

Charity Number 1128707

**ANNUAL REPORT AND FINANCIAL STATEMENTS
OF THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF ST PHILIP, MARGATE**

FOR THE YEAR ENDED 31 DECEMBER 2020

CONTENTS	Page
Parochial Church Council's report	2
Notes to the Accounts	6
Statement of Assets and Liabilities	7
Independent Examiner's report	8
Financial Statements	9
Restricted Fund balances	12

THE REPORT OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PHILIP, MARGATE

FOR THE YEAR ENDED 31 DECEMBER 2020

Administrative information

St Philip's Church is situated in the Palm Bay Estate, Margate. It is part of the Diocese of Canterbury within the Church of England. The correspondence address is:

St Philip's Church
Summerfield Road
Margate
Kent

CT9 3JJ Telephone 01843 231825

E Mail stphilipsalmbay@btconnect.com

Web www.achurchnearyou.com/church/12060

Charity Commission registration number 1128707.

Officers and Professional Advisers

Members of the Parochial Church Council (PCC) are either ex-officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. The PCC members are also the trustees.

PCC members who have served from 1 January 2020 until the date of this report was approved are:

Vicar	Rev S. Gay
Lay Reader	Miss H. Rogers
Wardens	Mr. D. Amor (Treasurer)
	Mr. G. Tully (until APCM 19/10/20)
	Mr K. Locking (from APCM 19/10/20)
Secretary	Rev. S. Gay
Deanery Synod Representatives	Mr S. Vary(until APCM 19/10/20)
	Mrs. B. Uttley (until APCM 19/10/20)
	Mrs L. Oakley (from APCM 19/10/20)
Elected Members	Miss L. Carew-Jones
	Mrs. J. Rampall
	Mr. C. Woodcock
	Mrs S. Gooch (until 13/08/20)
	Mrs D. Tully (from APCM 19/10/20)
	Miss S. Woolley (from APCM 19/10/20)
	Mr A. Leal(from APCM 19/10/20)
Standing Committee	Rev S. Gay
	Mr. D. Amor

Independent Examiner

Miss H. Rogers
Mr. Adrian Tasker
10 Chartwell Grove
Sittingbourne ME10 1XD
Lloyds TSB Bank plc
Charities Aid Foundation Bank
HSBC Bank

Bankers

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. The PCC is governed by two Church of England Measures; the “Parochial Church Council (Powers) Measure 1956 as amended” and the “Church Representation Rules (contained in Schedule 3 to the Synodical Government) Measure 1969 as amended”.

Statement of the PCC's Responsibilities

The PCC is responsible for all parish finances, its management and control, including the appointment of a treasurer.

Charity law requires the PCC as trustees of the church to prepare an annual report and financial statements that give a true and fair view of the church's financial activities during the year and of its financial position at the end of the year. The PCC is also required to ensure that these are subjected to an annual independent examination and to present these to the APCM in accordance with the Church Representation Rules.

- ☐ The PCC is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the church and to enable it to ensure that the financial statements comply with the Charities Act 1993.
- ☐ The PCC is also responsible for safeguarding the assets of the church (other than the fabric and ornaments of the church for which the churchwardens have particular responsibility) and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- ☐ The members of the PCC confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the PCC's aims and objectives and in planning future activities.
- ☐ PCC members were not reimbursed any travelling and subsistence allowance during the year.

Objectives and activities

St Philip's PCC has the responsibility of co-operating with the incumbent, the Revd Stuart Gay, in promoting the mission of the Church in the parish. It also has maintenance responsibilities for St Philip's Church. Our aim is to bring people to a knowledge and love of God through Jesus Christ by proclaiming the Gospel in the parish of St. Philip, Margate, and beyond. We aim to do this by following the commandment of Jesus to go and make disciples of all nations, baptising them in the

name of the Father and of the Son and of the Holy Spirit and teaching them to obey everything that Jesus has commanded.

Achievements and Performance

Worship and Prayer

We conduct weekly worship services and prayer meetings designed to include people from all walks of life. Our worship team meet regularly for fellowship and fortnightly worship evenings. Numbers are consistent but have been boosted by a weekly 'Junior Church'. We have engaged with Diocesan initiatives on prayer and finance

Pastoral Care

We now have an operative Pastoral Care team to co-ordinate visits/home communions. Our small groups also undertake to exercise pastoral care for their group members.

Mission and Evangelism

We run a number of activities that are welcoming to all-comers as a potential 'way in' to the worshipping life of the church. We are committed to working with other churches in Thanet. We are currently meeting through the medium of 'Zoom' whilst the church building is closed due to Covid 19 restrictions and requirements.

Church attendance

The electoral roll is currently 83 (2019: - 84). Sunday attendance fluctuates between around 80-90 adults and 20-30 children.

Reserves policy

It is the PCC policy to maintain a balance on unrestricted funds, if possible, of £20,000 to cover any emergency repairs. This level would allow a period of time for an appeal for funds from the congregation and for the PCC to consider alternative financial strategies. This reserve is held separately in a bank Account at Lloyds.

