



Annual Report 2020

This report sets out matters on which we are required to report in order to comply with Charity Commission and Church of England requirements. We encourage you to read it and to bring any questions or comments you may have to the Annual Parochial Church Meeting on Tuesday 23 March 2021.

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1. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

CHARITY NAME & ADDRESS

St Nicholas' Parochial Church Council, 79 Maid Marian Way, Nottingham, NG1 6AE.
The PCC is registered with the Charity Commission under Charity number 1134708.

CHARITY TRUSTEES

The members of the PCC are classed as the trustees of the charity and their names are listed below.

BANKERS

Our current accounts are held by

Santander UK plc, Bootle, Merseyside L30 4GB

Charities Aid Foundation, West Malling, Kent, ME19 4TA

Our deposit account is held by

The Church of England Deposit Fund

St Alphage House, 2 Fore Street, London EC2Y 5AQ

AUDITORS

As the income for the year ended 31 December 2020 was below £1m, the accounts are not required to be audited. An independent examination of the records was carried out by Chris Nurden.

CLERGY LICENSED TO THE PARISH

Rev'd Canon Steve Silvester	<i>Rector</i>
Rev'd Garreth Frank	<i>Curate</i>
Rev'd John Blakeley	<i>Curate</i>
Rev'd Frances Finn	<i>Curate</i>
Rev'd Dr Ian Paul	<i>Associate Minister</i>

DAY-TO-DAY MANAGEMENT

Day to day management of the charity is delegated to the Rector in conjunction with the Staff Team. At 31 December 2020, the staff team consisted of the above plus:

Jon Holt	<i>Operations Manager</i>
Mike Kirk	<i>Church Administrator</i>
Rich Wood	<i>Children and Families' Minister</i>
Ben Lees	<i>Worship & Creative Media Lead</i>
Emily Huggard	<i>Student Minister</i>
Sarah Tuffnell	<i>Media & Communications</i>
Andrew Lowe	<i>Caretaker</i>

PCC members 2020/2021 (ex-officio members plus 10 elected lay-representatives and 4 Deanery Synod representatives):

Ex-officio Clergy	Rev'd Canon Steve Silvester (Incumbent); Rev'd Garreth Frank; Revd John Blakeley; Rev'd Frances Finn, Rev'd Dr Ian Paul (Associate Minister)
Ex-officio Wardens	Jonathan Etheridge, Juliet Wright
Deanery Synod Reps	Cat Cooper, Peter Bates, Marsha Farmer, Sarah Holt (<i>Diocesan Synod</i>)
Members until 2021 APCM	<i>Sarah Wakefield, Dave Wakefield, Adam Thomas, Martyn Paradise</i>
Members until 2022 APCM	Andy Day, Karen Pheasant, <i>Sue Ellis</i>
Members until 2023 APCM	Fatemah Mansouri, Tsemaye Agboghoroma Sarah McCracken
Co-Opted	Trevor Peel

(those in italics have reached the end of their term of office)

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING CONSTITUTION

Parochial Church Council (Powers) Measure 1956.

RISK MANAGEMENT ASSESSMENT

In common with all other organisations the PCC is potentially at risk from a number of sources. The church operations manager, together with the Treasurer, are responsible, on behalf of the PCC, for ensuring that these risks are managed so as not to expose the PCC to undue risk and that the PCC is in a position to correctly deal with any situation that may arise. Risks have been assessed and mitigated.

Examples of areas that are kept under review include:

- Financial Strategy. Ensuring that we have sufficient reserves to meet expenditure and that income levels are maintained. Regular management accounts are supplied to budget holders and PCC.
- Data and Copyright Protection. Ensuring that we comply with all current regulations.
- Employment Regulations. Ensuring that current regulations are complied with and contracts are honoured.
- Insurance. Insurance levels are reviewed annually.
- Property. Buildings are professionally surveyed every 6 years and a rolling maintenance plan developed.
- Safeguarding. A policy is in force for the protection of children and vulnerable adults in the care of the PCC and its volunteers. Safeguarding Officers are appointed by the PCC and are responsible for ensuring the policy is enforced.
- Internal Financial Controls. Expenditure is reported against budget and monies received. Bank statements are reconciled monthly and two signatures are required on all cheques and the approval of two individuals is required for all electronic payments. Cash is banked promptly. Deposits may only be held with the Central Board of Finance or a UK Clearing Bank.

ORGANISATIONAL STRUCTURE

The PCC operates through the staff team along with

individual church members responsible for particular areas of the church's ministry.

The standing committee, consisting of the Rector, the church wardens, the PCC secretary and the Treasurer is a committee required by law. It has the power to transact the business of the PCC between its meetings, subject to any directions given by the council. The standing committee meets between meetings of the PCC.

BUDGET AUTHORITY

The PCC sets agreed budgets for each financial year and staff members have authority, with relevant consultation with the Treasurer, to work within these budgets. Any expenditure outside the budget must be brought before PCC for agreement.

MEMBERSHIP OF EXTERNAL BODIES

The PCC subscribes to the Evangelical Alliance and to the EA Basis of Faith Statement.

