

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 2021**

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

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021 until the date of this report was approved are:

Vicar	Rev S. Gay
Lay Reader	Miss H. Rogers
Wardens	Mr. D. Amor (Treasurer)
	Mr K. Locking
Secretary	Rev. S. Gay
Deanery Synod Representatives	Mrs L. Oakley
Elected Members	Miss L. Carew-Jones (until APCM 17/05/21)
	Mrs. J. Rampall
	Mr. C. Woodcock
	Mrs D. Tully
	Miss S. Woolley
	Mr A. Leal
Standing Committee	Rev S. Gay
	Mr. D. Amor
	Miss H. Rogers

Independent Examiner

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. 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. 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.

Church attendance

The electoral roll is currently 81 (2020: - 83). 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 2021 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. The building was shut for a significant period and the Quinquennial review due during 2020 has still not taken place.

Regrettably we remain unable to pay, in full, the requested Parish Share. During 2021 we were able to contribute £44004 towards the requested sum of £75579. This means that the deficit continues to grow and at the end of 2021 it had reached £95000. This is unlikely to be reduced in the near future. In fact, I have to report that it will continue to grow as we remain unable to meet the requested share for 2022.

The Covid 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 in 2020. On top of this we have not been able to fully open the building for lettings which form a substantial part of our income. Sadly, this year we also lost several members of our church family who had donated by Standing Order. 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 £2700 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 and the Gift Aid that accompanies and supplements our service collections.

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 with an on-line facility. Sadly, the era of free charity banking has come to an end and as well as a monthly fee all cash and cheque transactions are subject to a charge. I am still resisting the pressure to use a card reader for donations and so on.

You will be aware that Mandy Smith who had worked in our office for many years left us to join her family in Northumberland. The PCC took the decision not to replace her with a paid person but to ask for volunteers to staff the office. This decision will no doubt be reviewed in due course.

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 2021

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 2021

CASH FUNDS AT 31 December 2021

	Unrestricted	R & D	Total 2021	Total 2020
Lloyds TSB Current Acc	21940	0	21940	21775
CAF Bank Current Acc	23359	6389	29748	31588
HSBC Bank Current Acc	13719	0	13719	1573
TOTALS	59018	6389	65407	54936

Approved by the PCC on 2022 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 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 discrepancies 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 any reasonable

cause to believe that, in any material respect, the requirements to keep accounting records in accordance with section 41

(1) (a) 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:
e:

10 Chartwell Grove
Sittingbourne
Kent ME10 1XD

**ST PHILIP'S NORTHDOWN PARK MARGATE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

		Unrestrict ed	R & D	Total 2021	Total 2020
RECEIPTS					
Planned giving	see note 1	44179	0	44179	48589
Income tax recovered		8350	0	8350	5192
HMRC - Job RS		2755	0	2755	5122
Other voluntary receipts	see note 2	14442	0	14442	9487
Receipts from Church				47	
activities	see note 3	4725	0	25	6699
Mission	see note 4	252	0	252	2184
				7470	
TOTAL INCOME		74703	0	3	77273

PAYMENTS

Church Activities					
Parish Share		44004	0	44004	56566
Church Activities	See note 5	0	0	0	127
Church Running Costs	see note 6	10618	0	10618	12923
		17			
Church Building Cost	see note 7	84	1360	3144	2687
Church Administration	See note 8	5449	0	5449	6438
Ministry Costs	see note 9	592	0	592	1072
Mission	See note 10	303	0	303	4223
Professional Fees		0	0	0	0
				6411	
TOTAL PAYMENTS		62750	1360	0	84036

TOTAL INCOME		74703		74703	77273
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		0		84
TOTAL EXPENDITURE	62750	-1360	64110	036
			1059	
Surplus/deficit	11953	-1360	3	-6763

	Unrestrict ed	R & D	Total 2021	Total 2020
RECEIPTS				
Planned Giving	Note 1			
SO Donations Gift Aid	34634	0	34634	34158
	92			
SO Donations	45	0	9245	10826
	30	0	300	
Other	0			3605
TOTAL	44179	0	44179	48589

Other voluntary receipts	note 2			
Service Collections	0	0	0	449
Collection Boxes	1741	0	1741	1655
Legacies	10000	0	10000	0
Donations	2701	0	2701	7383
TOTAL	14442	0	14442	9487

Receipts from Church activities	note 3			
Rent	4498	0	4498	5951
Service Fees	174	0	174	300
Photocopying/Advertising	0	0	0	0
Holiday Clubs	0	0	0	0
Noah's Ark	21	0	21	115
Kool Kids	32	0	32	74
Kitchen	0	0	0	74
Events	0	0	0	185

TOTAL	4725	0	4725	6699
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Fund Raising Mission

note
4

Home Mission	0	0	0	0
Children's Society	42	0	42	284
Overseas Mission	210	0		1900
Collections			210	
TOTAL	252	0	252	2184

PAYMENTS

	Unrestricted	R & D	Total 2021	Total 2020
Church Activities	Note 5			
Holiday Clubs	0	0	0	0
Brightnight	0	0	0	0
Childrens Resources	0	0	0	127
Teenagers	0	0	0	0
Alpha	0	0	0	0

TOTAL	0	0	<u>0</u>	<u>127</u>
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Church Running Costs

Note 6

TV Licence	159	0	159	157
Water rates	236	0	236	664
			18	
Insurance	1809	0	09	1787
			22	
Electricity	2249	0	49	3519
Window Cleaning	0	0	0	100
Cleaning	237	0	237	565
				61
Caretakers salary	5928	0	5928	07
Kitchen Supplies	0	0	0	24

TOTAL	10618	0	10618	12923
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Church Building Costs

Note 7

Equipment	902	0	902	24
Maintenance	329	0	329	120
Designated works	0	1360	1360	816
Servicing/Repairs	428	0	428	1727
Gardening	125	0	125	0

TOTAL	1784	1360	3144	2687
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Church Administration

Note 8

Administrators Salary	4272	0	4272	4836
Photocopying	56	0	56	222

				12
Telephone/Broadband	927	0	927	10
Stationery	36	0	36	110
Postage	47	0	47	0
			1	
Bank Charges	111	0	11	60
	5449	0	5449	6438

Ministry

Note9

Music & Copyright	292	0	292	283
Service costs	231	0	231	124
Fees	0	0	0	23
Training/Expenses	0	0	0	642
Adult Resources	69	0	69	0
Events	0	0	0	0

TOTAL	592	0	592	1072
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Mission

note
10

	303		30	
Overseas Mission		0	3	2173
Home Mission	0	0	0	0
	0			
Children's Society		0	0	777
Thanet Winter Shelter	0	0	0	1273

TOTAL	303	0	303	4223
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R & D Fund Balances 2021

Repair s Designat ed	Mission n Designa te	total
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Cash B/Fwd 1-1-2020	7749	0	7749
Income	0	0	0
Spending	1360	0	1360
Carried Forward	6389	0	6389