

**ST MICHAEL & ALL ANGELS
LONDON FIELDS
with
ST PAUL'S HAGGERSTON**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDING 31 DECEMBER 2020**



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ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of St Michael and All Angels London Fields with St Paul's Haggerston ('the PCC')

Registered Charity Number: 1130974

Members of the PCC (Charity Trustees): The members of the PCC who served during the year were:

Chair (*ex officio*): The Revd Daniel Gerrans, Vicar

Curate (*ex officio*): The Revd John Irwin

Churchwardens (*elected for one year at the Annual Meeting of Parishioners, and ex officio members of the PCC provided they are actual communicants whose names are on the electoral roll of the parish*): Jimmy Asakes and Lily Ejeka.

Lay members of Hackney Deanery Synod (*elected for terms of 3 years, and ex officio members of the PCC provided their names are on the electoral roll of the parish*): Savitri Maitreyi Maria Hensman, Garofina Voichita Morton and Cathie M Smith.

Elected representatives of the laity (*elected for terms of 3 years on a rotation basis, one third retiring and being elected each year*): John Agyemang, Frank Boateng, Gillian Boateng, Elizabeth Bower, Maggie Hamand LLM, Richard Jarrett (Vice-Chair), Matthew Marques (Treasurer), Godwin Ogholo, Bill O'Loughlin, Darren Skidmore, Katrina Stewart (Secretary) and Esther Unachukwu.

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E8 3ER

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Independent Examiner:

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TRUSTEES' REPORT

The PCC presents its Report and Accounts for the year ended 31 December 2020.

St Michael & All Angels London Fields with St Paul's Haggerston ('the Parish') is the Church of England (Anglican) Parish Church for London Fields, Hackney, London E8.

The Accounts have been prepared in accordance with the accounting policies set out on page 12 below and comply with the PCC's governing documents, applicable laws and the requirements of the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP (FRS 102)).

PCC STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The PCC is governed by two pieces of Church of England legislation, called Measures. These are:

- The Parochial Church Councils (Powers) Measure 1956 as amended ('the 1956 Measure').¹
- The Church Representation Rules, contained in Schedule 3 to the Synodical Government Measure 1969, as amended ('the CRR').²

Charitable status, purposes and activities

The PCC is registered with the Charity Commission. Its primary charitable purpose is the advancement of the Christian religion within the parish. Under section 2(2) of the 1956 Measure, as amended, this purpose includes the following functions:

- (a) *co-operation with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical;*
- (b) *the consideration and discussions of matters concerning the Church of England or any other matters of religious or public interest, but not the declaration of the doctrine of the Church on any question;*
- (c) *making known and putting into effect any provision made by the diocesan synod or the deanery synod, but without prejudice to the powers of the council on any particular matter;*
- (d) *giving advice to the diocesan synod and the deanery synod on any matter referred to the council;*
- (e) *raising such matters as the council consider appropriate with the diocesan synod or deanery synod;*
- (f) *appointing sidesmen (who are also known as assistants to the churchwardens).*

The PCC's activities include:

- Regular public worship open to all.
- The provision of sacred space for personal prayer and contemplation.
- Pastoral work, including visiting the sick and bereaved.
- Teaching Christianity through sermons, courses and small study groups.
- Taking religious assemblies in the parish primary school, St. Paul's with St Michael's School.
- Providing services to the community, especially through the church hall and hosting visits by community schools to the church.

PCC members are charitable trustees, so all the provisions of charity law apply to their corporate responsibilities, financial management and decision making, as explained in guidance of the General Synod's Legal Advisory Commission at http://www.sjp.org.uk/uploads/1/6/5/7/16572376/legal_position_of_pcc_members_final.pdf. Its members have complied with their duty to have due regard to the Commission's public benefit guidance³ when exercising any powers or duties to which the guidance is relevant.

¹ The full text of the 1956 Measure, before the addition of paragraph (f) by the Church Representation and Ministers Measure 2019 Schedule 2 paragraph 10 (see <http://www.legislation.gov.uk/ukcm/2019/1/schedule/2/paragraph/10#schedule-2-paragraph-10-2>) is available on the Statute Law Database at <http://www.legislation.gov.uk/ukcm/Eliz2/4-5/3/contents>.

