

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF LEEDS ST GEORGE

Annual Report and Consolidated Financial Statements

For the year ended

31 December 2020

Charity number 1131798

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF LEEDS ST
GEORGE

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Annual Report

For the year ended 31 December 2020

Reference and Administration

The full name of the charity is The Parochial Church Council of the Ecclesiastical Parish of Leeds St George (referred to elsewhere as the PCC), which is situated in Great George Street, Leeds, LS1 3BR. This is also the address for all correspondence. It is part of the Anglican Diocese of Leeds within the Church of England. The Church is registered with the Charity Commission and its Charity number is 1131798.

Membership of the PCC

The PCC members, who are the trustees for the purpose of the Charities Act and who served on the Council since the Annual Church Meeting in 2020 to date (unless otherwise stated), are set out below. During 2020, 8 ex-officio members, 2 co-opted members (one non-voting), 2 Churchwardens, 1 Deputy Churchwarden, 4 Deanery Synod members and 14 elected members served on the PCC.

Ex-Officio members:	Reverend Canon Elizabeth Woolf	Rector
	Reverend Joanna Seabourne	Team Vicar
	Reverend Jon Swales	Lighthouse Minister
	Reverend Eve Ridgeway	Associate Rector
	Reverend Adrian Smith	Associate Rector
	Reverend Julia Wilkins	Curate
	Reverend Paul Wilcock	Assoc. Minister (Appointed 23 January 2020)
	Reverend Che Seabourne	Curate (Appointed 4 July 2020)

Co-opted members:	Lynne Fox	PCC Secretary (non-voting - Appointed 18 May 2020)
	Keith Swallow	Church Treasurer (Appointed 18 May 2020)

Churchwardens:	Ian Pickup, Pauline Rhodes
Deputy Churchwarden	Phil Wright (co-opted 18 May & appointed 3 November 2020)

Deanery Synod members:	David Kibble, Philip Sykes, Ann McKenna, Jonny Bolton
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Elected members:	Mary Booth, Ronke Fakunle, Tracy Farnhill, Bethan Fiveash, Miriam Hurley, Ganzi Isharaza, Ben Jones, Matt Malone, Richard McIntyre, Lindsey Pallant, Susie Smith, Ian Warner, Ann Weir, Jamie Woodhead
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Day to day management is carried out by the Rector and the Operations Manager.

Bankers:	Unity Trust Bank, Four Brindleyplace, 4 Oozells Square, Birmingham, B1 2JB
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Independent Examiner:	Sally Templeman MA, CA, 4 Lawn Avenue, Burley in Wharfedale, Leeds, LS29 7ET
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Structure, Governance and Management

The method of appointment of PCC members is set out in the Church Representation Rules. Newly appointed PCC members are inducted into their roles and responsibilities by the Churchwardens and Operations Manager.

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The PCC operates through a number of committees:

The Standing Committee:	This committee is a requirement by law and has the power to transact the business of the PCC in between official meetings
The Treasury:	Oversees the general finances of St. George's Church, sets the annual budget and is responsible for the annual review of giving within the Church
Overseas Mission Committee:	Spearheads the Church's mission programme in terms of agreeing financial support for Mission Partners and for Church members on short term mission programmes
Church Centre Management Committee:	Responsible for reviewing all operational aspects of the Church Centre and advising the PCC accordingly

Arrangements for setting pay and remuneration: The trustees consider that the Rector and Operations Manager comprise the key management personnel of the charity in charge of directing and controlling its operations on a day to day basis. The Rector is employed by the Church of England and their remuneration is governed by agreements set nationally by the employing body.

Role of Volunteers: Many of the leadership and support roles within St George's are filled by volunteers. These range from participation in Network Groups, Worship, Outreach and Mission Activities in all their various forms, Administration and Governance. Given the diverse and varied nature of these roles, it is virtually impossible to measure the time commitment and notional value attaching to them.

Objectives and Activities

St George's PCC has responsibility for co-operating with the Rector in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical, in the ecclesiastical parish. It also has maintenance responsibility for the main church building, the adjoining St George's Church Centre and three properties (one of which is rented) and of which two house volunteers participating in our ministry experience scheme.

Achievements and Performance

Sundays and special services

At the start of 2020, we met in our church building for 22 lively Sunday services at 10.30 and 18.30, with sung worship, biblical teaching and prayer. From March, we went online, with a pre-recorded service at 10.30 for the whole church family. More than 200 people watched each week, and over 300 congregation members featured on screen. In September we launched 1830 Live Season 1, with armchairs by the fire, online interaction, and socially distanced seats in the building (when permitted). More than 150 people watched each week, in addition to those in the building, and many people stepped up into new roles. Particular thanks to our 36 worship team musicians and 29 tech team members.

Sermon series included 'Belonging', 'Daniel', 'Stories' with many congregation members sharing personal stories of faith online, and 'Resourced'. We offered follow up zoom seminars on climate change and apocalyptic literature.

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Highlights included:

- Vision & Gift Sundays (raising an extraordinary £91,000)
- A joyful baptism service for 12 adults in March
- Holy Week reflections and Easter Sunday online
- Pentecost service with 'Holy Spirit' song featuring 21 members of our worship team
- 4 Squad Preach services (with 12 congregation members preaching for 5 minutes each)
- 7 weddings, one of which featured in national media
- Crypt Sunday with +David Hawkins preaching
- Carol Service live stream, with 'Hark the Herald' pre-recorded by over 70 congregation members
- Christmas Hope video seen 19,000 times, largely due to sharing on social media by congregation members

Lighthouse

Lighthouse is our community that reaches out to those battered and bruised by the storms of life, including homelessness, addiction, poverty, trauma and mental health crisis.

At the start of 2020, Lighthouse held Sunday services in the Crypt with around 75 each week and up to 100 for lunch, plus meetings twice a week at St George's. Our pastoral care is highly specialised, with strong relationships with Adult Social Care, police, hospitals, prisons and mental health crisis teams.

With our bishop's permission, Lighthouse was able to use St George's church building as a base throughout the first lockdown to support some of the most vulnerable in our city. We provided more than 5,000 pastoral phone calls, 1,000 food parcels, 300 doorstep acts of worship and 500 support hours. In June our 'outstanding service' was recognised by the Lord Lieutenant of West Yorkshire.

From July, Lighthouse met 3-4 times a week in small support groups at St George's to provide Christian day care for around 60 people, with additional support for the most vulnerable in Lighthouse Harbour. Smaller numbers have meant an opportunity for greater depth and transformation.

50 people completed the first 'Mission, Theology and Ministry for the Margins' course in partnership with Leeds School of Theology, and a further 32 started online in September. We have also offered coaching and consulting to various groups wanting to work with the marginalised.

Kids and Youth

At the start of 2020, we averaged 42 children and 18 young people at our Sunday morning groups, 20 young people at Roots Friday, 6 young people at 18.30, and 16 children (plus carers) at St G's Tots. In March we launched 6 weekly online small groups, attended by about 30 6-11s and 25 11-16s.

