

ST. JAMES CHURCH, WOLLASTON
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

Charity Number 1133799

FOLKES WORTON LLP
CHARTERED ACCOUNTANTS

ST. JAMES CHURCH, WOLLASTON
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

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ST. JAMES CHURCH, WOLLASTON

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER 2020

Trustees: The Parochial Church Council of the Ecclesiastical Parish of St. James,
Wollaston

Auditors: Folkes Worton LLP
Chartered Accountants
15 & 17 Church Street
Stourbridge
West Midlands
DY8 1LU

Bankers: Lloyds TSB Bank plc
134 High Street
Stourbridge
West Midlands
DY8 1DS

Investment Advisers: EFG Harris Allday
33 Great Charles Street
Birmingham
B3 3JN

ST. JAMES CHURCH, WOLLASTON

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees submit their annual report and the audited financial statements for the year ended 31st December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in July 2014 in preparing the annual report and financial statements of the Charity.

Background

St. James' P.C.C. co-operates with the church wardens and Priest in Charge in exercising the whole ministry of the Church within the ecclesiastical parish of Wollaston.

Membership

Members of the P.C.C. are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

Vicar:	Rev. Nicholas Kaleniuk	Chairman
Vice Chair:	Mr. Anthony Barrie Hope	
Associate Priest:	Rev. Diana Farmer	
Wardens:	Mr. Brian Dudley Mr. Atanas Yordonov	
Deanery Synod Representatives:	Mr. Richard Green Mr. Anthony Hope	
Elected Members:	Miss Wendy Burford Mr. Martin Campbell Mr. Andrew Cook Mrs. Diana Hemming Mr. Kevin Moore Mr. Darrell Shaw Mrs. Margaret Willis	
Ex officio Members:	Mrs. Daphne Darlington Mr. Daniel Muthuveloe Mrs. Keri Robinson Mrs. C. Skeldon	Safeguarding Officer Lay Reader Children & Family Worker School Representative

Committees

- a) Standing Committee:
Required by the law, this committee meets approximately three weeks before each meeting of the P.C.C. in order to prepare the agenda for that meeting. It will also meet on occasions in order to deal with urgent business between meetings of the full council.
- b) Family service group:
Meets with representatives of the uniformed branches to co-ordinate and arrange services and baptisms, where possible, for the third Sunday of every month.

ST. JAMES CHURCH, WOLLASTON

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2020

Church Attendance

Revised Electoral Roll completed 4th November 2020 - number on the role was 83. During a count in October the adult attendance at normal Sunday services averaged 16 whilst that for children (under 16) averaged 0, which shows a reduction in adult attendance since last year, also a reduction in the figure for children. This is mainly due to COVID-19 restrictions and only 2 services during October, which has significantly reduced numbers.

Financial Reports

a) St. James Parochial Charity (Registered No. 1133799)

Custodian Trustee: Worcester Diocesan Board of Finance

Managing Trustee: The Parochial Church Council of the Ecclesiastical Parish of St. James, Wollaston

The affairs of the Charity are reported to the Parochial Church Council at each of the normal six meetings each year.

b) St. James Church Wollaston

The effects of COVID-19 has had a significant impact on all aspects of church activity and is a direct cause of the loss generated this year. Restrictions on gatherings has meant has meant a significant fall in church hall lettings, collections and fees, resulting in reduced income of over £30,000. Unfortunately, most overheads are fixed costs. Trustees have managed to reduce as many as possible but there is still a loss for the year on activities of £51,579.

COVID-19 has also had a major impact on financial markets throughout the world. This resulted in losses on sale of investments of £67,372 and a further reduction in the market value of retained investments of £67,928. At the year end the overall market value of the investment portfolio is still a healthy £1,310,380 but investment performance is under constant review and there are signs of a recovery in values.

ST. JAMES CHURCH, WOLLASTON

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2020

Review of the year

This was a year like no other for everyone, St James included. A year of complete and partial lock downs, which forced us to completely change the way we do things. The year started with the clear "Stay at home" message by the prime minister, which led to closing down of all the places of worship in the land. We were of course no exception. It brought to a complete paralysis our communal worship, wedding and funerals in the church, the usage of the hall by the usual groups and pretty much anything else we were doing. We were reduced to calling people on the phone to reassure them and see if they need any help, and Nick and Diana were able to do some pastoral work. For all intents and purposes St James was closed down!

Fast forward a year and despite us once again being in lock down, we are in a much better position. Unfortunately, at the time of writing this we are still not allowed congregation and the church is emptier in comparison with pre-pandemic times. However, we have made a lot of progress! We have a service being streamed online at least once a week in the benefice. We have evening worship, and we are open for private prayer as well. Funerals are allowed for up to 30 people, and the hall is open for COVID testing to support the community. The church has been deep cleaned, there are sanitizer stations and a one-way system, risk assessments have been completed and social distancing is ensured at all times. Technology has been brought in to allow us to stream worship and we are looking forward to opening up to the congregation once again soon.