² The CRR were replaced by the Church Representation and Ministers Measure 2019 section 1 and Schedule 1 (see <http://www.legislation.gov.uk/ukcm/2019/1/section/1>). The text of the rules as currently in force is available online at <https://www.churchofengland.org/more/policy-and-thinking/church-representation-rules>.

³ Comprising: Public benefit: the public benefit requirement (PB1): <https://www.gov.uk/government/publications/public-benefit-the-public-benefit-requirement-pb1>; Public benefit: running a charity (PB2): <https://www.gov.uk/government/publications/public-benefit-running-a-charity-pb2>; and Public benefit: reporting (PB3): <https://www.gov.uk/government/publications/public-benefit-reporting-pb3>.

REVIEW OF ACTIVITIES

Annual Report for 2020 on the proceedings of the PCC and the activities of the parish generally (as required by Rule M5(1)(b) of the CRR)

Mission during the year

The task of furthering *in the parish the whole mission of the church, pastoral, evangelistic, social and ecumenical*⁴ belongs not just to the PCC but to all church members. The PCC's special function is to provide leadership in order to *promote* that mission. The following Report summarises the main activities undertaken by the PCC to carry out its charitable purposes for the public benefit, and its main achievements,⁵ in a year in which the Coronavirus (COVID-19) pandemic and associated lockdowns inevitably had a significant impact, in common with other Parishes.

(1) The proceedings of the PCC

In addition to the church's core role of offering public worship of, and witness to, God as revealed to humanity in Jesus Christ, in order more effectively to promote in the parish the church's 'whole mission', the PCC periodically identifies specific objectives which are distilled in a Mission Action Plan (MAP) and at each of its full meetings reviews progress in achieving them. In 2020 the PCC formally met 4 times (2 of them remotely via Zoom conference calls) and conducted some of its business through Committees and, during lockdowns, utilising the written resolution procedure under Rule M29 of the CRR. The table below lists the goals set in the current MAP and the progress in achieving them by the end of the year.

St Michael & All Angels London Fields Mission Action Plan 2018-2021		Approved by the Parochial Church Council 17/11/17 and 31/1/18, revised 10/7/19 and 27/11/19	
Vision:	Being <i>Open to God, open to all</i> means being passionate about:		
• loving and serving God	in joyful, reverent, orderly, welcoming, creative and imaginative worship		
• loving neighbour by			
	• being a community where all are known and valued		
	• sharing the Good News of God's love		
	• being agents of the new creation through service, creativity, growth and development		
Action:	In addition to what is already happening, we aim to:		
What	How	Who	Progress at end of 2020
Strengthen our ministry with Children and young people , including by	o continuing to recruit and train lay leaders	Children and Youth Ministry	Ongoing: largely on hold due to COVID-19
	o pending an opportunity arising to recruit a youth worker, developing Youth Group in collaboration with its members, support and equip existing leaders and recruit new ones	Children and Youth Ministry Team	Possibility of Sessional Youth Worker explored Aut 18, not currently an option; variety of one-off activities instead e.g. Psalm Drumming; objective revised by PCC 10.7.19 in light of Cathie Smith research and Youthscape training attended by Daniel Aut 19; Saturday Youth Club launched Feb 20, continued via Zoom meetings during lockdown
	o in collaboration with other local parishes and ecumenical partners, supporting development of XLP's work in the parish and Borough	Support Group: Vicar, Sean and other(s) to be recruited	Ongoing: Mabel Anyiam and Sean Gubbins participating in Support Group; PCC agreed 10.7.19 to continue funding support for a further year; situation following lockdown tbc
Strengthen our Pastoral Care and Community Outreach by	o befriending and supporting the Syrian refugee family who recently became tenants of the church flat	Vicar, Condaisy Tidman and Cathie Smith	Ongoing; new gate installed at their request April 19
	o exploring new means of community outreach	Savi to explore CUJF and other	Data provided to PCC 29.1.20; to be considered as part of planning for next MAP
	o developing St Michael's link with ALMA (London Diocese's links with Anglicans in Angola and Mozambique)	Vicar initially, aim to recruit lay coordinator	20th anniversary service at St. Paul's Cathedral attended Jul 18
Improve our Church Building by upgrading	o Sound system in church	Working Group (task now complete)	Completed Oct 2018; during COVID in 2020, adapted 'ad hoc' to need to livestream, but more comprehensive upgrade desirable
	o Narthex (the church entrance)	Vicar and Richard Jarrett	Achieved: work carried out Jun 2018, from Sept 2018 public access enhanced by leaving outer glass doors open during daylight hours
	o Lighting throughout	Vicar and Richard Jarrett	Achieved: work carried out Feb-Mar 20
Strengthen our Resilience , including	o making contingency plans for temporary or permanent loss of people in key roles	PCC	Ongoing: Contingency planning and resilience list reviewed annually in January
	o implementing those plans by recruiting and training additional volunteers	As specified in the Contingency planning and resilience list	Ongoing
Review this Mission Action Plan regularly and where appropriate update it		PCC	Ongoing