2020 highlights included:

- Weekend away for 25 youth at Herd Farm in February
- Pancake Party for 117 people in February
- Tots online weekly March to July
- Time with Team videos to help families worship at home
- Kids & youth taking part in services eg leading actions, worship, prayers, reading, interviews, and tech
- Year 6 online graduation awards
- Youth online pizza celebration in July
- Thy Kingdom Come Prayer Party with 10 families online
- Launch of Year 8 boys Minecraft group in September
- Harvest Celebrations 'in person' with 12 families

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- Treat the Street initiative at Halloween
- Christmas Assembly for all year groups at Abbey Grange
- Mr Emporium's Gift Shop online nativity. 70 schools and churches signed up and 55 gave (positive!) feedback
- 3 'in person' Christmas Eve Celebrations with 29 families

Thank you to all our wonderful volunteers, including those helping in groups, our safeguarding officers (who help us follow legislation and good practice) and those supporting Eckersley House (for families of children in the LGI).

Students

We have students from all 5 Leeds universities at St George's. As lockdown started, we had 93 domestic students in 8 small groups, with a wider fringe, plus 10 international students. Student Teas averaged 40. Throughout lockdown about 30 students joined a Student Night on zoom each Thursday.

With the new academic year in October, we connected with over 50 new undergraduate students, with over 90 students involved by the end of October. Our international small group continued for around 6-8 students, and we launched a new group for 14 post-graduate students.

2020 highlights included:

- 80 students on our January weekend away
- Chinese New Year party for around 20 students
- 10 ex-international students from around the world joining a weekly after church zoom call during the first lockdown
- Zoom summer party for over 50 students
- 2 'in person' socials in Hyde Park for international students during the summer term
- Many students serving in other ministry areas, such as worship, kids, youth and Alpha
- 25 students at Fusion conference in September
- Student Nights with discussion in groups of 6 outside at the start of the autumn term
- Significant pastoral support for students especially freshers
- Zoom Christmas Party for over 50 students

Small Groups and Networks

We have 33 small groups and networks meeting regularly for community and discipleship. In 2020 these moved online, and have been the core of our dispersed community life. At least 49 people joined small groups in 2020. After church zoom coffee and zoom pub were also popular.

A huge thank you to all our small group leaders, including 7 who stepped down and 22 who started in 2020. They have been supported with regular team meetings, resources, and specific training on 'suffering, sovereignty and hope', bereavement care and racial justice.

Our special groups have also continued through lockdown. Farsi Network has been able to meet online, support asylum seekers and has started a new women's group. Africa Group helped us to learn about issues of racism and racial justice. Dialogue and Reconciliation Network contacted Jewish and Muslim leaders in Leeds to express our support as people of faith, given the rise in anti-Semitism and Islamophobia. Extra Time (for over 50s) continued a popular monthly midweek Holy Communion by zoom. Our walking group was able to meet for 4 walks, including once in groups of 6.

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Pastoral care

In the first lockdown, around 100 people took part in a pastoral support system, receiving a regular phone call from a member of the congregation. This helped us to identify and respond to both practical and pastoral needs. We also established a well-funded hardship fund.

Prayer

Prayer underpins everything at St George's. In March we introduced daily Facebook Live prayers. In the first lockdown more than 50 people participated at 9am each day and 30 at 9pm. By autumn this settled to a community of around 23 people at 9am and 12 at 9pm. Many of us joined the Thy Kingdom Come global prayer movement, praying more between Ascension and Pentecost. Our interactive monthly prayer meeting also moved onto zoom, and prayer ministry appointments have been available online.

Alpha

Alpha creates space for people to bring their friends for a conversation about faith, life and God. In 2020 we ran Alpha once 'in person' and 3 times online, with 35 people finishing the course and 20 people helping to host. As an Alpha hub church, we continued to work with Alpha UK, especially to develop the new Alpha Online Platform.

Marriage Course

In February and March, 3 couples led The Marriage Course for 17 couples to invest in their marriages, switching to online part way through. We usually offer the Pre-Marriage Course for engaged couples, led by 2 St George's couples. In 2020, we signposted 6 couples to the online course provided by Holy Trinity Brompton.

Partnerships

Resource Church

St George's is one of 5 Resource churches in Leeds, working together under the leadership of Bishop Paul Slater. This means we have a city-wide vision, and are committed to church planting and giving away resources strategically in order to bless our city.

Our last church plant was in Jan 2018 to St Paul's Ireland Wood. In October 2020 they wrote to thank us, explaining that a few years ago, a pandemic might well have forced them to close permanently, but because of the re-vitalisation they were able to look outwards and support their local community. We expect Julia Wilkins to lead our next plant in 2022.

In 2020:

- We hosted and co-led the first Plant Course in the North, equipping 5 teams of church planters
- Over 60 staff and congregation engaged with the online Church Planting Conference led by the Gregory Centre for Church Multiplication
- We sent out the Law family to plant a Chinese church in Manchester
- We invited congregation members to join a team to support St Peter's Morley
- St George's was recognised as a New Wine 'Church Planting Hub Church'
- We contributed to diocesan training on moving services online, and shared our worship videos with local churches
- We partnered with other local churches for an 'Honesty Over Silence' event in March, attended by around 50 people from St G's

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St Augustine's Wrangthorn

Since 2012 we have had a mission partnership agreement with our neighbouring parish. In 2020 we worked with the diocese on plans to formalise this link and become a 2 parish benefice.

Wrangthorn joined St G's for online services before launching their own zoom services and continued to serve their local community.

Church@Hyde Park Corner

In September 2020 we launched Church@Hyde Park Corner, a student church for unchurched students, in partnership with Wrangthorn. There are usually around 70,000 students in Leeds, but only 0.6% goes to church. Our team of 5 students and 2 interns went door knocking weekly and connected with unchurched students via Instagram.

Holy Trinity Boar Lane

In 2020 we continued to work with Leeds Minster on plans to plant a week-day ministry of worship, prayer and outreach to those working in Leeds city centre. Holy Trinity Boar Lane was redeveloped, with the aid of grant funding, to prepare it to be a home for the new church plant. We also worked with the diocese on plans to move the parish boundary so that Holy Trinity Boar Lane will fall within St George's parish.

St Hild Theological College

As a founding church partner, we provide a trustee, and many of our clergy are associate faculty and lead teaching modules. In 2020 we helped launch the new St Hild Centre for Church Planting.

Interns & ordinands

In partnership with the diocese, our intern programme has expanded to include 24 interns serving in Leeds, Bradford, and Harrogate.

