

Charity number: 1130793

Harpenden, St Nicholas
Trustees' report and financial statements
for the year ended 31 December 2019

Harpden, St Nicholas

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Harpenden, St Nicholas

Legal and administrative information

Charity number	1130793
Business address	St Nicholas Church Church Green Harpenden Hertfordshire AL5 2SP
Trustees	Reverend D L Stamps P Timms All members of the PCC
Accountants	Brendan Philip Chambers A.F.A. Wilton Mutlow & Co Limited 2nd Floor, Dagnall House Lower Dagnall Street St Albans Hertfordshire AL3 4PA
Bankers	HSBC 1 High Street Harpenden Hertfordshire AL5 2RS

Harpenden, St Nicholas

Report of the trustees for the year ended 31 December 2019

The trustees present their report and the financial statements for the year ended 31 December 2019. The trustees who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Harpenden, St Nicholas has complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission (i.e. public benefit statement). Every PCC member is a trustee of Harpenden, St Nicholas.

St Nicholas Parochial Church Council (PCC) has the responsibility of co-operating with the incumbent in promoting the whole mission of the church, pastoral, evangelistic, social and ecumenical. The Rector, Dr Dennis Stamps, took up his post in 2012 and has continued therein.

The Parish of St Nicholas is made up of the three district churches of All Saints, St Mary's and St Nicholas. The Parish clergy work across the Parish but each also takes particular responsibility for a specific district church, with Rev. Linda Williams (who left in April 2019) at All Saints and Rev. Sally Goodson at St Mary's. Both clergy for these district churches are licenced as 'Associate Vicar'. The incumbency of the parish rests with the Rector who also oversees the mission and ministry of St Nicholas Church.

The PCC is responsible for the maintenance of all the district churches and halls. It is also responsible for two clergy houses that it owns (86 Tuffnells Way and 10 Cross Way), as well as a further property (37 St James' Road) owned by the Church Commissioners and used as a clergy house; a rental property on Church Green. The Parish contributes to the maintenance of the rectory.

Objectives and activities

The PCC together with the District Church Councils (DCC) are keen to encourage the work of God in mission and ministry in the Parish. It supports the Rector in achieving these objectives and in enabling the provision of services of worship in the Parish. The Mission Action Planning (MAP) process is a means by which the PCC reviews and sustains the Parish vision statement. The central vision is: Our mission is to build connections, encourage belonging, and share an appealing faith that grows a vibrant Christian community at every stage of life. In addition, we state that we are an inclusive church, called to be caring, loving and welcoming to all. The specific Parish and District goals are regularly reviewed and updated by the PCC and each DCC.

The PCC sees the Parish as one community - 'three churches in one Parish' - acting and worshipping together to sustain our mission. This principle also applies to its resources and finances.

Achievements and performance

The Parish reviews its progress via the "MAP" process. There are MAPs for each of the three district churches (considered by each District Church Council). Each MAP is reviewed and updated regularly. The Parish continues to offer and sustain a wide range of services across its three churches throughout the week, with Sunday clubs and creches for children. Communion and confirmation classes are also held. For adult spiritual development, the Parish provides baptism preparation for parents of children to be baptised and adult confirmation classes. There are bible study groups, prayer groups, Lent and Advent courses and Parish study courses. The Parish has developed an "SAS" group offering activities for young people. There is an active Mothers' Union. Cornelia's is a cafe in the Church Hall at St Nicholas, and this also supports a variety of activities. St Nicholas Church is open every day. The Parish office is open Monday to Friday, 10am to 2pm.

Harpenden, St Nicholas

Report of the trustees for the year ended 31 December 2019

All Saints

At the beginning of 2019, it was announced that Revd Linda Williams would be moving to the Parish of Kimpton, so All Saints moved into a period of vacancy from the end of April. On the Sunday after Easter, we hosted a Farewell service for the whole parish to say good bye to Linda and Nigel. During the service Linda blessed the baptistery windows to fulfil a project suggested for our Golden Jubilee celebrations of 2015. With the help of the Rector and Parish clergy, and LMDT members we were able to maintain cover for our usual Holy Communion and Worship services through the year; and a request to other local clergy also brought forth several offers of help. Numbers attending services have been maintained, with some new families becoming settled in. Towards the end of the year, efforts were made to check through the Pastoral Contact scheme, to ensure that new congregation members were included, with Revd Paul Manuel having an oversight of the whole. Visits to Willow Court and housebound members of the congregation continued as before. For the first time, a social calendar was produced for the year. Activities included church lunches, for Pentecost and All Saints Day, a Harvest Barn Dance, a Talent Show (performing or exhibiting), a Quiz on St Andrew's Day and a Table-top Sale. There was also a church outing to Knebworth, with plenty to do for all ages.

