

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 2023

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT
CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev Dr S Sichel J D Murray S L Layne S K Corlett J Atterbury Davies H R Bailey T I R G Nicholson	(Appointed 20 March 2023) (Appointed 20 March 2023)
Charity number	1061039	
Company number	02880299	
Registered office	St Matthews Church Brixton Hill London SW2 1JF	
Independent examiner	Hannah Sibley FCA TC Group 5th Floor 3 Dorset Rise London EC14 8EY	
Bankers	Barclays Bank plc Clapham Junction 7-11 St John's Hill London SW11 1TR	
Architects	Hanslip & Company Ltd	
Solicitors	Hodders Law 516 Brixton Road London SW9 8EN	

**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 2023

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 2023.

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	(Resigned 14 September 2024)
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 2023 the Board met four 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 2023

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

We have built partnerships with resident and community led groups, local businesses, and public and statutory partners to look at ways to impact anti social activity around St Matthew's Church and Charity, and in the Peace Gardens that surround the building. The increasingly high levels of anti social behaviour continue to impact on community safety in the wider area and on local perceptions of spaces around the building. Working with the police, local authority parks and community safety stakeholders, and ward councillors a design out crime report was produced. A number of recommendations were highlighted which we have been working towards actioning. One example includes, in partnership with the LBL Parks team, work commencing on improving lighting within the Peace Garden and around St Matthew's Church. The lampposts and uplights, already in place, have not been illuminated for many years. A schedule of testing, repair, rewiring and reinstatement of lighting commenced with considerable progress made. Outreach, safety patrolling, and assistance for those who are homeless, have mental health or other support needs has been sought and delivered by organisations such as Thames Reach, SLaM, and Spires in addition to the local authority offer and the signposting offered directly by the charity. Regular patrols by LB Lambeth Violence against Women and Girls provision have also taken place and have been effective for the homeless women and for the women who use the building. Reviews and renegotiation of existing service contracts contributed to a reduction in operational costs. Repayment arrangements for arrears were put in place. Our operational model was reviewed to enable the charity to be more adaptable and agile in a changing delivery environment for community facilities. Historic over payments were recouped from our energy provider and excessive charging challenged. CEO networking and outreach increased the visibility of the charity locally, word-of-mouth referrals, opportunities for joint working and resource sharing.

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. Work commenced on the planning of a programme of activities to commemorate the Bi Centenary. Building works commenced on the Portico door refurbishment and repair due to considerable fire damage.

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

In line with the revisioning of the delivery model for the building, a number of new charitable and commercial groups have become regular users of the space. Examples include Brixton Chamber Orchestra and Let's Sing UK - Brixton Community Gospel Choir. The groups offer music and vocal training, performance, and volunteering opportunities. Trial/test marketing has resulted in an increase in hire enquiries. Spaces have also been used increasingly for Community meetings, conferences, and Media production bases. 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, and Nubian Jak, the charity responsible for the 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.

A friends of group is being developed as a vehicle to explore ways to improve our carbon footprint including looking at the introduction of alternative energy sources for the building such as solar panels.

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 2023.

Total incoming resources amounted to £130,299 (2022: £118,491). Resources expended amounted to £124,816 (2022: £171,729) on charitable activities. The resulting surplus for the year was £5,483 (2022: deficit of £53,238).

The Balance Sheet set out on page 8 of the financial statements shows the financial position of the charitable company at 31 December 2023.

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 £27,672 (2022: £34,203).

The current assets and current liabilities amounted to £94,242 (2022: £77,972) and £160,977 (2022: £156,721) respectively. The net liabilities amounted to £39,063 (2022: £44,546), which are represented entirely by a deficit on the unrestricted funds of £39,063 (2022: £44,546).

Reserves policy

The charitable company does not have any free reserves as at 31 December 2023. The charitable company's long term reserves policy is to regain enough reserves to cover unexpected needs.

In order to enable to 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.

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 2023

Future plans

We shall continue to review the operating model for the building. The online and social media presence for the facilities will be developed and relaunched. Marketing strategies will focus on encouraging the development of activities in areas of the building previously occupied by a few tenants, to increase and build on the range of community training delivery, meetings, rehearsals, and other community and charitable activities taking place. We shall increase our community outreach and work with local people, local organisations, and community partners to co-design and deliver projects to support community education, health and wellbeing. We shall develop a range of activities to mark St Matthews Church Bicentennial including the development of a community memories project. Our volunteers and "friend of" group will work closely with LBL parks department to contribute to the improvement of the green space around the building. Enterprise incubator spaces for artists and craft makers will be further developed alongside plans to increase the operating hours of the building. We plan to work with a range of commercial and community partners to deliver activities outside and around the building to increase footfall and visibility.

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.



Rev Dr S Sichel

Trustee

Dated: 30/9/2024

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

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 2023.

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 2023, the charitable company had net current liabilities of £66,735, 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.

Furthermore, post year end the charitable company has highlighted significant works that are required to be undertaken in respect of the roof. The charitable company will have to seek financial support from alternative streams in order to fund these works. The Trustees have engaged architects to ascertain the costs of the works required and have started seeking funding for the works.