2 St G's interns graduated in January 2020 having served for 18 months, and 5 in July after a year. Over 50 people joined the zoom graduation to celebrate, hear testimony and pray. In September we welcomed 10 interns to serve at St George's, 2 serving a 2nd year and 8 new people. Our interns live in community houses, receive weekly teaching and supervision, and serve in a ministry area. 3 finished at the end of 2020, returning to Rwanda and China.

St George's is the sending church for 4 young women who are at theological college training for ordination. We also have 10 men and women exploring the possibility of ordination.

Mission Partners

St George's Crypt

In October 2020, the Crypt celebrated its 90th anniversary serving the homeless in Leeds.

In 2020, lockdown restrictions had a significant impact, but the Crypt continued to operate core services, with bedrooms full in the Care Centre and Regent Lodge, and additional responsibility for managing a temporary hostel and

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hotel for the homeless. Growing Rooms, the residential abstinence recovery project, continued to work with 20 clients online. After a delay, construction work continued on new move-on accommodation.

Local mission partners

We have 4 main local mission partners: St George's Crypt (see above), Kidz Klub, Leeds Faith in Schools and Transformations Leeds who we support in a variety of ways including money, prayer, trustees, volunteers, and hampers. In 2020 we also supported Spacious Places.

Overseas mission partners

In 2020 we supported 5 overseas mission partners with prayer and money. One returned to the mission field in late 2020 after studying in Leeds, and some were able to join in St George's online events.

[Resourcing the Ministry](#)

Staff team

We have a fantastic staff team who work hard to support and equip our many volunteers. In 2020 we made good use of the government's furlough scheme. We also made some difficult decisions, including redundancies and not filling posts following resignation. We said goodbye to Laura Palmer (International students), Dyveke Rismoen (Assistant Centre Manager), James Meredith (Wrangthorn), Hannah Jones (Lighthouse pastor), and Helen Coutie (Finance Administrator). We welcomed 2 self-supporting clergy, Paul Wilcock (Associate Minister) and Che Seabourne (Curate).

PCC

The Parochial Church Council consists of churchwardens, clergy, and elected representatives of the congregations. The PCC work with the Rector to oversee all our ministry and mission, with a focus on finances, buildings and HR. This year we took some key decisions towards becoming a team ministry with 2 parishes and 3 church buildings. We also recognised the climate emergency and learned about racial justice.

Our zoom ACM, the Ultimate Church Night In, took place in November with about 135 people. Special thanks were given to Alastair Smith who stepped down after 24 years as treasurer.

Website and Social media

In 2020 St George's social media reached half a million people. We appeared on the Facebook timeline of over 450,000 people, and over 55,000 unique Instagram users saw our posts or stories. Visits to the website increased 55% with over 41,000 unique visitors in 2020, and we added a selection of online resources. Between August and December, 41 people made contact via the 'New to Leeds' page on our website.

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St George's Centre

St George's Centre performed well in January, February and most of March, but was closed for much of 2020 due to lockdown restrictions. We reduced costs wherever possible, but a much reduced financial contribution towards the wider ministry of St G's was inevitable. We were pleased to use the space to support the Leeds General Infirmary and Lighthouse at different times.

Risk Management

The PCC delegates responsibility for identifying and managing specific key risks to one of the committees set out above. The key risks are incorporated into a Risk Register which is reviewed periodically by the Operations Manager in conjunction with one of the churchwardens. The specific risks associated with the Covid-19 pandemic are disclosed in a fuller statement at the end of the Trustees' Annual Report.

Financial review

Donated income (including tax recovered) totalled £520,062 compared with £450,009 for the previous year. After a successful first quarter, the Church Centre was badly hit by the Covid-19 pandemic generating income of £60,150 in 2020 compared with £292,403 in 2019. Income from investments totalled £18,168 (2019 £15,881), again reflecting good returns from our investments managed by CCLA. Overall, unrestricted income totalled £674,716 (2019 £791,193).

Expenditure in 2020 across all areas of church activity (but excluding the trading subsidiary, St George's Centre Limited) totalled £668,195 (2019 £725,846). Much reduced trading subsidiary running costs of £41,695 reflected the significant reduction in activity driven by the pandemic (2019 £114,569).

Total funds at 31 December 2020 were £1,367,258 of which £21,507 was restricted and £133,865 related to endowments. The split of unrestricted funds into various designations is outlined in the "Reserves policy" below and in Note 13 of the Financial Statements.

Trading subsidiary

St George's Centre Limited is responsible for the hiring out of the Church Centre together with the provision of ancillary services. The results of the subsidiary have been consolidated into these accounts together with the activities of the Church. Notes 3(b), 4(b) and 7(b) of the Financial Statements give more detail.

Investment performance

All the investments held as an alternative to cash deposits are invested with CCLA, an organisation which solely manages investments for charities, religious organisations and the public sector. At 31 December 2020, investments were held in the CBF Church of England Investment Fund and the COIF Charities Property Fund. The former is designed to produce combined income and capital growth over the medium term whilst the latter generates immediate returns in the form of dividends. A summary of the performance of each fund is given below:

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For the year ended 31 December 2020

	Value of each Unit at 31/12/19	Value of each Unit at 31/12/20	Income year ended 31/12/20 Dividends received
CBF Church of England Investment Fund:			
Accumulation Units	£45.0145	£49.6199	N/A
Income Units	£19.1260	£20.4467	£4,354
COIF Charities Property Fund	£1.1471	£1.0893	£11,543

The CBF Church of England investments made a significant recovery in value during the course of 2020 recovering all the earlier losses occasioned by the Covid-19 pandemic. However, uncertainty around commercial property values in the UK left the COIF Charities Property Fund down from its value at the beginning of the year although there were signs some parts of this market were recovering towards the end of 2020 and into 2021.

Reserves policy

At 31 December 2020, St George's had Unrestricted Funds of £1.212 million, compared with £1.241 the previous year. The movement is made up of a deficit of £28,552 plus investment losses of £721. The investment losses are unrealised losses revaluing the investment holdings. The Unrestricted Funds can be sub-divided into various categories as follows.

An amount of £546,759 represents the net book value of tangible fixed assets (less related borrowings) which are used by St George's in the delivery of its mission and the maintenance of Church Centre activities. These are known as 'Functional Assets' and by their nature are not readily available to meet the day to day operating expenditure of the organisation.

A further sum of £360,800 has been set aside in a Repair and Replacement Fund. The PCC is responsible for the upkeep of the church building together with four properties which it owns. In addition, it has a duty to ensure all fixtures, fittings and equipment used by the staff and congregation are fit for purpose and maintained to a high standard. The provision made in 2019 representing St George's contribution to remedial cladding works on the St George Building was initially set at £100,000. The availability of government grants from the Building Safety Fund means this figure can be significantly reduced as the Church will only have to contribute to the cost of non-eligible expenditure on the cost of replacing flammable balcony timbers. The revised provision in the Repair and Replacement Fund is £30,000 (see also Note 15). Ordinarily, The Fund is designed to meet anticipated major expenditure required over a 5 year rolling period.

