



St John & St Matthew South Hornchurch
Annual Financial Statements of the Parochial Church Council (PCC)
For the year ended 31st December 2020
(Including Independent Examination letter)

Registered Charity number:
1130670

Vicar (Chairperson of PCC):
Rev Kevin Browning
St John's & St Matthew's Vicarage
South End Road Rainham RM13 7XT

PCC Treasurer:
David Rogers
26 Cavendish Crescent Hornchurch RM12 5NT

Banks:
Barclays Bank PLC
36/38 South Street Romford RM1 1RH
and
Central Board of Finance of the Church of England
Senator House
85 Queen Victoria Street London EC4V 4ET

Independent Auditor:
Kevin Ogilvie
Charity Bookkeeping and Examination Services
13 Evelyns Close Uxbridge UB8 3LR

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St John's & St Matthew's Church South Hornchurch

Parochial Church Council (PCC) members who have served from January 2020 until the date this report was approved at APCM Thursday 20th May 2021.

Incumbent	Rev Kevin Browning
Church Wardens	David Rogers Glenda Morton (end 11/10/20) Ray Akuaku (start 11/10/20)
Elected Members	Sheree Hambelton Rowena Lawrence (start 11/10/20) Freddie Bloss (start 11/10/20) Henry Peck (start 11/10/20) Gladys Azeh (start 11/10/20) Jim Morton (start 11/10/20) Paul Evangeli (start 11/10/20 end 06/03/21) Annette Newman (end 11/10/20) Chris Langford (end 11/10/20) Sumaiea Charalambous (end 11/10/20) Ray Akuaku (end 11/10/20)
Deanery Synod	Robert Jones Roger Fall (start 11/10/20)
Missioner ex-officio	Mark Gilmore (start 11/10/20)

Parochial Church Council (PCC) Objective

Promoting in the ecclesiastical parish the whole mission of the church.

Parochial Church Councils (PCC) are governed by the provisions of the Synodical Government Measure 1969 and the Parochial Church Council (Powers) Measure 1956.

The Annual Parochial Church Meeting elects members of the Council. In addition, the ex-officio members include Clergy and Licensed Lay Workers, Churchwardens, representatives of the parish on the Deanery Synod and members of the Diocesan Synod and General Synod who are on the Electoral Roll of the parish.

A PCC has the following main powers and responsibilities: -

- To acquire, manage and administer property for ecclesiastical purposes affecting the parish (though the PCC itself cannot own property outright),
- To frame an annual budget required for the work of the Church.
- To approve the annual accounts and present them to the Annual Parochial Church Meeting.
- To make representations to the Bishop with regard to any matter affecting the welfare of the Church in the parish.
- To make representation about proposals concerning the parsonage house of the benefice.
- To be consulted about the appointment of a new incumbent.
- To be consulted about pastoral reorganisation affecting the parish.
- To be responsible for the provision of certain items of liturgical furniture in the church, prayer books, bible and legal registers.
- To be responsible for the care and repair of all churches, chapels, and churchyards within the parish.
- To be responsible for ensuring that safeguarding measures are implemented and that the parish safeguarding policy is followed.
- To be responsible for determining the policies and procedures for data processing and complying with data protection legislation.

Additional Financial responsibilities

Regulations require members of the PCC to prepare financial statements for each year which give a true and fair view of the state of affairs of the PCC at the end of the year and of the incoming and application of resources for the year then ended.

In preparing those financial statements the members of the PCC are required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are reasonable and prudent.

The members of the PCC are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the PCC and to enable them to ensure that the financial statements comply with the Church Accounting Regulations and the Charities Act. PCC are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC are responsible for managing the risks faced by the church by establishing appropriate systems or procedures to mitigate risks.

Charities Commission – The PCC have considered the Charity Commission's guidance on public benefit and in particular the guidance on charities for the advancement of religion when planning the activities for the year.

Accounting policies

The financial statements are prepared in accordance with accounting regulations and standards on accounting for Charities.