TRUSTEE APPOINTMENT

Any person on the Electoral Roll of the parish may stand for election to the PCC. There are 10 'ordinary' elected members of the PCC, members who serve for a period of three years. Also, ex-officio members of the PCC are: clergy licensed to the parish, church wardens and members of deanery or diocesan synod. Elections take place at the Annual General Meeting. All candidates must be proposed and seconded by a member of the Electoral Roll and only members of the Roll may vote at the meeting. There is no recruitment method for trustees, as all Roll members are eligible. Upon appointment, new trustees are provided with previous minutes and notes relating to the legal duties and smooth running of the PCC.

ACCOUNTING PERIOD:

The accounting period is 12 months, January – December. The previous accounting period was the 12 months ended 31 December 2019.

3. PCC REPORT

There were 5 PCC meetings held during 2020 of which one (January) was in person in church and the remainder from May onwards were virtual meetings using the Zoom meetings platform. Virtual meetings were necessary either because in person meetings were forbidden because of Covid 19 restrictions or because it was considered safer to meet virtually. The March 2020 meeting was cancelled at short notice at the start of the first lockdown and the main proposals were presented and voted on by email. The Standing Committee has made urgent decisions and met virtually before each PCC meeting to set the agendas.

The APCM was originally scheduled for March 24th but was postponed until April 21st when the pandemic emerged. The Bishop then gave authorisation that churches should hold their APCM before the end of October rather than April. The delayed St Nics APCM took place by Zoom on 13th October 2020

Major decisions made, issues discussed and reports received at PCC meetings during the year either on a regular basis or as one-off issues in roughly chronological order were as follows

- From June onwards at every meeting, PCC were updated on staff issues, pastoral oversight and operational changes including on-line and streamed services relating to the pandemic and the various government and Cof E rules. Decisions on when and in what manner, services could safely take place and monitoring of associated risk assessments were a part of this process.
- Financial updates and viewing/monitoring of accounts at every meeting, budget planning, and approval of purchases, gifts and income to be diverted to reserve funds and end of year accounts. St Nics decided to give an extra £5000 to deanery to help out parishes struggling to pay their allocation of ministry costs.
- Agreement to create an Extended Standing Committee consisting of existing Standing Committee with 3 extra people elected from within the PCC. The enlarged staff team set strategy and direction. The ESC will be involved in new directions and projects at an early stage and provide a level of accountability and support for staff.. Elections took place in November 2020.
- Purchase of 2 x 85 inch LED screen agreed to replace existing projectors in church. These have become expensive to run because of bulb replacement costs and LED screens will be cost effective. Research to select the most appropriate models continued through the year comparing price/reflection hazard / size and clarity.
- Progress with the 79MMW new build project to develop the site on which the Children's Centre is located was monitored at each meeting. Steps included clarification of the land title and transfer to Southwell Diocese Board of Finance, archaeological and tree surveys, submission and subsequent granting of planning permission. Building to start within 3 years. The next phase will be detailed technical drawings and preparation of tender documents with specifications. The planned building will support the city centre and be a beacon and is not viewed as only a facility for St Nics. Fundraising to commence in earnest in 2021.
- Policies adopted as follows
 - Safeguarding (updated,)
 - Use of Church equipment (new)
 - Hire of buildings
 - Disciplinary
 - Grievance
 - Investment
 - Capability
 - Equality and Diversity
 - Home working
 - Recruitment
 - Getting to church policy including environmental consideration and car parking. An action plan for implementation of this policy prepared.
- Safeguarding oversight

- List of St Nics groups was compiled for submission to Safeguarding officer of diocese.
- New leaders for 3 St Nics missional communities approved. PCC monitors that all safeguarding checks have been completed before duties are commenced.
- Training monitored and PCC confirmed that a strict view should be adopted concerning volunteer roles for which safeguarding training has been mandated. Training compliance has been made more difficult because in person training has not been available. Only on line training has been offered.
- Submission and scrutiny of Annual report on Safeguarding
- A decision was made to cease taking collections during services but to enable electronic donations to be made by card readers and apps and individual cash donations into a secure box to be positioned near the welcome desk. (This will be implemented when church reopens)
- Staffing committee recommendations
 - Appointment of Peter McCrackem as chair of Staffing Committee and Helen McCloughry as new member.
 - Daniele and Angelika Bocchetti adopted into the staff team in self supporting capacity to explore ministry, thereafter were accepted for training and became St Nics ordinands.
 - Appointment of part time Refugee Worker on fixed one year term using lottery funding. Ellie Winfield was appointed.
 - Appointment of a replacement communications officer. Sarah Tuffnell was appointed
 - Annual appraisals of paid non clergy staff were conducted with staffing committee representatives
 - Jon Holt continued role as Operations manager but on a permanent basis so no longer appropriate to be PCC treasurer.
- Decision made to appoint 3 people on apprentice track as interns for 20/21 in time to secure the best candidates, Church to pay accommodation costs to Young Leadership College of the diocese and appropriate cost were put into budget for 20/21. YLC provides subsistence money. Appointments made for children's ministry and 2 roles to combine student ministry with office administration.
- The Rector started conversations with members of congregation from Black, Asian and Minority Ethnic (BAME) backgrounds and learnt of their hurt from low level prejudice and hostility and unconscious bias even within the church. As a result he intended to proactively foster leadership of BAME people and to keep the conversation going to create material change. A small group has continued to explore this subject under the leadership of Marsha Farmer.
- St Nics Mission support portfolio was reviewed with David Duncan, the chair of World Mission Committee. He explained the criteria for adoption of home and away mission partners referring to partnerships guidelines, the methods of support for each partner, details of financial support for mission partners and arrangements for tailing off financial support. David's communication sheets to the congregation had been appreciated.
- PCC received the results of a survey conducted by email in which members of the congregation were asked to comment on the effectiveness of church and on-line provision during the pandemic. St. Nics Missional Communities had grown in importance during lockdown, communication had been good and there was an expectation that an on-line presence would continue post pandemic.
- Decision was made to make substantial gift to St Stephens and St Pauls, Hyson Green following receipt by St Nics of an unexpected gift from the result of sale of a charity owned house, located in their parish in Hyson Green
- A submission was made from PCC to "The Big Conversation" a public consultation concerning how the partially demolished Broadmarsh Centre land should be redeveloped. PCC members contributed ideas in breakout rooms.
- One Deanery Synod report submitted.