As part of its function, the PCC also controls the parish's financial resources and accounts for its stewardship of them in its annual financial statements, which are presented pursuant to Rule M5(1)(c) of the CRR.

⁴ Section 2(2)(a) of the 1956 Measure.

⁵ As required by Regulation 40 of the Charities (Accounts and Reports) Regulations 2008 (see <http://www.legislation.gov.uk/uksi/2008/629/regulation/40/made>).

(2) The activities of the parish generally

As noted above, COVID-19 affected every aspect of the Parish's life, but even so we were able to sustain our common life and mission in the ways summarised below.

Public worship

While public worship in church was suspended during the lockdowns, services were livestreamed and worship shared via Zoom from participants' homes, initially just on Sundays and, from the Summer onwards, also on Thursday evenings. Livestreaming continued while public worship in church resumed, for the benefit of those preferring to remain at home for shielding or other reasons. Incidental benefits have included a widening of participation in leading worship and offering pastoral care, and a deepening of relationships between congregation members. Those unable to connect digitally were supported by weekly service sheets and news bulletins delivered to their homes.

Pastoral Care, Nurture and Outreach

Overall responsibility for pastoral care lies with the Vicar, who during the year received valuable help and support from (in particular): the Revd John Irwin (Curate); David Carr and Maggie Hamand (Licensed Lay Ministers); Godwin Ogholo (Commissioned Pastoral Assistant); and Jimmy Asakes and Lily Ejeka (who served as Churchwardens during the year). Major areas of pastoral care, nurture and outreach included the following:

