

Charity registration number: 1132139

# The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Field Sullivan Limited  
70 Royal Hill  
Greenwich  
SE10 8RF

# **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

## **Contents**

|                                      |          |
|--------------------------------------|----------|
| Reference and Administrative Details | 1 to 2   |
| Trustees' Report                     | 3 to 7   |
| Independent Examiner's Report        | 8 to 9   |
| Statement of Financial Activities    | 10 to 11 |
| Balance Sheet                        | 12       |
| Notes to the Financial Statements    | 13 to 25 |

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Reference and Administrative Details**

|                                    |  |
|------------------------------------|--|
| <b>Trustees</b>                    | Doreen Brooker   |
|                                    | Cilla Bartlett   |
|                                    | Wyn Kirkman  |
|                                    | Cathy Wardle   |
|                                    | Diana Robbins  |
|                                    | Bill Bishop  |
|                                    | Tamsin Griem   |
|                                    | Almut Belmain  |
|                                    | Jacqueline Cheeseborough   |
|                                    | Anne Smith (SPA)   |
|                                    | Jenny Standage   |
|                                    | Reverend Timothy Goode   |
|                                    | Marion Scott   |
|                                    | Simon Blackburn  |
|                                    | Eliot Williams   |
|                                    | Lesley Palgrave  |
|                                    | Fran Browne  |
|                                    | Amy Hunt   |
|                                    | Duncan Atkinson  |
|                                    | Amie Dotchin   |
|                                    | Nakessa Morgan   |
| <b>Principal Office</b>            | St Margaret's Visitor's Centre<br>Brandram Road<br>Lee<br>SE13 5EA |
| <b>Charity Registration Number</b> | 1132139  |

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Reference and Administrative Details**

#### **Bankers**

Barclays Bank UK PLC  
1 Churchill Place  
London  
E14 5HP

Lloyds Bank Plc  
Blackheath London  
25 Gresham Street  
London  
EC2V 7HN

Cambridge & Counties Bank  
Charnwood Court  
5B New Walk  
Leicester  
LE1 6TE

CCLA Fund Managers  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

#### **Independent Examiner**

Field Sullivan Limited  
70 Royal Hill  
Greenwich  
SE10 8RF

## The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

### Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2020.

#### Administrative information

The church of St Margaret of Antioch, Lee is part of the Diocese of Southwark within the Church of England. The correspondence address is: The Visitor's Centre, Brandram Road, London, SE13 5EA.

PCC members who served since 1 January 2020 until the date this report was approved are shown on page 1.

#### Structure, governance and management

The method of appointing PCC Member is set out in the Church Representation Rules. All Church members are encouraged to register on the Electoral Roll and stand for the PCC.

#### Objectives and Activities

The PCC met on six occasions during the year. The March 2020 meeting was cancelled due to COVID restrictions, and a separate meeting put in place. The Trustees were updated of urgent matters via correspondence.

Committees met between meetings and reports of their activities were considered and discussed by the PCC where necessary.

|                                | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020 |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|------|
| <b>Communicants</b>            |       |       |       |       |       |       |       |      |
| Easter                         | 134   | 160   | 137   | 132   | 131   | 155   | 159   | N/A* |
| Christmas                      | 197   | 179   | 169   | 166   | 111   | 181   | 145   | 99   |
| Total for the year             | 4,097 | 3,751 | 3,798 | 3,601 | 3,053 | 3,647 | 3,098 | N/A* |
| <b>Baptisms</b>                | 5     | 11    | 15    | 19    | 11    | 7     | 16    | 1    |
| <b>Received into communion</b> | 8     | 3     | -     | -     | -     | -     | -     | -    |
| <b>Confirmations</b>           | 5     | -     | 3     | 9     | -     | -     | 6     | -    |
| <b>Weddings</b>                | 3     | 7     | 3     | 4     | 4     | 1     | 1     | 1    |
| <b>Electoral rolls</b>         | 150   | 141   | 152   | 128   | 108   | 109   | 108   | 108  |

\* Covid impacted ability to provide accurate data across on-site and online services.

#### Outward Giving

Donations were received during the year for the following:

St Margaret's School Extra  
Curricular activities £1715

Mayor of Lewisham Charity: 999  
Club £150 Christmas & Carol services

Mayor of Lewisham Charity:  
Voluntary Services Lewisham £150 Christmas & Carol services

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Trustees' Report**

Food was collected throughout the year and particularly at Harvest for distribution via LewCAS (Lewisham Churches for Asylum Seekers).