4. STATEMENT OF RESPONSIBILITIES OF THE PCC

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees 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.

In so far as the Trustees are aware:

- there is no relevant information of which the charity's independent examiner is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

5. OBJECTIVES & ACTIVITIES

Summary of the main activities undertaken for the public benefit

The PCC has the responsibility of cooperating with the Rector, Steve Silvester, in promoting in the parish of St Nicholas, Nottingham the whole mission of the Church, pastoral, evangelistic, social and ecumenical. We seek to do this through making disciples who can live effectively for Jesus in contemporary society.

This is achieved through:

- Responding to Christ, listening to Him through prayer
- Relating to one another – we want to be known for our authentic Christian community
- Reaching others – we want people to have transforming encounters with Jesus
- Resourcing disciples as we train them to

live distinctively and effectively wherever they are

The Church provides three worship and teaching services each Sunday at 9.00am, 10.30am and 6.30pm in its building on Maid Marian Way. Everyone is welcome to any of these services. Worship and teaching for children is specifically available at the 10.30am service. The services are open to everyone regardless of personal background, gender or personal circumstances. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Other activities include the monthly healing service open to everyone, Light Night and the open building every Thursday.

6. ACHIEVEMENTS AND PERFORMANCE

You would be right to be asking, “Is it time for the annual reports already?” In fact, our last was only 6 months ago. The late date of that report was due to the Church of England deferring the usual deadline of 30th April for APCMs while it worked out how to conduct these meetings online. Now that all seems so terribly ‘pre-COVID’. Now it seems almost normal to hold big meetings online, and we have taken the opportunity to conduct the APCM ahead of Easter and to bid farewell to the most extraordinary twelve months. This inevitably means that this report will be shorter than normal, although it does cover the year April 2020 – April 2021.

In the course of the past year the most challenging, and contentious, issue the PCC has faced concerns whether to continue with in-person services as the epidemic has ebbed and flowed. In the first lockdown of March 2020 this was straightforward: churches were ordered to close. Since then, churches have been allowed to remain open. This has been an affirmation of the generally safe environments that churches have been able to create. However, we also have a responsibility to support public health and not to flaunt our exceptional right to remain open. This has been in tension with our duty of care to people who are particularly isolated, especially refugees and asylum seekers, and to those who struggle to access services online, particularly people with disabilities and those without internet access. As a PCC we have not always found it easy to agree, but debate has always been courteous, and I believe we have got the balance about right.

The quality of on-line service provision at St Nic’s has been very high. We are deeply indebted to a dedicated team whom we do not see in front of the camera: the tech team, Ben Lees editing videos every week, and Jon Holt, Laura Jowett and Jonathan Etheridge who have worked hard to develop the technical capacity required for live on-line services. We have also been greatly blessed to have all the media experience of Frances Finn and the stream of communications from Sarah Tufnell. Sarah took up her post at a time when she cannot get to know the church in person, and she has dealt admirably with this challenge.

However, this past year has not just been about survival. It has been encouraging to see membership of our St Nic’s Communities continue to rise and we are deeply indebted to all who faithfully lead them. I am grateful to John Blakeley who has overseen pastoral provision during the past year, creating a vital web of connection.

Alpha has continued throughout the year and there has been a steady trickle of people coming to faith and integrated into Communities. The work with refugees and asylum seekers has developed, thanks to Ellie Winfield, Angelika Bocchetti, and those who lead our language school and Welcome Boxes, and all the volunteers. The way the church rose to the challenge of producing around 250 gift boxes before Christmas was outstanding.

The youth and children’s ministries have also adapted well with Rich and Vicky producing and delivering packs to families, and with Adam Thomas, Will and Grace James supporting youth online and meeting with them one to one. Similarly, Emily Huggard and her interns, Kez and Alex, have worked very hard to maintain student ministry and outreach at a time when university education has been so altered and disrupted. Inevitably, some ministries have not translated so well online.