The damage however has been significant. Not least in a financial term, where we saw little to no income from our usual streams, but the expenditure going up significantly, reflecting the needs of the community and the building, leading to a negative budget being set up for the year. We are blessed to be a well-off church, and we can all be proud by the efforts of the PCC to support the community in these unprecedented times so generously. We have set up a fund to help people affected by the pandemic and have significantly increased our support for various charities. Together with paying our parish share in full and supporting our staff and maintaining the building this has added to a significant cost. We can only pray, that as the restrictions begin to fall, our income will increase once again, and we will be able to return to financial sustainability. Despite the challenges of the pandemic, we are determined to look into the future and to bring the Word and works of God to the people. This was reflected in the employment of a youth and family worker in the benefice and by formalising Diana's role.

Unfortunately, after long periods of illness and absence Nick has decided that his position is no longer attainable, and the parish becomes vacant on the 1st of April. We have begun the process of creating a parish profile and a final vacancy meeting has been planned. The next steps will be advertising of the role and interviews for potential candidates. We have been assured by AD Nikki that this process will be as quick and efficient as possible, and the post is viewed as "crucial" in the Diocese. However, it will inevitably take at the very least until August.

I have decided to step down as a churchwarden after 4 years, because of my work commitments, but I will continue to love and support St James and its people. I thank Brian for returning as churchwarden and pray that he will get all the help he needs in this difficult time. I thank everyone who supported me and apologise for falling short in my efforts. I pray for St James and St Michaels for all the people who work to bring the Gospel to a world which needs it more than ever! In Jesus name! Amen

On behalf of St. James P.C.C.

Atanas Yordanov
Churchwarden

ST. JAMES CHURCH, WOLLASTON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31ST DECEMBER 2020

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF ST. JAMES CHURCH, WOLLASTON

We have audited the financial statements of St. James Church, Wollaston, for the year ended 31st December 2020 set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the charity's trustees in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatement or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

15 & 17 Church Street,
Stourbridge,
West Midlands,
DY8 1LU.

Mr. N.C. Smith BSc FCA (Senior Statutory Auditor)
for and on behalf of FOLKES WORTON LLP
Chartered Accountants &
Registered Auditors

09 April 2021

ST. JAMES CHURCH, WOLLASTON

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total funds	
					2020	2019
INCOMING RESOURCES						
Incoming resources from donors	2 (a)	15,545	87	-	15,632	26,923
Other voluntary incoming resources	2 (b)	91,254	-	-	91,254	81,000
Incoming resources from operating activities	2 (c)	11,522	-	-	11,522	34,246
Income from investments	2 (d)	8,047	-	51,384	59,431	65,965
TOTAL INCOMING RESOURCES		126,368	87	51,384	177,839	208,134
RESOURCES EXPENDED						
Grants	3 (a)	11,569	87	91,254	102,910	98,298
Activities directly relating to the work of the church	3 (b)	116,283	-	-	116,283	133,336
Church management and administration	3 (c)	6,211	-	2,049	8,260	8,034
Support costs	3 (d)	1,965	-	-	1,965	2,406
TOTAL RESOURCES EXPENDED		136,028	87	93,303	229,418	242,074
NET INCOMING/(OUTGOING) RESOURCES		(9,660)	-	(41,919)	(51,579)	(33,940)
GAINS/(LOSSES) ON INVESTMENTS		-	-	(67,372)	(67,372)	(2,261)
NET MOVEMENT IN FUNDS		(9,660)	-	(109,291)	(118,951)	(36,201)
OTHER COMPREHENSIVE INCOME						
Restatement to fair value	7	6,499	-	(74,427)	(67,928)	167,783
BALANCES AT 1ST JANUARY 2020		732,993	-	1,416,467	2,149,460	2,017,878
BALANCES AT 31ST DECEMBER 2020		£ 729,832	£ -	£ 1,232,749	£ 1,962,581	£ 2,149,460

ST. JAMES CHURCH, WOLLASTON

BALANCE SHEET

AS AT 31ST DECEMBER 2020

	Note	2020	2019
		£	£
FIXED ASSETS			
Tangible fixed assets	4 (a)	538,701	546,716
Investment assets	4 (b)	1,310,380	1,498,680
		<u>1,849,081</u>	<u>2,045,396</u>
CURRENT ASSETS			
Debtors	5 (a)	9,124	11,856
Cash at bank and in hand	5 (b)	42,784	23,306
Short term deposits	5 (c)	70,412	80,073
		<u>122,320</u>	<u>115,235</u>
LIABILITIES DUE WITHIN ONE YEAR	6	<u>8,820</u>	<u>11,171</u>
NET CURRENT ASSETS		113,500	104,064
NET ASSETS		<u>£ 1,962,581</u>	<u>£ 2,149,460</u>
FUNDS	7		
Unrestricted		729,832	732,993
Endowment		1,232,749	1,416,467
		<u>£ 1,962,581</u>	<u>£ 2,149,460</u>

ST. JAMES CHURCH, WOLLASTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001 together with applicable accounting standards and the Charities SORP.