Funds – “Unrestricted” funds of the PCC are not subject to any restrictions regarding their use and are available for the application for the general purpose of the PCC. The “Restricted” funds of the PCC are subject to restrictions imposed by the donor at the time the funds were given to the PCC.

Financial statements - include transactions, assets, and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body or those that are informal gatherings of church members.

Incoming resources – collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised when received from the donor. The income tax recoverable on these Gift Aid donations is recognised at the same time as the underlying donation.

Grants and legacies – are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantified and its ultimate receipt by the PCC is reasonably certain. Funds raised from activities to further the PCC's objectives are accounted for by gross of expenses met by the PCC.

Dividends and Interest – included on a receipt's basis.

APCM PCC Treasurers Report 31st December 2020

“Bring the whole tithe into the storehouse. Test me in this “says the Lord Almighty, “and I will pour out so much blessing that there will not be enough room to store it”. Malachi 3 v10

Like so many others, St John and St Matthew's church was dramatically affected in church attendance, worship patterns and finance by the Coronavirus Pandemic. In addition, the effect on the Chelmsford Diocese funds meant that clergy posts were under threat, particularly those who could not meet their Parish Share.

To address this issue, a Finance Team met in August to develop a road map to determine the possibility of paying our share in full. Measures included a successful campaign to encourage people to give by standing order to offset the drop in weekly collections. We also received one off donations including one for £2,000 and this resulted in total giving increasing by £13,600 over 2019. Thank you to everyone for their faithfulness over a number of years and their combined effort to keep this church viable with a full-time minister.

Hall income dropped by £8,900 as the premises were shut down. However, we were able to negotiate a new more economic rate with our pre-school from September 2020 to July 2022, bringing in an additional £5,000 for each school year.

We also addressed our costs, particularly our bookkeeping and examination and payroll fees. In November 2020, we moved our bookkeeping from in house to a professional level with Data Development and our Independent Examiner to Charity Bookkeeping with a combined saving of £2,000.

Furlough payments from the Government of £3,000 also reduced our payroll costs and in April 2021, we will transfer our payroll to local accountants for a further saving of £280.

We also released £5,000 from our reserves and transferred £3,900 from designated funds and this combined with the above measures allowed us to pay our Parish Share in full at £50,100, the first time for four years... God is good!

The church has no debts.

Outlook for 2021: The measures we introduced in 2020 will mean that we will meet our commitments in 2021, particularly the Parish Share at £50,000. In addition, we believe that Hall Users will return along with the hiring out of spaces in our grounds for local traders. We believe that with God's blessing on our ongoing ministry to the community, we are on the path to becoming a sustainable church.

David Rogers
PCC Treasurer

Notes on the Accounts

Changes to accounting practices

The current income of the church is such that "Prepayments and Accruals" reporting is not required. "Receipts and Payments" reporting will be sufficient. PCC Standing Committee approved this change of accounting reporting on the 26th February 2021. Change to commence 1st January 2021 for year ending 31st December 2021.

Independent Examiner's Report to the Trustees of: St John and St Matthew South Hornchurch

I report on the accounts of the church for the year ended 31st December 2020 which are set out on finance pages of the Annual Report.

Respective Responsibilities of Trustees and Examiner

The church's trustees are responsible for the preparation of the accounts. The church's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act **2011** (the 2011 Act)) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act);
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- To state whether particular matters have come to my attention.

Basis of Independent Examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

Since the gross income for the year exceeds the amount provided in section 145(3) of the Act, I confirm that I am qualified to act as Independent Examiner under the provisions of that section of the Act and that my qualification is as shown below.