This year has provided us with opportunities to take stock and to develop new things. We have recognised the importance of ‘digital discipleship’ and Daniele Bocchetti has been working to develop a strategy going forward, moving contact into engagement, relationship, community, and faith exploration. We are looking to recruit an intern to work in this area from September.

We continue to respond to the challenge from the Holy Spirit last year around racial justice. It has been encouraging to see the WeR1 (We Are One) Team develop under the leadership of Marsha Farmer, and we look forward to them helping us as a whole church to engage with this vital subject.

We congratulate Garreth on his appointment as Associate Missioner as he is seconded half time to oversee the interregnum at St Mary Magdalene and St Leonard, Newark, and we watch with anticipation as God continues to open doors for John and Lynda Blakeley to lead our first St Nic's church plant/graft in this season of being a resourcing church.

We are all indebted to Martyn and Priscilla Paradise, and the whole 79 MMW Team, for their tireless work. We are now at the stage where we have full planning permission, very exciting architectural plans and a strategy for playing our part in the renewal of this end of the city.

Finally, at this APCM Jonathan stands down from his duties after 6 years as churchwarden. He has served us so well. I have particularly valued his support and sharp insight, his prayerful consistency and hard work, and his chairing of PCC meetings. Thank you, Jonathan.

Steve Silvester

7. FINANCIAL REVIEW

The Statement of Financial Activities (SOFA) for the year ended 31 December 2020 shows a net loss before transfers on the Unrestricted General Fund of £20,012. This figure is after depreciation of our assets amounting to £52,584. This is an accounting adjustment we are required to make but does not represent any cash payment. The PCC budgets for and manages the net surplus or deficit prior to depreciation charges, which was therefore a net income of £32,572. In order to build our reserves for future expenditure, £10,000 has been transferred to the Fabric Fund and £10,000 to the Capital Projects Fund. A further £140,000 has also been transferred to the capital Fund and earmarked for expenditure on 79MMW development. This sum represented the proceeds of a one off donation from a local charity.

Our bank deposit account and the cash at bank balances at 31 December 2020 amounted to £454,440. Of this £351,119 relates to funds restricted to building or other projects, leaving £102,321 on unrestricted funds. Practically all the income is derived from direct giving by church members. The summary on page 16 (note 6) shows how expenditure has taken place in supporting our objectives.

FINANCIAL RESERVES: The PCC has agreed that we need to retain the equivalent of three months expenditure in unrestricted readily available reserves in order to meet any unexpected liabilities that may arise. Based on the accounts for 2020 this would amount to £100,548. At 31 December 2020 net current assets on unrestricted funds amounted to £127,508, including £31,243 of outstanding tax recoverable on gift aid donations.

The policy of the PCC in respect of reserves is that cash resources should be such that all restricted and designated funds are available in cash or deposits, together with the equivalent to 3 months of expenditure in unrestricted funds. This takes into account that in emergencies the PCC have assets against which borrowings could be secured

pending an appeal to the congregation for funds to support the church's mission. It is further recognised that while the payment of Parish Share remains a priority, in an emergency payment could be deferred in consultation with the diocese.

In addition to the unrestricted general reserves, the PCC has the following designated reserves:

Fabric reserve

At 31 December 2020 this amounted to £56,925.

In view of the age of the building from which the church operates, repairs can be costly, in particular cyclical repairs such as redecoration that arise from time to time. The PCC allocate an amount to this fund each year to accumulate a reserve to avoid the need for additional fundraising at the time repairs are required.

Capital projects fund

At 31 December 2020 this amounted to £221,613. From time to time significant expenditure is required to update capital items that are essential to the running of the church, for example the audio visual systems. The PCC allocate an amount to this fund each year to accumulate a reserve to avoid the need for additional fundraising at the time expenditure is required.

Restricted funds held represent monies received for specific purposes prescribed by the donor or collections taken for specific purposes of which the donor was aware at the time they made their gift which have not yet been paid over to the ultimate beneficiary.

Signed on behalf of the PCC



Jonathan Etheridge
(Church Warden) 1st March 2021

8. INDEPENDENT EXAMINERS REPORT



CHARITY COMMISSION
FOR ENGLAND AND WALES

Section A Independent Examiners Report

Report to the
Trustees/members of

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas',
Nottingham

On accounts for the year
ended

31 December 2020

Charity Number

1134708

Set out on pages

13-21

Responsibilities and basis
of the report

I report to the trustees on my examination of the accounts of the above
charity ("the Trust") for the year ended 31/12/2020.

As the charity's 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 Trust'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

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.

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

- the accounting records were not kept in accordance with section 130
of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 in order to enable a proper understanding of the accounts to be reached.

Signed



Date

01/03/2021

Name

Chris Nurden

Relevant professional
qualification(s) or body

Institute of Chartered Accountants in England & Wales

Address

26 The Parks
Minehead
Somerset
TA24 8BT

9. ACCOUNTING POLICIES & DISCLOSURES

BASIS OF PREPARATION

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Financial Reporting applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011 and the Church Accounting Regulations 2006. Going Concern: The accounts have been prepared under the basis of the charity being an ongoing concern.