The Strategic Mission Fund has been established to finance mission initiatives with partners who share broadly the same aims and objectives as St George's. A further sum of £5,000 will be donated to St Hild College in 2021 with the balance of £40,000 remaining unallocated although it is anticipated that it will be used to assist with the next church planting and renewal initiative.

It is the intention that both the Repair and Replacement Fund and Strategic Mission Fund are reviewed and updated at least annually to ensure current and future needs in these areas are adequately resourced.

The balance of Unrestricted Funds amounting to £264,327 partly comprises a Contingency Fund to meet the additional financial demands which could arise from a downturn in our principal sources of income, namely voluntary giving and Church Centre revenues and in meeting the potential liability which could arise from our pension fund obligations (see Note 15). The remaining balance is unallocated.

Details of funds and reserves are given in Note 13 to the accounts.

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Public benefit

When reviewing the aims and objectives of the charity and in planning future activities, the trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. In promoting the Christian faith, St George's Church is open to all and makes no charges to attend any of its services and most of the activities connected with public worship. Some optional courses are run which make a small charge which is intended to cover the direct cost of the resources required in delivering these courses.

Covid-19 pandemic

Writing this report 12 months ago, we could not have imagined the full effect of this pandemic both in terms of the timeframe required to control it and the impact on people's lives. St George's has managed to adapt all areas of community life as far as possible so that it could continue to function at an operational level and communicate with and support all members of our own congregation and indeed many others outside of our immediate church family. This is a reflection of the skills and ingenuity of our whole staff team and many volunteers who have shown how effectively the Church can adapt to adversity when the need arises. The congregation have continued to support the Church financially at a level not dissimilar to that prior to the pandemic and the 2021 Vision Appeal is testimony to that continuing commitment as the amount raised of around £70,000 (including Gift Aid) comfortably exceeded our target of £50,000. This level of support allied to other significant initiatives such as the government's Coronavirus Job Retention Scheme ('furlough' arrangements) has allowed the Church to maintain a relatively strong financial position. By contrast, the Church Centre commercial activities have been severely curtailed reflecting the experiences of the wider hospitality industry. Successive lockdowns, restrictions on meeting numbers and general uncertainty lead to very few events being held in the Church Centre after the end of March 2020 with a consequent financial impact mentioned elsewhere in this report. However, the operational capability of the Centre has been maintained throughout and the Manager and support staff are ready and well prepared for the re-opening when dates can be finalised.

Measures to ensure the safety and wellbeing of all staff and volunteers continue in place and include the following:

- Wearing of face masks within all church buildings, making available sanitising products and extensive cleaning/disinfecting procedures after any group activities; exercising social distancing and following any other guidance issued by the government
- Ensuring all staff continue to work in a safe environment, working from home wherever possible
- Careful planning of events in terms of timing and numbers as announcements are made relaxing lockdown measures

Where additional disclosure is required, this can be found in the Notes to the Financial Statements.

Approved by the PCC on 15 June 2021 and signed on their behalf by Reverend Elizabeth Woolf, PCC Chair

Elizabeth Woolf
Rector

Consolidated Statement of Financial Activities

For the year ended 31 December 2020

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
	Note				2020 £	2019 £
INCOME FROM:						
<i>Donations and legacies</i>	3(a)	502,315	17,747	-	520,062	450,009
<i>Other trading activities</i>	3(b)	83,517	-	-	83,517	327,515
<i>Income from investments</i>	3(c)	18,168	-	-	18,168	15,881
<i>Income from charitable activities</i>	3(d)	70,716	-	-	70,716	4,061
TOTAL INCOME		674,716	17,747	-	692,463	797,466
EXPENDITURE ON:						
<i>Expenditure on charitable activities</i>	4(a)	661,573	6,622	-	668,195	725,846
<i>Expenditure on raising funds</i>	4(b)	41,695	-	-	41,695	114,569
TOTAL EXPENDITURE		703,268	6,622	-	709,890	840,415
Net (expenditure)/income before gains/(losses) on investments		(28,552)	11,125	-	(17,427)	(42,949)
Net gains/(losses) on investments	7(b)&9	(721)	-	8,647	7,926	48,750
NET INCOME/(EXPENDITURE) and NET MOVEMENT IN FUNDS		(29,273)	11,125	8,647	(9,501)	5,801
Reconciliation of funds:						
TOTAL FUNDS AT 1 JANUARY		1,241,159	10,382	125,218	1,376,759	1,370,958
TOTAL FUNDS AT 31 DECEMBER		1,211,886	21,507	133,865	1,367,258	1,376,759

The consolidated statement of financial activities includes all gains and losses recognised in the year

All income and expenditure derives from continuing activities

The notes on pages 16 to 33 form part of these accounts

Balance Sheets

As at 31 December 2020

		Group		Charity	
	Note	2020 £	2019 £	2020 £	2019 £
FIXED ASSETS					
Tangible fixed assets	7(a)	585,759	579,141	585,759	579,141
Investments	7(b)	133,865	125,218	133,866	125,219
TOTAL FIXED ASSETS		719,624	704,359	719,625	704,360
CURRENT ASSETS					
Debtors	8	36,951	89,712	30,134	52,940
Intercompany		-	-	23,038	39,606
Cash and bank		304,880	283,345	281,697	258,895
Investments	9	391,667	392,388	391,667	392,388
TOTAL CURRENT ASSETS		733,498	765,445	726,536	743,829
LIABILITIES:					
Creditors: amounts falling due within one year	10	(46,864)	(54,045)	(39,903)	(32,430)
NET CURRENT ASSETS		686,634	711,400	686,633	711,399
TOTAL ASSETS LESS CURRENT LIABILITIES		1,406,258	1,415,759	1,406,258	1,415,759
LIABILITIES:					
Creditors: amounts falling due after one year	11	(39,000)	(39,000)	(39,000)	(39,000)
TOTAL NET ASSETS		1,367,258	1,376,759	1,367,258	1,376,759
THE FUNDS OF THE CHARITY					
Unrestricted	13	1,211,886	1,241,159	1,211,886	1,241,159
Restricted	14	21,507	10,382	21,507	10,382
Endowment	7(b)	133,865	125,218	133,865	125,218
TOTAL CHARITY FUNDS		1,367,258	1,376,759	1,367,258	1,376,759

Approved by the Parochial Church Council on 15 June 2021 and signed on its behalf by:

Elizabeth Woolf
Trustee

Keith Swallow
Trustee

The notes on pages 16 to 33 form part of these accounts

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

	Note	Total funds 2020 £	2019 £
Cash flows from operating activities:			
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	18	32,835	(45,098)
Cash flows from investing activities:			
Dividends and interest from investments		18,168	15,881
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(30,189)	(9,700)
Redesignated investments		-	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		(12,021)	6,181
Cash flows from financing activities:		-	-
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		-	-
Change in cash and cash equivalents in the reporting period		20,814	(38,917)
Cash and cash equivalents at the beginning of the reporting period		675,733	714,650
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		696,547	675,733

Cash and cash equivalents include cash held on deposit with regulated banking institutions together with investments held with regulated investment managers

Notes to the Financial Statements

For the year ended 31 December 2020

1 ACCOUNTING POLICIES

Basis of accounting

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 FRS 102, the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP (FRS102)) and the Church Accounting Regulations 2006 governing the individual accounts of PCCs and with the Regulations' "true and fair view" provisions.