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Kevin Ogilvie
Charity Bookkeeping and Examination Services
13 Evelyns Close,
Hillingdon,
Middlesex,
UB8 3LR

Signed



Date 7th May 2020

Statement of Financial Activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
Income and endowments from:						
Donations and legacies	155	—	—	—	155	—
Income from charitable activities	61,687	—	110	—	61,797	61,520
Other trading activities	133	—	500	—	633	—
Investments	5	—	—	—	5	61
Other income	17,865	—	—	—	17,865	24,133
Total income	79,844	—	610	—	80,454	85,714
Expenditure on:						
Expenditure on charitable activities	60,764	50	511	—	61,325	43,899
Other expenditure	19,593	—	500	—	20,093	34,736
Total expenditure	80,357	50	1,011	—	81,418	78,635
Net income / (expenditure) resources before transfer	(513)	(50)	(401)	—	(964)	7,079
Transfers						
Gross transfers between funds - in	5,925	—	—	—	5,925	9,205
Gross transfers between funds - out	(2,000)	(3,925)	—	—	(5,925)	(9,205)
Other recognised gains / losses						
Net movement in funds	3,412	(3,975)	(401)	—	(964)	7,079
Total funds brought forward	16,922	11,751	7,903	—	36,576	29,497
Total funds carried forward	20,334	7,777	7,502	—	35,613	36,576

Balance sheet

Class and code	Description	This year	Last year
Current assets			
150001	Barclays Current account	4,577	25,168
150002	Barclays Saving accounts	20,000	—
150003	CBF Deposit Account	8,162	8,157
150013	Tiddlers Petty Cash	82	82
150014	Coffee Shop Petty Cash	—	—
Z05	Accounts Receivable	4,266	5,210
	Total Current assets	37,086	38,617
Liabilities			
6699	Agency collections	20	—
Z04	Accounts Payable	1,453	2,040
	Total Liabilities	1,473	2,040
	Net Asset surplus(deficit)	35,613	36,576
Reserves			
	Excess / (deficit) to date	(964)	7,079
Z01	Starting balances	36,576	29,497

Total Reserves	35,613	36,576
Represented by funds		
Unrestricted	20,334	16,922
Designated	7,777	11,751
Restricted	7,502	7,903
Endowment	—	—
Total	35,613	36,576

Accounts approved by the PCC on 31st March 2021 and signed on its behalf



Rev Kevin Browning (Chairperson of PCC)

Fund movement by type

	Opening	Incoming	Outgoing	Transfers	Gains/losses	Closing
General - General fund						
Unrestricted	16,922	79,844	80,357	3,925	—	20,334
Sub-total for General	16,922	79,844	80,357	3,925	—	20,334
LIGHTHOUSE - Childrens Ministry						
Restricted	2,733	—	—	—	—	2,733
Sub-total for LIGHTHOUSE	2,733	—	—	—	—	2,733
DEV - Church Development						
Designated	4,941	—	—	—	—	4,941
Restricted	507	—	—	—	—	507
Sub-total for DEV	5,448	—	—	—	—	5,448
EVAN - Evangelism/Outreach						
Designated	673	—	—	—	—	673
Sub-total for EVAN	673	—	—	—	—	673
HALLDEV - Hall Development						
Designated	4,005	—	—	(2,000)	—	2,005
Restricted	—	—	—	—	—	—
Sub-total for HALLDEV	4,005	—	—	(2,000)	—	2,005
JUBILEE - Charitable assistance						
Designated	158	—	—	—	—	158
Restricted	72	510	500	—	—	82
Sub-total for JUBILEE	230	510	500	—	—	240
MISSION - Mission						
Designated	1,975	—	50	(1,925)	—	—
Restricted	2,522	—	—	—	—	2,522
Sub-total for MISSION	4,497	—	50	(1,925)	—	2,522
NURTURE - Nurture new Christians						
Restricted	187	—	—	—	—	187
Sub-total for NURTURE	187	—	—	—	—	187
TRAINING - Assistance with training						
Restricted	728	—	—	—	—	728
Sub-total for TRAINING	728	—	—	—	—	728
TIDDLERS - Tiddlers						
Restricted	896	100	511	—	—	485
Sub-total for TIDDLERS	896	100	511	—	—	485
HARVEST - Training						

