

TRUSTEES' REPORT TO THE 2021 ACCOUNTS

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC has a Standing Committee comprising the incumbent, churchwardens, secretary and treasurer whose purpose is to scrutinise and formulate the agenda of the PCC, and to transact on behalf of the PCC such business as is delegated to it.

New members of the PCC are inducted by the Vicar, churchwardens and PCC secretary.

The parish would not function without the support of many dedicated volunteers who have a key role in all areas of parochial life.

The PCC have had regard to the guidance issued by the Charity Commission on public benefit.

St Mary's Primrose Hill: Trustees

The following served in the year to 31 December 2021:

Revd Preb. Marjorie Brown (incumbent)	ex-officio
Revd Mark Wakefield (assistant priest)	ex-officio
Revd Emily Kolltveit (assistant curate)	ex-officio
Roddy Monroe	Churchwarden
Elaine Hedger	Churchwarden
Ted Ruscoe	Hon. Treasurer
Amanda Martin	PCC Secretary (co-opted)
Judy Greengrass	PCC member
Derrick Chow	PCC member
Giles Watkins	PCC member
John Hellinikakis	PCC member
Simon James	PCC member
Casey Oppong Okezie	PCC member
Helen Tindale	PCC member
Sonia Renwick	PCC member
Mariana Lozynska	PCC member
Thomas Kabir	PCC member
Rebecca Chesworth	PCC member
Ross Gilmour	Deanery Synod member
Paul Hemings	Deanery Synod member
Elaine Hedger	Deanery Synod member
Alexa Carter	Deanery Synod member

Objectives and Activities

St Mary's PCC is responsible for co-operating with the incumbent, in promoting in the ecclesiastical parish the whole mission of the Church: pastoral, evangelical, social and ecumenical. It has responsibility for the maintenance of the church building and the adjoining St Mary's Centre. Its Mission Action Plan provides details of its strategic thinking.

Worship in the Anglo-Catholic tradition of the Church of England is maintained. Good preaching and choral music are hallmarks of the parish. In its service to the local community, the parish is concerned to address issues that confront our local area and society, and to serve people in need, of whatever faith or none.

Achievements and Performance

Church Attendance

The average total Sunday attendance varies seasonally. During the first few months of 2021 worship was online only. From Mothering Sunday onwards services were in person but also available on Youtube. By the end of the year, attendance at the parish eucharist had returned to around 70-80 and the at the 9.15 informal eucharist to about 25-30. The online services regularly attract audiences both during and after the services.

The church is linked to a thriving school, St Paul's (CoE) Primary School, whose acts of collective worship take place in St Mary's once a fortnight.

Review of the Year

The full PCC met six times during the year, mostly in person with Zoom attendance as an option. The PCC is focusing on a capital project for the 150th anniversary of the church in 2022.

Finances held steady in 2021 despite the pandemic. The floor of the nave was sanded and varnished. In December the PCC won an appeal for planning permission to install solar panels on the church's south roof.

The Primrose Hill Lecture Series committee provided an excellent series of hybrid events in the summer and autumn. Both summer and winter designer sales were re-established. In June the Grow the Wonder community fundraising campaign was launched by Mary Portas and has so far raised £48,296.

Plans for the Future

The aim in 2022 is to consolidate our financial situation and continue to increase our modest reserve in order to meet commitments to our employees in the event of an emergency.

Financial Review

The financial situation in 2021 was relatively stable.

General Fund

General funds ended the year with a surplus of £62,956 (£60,510 in 2020).

Income

In the year our total unrestricted income was £295,668 (£224,999). Planned giving was £103,794 (£111,008). Gift-aided donations were £106,762 (£114,476).

The restricted fund of £30,792 includes £211 for choral scholarships (from the Hampstead Church Music Trust), £25,941 for Grow the Wonder and £2965 for the cold weather shelter (which could not be held in church for the second year running). An amount of £672 is held as a surplus from the pilgrimage fund of 2017. The Justice and Peace committee fund is £882.

