



Parochial Church Council of St. Stephen, Castle Hill, Ealing

ACCOUNTS FOR THE YEAR 2018

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STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2018

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
				2018 £	2017 £
INCOME AND ENDOWMENTS FROM					
Donations & legacies	2a	178,036	57,902	235,938	230,654
Other trading activities	2b	27,016	4,011	31,027	30,778
Income from investments	2c	6,165	-	6,165	8,662
Income from church activities	2d	10,345	99	10,444	12,821
TOTAL INCOME AND ENDOWMENTS		221,562	62,012	283,574	282,914
RESOURCES EXPENDED					
Missionary & Charitable Giving	3a	17,576	22,288	39,864	34,954
The Work of the Church	3b	119,005	3,046	122,051	122,306
Church Management & Administration	3c	227,176	28,104	255,280	
TOTAL RESOURCES EXPENDED		363,757	53,439	417,196	268,076
NET INCOMING/EXPENDITURE		(142,196)	8,573	(133,622)	14,839
NET TRANSFERS		15,810	(15,810)		-
NET MOVEMENT IN FUNDS		(126,386)	(7,237)	(133,622)	14,839
BALANCES BROUGHT FORWARD AT 1 JANUARY 2018		194,742	31,616	226,357	211,519
BALANCES CARRIED FORWARD AT 31 DECEMBER 2018		68,356	24,379	92,735	226,357

Notes on pages 3 to 8 form part of these accounts

BALANCE SHEET AT 31 DECEMBER 2018

	Note	2018 £	2017 £
FIXED ASSETS			
26 Drayton Gardens	1	94,777	94,777
Missional Housing Bond	1	5,000	5,000
		99,777	99,777
CURRENT ASSETS			
Debtors & prepaid expenses	5	7,207	23,019
CBF Deposit Fund		5,139	40,009
Bank balances	6	59,238	72,952
		71,584	135,980
LIABILITIES (less than one Year)			
Amounts falling due within one year			
Diocesan Interest Free Loan		4,000	-
Diocesan Interest Bearing Loan		50,000	-
Congregation Loan		5,000	-
Creditors & accrued expenses	7	3,626	9,399
		62,626	9,399
NET CURRENT ASSETS			
		8,958	126,581
LIABILITIES (over one Year)			
Diocesan Interest Free Loan		16,000	-
TOTAL NET ASSETS			
		92,735	226,357
FUNDS			
Unrestricted Funds	8		
General Fund		- 37,316	48,971
Designated Funds:			
Mission Fund		1,840	1,026
Maintenance Reserve Fund		-	40,835
Cottage Maintenance Fund		95	95
Special Purposes Fund		8,958	8,958
Support to People In Need		-	79
St. Lukes Fund		-	-
		- 26,422	99,965
26 Drayton Gardens		94,777	94,777
		68,355	194,742
Restricted Funds	9		
		24,380	31,616
TOTAL FUNDS			
		92,735	226,357

Notes on pages 3 to 8 form part of these accounts

Approved by the Parochial Church Council on 14th April 2019 and signed on its behalf by:

The Rev Stephen Newbold
Vicar

Caroline Jamieson
Churchwarden

Geoff Thomas
Churchwarden

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018**1 ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) as amended by Update Bulletin 1, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

St Stephens meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The leadership team have considered the resources available and current plans. St Stephens is well placed to meet these activities and have adequate resources for the foreseeable future. Accordingly the PCC continues to adopt the going concern basis in the preparation of the financial statements.

Incoming Resources

Incoming resources are included in the Statement of Financial Activities (SOFA) when:

1. the PCC becomes legally entitled to the benefit of use of the resources;
2. their ultimate receipt is virtually certain; and
3. the monetary value can be measured with sufficient reliability.

Funds raised by the Bazaar, Jumble sales and similar events are reported gross.

Grants, donations and legacies are included in the SOFA when any pre-conditions preventing their use by the PCC have been met. For collections and planned giving this is when the funds are received.

Gift Aid and other tax claims are included in the SOFA at the same time as the cash donations to which they relate.

Rental income from the letting of church premises is recognised when the rental is due.

Investment income is accounted for when receivable.

The value of any voluntary help is not included in the accounts but is described in the annual report.

Expenditure and Liabilities

Liabilities are recognised as soon as the legal or constructive obligation arises.

Grants and donations are recognised when a commitment has been made externally and there are no pre-conditions still to be met for entitlement to the grant which remain within the control of the PCC.

Fixed Assets

Consecrated and benefice property of any kind is excluded from the financial statements by Sections 10(2) (a) and (c) of the Charities Act 2011. All expenditure on such property, whether improvement or maintenance, is written off in the year it is incurred. The buildings are insured for £1,725,000 and contents for £175,000. Such buildings include the Church, Church Centre and Church Cottage.

