

Parish Church of St James with St Matthew

St James's Lane

Muswell Hill

London

N10 3DB

Reg. charity 1134716

**Annual Report and Financial Statements
for the year ended 31 December 2020**

Incumbent:

The Reverend Chris Green

Statutory auditors:

**Lakin Rose Limited
Chartered Accountants
Cambridge CB24 9NL**

Bankers:

**HSBC Bank plc
Muswell Hill
London N10 3RX**

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| 19 | Statement of Financial Activities for 2020 | This summarises the income and expenditure of the Parish, across all its funds, for the year 2020. |
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Background

The PCC of St James with St Matthew has the responsibility, together with the Incumbent, for promoting the whole mission of the Church of England in its local parish. This responsibility covers evangelistic, pastoral, social and ecumenical matters. It also has maintenance responsibilities for the Church building, Parish Centre, Birchwood Centre and the houses occupied by clergy and staff.

The PCC is pleased to present its report for 2020. As a church we have been blessed in so many ways, and God has been a strong helper through the COVID-19 crisis. We continue to see Him at work at St James in all the different ministries and activities and are again so thankful for His hand at work in everything we do, especially where things have been more challenging, and we have had to look at new ways of doing things. I am particularly grateful for the way both staff and volunteers have stepped up to these new challenges over the year. Set out below are a few highlights from the past year, which are expanded in the rest of this report.

COVID-19

The impact of the virus and the lockdown has been profound, even though our parish has perhaps been more lightly affected than many others. All ministries have moved online, which has been both a challenging and creative time. Perhaps most visibly, our Sunday service has been live streamed from the beginning, moving venue several times as the regulations have eased. We now have the technology and a core trained team who will continue to livestream into the future; this means we can continue to connect with our members unable to attend, and also reach out to a wider group. We currently have a base viewership on YouTube of 700-800 each week, often reaching the low thousands. A total of 33 people have filled in digital contact cards during lockdown and these have been tagged so that they can be followed up in person. We are continuing to find ways to engage with our existing members and new attendees, mostly over Zoom, and this has included offering both *Alpha* and *Joining St James* online.

Preaching

We began the year with a series looking at Colossians 1 – 4 and 'Fullness in Christ'. We also worked through the first few questions of the 'New City Catechism' and discussed their application for us in the modern world. Our Lent series focused on evangelism and was titled 'Making Disciples'; In Week 1 the topic was 'Why Discipleship? Head, Hearts and Hands'; Week 2 'A Mind that is Holy and Pleasing'; Week 3 'A Heart of Flesh'; Week 4 'Your Hands are Not Your Own'; Week 5 'When the Good-Time God Goes Away.' - The reading for Easter Day was John 21.

Spring saw a short series called 'Complete Joy' studying the book of 1 John; and in the Summer, we began a series on the subject of 'Together': 'Together Forever' (John 13:34), 'Meeting Together' (Hebrews 10: 25), 'Singing Together' (Ephesians 5:19), 'Praying Together' (James 5:16), 'Learning Together' (Colossians 3:16), 'Suffering Together' (1 Corinthians 12:26), 'Rejoicing Together' (Romans 12:15), 'Serving Together' (Galatians 5:13) and 'Challenging Together' (Hebrews 10:24.)

Our Gift Day was on 20 September 2020 and our Harvest Festival on 27 September, when we also began a study of Daniel. This continued through the Autumn to Advent when we looked at the topic of Incarnation - Faith, Hope and Love were the themes for three of the weeks. On 06 December 2020, our service was led by members of WAVE church.

Monthly Holy Communion services were held either in person or on-line depending on restrictions. When the All-Age Worship service could no longer be held in the church building, it was replaced by a special service for 0-7 year-olds at 3:00pm every Sunday.

Support Team

Throughout the year the Support Team continued to offer the best support possible across all ministry areas. In 2020, there were 350 on the electoral roll. Our DBS Administrator, Jean Airey, supervised the administration of 15 DBS checks: 8 for those working with children and 7 for PCC members (working with children and adults).

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During 2020 there were 2 weddings, 1 infant baptism and 4 funerals (1 in church and 3 off-site). The team continued to administer bookings at the Birchwood Centre, where there were four regular weekly bookings. The income from regular and one-off bookings came to a total of £17,219. Income from bookings for St James Church (not including weddings) was £820.

Staff Changes

There were a few staff changes in 2020. Alex and Lane Jacobsen returned to the States in the Summer, and, because of the pandemic, they were not replaced. We are grateful to the other staff members in the Operations team and volunteers who stepped up to cover their areas of work during this time. Szilard Tam completed his internship and decided to take on a mission assignment, working with Youth ministry with Crosslinks in Hungary. Several members of staff were temporarily furloughed during the year, under the government scheme, and many worked from home.

Midweek Bible Study Groups

A year spent in lockdown has demonstrated the crucial importance of our small group ministries for providing meaningful fellowship and support – both practical and spiritual – to the individual members of our church family.

The leaders of our pastorates, FOCUS and Gather & Send have done a smashing job of moving their groups online and have gone above and beyond to strengthen lines of support and community over the last year. This has sometimes meant rescheduling meeting patterns, placing a new focus on one-to-one support, (which has been permitted more consistently throughout lockdown), or by picking up the phone to one another on a regular basis.

Almost all our existing groups have been able to establish online meetings, sometimes with a bit of ingenuity, for instance when one group member with access to the internet calls another member (with no internet access) on the phone so they can participate that way. A couple of groups with a particularly older age profile have not found it possible to meet online, but they made the most of the summer period out of lockdown and supported one another in other ways. While we are all grateful to have found different ways to continue to 'meet' in some way, there is no doubt that we all look forward to a lightening of restrictions over the coming months.

It is exciting to see that pastorates have in fact grown healthily over the last year, with one whole new group starting just after Easter 2020, and many other groups welcoming new members. In the year ahead we will have to navigate what it means for us to start meeting together in person where now some groups are too big for any one house to accommodate them, and others have members who are scattered too widely to be able to meet easily in person. Please pray for continued creativity and servant-heartedness as we work our way through these developments.

Special Events

Here are some of the highlights from the beginning of the year:

- On Saturday 25 January, the Muswell Hill Churches Prayer Breakfast met at the Methodist Church for the Week of Prayer for Christian Unity.
- On the same day a concert was held to raise money for our Roof fund. This enjoyable event was hosted by Jim Cleverton and Yvette Bonner, members of our congregation and opera singers who have taken leading roles in Europe's major opera houses. During the evening, Jim performed a new aria written for him by English composer Iain Bell.
- Chris ran the SHAPE course at the Vicarage on Thursday 30 January, helping members to discover how God has shaped them to serve Him.

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- A parenting course called 'Wonderfully Made' ran after 'Little Fishes,' our toddler group, to direct parents/carers to the Bible and what it says about raising little ones.
- We were privileged to be joined by author and scholar Dr Peter Williams (Principal of Tyndale House, Cambridge) for a talk and 'question and answer' session over breakfast on Saturday 29 February.
- Following the 11.15am service on Sunday 8 March, families joined together for lunch and teaching on 'Parenting God's Way.' There was also a chance to discuss and share ideas.
- On Saturday 7 March, Paul and Catherine Ellerby led a prayer walk around Osier Crescent and Gilson Place.
- On Saturday 14 March, Chris ran 'Growing Spiritually', a course to develop habits to jump-start spiritual growth.

Music Ministry

Our sung worship has become an integral part of our services over the past year as we have learnt to adapt to the changing times. The music team currently has 24 members, ranging from core instruments, solo instruments, and vocalists. It has been such an encouragement to see the team lead through the past year and pull together as one force.