Outlook

The year ended with a surplus of £93,747. Income needs to continue to rise to meet our regular commitments, build reserves and beyond that to extend our mission and plan for future refurbishment. This is a challenge for the congregation and the PCC.

Our Common Fund commitment for 2021 remains at £85,200, the same as in 2021.

Reserves Policy

The PCC ended the year with a surplus of £62,956. This sum, though not restricted or formally designated, includes a significant amount regarded as seed money (c. £60,000) for the capital project to mark the 150th anniversary. The PCC thinks it should also hold reserves sufficient to cover three months' recurring expenditure (£60,000). We are making steady progress towards this goal.

Operational Structure

The PCC has two bank accounts and a share account. All financial questions or suggestions should go first to the Treasurer, Ted Ruscoe (or via a message through the Parish Administrator). Stewardship records are dealt with by Cathy Howard.

Risk Management

The PCC are committed to managing, and if practicable to reducing, the major risks that they have already identified. They also seek to identify new risks as they arise and subject them to the same process of management and reduction.



(Signed) Marjorie Brown, Vicar
22.03.22

Parochial Church Council of St Mary the Virgin Primrose Hill

Statement of Financial Activities
For the year ended 31 December 2021

	Notes	Unrestricted Funds General £	Unrestricted Funds Designated £	Restricted Funds (Note 11) £	TOTAL FUNDS 2021 £	TOTAL FUNDS 2020 £
Income and endowments from:						
<i>Donations and Legacies</i>	3a	230,079		75,540	305,619	298,055
<i>Charitable Activities</i>	3b	62,566		0	62,566	27,872
<i>Investment income</i>	3c	3,023		0	3,023	134
Total incoming resources		<u>295,668</u>		<u>75,540</u>	<u>371,208</u>	<u>326,061</u>
Resources expended						
<i>Charitable activities</i>	4	267,421		76,874	344,295	367,625
Total resources expended		<u>267,421</u>	<u>0</u>	<u>76,874</u>	<u>344,295</u>	<u>367,625</u>
Net income before gains and losses on investments		28,247	0	(1,334)	26,913	(41,564)
Net recognised gains/(losses) on investment		2,022	0	0	2,022	3,409
Net income after gains and losses on investments		30,269	0	(1,334)	28,935	(38,155)
Transfers between funds	11	(27,823)	0	27,823	0	0
Net movement in funds		<u>2,446</u>	<u>0</u>	<u>26,489</u>	<u>28,935</u>	<u>(38,155)</u>
Reconciliation of Funds						
Total funds brought forward at 1 Jan 2021		60,510	0	4,302	64,812	102,967
Total funds carried forward at 31 Dec 2021		<u>62,956</u>	<u>0</u>	<u>30,791</u>	<u>93,747</u>	<u>64,812</u>

The Notes to the Accounts form part of these Financial Statements

Parochial Church Council of St Mary the Virgin Primrose Hill

Balance Sheet at 31 December 2021

	Notes	FUNDS 2021 £	FUNDS 2020 £
Fixed assets			
Investments			
Unquoted shares	8	47	47
Quoted shares		14,131	12,109
Total fixed assets		14,178	12,156
Current assets			
Debtors	9	9,492	11,515
Cash at bank and in hand		71,727	42,741
		81,219	54,256
Creditors: amounts falling due within one year	10	(1,650)	(1,600)
Net current assets		79,569	52,656
Total assets less current liabilities		93,747	64,812
Creditors: amounts falling due after one year		0	0
NET ASSETS		93,747	64,812
Funds			
Restricted funds	11	30,791	4,302
Unrestricted funds General	11	62,956	60,510
		93,747	64,812

The Notes to the Accounts form part of these Financial Statements

Approved by the PCC on 16 March 2022 and signed on their behalf by

Reverend Majorie Brown

Roddy Monroe (Churchwarden)

[Signature of Majorie Brown]
[Signature of Roddy Monroe]

Parochial Church Council St Mary the Virgin Primrose Hill

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Note 1 BASIS OF PREPARATION

The financial statements are prepared under that 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 FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice: Accounting and Reporting by Charities [SORP(FRS102)]

The financial statements have been prepared under the historical cost convention except for the valuation of quoted financial assets which are shown at market value.