Risk Management

The PCC has considered and discussed the key risks facing the church, the controls in place to mitigate them and any action required. The PCC continues to review and develop the strategic direction of the church and considers how its exposure to risk changes as a result.

We have accepted the Diocesan and Ecclesiastical (EIG) recommendations to use the Smart Water system on our roof and other high value items. We have reviewed our Insurance levels, and consider them to be appropriate

Safeguarding

The PCC takes the safeguarding of children and vulnerable adults seriously and adheres to National Church policy and guidance for best practice.

Financial review

The accounts for 2020 have been prepared on a receipts and payments basis as recommended for the level of income generated at St Philip's.

This has been a somewhat different and certainly a quiet year from a financial point of view. We began the year finishing off some repairs to our toilets and had to replace some of the outside lighting. The replacement of worn-out fixtures and fittings is now a major part of expenditure and given the age of the building the need for repairs or replacement is likely to grow. Some expenditure under this heading has been postponed because the Quinquennial review due to take place during 2020 did not take place.

Regrettably we remain unable to pay the requested Parish Share. During 2020 we were able to contribute approximately 75% of the requested sum. This means that the deficit had grown to just over £63,350 by the end of 2020 and is unlikely to be reduced in the near future. I anticipate it will continue to grow as we will be unable to meet the full share requested for 2021.

The Covid-19 virus has dominated much financial thinking around the country and indeed St Philip's has been no exception to this. We have suffered a significant loss of income from our Sunday collections as we have not been able to take a collection since mid-March and accordingly have collected only 20% of what was given in 2019. On top of this we have not been able to open the building for lettings which forms a substantial part of our income. We are slightly behind in claiming back Income tax from HMRC which will arrive in the early part of 2021. Sadly, this year we also lost several members of our church family who had donated by Standing Order. In December 2019 there were 49 regular monthly donations but by December 2020 this had fallen to 40. As we move forward this will impact on our ability to both spread the good news of Jesus and pay our bills.

Obviously with the building being shut there have been some savings on our expenditure, with a significant drop in our electricity and cleaning bills. However, we have still had to fund much of our servicing and repairs even in an empty building. We have been able to claim back just over £5,000 from the Job Retention scheme funded by HMRC. Sadly, it is not a straightforward equation in that what we have been able to save and claim back has not matched what we have lost in regular income.

In order to facilitate cash deposits, the PCC decided towards the end of 2019 to open an account with the HSBC and I can confirm that this account is now open and in use although Internet banking is not yet available on this account.

Finally, with regard to Income Tax could I please remind you that you are obliged to notify me if your circumstances change to the extent that you are no longer required to pay tax. Quite simply, if you haven't paid the tax, I can't claim it back through the Gift Aid facility

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

Accounting Policies

The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 using the Receipts and Payments basis.

These accounts include all transactions and liabilities for which the PCC is responsible in law.

General Fund

Represents the funds of the PCC that are not subject to any restrictions regarding their use.

Restricted and Designated Funds (R & D in the accounts)

Restricted funds are those where the donor has requested their donation be used for a specific purpose. For example, setting money aside for evangelism or other activities connected with the church.

At present there are no restricted Funds

Designated Funds are those the PCC has decided to set aside monies for specific projects or items.

Currently there are 2 funds that are designated by the PCC for specific purposes.

Repairs Fund

Represents amounts set aside specifically to help meet the costs of major repairs.

Mission Fund

Represents amounts collected by the church to support the work of missionary, relief work and other similar organizations and individuals

STATEMENT OF ASSETS

31 DECEMBER 2020

CASH FUNDS AT 31 December 2020

	Unrestricted	R & D	Total 2020	Total 2019
Lloyds TSB Current Acc	21775	0	21775	21595
CAF Bank Current Acc	23839	7749	31588	39264
HSBC Bank Current Acc	1573	0	1573	0
TOTALS	47187	7749	54936	60859

Approved by the PCC on 2021 and signed on their behalf by

Reverend Stuart Gay (PCC Chairman)

David Amor (PCC Treasurer)

**INDEPENDENT EXAMINER'S REPORT
TO THE PAROCHIAL CHURCH COUNCIL
OF THE ECCLESIASTICAL PARISH OF ST PHILIP, MARGATE**

This report on the financial statements of the PCC for the year ended 31 December 2020, which are set out on pages 7 to 12, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the regulations") and s.43 of the Charities Act 1993 ("the Act").

Respective responsibilities of the PCC and examiner

As the members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and s43 (2) of the Act does not apply.

It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 43(7) (b) of the Act and to be found in the Church guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the financial statements 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, I do not express an audit opinion on the view given by the accounts.