We have had to be hugely creative over the past year, with bands playing together 'virtually' online and pre-recorded from home. This has given us unique challenges, but together we have provided high quality music each week. We are so grateful especially to those band leaders who each week put together the music for services.

Christmas was naturally a big part of music ministry, with three carol services to run. With both Traditional Carols and Contemporary Carols, the reach was around 2,000 people. These elements were all pre-recorded and completed by the end of November. Our warm thanks go to Ashley and Anna for leading the classical side of music ministry and for Patrick and Abi who have taken on a huge lead in the contemporary music side.

In the current circumstances, we are more limited in what we can do, with a maximum of three band members and one singer. Even so, we are grateful to be able to lead God's people in sung worship of the living God. We are looking forward to being back with full bands in person in the months ahead!

Community Ministry

Community Café numbers were steady with between 40 and 65 people coming until March. When the pandemic began, we quickly moved on to Zoom where we have between 15-20 regular attendees joining weekly. Many of our previous attendees struggle with technology and we also do not have their details due to the drop-in nature of Community Café. In good weather, we were able to meet outside on a Thursday in socially distanced groups as well. On Zoom, we still do a 'Thought for the Day' and 'words of comfort from the Bible' slot; and a quiz (or similar) each week to draw the whole group together. For many of the attendees the café is still a highlight of their week; we know they so miss the way it was run but have adapted to Zoom.

Besom in Haringey has had an encouraging year despite Covid, delivering 35 hampers over Christmas to families in Haringey. It is good to be able to do some van runs due to the nature of the charity and welcoming a new member on to the operations team.

Haringey Churches Winter Night Shelter (Overnight Respite) ran up until mid-March. This initiative continued to attract considerable interest from local volunteers not otherwise connected with church, as well as from St James members who gave a huge amount of time, love and money. There was always a wonderful sense of community and friendship among the guests and the team. We finished two weeks

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prior to social distancing regulations and most guests had positive outcomes. This season (December 2020-March 2021) the shelter is being run at Holy Innocents Church in Hornsey and the monetary donations given from appeal for this in November have been given to All People All Places.

The Muswell Hill Soup Kitchen continued to meet a huge need. St James stepped down from serving practically in March, but there was considerable financial support towards the purchase of a £75K van and many people donated tins and money towards this vital work. The Soup Kitchen also featured in our carol services and two other services this year, giving a real spotlight to this front-line work.

TeaTime, our community group for seniors, continued to meet until March when the team began pastorally supporting our attendees. Sadly, some of our much-loved TeaTimers died during the pandemic. We shall miss them. In September we began lunchtime concerts for seniors, all socially distanced with a thought for the day. Unfortunately, these could not continue when lockdown restrictions came into force, but for a short time they were a valued way of meeting together again. We also ran a special screening of the Traditional Carol service for TeaTimers.

Challenge Group - In March, Celia Webster created a What's App group so that members of Challenge Group could support one another. Hannah, Head of Community Ministries, made many pastoral doorstep visits to families who needed to see a friendly face. In the summer, members met, socially distanced, in the park; from September, the Challenge Group was officially allowed to meet in the church building as a 'support group', continuing vital help for 'additional-needs' families facing many challenging situations.

Other: St James has been publicising the work of The Selby Centre in Tottenham and encouraging members to donate practically to the needs there. During the first lockdown, our church family came together to support one another through phone calls, practical shopping, doorstep visits and other ways. Over Christmas, once again, the church family helped to support one another at a time when many were isolated.

Wave

Wave's purpose is to encourage and enable places of genuine inclusion in communities.

Places where people, with and without learning disabilities, can comfortably socialise, work or worship together, and grow in mutual confidence and friendship.

Bringing people together has obviously been a challenge in these Covid-restricted times but we've worked hard to keep the connections strong, while also focusing on our mission to **encourage** and **enable** more mixed ability friendships in more communities. In Muswell Hill, the **Challenge Group** has continued to support parents and carers of babies or toddlers with additional needs (through doorstep visits, a WhatsApp group and outdoor meetings) until government regulations allowed restarting as a support group.

The monthly **Wave Church Muswell Hill** has gone online, and we regularly have 50+ people joining us, including some from farther afield who have relished the opportunity for genuinely inclusive worship not available to them locally. During Advent a team from Wave Church led the St James morning service and introduced the congregation to the power of worshipping via Makaton signing during times when we can't sing in church.

Our sister organisation, **Wave Cafe** (a separate charitable organisation but with the same inclusive ethos), has run daily Zoom meets and letter writing to keep and encourage personal connections between people of all abilities.

The umbrella organisation of Wave, officially called **Wave for Change** is now keen to connect with individuals and groups outside Muswell Hill who share our passion for genuine inclusion – for doing things **With and Not For** each other. Thanks to many generous donations, we're starting work on '**Wave in a Box**', a project to share our experience and help mixed ability groups create inclusive activities in their own churches and communities. You can keep up to date with our progress at wave-for-change.org.uk

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Finally, we remain truly thankful to all the people who make Wave possible – those who support us with practical help, financially and in prayer. At the moment we especially welcome prayers for the recruitment of paid and voluntary people to join our long-standing volunteer team.

Children's Ministry

After March 2020's initial scramble to create online safeguarding policies, overcome the technical and methodological challenges of Zoom, and experiment with the format and timings of these sessions to find something that worked online, we eventually settled on a structure. Alice was placed on furlough during the first lockdown and Ashley had home-schooling to contend with, but together with our amazing volunteer team and Alex Williams as intern, we were determined to keep connected with families and support them as best as we could. In September 2020, we reopened some of our in-person groups and services for children, but continued to offer online options, which gave us easy options to fall back onto during subsequent lockdowns. The pattern that resulted was:

9:30am - Zoom for 4-10s. This functioned both for when in person groups were permitted and for when they weren't. The time slot meant that leaders and parents could still watch/attend the 10:30am service and join Zoom Coffee. Like a watch party, the children watched the week's video together and then discussed it and enjoyed related activities together. Initially the video and Zoom discussion were separate events but bringing them together helped motivate and focus the children on learning from home and enabled us to see one another. These typically had 10-12 children take part, with a minimum of 2 leaders from a pool of 6-8.

10:30am - Children's groups in the building for 4-10s and children with additional needs– When these were permitted to run (so far 7 Sundays in Sep-Oct 2020 and 2 Sundays in Dec 2020) we've run Promiseland and PL+ with limited capacity split into small groups. We set our rooms up in a COVID safe, classroom style (helping children to maintain 2m distancing). We used the same video as the online group, so everyone had the same lesson. They typically had attendance between 15-20 children and required 7-10 leaders.

3:00pm - Younger children's service. Initially, for the Little Fishes and Promiseland Junior age children we produced short story and song time videos on YouTube. As church buildings began to reopen, groups for under 5s were still not permitted to open-up, but services were (including family services) and we wanted to have something specifically aimed at younger children who found mixed-aged Zooms less than ideal. Sitting in family groups, this service used drama, songs, craft and activities to teach a simple Bible story or truth to children. When we were able to, we ran these services in the building, but otherwise, they were on Zoom. These typically had between 5-10 families take part with 2-6 team members.

Catchup – If people did not attend the session, they could watch our teaching videos on YouTube anytime for both the morning and afternoon sessions.

Collaborating with others - Working online gave us the opportunity to partner with other churches, regardless of location, to produce a series of online family services for Good Friday, VE Day, and the early summer. In the school summer holidays, we worked with three other churches in Muswell Hill to offer the 'Lark in the Ark' story trail. Thirdly, also working with others, we created a new series Sunday school curriculum called 'Jude's Sunday Gang' which is now available on the web for people to use more widely.