Restricted		258	—	—	—	—	258
Sub-total for HARVEST		258	—	—	—	—	258
Grand total		36,576	80,454	81,418	—	—	35,613

Analysis of income and expenditure

		<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u> <u>This year</u>	<u>Last year</u>
INCOME AND ENDOWMENTS							
Donations and legacies							
Anonymous Donations		155	—	—	—	155	—
Total		155	—	—	—	155	—
Income from charitable activities							
Tax claimable giving		50,130	—	—	—	50,130	36,928
Non tax claimable giving		660	—	—	—	660	178
Income Tax recovered		10,834	—	—	—	10,834	8,707
Church Collections		—	—	—	—	—	60
Tiddlers		—	—	100	—	100	1,777
Fellowship Events		48	—	—	—	48	3,275
Coffee shop		15	—	—	—	15	596
Hall Development		—	—	—	—	—	10,000
Jubilee fund		—	—	10	—	10	—
Total		61,687	—	110	—	61,797	61,520
Other trading activities							
Sundry/Misc credits		133	—	500	—	633	—
Total		133	—	500	—	633	—
Investments							
Interest		5	—	—	—	5	61
Total		5	—	—	—	5	61
Other income							
Fees-Banns-Funeral		239	—	—	—	239	340
Hall Letts		12,162	—	—	—	12,162	21,084
Church Rentals		2,170	—	—	—	2,170	1,552
Grants		250	—	—	—	250	—
Refreshments		—	—	—	—	—	27
Church Development		—	—	—	—	—	1,130
HMRC Furlough Scheme		3,044	—	—	—	3,044	—
Total		17,865	—	—	—	17,865	24,133
INCOME TOTAL		79,844	—	610	—	80,454	85,714

EXPENDITURE

Expenditure on charitable activities

Family Purse	50,103	—	—	—	50,103	26,400
Copyright Licence	286	—	—	—	286	279
Worship/Teaching books	—	—	—	—	—	856
Coffee shop	—	—	—	—	—	128
Mission (adhoc)	850	50	25	—	925	1,514
NI-Employee	—	—	—	—	—	122
NI-Church	—	—	—	—	—	(26)
Administrators Salary	9,025	—	—	—	9,025	9,866
Audit fees	500	—	—	—	500	1,140
Pledge envelopes	—	—	—	—	—	87
Evangelism outgoings	—	—	—	—	—	90
Tiddlers outgoings	—	—	486	—	486	1,868
Alpha Expenses	—	—	—	—	—	523
Fellowship events expenses	—	—	—	—	—	1,052
Total	60,764	50	511	—	61,325	43,899

Other expenditure

CH/Gas/Elec/ Water	2,351	—	—	—	2,351	2,277
Church maintenance	5,359	—	—	—	5,359	1,140
Church insurance	1,417	—	—	—	1,417	788
Postage	—	—	—	—	—	19
Stationery	616	—	—	—	616	867
Telephone	1,643	—	—	—	1,643	1,349
Miscellaneous expenses	643	—	500	—	1,143	1,942
Church development	—	—	—	—	—	14,988
Incumbants expenses	245	—	—	—	245	1,699
Cleaners salary/Cleaning supplies	912	—	—	—	912	2,066
Hall/Gas/Elec/Water	2,575	—	—	—	2,575	2,769
Hall maintenance	726	—	—	—	726	823
Refuse management	1,616	—	—	—	1,616	1,574
Hall Insurance	131	—	—	—	131	788
TV Licence	157	—	—	—	157	153
Payroll fees	180	—	—	—	180	464
Refreshments	71	—	—	—	71	449
Computer/Technology	951	—	—	—	951	580
Total	19,593	—	500	—	20,093	34,736

EXPENDITURE TOTAL	80,357	50	1,011	—	81,418	78,635
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GRAND TOTAL	(513)	(50)	(401)	—	(964)	7,079
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St John's church South Hornchurch

Jesus, to know Him and to make Him known

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