Basis of consolidation

The consolidated financial statements comprise St George's Church ('the Charity') and its wholly-owned subsidiary undertaking, St George's Centre Limited, ('the Subsidiary'). The summarised profit and loss account for the Subsidiary is shown in note 7(b)(ii). The results of the Subsidiary are consolidated on a line by line basis.

Going Concern

Management has considered the material uncertainties which could impact the charity's ability to continue as a going concern including the continuing Covid-19 pandemic. The Trustees believe that whilst there has been some impact arising from the Coronavirus situation and the consequent worsening economic environment, the combination of donated and investment income supplemented by government grants and other financial assistance such as furlough will be adequate to provide sufficient cash flow to meet all day to day operational needs. The Charity also has sufficient reserves to meet all future commitments which have been identified.

The consolidated financial statements have therefore been prepared on the going concern basis which assumes that the Group will continue in operation for the foreseeable future. On this basis, the trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence.

Funds

Unrestricted funds represent the funds of the Group that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC Trustees. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are those funds that must be spent on restricted purposes and details of the funds held and restrictions are provided in Note 14. Endowment funds (which are also restricted funds), where the capital must be retained, are explained in Note 7(b)(i).

The consolidated financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

Income

Donations, legacies and charitable activities

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Tax recoverable on Gift Aid donations is recognised when the donation is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and an inflow of economic benefit is probable.

Notes to the Financial Statements

For the year ended 31 December 2020

ACCOUNTING POLICIES (continued)

Other income

Rental income from the letting of church premises is recognised when the rental is invoiced as is the provision of any ancillary services. Government grants are recognised when receivable.

Income from investments

Dividends and fund distributions are accounted for when due and payable and interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

Gains or losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Expenditure

Resources expended

Resources expended are recognised in the period in which they are incurred and include attributable VAT which cannot be recovered.

Grants

The award of a grant is recognised as a liability only when the criteria for a constructive obligation are met, payment is probable, it can be measured reliably and there are no conditions attaching to its payment that limit its recognition.

Activities directly relating to the work of the Church

The Diocesan Parish Share is accounted for when payable. Any Share unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown in the Balance Sheet.

Pension costs

Workplace pensions — Eligible employees are automatically enrolled with the National Employment Savings Trust ('NEST') in order to meet the Charity's pension obligations arising from the statutory provisions of the Pensions Act 2008. Contributions unpaid at 31 December are accrued as a liability and paid to NEST by the 10th day of the following month.

Church Workers Pension Fund – The PCC now has no active employees enrolled with this scheme and consequently, there are no pension costs charged to the Consolidated Statement of Activities. A potential liability exists from securing the future benefits of past employees. Full details of this contingent liability are disclosed in Note 15 of the Financial Statements.

Notes to the Financial Statements

For the year ended 31 December 2020

ACCOUNTING POLICIES (continued)

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.

Fixed Assets

Consecrated and benefice property

Consecrated and benefice property is excluded from the accounts in accordance with s.10 (2) (a) and (c) of the Charities Act 2011.

Moveable church furnishings

For property acquired prior to 2000, there is insufficient cost information available and therefore such assets are not valued in the financial statements. Items acquired since 1 January 2000 have been capitalised and depreciated in the financial statements over their currently anticipated useful economic life (initially over 4 years) on a straight line basis, apart from certain assets which are deemed to have a longer working life.

All expenditure incurred in the year on consecrated or benefice buildings or on the repair of movable church furnishings acquired before 1 January 2000 is written off.

Properties

Freehold and leasehold properties held as functional assets are valued at their original cost. At each reporting date, an assessment is carried out to determine whether the carrying value is in excess of the recoverable amount.

Other fixtures, fittings and equipment

Equipment used within Church premises is depreciated on a straight line basis, usually over 4 years. Depreciation on assets acquired under a finance agreement reflects the term of the agreement. Individual items of equipment with a purchase price of £500 or less are written off when the asset is acquired. Fit out costs of the Church Centre are being amortised over 50 years.

Investments

Investments are valued at market value at 31 December using the bid price provided by the fund manager.

Current Assets

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

Short term deposits include cash held on deposit with CBF Church of England Funds or with UK regulated banking institutions and investments held with regulated fund managers. Investments held as current assets are valued at market value at 31 December using the bid price provided by the fund manager.

Notes to the Financial Statements

For the year ended 31 December 2020

ACCOUNTING POLICIES (CONTINUED)

Taxation

The Charity is a registered charity and has no liability to corporation tax on its charitable activities. The Subsidiary is liable to corporation tax on its taxable profits to the extent that they have not been Gift Aided to the Parent Charity.

Critical Accounting Estimates and Judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Notes to the Financial Statements

For the year ended 31 December 2020

2 FUND COMPARATIVES

Comparative figures for fund movements in the Statement of Financial Activities are as follows:

	Fund movements 2019			
	Unrestricted	Restricted	Endowment	Total
	£	£	£	£
INCOME FROM:				
<i>Donations and legacies</i>	443,736	6,273	-	450,009
<i>Other trading activities</i>	327,515	-	-	327,515
<i>Income from investments</i>	15,881	-	-	15,881
<i>Income from charitable activities</i>	4,061	-	-	4,061
TOTAL INCOME	791,193	6,273	-	797,466
EXPENDITURE ON:				
<i>Expenditure on charitable activities</i>	721,275	4,571	-	725,846
<i>Expenditure on raising funds</i>	114,569	-	-	114,569
TOTAL EXPENDITURE	835,844	4,571	-	840,415
Net income before gains/(losses) on investments	(44,651)	1,702	-	(42,949)
Net gains/(losses) on investments	29,001	-	19,749	48,750
NET INCOME/(EXPENDITURE)	(15,650)	1,702	19,749	5,801
TOTAL FUNDS AT 1 JANUARY 2019	1,256,809	8,680	105,469	1,370,958
TOTAL FUNDS AT 31 DECEMBER 2019	1,241,159	10,382	125,218	1,376,759