Support groups - Bumps and Babes is classified as a support group for new mums and has been able to continue from early summer 2020 onwards. Though the numbers have been smaller, it has been a lifeline to some who have been mainly isolated at home with a newborn.

Though many of our usual events could not take place, we did manage to have a Light Party Movie night in person on 31 October and to deliver Christingle packs to around 100 families' homes so they could participate in our Family Carol Service online.

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Partnering with parents has never been so sharply in focus. Without parental involvement, children would not have been able to participate. Zoom lacks appeal to children, particularly compared to face-to-face interaction at school. With more than 200 children on our books, keeping in touch has been a challenge and we are turning to parents to help support and encourage other parents. We look forward to the time when face-to-face ministry can fully resume, though we know there will be challenges of encouraging some families, who we've not had much contact with for a year, back into the church. Our vision is that every child would feel, even during this time, that they belong, that they are known and loved, and have good life-long friends at St James. 2020 has made this a huge challenge, but when we all play a part in being disciple-making disciples, and helping each other to follow Jesus, we believe children can still be growing in their love for him and one another.

Youth Ministry

St James Youth seeks to partner with parents to make young disciples. That is us in a nutshell and it flavours everything we do.

God has been so kind to us this past year, even with the changing times we're living in. Young people have been saved and built up in following Jesus. Numbers have steadily declined over the year due to the pandemic and some young people were not engaging particularly well with constant online groups and school.

We have been constantly reshaping our groups and structures to continue fulfilling our vision and to better serve families and young people, including focusing on refining each of our regular groups to make them the best they can possibly be. We have made a few changes in how they run, the structure they follow, and content taught. Regular 'week-in week-out' discipleship does not always look the most glamorous, but it is certainly the best thing we can do. Consequently, we have raised the profile of one-to-one discipleship amongst young people, where adults regularly read the Bible and share life with young people. What a brilliant example of church family in action!

Alongside this, a few big events form parts of our discipleship goal. The Big Weekend 2020 saw 80 young people and leaders delve into the book of Exodus and its impact on everyday life in the 21st century. Numerous young people took huge strides in their faith.

Together with St James Kids, the Equip conference ran for its fourth year, this time online, reaching Youth and Children's workers from 50+ UK churches. This is a great training day for our teams but also acts as a huge blessing to the churches who brought their teams along. It has been such a blessing to have Anya on the team as Youth Minister for two years now to work alongside Dave. This year we have not had a Ministry Intern placed in Youth Ministry.

We are so grateful to God for an incredible team of leaders he has provided us with. We have high expectations for our teams, who commit to training, praying, and serving every week at our groups. This means we have a good core team who can disciple young people within our small group structure. With London being so transient, we are constantly recruiting new team members to fulfil our goal of having a leader to young person ratio of 1:3 – a ratio that is hard to hit, but important for this deeply relational ministry. Please do pray for our ongoing recruitment.

For 2021, we are focusing on partnering with parents. We have already held several parenting lunches where families can share lunch together, followed by provision of childcare and teaching and discussion for parents and carers. This has been a huge blessing to families within the church and is something we would ideally like to continue this year, with Parenting God's Way being held once per term. We are also busy putting together some resources to encourage parents as the primary disciplers of their children as well as connecting parents by introducing year group WhatsApp groups. Another focus will be rebuilding our groups when we are allowed back in person, including a heavy emphasis on evangelism. The best way for us to do that is by growing disciple-making disciples. The young people are the ones in the schools who have the contacts and know the culture best. They are the best way of us reaching out. Big events are great, and will certainly play a part, but the steady long-term training of young people to be fearless followers of Jesus in reaching their friends for him will be our focus. To this end, Youth Cafe started in September 2019 and attracted around 20-30 young people each week, many

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of whom have no previous contact with the Gospel or church or who have been invited by their Christian friend. This is an exciting ministry and one we would like to relaunch when we are able.

The challenge for us now is to work out how best to move on from online ministry to being back in person which, in one sense, provides a brilliant opportunity to reshape everything we do. As the scriptures say, 'Unless God builds his house, the workers labour in vain'. Please join with us in praying for God to work in the hearts of our young people. Praise him too for all his goodness to us over the past year.

St James Primary School

2020 was a challenging year for all places of learning and St James Primary School was no exception. Thanks however to extraordinary efforts from the Senior Leadership Team, headed by Ms O'Brien and teachers, the school rose to the challenge of remote learning for the 2020 summer term and the return to schools for autumn. Sadly, none of the regular assemblies in church could take place, and the pupils were missed for Easter, the end of the school year, harvest and Christmas. But clergy, kids and youth workers were all involved in filming video assemblies to be played in classroom; and an innovative filming of "O Christmas Tree" featuring all classes was one of the highlights of the St James traditional carol service. Mark continues to be the clergy representative as school governor, and after many years of dedicated service, Janet Owen has stepped down and Keith Guthrie is now the PCC Governor.

Evangelism

Lockdown arrived in the middle of our 2020 Lent Course on personal discipleship. One of the areas we were challenged to think about is how often we discuss our faith with other people, not only with other Christians, but with those who do not know God's love for themselves. Sadly, we did not finish the course, and so we missed the opportunity to discover from across the church family how much we are talking about our trust in Jesus. This is something we would like to revisit.

In 2020 we ran the Alpha course entirely online and chose to split it in two halves. It was a brand-new experience for everyone, but despite some challenges, all those who attended, valued it. Faith was strengthened and seeds sown. Due to this success, online courses will remain part of our menu of evangelism into the future. In 2021 we will think about how best to use social media and short videos to reach out to those curious about Jesus, and to help church members to do so with their friends. Ultimately, as we have seen, personal relationships and invitations will always win out over purely digital interactions.

West Haringey Deanery Synod

East and West Haringey Deaneries underwent a reorganisation at the latter end of 2020 and are now Haringey Deanery. The Area Dean is Rev Ian Booth, St Michaels, Wood Green.

Church Leadership and Oversight

PCC

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| <i>Incumbent:</i> | Revd Chris Green (Vicar) |
| <i>Other ministers:</i> | Revd Mark Murthen (Associate Vicar) Revd Phil Mullins (Associate Vicar) |
| <i>Wardens:</i> | Ian Roberts Alison Vincent |
| <i>Other representatives on the Deanery Synod (in addition to the Wardens):</i> | |

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|--|--|
| Jane Davidson -stood down 19.10.20 Gillian Dunkeld Ajay Gohil David Williams Gina Titheridge Caroline Streets-Law | |
| <i>Other members, all elected unless otherwise indicated:</i> | |
| Sue Picano -stood down 19.10.20 Eric Ortlund - stood down 19.10.20 Clare Davey - stood down 19.10.20 Michael Bleakley - stood down 19.10.20 Richard Brueton Benamina Bolton Patrick Haines Lydia Bartlett May Mak Helen Watts | Katherine Adams - elected 19.10.20 Michael Dufour - elected 19.10.20 Steve Sexauer - elected 19.10.20 Jo Hutchinson - elected 19.10.20 Andrea Bleakley - elected 19.10.20 Seb Butter (Honorary Treasurer, ex-officio) Carolyn Ritchie (Safeguarding Officer, ex-officio) |

PCC Sub-Committees

The PCC operates through a number of sub-committees, which meet between full meetings of the PCC. These sub-committees comprised the following people since the Annual Parochial Church Meeting ("APCM") in October 2020 (see the 2019 Annual Report and Financial Statements for sub-committee membership up to that date):

Standing Committee

This committee has responsibility to transact the necessary business of the PCC between its meetings, subject to any directions given by the Council. It comprised Chris Green (Vicar) Chair, Mark Murthen (Associate Vicar), Phil Mullins (Associate Vicar), Ian Roberts (Church Warden), Alison Vincent (Church Warden), Seb Butter (Hon Treasurer) and Andrea Bleakley.