The Parochial Church Council (PCC) is a public benefit entity within the meaning of FRS102

1.2 GOING CONCERN

There are no material uncertainties related to events or conditions that cast significant doubt on the PCC's ability to continue as a going concern

1.3 CHANGE IN ACCOUNTING POLICY

The accounts present a true and fair view and the accounting policies are as outlined in this note. There have been no changes of accounting policy in this period

1.4 CHANGES TO ACCOUNTING ESTIMATES

There have been no changes to accounting estimates in this period

1.5 MATERIAL PRIOR YEAR ERRORS

No material prior year errors have been identified in the reporting period

Note 2 ACCOUNTING POLICIES

2.1 INCOME

Recognition of income

Congregational giving, donations, grants, interest, dividends and other income are included in the Statement of Financial Activities (SOFA) when the PCC becomes entitled to the resources and the monetary value can be measured with sufficient reliability

Offsetting

There has been no offsetting of assets and liabilities or of income and expenses unless required or permitted by the FRS102 SORP

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid recovered on a donation is considered to be part of that gift and is credited to the same fund as the initial donation unless the donor has specified otherwise

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been a grant of probate, the Executors have established that there are sufficient funds in the Estate and any conditions attached to the legacy are either within the control of the PCC or can be met

Volunteer help

The value of voluntary help is not included in the accounts but is described in the PCC's annual report

Investment gains and losses

This includes any realised and unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the year end

2.3 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the PCC to pay out resources and the amount of the obligation can be measured with reasonable certainty

Governance

Governance costs are charged to charitable activities

Redundancy costs

The PCC has made no redundancy payments during the reporting period

Parochial Church Council St Mary the Virgin Primrose Hill

Deferred income

No material item of deferred income has been included in the financial statements

Creditors

The PCC has creditors which are measured at settlement amounts less any trade discounts.

Certain interest free loans have been provided without a repayment date and these are accounted for as being repayable on demand

Provisions for liabilities

A liability is measured at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

2.4 ASSETS

Tangible fixed assets for use by the PCC

Consecrated and beneficed property is excluded from the accounts by s 10(2)(a) and (c) of the Charities Act 2011. Other fixed assets are capitalised if they can be used for more than one year and cost at least £2,000.

Equipment used within the church premises that has not been written off is depreciated over its expected useful life as follows:

Fixtures and fittings	25% straight line
Computer equipment	30% straight line

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal are accounted as inalienable property unless consecrated. They are listed in the church inventory, which can be inspected.

Financial assets

Unquoted shares are valued at historic cost.

Investments in quoted shares and pooled investment funds are valued initially at cost and subsequently at fair value (market value) at the year end

Debtors

Debtors, including trade debtors and Gift Aid recoverable, are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the PCC. Subsequently they are measured at the cash or other consideration expected to be received.

Cash at bank

Cash is held in bank deposits which are repayable on demand

2.5 FUNDS

Unrestricted Funds represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC.

The Restricted Funds are income funds that must be spent on restricted purposes and details of the funds are set out in Note 11

Parochial Church Council St Mary the Virgin Primrose Hill

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Note 3 Income and endowments from:

	Unrestricted Funds General £	Unrestricted Funds Designated £	Restricted Funds £	TOTAL FUNDS 2021 £	TOTAL FUNDS 2020 £
3a Donations and Legacies					
Planned giving - Gift Aided	103,794			103,794	111,006
Other Regular Giving - non Gift Aided	11,301			11,301	13,723
Collections at all Services	2,968			2,968	3,470
Sundry Donations -Gift Aided	-		8,976	8,976	-
Sundry Donations - non Gift Aided	24,033		66,564	90,597	129,225
Income tax recoverable	28,205			28,205	28,131
Covid Recovery Grant	56,000			56,000	-
Refund of VAT	3,778			3,778	-
Legacies	-			0	12,500
	230,079		75,540	305,619	298,055
3b Charitable Activities					
Lecture Series	12,223			12,223	6,438
Designer Fair	16,315			16,315	0
Bar	3,503			3,503	0
Shop	3,607			3,607	239
Church and SMC lettings, Organ hire	20,924			20,924	18,820
Parochial fees	4,934			4,934	395
Other Events	1,060			1,060	1,980
	62,566		0	62,566	27,872
3c Investment income					
Dividends and interest	3,023			3,023	134
	3,023		0	3,023	134
Total incoming resources	295,668	0	75,540	371,208	326,061