The financial statements have been prepared under the historical cost convention.

St. James Parochial Charity

The St. James Parochial Charity is the endowment referred to in the financial statements and is a separate charity (No. 603941) created and regulated by the Charity Commission. The capital of the charity may not be spent without the prior approval of the Charity Commission, the income can only be spent on charitable purposes within the Ecclesiastical Parish of St. James, Wollaston.

General fund

General funds represent the funds of the P.C.C. that are not subject to any restrictions regarding their use and are available for application on the general purposes of the P.C.C.

With the exception of the St James Parochial Charity all other funds under the control of the P.C.C. are considered to be unrestricted as to their use.

Donations and legacies

Donations and legacies are accounted for as they are received.

Legacies are initially credited to the General Fund. Individual legacies of £1,000 or less and unrestricted as to their use are treated as income, those exceeding £1,000 are dealt with at the discretion of the P.C.C. and, so far as they are not immediately required for current expenditure, are transferred to the credit of the Parish Development Fund.

Gains and losses on investments

Gains and losses on disposal of investments are accounted for on realization and are recorded in the Investment Reserve Fund and Endowment Fund.

Income from investments

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

ST. JAMES CHURCH, WOLLASTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

Freehold land and buildings

This relates to the cost of building the church hall. No depreciation is charged in the financial statements.

Motor vehicles

The minibus is capitalised at cost and depreciated at 25% straight line, starting from the month of purchase.

Fixtures and fittings

These are capitalised at cost and depreciated at 25% straight line, starting from the month of purchase.

Investments

Investments are valued in the Balance Sheet at cost which is a departure from the Charities SORP, which recommends that market values should be used. Market values, however, are shown in note 4 (b) to the financial statements.

Debtors

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

ST. JAMES CHURCH, WOLLASTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

2. INCOMING RESOURCES

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total funds	
	2020	2019			
	£	£	£	£	£
(a) Incoming resources from donors					
Planned giving:					
Gift aid and other giving	9,570	-	-	9,570	12,668
Income tax recoverable	4,051	-	-	4,051	4,557
Legacies received	575	-	-	575	3,743
Collections	586	87	-	673	4,135
Sundry donations	763	-	-	763	1,820
	£ 15,545	£ 87	£ -	£ 15,632	£ 26,923
(b) Other voluntary incoming resources					
Grants	91,254	-	-	91,254	81,000
	£ 91,254	£ -	£ -	£ 91,254	£ 81,000
(c) Income from operating activities					
Church hall lettings	5,181	-	-	5,181	22,406
Fees	2,079	-	-	2,079	11,187
Magazine sales	409	-	-	409	543
Magazine advertising fees	-	-	-	-	110
Government grants	3,853	-	-	3,853	-
	£ 11,522	£ -	£ -	£ 11,522	£ 34,246
(d) Income from investments					
Dividends and interest	8,047	-	51,384	59,431	65,965
	£ 8,047	£ -	£ 51,384	£ 59,431	£ 65,965
TOTAL INCOMING RESOURCES	£ 126,368	£ 87	£ 51,384	£ 177,839	£ 208,134

ST. JAMES CHURCH, WOLLASTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

3. RESOURCES EXPENDED

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total funds	
	2020	2019			
	£	£	£	£	£
(a) Grants					
Church overseas	4,000	-	-	4,000	2,000
Home missions	-	-	91,254	91,254	81,000
Secular charities	7,569	87	-	7,656	15,298
	£ 11,569	£ 87	£ 91,254	£ 102,910	£ 98,298
(b) Activities directly relating to church work					
Ministry : diocesan quota	36,191	-	-	36,191	35,481
clergy expenses	15,629	-	-	15,629	12,833
Church : running expenses	11,476	-	-	11,476	15,982
maintenance	4,374	-	-	4,374	10,051
upkeep of services	1,557	-	-	1,557	1,945
Upkeep of churchyard	1,678	-	-	1,678	1,528
Church Hall : running costs	19,986	-	-	19,986	14,030
Salaries and honoraria	30,830	-	-	30,830	36,047
Mini bus running costs	596	-	-	596	1,195
Depreciation	80	-	-	80	4,244
Profit/loss on sale tangible fixed asset	(6,114)	-	-	(6,114)	-
	£ 116,283	£ -	£ -	£ 116,283	£ 133,336
(c) Church management and administration					
Printing and stationery	2,443	-	-	2,443	2,876
Audit fee	2,049	-	2,049	4,098	4,732
Church telephone and internet	1,719	-	-	1,719	426
	£ 6,211	£ -	£ 2,049	£ 8,260	£ 8,034
(d) Support costs					
Sundry expenses	£ 1,965	£ -	£ -	£ 1,965	£ 2,406
TOTAL RESOURCES EXPENDED	£ 136,028	£ 87	£ 93,303	£ 229,418	£ 242,074

