

ST. AUGUSTINE PARISH CHURCH, Highbury

Annual Report and Accounts

of the Parochial Church Council

for the year ended

31 December 2016 (Draft for EPCM)

Contents

Annual Report of the Parochial Church Council
Independent Examiner's Report
Statement of Financial Activities
Balance Sheet
Notes to the financial statements

Parochial Church Council of St. Augustine, Highbury Annual Report for the year ended 31 December 2016

Aims and purposes

St. Augustine's PCC has the responsibility of co-operating with the incumbent in promoting in the ecclesiastical parish the whole mission of the church, pastoral, evangelical, social and ecumenical. The PCC is also responsible for the maintenance of the St. Augustine's church building.

Objectives and activities

As a church, we have made three key commitments: to **pray** regularly for others in the locality; to **invite** local people who are not yet part of a church family into the lives of individual church members and of the church, and to **give** our time, talents and treasure to God's mission and ministry in Highbury.

We are committed to being part of God's justice locally and globally, to nurturing children and young people in their relationship with God, whilst developing increasingly strong safeguarding practices, and to developing our prayer life as a whole church family. We also want to develop our church building to be conducive to worship and wider activities.

When planning our activities, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith as part of our parish community through worship and prayer, learning about the Gospel, and provision of pastoral care for people living in the parish.

Achievements and performance

Pray

The prayer life of the parish is expressed in regular meetings. Every Sunday, we gather on the chancel at 9.55am for informal prayer before our Sunday morning service. In 2016 there was also a weekly prayer and worship time at Midday on Tuesdays in school term time, four homegroups for prayer, bible study and fellowship, and twice a term we have our whole church praise and prayer event "Pray St Augustine's" which takes place from 8pm to 9pm.

Invite

All are welcome to attend our regular services. The average Sunday morning attendance has been approximately 68 adults and 23 children. Our electoral roll had 113 members in 2016, an increase of 11 from the previous year. Outreach activities during the year, in addition to those described above, included Alpha Courses, designed to provide a friendly and pressure-free environment in which to explore the Christian faith, Men's Invitation Breakfasts, Community Lunches and a Food & Quiz night.

Give

Financial giving during the year totalled £132,235. In addition, the parish has been richly blessed by those who give their time and talents. Because of this we were able to provide a monthly service of worship at our local dementia care home in 127 Highbury New Park, and at the New Park Day Centre. In January – March 2016 in partnership with the charity Caris Islington, we hosted a cold weather shelter for homeless people. We also began hosting English language classes for refugees and asylum seekers in the church building, in partnership with another local church and their own refugee ministry.

In 2016 work with children and young people remained a very important part of the ministry of St. Augustine's. Weekly children's groups on Sunday mornings were very popular, and the Monday night youth group for those in School Years 9-13 (called StAC Youth) has continued to flourish. The Creche for 0-2 year olds has also seen new additions, as well as some of the children in crèche

Parochial Church Council of St. Augustine, Highbury Annual Report for the year ended 31 December 2016

'graduating' to Flares (the children's group for children aged 3 up to School Year Reception). Weekly groups for parents, carers and pre-school children (babies and toddlers) continued to be very popular in 2016, with Hippo Club attracting between 90 and 160 people on any given Thursday morning.

During 2016 we continued to support the campaigns and objectives of Tearfund through prayer, donations and lobbying. We also continued to promote Traidcraft and Fairtrade products through the Fairtrade ministry.

Financial review

We are very grateful for God's incredible generosity to us in the church's finances, and for the continuing faithful giving of church members. 2016 was an encouraging year for the church financially. Income from donations increased by over 5% to £132,235 whilst income from church activities fell by 3.5% to £22,424. Total incoming resources therefore rose by 3.8% to £155,104. Total expenditure fell by over 8% to £154,170 driven by lower repair costs and a lower common fund contribution. Overall income and expenditure were broadly balanced for the year, with a small surplus of £934.

Total church funds at the end of the year were £152,221, up slightly from the start of the year.