St Nicholas

Attendance remains very good at all services. The Sunday morning services' attendance has remained steady and the monthly Simply Worship service has grown in 2019. The weekday Holy Communion services on Wednesday and Saturday mornings have declined about 10 percent in attendance. Some changes to the layout of the church furniture for worship services was adopted. We began offering giving by Text. Safeguarding training, information, and procedures were given appropriate priority. A series of events throughout the year enhanced our church and community life: Quiz night in March, Civic Service in June, Pet Service in October. We continued our Foodbank collections. Revd James Hadley, curate, was priested and held his first Holy Communion service on 30th June. Regular worship events Remembrance services, Harvest, Advent Quiet Day, Christingle, Patronal Festival were held. In the hall we upgraded the June Wall room, and we purchased new chairs. The iron gates in the driveway were removed. The 800th anniversary Sampler was put up in church. The St Nicholas Festival took place in Church in December. Soup and carols were offered on Fridays in Advent and were very well attended once again.

St Mary's

Sally Goodson has been with St Mary's for three years and is supported by three Lay Leaders of Worship who continue to be a valued part of the ministry team. Worship services are well attended with a small increase.

Outreach: Our contact with Homedell House continues, with a monthly service of Holy Communion as well as three Songs of Praise services during the year with the sitting room full, each followed by tea and cakes. Our monthly lunch club has also grown and now provides a 2 course home-cooked lunch for 35-40 guests, all of whom are over 75 and live alone. We continue to build relationships with Wood End Primary School and with our uniformed organisations.

Social: St Mary's put forward 3 teams for the annual inter-church quiz in January. Our other social activities during the year included our annual Quiz in March, the Fete in June which is organised jointly with the 9th Harpenden Scouts, parish walks, Harvest supper, and Fairtrade breakfasts. Our monthly Tuesday afternoon Group has 30 members. The highlight of the year was the 150th celebration of St Mary's in September.

MAP: Our district MAP review highlighted developing our prayer life, extending a welcome to residents in new housing within the district and welcoming new members to the church community. Our Sunday explorers' numbers have decreased while those attending our monthly Simply Worship service at 4.30pm have increased and we regularly have in excess of 40. All banners advertising our services have now been replaced, kindly donated by members of the congregation. Christmas cards were again delivered to all neighbouring houses. We continue to support Kinsbourne Common Nursery.

Maintenance: The upgrade of the car park is still a work in progress with remedial work due to start in July 2019. However, a delay in signing the new lease postponed this and it is hoped this work will take place in the summer of 2020. In October the kitchen was refurbished, which included replacing the ceiling and flooring. We are currently waiting for some snagging problems to be resolved. The front garden refurbishment was completed. Following our Quinquennial inspection in 2017, the flat roof of the church hall was replaced with fibreglass roofing during the year.

Harpenden, St Nicholas

Report of the trustees for the year ended 31 December 2019

Electoral roll

The Electoral Roll figures at the 2019 APCM meeting were as follows: St. Nicholas, 389 (2018:445); St. Mary's, 118 (2018:129); All Saints 77 (2018: 88), giving a total of 584 (2018:662). Please note there was a full revision in 2019 which tends to result in a decrease and one which is higher than in previous years.

Financial review

In 2019 our deficit on Unrestricted Funds amounted to £33,051 against a small surplus in 2018 of £5,499. Our budgeted deficit for the year was £77,019 partly caused by a heavy programme of major works to our Properties, Halls and Churches. The total cost of major works incurred during the year amounted to £38,953 that included major works to 10 Cross Way of £14,088 to prepare that property for a new Associate Vicar, £18,281 on St Mary's Church to refurbish the Kitchen and repairs to a flat roof. Not all work that was planned for the year has taken place and some £21,000 has been deferred until 2020 or later. When costs of major works are removed from the figures the remaining income and expenditure is very similar to 2018 and the PCC consider that the financial result for 2019 was satisfactory.

Reserves policy

The PCC has decided to hold three months' running costs and salaries. The PCC also endeavours to hold a building reserve to meet unexpected maintenance and repair costs in the three district churches and the clergy houses.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993 and the Charity (Accounts and Reports) Regulations 2008.