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

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

Hannah Sibley FCA

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

Independent Examiner

TC Group

5th Floor

3 Dorset Rise

London

EC4Y 8EN

Dated: 30/9/2024.....

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Other trading activities	2	130,177	118,480
Investments	3	122	11
Total income		<u>130,299</u>	<u>118,491</u>
Expenditure on:			
Charitable activities	4	<u>124,816</u>	<u>171,729</u>
Net income/(expenditure) and movement in funds		5,483	(53,238)
Reconciliation of funds:			
Fund balances at 1 January 2023		<u>(44,546)</u>	<u>8,692</u>
Fund balances at 31 December 2023		<u><u>(39,063)</u></u>	<u><u>(44,546)</u></u>

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 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		27,672		34,203
Current assets					
Debtors	10	78,018		54,237	
Cash at bank and in hand		16,224		23,735	
		<u>94,242</u>		<u>77,972</u>	
Creditors: amounts falling due within one year	11	<u>(160,977)</u>		<u>(156,721)</u>	
Net current liabilities			(66,735)		(78,749)
Total assets less current liabilities			<u>(39,063)</u>		<u>(44,546)</u>
The funds of the charitable company					
Unrestricted funds			(39,063)		(44,546)
			<u>(39,063)</u>		<u>(44,546)</u>

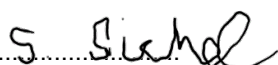
The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

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 30/9/2024.....



Rev Dr S Sichel
Trustee

Company registration number 02880299 (England and Wales)

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023, the charitable company had net current liabilities of £66,735, 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.

Furthermore, post year end the charitable company has highlighted significant works that are required to be undertaken in respect of the roof. The charitable company will have to seek financial support from alternative streams in order to fund these works. The Trustees have engaged architects to ascertain the costs of the works required and have started seeking funding for the works.

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 or grantors 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.

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

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.

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

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.

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2 Other trading activities

	2023 £	2022 £
Rent and service charges receivable	130,177	118,480

3 Investments

	2023 £	2022 £
Interest receivable	122	11

4 Charitable activities

	2023 £	2022 £
Wages and salaries (incl. pension and social security)	33,125	28,224
Depreciation	6,531	7,016
Rent	4,621	4,621
Rates and water	17,311	17,166
Heat and light	37,544	50,988
Repairs and maintenance	1,084	6,116
Insurance	22,613	20,588
Telephone	(3,642)	307
Printing, postage and stationery	71	158
Cleaning and refuse	18,330	15,907
Bad and doubtful debts	(38,446)	(6,680)
Irrecoverable VAT	5,018	3,199
Legal and professional	4,382	14,384
Other costs	2,472	(205)
	111,014	161,789
Governance and support costs (see note 6)	13,802	9,940
	124,816	171,729

5 Trustees

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

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Governance and support costs

	2023 £	2022 £
Independent examiners fees	7,000	6,500
Legal and professional	6,678	3,325
Bank charges	124	115
	<u>13,802</u>	<u>9,940</u>

7 Employees

	2023 Number	2022 Number
Number of administration staff	<u>1</u>	<u>1</u>
Employment costs	2023 £	2022 £
Wages and salaries	32,141	26,540
Pension costs	984	1,684
	<u>33,125</u>	<u>28,224</u>

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

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Tangible fixed assets

	Leasehold land and buildings £	Other fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2023	1,546,114	164,899	1,711,013
At 31 December 2023	1,546,114	164,899	1,711,013
Depreciation and impairment			
At 1 January 2023	1,517,720	159,090	1,676,810
Depreciation charged in the year	5,079	1,452	6,531
At 31 December 2023	1,522,799	160,542	1,683,341
Carrying amount			
At 31 December 2023	23,315	4,357	27,672
At 31 December 2022	28,394	5,809	34,203

10 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	30,107	29,487
Other debtors	5,345	-
Prepayments and accrued income	42,566	24,750
	78,018	54,237

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	1,078	2,311
Trade creditors	86,629	77,179
Other creditors	24,681	25,831
Accruals	48,589	51,400
	160,977	156,721

ST MATTHEW'S CHURCH BRIXTON PCC BUILDING MANAGEMENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	(44,546)	130,299	(124,816)	(39,063)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	8,692	118,491	(171,729)	(44,546)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13 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:

	2023 £	2022 £
Rent	455,900	460,600
	<u> </u>	<u> </u>

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 97 years of the lease. As annual rent may vary, the actual rent payable may differ to the estimate of £4,700.

14 Related party transactions

The remuneration of key management personnel, who are not Trustees, during the year was £33,125 (2022: £28,224).

Resources expended for the year ended 31 December 2023 include provision for rent payable to the Diocese of £4,621 (2022: £4,621). The accumulated provision at 31 December 2023 amounted to £42,726 (2022: £38,105).

At the year end, a loan amount of £4,912 (2022: £3,768) was payable to the PCC. The loan was unsecured, interest-free and repayable on demand.