



Annual Report and Financial Statements

for the year ending 31st December 2018

**The Parochial Church Council of
the Parish of St Andrew with St Etheldreda, Histon**

Charity Registration Number: 1129167

The Parish of St Andrew with St Etheldreda, Histon

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Report of the Parochial Church Council ('PCC')

The members of the PCC, who are the trustees of the charity for the purposes of the Charities Act 2011, present their Annual Report and the Financial Statements for the year ended 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Aims of the PCC

The PCC is a body elected by those eligible to vote at the Annual Parochial Church Meeting. The PCC (Powers) Measure 1956 states that the PCC is to co-operate with the minister in promoting in the parish the whole mission of the church, pastoral, evangelistic, social and ecumenical. The PCC has taken regard of the Charity Commission's guidance related to public benefit and they believe the PCC's activities are in accordance with those guidelines.

The PCC is also responsible for the operation (room lettings and Café) of the Saint Andrew's Centre and Stepping Stones, which runs a playgroup, baby club and toddler group. The Café, within the Centre, is managed as an independent legal entity with its own board of directors—wholly owned and overseen by the PCC.

Administrative Information

Parish:	St Andrew with St Etheldreda, Histon
Church Location:	Church Street, Histon, Cambridge CB24 9EP
Correspondence:	Church Office, Saint Andrew's Centre, School Hill, Histon, Cambridge CB24 9JP
Website:	http://www.standrewshiston.org
Email:	office@standrewshiston.org
Incumbent:	Canon James Blandford-Baker
Churchwardens:	Ruth Davies Mark Strivens
PCC Secretary:	Louise Vincent
Treasurer:	Andrew Glover (to 25/4/2018), Erin Charles (from 3/9/2018)
Accountants:	Ian Shipley, Prentis & Co LLP, 115c Milton Road, Cambridge CB4 1XE
Banks:	Barclays Bank, 28 Chesterton Road, Cambridge CB4 3AZ Unity Trust Bank, Nine Brindleyplace, Birmingham B1 2HB Cambridge Building Society, 2 High Street, Histon, Cambridge CB24 9LG CCLA Investment Management Ltd (The CBF Church of England Funds), 80 Cheapside, London EC2V 6DZ

Charitable Status

Registered with the Charity Commission as The Parochial Church Council of the Ecclesiastical Parish of St Andrew with St Etheldreda, Histon. Registered Charity Number 1129167

Electoral Roll/Sunday Attendance

All are welcome to attend our regular services and at 31st December 2018 there were 223 people on the Electoral Roll (2017: 225). The figure for average Sunday attendance through October 2018 was 171 adults, 45 children (2017: 174 adults, 44 children).

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Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The method of appointment of PCC members is set out in the Church Representation Rules 2017. Those who regularly attend our church services or are resident in the parish are eligible to register on the Electoral Roll and stand for election to the PCC which comprises elected lay members plus other co-opted and ex-officio members. PCC members are appointed for a 3 year term, which can be renewed for a further term. On appointment PCC members are provided with guidelines on being a Trustee and information about the purpose and responsibility of the PCC. This is clarified in the first PCC meeting of each year.

As required by law, the PCC has a Standing Committee which has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

The PCC is the sole shareholder of St Andrew's Centre Café Limited and appoints its Directors. The Vicar, Ruth Davies (Churchwarden), Andrew Glover (former Treasurer) and David Wilson (former Churchwarden) currently serve as Directors. Financial reports of the Café are provided to the PCC on a quarterly basis and management reports bi-annually.

The full list of PCC members having served in 2018 is as follows:

- *James Blandford-Baker (Vicar)
- *Kieran Douglass (Assistant Curate)
- *Mark Strivens (Churchwarden)
- *Ruth Davies (Churchwarden)
- *Erin Charles (Treasurer, from 3/9/2018)
- *Colin Alexander (Deanery Synod)
- *Louise Vincent (Secretary)
- *Chris Cox
- *Tony Jordan
- *Sarah Davie
- *Stephen Tromans
- *Paul Glass (from 25/4/2018)
- *Penny Glass (from 25/4/2018)
- *Jacqueline Atkinson (from 25/4/2018)
- *Samuel Roach (from 25/4/2018)

Olivia Coles (Assistant Curate, to 30/9/2018)
Dennis Sadler (Deanery Synod, to 6/3/2018)
Andrew Glover (Treasurer, to 25/4/2018)

*Trustees as of 31/12/2018

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Achievements and Performance

