

**Charity registration number 1061039**

**Company registration number 02880299 (England and Wales)**

**ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Rev Dr S Sichel J D Murray S L Layne S Fielding S K Corlett J Atterbury Davies H R Bailey T I R G Nicholson	(Appointed 20 March 2023) (Appointed 20 March 2023)
<b>Charity number</b>	1061039	
<b>Company number</b>	02880299	
<b>Registered office</b>	St Matthews Church Brixton Hill London SW2 1JF	
<b>Independent examiner</b>	Hannah Sibley FCA Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR	
<b>Bankers</b>	Barclays Bank plc Clapham Common Business Centre 188 Clapham High Street London SW4 7UF	
<b>Solicitors</b>	Hodders Law 516 Brixton Road London SW9 8EN	
<b>Architects</b>	Hanslip & Company Ltd	

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# **ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

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# **ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Trustees present their Annual Report (including the Directors' Report) and financial statements of the St Matthew's Church Brixton PCC Building Management Charity ("St Matthew's") for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)".

### **The Trustees**

The Trustees, who are also the directors for the purpose of company law, are collectively referred to as the Trustees throughout this report. The Trustees who served during the year and up to the date of signature of the financial statements were:

Rev Dr S Sichel	
R Salisbury Jones	(Resigned 20 April 2023)
J D Murray	
S L Layne	
S Fielding	
S K Corlett	
J Atterbury Davies	
H R Bailey	(Appointed 20 March 2023)
T I R G Nicholson	(Appointed 20 March 2023)

### **Structure, governance and management**

The organisation is a charitable company limited by guarantee, incorporated on 14th December 1993 and registered as a charity on 7th March 1997.

In the event of the charitable company's dissolution, the liability of the member is limited to £1.

The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its articles of association. At the AGM in June 2009 the PCC agreed new Memorandum and Articles of Association and these were formally adopted by resolution in order to comply with the Companies Act 2006.

### **Governance, Membership and Trustees**

The sole member of the charitable company is the Parochial Church Council of the Ecclesiastical Parish of St Matthew with St Jude, Brixton (the PCC).

The business of the charitable company is managed by the Board of Trustees or Directors (the Board). The Articles of Association allow the Board to use all powers of the charitable company except those which require a General Meeting of the sole member of the charitable company. The PCC, as sole member, has the option to amend the Articles and Memorandum of Association at a General Meeting.

At a General Meeting of the charitable company held in May 2017 the PCC used its option as sole member to appoint all of the members of its Standing Committee to the board of Trustees. This ensures that Trustees will act in the best interest of the charitable company in accordance with the wishes of its membership.

Existing Trustees are expected to identify their training needs and to take measures to ensure that these needs are met. During 2022 the Board met six times.

In exercising its powers and duties, in making decisions and in carrying out operations, the Board of Trustees has complied with its duty to pay due regard to the Charity Commission's public benefit guidance.

# **ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **Objectives and activities**

The objects of the charitable company are:

- a) To preserve for the benefit of the people of Greater London and of the nation at large whatever of the English historical architectural and constructional heritage may exist in and around the area of Brixton in the form of building of particular beauty historical or constructional interest and in particular St Matthews Church.
- b) To provide facilities for recreation with the objects of improving the conditions of life and social welfare of the inhabitants of Greater London ("the area of benefit").
- c) To advance education for those living in the area of benefit.
- d) To provide a community centre for the benefit of those living in the area of benefit.
- e) To undertake any other charitable activity.

In order to achieve this the Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

### **Achievements and performance**

A new CEO was engaged in October 2022. During the pandemic a rise in drug and alcohol related anti-social behaviour in the town centre, around the St Matthew's Church, and in the Peace Gardens that surround the building, has impacted on community safety and local perceptions of the area. We have been working together with a range of agencies and stakeholders including the metropolitan police, Lambeth Council, health and wellbeing charities, local councillors and other community safety stakeholders to explore ways to help improve the local environment and to support the individuals impacted. Through a joint approach, a range of interventions including increased patrolling, outreach services to affected individuals, and infrastructure improvements, are being progressed.

Negotiations commenced with a main tenant for repayment of arrears. All tenants have resumed regular payments and reached repayment agreements for arrears. Reviews of existing service contracts have contributed to a reduction in operational costs. Essential repairs, cleaning and security contracts are kept to a minimum and reviewed in line with the gradual increased use of the building. We are in negotiations with potential new building users, and prospective long term tenants.