Reserves policy

It is PCC policy to maintain a balance on free reserves that equates to approximately six months unrestricted payments. This is currently equivalent to c.£75,000 and is apportioned between the General Fund (£50,000) and Fabric Fund (£25,000). These reserves are held to smooth out fluctuations in cash flow and to meet emergencies e.g. unexpected building repairs.

At year-end, the General Fund totalled £56,486 and the Fabric Fund totalled £73,318. The PCC intends to use the surplus reserves in the Fabric Fund towards the cost of the significant roof repairs scheduled for 2017.

It is the PCC's policy to invest fund balances with the CBF Church of England Deposit Fund.

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. The membership of the PCC comprises the incumbent (our vicar), churchwardens, ex officio members, and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services and members of the congregation are encouraged to register on the Electoral Roll and to consider standing for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent. The full PCC met regularly during the year. The PCC met to consider a number of items including: the Cold Weather Shelter for homeless people, refugee ministry and English language classes, financial giving, our ladder policy, Lent groups, applications to the Cloudesley Charity, reducing the size of the large holly tree for safety reasons, our Common Fund offer to London Diocese, the JustOne event at the Emirates Stadium, staffing and our Assistant Pastor, the relationship between church capacity and church growth, the Islington Deanery Synod, the Cloudesley Charity consultation, the church building (including repairs and development), employee pensions, safeguarding, credit unions, and Christians Against Poverty.

Parochial Church Council of St. Augustine, Highbury Annual Report for the year ended 31 December 2016

Reference and Administrative Information

St. Augustine's Church is situated in Highbury, north London. It is part of the Diocese of London within the Church of England. The correspondence address is 108 Highbury New Park, London N5 2DR. The Parochial Church Council (PCC) is a body corporate (PCC Powers Measure, Church Representation Rules 2006) and is a charity registered with the Charity Commission, with registration number 1132698.

The trustees, members of the PCC, at the time of this report, were as follows:

	<i>Basis of appointment</i>
Gabriel Anstis, vicar	ex officio, inducted 7 September 2013
Ann Barbara Brenells, churchwarden	ex officio
Martin Hornbuckle, churchwarden	ex officio
Heather Wood, LLM	ex officio, re-elected Deanery Synod rep 2016
Joy Himsworth	ex officio, elected Deanery Synod rep 2016
Julia Sturmy	elected 2016
Bob Collier	elected 2016
Tony English, treasurer	co-opted 2015, elected 2016
Seri Davies, PCC Secretary	elected 2015
Sharon Morris	elected 2015
Helen English	elected 2015
Rachael Bradley-Shankar	elected 2014, re-elected 2015
Aji Ehimare	elected 2014
Joanna Poulson	elected 2014

Approved by the PCC on 13 May, 2017 and signed on their behalf by

**Parochial Church Council of St. Augustine, Highbury
Annual Report for the year ended 31 December 2016**

Independent Examiner's Report

**to the PCC of St. Augustine, Highbury
on the accounts for the year ended 31 December 2016**

as set out on pages A-1 to A-7

Respective responsibilities of trustees and examiner

The PCC, as charity trustees, consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed.

It is my responsibility to

- examine the accounts (under section 43 of the Act),
- follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act), and
- state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

**Rachel Weston
Fellow Chartered Accountant (New Zealand)**

Parochial Church Council of St. Augustine, Highbury
Annual Report for the year ended 31 December 2016