Early in 2018 the PCC finalized its Development Action Plan (DAP) and presented it to the congregation at the Annual Parochial Church Meeting (APCM) in April. The DAP is a tool developed by the Diocese of Ely to enable parishes to implement the Ely 2025 Strategy. The strategy is based round three key ideas: *Engage* fully and courageously with the needs of our communities, locally and globally; *Grow* God's church by finding disciples and nurturing leaders; *Deepen* our commitment to God through word, worship and prayer. The DAP process invites us to consider what these three imperatives might look like in our context and how we can use the five levers of change in the Ely 2025 Strategy to implement them. The five levers are: *Nurture* a confident people of God; *Develop* healthy churches and leaders; *Serve* the community; *Re-imagine* our buildings; *Target* support to key areas.

To *Engage* more effectively with those outside or on the fringe of the church, the PCC supported the running of *Starting Rite*, a course for mothers with young babies, which seeks to connect with the immense sense of wonder and joy that new parents experience and provide spiritual nurture from the very beginning of life. We continue to support couples preparing for marriage through our annual *Space to Think* marriage preparation course which is considered to be one of the best on offer in the Church of England. The PCC also supported our participation, once again, in the Archbishop of Canterbury's annual prayer initiative *Thy Kingdom Come*. This was run ecumenically with St Andrew's playing a major role in its implementation and making use of the centrality and accessibility of the Saint Andrew's Centre. Further connections have continued to be made through the prayer cards and TableTalk in the Saint Andrew's Café and the use of the Café space at our monthly MOSAIC services as a place for personal prayer ministry. We have supported the funding of the HICOM Mental Wellbeing worker (who works across our village) as well as the work of Blue Smile (working with children with various emotional and mental health needs in our local junior school) and Street Pastors (who support people in need in Cambridge).

To *Grow* God's church through finding disciples we ran an *Alpha* course in Autumn 2018 attended by church members and newcomers. This has led to a deepening commitment by many and given excellent opportunities for the clergy and others to engage in key apologetic questions concerning Christian faith in the 21st century. The PCC considered the use of the fourth lever of change (concerning buildings) and funded the installation of a new sound system in the church building. This has enlarged the area covered by the hearing loop (to include the whole church space) and improved the accessibility of our worship for those with hearing difficulties. For the first time this year we contributed funds to the work of the Christian chaplain at Impington Village College who works with the wellbeing team there and offers Christian pastoral ministry in a maintained (non-Church) secondary school.

To *Deepen* our commitment to God through word, worship and prayer we ran a church weekend away in February 2018 which was widely supported by all ages and a provided a special time when we could learn together, deepen relationships with one another and relate across the generations. The weekend was organized following a prompting from the Children's PCC for church to be 'family'. We continue to work with the Children's PCC and the Youth PCC to listen carefully to their voices and respond to their insights into how our life together may more faithfully respond to the gospel of Jesus Christ. We have sought to become a 'story rich' congregation where there are many different kinds of opportunities for individuals to share what God is doing in their lives and how the fellowship of the church has impacted their situations. There is more work to be done in this area but some progress has been made in this becoming a more natural and instinctive aspect of our life together. We have continued to support our parish links in Kicukiro, Kigali, Rwanda and in Freiburg, Germany, though at a lower level than previously; growing these links will be important in 2019. Our worshipping

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life together has been enhanced by the development of a congregation attending our regular choral evensong worship and our prayer life has been sustained through Prayer Central as well as daily prayer in the Saint Andrew's Centre and prayer in Small Groups.

Although these categories of *Engage*, *Grow* and *Deepen* are useful for the strategic consideration and planning of our work, inevitably many initiatives operate across these categories. In particular this year we have strengthened our work with young people through the appointment of our new Youth Minister who joined us in June 2018. This has built up the Children and Youth Team and greatly improved our effectiveness in discipling young people.

A significant challenge this year was to implement the provisions of the General Data Protection Legislation (GDPR). We were helped in this by having made the strategic move to a web-based communication and data system (ChurchSuite) in 2017. We continue to support individuals in understanding their rights under the legislation and how they can exercise those rights to reflect their life as members of the congregation.

In all these activities the gentle, inclusive hospitality of the St Andrew's Church Café, the Saint Andrew's Centre and the administrative and pastoral ministry of the Church Office (located in the Centre) have been crucial.