Notes to the Financial Statements

For the year ended 31 December 2020

3 INCOME

		Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2020	FUNDS
	Note	£	£	£	£
3(a) Donations and legacies					
Planned giving					
Gift aid donations		341,395	-	341,395	290,860
Income tax recoverable		87,311		87,311	77,655
Youth Worker Appeal Fund	14(a)	-	3,990	3,990	4,140
Asylum Seekers' Appeal Funds	14(b)	-	2,836	2,836	2,133
Financial Support Fund	14(c)	-	10,921	10,921	-
Other planned giving		49,647	-	49,647	45,408
Collections		1,685	-	1,685	8,770
Sundry donations		21,277	-	21,277	16,043
Legacies		1,000	-	1,000	5,000
		502,315	17,747	520,062	450,009
3(b) Other trading activities					
Church room hire		7,403	-	7,403	13,910
St George's Centre Limited		60,150	-	60,150	292,403
Car parking rental income		12,280	-	12,280	19,544
Rent of 22 Hanover Square/46 Vesper Lane		2,000	-	2,000	-
Feed in tariff		1,684	-	1,684	1,658
		83,517	-	83,517	327,515
3(c) Income from investments					
Bank interest		2,271	-	2,271	2,713
Dividends and fund distributions		15,897	-	15,897	13,168
		18,168	-	18,168	15,881
3(d) Income from charitable activities					
Sundry income	3(e)	69,872	-	69,872	2,612
Fees		844	-	844	1,449
		70,716	-	70,716	4,061
TOTAL INCOME		674,716	17,747	692,463	797,466

Notes to the Financial Statements

For the year ended 31 December 2020

3(e) *Sundry income*

Sundry income includes £58,343 receivable in grants under the government's Coronavirus Job Support Scheme and £10,000 from the Local Authority Discretionary Grants Fund.

4 EXPENDITURE

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	2019 £
4(a) <i>Expenditure on charitable activities</i>					
Missionary & charitable giving					
Mission partners & mission donations		46,811	-	46,811	49,350
St Hild College donation		5,000	-	5,000	5,000
Vicar's Discretionary Fund		-	-	-	260
Asylum Seekers' Appeal Funds	14(b)	-	2,632	2,632	431
Financial Support Fund	14(c)	-	-	-	-
		51,811	2,632	54,443	55,041
Ministries					
Youth Work		4,788	-	4,788	6,542
Student ministry		2,406	-	2,406	5,317
Music and drama		1,912	-	1,912	2,167
Other church groups		1,911	-	1,911	5,608
Lighthouse		21,250	-	21,250	22,500
Outreach events		223	-	223	4,137
Bookstall		-	-	-	-
Sundry		1,881	-	1,881	1,470
Fees		844	-	844	1,449
		35,215	-	35,215	49,190
Church running & maintenance					
Church running expenses		29,178	-	29,178	43,365
Caretaker, vergers and cleaner		26,780	-	26,780	22,945
Staff housing		24,199	-	24,199	19,694
		80,157	-	80,157	86,004

Notes to the Financial Statements

For the year ended 31 December 2020

4 EXPENDITURE (continued)

		Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2020 2019	
4(a)	<i>Expenditure on charitable activities (contd.)</i>	£	£	£	£
	Staff				
	Staff working expenses	3,026	-	3,026	6,894
	House for duty pastor	10,000	-	10,000	10,000
	Visiting preachers	85	-	85	32
	Worship/communication pastors	37,441	-	37,441	35,903
	Youth, student & family pastors	70,569	3,990	74,559	77,564
	14(a) Interns	6,744	-	6,744	15,337
		127,865	3,990	131,855	145,730
	Church management & administration				
	Office salaries	72,944	-	72,944	85,324
	Technical manager	-	-	-	3,989
	Bookkeeping	18,957	-	18,957	19,929
	Computer Software	614	-	614	776
	Telephones	1,148	-	1,148	1,072
	Photocopying	714	-	714	1,570
	Print, postage and stationery	154	-	154	2,759
	Website, publicity and PA	1,383	-	1,383	1,761
	Bank charges	1,953	-	1,953	1,939
	Sundry expenditure	188	-	188	849
	Depreciation	12,777	-	12,777	15,917
	Governance costs	2,754	-	2,754	2,880
	4(c) Church Centre	102,720	-	102,720	105,095
		216,306	-	216,306	243,860
	Diocesan Parish Share	150,219	-	150,219	146,021
	Total expenditure on charitable activities	661,573	6,622	668,195	725,846
4(b)	<i>Expenditure on raising funds</i>				
	St George's Centre Limited	41,695	-	41,695	114,569
	7(b)(ii)				
		703,268	6,622	709,890	840,415
	TOTAL EXPENDITURE				

Notes to the Financial Statements

For the year ended 31 December 2020

4(c) Governance costs

Governance costs comprise expenditure on assisting the Trustees meet their statutory obligations and include Independent Examination, £1,254 (2019 £1,380) and a portion of administration expenditure, £1,500 (2019 £1,500).

5(a) STAFF COSTS

	2020	2019
	£	£
Wages and salaries	282,069	325,315
Social security costs	18,568	20,977
Pension costs	15,594	18,153
	<hr/>	<hr/>
	316,231	364,445

No employee received emoluments of more than £60,000 (2019: None).

The average number of employees during the year, including full and part time, was 30. This approximates to 16 full time equivalent staff.

5(b) PAYMENTS TO/DONATIONS FROM PCC MEMBERS

Expenses totalling £2,005 (2019 £3,791) were paid during the year to or on behalf of members of the clergy who sit on the PCC. None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity. The total donations received from serving PCC members in their capacity as Trustees during 2020 amounted to £41,784 (2019 £41,490).

6 DESIGNATED FUNDS

Unrestricted funds include amounts which have been designated by the PCC for specific purposes and are set out in Note 13.

Notes to the Financial Statements

For the year ended 31 December 2020

7 FIXED ASSETS

7(a) Tangible Fixed Assets	Group & Charity			TOTAL
	Freehold Land and Buildings £	Leasehold Land and Buildings £	Furniture and Equipment £	
Cost or valuation				
At 1 January 2020	158,794	482,026	517,197	1,158,017
Additions	-	-	30,189	30,189
Disposals	-	-	-	-
At 31 December 2020	158,794	482,026	547,386	1,188,206
Depreciation				
At 1 January 2020	-	93,982	484,894	578,876
Charge for the year	-	7,093	16,478	23,571
Eliminated on disposals	-	-	-	-
At 31 December 2020	-	101,075	501,372	602,447
Net book value				
At 31 December 2020	158,794	380,951	46,014	585,759
At 31 December 2019	158,794	388,044	32,303	579,141

The freehold land and buildings comprise:

46 Vesper Lane - original cost £60,175

At a meeting on 12 March 2018, the PCC resolved to sell 46 Vesper Lane. However, significant costs (as yet unquantified) will need to be incurred in repairing the boundary wall and replacing the garage before the property can be offered for sale. Remedial works have been further delayed during 2020 as protracted negotiations have continued with Leeds City Council to determine an equitable apportionment of the repair costs between it and St George's. In the circumstances, it is not felt appropriate to either reclassify or revalue this property at the present time.