Finance Committee

This committee oversees the financial affairs of the parish, by monitoring income and expenditure, cash flow, budgeting, accounting, and setting the fund-raising targets for the parish. Its members comprised John Waters (Chair), Seb Butter, Jonathan Thornton, Gina Titheridge, Tim Bartlett and Alison Tyndall.

Buildings Committee

The Buildings Committee is responsible for maintaining the parish church itself, and all its associated buildings, including staff housing. Its members comprised Chris Law (Chair), Gill Brazier (Vice Chair), Ian Roberts, Louise Spalding, Hannah Davies, Ben McFarlane, James Lea and Nigel Young.

World Mission Group

The World Mission Group is responsible for developing mission links outside the parish, and the distribution of the bulk of the funds set aside for mission giving (10% of the parish's unrestricted donation income is designated for mission giving.) Its members comprised Stephen Booth (Chair), Richard Bird, Richard Brueton, Deborah Kiwanuka, Clare Davey, Gina Titheridge, Alex Jacobsen, Esther Sharma and Steve Sexauer.

PCC Activity in 2020

The PCC met in January, March, May, July and September. At the delayed Annual Meeting (APCM) in October, it approved the 2019 Annual Report and Financial Statements, and the Financial Budget for 2020. One other meeting was held in November. At each meeting, the PCC spent time looking at the Bible, praying and conducting normal business including updates on buildings work, World Mission

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Group and finance, as well as safeguarding and data protection. Throughout the year the various PCC Sub-Committees met regularly between the PCC meetings.

Our Patrons, the Diocese of London and Common Fund

We continue to enjoy an open and productive relationship with the Patrons of the Church, The Bishop of Edmonton, and the Church Pastoral Aid Society. The Common Fund we pay to the Diocese of London fully covers the direct costs of employing our Vicar, and in addition contributes to other costs of the Diocese of London. Our contribution to the Common Fund in 2020 was £85,200.

Finance

The Finance Committee of St James remained consistent in its membership throughout the whole of 2020, with six people serving. The committee continued to review the financial structure of the church, and in doing so met formally three times during the year.

Owing to the material changes caused by the pandemic/Covid 19, the committee was closely involved in a reforecasting exercise at the end of the first quarter, and ongoing monitoring against this new plan for the remainder of the year. As a result of this planning, continued generous support from the members, and use of certain government assistance schemes, the church has had a satisfactory financial result for the year. The General Fund achieved a surplus of £56,259 for the year compared with the surplus of just over £50,000 in 2019. This brings the retained amount within the General Fund to £201,753 as at 31 December 2020, and thus a significant step closer to the medium-term financial objectives set by the committee.

The budget set for 2021 is very challenging, reflecting continued global difficulties, an end to government assistance, and return of costs that were temporarily paused in 2020. As normal it shows a deficit before factoring one-off gift receipts, and as such will require the support of members once again.

Buildings Committee

The Buildings Committee met twice in person before lock-down in 2020 and twice online. As at 31 December 2020, membership consisted of Chris Law (Chair), Gill Brazier (Vice Chair), Ian Roberts (Church Warden), Louise Spalding, James Lea and Nigel Young. Our thanks go to Hannah Davies and Ben McFarlane, who stood down during 2020 after moving away from the parish. We will look for new members once Covid restrictions are lifted.

The principal project for the year was 'Raising the Roof,' the re-roofing of the south aisle in-line with the quinquennial inspections. First, funds needed to be raised, as the inspections had highlighted that both side aisles and the chapel roof needed to be completely renovated and re-roofed. The Raise the Roof fund raised £150,000 after the initial pilot project determined the deficiencies in the construction make-up of the roof in 2019. Neither roof had been refurbished since the church was built in the early 1900s. After severe rains it was decided to switch phase 1 from the north aisle to the south aisle as the water penetration was worst at this point. Ablett Architects were appointed architects and Ashford and Cranbrook, well known in the field of roof construction, were appointed contractors, having won the tender for the pilot project, and having done a good job on the same.

A pre-contract site meeting was held on Tuesday 21 July and work on erecting the scaffolding began on Tuesday 11 August 2020. It was clear it was going to be a tricky job to carry out during Covid lockdown restrictions. It was hoped works would be complete just before Christmas 2020. Our thanks go to Gill Brazier, who managed this project on behalf of the church with the professionalism and dedication of her many years as a structural engineer in the City. The major works were complete just before Christmas and the scaffold was removed in late January 2021. New stonework and new Welsh slates were fitted throughout, to provide a long-lasting legacy for the next 100 years. The overall cost to the church was in budget at £125,000. There are already funds of about £25,000 towards Phase 2, which will be commenced when the remaining funds are raised.

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It is good to know that we have created a valuable and committed team of project manager (Gill Brazier), Architect (Ablett Architects) and contractor (Ashford and Cranbrook) to be able to carry out these works so efficiently and effectively.

Other notable works during the year were:

1. Replacement boiler for the Church Centre
2. Major tree works to the Birchwood Centre adjoining trees
3. Birchwood Centre guttering Repairs
4. Works to parish property and staff accommodation

In addition to general maintenance of the church buildings and the Birchwood Centre, St. James has a number of parish staff properties which require maintenance and updates to make sure they are suitable for our staff. This includes regular maintenance of boilers and lightning conductors, undertaking gas and electrical appliance tests and fire assessments, electrical certification, gutter cleaning, and general repairs.

Our thanks go to the members of the Buildings Committee for their time, experience, and expertise as well as to the Churchwardens and to Anand Achuthan, Leona Akass, and the other members of operations team for their hard work, keeping the church buildings and Birchwood Centre functioning and to the gardening team (ably led by Caroline Streets) for keeping the grounds looking so attractive.

It has been a tricky year under the trying circumstances of Covid-19 but incredible things have been achieved, for which we thank the Lord for His provision and goodness.

World Mission Group

In 2020 the World Mission Group (WMG) distributed just over £80,000 to mission partners and organisations. We were able to increase the support we provided to many mission partners, including Jane Ingle in Cameroon, the Kenyons in Cambodia and Emmanuel Church, New York – where Jim Salladin is pastor. We were delighted to be able to provide additional funding to Wycliffe to purchase a second-hand vehicle for Jane, ensuring she has reliable transport for some difficult journeys. We were in touch with most of our mission partners to ascertain whether COVID-19 has caused financial distress. An additional £2,000 was given to Pathway to ensure they are well positioned for when schools re-open. We also temporarily increased our giving to the Bendor-Samuels, who are seconded to OCMS from Interserve, to see them through a period of significant change in their key donors.

New mission partners who came on board during 2020 include a previous intern at St. James, Szilard Tam, who is now back in Hungary with Crosslinks. We also added A Rocha, a global charity that combines a strong Christian ethos with carefully selected conservation projects. St. James congregation member Graham Wright is a Trustee of A Rocha International, and the organisation is recovering from the loss of three key leaders who passed away in a tragic car accident in late 2019.

We were greatly encouraged to see the new building at Ssanga in Uganda reach completion. The WMG has invested £18,000 in multiple stages over 3 years to accelerate the completion of this building project. This is alongside sacrificial contributions from the congregation itself, who had already built the walls without external financial assistance. In 2020 the WMG also made final support payments to Philippa Chambers who has completed her term with London City Mission, reaching out to Muslim families in East London, and to Swantje Ungerer, another previous intern who is completing her final year at Oak Hill.