Plans for the Future

When planning activities for the year, the Vicar 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 2019 the PCC will report to the APCM on progress in achieving the plans set out in the DAP and will present the DAP for the coming year. We have particularly focused on a programme of life together that has an annual pattern, with time for growing disciples, training in mission and evangelism. In 2019 we will be participating in training people in conflict resolution by partnering with the Bishop's Adviser for Conflict and Resilience in running a 'Transforming Conflict' course which draws on material developed by the Church Pastoral Aid Society.

Financial Review

Thanks to a significant one-off donation at the end of 2017 we have been able to repay the whole of the Diocesan loan.

Regular donations to the church were as projected through the year. A legacy donation was made during the year which boosted the overall level of voluntary donations, and allowed the PCC to fund the installation of a new sound system and hearing loop. Expenditure was slightly above budget, but this was balanced by additional donations.

The PCC decided to suspend subscription costs to *Network* magazine in 2018 to encourage more volunteers to deliver the magazine and reduce the time taken to collect subscriptions (which had remained at £2 p.a. for a number of years). Despite the loss of this income, *Network* managed to cover the majority of its costs through advertising in the year book (annual deficit of £155). The PCC have decided to suspend subscriptions again for 2019 and have instead invited readers to make voluntary contributions towards costs.

The lettings of the Saint Andrew's Centre have continued to increase and exceeded budget projections, and the expenditure is well managed. It therefore continues to be a source of reliable income.

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The Café has again achieved an operational profit and continues to show annual growth. The number of events catered for has increased and provides a welcome additional revenue stream.

The ongoing prospects for 2019 are in line with budget and projections, although we have been made aware of a planned decrease in regular donations from April 2019, which will have an impact on the planned income of the church. We are seeking to mitigate this through a regular giving campaign (Parish Giving Scheme) and a legacy campaign. The PCC will also consider ways in which the church can make efficiency savings and consider alternative ways to increase income through the Saint Andrew's Centre.

Budgetary Policies

In 2017, the PCC established a new set of budgetary policies to enable the church to focus on missional development and ensure good maintenance of the church buildings.

Policy 1 – The General Fund should, at least, break even every year. *[i.e. everyday running costs should be covered by normal income.]*

- In 2018 expenditure was higher than budgeted, but this was largely due to one-off items (the roof alarm and PA system). The general running costs of the church were covered by income throughout the year.

Policy 2 – Aim to hold 20% of general expenditure costs in reserve. *[It is the policy of the PCC not to maintain reserves other than sums necessary to meet identified future requirements.]*

- As at 31 December 2018 cash available in the general fund was below the 20% target. The PCC brought this to the attention of the congregation during 2018 and will aim to put part of any annual surplus aside until the reserves are at the required level. Paying off the Diocesan loan has meant that setting money aside has been difficult in recent years, however the 2019 budget actively seeks to grow these reserves.

Policy 3 – Establish a capital maintenance budget/fund.

- The PCC spent a significant amount of money on capital maintenance during 2018. £5,000 has been set aside for these purposes in the 2019 budget.

Policy 4 – Establish a missional development fund.

- £5,000 has been set aside for this purpose in the 2019 budget.

Grant-making Policy

Each year the Council donates unrestricted income to a variety of charities whose work coincides with the charitable aims of the PCC.

Investment Policy

The PCC does not intend to make long term investments out of incoming funds. Surplus funds are kept in deposit accounts. The ownership of Narrow Lane is seen as an operating resource to be used principally for the housing of staff workers rather than for the generation of rental income.

Risk Management

The major risks to which the PCC is exposed have been reviewed and systems and procedures designed to manage those risk have been established.

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Key Management Personnel Remuneration

All current members of the PCC are trustees and give of their time freely and no trustee remuneration was paid in the year. The clergy are also trustees and those who are stipendiary are funded centrally by the Church of England and not directly by the charity. Details of trustee expenses and related party transactions are disclosed in note 10 to the accounts.

Trustees are required to disclose all relevant interests and register them with the PCC secretary and in accordance with the PCC's policy withdraw from decisions where a conflict of interest arises.

Statement of the PCC's Responsibilities

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and of the surplus or deficit of the PCC for that year.

In preparing those accounts, the PCC is required to:

- i. Select suitable accounting policies and apply them consistently.
- ii. Make judgements and estimates that are reasonable and prudent.
- iii. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the PCC will continue operating.
- iv. State whether the policies adopted are in accordance with the Charities Act 2011 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements.
- v. Observe the methods and principles of the Charities SORP.