Independent examiners' statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that, in any material respect, the requirements

- (1) (a) to keep accounting records in accordance with section 41 of the Act; and
- (b) to prepare financial statements which accord with the accounting records and comply with the requirements of the Act, and the Regulations have not been met;
- or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding

Adrian Tasker

Date:

10 Chartwell Grove
Sittingbourne

ST PHILIP'S NORTHDOWN PARK MARGATE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestrict ed	R & D	Total 2020	Total 2019
RECEIPTS					
Planned giving	see note 1	48589	0	48589	47181
Income tax recovered		5192	0	5192	16687
HMRC - Job RS		5122	0	5122	0
Other voluntary receipts	see note 2	9487	0	9487	15233
Receipts from Church				66	
activities	see note 3	6699	0	99	17075
Mission	see note 4	2184	0	2184	677
				7727	
TOTAL INCOME		77273	0	3	96853
PAYMENTS					
Church Activities					
Parish Share		56566	0	56566	55620
Church Activities	See note 5	127	0	127	2733
Church Running Costs	see note 6	12923	0	12923	16284
Church Building Cost	see note 7	1871	816	2687	8652
Church Administration	See note 8	6438	0	6438	6729
Ministry Costs	see note 9	1072	0	1072	3213
Mission	See note 10	4154	69	4223	3228
Professional Fees		0	0	0	0
				8403	
TOTAL PAYMENTS		83151	885	6	96459
 TOTAL INCOME					
		77273	0	77273	96853
TOTAL EXPENDITURE					
		83151	885	36	96459
Surplus/deficit		-5878	-885	-6763	394

	Unrestrict ed	R & D	Total 2020	Total 2019
RECEIPTS				
Planned Giving	Note 1			
SO Donations Gift Aid	34158	0	34158	36121
	108			
SO Donations	26	0	10826	10424
	36	0	3605	
Other	05			636
TOTAL	48589	0	48589	47181

Other voluntary receipts	note 2			
Service Collections	449	0	449	6614
Collection Boxes	1655	0	1655	3823
Legacies	0	0	0	0
Donations	7383	0	7383	4772
Everyclick	0	0	0	24
TOTAL	9487	0	9487	15233

Receipts from Church activities	note 3			
Rent	5951	0	5951	12036
Service Fees	300	0	300	621
Photocopying/Advertising	0	0	0	0
Holiday Clubs	0	0	0	1621
Noah's Ark	115	0	115	317
Kool Kids	74	0	74	317
Kitchen	74	0	74	250
Events	185	0	185	1913
TOTAL	6699	0	6699	17075

Fund Raising Mission	note 4			
Home Mission	0	0	0	0

Thanet Winter Shelter	0	0	0	0
			2	
Children's Society	284	0	84	558
Overseas Mission	1900	0	1900	119
Collections				
TOTAL	2184	0	2184	677

PAYMENTS

	Unrestricted	R & D	Total 2020	Total 2019
Church Activities	Note 5			
Holiday Clubs	127	0	127	1759
Brightnight	0	0	0	150
Childrens Resources	0	0	0	263
Teenagers	0	0	0	142
Alpha	<u>0</u>	<u>0</u>	<u>0</u>	<u>419</u>
TOTAL	<u>127</u>	<u>0</u>	<u>127</u>	<u>2733</u>

Church Running Costs	Note 6			
TV Licence	157	0	157	154
Water rates	664	0	664	596
			17	
Insurance	1787	0	87	1776
			35	
Electricity	3519	0	19	6264
	1			
Window Cleaning	00	0	100	224
Cleaning	565	0	565	1007
				6
Caretakers salary	6107	0	6107	048
Kitchen Supplies	24	0	24	215
			1292	
TOTAL	<u>12923</u>	<u>0</u>	<u>3</u>	<u>16284</u>

Church Building Costs	Note 7			
Equipment	24	0	24	410
Maintenance	120	0	120	981
Designated works	0	816	816	4745
			172	
Servicing/Repairs	1727	0	7	2516
	1871	816	2687	8652

Church Administration	Note 8			
Administrators Salary	4836	0	4836	4680
Photocopying	222	0	222	481

				1
Telephone/Broadband	1210	0	1210	267
Stationery	110	0	110	119
Postage	0	0	0	60
Bank Charges	60	0	60	122
	6438	0	6438	6729

Ministry

Note9

Music & Copyright	283	0	283	508
Service costs	124	0	124	233
Fees	23	0	23	125
Training/Expenses	642	0	642	816
				1
Events	0	0	0	531
TOTAL	1072	0	1072	3213

Mission

note
10

	2173		21	
Overseas Mission		0	73	449
Home Mission	0	0	0	46
	708			
Children's Society		69	777	1038
	1			
Thanet Winter Shelter	273	0	1273	1695
	415			
TOTAL	4	69	4223	3228

**R & D Fund Balances
2020**

	Repair s Designat ed	Missio n Designa te	total
Cash B/Fwd 1-1-2019	8565	69	8634
Income	0	0	0
Spending	816	69	885
Carried Forward	7749	0	7749