22 Hanover Square - original cost £74,840

The leasehold land and buildings include:

Flat 4, St George's Apartments - the cost of £127,372 is not being depreciated on the grounds that the residual value is considered to be at least equal to original cost

Church Centre - fit out costs of £354,654 are being amortised over 50 years

Notes to the Financial Statements

For the year ended 31 December 2020

Freehold reversionary interest

In September 2004, the PCC granted a 150 year lease to Brampton Asset Management in return for a capital sum, which facilitated the redevelopment of land adjacent to St George's Church. No ground rent is receivable in relation to this transaction. Given the length of the leasehold term remaining, it is estimated that the present value of the freehold reversionary interest is not material and therefore no figure has been included in these accounts.

7(b) Investment Assets

Investment assets comprise (i) endowed securities held by the Diocese as custodian trustee and (ii) one ordinary share in St George's Centre Limited, a wholly owned subsidiary.

(i) The endowment holdings are held by the Diocese of Leeds as custodian trustee on behalf of the PCC. All shares shown below are investments in the CBF Church of England Investment Fund.

	Status	Number of shares	Market Value – Group & Charity		
			At 1.1.20	Increase in value	At 31.12.20
			£	£	£
Endowment Fund	Endowment	6,060	115,904	8,004	123,908
Curacy Fund	Endowment	487	9,314	643	9,957
			125,218	8,647	133,865

Dividends from the Endowment and Curacy funds are retained by the Diocese and used to fund clergy stipends. The capital value of investments classed as endowment must be maintained in perpetuity.

(ii) The ordinary share in St George's Centre Limited was acquired on the incorporation of the company. Its result for the year is shown below. Net assets at 31 December 2020 amounted to £1 and this is deemed to represent the current value of the investment.

	2020	2019
	£	£
Income from room hire, catering and equipment hire	60,150	292,402
Direct costs and overheads	(41,695)	(114,569)
Amount Gift Aided to Parent Charity	(18,455)	(177,833)
Net profit	-	-

Notes to the Financial Statements

For the year ended 31 December 2020

8 DEBTORS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Income tax recoverable	19,910	18,767	19,910	18,767
Prepayments and debtors	17,041	70,945	10,224	34,173
	<u>36,951</u>	<u>89,712</u>	<u>30,134</u>	<u>52,940</u>

9 INVESTMENTS

	Market Value - Group & Charity			
	01.01.20	Disposals	Gains/ (losses)	31.12.20
	£	£	£	£
CCLA - The CBF Church of England Investment Fund	156,366	-	11,172	167,538
CCLA – COIF Charities Property Fund	236,022	-	(11,893)	224,129
	<u>392,388</u>	<u>-</u>	<u>(721)</u>	<u>391,667</u>

10 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Accruals, creditors and deferred income	46,864	54,045	39,903	32,430
	<u>46,864</u>	<u>54,045</u>	<u>39,903</u>	<u>32,430</u>

11 LIABILITIES: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group & Charity	
	2020	2019
	£	£
Equity Sharing Loan – 46 Vesper Lane	39,000	39,000
	<u>39,000</u>	<u>39,000</u>

Notes to the Financial Statements

For the year ended 31 December 2020

The Equity Sharing Loan was advanced by the Church of England's Central Board of Finance ('CBF') to assist with the purchase of 46 Vesper Lane. There is no fixed date for repayment but in the event of a sale, the CBF are entitled to share in the proceeds in proportion to the amount advanced as a percentage of the original purchase price. Interest is charged quarterly and increases annually in line with the index of retail prices. As indicated in Note 7(a), there is an intention to sell the property. However, as the loan is repayable from any proceeds, the loan continues to be disclosed as falling due after one year.

12 ANALYSIS OF NET ASSETS BY FUND

	Group & Charity			
	Unrestricted	Restricted	Endowment	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Fixed Assets	585,759	-	133,865	719,624
Current Assets	711,991	21,507	-	733,498
Current Liabilities	(46,864)	-	-	(46,864)
Deferred Liabilities	(39,000)	-	-	(39,000)
	1,211,886	21,507	133,865	1,367,258

ANALYSIS OF NET ASSETS BY FUND (PREVIOUS YEAR)

	Group & Charity			
	Unrestricted	Restricted	Endowment	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Fixed Assets	579,141	-	125,218	704,359
Current Assets	755,063	10,382	-	765,445
Current Liabilities	(54,045)	-	-	(54,045)
Deferred Liabilities	(39,000)	-	-	(39,000)
	1,241,159	10,382	125,218	1,376,759

13 UNRESTRICTED FUNDS

Unrestricted Funds are divided into Designated and General Funds.

Designated funds comprise the net book value of functional fixed assets together with those funds which the PCC has decided to earmark for specific purposes. Earmarked funds include:

Repair and Replacement Fund – reserves set aside to meet the anticipated cost of major repairs or replacements of functional fixed assets over the next five years (previously ten years)

Notes to the Financial Statements

For the year ended 31 December 2020

Strategic Mission Fund – a fund designed to finance key mission initiatives, in conjunction with other partners sharing similar goals to St George's

General Funds at 31 December 2020 amounted to £ 264,327 and include £106,000 earmarked as a contingent sum to meet unplanned reductions in primary sources of income, namely voluntary giving and Church Centre revenues and any contingent liabilities. The balance of Undesignated Reserves remains unallocated.

Details of these different Funds, their movements during the year and balances at 31 December 2020 are set out below.

13 UNRESTRICTED FUNDS (continued)

	Group & Charity				
ANALYSIS OF MOVEMENTS IN UNRESTRICTED FUNDS	Balances at 1.1.20	Movements in	(Movements out)	Transfers	Balances at 31.12.20
Designated Funds:	£	£	£	£	£
Net book value of tangible fixed assets	579,141	30,189	(23,571)	-	585,759
Less: related borrowings	(39,000)	-	-	-	(39,000)
Closing balance	540,141	30,189	(23,571)	-	546,759
 Repair and Replacement Fund	 451,250	 (28,000)	 18,500	 (80,950)	 360,800
 Strategic Mission Fund	 45,000	 -	 (5,000)	 -	 40,000
	1,036,391	2,189	(10,071)	(80,950)	947,559
Free reserves:					
 General Funds	 204,768	 (2,189)	 (19,202)	 80,950	 264,327
 Total unrestricted funds	 1,241,159	 -	 (29,273)	 -	 1,211,886

The transfer of £80,950 out of the Repair and Replacement Fund mainly comprises a reduction in the provision for the cost of removing cladding from the exterior of the St George Building. The original provision of £100,000 was made prior to the Government announcement that a fund (the 'Building Safety Fund') had been established to assist leaseholders who could not afford the cost of removing and replacing cladding to residential buildings which did not meet current safety requirements. Subsequent to the year-end, the Building Safety Fund confirmed that a grant would be made available to meet the full cost of cladding remediation works to the St George Building. Further details of the remediation project and the financial implications for St George's are given in Note 15 below.