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

They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the PCC



Canon James Blandford-Baker, PCC Chair, 4 March 2019

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Independent Examiner's Report to the PCC

This report on the financial statements of the PCC for the year ended 31st December 2018 is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and section 145 of the Charities Act 2011 ('the Act').

Respective responsibilities of the trustees and the examiner:

As the members of the PCC you are responsible for the preparation of the financial statements. The PCC consider that an audit is not required for this year under the Regulations and section 144(2) of the Act, and that an independent examination is needed. The gross income of the PCC has exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

It is my responsibility to:

- examine the financial statements under section 145 of the Act;
- examine the financial statements in accordance with the Church Accounting Regulations 2006;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report:

My examination was carried out in accordance with the General Directions given by the Charity Commission and to be found in the Church Guidance, 2006 edition, issued by the Finance Division of the Archbishops' Council. An examination includes a review of the accounting records kept by the PCC and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as PCC members concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a true and fair view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement:

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Act; and
- to prepare financial statements which accord with the accounting records and to comply with the requirements of the Act, as also contained in the Church Accounting Regulations 2006 have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Ian W Shipley FCCA, Independent Examiner,
For and on behalf of,
Prentis & Co LLP,
115c Milton Road,
Cambridge CB4 1XE

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Statement of Financial Activities

For the year ending 31 December 2018

	Notes	Unrestricted funds	Restricted funds	Total funds	Total funds
		2018	2018	2018	2017
		£	£	£	£
Income	2				
Donations and legacies		232,323	13,933	246,256	323,593
Charitable activities		30,893	0	30,893	29,433
Trading activities		218,614	0	218,614	191,661
Investments		34	0	34	18
Other income		5,396	100	5,496	3,138
Total income		487,260	14,033	501,293	547,842
Expenditure	3				
Charitable activities		255,853	25,700	281,553	240,792
Trading activities		183,573	3,846	187,419	181,877
Total expenditure		439,426	29,546	468,972	422,669
Net income/(expenditure) and net movement in funds		47,834	-15,513	32,321	125,173
Reconciliation of funds					
Total funds brought forward		525,957	1,229,032	1,754,988	1,629,815
Total funds carried forward	9	573,791	1,213,519	1,787,309	1,754,988

The notes on pages 13 to 26 form part of these financial statements

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Balance Sheet

31 December 2018

		Consolidated		Parent	
		2018	2017	2018	2017
		£	£	£	£
Fixed assets					
Tangible fixed assets	5	1,773,282	1,802,353	1,693,710	1,718,014
Investments		0	0	90,000	90,000
Total Fixed assets		1,773,282	1,802,353	1,783,710	1,808,014
Current assets					
Stock		1,500	1,500	0	0
Debtors	7	35,710	46,858	73,347	86,678
Cash at bank and in hand		81,967	118,402	43,608	102,549
Total Current assets		119,177	166,760	116,955	189,227
Liabilities					
Creditors - due in one year	8	38,625	37,898	25,957	30,430
Net Current assets		80,552	128,862	90,998	158,797
Total assets less current liabilities		1,853,834	1,931,215	1,874,708	1,966,811
Creditors - due after one year	8	66,525	176,227	66,525	176,227
Total Net Assets		1,787,309	1,754,988	1,808,183	1,790,584
Funds of the charity					
Restricted income funds	9	1,213,519	1,229,032	1,225,897	1,234,692
Unrestricted income funds - general		246,436	201,639	254,931	231,574
Unrestricted income funds - designated		327,355	324,318	327,355	324,318
Total Charity Funds		1,787,309	1,754,988	1,808,183	1,790,584

The notes on pages 13 to 26 form part of these accounts.

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Approved by the Parochial Church Council on 4 March 2019 and signed on its behalf by
Canon James Blandford-Baker (PCC Chair).

A handwritten signature in black ink, appearing to read 'James Blandford-Baker', written in a cursive style.

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Statement of Cashflows

For the year ending 31 December 2018

		Consolidated		Parent	
		2018	2017	2018	2017
		£	£	£	£
Cash provided by (used in) operating activities	11	72,725	133,583	50,220	131,468
Cash flows from investing activities					
Interest income		34	18	34	18
Rental income		3,901	1,915	3,901	1,915
Purchase of tangible fixed assets		-2,779	-6,671	-2,779	-2,031
Cash provided by investing activities		1,156	-4,738	1,156	-97
Cash flows from financing activities					
Interest Paid		-615	-2,704	-615	-2,704
Repayment of borrowing		-109,702	-109,000	-109,702	-109,000
Cash used in financing activities		-110,317	-111,704	-110,317	-111,704
Cash at beginning of year		118,402	101,260	102,549	82,882
Increase in cash in the year		-36,435	17,142	-58,941	19,667
Cash at end of year		81,967	118,402	43,608	102,549

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Notes to the Financial Statements

For the year ended 31 December 2018

1. Accounting Policies

Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared under the historical cost convention with items recognized at cost of transaction values unless otherwise stated in the relevant notes to these financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting of Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Charities Act 2011. The financial statements have also been prepared in accordance with the Church Accounting Regulations 2006 and modified as necessary.