- (a) **Adult education and spirituality:** During Advent a short study course on the theme of *Exile in the Bible and how it relates to our lives today*, led by Maggie Hamand LLM, was well received.
- (b) **Children and Youth Ministry:** COVID-19 affected this severely. Christian Summer camps, cancelled due to the pandemic, were particularly missed. Nevertheless ministry with children and young people was sustained in several ways:
 - Youth Ministry continued, with regular Youth Group Zoom sessions led and supported by Peter Agbon, Gillian Boateng, Mabel Anyiam and Cathie Smith.
 - During lockdowns, resources for worship and nurture at home were offered online for members of All Stars (our children's groups of primary school age and below).
 - During the Summer, surprise parcels were distributed to children, youth and families connected with the church, thereby helping to maintain contact.
 - Our strong relationship with St Paul's with St Michael's CE Primary School ('SPWSM') continued, with recorded assemblies, services in church as usual until lockdown and a course on the Christian faith for Year 6 pupils, and during the year 4 members of the congregation and the Vicar served as Governors.
 - St Michael's in collaboration with ecumenical partners continued to fund and support a Borough Leader for the Christian detached Youth Work charity XLP <https://www.xlp.org.uk/>, whose vision is 'creating positive futures for young people'.
- (c) **Christmas:** Although our annual Carol Service could not be held this year owing to social distancing and restrictions on singing, the opportunity was taken to sing carols out of doors, in well-received events for the communities in Lavender Grove (one of the streets on which the church building is situated) and Blackstone Estate, as well as for passers-by from the church front garden before Midnight Mass on Christmas Eve.
- (d) **Occasional offices:** During the year 5 baptisms took place, 7 people were prepared for confirmation (1 adult and 6 young people from SPWSM; the confirmation service had been planned for November but had to be deferred to 2021 due to the second lockdown) and Parish clergy officiated at 6 funerals.
- (a) **Racial justice and diversity:** Prompted by the Black Lives Matter movement, and with support from a steering group comprising Jimmy Asakes, Dave Carr, Lily Ejeka, Maggie Hamand, Savi Hensman, Godwin Ogholo as well as parish clergy, we began a conversation about how as Christians we can work to make racial justice a reality, in the church and the world.
- (b) **Safeguarding:** With valuable support from our Parish Safeguarding Officers, Dorian Stewart and Samantha O'Loughlin, PCC has sought to comply with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. In particular, during the year it completed and submitted to the Diocese of London its annual Parish Safeguarding Self Audit, received regular reports from its Safeguarding Officers and continued to seek to adhere to safer recruitment practices in relation to individuals working with children and vulnerable adults and other relevant guidance issued by (1) the National Church (see <https://www.churchofengland.org/more/safeguarding/templates-resources>, particularly the Parish Safeguarding Handbook <https://www.churchofengland.org/sites/default/files/2019-10/ParishSafeGuardingHandBookAugust2019Web.pdf>, the House of Bishops' guidance 'Promoting a Safer Church; Safeguarding Policy Statement' <https://www.churchofengland.org/sites/default/files/2017-12/PromotingSaferChurchWeb.pdf> and 'Practice Guidance: Safer Recruitment' produced in 2016 and subsequently updated, see https://www.churchofengland.org/sites/default/files/2017-11/safeguarding%20safer_recruitment_practice_guidance_2016.pdf) and (2) the Diocese of London (downloadable at <https://www.london.anglican.org/support/safeguarding/safeguarding-policy/>), including completing and regularly reviewing activity risk assessments for all children's activities.

The PCC records its gratitude to the individuals mentioned above.

Ecumenical

For the 8th year running, during the *Week of Prayer for Christian Unity* (18-25 January) St Michael's joined 7 other local churches or worshipping communities of 5 different denominations in hosting services in different local places of worship each day, and during Lent (until prevented by the first Coronavirus lockdown) participated with other churches in South Hackney in an *Ecumenical Lent Course*. Also, St Michael's and our neighbours at *Hackney Methodist Church* in Mare Street have continued our collaboration in response to the Anglican-Methodist Covenant signed in 2003 by the then Archbishop of Canterbury and the President of the Methodist Conference (<http://www.anglican-methodist.org.uk/full-text-of-the-covenant/>), with members of St Michael's joining Hackney Methodist Church for their annual Covenant Service in January and members of Hackney Methodist Church coming to St Michael's for our Patronal Festival (St Michael & All Angels).

Maintenance and improvement of the Church Buildings

In the Spring, a long-cherished project to upgrade the *lighting* throughout the church premises with LED units was realised, increasing the church's energy efficiency and enhancing the interior of the church building with stunning Halo lights. The PCC gratefully acknowledges a grant of £2,500 from *Allchurches Trust* towards the costs of this project. Following completion of the lighting upgrade, the interior of the church was redecorated as part of cyclical maintenance. Minor repairs and routine maintenance were also carried out in accordance with the PCC's annual maintenance plan. Further details are contained in the separate fabric report under Rule M5(1)(d) of the CRR. The PCC records its gratitude to the Churchwardens for their work in maintaining the fabric.

Social, community and environmental engagement

During 2020, many of our much-loved community events had to be cancelled due to COVID-19, including St Michael's annual *parish barbecue* and *Christmas Fete*, but other activities were able to go ahead:

- (a) Until the first lockdown in March, as in previous years, under St Michael's *Open Church* programme, the church building, which is listed (Grade II) and a beautiful sacred space, was open to visitors and the wider community most Wednesdays in furtherance of the church's mission to be *Open to All*. After lockdown restrictions were eased in June to enable the church to reopen for private prayer, we were able to do this most mornings and some afternoons during the Summer, reducing to Wednesdays, Thursdays and Sundays in the Autumn, briefly interrupted by the second lockdown in November. I record the gratitude of the PCC and church membership to the volunteers who acted as stewards, ensuring the church was 'COVID-safe' for visitors.
- (b) Collections were made for:
 - *Wheels for Climate Change Emergencies (the 2020 Diocesan Lent Appeal)*: a collection of money to support our sister Dioceses in Angola and Mozambique through ALMA, our Diocesan link, by helping them buy new vehicles to enable the Bishops respond to climate change emergencies, such as the drought in Angola and the floods in Mozambique, by offering pastoral support and delivering vital relief supplies; and
 - *Hackney Foodbank* in Lent, during the Summer and at Harvest: collections of tinned food and other long-life goods to support families and individuals in crisis. St Michael's also continued its regular donation of £50/month to the Foodbank.
- (c) The letting of the Church Flat to a refugee family from Syria, completed in 2017, continued during the year.

St Michael's Church Hall continues to be an important asset in our Social and community engagement. Benefiting from a fully-equipped kitchen, Wifi, disabled access and WC facilities for wheelchair users, it is a valuable community resource for hire by community groups wishing to operate in London Fields. Though use largely ceased after the first lockdown, the kitchen was used by *Haggerston Mutual Aid Group*, a community run neighbourly support network, to prepare cooked meals for distribution to local families in need. After lockdown, we welcomed some new users, including *Perform Workshops* (Children's drama classes), *Slimming World* and a *Playgroup/Book club* for Japanese speaking children. Other groups who used the Hall during 2020 included: the 8th Haggerston (St. Michael's) Rainbows, Brownies and Guides (*strongly connected to the church*); Hackney Winter Nightshelter (*operated by a separate Charity, Hackney Doorways, and supported by several church members as well as many volunteers from the wider community, offering food and shelter to 25 guests in a different church in the Borough each night of the week during the winter, until interrupted by the March lockdown. In a development accelerated by Coronavirus, during 2020 the Nightshelter moved to a different delivery model which no longer involves the use of church halls as dormitory accommodation for guests, so 2020 proved to be its last 'season' using the Hall*); Moving Shadow Karate Club; His Grace Gospel Ministry Church, Hackney; House of Prayer Church, Hackney; and a local Tenants and Residents Association. The Hall is also used as a polling station, for children's parties and for meetings of cultural and community organisations.

In response to the General Synod's resolution in February 2020 calling on parishes to work towards net zero carbon emissions by 2030, the PCC in July approved the conclusion of a new 100 per cent green dual fuel contract. Completion of the switch was delayed, as it was first necessary to terminate existing gas and electricity supply contracts, one of which ran until February 2021. The new energy-efficient lighting installed during 2020, as reported above, should also reduce the church's energy consumption.

The Revd Daniel Gerrans, Chair, for and on behalf of the Parochial Church Council
7 March 2021

FINANCES

Statement of the PCC's financial responsibilities

Charity law requires the PCC to prepare accounts for each financial period which give a true and fair view of the charity's state of affairs at the end the year and of its income and expenditure for the year.

In preparing those accounts, the PCC is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that it will continue in its activities.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the entity and to enable them to ensure that the accounts comply with the Charities Act 2011 and other relevant legislation. It is also responsible for safeguarding the assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

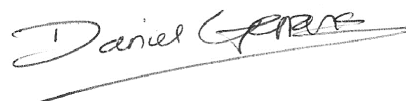
Review of financial position

The results for the year and financial position are set out below. These include a distinction between the Building Development account and the Church current account. The PCC thanks all who have contributed in any way to church funds, especially those giving regularly through stewardship programmes, which have enabled the Parish to remain financially resilient and in particular sustain its commitment to contribute to the Diocesan Common Fund.

Reserves policy

Reserves are held for the furtherance of the PCC's charitable objects, including as provision for significant unexpected but necessary expenditure.

Approved by the PCC and signed on its behalf by:



*The Revd Daniel Gerrans, Chair,
for and on behalf of the Parochial Church Council
7 March 2021*

ST MICHAEL AND ALL ANGELS LONDON FIELDS with ST PAULS HAGGERSTON

Independent Examiner's report to the members of Parochial Church Council (PCC)

I report on my examination of the accounts for the year ended 31 December 2020.