Parochial Church Council St Mary the Virgin Primrose Hill

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Note 4 Resources expended

	Notes	Unrestricted Funds General £	Unrestricted Funds Designated £	Restricted Funds £	TOTAL FUNDS 2021 £	TOTAL FUNDS 2020 £
<i>Charitable activities</i>						
Common Fund		85,200			85,200	85,200
Vicar and Vicarage Expenses		2,102			2,102	4,650
Vicar's Discretionary Fund		700			700	0
Parochial Fees		542			542	100
Ministry Team expenses		824			824	420
Rent on curate's flat		22,200			22,200	22,200
Sacristy		1,206			1,206	1,487
Worship books, fees and publications		2,324			2,324	270
Organist	5	6,100			6,100	5,000
Assistant Organist	5	2,200			2,200	1,800
Choir Fees		6,430			6,430	2,330
Parish Administrator	5	34,657			34,657	34,282
Telephone		695			695	908
Office Supplies		10,957			10,957	6,129
Publicity		4,645			4,645	75
Hospitality		2,097			2,097	422
General Maintenance		31,300			31,300	24,302
Architect's fees		18,212			18,212	31,430
Organ maintenance		315			315	1,155
Licence fee		110			110	627
Cleaning		8,166			8,166	6,498
Gas		7,793			7,793	5,799
Electricity		4,502			4,502	2,358
Water		426			426	560
Insurance		6,324			6,324	5,826
J&P Committee fund raising costs		0			0	245
J&P Committee fund donations		0			0	0
Other charitable donations	12	405			405	2,801
Youth work	5	0		43,404	43,404	105,794
Choral Scholars	11	0		11,115	11,115	9,974
Church flowers		1,497			1,497	920
Cold Weather Shelter	11	0			0	608
Bishop's Discretionary Fund		0			0	350
Grow the Wonder	11	0		22,355	22,355	0
Bar		0			0	0
Lecture Series		743			743	1,290
Designer Fair		2,308			2,308	0
Shop		791			791	215
Independent Examination fees		1,650			1,650	1,600
Total resources expended		267,421	0	76,874	344,295	367,625

Parochial Church Council of St Mary the Virgin, Primrose Hill

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Note 5 Staff costs

	£	£
<i>Wages and salaries</i>		
Parish Administrator	34,657	34,282
Organist fees	6,100	5,000
Assistant Organist Fees	2,200	1,800
Youth Workers	14,791	96,364

During the year the PCC employed a parish administrator and paid fees to the organist and assistant organist. Youth Workers were funded from restricted funds. The PCC offers a defined contribution pension scheme through NEST

Note 6 Transactions with Related Parties

During the year the PCC reimbursed certain working expenses of the stipendary clergy team. Other co-opted PCC members, specifically the parish administrator, organist, assistant organist received payments detailed above.

St Mary's Centre Community Trust ceased to be a related party in June 2020

The Friends of St Mary's (Registered Charity No. 1078655) which was a related party is in the process of being wound up

Note 7 Analysis of Net assets by fund

	Unrestricted Funds General £	Restricted Funds £	Total Funds 2021 £
Investments	12,156		12,156
Debtors	11,515		11,515
Cash at bank and in hand	38,439	4,302	42,741
Current liabilities	(1,600)		(1,600)
	<u>60,510</u>	<u>0</u>	<u>64,812</u>

Note 8 Unquoted investments 186 shares in the English Hymnal Company Limited (Registered in England and Wales on 1st November 1926 with Registration Number 217212) are shown at the historic cost of £46.50