The financial statements 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.

The Parish of St Andrew with St Etheldreda, Histon constitutes a public benefit entity as defined by FRS 102.

The Council Members consider that there are no material uncertainties about the Parochial Church Council's ability to continue as a going concern.

Consolidation

The financial statements of the PCC and its wholly owned trading subsidiary, Saint Andrew's Centre Café Limited, are consolidated on a line by line basis, eliminating all interim group transactions and balances, to produce the Group financial statements.

Funds

Restricted funds represent donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

Income

Planned giving, collections and donations are recognized when received. Tax refunds are recognized 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. Rental income from letting of church premises is recognized when the rental is due. All other income is recognized when it is receivable. All incoming resources are accounted for gross.

Expenditure

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

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Notes to the Financial Statements

For the year ended 31 December 2018

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

Fixed Assets

Consecrated and benefice property is not included in the accounts in accordance with s.96(2)(a) of the Charities Act 2011.

Land and buildings used by the Council in undertaking its activities are included at a reasonable current value in use less depreciation.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment, fixtures and fittings used within the church premises and for the Café are depreciated on a straight-line basis over three years. Individual items of equipment with a purchase price of £300 or less are written off when the asset is acquired. Property is depreciated on a straight-line basis over 50 (or, in the case of the Saint Andrew's Centre, 80) years.

Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents and other income are shown as debtors less provision for amounts that may prove uncollectable. The PCC does not consider that there is any risk of bad debts at present.

Creditors

Amounts owed, or outstanding, by the PCC at 31 December are shown as liabilities. The PCC aims to pay all trade creditors on terms requested.

Stock

The Café holds an amount of stock for catering purposes. This is assessed twice a year and treated as a balance sheet item rather than as a cost of goods at the time of purchase.

Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme which is administered by NEST. The charity contributes 3% of eligible earnings and there were no outstanding contributions at the year end. There are no support or governance costs required for the scheme.

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Notes to the Financial Statements

For the year ended 31 December 2018

2. Incoming Resources

		Unrestricted funds	Restricted funds	Total funds	Total funds
		2018	2018	2018	2017
		£	£	£	£
2(a) Donations and legacies					
Gift Aid via bank		157,935	8,056	165,990	221,202
Tax recoverable		47,037	1,966	49,003	57,647
Sunday collection		2,059		2,059	2,872
Other Gift Aid donations		4,330	2,800	7,130	14,438
Non-Gift Aid donations		20,963	1,111	22,074	27,433
		232,323	13,933	246,256	323,593
2(b) Charitable activities					
Donations for Church Property		2,355		2,355	825
Sundry		5,026		5,026	2,924
Fees		8,942		8,942	10,001
Recovered costs		9,335		9,335	9,413
Network Magazine and Yearbook		5,235		5,235	6,270
		30,893	0	30,893	29,433
2(c) Trading activities					
Saint Andrew's Centre	12	54,280		54,280	47,357
Saint Andrew's Centre Café	13	129,768		129,768	116,014
Stepping Stones	14	30,485		30,485	26,234
Narrow Lane		3,901		3,901	1,915
Fundraising		180		180	142
		218,614	0	218,614	191,661
2(d) Investments					
Bank interest		34	0	34	18
2(e) Other income					
Parish share rebate		1,538		1,538	1,223
Sundry		3,858	100	3,958	1,915
		5,396	100	5,496	3,138

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Notes to the Financial Statements

