BEFORE INVESTMENT GAINS		74,085	(163,680)	(89,595)	189,858
Net gains on investments	5	<u>1,249</u>		<u>1,249</u>	<u>2,963</u>
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		<u>75,334</u>	<u>(163,680)</u>	<u>(88,346)</u>	<u>192,821</u>
Gains on revaluation of fixed assets	4			0	0
NET MOVEMENT IN FUNDS		<u>75,334</u>	<u>(163,680)</u>	<u>(88,346)</u>	<u>192,821</u>
TRANSFERS BETWEEN THE FUNDS		(65,000)	65,000		
RECONCILIATION OF FUNDS:					
Total funds brought forward		229,695	1,184,523	1,414,218	1,221,397
TOTAL FUNDS CARRIED FORWARD		<u>240,029</u>	<u>1,085,843</u>	<u>1,325,872</u>	<u>1,414,218</u>

The statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 26 form part of these financial statements

Balance sheet

AS AT 31 DECEMBER
2020

		2020	2019
	£	£	£
Note			
FIXED ASSETS			
Tangible assets	4	1,031,100	1,032,558
Investments	5	<u>33,159</u>	<u>31,910</u>
		1,064,259	1,064,468
CURRENT ASSETS			
Stocks	6		88
Debtors	7	25,422	16,005
Investments	8	78,223	71,722
Cash at bank and in hand		<u>166,607</u>	<u>264,662</u>
		270,252	352,477
CREDITORS: amounts falling due within one year		<u>(8,639)</u>	<u>(2,727)</u>
NET CURRENT ASSETS		<u>261,613</u>	<u>349,750</u>
NET ASSETS		<u>1,325,872</u>	<u>1,414,218</u>
CHARITY FUNDS			
Restricted funds	11	1,085,843	1,184,523
Unrestricted funds	11	<u>240,029</u>	<u>229,695</u>
TOTAL FUNDS		<u>1,325,872</u>	<u>1,414,218</u>

The notes on pages 17 to 26 form part of these financial statements.

The financial statements were approved by Trustees on
their
behalf, by:

and signed on

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and 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 following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been 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 financial statements 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) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011. Parochial Church Council of St. Mary's and Holy Trinity Bow constitutes a public benefit entity as defined by FRS 102.

The accounts have been prepared in GBP and all amounts have been rounded to the nearest £.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Going concern

During the year, the church had net incoming resources of £70,408 (£40,582 in 2018). The members of the PCC expect the future results of the church to be similar. The Trustees therefore consider the charity to be a going concern for the foreseeable future, this being at least 12 months from the date on which the balance sheet was signed.

Tangible fixed assets and depreciation

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

All expenditure on consecrated or beneficed buildings and individual items costing under £1,000 are written off in the year they were incurred.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable.

Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery - over 20 years remaining life

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Current Assets

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

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

Cash Flow Statement

The financial statements do not include a cash flow statement because the church, as a small reporting entity, is exempt from the requirements to prepare such a statement under the Charities SORP (FRS 102) as amended by Update Bulletin 1.

2. INCOME AND ENDOWMENTS FROM

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<u>2a. Donations and legacies</u>				
Planned giving	56,101		56,101	37,876
Collections at all services	522		522	3,037
Sundry donations and appeals at services	3,343	2,050	5,393	13,598
Endowments			0	36,100
Income tax recoverable	10,803		10,803	10,947
Grants	67,000	147,957	214,957	148,183
	<u>137,769</u>	<u>150,007</u>	<u>287,776</u>	<u>249,741</u>
check				
<u>2b. Charitable activities</u>				
Traidcraft Stall	265		265	1,387
Books/calendars and tea towels	74		74	801
Other fundraising for external agencies				49
Rental of Holy Trinity Church and Hall	13,988		13,988	15,883
Activities to generate funds for church work	3,843		3,843	4,134
Fees from weddings etc	463		463	1,267
	<u>18,633</u>	<u>0</u>	<u>18,633</u>	<u>23,521</u>
check				
<u>2c. Investments</u>				
Dividends and interest	7,700		7,700	7,796
	<u>7,700</u>		<u>7,700</u>	<u>7,796</u>
<u>2d. Other</u>				
Capital gains and receipts				
Insurance claim	124		124	130
	<u>124</u>		<u>124</u>	<u>130</u>
Total	<u>164,226</u>	<u>150,007</u>	<u>314,233</u>	<u>281,188</u>

In 2019, of total income, £126,900 related to unrestricted funds and £154,288 related to restricted funds