The movement in the Strategic Mission Fund represents a donation of £5,000 to St Hild College to facilitate the recruitment of a Director of Church Planting and Revitalisation. A further £5,000 towards this post will be donated to the College in 2021.

Notes to the Financial Statements

For the year ended 31 December 2020

General Funds partly comprises a Contingency Fund to meet the additional financial demands which could arise from a downturn in St George's principal sources of income, namely voluntary giving and Church Centre revenues and in meeting the potential liability which could arise from pension fund obligations (see Note 15).

13 UNRESTRICTED FUNDS (continued)

ANALYSIS OF MOVEMENTS IN UNRESTRICTED FUNDS – PREVIOUS YEAR	Balances at 1.1.19	Movements in	(Movements out)	Transfers	Balances at 31.12.19
Designated Funds:	£	£	£	£	£
Net book value of tangible fixed assets	597,268	9,700	(27,827)	-	579,141
Less: related borrowings	(39,000)	-	-	-	(39,000)
Closing balance	558,268	9,700	(27,827)	-	540,141
 Repair and Replacement Fund	 555,000	 (9,700)	 - -	 (94,050)	 451,250
Strategic Mission Fund	50,000	-	(5,000)	-	45,000
	1,163,268	-	(32,827)	(94,050)	1,036,391
Free reserves:					
Undesignated	93,541	17,177	- -	94,050	204,768
Total unrestricted funds	1,256,809	17,177	(32,827)	-	1,241,159

14 RESTRICTED FUNDS

The Restricted Funds include monies given for the Youth Worker Appeal Fund (donations towards the cost of employing a Youth Pastor), Asylum Seekers' Appeal Funds (monies donated to support asylum seekers within the church) and the Financial Support Fund (donations to support those experiencing financial hardship).

Movements in these funds are as follows:

Notes to the Financial Statements

For the year ended 31 December 2020

14(a) Youth Worker Appeal	2020 £	2019 £
Opening Balance at 1 January	-	-
Incoming resources	3,990	4,140
Outgoing resources	(3,990)	(4,140)
Closing balance at 31 December	-	-

14(b) Asylum Seekers' Appeal Funds	2020 £	2019 £
Opening Balance at 1 January	10,382	8,680
Incoming resources	2,836	2,133
Outgoing resources	(2,632)	(431)
Closing balance at 31 December	10,586	10,382

14(c) Financial Support Fund	2020 £	2019 £
Opening Balance at 1 January	-	-
Incoming resources	10,921	-
Outgoing resources	-	-
Closing balance at 31 December	10,921 10,586	- 10,382

The Financial Support Fund was established during 2020 to assist members of the congregation or those with a strong affiliation to St George's to access funds for the purpose of alleviating severe financial hardship.

15 CONTINGENT LIABILITIES

THE CHURCH OF ENGLAND PENSIONS BOARD AND THE CHURCH WORKERS PENSION FUND ('CWPF')

Until 30 April 2018, the PCC actively participated in the CWPF having at least one of St George's lay staff employees enrolled as a member. On that date, all such members and the employer ceased contributing to the CWPF with members (ie former employees) being entitled to draw their pension benefits. St George's has effectively left the CWPF scheme as an active employer.

As a significant proportion of the CWPF is a final salary pension scheme, it is obliged to carry out triennial actuarial valuations to determine the Scheme's financial position. The last such valuation carried out at 31 December 2019

Notes to the Financial Statements

For the year ended 31 December 2020

established that the Scheme was in deficit meaning that the value of its obligation to pay pension benefits in the future was greater than its assets. In these circumstances, a scheme actuary can apportion the scheme deficit between all the contributing employers and establish what is known as a Section 75 Debt. Section 75 of the Pensions Act 1995 requires employers leaving a pension scheme to fully fund their liabilities before they leave. On this basis, the debt calculated in respect of St George's has been estimated to be £45,800 plus cessation expenses.

The Church of England Pensions Board has offered to postpone a demand for payment of St George's Section 75 Debt in anticipation of the CWPF being able to improve its financial position in the future and eliminate the deficit. This is known as a 'Deferred Debt Arrangement'. The PCC has agreed in principle to accept the Pension Board's offer, subject to resolving a number of queries raised by St George's relating to the methodology applied in calculating some of the member benefits. These enquiries had not been resolved at the balance sheet date. Accepting a Deferred Debt Arrangement will not, of course, guarantee that in the future, the CWPF deficit can be eliminated or that it might not increase in the light of further actuarial valuations. In the circumstances, the potential Section 75 Debt has been disclosed as a contingent liability which will be subject to periodic review.

REMEDIAL CLADDING WORKS TO THE ST GEORGE BUILDING

Plans to remediate the non-compliant cladding attached to the St George Building are well advanced with the work tendered and costed at approximately £1.6m. Significantly, the government's Building Safety Fund has agreed to finance this work so that none of the cost will fall to be met by leaseholders. Work is planned to commence in Spring 2021 and last approximately 8 months. Some further work will be required to remove timber balconies which are also deemed to be combustible but this is not eligible for a government grant and the estimated cost of £190,000 will need to be met by leaseholders. St George's Church will be required to contribute under the terms of its leases and the cost is estimated to be approximately £26,000. An initial provision of £100,000 was previously made through the Repair and Replacement Fund before it had been established that a government grant for cladding remediation would be awarded. That provision has now been reduced to meet the lower cost of replacing only the balcony timbers and is shown as part of the movement in the Repair and Replacement Fund in Note 13.

16 FINANCIAL INSTRUMENTS

	2020	2019
	£	£
Carrying amount of Financial Assets		
Financial assets carried at fair value	525,532	517,606
Financial assets measured at amortised cost	345,790	432,900
Carrying amount of Financial Liabilities		
Financial liabilities measured at fair value	-	-
Financial liabilities measured at amortised cost	79,150	87,809

17 CAPITAL COMMITMENTS

At the year end, the PCC had authorised but not contracted for the purchase of replacement chairs at an estimated cost of £72,000. No Capital expenditure had been authorised or contracted for at the end of 2019.

Notes to the Financial Statements

For the year ended 31 December 2020

18 RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net movement in funds	(9,501)	5,801
Add back depreciation charges	23,571	27,827
Losses/(gains) on endowment investments	(8,647)	(19,749)
Deduct investment income	(18,168)	(15,881)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in debtors	52,761	(17,721)
(Decrease)/increase in creditors	(7,181)	(25,375)
	<u>32,835</u>	<u>(45,098)</u>

Independent examiner's report to the PCC of St. George's, Leeds

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

Responsibilities and basis of report

As the Charity Trustees, 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 Charity's 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 in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no 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.

Signed: Sally Templeman MA, CA
4 Lawn Avenue
Burley in Wharfedale
Ilkley
LS29 7ET

Date: 15 June 2021