The WMG has been mindful of a reserve balance that has accumulated over prior years in the Charitable Giving Fund. Additional one-off donations approaching £20,000 were made in the year to deplete the reserve, including donations to St. Ann's in Tottenham and TearFund in Afghanistan. The Charitable Giving Fund now reflects deferred initiatives that involved overseas travel, together with a balance retained for contingency purposes so we can respond promptly to urgent need amongst our

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2020

mission partners. The PCC has also encouraged the WMG to nurture new mission partners from within the congregation, which requires the WMG to retain some financial flexibility. A full financial review accounting for the accumulated reserve was provided to the Finance and Standing Committees during the year.

Safeguarding

The PCC adopted the 2020 Parish Safeguarding Policy Statement and the Safeguarding Audit and Action Plan in July. The Audit and Action Plan were for the calendar year 2019, and by the end of 2020 St James had completed all the actions; these related to Safeguarding training for relevant officers, DBS (Disclosure and Barring Service) checks for PCC members (including Deanery Synod Members), and secure storage for Safeguarding documents.

To further promote a safe and welcoming environment, child-friendly posters were put in lavatory cubicles throughout the church. WAVE Church joined as a 'New Expression' in the autumn and so now comes under St James for Safeguarding.

Governance, Internal Control, and Risk Management

It is through the various committees and sub-committees that the PCC has addressed the key operational and financial control requirements of the Parish. St James is subject to the full accounting and auditing requirements established by UK law and practice. In addition, the PCC and staff team have addressed some of the non-financial risks associated with the activities of the church, such as Child Protection policy and the health and safety of its employees, members, visitors and contractors. They have established appropriate risk management policies and procedures, including where necessary, appropriate insurance cover.

The PCC is grateful for the considerable efforts of volunteers for its successful operation. Without that help, the church would not be able to carry out its many and varied ministries and neither would we as individuals have opportunity to serve our Lord God as he would have us.

Going Concern

Now that the effect of global conditions is well understood, the budget set for 2021, and beyond, incorporates the known situations for the foreseeable future.

The church continues to be in a fortunate position in regard to its regular income, in that the vast majority is received in electronic form, and thus the non-availability of its premises provides limited downside. Furthermore, any discretionary spend has been scrutinized and paused if possible, especially in the first half of 2021 as lockdown is forecast to continue. In 2020 these measures ensured that the financial position of the church was preserved very well.

Based on the analysis performed, and the results to date, including the church's high level of electronic income and the level of ability to reduce costs rapidly, we are satisfied that the church has adequate resources to continue in operational existence for the foreseeable future and is able to meet its liabilities as they fall due.

Auditors

Lakin Rose Limited acted as auditors during the year. A resolution for their re-appointment will be put forward at the 2021 APCM, as required by law.

On behalf of the PCC



Revd Chris Green (Vicar)
29 March 2021

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2020

Summary of a Parochial Church Council's Financial Responsibilities:

| | |
|----|--|
| 1. | The PCC shall prepare accounts of the ecclesiastical parish and be accountable in particular to all whose names are on the electoral roll (<i>Church Accounting Regulations 2006</i>). |
| 2. | Every PCC shall furnish to the Annual Parochial Church Meeting the audited accounts of the council for the years ending 31 December immediately preceding the meeting and an audited statement of the funds and property, if any, remaining at that date (<i>Parochial Church Councils (Powers) Measure 1956</i>). |
| 3. | The charity trustees (<i>for which read PCCs</i>) shall ensure that accounting records are kept in respect of the charity which is sufficient to show and explain all the charity's transactions (<i>Charities Act 2011, Part VIII Charity Accounts, Reports and Returns, Section 130 Accounting records</i>). |

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Parish Church of St James with St Matthew (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the PCC members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the PCC members with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2020**

Other information

The PCC members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the PCC members' report 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.

Responsibilities of PCC members

As explained more fully in the PCC members' responsibilities statement, the PCC members are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the PCC members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the PCC members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the PCC members either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2020**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and charity performance,
- results of our enquiries of management about their own identification and assessment of the risks of irregularities
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team and involving relevant internal specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. We identified no such laws and regulations applicable to the charity.

Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit risk related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements,

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2020

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2020

- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- obtained an understanding of provisions and held discussions with management to understand the basis of recognition or non-recognition of provisions; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the PCC members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC members 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 PCC members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lakin Rose Limited

Chartered Accountants
Statutory Auditors

Vision Park
Histon
Cambridge
CB24 9NL

Date: 7 April 2021

Parish Church of St James with St Matthew, Muswell Hill
Statement of Financial activities for the year ended 31 December 2020

| | | UNRESTRICTED | | | | RESTRICTED | TOTAL | |
|--|-----------|--------------|--------------|-------------------|---------------|------------|-------------------------|-----------|
| | | General Fund | Capital Fund | Charitable Giving | Property Fund | Total | Special Collection Fund | |
| | | £ | £ | £ | £ | £ | £ | 2020 £ |
| | | | | | | | | 2019 £ |
| INCOME AND ENDOWMENTS FROM | | | | | | | | |
| Donations | Note 2(a) | 638,192 | - | - | - | 638,192 | 113,442 | 751,634 |
| Legacies | Note 2(b) | - | 70,228 | - | - | 70,228 | - | 70,228 |
| Other trading activities | Note 2(c) | 42,715 | - | - | - | 42,715 | - | 65,361 |
| Other | Note 2(d) | 27,613 | - | - | - | 27,613 | - | 44,157 |
| TOTAL | | 708,520 | 70,228 | - | - | 778,748 | 113,442 | 892,190 |
| EXPENDITURE ON: | | | | | | | | |
| CHARITABLE ACTIVITIES | | | | | | | | |
| Grants | Note 3(a) | - | - | 81,127 | - | 81,127 | 151,015 | 232,142 |
| Activities directly relating to the work of St James's | Note 3(b) | 474,986 | - | - | 25,779 | 500,765 | - | 582,151 |
| Church management and administration | Note 3(c) | 109,256 | - | - | - | 109,256 | - | 129,913 |
| Governance costs | Note 3(d) | 4,200 | - | - | - | 4,200 | - | 3,999 |
| TOTAL | | 588,442 | - | 81,127 | 25,779 | 695,348 | 151,015 | 846,363 |
| NET INCOME/ (EXPENDITURE) | | 120,078 | 70,228 | (81,127) | (25,779) | 83,400 | (37,573) | 61,097 |
| Transfers between funds: | | | | | | | | |
| To the Charitable Giving Fund | Note 9 | (63,819) | - | 63,819 | - | - | - | - |
| NET MOVEMENT OF FUNDS | | 56,259 | 70,228 | (17,308) | (25,779) | 83,400 | (37,573) | 61,097 |
| RECONCILIATION OF FUNDS | | | | | | | | |
| TOTAL FUNDS BROUGHT FORWARD | | 145,494 | 7,000 | 60,272 | 1,021,928 | 1,234,694 | 82,479 | 1,256,076 |
| TOTAL FUNDS CARRIED FORWARD | | 201,753 | 77,228 | 42,964 | 996,149 | 1,318,094 | 44,906 | 1,317,173 |