Statement of Financial Activities
For the year ending 31 December 2016

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
				2016 £	2015 £
Incoming Resources					
Voluntary income	2(a)	126,989	5,246	132,235	125,722
Activities for generating funds	2(b)	-	-	-	-
Income from investments	2(c)	445	-	445	513
Church activities	2(d)	22,424	-	22,424	23,238
Other incoming resources		-	-	-	-
Total Incoming Resources		<u>149,858</u>	<u>5,246</u>	<u>155,104</u>	<u>149,473</u>
Resources Used					
Cost of generating voluntary income		-	-	-	-
Church activities	3	151,241	2,929	154,170	167,889
Governance costs		-	-	-	-
Total Resources Used		<u>151,241</u>	<u>2,929</u>	<u>154,170</u>	<u>167,889</u>
Net Incoming Resources		<u>(1,383)</u>	<u>2,317</u>	<u>935</u>	<u>(18,416)</u>
Other recognised gains and losses		-	-	-	-
Net Movement in Funds Before Transfers		<u>(1,383)</u>	<u>2,317</u>	<u>935</u>	<u>(18,416)</u>
Transfers Between Funds	7	-	-	-	-
Net Movement in Funds		<u>(1,383)</u>	<u>2,317</u>	<u>935</u>	<u>(18,416)</u>
Balances brought forward at 1 January		<u>148,623</u>	<u>2,664</u>	<u>151,287</u>	<u>169,703</u>
Balances carried forward at 31 December		<u><u>147,240</u></u>	<u><u>4,981</u></u>	<u><u>152,221</u></u>	<u><u>151,287</u></u>

**Parochial Church Council of St. Augustine, Highbury
Annual Report for the year ended 31 December 2016**

Balance Sheet at 31 December 2016

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
				2016 £	2015 £
Fixed Assets					
Tangible fixed assets	4	419	-	419	-
Investment Assets		-	-	-	-
		<u>419</u>	<u>-</u>	<u>419</u>	<u>-</u>
Current Assets					
Debtors	5	20,928	-	20,928	27,664
Short term deposits		90,259	4,981	95,240	94,796
Cash at bank and in hand		35,634	-	35,634	29,516
		<u>146,821</u>	<u>4,981</u>	<u>151,802</u>	<u>151,976</u>
Liabilities					
Creditors: amounts falling due within one year	6	-	-	-	689
Net Current Assets / (Liabilities)		<u>146,821</u>	<u>4,981</u>	<u>151,802</u>	<u>151,287</u>
Total assets less current liabilities		147,240	4,981	152,221	151,287
Creditors: amounts falling due after one year		-	-	-	-
Total Net Assets		<u>147,240</u>	<u>4,981</u>	<u>152,221</u>	<u>151,287</u>
Parish Funds					
Unrestricted	7	147,240	-	147,240	148,623
Restricted	7	-	4,981	4,981	2,664
		<u>147,240</u>	<u>4,981</u>	<u>152,221</u>	<u>151,287</u>

Approved by the PCC on 13 May 2017 and signed on their behalf by: Revd Gabriel Anstis

Chair, St Augustine's PCC

The notes on pages A-3 to A-8 form part of these accounts

Parochial Church Council of St. Augustine, Highbury

Annual Report for the year ended 31 December 2016

Notes to the financial statements For the year ending 31 December 2016

1 Accounting policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 and it is the first year that they have been prepared under FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice. The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

Funds

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.

Restricted funds are those funds that must be spent on restricted purposes and details of the funds held and restrictions are provided in note 10. The PCC benefits from no endowment funds.

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

Incoming resources

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accrued. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

Resources expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The diocesan common fund payment is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and benefice property is excluded from the financial statements by section 96(2)(a) of the Charities Act 1993.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are accounted for as inalienable property unless consecrated. For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred. The cost of fixed assets acquired using grants from the Cloudesley Trust is capitalised when the purchase price is greater than £500.

Equipment used within the church premises is depreciated on a straight line basis over four years. Individual items with a purchase price of £500 or less are written off when the asset is acquired.

Current assets

Short term deposits include cash held on deposit with the CBF Church of England Funds.