For the year ended 31 December 2018

3. Resources Expended

		Unrestricted funds	Restricted funds	Total funds	Total funds
		2018	2018	2018	2017
		£	£	£	£
3(a) Charitable activities					
Church running and maintenance		24,067		24,067	24,250
Stable Rooms		8,004		8,004	4,699
Church Supplies		2,691		2,691	1,399
Diocesan Parish Share		77,806		77,806	77,762
Clergy expenses		6,719		6,719	5,910
Mission giving		8,265		8,265	7,156
Staff costs		44,098		44,098	39,983
Youth work		2,992		2,992	3,456
Children's work		2,332		2,332	1,780
Music ¹		22,472		22,472	101
Community outreach		16,243		16,243	10,750
Training		462		462	45
Church magazine		5,390		5,390	5,361
Fees		7,698		7,698	7,477
Depreciation		1,388	25,700	27,088	26,555
Professional services		815		815	580
Independent examiner fees		798		798	798
Church office staff costs		20,567		20,567	19,742
Church office expenses		3,044		3,044	2,988
		255,853	25,700	281,553	240,792
3(b) Trading activities					
Saint Andrew's Centre	12	28,346	615	28,961	36,203
Saint Andrew's Centre Café	13	124,761	3,231	127,992	117,870
Stepping Stones	15	28,508		28,508	24,266
31 Narrow Lane		1,958		1,958	3,537
		183,573	3,846	187,419	181,877

¹ The significant increase in spending on music during 2018 is down to two key purchases—a new piano and an upgrade to the PA system. The money for the piano was donated in full by a parishioner, and a legacy gift received in 2018 paid for 50% of the PA system cost.

The Parish of St Andrew with St Etheldreda, Histon

Notes to the Financial Statements

For the year ended 31 December 2018

3.1 Staff costs

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Wages and salaries	158,818		158,818	147,386
National Insurance	1,277		1,277	1,738
Pension contributions	4,511		4,511	2,452
	164,606	0	164,606	151,576

During the year the PCC employed a Youth Minister (from June 2018), a Children's Minister, a Church Manager; two Church Administrators and a Vicar's PA. The Café employed a Café Manager, Deputy Manager and 7 part time Assistants on an *ad hoc* basis. Stepping Stones employed 4 staff. No employee had employee benefits in excess of £60,000 (2017: none).

A small immaterial portion of the expenses paid to the vicar and curates may have related to their services as chair and members of the PCC respectively.

Key personnel are Churchwardens and the Treasurer, who are trustees who do not get paid, and the Vicar who is not paid directly by the Charity.

4. Transfers between funds

Transfers of funds during the year were as follows:

From: Unrestricted General funds	-6,000	Capital mortgage re-payments for 31 Narrow Lane
To: Unrestricted Designated (building)	6,000	
From: Unrestricted Designated (building)	-4,940	Depreciation charges on building assets
To: Unrestricted General funds	4,940	
	0	

The Parish of St Andrew with St Etheldreda, Histon

Notes to the Financial Statements

For the year ended 31 December 2018

5. Tangible Fixed Assets—Consolidated

	Freehold land and buildings	Fixtures and fittings	Computer equipment	Total
Cost:				
As at 1 January 2018	1,901,594	38,931	6,138	1,946,663
Additions	0		2,779	2,779
As at 31 December 2018	1,901,594	38,931	8,917	1,949,442
Depreciation				
As at 1 January 2018	122,231	19,073	3,006	144,310
Additions	25,318	5,143	1,388	31,849
As at 31 December 2018	147,550	24,216	4,394	176,160
Net book value				
As at 1 January 2018	1,779,363	19,858	3,132	1,802,353
As at 31 December 2018	1,754,044	14,715	4,523	1,773,282

Tangible Fixed Assets—Parent

	Freehold land and buildings	Fixtures and fittings	Computer equipment	Total
Cost:				
As at 1 January 2018	1,819,183	21,460	4,700	1,845,344
Additions	0		2,779	2,779
As at 31 December 2018	1,819,188	21,460	7,479	1,848,123
Depreciation				
As at 1 January 2018	117,328	8,433	1,568	127,330
Additions	23,670	2,029	1,388	27,087
As at 31 December 2018	140,998	10,463	2,956	154,417
Net book value				
As at 1 January 2018	1,701,855	13,026	3,132	1,718,014
As at 31 December 2018	1,678,190	10,997	4,523	1,693,710

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Notes to the Financial Statements

For the year ended 31 December 2018

6. Investments

The PCC holds one £1 ordinary share in its wholly owned subsidiary company Saint Andrew's Centre Café Ltd (with a share premium of £89,999). The results of the subsidiary are summarized in Notes 13 & 14.