The movable church furnishings are capitalised at cost and depreciated over their useful economic life other than where insufficient cost information is available. In this case the item is not capitalised, but all items are included in the Church's inventory in any case.

No value is placed on any movable church furnishings that cannot be disposed of without a faculty, and which are regarded as "inalienable" property held on special trust on behalf of the PCC, and forming part of the consecrated property excluded from the financial statements by the Charities Act 2011.

Other tangible fixed assets are capitalised if they can be used for more than one year and cost at least £5,000. They are otherwise written off in the year of acquisition.

The house at 26 Drayton Gardens, currently occupied by a curate, is a freehold property valued at its purchase price in 1992. It is not depreciated as its estimated residual value is not less than its carrying value and it has an expected useful life in excess of 50 years, so any depreciation charge would be immaterial. It is maintained in good order and is insured for a rebuilding cost of £232,066.

During 2016, the PCC agreed to rollover a sum of £5000 for a further 3 years with the Missional Housing Bond Fund. The issue is unsecured but believed to be relatively low risk given the nature of the underlying assets (London housing stock). The Bond is operated by Affordable Christian Housing, ("ACH") a Christian housing association with over 20 years' experience in providing affordable housing to key Christian workers. It is registered with the Financial Conduct Authority and has charitable status. ACH followed FCA guidance in determining how to issue the bond. As an Industrial and Provident Society, ACH did not require FCA approval to issue the Bond.

Funds

Unrestricted funds represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC, including amounts designated by the PCC for fixed assets for its own use, or for spending on a future project and which are therefore not included in its "free reserves" as disclosed in the Annual Report.

Restricted funds are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are shown in the notes to the accounts.

Charitable Giving

The PCC has a long standing policy of allocating 10% of regular income (stewardship, tax refunds, cash collections and gift aid donations in church), for giving to charity. See Note 11 for further details.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

	Unrestricted	Restricted	TOTAL FUNDS	
	Funds	Funds	2018	2017
	£	£	£	£
2				
2a Donations and legacies				
Stewardship	125,321	-	125,321	129,040
Gift Aid Donations	4,287	-	4,287	4,164
Tax Refunds on Giving (Note 4)	31,133	-	31,133	28,494
Cash Collections	7,793	-	7,793	8,201
Sub-total (Note 11)	168,534	-	168,534	169,898
Mission Collections	147	11,417	11,564	5,720
Legacies, Donations	6,895	35	6,930	9,867
Community Fete Grants/Donations	2,461	-	2,461	4,169
St. Lukes Fund		46,450	46,450	41,000
	178,036	57,902	235,938	230,654
2b Other Trading Activities				
Christmas Bazaar/Craft Fair	2,629	4,011	6,640	5,647
Hall Lettings	24,387	-	24,387	25,049
Photocopier	-	-	-	82
	27,016	4,011	31,027	30,778
2c Income from Investments				
Rent from 26 Drayton Gdns	6,000	-	6,000	8,500
CBF interest	165	-	165	112
Housing Bond and Bank Interest	-	-	-	50
	6,165	-	6,165	8,662
2d Income from Church Activities				
Traidcraft Stall	2,051	-	2,051	1,948
Bookstall	1,248	-	1,248	654
Social Events, Courses & Other Activities	603	-	603	867
150th Anniversary	-	-	-	468
Outreach - Holiday Club	-	-	-	680
Youth Activities	624	-	624	366
Shining Stars	206	-	206	-
Amazing Grace Play	-	-	-	-
Growing Leaders	-	-	-	-
Bishop's Discretionary	-	99	99	-
Banns, Funeral Fees, Verger Fees	1,273	-	1,273	2,739
Rebates and one-off	4,339	-	4,339	5,099
	10,345	99	10,444	12,821
TOTAL INCOME AND ENDOWMENTS	221,562	62,012	283,574	282,914