FUNDS

The Unrestricted General Fund is available for use at the discretion of the PCC to further the general objectives of the church. Designated Funds are unrestricted funds set aside by the PCC for specific future purposes or projects. Restricted Funds are funds that can only be used for particular purposes within the objects of the church. The aim and use of each fund is set out in the notes to the Financial Statements.

INCOME

Donated income without conditions attached, including that gifted under Gift Aid, is taken into account when received by the Charity. Income Tax recoverable on gift aid accounts is recognised when the gift aid income is received. Any amount of tax not yet claimed from HM Revenue & Customs is shown within the Debtors list. Funds raised for events are accounted for gross. Income from building hire is recognised when rental is due.

EXPENDITURE

Expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation. All costs have been directly attributable to one of the headings used in the SOFA. The church is not registered for VAT and accordingly expenditure is shown gross of VAT.

Expenditure that is directly attributable to meeting charitable objectives is included in costs of activities in furtherance of the charity's

objects.

CAPITALISATION OF LAND AND BUILDINGS

Under the provisions of FRS 15, land and buildings are valued at historical cost and no depreciation is charged against them. Buildings are maintained to such a standard that their estimated residual value is not less than their net book value at any given time. Costs incurred in keeping buildings in a fit and useful condition are written off as incurred. Consecrated and benefice property is excluded from the accounts by nos. 10 (2), (3), (4) of the Charities Act 2011. Enhancements of buildings paid for by the PCC such as the church re-ordering carried out during 2011 are capitalised and written off over a period of 20 years.

FIXED ASSETS

Fixed Assets have been capitalised at cost and the depreciation is calculated so as to write off the cost of the fixed asset on the following basis:

Building Enhancements	5%
Fixtures and Fittings	10%
Other Equipment	25%
Computers	33%

CURRENT ASSETS

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove un-collectable. Short-term deposits include cash held on deposit either with the Central Board of Finance or Bank.

PENSION POLICY

Pension contributions are paid to the Pension Builder Classic section of the Church Workers Pension Fund, a defined benefit scheme, based on the level of contributions paid on behalf of each employee. Further details of the pension fund are contained in the notes to the accounts. Contributions are recognised as resources expended at the time the salary cost to which they relate is incurred.

GRANTS AND MISSIONARY SUPPORT

Grants for the support of mission partners are accounted for on the basis of support agreed by the PCC that relates to the financial year. The church supports various mission partners and organisations. Where a particular mission

partner has been supported by the church for a number of years, strict compliance with the Charities' Statement of Recommended Practice (SORP) may regard some arrangements as constituting constructive obligations such that future years' support is accounted for in these accounts as a liability. Whilst the support has no final end date, the PCC assess mission partner funding on an annual basis and are confident that the mission partners would not view their

support as an open-ended obligation on the part of the church.

OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

10. STATEMENT OF FINANCIAL ACTIVITIES

Statement of Financial Activities

Year ended 31 December 2020

		2020			2020	2019
		General Unrestricted Funds	General Designated Funds	Restricted Funds	Total Funds	Total Funds
	Note					
Income & endowments from:						
Donations & legacies	1,9	374,262	-	27,448	401,710	406,496
Charitable activities	2,9	6,795	-	30,203	36,998	38,166
Investments	3	1,121	-	-	1,121	1,623
Total income		382,178	-	57,651	439,829	446,285
Expenditure on:						
Charitable activities						
	5					
Wider Church/Parish Share		127,443	-	-	127,443	127,455
Teaching & Pastoral		76,377	-	77,915	154,292	128,783
Youth & Children		94,328	-	-	94,328	95,742
Mission & outreach UK		27,076	-	5,238	32,314	30,939
Mission & outreach Overseas		33,580	-	527	34,107	33,006
Evangelism & Outreach		43,386	-	-	43,386	43,228
Total expenditure		402,190	-	83,680	485,870	459,153
Net income/(expenditure)		(20,012)	-	(26,029)	(46,041)	(12,868)
Extraordinary income	4	184,000	-	-	184,000	-
Extraordinary expenditure	4	(40,000)	-	-	(40,000)	-
Transfers to Designated/Restricted Funds		(160,000)	160,000	-	-	-
Net Movement in funds		(36,012)	160,000	(26,029)	97,959	(12,868)
Reconciliation of Funds						
Total Funds brought forward		763,248	128,538	99,565	991,351	1,004,219
Total Funds carried forward		727,236	288,538	73,536	1,089,310	991,351

11. BALANCE SHEET

Balance Sheet

at 31 December 2020

		2020	2019
Tangible Fixed Assets	11	<u>613,761</u>	<u>663,119</u>
Current Assets			
Debtors	13	31,677	33,950
Prepayments	14	5,883	1,171
Deposit Account		361,717	216,292
Cash at bank and in hand		<u>92,723</u>	<u>82,807</u>
		492,000	334,220
Current Liabilities			
Amounts falling due within one year	15,16	(16,451)	(5,988)
Net current Assets		<u>475,549</u>	<u>328,232</u>
Total Net Assets		<u>1,089,310</u>	<u>991,351</u>
The Funds of the Charity			
Unrestricted General Funds	12	727,236	763,248
Designated General Funds	9	288,538	128,538
Restricted Funds	10	<u>73,536</u>	<u>99,565</u>
		<u>1,089,310</u>	<u>991,351</u>