3. EXPENDITURE ON

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<u>3a. Raising funds</u>				
Traidcraft supplies	111		111	1,238
Hospitality	119		119	877
WW1				266
Other fundraising				30
	<u>230</u>	<u>0</u>	<u>230</u>	<u>2,411</u>
<u>3b. Charitable activities</u>				
Stewardship costs				54
Missionary and charitable giving	1,122		1,122	49
Diocesan parish contribution	38,000		38,000	37,000
Other clergy costs			0	
Fees to the diocese			0	71
Church running expenses	48,008		48,008	17,355
Restoration project		312,229	312,229	28,667
Upkeep of services	1,031		1,031	2,515
Accountancy and independent examination	1,750		1,750	1,750
Legal & Professional			0	
Depreciation		1,458	1,458	1,458
	<u>89,911</u>	<u>313,687</u>	<u>403,598</u>	<u>88,919</u>
Total	<u>90,141</u>	<u>313,687</u>	<u>403,828</u>	<u>91,330</u>

In 2020, of the total expenditure, £61,205 related to unrestricted funds and £30,125 related to restricted funds

4. TANGIBLE FIXED ASSETS

	Freehold Property £	Church equipment £	Total £
Cost or valuation			
At 1 Jan 2020	1,006,320	70,265	1,076,585
Additions	<u>0</u>	<u>0</u>	<u>0</u>
At 31 Dec 2020	<u>1,006,320</u>	<u>70,265</u>	<u>1,076,585</u>
Depreciation			
At 1 Jan 2020	0	44,027	44,027
Charge for the year	<u>0</u>	<u>1,458</u>	<u>1,458</u>
At 31 Dec 2020	<u>0</u>	<u>45,485</u>	<u>45,485</u>
Net Book value			
At 31 Dec 2020	<u>1,006,320</u>	<u>24,780</u>	<u>1,031,100</u>
At 31 Dec 2019	<u>1,006,320</u>	<u>26,238</u>	<u>1,032,558</u>

The freehold land and buildings comprise the Holy Trinity Parish Hall, Morgan Street, London E3. For accounting purposes, the value shown in the financial statements at 31 December 2016 represents the rebuilding insurance value, which the trustees have adopted as the deemed cost.

5. FIXED ASSET INVESTMENTS

	2020 £	2019 £
CCLA investments	33,159	31,910
	<u>33,159</u>	<u>31,910</u>

6. STOCKS

	2020 £	2019 £
Traidcraft stock	0	88
	<u>0</u>	<u>88</u>

7. DEBTORS

	2020 £	2019 £
Gift aid claim	10,792	10,847
Sequestration a/c	1,606	2,735
Debtors	13,024	2,423
	<u>25,422</u>	<u>16,005</u>

8. CURRENT ASSET INVESTMENTS

	2020 £	2019 £
Unlisted investment	78,223	71,722
	<u>78,223</u>	<u>71,722</u>

9. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Accrual and deferred income	(8,639)	(2,727)
	<u>(8,639)</u>	<u>(2,727)</u>

10. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets measured at fair value through income and expenditure	<u>111,382</u>	<u>103,632</u>
Financial liability measured at fair value through income and expenditure	<u>(8,639)</u>	<u>(2,727)</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments.
Financial liabilities measured at fair value through income and expenditure comprise creditors.

11. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditur e £	Gains/ losses £	Carried forward £
Unrestricted funds					
General funds	<u>229,695</u>	<u>164,226</u>	<u>(90,141)</u>	<u>1,249</u>	<u>240,029</u>
Restricted funds	<u>1,184,523</u>	<u>150,007</u>	<u>(313,687)</u>		<u>1,085,843</u>
Total of funds	<u>1,414,218</u>	<u>314,233</u>	<u>(403,828)</u>	<u>1,249</u>	<u>1,325,872</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	1	1,032,558	1,032,559
Fixed asset investments	31,910		31,910
Cash	112,697	151,965	264,662
Stock, debtors and investments	87,814		87,814
Creditors due within one year	<u>(2,727)</u>		<u>(2,727)</u>
	<u>229,695</u>	<u>1,184,523</u>	<u>1,414,218</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1	1,031,099	1,031,100
Fixed asset investments	33,159		33,159
Cash	111,863	54,744	166,607
Stock, debtors and investments	103,645		103,645
Creditors due within one year	<u>(8,639)</u>		<u>(8,639)</u>
	<u>240,029</u>	<u>1,085,843</u>	<u>1,325,872</u>