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

	Unrestricted	Restricted	TOTAL FUNDS	
	Funds	Funds	2018	2017
	£	£	£	£
3a EXPENDITURE ON CHARITABLE ACTIVITIES				
Missionary and Charitable Giving				
Amos Trust	2,600	347	2,947	2,600
Christian Solidarity Worldwide	2,600	-	2,600	2,600
Church Army	2,600	-	2,600	2,600
Ealing Soup Kitchen	2,600	-	2,600	2,600
Ealing Christians Against Poverty	2,600	4,095	6,695	3,080
LAMB Health Foundation	2,600	-	2,600	2,600
Tearfund	-	2,078	2,078	850
Ealing Churches Winter Night Shelter	-	1,108	1,108	5,643
Lent Project Bishop of London	-	6,947	6,947	-
Bible Society	1,026	-	1,026	-
Grenfell	-	30	30	430
The Grove Missional Community	-	6,668	6,668	6,666
Ealing Foodbank	-	384	384	-
Indonesia Appeal	-	151	151	-
Kenya	300	-	300	-
Zamabia Project	300	481	781	-
Support to People in Need	350	-	350	1,870
Water Aid	-	-	-	1,742
Richard Chartres Fund 2017	-	-	-	1,087
St. David's Home	-	-	-	586
	17,576	22,288	39,864	34,954
3b The Work of the Church				
Diocesan Fund	90,395	-	90,395	87,000
Vicar's Expenses	1,229	-	1,229	1,200
Outside Speakers	148	-	148	282
Curate's Expenses	1,085	-	1,085	866
Associate Vicar's Expenses	405	-	405	314
Training / Staff Training/Retreat	440	-	440	1,772
Children and Youth	1,089	-	1,089	977
Music & Copyright Licensing	3,471	-	3,471	3,251
Outreach & Publicity	2,817	-	2,817	2,797
Bookstall	821	-	821	642
Traidcraft Stall	1,876	-	1,876	1,677
Social Events	1,723	-	1,723	1,043
Community Fete Costs	6,083	-	6,083	7,374
Christmas Bazaar Cost of Raising Funds)	620	-	620	1,019
150th Anniversary	-	-	-	2,150
Growing Leaders	-	-	-	188
Refreshments	1,090	-	1,090	1,650
Gifts	1,025	-	1,025	1,055
Flowers	615	35	650	737
Communion & Worship Costs	1,057	-	1,057	1,073
Diocesan Fees	767	-	767	1,695
Bishop's Discretionary Fund	-	-	-	-
Worship Minister Expenses	-	90	90	323
Youth Worker Expenses	-	121	121	169
Intern Expenses & Rent	-	2,800	2,800	2,962
SLDF Expenses	-	-	-	90
26DG Deposit (repayment)	2,250	-	2,250	-
	119,005	3,046	122,051	122,306
CARRIED FWD TO NEXT PAGE	136,581	25,335	161,916	157,259

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

	Unrestricted	Restricted	TOTAL FUNDS	
	Funds	Funds	2018	2017
	£	£	£	£
BROUGHT FORWARD FROM LAST PAGE	136,581	25,335	161,916	157,259
3c Church Management and administration				
Printing, stationery & Postage	4,563	-	4,563	6,182
Salary Costs	24,032	28,104	52,136	42,307
Computing & Website Costs	2,087	-	2,087	1,368
Payroll & Accounting Software Fees	542	-	542	577
Subscriptions, Licences, Fees	279	-	279	406
PCC/Leadership	345	-	345	89
Independent Examiner Fee	420	-	420	300
Television Licence	154	-	154	151
	<u>32,421</u>	<u>28,104</u>	<u>60,526</u>	<u>51,379</u>
Centre Running Costs	8,593	-	8,593	9,033
Water, Light and Heat	7,866	-	7,866	7,345
Telephone	543	-	543	582
Insurance	3,027	-	3,027	3,035
Council Tax	2,139	-	2,139	1,661
Gratuties	-	-	-	130
Cleaning	5,937	-	5,937	5,546
	<u>28,106</u>	<u>-</u>	<u>28,106</u>	<u>27,331</u>
Maintenance Costs	454	-	454	30,756
Building Project	159,934	-	159,934	
Cottage Works	-	-	-	500
26 Drayton Gardens	6,261	-	6,261	849
	<u>166,649</u>	<u>-</u>	<u>166,649</u>	<u>32,105</u>
Church Management & Administration	227,176	28,104	255,280	
	<u>363,757</u>	<u>53,439</u>	<u>417,196</u>	<u>267,057</u>
TOTAL RESOURCES EXPENDED	363,757	53,439	417,196	268,076

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

4 Gift Aid Recovered

In addition to the tax reclaims disclosed in note 2a, relating to planned giving, other voluntary donations include tax reclaims in their totals:

	2018 £	2018 £	2018 £	2017 £
	Unrestricted	Restricted	Total	Total
Tax reclaims on planned giving (2a)	29,897	-	29,897	31,133
Tax reclaims on other voluntary donations	1,236	-	1,236	722
	<u>31,133</u>	<u>-</u>	<u>31,133</u>	<u>31,855</u>

5 Debtors & prepaid expenses

	2018 £	2017 £
Prepaid expenses - Insurance	3,125	3,027
Tax refunds due on gift aid donations	2,554	6,850
Sundry debtors	1,529	13,142
	<u>7,207</u>	<u>23,019</u>

6 Bank balances

	2018 £	2017 £
Current account	59,233	72,942
Stewardship account	5	10
	<u>59,238</u>	<u>72,952</u>

7 Creditors and accrued expenses

	2018 £	2017 £
Charitable payment accruals	3,626	6,327
Sundry year-end expense accruals	-	3,072
	<u>3,626</u>	<u>9,399</u>