### **Public Benefit**

The most obvious way in which the charitable company benefits the public is that it protects and preserves the historic and architecturally significant St Matthew's Church building. The advancement of heritage is one of the charitable purposes set out in the Charities Act 2011. The building dates from 1824 and was constructed initially as a district church of St Mary Lambeth when that parish was divided into five in response to growing urbanisation. The building was listed Grade II\* accordingly. During the 1970s the building was reordered. A central staircase and lift shaft were built in the centre of the building, and extra floors constructed. This allows for greater use by the community. The Church Commissioners declared the building redundant in 1991, and half of the ground floor was licensed as a place of worship to allow the Church of England congregation to continue worship in the building.

Other spaces within the building are let to various charitable and commercial organisations. Some provide facilities for recreation with the objects of improving the conditions of life and social welfare of the inhabitants of Greater London. Gremio de Brixton, a Spanish Restaurant, occupies the Crypt. St Matthew's Church congregation occupies half of the second floor. Carers 4 Carers, the Mayor of Lambeth's Charity of the year in 2017, and Nubian Jak, the charity responsible for African and Caribbean War memorial on Windrush Square, both occupy offices on half of the second floor.

### **Carbon reduction**

Since 2014 the charitable company has used only 100% renewable electricity. It is constantly implementing measures to use less water and electricity, for instance by retrofitting LED lighting, and by increased use of occupancy sensors and timed switches. Heating throughout the building is electric, (except for the PCC's space which uses gas). The building has a high 'thermal mass' and has been slow to heat in the winter when unoccupied.

We are seeking to recommence the volunteer environmental group to explore ways to improve our carbon footprint including looking at the introduction of alternative energy sources for the building such as solar panels.

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# **ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **Living wage**

The charitable company has been an accredited living wage employer since 2018, paying all staff and contractors a London Living Wage, as calculated by the Living Wage Foundation.

### **Financial review**

The Statement of Financial Activities set out on page 7 of the financial statements shows how the charitable company's incoming resources have been expended in the year ended 31 December 2022.

Total incoming resources amounted to £118,480 (2021: £162,673). Resources expended amounted to £171,729 (2021: £218,284) on charitable activities. The resulting deficit for the year was £53,238 (2021: £55,611).

The Balance Sheet set out on page 8 of the financial statements shows the financial position of the charitable company at 31 December 2022.

No further monies were committed to leasehold improvements during the year. After deducting the charge for depreciation, the net book value of fixed assets amounted to £34,203 (2021: £41,289).

The current assets and current liabilities amounted to £77,972 (2021: £70,748) and £156,721 (2021: £103,278) respectively. The net liabilities amounted to £44,546 (2021: net assets of £8,689), which are represented entirely by a deficit on the unrestricted funds of £44,546 (2021: surplus of £8,689).

### **Reserves policy**

The charitable company does not have any free reserves as at 31 December 2022. The charitable company's long term reserves policy is to regain enough reserves to cover unexpected needs.

In order to enable the charitable company to meet its obligations as they fall due and to rebuild free reserves, the Trustees have reacted quickly and taken active steps to cut costs, obtain financial support, negotiate the repayment of existing tenants arrears, and find new tenants.

### **Risk factors**

The Board of Trustees is aware of its responsibility to ensure that the major risks to which the charity is exposed are identified and to establish systems to mitigate those risks. Trustees continue to review controls and systems, to mitigate any current and future external and internal risks that the charitable company might face.

### **Future plans**

The operating model for the building is being revisited. Areas of the building previously occupied by a few tenants will be reviewed with a view to offering space for long term tenants alongside spaces for wider community access for training delivery, meetings, rehearsals, and other community and charitable activities. We will increase community outreach and work with local people and community partners to co-design and deliver projects to support community education, health and wellbeing. A "friend of" group is being considered to increase volunteer involvement in the charity and to work in cooperation with Lambeth Parks team to contribute to the improvement of the green space around the building. Co-working and enterprise incubator spaces are also under consideration. To deliver activities outside and around the building to increase footfall and visibility.

### **Fundraising statement**

The charitable company did not fundraise during the year.

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Statement of Trustees' responsibilities

The Trustees, who are also the directors of St Matthew's Church Brixton PCC Building Management Charity for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

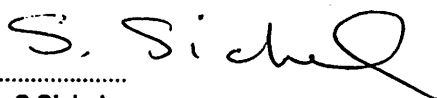
In preparing these financial statements, the Trustees are required to:

- 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemptions.