**Parochial Church Council of St. Augustine, Highbury
Annual Report for the year ended 31 December 2016**

Notes to the financial statements

For the year ending 31 December 2016 (continued)

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2016 £	2015 £
2 Incoming resources				
(a) Voluntary income				
Planned giving:				
Gift Aid donations	82,954	760	83,714	81,772
Tax recoverable	20,928	-	20,928	20,329
CAF, GAYE and Stewardship Services	6,000	-	6,000	7,000
Other	2,583	-	2,583	5,354
Collections	10,331	-	10,331	10,017
Other Donations	4,193	4,486	8,679	1,250
Grant - Cloudesley Trust	-	-	-	-
	<u>126,989</u>	<u>5,246</u>	<u>132,235</u>	<u>125,722</u>
(b) Activities for generating funds				
Fund-raising	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(c) Income from investments				
Interest	445	-	445	513
	<u>445</u>	<u>-</u>	<u>445</u>	<u>513</u>
(d) Income from church activities				
Church rental income:				
Playgroup	11,757	-	11,757	11,724
Other activities	3,240	-	3,240	4,563
Traidcraft income	1,988	-	1,988	211
Contribution from Hippo Club	1,200	-	1,200	1,200
Hippo Club income	3,070	-	3,070	3,634
Fees for services, etc.	1,069	-	1,069	519
Other income	100	-	100	1,387
	<u>22,424</u>	<u>-</u>	<u>22,424</u>	<u>23,238</u>
Total incoming resources	<u>149,858</u>	<u>5,246</u>	<u>155,104</u>	<u>149,473</u>

**Parochial Church Council of St. Augustine, Highbury
Annual Report for the year ended 31 December 2016**

Notes to the financial statements

For the year ending 31 December 2016 (continued)

3 Resources used	Unrestricted	Restricted	TOTAL FUNDS	
	Funds	Funds	2016	2015
	£	£	£	£
<i>Church activities</i>				
Ministry				
Common Fund	77,000	-	77,000	80,000
Clergy expenses	805	-	805	897
Training & teaching expenses	931	-	931	967
Cold weather shelter	910	-	910	690
Other ministry costs	3,810	-	3,810	2,320
Grants				
<i>Overseas Missionaries:</i>				
Judith Cassell	7,020	-	7,020	7,020
Elaine Robson	-	-	-	500
<i>National Christian Ministries:</i>				
CPAS	-	-	-	2,000
Evangelical Alliance	250	-	250	250
Nationwide Christian Trust	195	-	195	195
XLP	1,200	-	1,200	-
<i>Local Ministries:</i>				
LDBS Maintenance Fund	-	-	-	1,000
Islington Centre (ICRAS)	-	-	-	1,000
JustOne	500	-	500	-
CARIS	1,200	-	1,200	1,900
Bishop of London Discretionary Fund	-	-	-	607
Choices Islington	-	-	-	1,000
<i>International Ministries:</i>				
Barnabas Fund	-	-	-	1,000
Tear Fund	-	-	-	1,000
Other gifts/donations	317	-	317	1,019
Pastoral care fund	-	2,929	2,929	-
Salaries and benefits	24,494	-	24,494	14,915
Church running expenses	5,619	-	5,619	6,006
Hippo Club expenses	444	-	444	2,253
Electricity	4,972	-	4,972	3,622
Gas	3,166	-	3,166	4,885
Water rates	780	-	780	1,514
Insurance	7,690	-	7,690	7,527

**Parochial Church Council of St. Augustine, Highbury
Annual Report for the year ended 31 December 2016**

**Notes to the financial statements
For the year ending 31 December 2016 (continued)**

3 Resources used (continued)	Unrestricted Funds	Restricted Funds	TOTAL FUNDS	
	£	£	2016	2015
Traidcraft	2,034	-	2,034	1,310
Church maintenance (inc. organ)	6,493	-	6,493	13,464
Printing & stationery (inc. photocopier)	1,273	-	1,273	1,381
Depreciation	140	-	140	7,646
Total Resources Used	151,241	2,929	154,170	167,889

4 Tangible Fixed Assets

	Church equipment		Total	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Actual Cost				
At 1 January 2016	92,947	5,934	92,947	5,934
Disposals	-	-	-	-
Additions at cost	558	-	558	-
At 31 December 2016	<u>93,505</u>	<u>5,934</u>	<u>93,505</u>	<u>5,934</u>