8 Unrestricted Funds

	Brought Forward £	Additions Income £	Transfers £	Amounts Used £	Carried Forward £
Designated Funds					
Mission Fund	1,026	-	18,040	(17,226)	1,840
Maintenance Reserve Fund	40,835	5,000	25,000	(70,835)	-
Cottage Maintenance Fund	95	-	-	-	95
Special Projects Fund	8,958	-	-	-	8,958
Support to People in Need	79	-	271	(350)	-
	<u>50,993</u>	<u>5,000</u>	<u>43,311</u>	<u>(88,411)</u>	<u>10,893</u>
26 Drayton Gardens	94,777	-	-	-	94,777
General Fund	48,971	216,561	(27,501)	(275,347)	(37,316)
Total Unrestricted Funds	<u>194,742</u>	<u>221,561</u>	<u>15,810</u>	<u>(363,758)</u>	<u>68,355</u>

The Mission Fund represents planned giving designated for charitable donations (see Notes 1 and 11).

The Maintenance Reserve Fund represents funds designated for spending on long term maintenance and improvement of the church buildings.

The Cottage Maintenance Reserve Fund represents funds designated for spending on improvements to the Church Cottage.

The Special Projects Fund represents excess General Funds designated for future projects.

The Support to People in Need fund represents funds designated for assisting individuals in need of financial support towards specific expenses.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

9 Restricted Funds

	Brought Forward £	Additions Income £	Transfers £	Amounts Used £	Carried Forward £
Mission Fund	903	15,527	(810)	(15,620)	-
Flower Fund	-	35	-	(35)	-
St. Luke's Fund	30,713	46,450	(15,000)	(37,783)	24,380
Total Restricted Funds	31,616	62,012	(15,810)	(53,439)	24,380

The Mission Fund represents donations for missionary and charitable giving as disclosed in Note 3a. The Flower Fund represents donations towards expenditure on church flowers throughout the year. St. Luke's Fund represents a set donation from the St. Luke's Trust

10 Analysis of Net Assets By Fund

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Fixed Assets:				
26 Drayton Gardens	94,777	-	94,777	94,777
Missional Housing Bond	5,000	-	5,000	5,000
Net Current Assets	- 26,422	24,380	- 2,042	126,581
Total Net Assets	73,355	24,380	97,735	226,357

11 Payments to Mission Partners from Tithe

Per Note 1, the PCC has a long standing policy of allocating 10% of regular giving to charity. During 2018, charitable payments were made to the following charities from regular giving: The figure below is below 10% as £1840 is being carried forward to be allocated to relevant Mission Partners in 2019. The carry forward is shown in the Balance Sheet.

	2018 £	2017 £
Amos Trust	2,600	2,600
Ealing Soup Kitchen	2,600	2,600
Church Army	2,600	2,600
Ealing Christians Against Poverty	2,600	2,600
LAMB Health Foundation	2,600	2,600
Christian Solidarity Worldwide	2,600	2,600
Richard Chartres Fund	-	1,087
Zambia Project	300	-
Kenya	300	-
Bible Society	1,026	-
	<u>17,226</u>	<u>16,687</u>

12 Retention payment for Building project

The amount of **£7420** is due for payment in **December 2019** following the recent maintenance works – this is only payable assuming no defects are discovered in accordance with contract.

13 Post Balance sheet events

After the year end legacies were received to clear the interest bearing loan and contribute to restoring the reserves

Independent examiner's report on the accounts



CHARITY COMMISSION
FOR ENGLAND AND WALES

Section A

Independent Examiner's Report

Report to the trustees/
members of

PCC of St Stephens Ealing

On accounts for the year
ended

31 December 2018

Charity no
(if any)

1133772

Set out on pages

1 - 8

(remember to include the page numbers of additional sheets)

Respective
responsibilities of
trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to 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 Commission. 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 no opinion is given as to whether the accounts 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 Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

* Please delete the words in the brackets if they do not apply.

Signed:

VE Steward

Date:

4 April 2019

Name:

VALERIE STEWARD

Relevant professional qualification(s) or body (if any):

BSc FCA FCCA FRSA

Address:

Greenfield Farm, 23 West Street, Hibaldstow, North Lincs., DN20 9NY

Section B

Disclosure

Only complete if the examiner needs to highlight material problems.(E.g. accounting records have not been kept in accordance with s132 of the Charities' Act 2011 and those accounts do not comply with the requirements of the 2008 Regulations setting out the form and content of charity accounts; any material expenditure or action which appears not to be in accordance with the trusts of the charity; any failure to be provided with information and explanations by any past or present trustee, officer or employee; and any material consistency between the accounts and the trustees' annual report.)

Give here brief details of any items that the examiner wishes to disclose.