Note 9 Prepayments and Debtors

	2021 £	2020 £
Income tax recoverable	9,492	11,515
	<u>9,492</u>	<u>11,515</u>

Parochial Church Council St Mary the Virgin Primrose Hill

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Independent Examination and Accountancy	1,650	1,600
	<u>1,650</u>	<u>1,600</u>

NOTE 11 Movement in Funds in Year

	Bal b/fwd 1 Jan 2021	Income	Expenditure	Other gains and losses	Transfers,	Bal c/fwd 31 Dec 2021
	£	£	£		£	£
Unrestricted Fund						
General fund	60,510	295,668	267,421	2,022	(27,823)	62,956
	<u>60,510</u>	<u>295,668</u>	<u>267,421</u>	<u>2,022</u>	<u>(27,823)</u>	<u>62,956</u>
Restricted Fund						
Youth	0	15,581	43,404		27,823	0
Choral Scholars (Restricted)	1,326	10,000	11,115			211
Justice & Peace	882					882
Cold Weather Shelter	1,422	1,563				2,985
Specific charity appeals	0	100				100
Parish Pilgrimage	672					672
Grow the Wonder		48,296	22,355			25,941
	<u>4,302</u>	<u>75,540</u>	<u>-</u>	<u>76,874</u>	<u>-</u>	<u>30,791</u>
Total funds	<u>64,812</u>	<u>371,208</u>	<u>344,295</u>	<u>2,022</u>	<u>0</u>	<u>93,747</u>

Note 12 Charity Donations

	2021	2020
Interfaith Matters		300
Children's Society		673
Marie Curie		404
Crisis		231
Christian Aid	405	190
USPG		600
Royal British Legion		206
Bishop's Discretionary Fund		350
	405	2954

FOR THE YEAR ENDED 31 DECEMBER 2021

Note 13 Prior period comparative statement of financial activities

	Notes	Unrestricted Funds General £	Unrestricted Funds Designated £	Restricted Funds (Note 11) £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
Income and endowments from:						
<i>Donations and Legacies</i>	3a	196,993		101,062	298,055	240,403
<i>Charitable Activities</i>	3b	27,872		0	27,872	70,514
<i>Investment income</i>	3c	134		0	134	1,618
Total incoming resources		224,999		101,062	326,061	312,535
Resources expended						
<i>Charitable activities</i>	4	250,798		116,827	367,625	329,710
Total resources expended		250,798	0	116,827	367,625	329,710
Net income before gains and losses on investments		(25,799)	0	(15,765)	(41,564)	(17,175)
Net recognised gains/(losses) on investment		3,409	0	0	3,409	2,248
Net income after gains and losses on investments		(22,390)	0	(15,765)	(38,155)	(14,927)
Transfers between funds	11	(6,758)	(8,150)	14,908	0	0
Net movement in funds		(29,148)	(8,150)	(857)	(38,155)	(14,927)
Reconciliation of Funds						
Total funds brought forward at 1 Jan 2020		89,658	8,150	5,159	102,967	117,894
Total funds carried forward at 31 Dec 2020		60,510	0	4,302	64,812	117,894

The Parish Parochial Church Council of St Mary the Virgin Primrose Hill

Independent examiner's report to the members of the Parochial Church Council of the Ecclesiastical Parish of St Mary the Virgin, Primrose Hill with St Paul's, Avenue Road (registered charity 1132701)

I report to the PCC on my examination of the accounts of the PCC of St Mary the Virgin, Primrose Hill with St Paul's, Avenue Road for the year ended 31 December 2021.

Responsibilities and basis of report

As the 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"). The PCC are satisfied that an audit is not required for this year under section 144(2) of the Act and have chosen instead to have an independent examination.

I report in respect of my examination of the PCC'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 154(5)(b) of the Act. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention 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 comply with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

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 to enable a proper understanding of the accounts to be reached.



Robert Ashdown
Chartered Accountant
75 Brookville Road, London, SW6 7BH

16 March 2022