Depreciation

At 1 January 2016	92,947	5,934	92,947	5,934
Withdrawn on disposals	-	-	-	-
Charge for the year	140	-	140	-
At 31 December 2016	<u>93,087</u>	<u>5,934</u>	<u>93,087</u>	<u>5,934</u>

Net Book Value

At 1 January 2016	-	-	-	-
At 31 December 2016	<u>419</u>	<u>-</u>	<u>419</u>	<u>-</u>

5 Debtors	Unrestricted Funds	Restricted Funds	TOTAL FUNDS	
	£	£	2016	2015
Gift Aid tax reclaimed	20,928	-	20,928	20,263
National Insurance reclaimed	-	-	-	1,278
Play Group rent & expenses	-	-	-	6,123
	<u>20,928</u>	<u>-</u>	<u>20,928</u>	<u>27,664</u>

Parochial Church Council of St. Augustine, Highbury Annual Report for the year ended 31 December 2016

Notes to the financial statements

For the year ending 31 December 2016 (continued)

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2016 £	2015 £
6 Creditors: amounts falling due within one year				
Accruals for utility and other costs	-	-	-	689
	<u>-</u>	<u>-</u>	<u>-</u>	<u>689</u>

7 Funds

The restricted funds comprise the Cloudesley Fund, Redevelopment - Restricted Fund and Organ Fund. The Cloudesley Fund represents grants awarded by Richard Cloudesley's Charity, which serves churches and medical needs in the ancient Parish of Islington, towards the upkeep of the church's fabric. The Redevelopment - Restricted Fund represents funds raised towards the intended reordering and modernisation of the church. The Organ Fund represents funds raised towards the upkeep of the organ.

The designated funds comprise the Church Fabric Fund and the Redevelopment - Designated Fund. The Church Fabric Fund represents funds set aside by the PCC towards maintaining the fabric of the church. The Redevelopment - Designated Fund represents funds set aside by the PCC towards the intended reordering and modernisation of the church.

Restricted Fund Movements

	Redevelopment - Restricted £	Cloudesley £	Organ £	Pastoral Care - Restricted £	Sub-Total £
At 1 January 2016	2,384	-	280	-	2,664
Incoming resources	660	-	100	4,486	5,246
Resources expended	-	-	-	(2,929)	(2,929)
Transfers	-	-	-	-	-
At 31 December 2016	<u>3,044</u>	<u>-</u>	<u>380</u>	<u>1,557</u>	<u>4,981</u>

Designated Fund Movements

	Redevelopment - Designated £	Church Fabric £	General Fund £	Sub-Total £	Grand Total £
At 1 January 2016	17,436	73,318	57,869	148,623	151,287
Incoming resources	-	-	149,858	149,858	155,104
Resources expended	-	-	(151,241)	(151,241)	(154,170)
Transfers	-	-	-	-	-
At 31 December 2016	<u>17,436</u>	<u>73,318</u>	<u>56,486</u>	<u>147,240</u>	<u>152,221</u>

Parochial Church Council of St. Augustine, Highbury

Annual Report for the year ended 31 December 2016

Notes to the financial statements

For the year ending 31 December 2016 (continued)

8 Analysis of Staff Costs and Staff Numbers

No employees had emoluments in excess of £60,000 (2015: nil). There were no pension costs during the year (2015: nil). As required by legislation, the PCC will need to auto-enrol employees into a suitable pension arrangement on or before the notified staging date of 1 October 2017. The average monthly headcount was 1 (2015: 0.75).

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2016 £	2015 £
Salaries and benefits				
Salaries and wages	24,071	-	24,071	14,667
Social security costs	-	-	-	-
Pension costs	-	-	-	-
Salary admin costs	423	-	423	249
	<u>24,494</u>	<u>-</u>	<u>24,494</u>	<u>14,915</u>

9 Related Parties

No church funds were used to provide remuneration or other taxable benefits to any PCC member, persons closely connected to them or related parties.

No travelling, subsistence or any other out of pocket expenses were paid to any PCC member, persons closely connected to them or related parties.

Donations from PCC members and related parties totalled £59,605 over the year.