Responsibilities and basis of report

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

I report in respect of my examination of the accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

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

1. accounting records were not kept as required by section 130 of the Act; or
2. the accounts do not accord with those records.

Note 8 provides details of the church flat which is managed by the PCC; it has a current valuation of £300,000 and has not been included on the balance sheet.

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



David Parker FCA
Sterlings Accountancy Solutions Ltd
Chartered Accountants

**ST MICHAEL AND ALL ANGELS LONDON FIELDS
with ST PAULS HAGGERSTON**

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2020

	Unrestricted Funds	Restricted Grants	Restricted Building fund	Restricted Trust fund	2020 Total Funds	2019 Total Funds
	£	£	£	£	£	£
INCOME						
Donations, legacies and grants						
Church collection	3,066				3,066	8,544
Freewill offerings	28,606				28,606	28,837
Donations and gifts	1,540	200	250		1,990	6,248
Charitable collections	162	371			533	1,027
Grants received	1,477	2,000			3,477	5,483
Income tax refund	7,602				7,602	9,702
Other activities						
Rent						
- church and hall	7,976				7,976	14,054
- flat	15,835				15,835	17,696
Fees	51	398			449	1,294
Fetes and events					-	2,178
Other income	226				226	13
Investment income						
Interest and increase in value of fund assets	74		14	6,495	6,583	11,846
Total incoming resources	66,615	2,969	264	6,495	76,343	106,922
EXPENDITURE						
London Diocese (Common fund)	48,000				48,000	46,500
London Diocese (Fees)		398			398	586
Staff expenses	1,110				1,110	529
Youth work expenses	255	300			555	4,635
Music and organist	1,845				1,845	5,705
Repairs and refurbishment:						
Church	10,667		27,478		38,145	7,333
Flat	970				970	2,925
Garden					-	1,444
Vicarage					-	1,565
Insurance and security	4,760				4,760	4,307
Gas and electricity	2,148				2,148	2,437
Water rates	318				318	891
Cleaning	151				151	870
Consumables	861				861	1,314
Stationery, books and advertising	615				615	1,105
Telephone and internet	677				677	516
Social events					-	197
Independent Examiners fee	960				960	-
Charity and gifts (from general funds)	799	467			1,266	1,960
Charity and gifts		371			371	250
Total expenditure	74,136	1,536	27,478	0	103,150	85,069
Transfer between funds	(1,000)	1,000			-	-
NET MOVEMENT IN FUNDS	(8,521)	2,433	(27,214)	6,495	(26,807)	21,853
FUNDS brought forward	86,502	6,577	27,214	63,493	183,786	161,933
FUNDS carried forward	77,981	9,010	0	69,988	156,979	183,786

ST MICHAEL AND ALL ANGELS LONDON FIELDS with ST PAULS HAGGERSTON

BALANCE SHEET as at 31 December 2020

	Note	2020 £	2019 £
Current assets			
Investments - Trust Fund	2	<u>69,988</u>	<u>63,493</u>
Current assets			
Cash at bank		88,826	121,758
Debtors	3	<u>2,000</u>	<u>4,000</u>
Total current assets		90,826	125,758
Creditors amounts falling due within one year	4	<u>(3,835)</u>	<u>(5,465)</u>
Net current assets		86,991	120,293
Total net assets	6	<u>156,979</u>	<u>183,786</u>
Funds			
Unrestricted Funds		77,981	86,502
Restricted Funds	5		
Unspent grants		3,210	1,777
Vicarage decoration fund		5,800	4,800
Building Fund		-	27,214
Trust Fund		<u>69,988</u>	<u>63,493</u>
Total funds		<u>156,979</u>	<u>183,786</u>

These accounts were approved by the PCC and signed on its behalf by



The Revd Daniel Gerrans
For the Parochial Church Council
27 January 2021

ST MICHAEL AND ALL ANGELS LONDON FIELDS

with ST PAULS HAGGERSTON

NOTES TO THE ACCOUNTS

1 Accounting policies

1.1 Basis of preparation

The PCC is a public benefit entity within the meaning of FRS 102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS 102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP (FRS 102)).

The financial statements are prepared under the historical cost convention, except for investments which are shown at market value.

The financial statements are prepared in £ sterling rounded to the nearest £.