#### **Review of the Year 2020**

The Church continues as a vibrant worshipping community with a significant growth in both online and onsite congregation numbers. In April 2020, following the announcement of national lockdown measures and the subsequent closure of church, services moved online as well as being available to attend in person when COVID restrictions allowed. We have continued to maintain a regular pattern of Sunday services at 10.30am and 6pm, and also amended and increased our weekday services to include daily Morning and Night Prayer at 9am and 9pm respectively. Our 8am BCP Eucharist also continues in person, when permitted, with a committed congregation. We also provide a monthly Eucharist at the two residential care homes in the parish, Leah Lodge and Rectory Court. This has been an initial response to our vision of being a worshipping community seven days a week. We have also added a weekly Bible study group 'Open to God' on Monday evenings and a fortnightly Iona Prayers also on Monday evenings.

We have held a number of outdoor services in the Churchyard this year; including the St Margaret's day celebrations and a Remembrance Sunday service.

The choir continues to thrive and support the worshipping life of the Church, through a mixture of recordings for online worship and live singing of various configurations according to COVID regulations of the time. A full complement of four adult Choral Scholars across all voice parts were recruited this year. Weekly rehearsals for the junior and adult choirs moved online from March, providing a regular opportunity for group singing.

We continue to offer Children's Church, Crèche and monthly all-age and 9am family service in order to cater for the younger members of our community and their families, although some of these activities were suspended due to COVID restrictions. Weekly Children's Church activities via email and discussion via a WhatsApp group continue when we are unable to meet in person. Youth group also meets weekly either in person or online. Both the Toddler groups we support on Mondays and Wednesday at the Kingswood Halls and Rucksack toddler music group in the crypt on Friday's stopped in 2020 due to COVID. However, we plan to resume these as soon as it is safe to do so. Our long-established Darby and Joan club continues with good attendance providing a place for support and companionship.

New initiatives include online worship, which includes both weekday and Sunday Services as outlined in the first paragraph. Steps towards becoming a fully open-church began with the implementation of open church private prayer sessions on Tuesdays and Thursdays 11am-12 noon and on Sunday evenings for drop-in private prayer and contemplation. These sessions, which are also available online, are interspersed with short prayers led by the Rector or Curate, and are supplemented by YouTube videos and socially distanced services to the care homes.

Outreach remains an important part of Church life. We have continued to work in the community with our Dacre Dig Garden Project, led by a professional gardener. In the first year of this project, the sites were cleared, planters made and planting began with a herb garden, shrubs and daffodils for Mother's Day. Progress has been hampered by COVID restrictions. However, further plans for the Garden Project include sharing food grown with the local community and implementing insect and wildflower plots, to complement our commitment to environment protection and our Eco-Church awards (already silver and gold.)

New outreach initiatives include funding bursaries for vulnerable children and families from St Margaret's School to attend holiday clubs and peripatetic music lessons.

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Trustees' Report**

Regrettably, our work with refugees and asylum seekers via our links with Action for Refugees in Lewisham came to an end in March 2020 following the onset of COVID restrictions and the subsequent resignation of the Outreach Project Worker. However, we continue our longstanding support of LewCAS (Lewisham Churches for Asylum Seekers) by collecting food donations via a basket at the back of church. We are actively planning new partnerships and further opportunities for growth of our outreach in 2021. Following the easing of COVID restrictions we plan to include support groups and baby banks for vulnerable families with young children, restarting our weekly baby and toddler playgroups and music groups and building on the success of our garden project and bursaries scheme.

A review of our business operations was undertaken in 2019 and a new part-time caretaker was recruited at the beginning of 2020 from hours funded by a newly agreed part-time Events and Facilities Manager role. Quinquennial roof repairs and replacement church lighting were completed in Autumn 2020.

St Margaret's remains a vibrant church community with an ongoing vision and commitment to engagement with all the local community.

#### **Financial Review**

We have two main sources of income. 55% comes from voluntary income given by the members of the congregation either through regular giving by standing order, the church plate on Sundays (now also online) or special collections and appeals. In 2020 this amounted to £113,724. The other main source of income comes from charitable activities which comprises of rental income from users of the church buildings, fees and other trading activities. In 2020 this amounted to £78,216.

In 2020 total expenditure amounted to £287,281. The largest single item of expenditure was £82,000 given to the Diocesan Parish Support, to contribute towards the cost of clergy (stipend, training, pension and housing) and other projects across the diocese. In 2020 our staffing levels went down to 4 paid part-time staff members. Although our Outreach position was discontinued due to Covid impacts, we took the decision to employ an experienced part time Finance Officer/Treasurer to formally manage the finance function. The total cost of staff was £78,642 (inc. National insurance and Pension contributions). The combined cost of running the church building (£29,971) and separate halls (£17,273 hall running expenses) amounted to £47,244. Other costs are itemised in the notes to the accounts.