7. Debtors	Consolidated		Parent	
	2018	2017	2018	2017
	£	£		
Tax on gift aid receivable	22,320	36,849	22,320	36,849
Other prepayments and accrued income	13,389	10,008	11,894	10,440
Loan to (Café) subsidiary	0	0	39,133	39,389
	35,710	46,858	73,347	86,678

8. Liabilities

	Consolidated		Parent	
	2018	2017	2018	2017
	£	£		
Amounts falling due in one year				
Tax and national insurance	9,475	3,736	6,105	2,662
VAT Liability	5,332	4,039	0	0
31 Narrow Lane mortgage	6,000	6,000	6,000	6,000
Credit Cards	321	487	321	487
Accruals & deferred income	840	5,340	840	5,340
Trade creditors	7,356	8,987	3,391	6,631
Advance receipts	9,300	9,310	9,300	9,310
	38,625	37,898	25,957	30,430

Amounts falling due after one year

31 Narrow Lane mortgage	66,525	72,525	66,525	72,525
Saint Andrew's Centre Loans	0	103,702	0	103,702
	66,525	176,227	66,525	176,227

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Notes to the Financial Statements

For the year ended 31 December 2018

9. Funds

	Balances as at 1 January 2018 £	Incoming resources £	Resources expended £	Transfers £	Balances as at 31 December 2018 £
Unrestricted General Funds					
General Fund	201,639	456,775	410,918	-1,060	246,436
Unrestricted Designated Funds					
Buildings Fund	313,355	0	0	1,060	314,415
Stepping Stones	10,963	30,485	28,508	0	12,940
Restricted Funds					
St Andrew's Centre Fund	1,229,032	13,933	29,446	0	1,213,519
Weekend Away Fund	0	100	100	0	0
Total funds	1,754,988	501,293	468,972	0	1,787,309

Restricted Funds

Saint Andrew's Centre Fund—this fund was set up to redevelop and renew the Church Hall's site.

Weekend Away Fund—this fund was set up to receive donations towards the cost of the weekend away.

Designated Funds

This fund holds the value of the Stable Rooms and Narrow Lane properties. The funds can be used for general purposes.

Vicar and Churchwardens' Trust

This is a special trust of the PCC which is held by the incumbent and churchwardens for the express purpose of assisting the PCC in the maintenance of the church and churchyard. It is vested in the Diocesan Board of Finance (DBF) as custodian trustee. A copy of the financial statements is available on request.

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Notes to the Financial Statements

For the year ended 31 December 2018

10. Transactions with related parties

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	2018 £	2017 £
Bridge Fibre	Andrew Glover	Internet, Phones	1740	1,685
Tabitha Jordan	Tony Jordan	Mission support	1,500	2,000

There are transactions between the parent (Church) and subsidiary (Café). These are included in notes 12-14 but excluded from the main consolidated accounts. The cross charges are £300pm from the Centre to Café for service charges, and £385pm from Café to Centre for cleaning. There is also a loan account for the Café which was originally used to assist with the setup, stocking and first year's operational cost. This will be repaid over time from profits and currently stands at £39133 (2017: £39389).

A lease agreement exists between the Café and PCC for an initial 5-year term, with a monthly rental of £1,000. This has been waived by the Landlord (PCC) until such time as the Café is making a sustainable operational profit. This waiver is reviewed on an annual basis. A proportion of any profits from the Café will be paid to the PCC as dividend.

The Vicar and Churchwardens' Trust made no contribution during the year (2017: no contribution).

11. Net movement in Funds

Reconciliation of the net movement in funds to net cash flow from operating activities

	Consolidated		Parent	
	2018	2017 Restated	2018	2017 Restated
	£	£	£	£
Net movement in Funds	32,321	125,173	17,595	127,030
Add back depreciation charge	31,849	30,198	27,087	25,796
Deduct interest income shown in investing activities	-34	-18	-34	-18
Deduct rental income shown in investing activities	-3,901	-1,915	-3,901	-1,915
Add back interest paid shown in financing activities	615	2,704	615	2,704
Change in debtors	11,148	-25,099	13,331	-25,534
Change in creditors	727	2,540	-4,473	3,405
Net cash provided by (used in) operating activities	72,725	133,583	50,220	131,468

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For the year ended 31 December 2018

12. Saint Andrew's Centre

The cross-charge transactions between the Centre and Café are included in the service charge and utilities figures in order to show the true operating costs of the Centre.