1.2 Income recognition

Income represents amounts received from freewill offerings, church collections and donations, and other sources of income from specific church activities, which are recognised as follows:

- Collections and other giving are recognised when received;
- Donations and grants are recognised when received unless a specific pledge or contract has been received;
- Income tax recoverable on Gift Aid is recognised with the relevant income;
- Funds raised by the fete and similar events are recognised when received;
- Rental income from the rent of the church premises is recognised when due;
- Investment gains or losses are recognised at the year end.

1.3 Expenditure

All expenses are considered as charitable expenditure, being the costs incurred directly and indirectly in the delivery of its charitable purposes.

Expenses are recognised when the liability is incurred.

1.4 Unrestricted/restricted funds

Unrestricted funds represent the funds of the PCC which are not subject to any restrictions regarding their use and are available for the general purposes of the PCC.

Restricted funds are to be used for specified purposes as laid down by the donor. Direct expenditure which meets these criteria are assigned to the funds.

1.5 Cash

Cash includes cash held at banks in current and deposit accounts, and cash in hand.; it is a basic financial asset under FRS102.

2 Investments

The investments are held in shares in the CBF Church of England Investment Fund and are included at market value.

ST MICHAEL AND ALL ANGELS LONDON FIELDS with ST PAULS HAGGERSTON

NOTES TO THE ACCOUNTS

3 Debtors

	2020 £	2019 £
Income tax recoverable	2,000	4,000
	<u>2,000</u>	<u>4,000</u>

4 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	3,835	5,465
	<u>3,835</u>	<u>3,615</u>

5 Restricted Funds

Restricted funds comprise:

Grants received

Grant income received for specified purposes has been allocated to restricted funds.

The PCC gratefully acknowledges grants received during the year from the **Hackney Parochial Charities** for relief of individuals in need.

Building Fund

The Building Fund was set up to raise funds for projects to redevelop and improve the church premises, most recently major improvements to the church lighting in 2020, which were managed by St Michael's Building Committee, a committee of the PCC. The PCC gratefully acknowledges grant funding received from Allchurches Trust, and many donations by individuals, which contributed towards the cost of improving the church lighting. Following completion of the lighting project, the Building Fund and Building Committee have been wound up with £0 funds remaining.

Trust Fund

The Trust Fund comprises the balance of the proceeds of the sale of church premises sold in 1986 and the use of both capital and income is restricted to any ecclesiastical purpose within the parish, in accordance with the Parochial Church Council (Powers) Measure 1956. The PCC has adopted a policy to designate the use of the Trust Fund as follows: until further resolution and where possible: (i) capital should be preserved; (ii) future income should be reinvested as an accretion to capital; and (iii) the Trust Fund should be used for capital (not revenue) expenditure which will make or contribute to a lasting improvement to the church or hall.

Vicarage Repair Fund

Funds are transferred into restricted funds to provide for the future redecoration of the Vicarage.

ST MICHAEL AND ALL ANGELS LONDON FIELDS with ST PAULS HAGGERSTON

NOTES TO THE ACCOUNTS

6 Net assets attributable to the funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets			
Investments	-	69,988	69,988
Current Assets			
Cash	78,816	10,010	88,826
Debtors	2,000	-	2,000
	80,816	79,998	160,814
Current liabilities	(2,835)	(1,000)	(3,835)
Net assets represented by funds	77,981	78,998	156,979

7 Benefits in kind to community groups

During the year St Michael's has allowed certain community groups to use church and hall space free of charge. These groups included The 8th Haggerston Rainbows, Brownies and Guides; and the Hackney Winter Nightshelter. Had rent been charged at the normal rates, prior to COVID this would have amounted to £6,000 (2019 £6,000).

8 Related party transactions

During the year Dave Carr, who was a member of the PCC until 29 March 2020, was paid £1,013 for work on the premises and garden.

9 Other Assets

Church flat

The PCC undertakes the management of the flat and has the benefit of the rental income. The flat is part of the premises and like the rest of the building it is owned by the London Diocesan Fund.

The rental from the flat is recognised as income when it becomes due.

The balance sheet does not include a value for the flat. It is valued at £300,000 (2019 £300,000).