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

Harpenden, St Nicholas

**Report of the trustees
for the year ended 31 December 2019**

On behalf of the board

Reverend D L Stamps
Trustee

16 June 2020

Harpenden, St Nicholas

Independent examiner's report to the trustees on the unaudited financial statements of Harpenden, St Nicholas.

I report on the accounts of Harpenden, St Nicholas for the year ended 31 December 2019 set out on pages 2 to 14.

Respective responsibilities of trustees and independent examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the Act), does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Act; 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 statement

My examination was carried out in accordance with the 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 you as 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:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 130 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or

- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Brendan Philip Chambers
A.F.A.
Independent examiner

16 June 2020

Harpenden, St Nicholas

Statement of financial activities

For the year ended 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	353,134	47,147	400,281	465,350
Activities for generating funds	3	143,995	4,601	148,596	154,913
Investment income	4	3,100	150	3,250	1,838
Total incoming resources		<u>500,229</u>	<u>51,898</u>	<u>552,127</u>	<u>622,101</u>
Resources expended					
Charitable activities	5	518,097	38,118	556,215	626,577
Separate material item of expense	6	2,805	-	2,805	2,507
Total resources expended		<u>520,902</u>	<u>38,118</u>	<u>559,020</u>	<u>629,084</u>
Net incoming/(outgoing) resources before transfers					
		(20,673)	13,780	(6,893)	(6,983)
Transfers between funds					
		(12,378)	12,378	-	-
Net incoming/(outgoing) resources for the year					
		(33,051)	26,158	(6,893)	(6,983)
Total funds brought forward					
		<u>1,161,662</u>	<u>108,716</u>	<u>1,270,378</u>	<u>1,277,361</u>
Total funds carried forward					
		<u>1,128,611</u>	<u>134,874</u>	<u>1,263,485</u>	<u>1,270,378</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

Harpenden, St Nicholas

Balance sheet as at 31 December 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	10		945,280		944,080
Current assets					
Debtors	11	2,958		3,198	
Investments	12	4,716		3,973	
Cash at bank and in hand		324,453		329,047	
		<u>332,127</u>		<u>336,218</u>	
Creditors: amounts falling due within one year	13	(13,922)		(9,920)	
Net current assets			<u>318,205</u>		<u>326,298</u>
Net assets			<u>1,263,485</u>		<u>1,270,378</u>
Funds	14				
Restricted income funds	16		134,874		108,716
Unrestricted income funds	15		1,128,611		1,161,662
Total funds			<u>1,263,485</u>		<u>1,270,378</u>

The financial statements were approved by the trustees on 16 June 2020 and signed on its behalf by

Reverend D L Stamps
Trustee

P Timms
Trustee

The notes on pages 9 to 14 form an integral part of these financial statements.

Harpenden, St Nicholas

Notes to financial statements for the year ended 31 December 2019

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

There have been no changes of accounting policy or changes to accounting estimates and no material prior year errors have been identified in the reporting period (FRS 102 SORP).

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Gifts donated for resale are included as income when they are sold.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP.

Income from the coffee shop is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

1.3. Resources expended

Expenditure is recognised on an accruals basis as a liability when it is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

The parish share is accounted for when payable. Any quota unpaid at 31st December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

"Separate material item of expense" costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Harpenden, St Nicholas

Notes to financial statements for the year ended 31 December 2019

1.4. Tangible fixed assets and depreciation

Consecrated and beneficed property is excluded from the accounts by S.96(2)(a) of the Charities Act 1993. No value is placed on movable church furnishings held by the churchwardens 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 during the year 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.

Land and buildings - Included at cost at 31st December 2019.

1.5. Investments

Current asset investments are at the lower of cost and net realisable value.

1.6. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

2. Voluntary income

	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Donations	342,927	47,147	390,074	421,119
Legacies	10,207	-	10,207	44,231
	<u>353,134</u>	<u>47,147</u>	<u>400,281</u>	<u>465,350</u>

3. Activities for generating funds

	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Magazines	4,788	-	4,788	5,288
Church hall and property lettings	57,893	-	57,893	61,698
Housing allowance	51,320	-	51,320	51,320
Fees	24,361	-	24,361	22,791
Events and trading	5,633	4,601	10,234	13,816
	<u>143,995</u>	<u>4,601</u>	<u>148,596</u>	<u>154,913</u>

4. Investment income

	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Deposit accounts	<u>3,100</u>	<u>150</u>	<u>3,250</u>	<u>1,838</u>