	2018	2017
Income		
Net Lettings	50,741	43,686
Service charges	3,640	3,671
	54,381	47,357
Expenditure		
Cleaning	3,008	3,419
Insurance	2,560	2,898
Utilities	8,233	10,712
Staffing	12,000	12,000
Repairs, Maintenance	1,634	2,869
Management	282	682
Consumables	630	920
	28,346	33,499
Finance charges	615	3,104
Profit	25,420	10,753

The Parish of St Andrew with St Etheldreda, Histon

Notes to the Financial Statements

For the year ended 31 December 2018

13. Saint Andrew's Centre Café—Profit & Loss

The cross-charge transactions between the Centre and Café are included in the cleaning and utilities figures in order to show the true operating costs of the Café.

	<u>2018 £</u>	<u>2017 £</u>
Income		
Turnover		
Café catering	129,135	115,301
Charity Items	540	704
Goods & Other	79	0
Interest Received	14	9
	<u>129,768</u>	<u>116,014</u>
Cost of Goods		
Catering	37,040	32,937
Charity Items	296	654
Non-food purchases	1,353	1,127
Plant Hire	243	799
	<u>38,932</u>	<u>35,517</u>
Gross Margin	<u>90,836</u>	<u>80,496</u>
Expenses		
Bank Charges	2,193	1,320
Catering equipment	763	1,190
Cleaning services	5,083	5,108
Operational Depreciation	1,531	588
Hardware	1,202	1,389
IT & Telephony	1,139	1,513
Insurance	1,358	1,295
Marketing & Advertising	568	553
Office Supplies	1,092	1,112
Payroll Cost	63,841	58,819
Maintenance	1,172	233
Utilities	4,795	4,702
Travel	767	636
Training	325	80
	<u>85,829</u>	<u>78,538</u>
Operating Profit/Loss	<u>5,007</u>	<u>1,958</u>
Capital Depreciation	3,231	3,814
Total Profit/Loss	<u>1,776</u>	<u>-1,856</u>

The Parish of St Andrew with St Etheldreda, Histon

Notes to the Financial Statements

For the year ended 31 December 2018

14. Saint Andrew's Centre Café—Balance Sheet

	2018 £	2017 £
Assets		
Fixed Assets - Tangibles		
Commercial Buildings	75,859	77,507
Computer Equipment	0	0
Fixtures & Fittings	643	2,225
Plant & Machinery	3,075	4,606
	79,578	84,339
Current Assets		
Stock	1,500	1,500
Bank accounts	23,921	12,756
Undeposited Funds	-483	3,097
Credit card processors	574	-432
	25,512	16,921
Total Assets	105,090	101,260
Liabilities		
Accounts Payable		
Accounts Payable	3,875	2,355
Liability - Current		
Payroll Liabilities	557	1,074
VAT Control	5,332	4,039
Liability - Long term		
St Andrew's PCC Loan	39,133	39,389
Total Liabilities	48,897	46,856
Net Assets - Liabilities	56,193	54,404
Shareholder Funds		
Called Up Share Capital	90,000	90,000
Retained P&L	-35,583	-33,739
Profit & Loss	1,776	-1,856
Total Shareholder Funds	56,193	54,404

The Parish of St Andrew with St Etheldreda, Histon

Notes to the Financial Statements

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15. Saint Andrew's Stepping Stones—Profit & Loss

The cross-charge transactions between the Centre and Stepping Stones are included in the rental figures in order to show the true operating costs of Stepping Stones.

	2018	2017
Income	£	£
Fees		
Baby Club	318	418
Toddlers	2,900	4,381
Playgroup	10,772	14,230
Lunches	1,117	1,061
Total Fees	15,107	20,090
Grants	12,406	5,012
Donations	0	175
Other income	2,599	0
Fundraising	373	956
Total Income	30,485	26,234
Expenses		
Operational Costs		
Insurance	353	345
Materials	499	151
Ofsted	35	35
Playgroup	1,153	844
Rent	490	730
Software	303	243
Training	33	235
Website	0	20
Total Operational Costs	2,865	2,602
Admin & Management	197	111
Payroll Cost	25,434	21,031
Fundraising	12	521
Total Expenses	28,508	24,266
Surplus/Deficit	1,977	1,968

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Notes to the Financial Statements

For the year ended 31 December 2018

16. Saint Andrew's Stepping Stones—Balance Sheet

	2018	2017
	£	£
Assets		
Bank accounts	14,922	9,354
Debtors	830	1,752
	15,753	11,106
Liabilities		
Payroll Liabilities	2,813	143
Creditors	0	0
	2,813	143
Net Assets - Liabilities	12,940	10,963
Funds		
Retained P&L	10,963	8,995
Surplus (Deficit) for year	1,977	1,968
Balance c/f	12,940	10,963