The Trustees' report was approved by the Board of Trustees.



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**Rev Dr S Sichel**

Trustee

Dated: 29.9.23

# **ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

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I report to the Trustees on my examination of the financial statements of St Matthew's Church Brixton PCC Building Management Charity (the charitable company) for the year ended 31 December 2022.

#### **Responsibilities and basis of report**

As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

In carrying out my examination, I have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the charitable company's ability to continue as going concern.

At 31 December 2022, the charitable company had net current liabilities of £78,749, predominately as a result of the Coronavirus pandemic affecting the ability of tenants to pay their rental obligations coupled with the increase in costs such as light and heat due to the wider economic climate. The charitable company's main tenant being a restaurant that was forced to close during the Coronavirus pandemic and whilst now open it continues to face pressure from the wider economic climate itself.

The Trustees have taken active steps to cut costs, access government reliefs, obtain financial support, negotiate repayment terms with existing tenants for their arrears, and find new tenants in order to continue operating.

However, if new tenants are not secured and the Trustees are unable to obtain further financial support from other sources, these conditions would indicate the existence of a material uncertainty about the charitable company's ability to continue as a going concern. The financial statements do not include the adjustments that would result in the charitable company is unable to continue as a going concern.

I confirm that no other matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).



# **ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

## **INDEPENDENT EXAMINER'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

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I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

#### **Use of this report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My independent examination work has been undertaken so that I might state to the charitable company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.



**Hannah Sibley FCA**

**The Institute of Chartered Accountants in England and Wales (ICAEW)**

**Independent Examiner**

Citroen Wells

Devonshire House

1 Devonshire Street

London

W1W 5DR

**Dated:** 29 September 2023

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<b><u>Income from:</u></b>			
Other income	2	-	45,240
Other trading activities	3	118,480	117,431
Investments	4	11	2
<b>Total income</b>		<b>118,491</b>	<b>162,673</b>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	171,729	218,284
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(53,238)</b>	<b>(55,611)</b>
Fund balances at 1 January 2022		8,692	64,300
<b>Fund balances at 31 December 2022</b>		<b>(44,546)</b>	<b>8,689</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	9		34,203		41,219
<b>Current assets</b>					
Debtors	10	54,237		26,990	
Cash at bank and in hand		23,735		43,758	
		<u>77,972</u>		<u>70,748</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(156,721)</u>		<u>(103,278)</u>	
Net current liabilities			(78,749)		(32,530)
<b>Total assets less current liabilities</b>			<u>(44,546)</u>		<u>8,689</u>
<b>Income funds</b>					
Unrestricted funds			(44,546)		8,689
			<u>(44,546)</u>		<u>8,689</u>

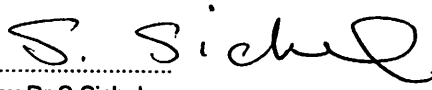
The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The member has not required the charitable company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 29.9.23

  
 Rev Dr S Sichel  
 Trustee

Company registration number 02880299

# **ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Charity information**

St Matthew's Church Brixton PCC Building Management Charity is a company limited by guarantee incorporated in England and Wales and is governed by its Memorandum and Articles of Association. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. St Matthew's is also a registered charity in accordance with the Charities Act 2011. The registered office is St Matthew's Church, Brixton Hill, London, SW2 1JF. The nature of the charitable company's operations and principal activities are set out in the Trustees' Annual Report.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At 31 December 2022, the charitable company had net current liabilities of £78,749, predominately as a result of tenants' inability to cover their rental obligations during the Coronavirus pandemic, which has had a significant financial impact on incoming resources and the financial viability of the charitable company which is also coupled with the significant increase in costs such as light and heat due to the wider economic climate.

In order to enable the charitable company to meet its obligations as they fall due, the Trustees have reacted quickly to the ever-changing situation and taken active steps to cut costs, access government reliefs, obtain financial support, negotiate repayment terms with existing tenants for their arrears and find new tenants in order to continue operating.

If new tenants are not secured and the Trustees are unable to obtain further financial support from other sources, these conditions would indicate the existence of a material uncertainty about the charitable company's ability to continue as a going concern.

Notwithstanding this, the Trustees have considered the future cash flows and in view of the steps taken as set out above, they consider it appropriate to prepare the financial statements on a going concern basis.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

All incoming resources are recognised when the charitable company is legally entitled to them, the amounts can be measured reliably, and it is probable that income will be received.