Approved by the Church Council on 1st March 2021 and signed on its behalf by



(Church Warden)

12. NOTES TO THE ACCOUNTS

	2020			2020	2019
	Unrestricted	Designated	Restricted	Total	Total
1 Donations					
Gift Aid	253,825	-	3,338	257,163	267,627
Income Tax recoverable	64,804	-	834	65,638	68,622
Other planned giving	52,127	-	-	52,127	41,599
Collections	1,033	-	3,276	4,309	12,768
Sundry Donations	2,473	-	20,000	22,473	15,880
	<u>374,262</u>	<u>-</u>	<u>27,448</u>	<u>401,710</u>	<u>406,496</u>
2 Charitable activities					
Sundry Sales	127	-	-	127	352
Building Hire	3,451	-	-	3,451	5,810
Fees	3,202	-	-	3,202	2,786
Events	15	-	14,234	14,249	24,517
Grants received	-	-	15,969	15,969	4,701
	<u>6,795</u>	<u>-</u>	<u>30,203</u>	<u>36,998</u>	<u>38,166</u>
3 Income from investments					
Bank Interest	1,121	-	-	1,121	1,623
	<u>1,121</u>	<u>-</u>	<u>-</u>	<u>1,121</u>	<u>1,623</u>

4 Extraordinary income

During the year the PCC received an unexpected donation of £184,000 following the closure of a local Christian Charity. The PCC agreed that £40,000 should be donated to another Christian Church in Nottingham as a gift offering and £140,000 allocated to the Capital Projects Fund.

5 Charitable Activities

	Activities undertaken directly	Grant funding of activities	Support Costs	2020 Total	2019 Total
Wider Church/Parish Share	122,840	-	4,603	127,443	127,455
Teaching & Pastoral	7,345	-	69,032	76,377	85,808
Youth & Children	2,286	-	92,042	94,328	95,742
Mission & outreach UK	-	8,668	18,408	27,076	28,080
Mission & outreach Overseas	-	22,075	11,505	33,580	30,976
Evangelism & Social Concern	253	8,617	34,516	43,386	43,228
	<u>132,724</u>	<u>39,360</u>	<u>230,106</u>	<u>402,190</u>	<u>411,289</u>

There were no related party transactions.

6 Support Costs

The allocation of support costs has been based on an estimated proportion of staff time costs and the expenditure related to their activity. Wider church 2%, Teaching and Pastoral 30%, Youth & Children 40%, UK Mission 8%, Overseas Mission 5%, Evangelism 15%.

	Wider Church	Teaching & Pastoral	Youth & Children	Mission UK	Mission overseas	Evangelism	Total
Staffing	2,884	43,254	57,673	11,534	7,209	21,627	144,181
Building	371	5,566	7,421	1,484	928	2,783	18,553
Insurance	124	1,861	2,481	496	310	930	6,202
Administration	172	2,576	3,434	687	429	1,288	8,586
Depreciation	1,052	15,775	21,033	4,207	2,629	7,888	52,584
	<u>4,603</u>	<u>69,032</u>	<u>92,042</u>	<u>18,408</u>	<u>11,505</u>	<u>34,516</u>	<u>230,106</u>

Administration support costs includes £1,000 payable to the Independent Examiner and £865 paid under an operating lease.

7 Staffing Costs

	2020		2020	2019
	Unrestricted	Restricted	Total	Total
Pastoral Salaries	65,639	2,444	68,083	64,408
Admin & Support Salaries	67,337	-	67,337	60,753
Pastoral Expenses	5,651	5,440	11,091	6,909
Admin & Support Expenses	909	-	909	666
Pastoral Pension	6,251	244	6,495	5,937
Admin & Support Pension	6,340	-	6,340	5,694
HMRC Refund/Rebate/Furlough	(7,946)	-	(7,946)	(3,000)
	144,181	8,128	152,309	141,367

During the year the PCC employed a student minister, a children's minister, a worship director, a refugee worker, a communications officer, an operations manager, an administrator and a cleaner, none of whom earned £60,000 or more. One member of the PCC (J Holt) was employed by the PCC as Operations Manager and received remuneration amounting to £26,368 and a sum of £2,636 was also paid into the staff pension scheme on his behalf. Clergy expenses totalled £1,163

No expenses have been paid to PCC members in respect of their role as Trustees

8 Grants Payable

	Institutions	Individuals	2020 Total	2019 Total
Mission & Outreach UK	2,168	6,500	8,668	9,480
Mission & Outreach Overseas	3,375	18,700	22,075	19,350
Evangelism & Social Care	8,617	-	8,617	6,657
	14,160	25,200	39,360	35,487

9 Designated Funds

	Opening				Closing
	Balance	Income	Expense	Transfers	Balance
Fabric Reserve	46,925	-	-	10,000	56,925
Capital Projects Fund	71,613	-	-	150,000	221,613
Legacy Fund	10,000	-	-	-	10,000
	128,538	-	-	160,000	288,538