Parish Church of St James with St Matthew, Muswell Hill
Balance sheet as at 31 December 2020

| | Note | 2020 | | | 2019 | | |
|--|------|---------------|-------------|-------------|---------------|-------------|-------------|
| | | Property Fund | Other Funds | Total Funds | Property Fund | Other Funds | Total Funds |
| | | £ | £ | £ | £ | £ | £ |
| FIXED ASSETS | | | | | | | |
| Tangible fixed assets | 5 | 1,058,024 | 39,511 | 1,097,535 | 1,083,803 | 45,659 | 1,129,462 |
| CURRENT ASSETS | | | | | | | |
| Debtors | 6 | - | 87,625 | 87,625 | - | 27,751 | 27,751 |
| Cash at bank and in hand | 7 | - | 262,880 | 262,880 | - | 250,551 | 250,551 |
| | | - | 350,505 | 350,505 | - | 278,302 | 278,302 |
| LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR | | | | | | | |
| | 8 | (61,875) | (23,165) | (85,040) | (61,875) | (28,716) | (90,591) |
| NET CURRENT ASSETS | | | | | | | |
| | | (61,875) | 327,340 | 265,465 | (61,875) | 249,586 | 187,711 |
| NET ASSETS | | | | | | | |
| | | 996,149 | 366,851 | 1,363,000 | 1,021,928 | 295,245 | 1,317,173 |
| FUNDS | | | | | | | |
| Unrestricted | | 996,149 | 321,945 | 1,318,094 | 1,021,928 | 212,766 | 1,234,694 |
| Restricted | | - | 44,906 | 44,906 | - | 82,479 | 82,479 |
| | | 996,149 | 366,851 | 1,363,000 | 1,021,928 | 295,245 | 1,317,173 |

Approved by the PCC on 29 March 2021, and signed on its behalf by:



Revd Chris Green (Chair)



Seb Butter (Honorary Treasurer)

The notes on pages 21 to 27 form part of these financial statements.

Parish Church of St James with St Matthew, Muswell Hill 2020 Cash flow statement

Statement of cash flows

Table 1

| | 2020 | 2019 | Note |
|--|----------------|-----------------|-----------------|
| | £ | £ | |
| Cash flows from operating activities: | | | |
| <i>Net Cash provided by (used in) operating activities</i> | (1,406) | 66,347 | (Table 2 below) |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | 24,602 | 32,067 | |
| Proceeds from the sale of property, plant and equipment | - | - | |
| Purchase of property, plant and equipment | (10,867) | (50,989) | |
| Proceeds from sale of investments | - | - | |
| Purchase of investments | - | - | |
| <i>Net Cash provided by (used in) investing activities</i> | 13,735 | (18,922) | |
| Cash flows from financing activities: | | | |
| Repayments of borrowing | - | - | |
| Cash inflows from new borrowing | - | - | |
| Receipt of endowment | - | - | |
| <i>Net cash provided by (used in) financing activities</i> | - | - | |
| | | | |
| <i>Change in cash and cash equivalents in the reporting period</i> | 12,329 | 47,425 | |
| Cash and cash equivalents at the beginning of the reporting period | 250,551 | 203,126 | (Table 3 below) |
| Cash and cash equivalents due to exchange rate movements | - | - | |
| <i>Cash and cash equivalents at the end of the reporting period</i> | 262,880 | 250,551 | (Table 3 below) |

Reconciliation of net movement to net cash flows from operating activities

Table 2

| | 2020 | 2019 |
|---|----------------|---------------|
| | £ | £ |
| <i>Net movement in funds for the reporting period (as per the statement of financial activities)</i> | 45,827 | 61,097 |
| Adjustment for: | | |
| Depreciation charges | 42,794 | 42,559 |
| Dividends, interest and rents from investments | (24,602) | (32,067) |
| Loss/(profit) on the sale of fixed assets | - | - |
| (Increase)/decrease in stocks | - | - |
| (Increase)/decrease in debtors | (59,874) | (14,004) |
| Increase/(decrease) in creditors | (5,551) | 8,762 |
| <i>Net cash provided by (used in) operating activities</i> | (1,406) | 66,347 |

Analysis of cash and cash equivalents

Table 3

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| Cash in hand | 262,880 | 250,551 |
| Notice deposits (less than 30 days) | - | - |
| Overdraft facility repayable on demand | - | - |
| Total cash and cash equivalents | 262,880 | 250,551 |

Parish Church of St James with St Matthew, Muswell Hill

Notes to the 2020 Financial Statements

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities SORP (FRS 102)" effective 01 January 2019. They have been prepared under the historical cost convention. The Parish Church of St James with St Matthew meets the definition of a public benefit entity under FRS102.

Fund accounting

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

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

Incoming resources

Voluntary income and capital sources

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt is reasonably certain.

Income from investments and other income

Interest entitlements (including any tax recoverable thereon) are accounted for as they accrue. Rental income from the letting of the church premises or related property is recognised when the rental is due.

Resources used

Grants and donations

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church

The Common Fund is accounted for when payable. Any amount unpaid at 31 December is provided for in these financial statements as an operational (though not legal) liability and is shown as a creditor in the Balance Sheet.

Fixed assets

Consecrated and inalienable land and buildings, movable church furnishings

Consecrated and beneficed property is excluded from the accounts as per the Charities Act 2011. In the case of this Parish, the properties excluded by this section are the Church, the Parish Centre, the land surrounding both and the Vicarage.

The Birchwood Memorial Hall is the subject of a separate trust dating back to the early 1900s, the sole custodian trustee of which is a Diocesan body. The Church is allowed to use the Hall for Church activities, as directed by the Church Wardens for the time being but has no other rights to the building. It is regarded therefore as inalienable property of the Church. As no reliable cost information is available, and conventional valuation methods lack

sufficient reliability and would involve cost which far outweigh the benefit such a valuation could provide in the circumstances, no valuation is provided for this property in these financial statements.

The costs of maintaining and using this property are treated as expenses of the General Fund, and expensed or capitalised (as relevant) as incurred.

No value is placed on movable church furnishings held by the Church Wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

All expenditure incurred on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Staff housing and other property

Freehold or leasehold property required to be accounted for by the PCC are included in these financial statements at market values estimated in 1998, in accordance with the SORP. These values were reviewed in 2000 and considered by the PCC to continue to be appropriate valuations for the purposes of these financial statements. Maintenance expenditure is written off as incurred.

Land and buildings are not revalued upwards unless there are exceptional reasons for so doing. This is because, in the PCC's view

- i. the presentational and other benefits of formally revaluing such properties outweigh the cost and effort of obtaining appropriate valuations
- ii. these buildings comprise residential property in Muswell Hill, whose market value is and has historically been substantially higher than the values at which these properties are currently recognised in these financial statements.

Any permanent diminution in the value of these properties, as evidenced by formal or informal valuations drawn up by or on behalf of the PCC, below that at which these properties are recognised in these financial statements, however, is appropriately provided for.

Depreciation has been provided on these properties based upon an expected useful life of 50 years.

Other fixtures, fittings and office equipment

Equipment purchased and used within Parish premises is depreciated on a straight-line basis over 4 years. Individual items of equipment with a purchase price of £1,000 (excluding VAT) or less are written off when the asset is acquired.

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 uncollectible.

Short-term deposits include cash held on deposit either with the Central Board of Finance Church of England Funds or at the bank.

Taxation

As a charity, the Parish of St James with St Matthew, Muswell Hill is exempt from tax on income and gains falling within sections 521-536 of the Income Tax Act 2007 to the extent that these are applied to its charitable objectives. No tax charges have arisen in either the current or preceding year.