In planning for the significant future church repair works, the PCC continues to designate income for this purpose. £32,931 was paid for architect and other professional fees during the year. The current designated fund allocated stands at a total of £205,096. No contracts have been entered into at this stage with regards to building works or action points from the quinquennial report. This is mainly due to awaiting for completion of the 2021 quinquennial review to ensure any new needs are noted, reviewed and addressed together. We are also in constant communication with our architects to ensure we put together a building project that includes the action points from the 2016 quinquennial (with inclusion of any new areas of concern that may be raised in the 2021 review) and a modernizing and restructuring of our present facilities to aid the mission of the church.

#### **Reserves policy and going concern**

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure.

The general reserve is held at a level which equates to approximately 10 months running costs of the church. At 31st December the fund stands at £278,952 (2019: £58,530).

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Trustees' Report**

The maintenance and development of a grade 2\* listed building is a significant undertaking and the trustees have designated funds accordingly over recent years. As at 31st December 2020 the reserve stands at an adjusted value of £205,096. Action points have been identified in the quinquennial report and the trustees are in consultation with architects and other professionals.

The trustees have reviewed the circumstances of the charity and consider that adequate resources will be able to cover the charity's requirements for working capital and capital expenditure for at least the next twelve months. They are not aware of any other factors which could put into jeopardy the charity's going concern status during or beyond this period.

#### **Risk review**

The PCC members have reviewed the financial and other risks facing the church. They have ensured that when risks are identified, necessary steps are taken to mitigate those risks.

#### **COVID-19 2020 Assessment and 2021 Review**

Our face to face church activity ceased on March 19th. Our business offices closed on 19th March. Our Parish Administrator and Facilities Manager remained on payroll and commenced 'Working from Home' status at this point administering church business in a 'COVID context' (supporting online church service provision, ensuring isolated members were contacted, writing online communications, retaining online commitment to and with hirers, setting facilities and building projects for business re-start.)

Online weekly Eucharists were immediately set-up, attracting over 1,000 views a week, enabling new and old parishioners that do not live in the area to partake in the church service offerings. Voluntary income mainly through the church plate stopped. We set up an online giving platform that has enabled voluntary donations.

Halls, Church and Crypt hires were suspended late March following COVID restrictions, with only childcare businesses and Darby & Joan permitted to meet.

There has been significant impact in our 2020 accounts. The main area of impact was rental income due to the government lock-down directive to close interactive business activity. 2020 income vs 2019 was down 38%. The on-going Covid-19 lockdown rules from Q2 going into Q3 and Q4 meant a continued loss of rental income which was down from £153k in 2019 to £77k in 2020 and £33k from other activities. Overall 2020 expenditure was in line with 2019 expenditure and there appears to be no Covid affect upon this.

2021 started with lockdown in situ with an immediate effect on budgeted income presented. With the ongoing changing government guidelines on business activities, the 2021 budget has been put together on the basis of continued Covid disruption to all services until late 2021. Regular giving has continued to be constant during this time and ad-hoc maintenance works and repairs is forecasted to be less than prior years due to more recent works having taken place. On this basis a cash loss of £88k is budget. This is due to the continued reduced income from lettings. With reserves of £496K we see no concerns with the going concern status of the church at the present time.



## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Trustees' Report**

#### **Statement of Trustees' Responsibilities**

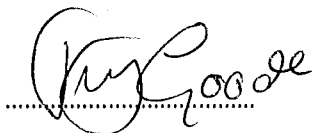
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity for that period. 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 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Tim Goode', written over a dotted line.

Rev Timothy Goode

(Rector of St Margaret's Lee)

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Independent Examiner's Report to the trustees of The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this 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 charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

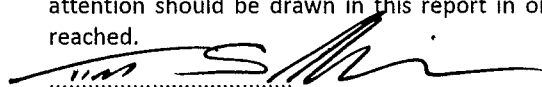
An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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

I have completed my examination. I confirm that no material 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 Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Tim Sullivan  
Field Sullivan Limited  
70 Royal Hill  
Greenwich  
SE10 8RF

4/5/21

**The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

**Independent Examiner's Report to the trustees of The Parochial Church Council of the  
Ecclesiastical Parish of St. Margaret of Antioch, Lee**

Date:.....