The Fabric and Capital Project Funds are designated by the PCC to meet future expenditures in respect of repairs and maintenance and other larger projects. In 2020 £160,000 net was transferred into designated funds from General with £140,000 of that earmarked for the 79MMW development

The Legacy Fund represents monies given to the PCC for future use as yet undefined

10 Restricted Funds

	Opening Balance	Income	Expense	Transfers	Closing Balance
Expended Funds					
Church Centre	14,033	-	-	-	14,033
	14,033	-	-	-	14,033
Available Funds					
Mission Partners	1,935	468	527	-	1,876
Events	2,750	1,979	1,453	-	3,276
Gifts	92	-	82	-	10
Collections	6,831	2,651	2,338	(1,000)	6,144
Hall Fund	34,457	20,250	34,773	-	19,934
House Trust	3,771	-	-	-	3,771
St Nicholas Purse	6,383	4,079	4,352	-	6,110
Language School	1,263	-	33	-	1,230
Church Weekend	27,366	12,255	31,810	1,126	8,937
Church Weekend Bursary	577	636	87	(1,126)	-
Refugee Worker	-	10,000	2,785	1,000	8,215
Other	107	5,333	5,440	-	-
	85,532	57,651	83,680	-	59,503
Total Restricted Funds	99,565	57,651	83,680	-	73,536

The Church Centre Fund represents capital invested in the Church Centre

The Hall Fund represents donations received for the proposed new Church Hall.

St Nicholas purse is a fund used to support people in financial difficulty at the discretion of the Rector and the Standing Committee.

The Language School represents donations received for the weekly Language School now running in St Nic's

The House Fund represents donations received for a new project to provide suitable housing for young asylum seekers

The Restricted Collection Fund represents donations given via St Nic's to be used for specified purposes.

The Missionary Fund arises from donations given via St Nic's to be used for specified missionary organisations or individuals

The church weekend fund represents monies allocated by the PCC towards the costs of the next Church Weekend

The Bursary Fund represents donations received to subsidise individuals wishing to attend the next church weekend

The Events Fund is used for income and expenditure relating to specific events.

The Refugee Worker fund represents grants received for employment of a Refugee Worker

Restricted Funds 2019 for comparison

	Opening Balance	Income	Expense	Transfers	Closing Balance
Expended Funds					
Church Centre	14,033	-	-	-	14,033
	14,033	-	-	-	14,033
Available Funds					
Mission Partners	2,998	967	2,030	-	1,935
Events	7,127	12,921	13,408	(3,890)	2,750
Gifts	369	487	764	-	92
Collections	6,785	621	575	-	6,831
Hall Fund	50,230	2,000	17,773	-	34,457
House Trust	5,000	-	1,229	-	3,771
St Nicholas Purse	4,452	2,949	4,908	3,890	6,383
Language School	1,554	-	291	-	1,263
Church Weekend	13,041	7,151	2,826	10,000	27,366
Church Weekend Bursary	43	534	-	-	577
Other	-	4,167	4,060	-	107
	91,599	31,797	47,864	10,000	85,532
Total Restricted Funds	105,632	31,797	47,864	10,000	99,565

11 Fixed Assets for use by the PCC

	Freehold Land & Buildings	Fixtures & Fittings	Church Improvements	Total
Actual Cost at 1st January 2020	107,934	71,400	874,963	1,054,297
Additions	-	3,226	-	3,226
Disposals	-	(6,126)	-	(6,126)
Cost at 31st December 2020	107,934	68,500	874,963	1,051,397
Depreciation Charge at 1st Jan	-	(53,578)	(337,600)	(391,178)
Depreciation Charge for year	-	(5,740)	(46,844)	(52,584)
Depreciation deducted on disposals	-	6,126	-	6,126
Accumulated Depreciation	-	(53,192)	(384,444)	(437,636)
Net Book Value 31 December 2020	107,934	15,308	490,519	613,761
Net Book Value 31 December 2019	107,934	17,822	537,363	663,119

12 Analysis of Net Assets by Fund

	Unrestricted	Designated	Restricted	Total
Fixed Assets for Church use	599,728	-	14,033	613,761
Current Assets	139,881	288,538	63,581	492,000
Current Liabilities	(12,373)	-	(4,078)	(16,451)
Fund Balance	727,236	288,538	73,536	1,089,310

13 Sundry Debtors

	2020	2019
Gift Aid Tax	31,243	33,817
GA Tax - restricted funds	342	-
Sundry items	92	133
	31,677	33,950

14 Prepayments

Insurance - Centre	373	303
Rates	250	229
Copier	239	239
CCLI	214	173
Misc	127	227
Intern Housing	4,680	-
	5,883	1,171

15 Sundry Creditors

Gas & Elec	2,000	2,412
Sundry	337	708
Service fees	549	402
Payroll	3,487	1,466
	6,373	4,988

16 Accruals

Independent examination Fee	1,000	1,000
Legal fees - 79 MMW	4,078	-
Parish Share	5,000	-
	10,078	1,000

17 Commitments under operating leases

At 31 December 2020 the PCC has remaining commitments under non-cancellable operating leases as set out below:

Operating leases which expire:	2020	2019
December 2021	835	1,670

18. Church Workers Pension Fund

DECEMBER 2020 YEAR END

The Parochial Church Council of St Nicholas' (Nottingham) participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

PENSION BUILDER SCHEME

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time.

Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2020 £12,835, 2019: £11,631).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas PCC could become responsible for paying a share of that employer's pension liabilities.

13. 2020 ACCOUNTS IN SUMMARY

Using the above format (which we have to!) the accounts can be difficult to understand so here is a simple summary of the income and expenditure on the general fund

	2020	2019
Income		
Donations	309,458	330,850
Tax reclaimed	64,804	68,622
Other	7,916	15,016
Total	382,178	414,488
Expenditure		
Mission grants/Evangelism	39,360	35,487
Parish share	122,840	122,804
Staffing	144,181	141,367
Building related	24,755	27,748
Administration	8,586	9,526
Ministry	9,884	20,482
Total	349,606	357,414
Surplus before depreciation	32,572	57,074
Depreciation	52,584	53,875
Surplus/(Deficit) after depreciation	(20,012)	3,199
Fixed asset costs incurred	3,226	7,682
Cash in the bank	454,440	299,099
Which is made up of:		
Designated funds	288,538	128,538
Restricted funds	63,581	85,532
General funds	102,321	85,029
Grants made for UK mission		
Jonny and Ellie Staton working with Agape UK	1,000	1,500
Liz Babbs working as a writer and speaker	4,000	4,000
Ruth Radley working with CMS in Birmingham Children's Hospital	1,500	1,980
Fusion & Student CUs	1,368	1,200
Other	800	800
	<u>8,668</u>	<u>9,480</u>
Grants made for World mission		
Dave and Nikki working in North Africa	11,000	12,300
Pauline Walker	5,200	4,200
Pastor Adama in Markoye, Burkino Faso	500	1,150
Support for developing ministry in Oudalan, Burkino Faso	3,000	1,500
Support for Ian & Heather Morris	1,000	-
Support for James Berry with OM	1,000	-
Open Doors	375	200
	<u>22,075</u>	<u>19,350</u>
Grants made for Evangelism & Social Care		
Malt Cross (Street Pastors)	1,000	1,000
Nottingham Citizens	2,300	2,372
Social Concern	1,600	1,600
Emmanuel House	3,717	1,686
	<u>8,617</u>	<u>6,658</u>
	<u>39,360</u>	<u>35,488</u>

14. NOTTINGHAM SOUTH DEANERY SYNOD 2020 REPORT

This year we have said goodbye to Revd Jonathan Smithurst (Attenborough), Revd Claire Goode (Nottingham St Andrew's) and Revd Dr Michele Hampson (Lenton). We have welcomed curates Revd Jo Lees-Robinson (Trinity Church), Revd Francis Finn (St. Nic's) and Revd Grant Walton (St Mary's in the Lace Market) to our Deanery. We were also pleased to congratulate Revd Hannah Hall and her husband, Will, on the birth of their daughter, Katelyn, in August.

The Deanery Leadership Team has continued to meet during the year to plan Synod and to discuss ways to support parishes in the Deanery. Revd Tom Gillum from St Mary's in the Lace Market has also joined the Team.

Due to the unprecedented circumstances of 2020, we only held one Deanery Synod. We met together at St Barnabas, Lenton Abbey on 12th February to thank those who had served over the past three years and to reflect on all God had done in and around our Deanery. In particular people shared about City Prayer, Trinity Church, the Beeston Workplace Chaplaincy, Nottingham Citizens and we were challenged to become involved with the Green Festival in the autumn.

The Deanery has again paid a large percentage of its giving for ministry allocation (89.2% in 2020, compared to 96.9% in 2019). Every parish is to be thanked for their faithfulness in paying for the ministry received in this deanery, particularly in these difficult times.

We are looking forward to 2021 and hope to have the opportunity to meet again in person.

Kirsty Cowley
Deanery Administrator

15. CHURCHWARDENS REPORT 2020

As we reflected on the past year as Church Wardens, we recognised how blessed we are as a church and we want to express our gratitude to God, to our fantastic staff team and of course to the often unsung heroes of St Nic's who help glue our community together, they have done so much despite the constraints of the past year.

Instead of reporting on a year of retreat or hibernation we are delighted to be reporting on a vibrant church that has continued to meet, albeit in new ways, and has continued to move forward. Our ability to more than weather the storm of Covid is thanks in a large part to the foundations we have laid down. Some of these are practical areas including finances and technology but the key has been in having the right people with the right gifts in place at the right time to lead us as we rapidly pivoted to on-line worship gatherings. Surely God was helping equip and prepare us even though we didn't realise it.

As we look forward to a time when we can once again meet in the church building, we are happy to report that the fabric is in fine condition with no significant issues over the past year. The PCC recently approved new investment to upgrade the audio visual equipment in church and this will allow us to integrate those worshipping with us on-line with those in the building.

As ever, the 'legal bit', we can confirm that the terrier and inventory are in good order.