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2020 Financial Statements

2 INCOME AND ENDOWMENTS FROM:

| | ANALYSIS BY FUND | | TOTAL FUNDS | |
|--|------------------|----------------|----------------|----------------|
| | Unrestricted | Restricted | 2020 | 2019 |
| | £ | £ | £ | £ |
| 2(a) Incoming resources from donors | | | | |
| Planned giving: | | | | |
| Gift Aid donations | 434,994 | 51,222 | 486,216 | 429,331 |
| Income tax recoverable on Gift Aid donations | 110,188 | 12,805 | 122,993 | 110,432 |
| Other planned giving | 70,618 | 4,320 | 74,938 | 64,657 |
| Service collections | 6,630 | 230 | 6,860 | 34,361 |
| Other donations | 15,762 | 44,865 | 60,627 | 147,852 |
| | <u>638,192</u> | <u>113,442</u> | <u>751,634</u> | <u>786,633</u> |
| 2(b) Other voluntary incoming resources | | | | |
| Legacies | 70,228 | - | 70,228 | - |
| | <u>70,228</u> | <u>-</u> | <u>70,228</u> | <u>-</u> |
| 2(c) Income from operating activities to further the PCC's objectives | | | | |
| Birchwood Hall lettings (includes Church hire income) | 18,174 | - | 18,174 | 30,431 |
| Rental | 23,889 | - | 23,889 | 31,820 |
| Service fees | 652 | - | 652 | 3,110 |
| | <u>42,715</u> | <u>-</u> | <u>42,715</u> | <u>65,361</u> |
| 2(d) Other ordinary incoming resources | | | | |
| Interest income | 713 | - | 713 | 247 |
| Insurance proceeds | - | - | - | 23,180 |
| Other income * | 26,900 | - | 26,900 | 20,730 |
| | <u>27,613</u> | <u>-</u> | <u>27,613</u> | <u>44,157</u> |
| TOTAL INCOMING RESOURCES | <u>778,748</u> | <u>113,442</u> | <u>892,190</u> | <u>896,151</u> |

* Includes a sum of £13,065 received as grant through HMRC's Job retention scheme (Covid-19) from Apr - Oct 2020.

**3 EXPENDITURE ON:
 CHARITABLE ACTIVITIES**

| | ANALYSIS BY FUND | | TOTAL FUNDS | |
|--|------------------|----------------|----------------|----------------|
| | Unrestricted | Restricted | 2020 | 2019 |
| | £ | £ | £ | £ |
| 3(a) Grants | | | | |
| Missionary and charitable giving (see 10 below): | | | | |
| Overseas Church and Charities | 29,422 | 7,595 | 37,017 | 36,324 |
| UK missions and societies (incl. St James ministries) | 51,705 | 143,420 | 195,125 | 82,667 |
| | <u>81,127</u> | <u>151,015</u> | <u>232,142</u> | <u>118,991</u> |
| 3(b) Activities directly relating to the work of the Church | | | | |
| Diocesan Common Fund | 85,200 | - | 85,200 | 82,800 |
| Staff and ministry costs | 227,861 | - | 227,861 | 251,658 |
| Church property expenses | 181,725 | - | 181,725 | 243,618 |
| Costs of services | 5,979 | - | 5,979 | 4,075 |
| | <u>500,765</u> | <u>-</u> | <u>500,765</u> | <u>582,151</u> |
| 3(c) Church management and administration | | | | |
| Office expenditure | 37,353 | - | 37,353 | 51,308 |
| Staff and lay assistance costs | 71,750 | - | 71,750 | 78,450 |
| Bank charges | 153 | - | 153 | 155 |
| | <u>109,256</u> | <u>-</u> | <u>109,256</u> | <u>129,913</u> |
| 3(c) Church management and administration | | | | |
| Audit fees | 4,200 | - | 4,200 | 3,999 |
| | <u>4,200</u> | <u>-</u> | <u>4,200</u> | <u>3,999</u> |
| TOTAL RESOURCES USED | <u>695,348</u> | <u>151,015</u> | <u>846,363</u> | <u>835,054</u> |

Parish Church of St James with St Matthew, Muswell Hill
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4 STAFF AND RELATED COSTS

The Diocesan Common Fund payment covers all salary and pension costs of the one permanent clergy position at St James's Church as at the beginning of 2020. The salary and pension costs of the other two clergy are paid by the PCC through the Diocese as 'Off Common Fund' positions. In addition, the housing and other employment related costs for the above positions are paid directly by the PCC and are included in Staff and Ministry costs above. These positions are full time, and each clergy member is by right a member of the PCC.

The Church also employs other staff, in ministry and support posts. All employment costs are reviewed annually. Clergy and other staff costs, excluding Diocesan Common Fund but including staff property depreciation, may be summarised as follows:

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| Wages and salaries (including expense reimbursements, training, etc) | 252,984 | 269,202 |
| Social security costs | 10,884 | 11,089 |
| Pension costs | 4,941 | 4,367 |
| Housing costs (including repairs and maintenance) | 77,224 | 98,034 |
| | <u>346,033</u> | <u>382,692</u> |

Excluding the three permanent clergy posts, the average number of other employees working over 16 hours per week, analysed by function, was as follows:

| | No. | No. |
|--|----------|----------|
| Activities directly relating to the work of the Church | 6 | 6 |
| Church management and administration | 3 | 3 |
| | <u>9</u> | <u>9</u> |

Of those employees, none earned more than £60,000 in the year.

Transactions with PCC members and related parties:

Employees are appointed on merit and are paid salaries commensurate with responsibilities on scales after due review by designated members of the PCC.

No elected members of the PCC were also employees concurrently during 2020. No salary was paid to PCC members who were also employees concurrently, for 2019 (previous year).

The following transactions were undertaken with PCC members or related parties, all figures are inclusive of VAT if applicable:

- The clergy members of the PCC were provided allowances to assist with payment of utility bills, cleaning, gardening bills etc. The amounts for 2020/2019 are as follows: Chris Green - £4,909/£5,334; Mark Murthen - £899/£2,075 Phil Mullins - £2,279/£3,087.

- In 2020, St James staff did not receive salary increase through the annual pay review. Accordingly, David Cornes' (Youth Minister) pay and benefits were not increased over 2019 levels. David is the fiancé of Katherine Adams. Katherine became a PCC member in October 2020.

The PCC members receive no remuneration except as outlined above.

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2020 Financial Statements

5 FIXED ASSETS FOR USE BY THE PCC

| | Land and buildings Freehold £ | Leasehold £ | Plant and equipment £ | Motor vehicles £ | Total £ |
|------------------------------|-------------------------------------|----------------|-----------------------------|------------------------|------------|
| <i>Tangible fixed assets</i> | | | | | |
| Gross book value | | | | | |
| At 1 January 2020 | 494,040 | 794,887 | 192,144 | - | 1,481,071 |
| Additions | - | - | 10,867 | - | 10,867 |
| Disposals | - | - | (9,032) | - | (9,032) |
| At 31 December 2020 | 494,040 | 794,887 | 193,979 | - | 1,482,906 |
| Depreciation | | | | | |
| At 1 January 2020 | 128,512 | 76,612 | 146,485 | - | 351,609 |
| Charge for year | 9,881 | 15,898 | 17,015 | - | 42,794 |
| Disposals | - | - | (9,032) | - | (9,032) |
| At 31 December 2020 | 138,393 | 92,510 | 154,468 | - | 385,371 |
| Net book value | | | | | |
| At 31 December 2019 | 365,528 | 718,275 | 45,659 | - | 1,129,462 |
| At 31 December 2020 | 355,647 | 702,377 | 39,511 | - | 1,097,535 |

As at 31 December 2020 the freehold land and buildings included staff housing located at 67, St James's Lane, Muswell Hill. The Children's Room (Jimmy Peppiatt Room) was constructed in 2012 on non-consecrated land and has therefore been included within freehold property. The consecrated church building is shown in the books of the Diocese.

The leasehold land and buildings comprised the staff housing at 176B Muswell Hill Road. The Parish also occupies the property at 8 St James's Lane. This property cost £193,750 a number of years ago. It is financed by a Value Linked Loan from the Church Commissioners, and is formally accounted for as the property of the London Diocese of the Church of England. Consequently, it is not treated as an asset of the Parish. In 2017, the PCC acquired 14 Woodside Mansions, Muswell Hill, N10 3NY, a 3-bedroom flat for £680,000. The purchase was enabled by an equity loan of £61,875 from a church member.