Income from government grants, is recognised when the charitable company has entitlement to the funds and any performance conditions attached to the grants have been met.

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

Rent receivable is stated net of VAT.

Investment income is recognised on a receivable basis.

### 1.5 Expenditure

Resources expended are included in the statement of financial activities on an accruals basis.

Expenditure on charitable activities comprises expenses incurred in pursuance of the charitable company's principal activities.

Governance and support costs, which are included in expenditure on charitable activities, are those incurred in the governance of the charitable company and its assets and are primarily associated with constitutional and statutory requirements.

### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently stated at cost less accumulated depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Hub equipment	7 years on a straight line basis
Leasehold land and buildings	10 years on a straight line basis
Other fixtures, fittings and equipment	25% per annum on a reducing basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

### 1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the charitable company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### 1.8 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

### 1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

No liability arises as the charitable company's charitable activities are exempt from corporation tax.

#### 1.11 Employee benefits

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Other income

	2022	2021
	£	£
UK Government grant income	-	45,240

During the prior year, the charitable company received a grant of £7,540 from the Coronavirus Community Support Fund and a grant of £37,700 from the Culture Recovery Fund of the Department of Culture, Media and Sport through the Heritage Lottery Fund. The amounts were unrestricted and intended to support charitable organisations to cover their ordinary operating costs.

No grants were received in the current year.

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Other trading activities

	2022 £	2021 £
Rent and service charges receivable	118,480	117,431

### 4 Investments

	2022 £	2021 £
Interest receivable	11	2

### 5 Charitable activities

	2022 £	2021 £
Wages and salaries (incl. pension and social security)	28,224	29,861
Depreciation	7,016	7,661
Rent	4,621	4,621
Rates and water	17,166	11,145
Heat and light	50,988	23,498
Repairs and maintenance	6,116	19,152
Insurance	20,588	19,098
Telephone	307	(11,743)
Printing, postage and stationery	158	846
Cleaning and refuse	15,907	9,339
Bad and doubtful debts	(6,680)	74,790
Irrecoverable VAT	3,199	4,195
Legal and professional	14,384	3,220
Other costs	(205)	1,041
Computer expenses	-	316
	161,789	197,040
Governance and support costs (see note 6)	9,940	21,244
	171,729	218,284

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Governance and support costs

	2022 £	2021 £
Independent examiners fees	6,500	6,500
Legal and professional	3,325	14,884
Bank charges	115	(140)
	<u>9,940</u>	<u>21,244</u>

### 7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

### 8 Employees

	2022 Number	2021 Number
Number of administration staff	<u>1</u>	<u>1</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	26,540	28,852
Pension costs	1,684	1,009
	<u>28,224</u>	<u>29,861</u>

There were no employees whose annual remuneration was more than £60,000.



# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 9 Tangible fixed assets

	Leasehold land and buildings £	Other fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	1,546,114	164,899	1,711,013
At 31 December 2022	1,546,114	164,899	1,711,013
<b>Depreciation and impairment</b>			
At 1 January 2022	1,512,641	157,153	1,669,794
Depreciation charged in the year	5,079	1,937	7,016
At 31 December 2022	1,517,720	159,090	1,676,810
<b>Carrying amount</b>			
At 31 December 2022	28,394	5,809	34,203
At 31 December 2021	33,473	7,746	41,219

### 10 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	29,487	4,984
Prepayments and accrued income	24,750	22,006
	54,237	26,990

### 11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	2,311	5,702
Trade creditors	77,179	30,243
Other creditors	25,831	19,161
Accruals	51,400	48,172
	156,721	103,278

# ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### 12 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Rent	460,600	465,300

The annual rent cost under the lease agreement for St Matthew's Church is "5% of net rents". The lease agreement expires in 2120. Accordingly, the outstanding lease commitment has been estimated based on an annual charge of £4,700, over the remaining 98 years of the lease. As annual rent may vary, the actual rent payable may differ to the estimate of £4,700.

### 13 Related party transactions

The remuneration of key management personnel, who are not Trustees, during the year was £28,224 (2021: £29,861).

Resources expended for the year ended 31 December 2022 include provision for rent payable to the Diocese of £4,621 (2021: £4,621). The accumulated provision at 31 December 2022 amounted to £38,105 (2020: £33,484).

At the year end, a loan amount of £3,768 (2021: £nil) was payable to the PCC. The loan was unsecured, interest-free and repayable on demand.