ST. JAMES CHURCH, WOLLASTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

4. FIXED ASSETS FOR USE BY THE P.C.C.

(a) Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicle £	Total £
Cost				
At 1st January 2020	538,466	28,300	16,500	583,266
Additions	-	315	-	315
Disposals	-	-	(16,500)	(16,500)
At 31st December 2020	538,466	28,615	-	567,081
Depreciation				
At 1st January 2020	-	28,300	8,250	36,550
Charge for year	-	80	-	80
Adjustment re disposals	-	-	(8,250)	(8,250)
At 31st December 2020	-	28,380	-	28,380
Net book value				
At 31st December 2020	£ 538,466	£ 235	£ -	£ 538,701
At 31st December 2019	£ 538,466	£ -	£ 8,250	£ 546,716

(b) Investments

	St. James Parochial Charity £	General fund £	Development fund £	Total £
Cost/valuation at 1st January 2020	1,404,178	17,661	76,841	1,498,680
Purchases in year	1,367,773	-	-	1,367,773
Disposals at cost	(1,488,145)	-	-	(1,488,145)
Restatement to fair value	(74,427)	1,215	5,284	(67,928)
Cost/valuation at 31st December 2020	£ 1,209,379	£ 18,876	£ 82,125	£ 1,310,380

ST. JAMES CHURCH, WOLLASTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

5. CURRENT ASSETS

	Hall fund £	General fund £	Fabric fund £	St. James Parochial Charity £	Total £
(a) Debtors					
Taxation recoverable	-	3,676	-	-	3,676
Other debtors	2,176	585	-	2,687	5,448
At 31st December 2020	<u>£ 2,176</u>	<u>£ 4,261</u>	<u>£ -</u>	<u>£ 2,687</u>	<u>£ 9,124</u>
At 31st December 2019	<u>£ 2,687</u>	<u>£ 5,613</u>	<u>£ -</u>	<u>£ 3,556</u>	<u>£ 11,856</u>

(b) Cash at bank and in hand

Lloyds TSB Bank plc	- current accounts	1,186	7,834	-	-	9,020
	- deposit accounts	-	-	-	33,236	33,236
		<u>1,186</u>	<u>7,834</u>	<u>-</u>	<u>33,236</u>	<u>42,256</u>
Cash in hand		-	528	-	-	528
At 31st December 2020		<u>£ 1,186</u>	<u>£ 8,362</u>	<u>£ -</u>	<u>£ 33,236</u>	<u>£ 42,784</u>
At 31st December 2019		<u>£ 6,418</u>	<u>£ 7,311</u>	<u>£ -</u>	<u>£ 9,577</u>	<u>£ 23,306</u>

(c) Short term deposits

	2020	2019
	£	£
CBF of the Church of England - Deposit Fund		
St. James Parochial Charity	70,412	80,073
	<u>£ 70,412</u>	<u>£ 80,073</u>

ST. JAMES CHURCH, WOLLASTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

6. LIABILITIES DUE WITHIN ONE YEAR

	Hall fund £	General fund £	St. James Parochial Charity £	Total £
Accruals of utility and other costs	250	1,120	-	1,370
Creditors for goods and services	-	2,034	2,034	4,068
Other creditors	129	1,077	2,176	3,382
At 31st December 2020	£ 379	£ 4,231	£ 4,210	£ 8,820
At 31st December 2019	£ 1,120	£ 5,892	£ 4,159	£ 11,171

7. FUNDS

	At 1st January 2020 £	Movement in year £	At 31st December 2020 £
St. James P.C.C. Funds (Unrestricted)			
Hall fund:			
Capital account	541,153	(512)	540,641
Income account	5,298	(4,490)	808
Parish development account	30,819	-	30,819
Fair value adjustment	46,022	5,284	51,306
General fund	99,124	(4,658)	94,466
Fair value adjustment	10,577	1,215	11,792
	£ 732,993	£ (3,161)	£ 729,832
St. James Parochial Charity (Endowment)			
Capital account	1,056,045	-	1,056,045
Income account	(68,297)	(41,919)	(110,216)
Investment reserve fund	194,407	(67,372)	127,035
Fair value adjustment	234,312	(74,427)	159,885
	£ 1,416,467	£ (183,718)	£ 1,232,749
Total	£ 2,149,460	£ (186,879)	£ 1,962,581