6 DEBTORS

| | 2020 £ | 2019 £ |
|----------------------------------|-----------|-----------|
| Income tax recoverable | 8,537 | 8,396 |
| Prepayments and accrued income | 73,529 | 13,072 |
| Property, equipment and deposits | 5,559 | 6,283 |
| | 87,625 | 27,751 |

7 CASH BALANCES

| | 2020 £ | 2019 £ |
|-----------------------------|-----------|-----------|
| Held by General Fund | 97,782 | 100,800 |
| Held by Capital Fund | 77,228 | 7,000 |
| Held by Special Collections | 44,906 | 82,479 |
| Held by Charitable Giving | 42,964 | 60,272 |
| | 262,880 | 250,551 |

8 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 £ | 2019 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 8,432 | 6,143 |
| Other creditors | 14,733 | 22,573 |
| Loan - Property Fund | 61,875 | 61,875 |
| | 85,040 | 90,591 |

As at 31 December 2020, the current liabilities included the equity loan of £61,875 from a church member, for the purchase of 14 Woodside Mansions, Muswell Hill (see Note 5). The equity loan is interest free and unsecured. The earliest repayment is after the completion of 3 years from purchase i.e. 10 August 2020 and the repayment sum will be based on multiplying the sale proceeds or market value with the relevant percentage.

The relevant percentage which reflects the proportion of the equity loan value to purchase price has been agreed as 9% of £687,500 (inclusive of the estimated cost at the time of purchase (2017) of the major repairs, which were completed by the freeholder in 2018).

9 FUND DETAILS

The **unrestricted funds** in 2020 comprised the General Revenue Fund, into which the majority of the Parish's income is placed, the Charitable Giving Fund, the Capital Fund and Property Fund to which funds are designated from the General Revenue Fund by the PCC.

The Charitable Giving Fund which is paid away to missions and charities both in the UK and overseas (see note 3 above and 10 below) is funded by transferring 10% of the unrestricted donated income from the General Fund (see Note 2 (a)).

The Capital Fund is used to set aside funds which are earmarked for specific capital projects, such as significant church building fabric repair, major equipment purchase and refurbishment to enhance the buildings at St James.

The Property Fund comprised the assets used for staff accommodation plus any surplus on previous disposals of such property. Amounts otherwise not invested in property are lent to the General Fund on an interest free basis. As at the end of 2020 the fund balance represented the net assets total referred to in the Balance Sheet after netting the equity loan raised for the purchase of 14 Woodside Mansions in 2017. Given that this fund is normally fully invested in staff accommodation, it is presented separately from other funds in the Balance Sheet of St James.

The **restricted funds** comprised the Special Collections Fund. Funds donated for specific purposes or projects as specified by the donor are allocated to the Special Collections Fund. In addition it includes the Vicar's Discretionary Fund, the Roof Fund, the Legal Fund and the Winter Night Shelter Fund.

With the exception of the Property Fund, the assets and liabilities of each of these funds are not separately distinguished.

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2020 Financial Statements

10 GRANTS & RESTRICTED FUND PAYMENTS

| | 2020 | | | 2019 | | |
|---|---------------|--|----------------|---------------|--|----------------|
| | £ | £ | | £ | £ | |
| | Unrestricted | Restricted (Special Collections) | Total | Unrestricted | Restricted (Special Collections) | Total |
| Overseas Church and charities - World Mission Group | | | | | | |
| Cambodia, Stewardship - Emma & Michael Kenyon | 7,201 | 7,305 | 14,506 | 6,139 | 8,475 | 14,614 |
| Cameroon, Wycliffe Translators - Jane Ingle | 7,157 | 290 | 7,447 | 6,000 | 630 | 6,630 |
| Cameroon, Wycliffe Translators - Jane Ingle (Car purchase, repairs) | 3,484 | - | 3,484 | - | - | - |
| Italy, Crosslinks - JP & S Aranzulla | 1,000 | - | 1,000 | 1,000 | - | 1,000 |
| Uganda, All Saints Ssanga Church | 4,040 | - | 4,040 | 8,040 | - | 8,040 |
| USA, Emmanuel Anglican Church - Amber & Jim Salladin | 6,540 | - | 6,540 | 6,040 | - | 6,040 |
| | 29,422 | 7,595 | 37,017 | 27,219 | 9,105 | 36,324 |
| UK missions and societies - World Mission Group | | | | | | |
| A Rocha International | 3,000 | - | 3,000 | - | 1,035 | 1,035 |
| All Nations Christian College, Huseyin Bayir | - | - | - | 1,054 | - | 1,054 |
| Crosslinks | 3,000 | - | 3,000 | 3,000 | - | 3,000 |
| Crosslinks, Szilard Tam | 7,000 | - | 7,000 | - | - | - |
| Greater Europe Mission | 1,000 | - | 1,000 | 2,400 | - | 2,400 |
| Heather Payne | - | - | - | 3,000 | - | 3,000 |
| Interserve, Paul Bendor-Samuels | 6,500 | - | 6,500 | 3,000 | - | 3,000 |
| London City Mission, Philippa Chambers | 4,500 | - | 4,500 | 4,000 | - | 4,000 |
| Oakhill College, Swantje Ungerer | 2,000 | - | 2,000 | 2,000 | - | 2,000 |
| Operation Mobilisation | 3,000 | - | 3,000 | 3,000 | - | 3,000 |
| Pathway | 8,000 | - | 8,000 | 1,000 | - | 1,000 |
| Pathway, Niki Evans | - | - | - | 5,000 | - | 5,000 |
| St. Ann's Church, Tottenham | 6,000 | - | 6,000 | - | - | - |
| Tear Fund - Afghanistan | 6,000 | 60 | 6,060 | - | - | - |
| WAVE Church | 1,000 | 5 | 1,005 | - | - | - |
| Other £1,000 or under | 105 | - | 105 | 633 | - | 633 |
| | 51,105 | 65 | 51,170 | 28,087 | 1,035 | 29,122 |
| St James Ministries | | | | | | |
| Christmas Experience | - | 219 | 219 | - | 3,349 | 3,349 |
| Church (Women's) Weekend, De Vere Venues | - | - | - | - | 11,639 | 11,639 |
| Community Café | - | 560 | 560 | - | 2,035 | 2,035 |
| Equip Conference, Youth Ministry | - | 2,665 | 2,665 | - | 2,288 | 2,288 |
| GC3 -Great Commission, Commandment, City | - | - | - | - | 641 | 641 |
| Holiday Club | - | - | - | - | 2,668 | 2,668 |
| Overseas intern in the Children's ministry | 600 | - | 600 | 800 | - | 800 |
| Piano Fund | - | - | - | - | 2,090 | 2,090 |
| Roof-Fund | - | 122,943 | 122,943 | - | 7,614 | 7,614 |
| Soup Kitchen, Muswell Hill Baptist Church | - | 240 | 240 | - | 140 | 140 |
| Staff leaving gifts | - | 2,166 | 2,166 | - | 2,057 | 2,057 |
| Tea-Time Ministry | - | 35 | 35 | - | 1,594 | 1,594 |
| The Big Weekend, Youth Ministry | - | 8,337 | 8,337 | - | 10,577 | 10,577 |
| Vicar's Discretionary Fund | - | 2,811 | 2,811 | - | - | - |
| Winter Shelter | - | 2,041 | 2,041 | - | 2,836 | 2,836 |
| Other £1,000 or under | - | 1,338 | 1,338 | - | 3,217 | 3,217 |
| | 600 | 143,355 | 143,955 | 800 | 52,745 | 53,545 |
| Total Charitable Payments | 81,127 | 151,015 | 232,142 | 56,106 | 62,885 | 118,991 |