Harpenden, St Nicholas

Notes to financial statements for the year ended 31 December 2019

5. Costs of charitable activities

	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Clergy expenses	5,812	-	5,812	4,058
Services	26,888	139	27,027	29,606
Activities	923	3,918	4,841	12,335
Houses	15,709	-	15,709	37,424
Stipend contribution	97,705	-	97,705	99,840
Parish share	215,964	-	215,964	209,184
Church upkeep	89,885	6,372	96,257	137,775
Church halls and buildings	20,339	5,377	25,716	37,446
Magazine costs	1,435	-	1,435	1,585
Overseas and home mission grants	-	22,312	22,312	17,065
Staff costs	23,377	-	23,377	22,854
Staff pension costs	1,874	-	1,874	1,833
Telephone and computer costs	6,206	-	6,206	5,249
Postage and stationery	6,847	-	6,847	6,131
General expenses	5,133	-	5,133	4,192
	<u>518,097</u>	<u>38,118</u>	<u>556,215</u>	<u>626,577</u>

6. Separate material item of expense

	2019 Total £	2018 Total £
Accountancy fees	<u>2,805</u>	<u>2,507</u>

Harpenden, St Nicholas

Notes to financial statements for the year ended 31 December 2019

7. Employees

Employment costs	2019	2018
	£	£
Wages and salaries	23,377	22,854
Pension costs	1,874	1,833
	<u>25,251</u>	<u>24,687</u>

No employee received emoluments of more than £60,000 (2018 : None).

Number of employees

The average monthly numbers of employees (excluding the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

2019	2018
Number	Number
2	2
<u>2</u>	<u>2</u>

8. Trustees' emoluments

The Reverend D L Stamps was paid for expenses incurred in carrying out his duties and his living expenses were subsidised.

9. Pension costs

The charity operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the charity and was as follows:

	2019	2018
	£	£
Pension charge	<u>1,874</u>	<u>1,833</u>

Harpenden, St Nicholas

Notes to financial statements for the year ended 31 December 2019

10. Tangible fixed assets	Land and buildings	Total
	freehold	£
	£	£
Cost		
At 1 January 2019	944,080	944,080
Additions	1,200	1,200
At 31 December 2019	<u>945,280</u>	<u>945,280</u>
Net book values		
At 31 December 2019	<u>945,280</u>	<u>945,280</u>
At 31 December 2018	<u>944,080</u>	<u>944,080</u>

The trustees are of the opinion that the market value of properties at the year-end would significantly exceed the book values included in the financial statements but they are unable to quantify this excess in the absence of a professional valuation. The costs of valuation are not considered justifiable in view of the intention to retain ownership of these existing properties for the foreseeable future.

11. Debtors	2019	2018
	£	£
Other debtors	<u>2,958</u>	<u>3,198</u>

12. Current asset investments	2019	2018
	£	£
Other unlisted investments	<u>4,716</u>	<u>3,973</u>

13. Creditors: amounts falling due within one year	2019	2018
	£	£
Accruals and deferred income	<u>13,922</u>	<u>9,920</u>

Harpenden, St Nicholas

Notes to financial statements for the year ended 31 December 2019

14. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2019 as represented by:			
Tangible fixed assets	945,280	-	945,280
Current assets	197,253	134,874	332,127
Current liabilities	(13,922)	-	(13,922)
	<u>1,128,611</u>	<u>134,874</u>	<u>1,263,485</u>

15. Unrestricted funds

	At 1 January 2019 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2019 £
Freehold property	944,080	-	-		944,080
Free undesignated funds	124,570	500,229	(520,902)	(12,378)	91,519
Designated general legacies fund	93,012	-	-	-	93,012
	<u>1,161,662</u>	<u>500,229</u>	<u>(520,902)</u>	<u>(12,378)</u>	<u>1,128,611</u>

Purposes of unrestricted funds

The general legacies have been set aside in earlier years in accordance with the then PCC decision that any legacy received in excess of £1000 would be set aside for a specific purpose as agreed by the PCC.

16. Restricted funds

	At 1 January 2019 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2019 £
Sound and Light fund	-	12,058	(3,150)	-	8,908
Sundry restricted funds	108,716	39,840	(34,968)	12,378	125,966
	<u>108,716</u>	<u>51,898</u>	<u>(38,118)</u>	<u>12,378</u>	<u>134,874</u>

Purposes of restricted funds

The Sound and Light fund has been set up with a view to providing an improved sound and lighting system in St Nicholas Church.

The sundry restricted funds are small in nature and are mainly for benevolent purposes in accordance with donor wishes. These funds are held in cash within the funds of the parish.

These funds are held in two specific bank accounts within the funds of the parish.