The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

Statement of Financial Activities for the Year Ended 31 December 2020

|                                    | Note | Unrestricted<br>£ | Restricted<br>£ | Total<br>2020<br>£ | Unrestricted<br>£ | Restricted<br>£ | Total<br>2019<br>£ |
|------------------------------------|------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| <b>Income and Endowments from:</b> |      |                   |                 |                    |                   |                 |                    |
| Donations and legacies             | 3    | 113,574           | 150             | 113,724            | 128,571           | 3,680           | 132,251            |
| Charitable activities              | 4    | 61,897            | -               | 61,897             | 122,494           | -               | 122,494            |
| Other trading activities           |      | 16,319            | -               | 16,319             | 33,557            | -               | 33,557             |
| Investment Income                  | 6    | 5,816             | 879             | 6,695              | 6,157             | 868             | 7,025              |
| Total Income                       |      | <u>197,606</u>    | <u>1,029</u>    | <u>198,635</u>     | <u>290,779</u>    | <u>4,548</u>    | <u>295,327</u>     |
| <b>Expenditure on:</b>             |      |                   |                 |                    |                   |                 |                    |
| Raising funds                      |      | (368)             | -               | (368)              | (1,458)           | -               | (1,458)            |
| Charitable activities              | 8    | <u>(269,640)</u>  | <u>(17,273)</u> | <u>(286,913)</u>   | <u>(284,168)</u>  | <u>(5,440)</u>  | <u>(289,608)</u>   |
| Total expenditure                  |      | <u>(270,008)</u>  | <u>(17,273)</u> | <u>(287,281)</u>   | <u>(285,626)</u>  | <u>(5,440)</u>  | <u>(291,066)</u>   |
| Gains/losses on Investment assets  |      | -                 | 1,774           | 1,774              | -                 | 4,411           | 4,411              |
| Net (expenditure)/Income           |      | (72,402)          | (14,470)        | (86,872)           | 5,153             | 3,519           | 8,672              |
| Gross transfers between funds      |      | -                 | -               | -                  | (4,500)           | 4,500           | -                  |
| Net movement in funds              |      | (72,402)          | (14,470)        | (86,872)           | 653               | 8,019           | 8,672              |
| <b>Reconciliation of funds</b>     |      |                   |                 |                    |                   |                 |                    |
| Total funds brought forward        |      | <u>556,450</u>    | <u>66,255</u>   | <u>622,705</u>     | <u>555,797</u>    | <u>58,236</u>   | <u>614,033</u>     |
| Total funds carried forward        | 17   | <u>484,048</u>    | <u>51,785</u>   | <u>535,833</u>     | <u>556,450</u>    | <u>66,255</u>   | <u>622,705</u>     |

**The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

**Statement of Financial Activities for the Year Ended 31 December 2020**

All of the charity's activities derive from continuing operations during the above two periods.

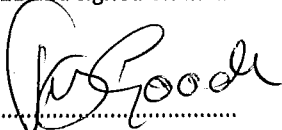
The funds breakdown for 2019 is shown in note 17.

**The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

**(Registration number: 1132139)  
Balance Sheet as at 31 December 2020**

|   | Note | 2020<br>£       | 2019<br>£       |
|---|------|-----------------|-----------------|
| <b>Fixed assets</b>                                   |      |                 |                 |
| Investments   | 12   | 30,469          | 28,694          |
| <b>Current assets</b>                                 |      |                 |                 |
| Debtors   | 13   | 35,579          | 37,099          |
| Cash at bank and in hand                              | 14   | 489,425         | 573,337         |
|   |      | <u>525,004</u>  | <u>610,436</u>  |
| <b>Creditors: Amounts falling due within one year</b> | 15   | <u>(19,640)</u> | <u>(16,425)</u> |
| <b>Net current assets</b>                             |      | <u>505,364</u>  | <u>594,011</u>  |
| <b>Net assets</b>                                     |      | <u>535,833</u>  | <u>622,705</u>  |
| <b>Funds of the charity:</b>                          |      |                 |                 |
| <b>Restricted</b>                                     |      | <u>51,785</u>   | <u>66,255</u>   |
| <b>Unrestricted income funds</b>                      |      |                 |                 |
| Designated funds                                      |      | 205,096         | 497,920         |
| General funds   |      | <u>278,952</u>  | <u>58,530</u>   |
| Total unrestricted                                    |      | <u>484,048</u>  | <u>556,450</u>  |
| <b>Total funds</b>                                    | 17   | <u>535,833</u>  | <u>622,705</u>  |

The financial statements on pages 10 to 25 were approved by the trustees, and authorised for issue on 25 April 2021 and signed on their behalf by:

  
 .....  
 Reverend Timothy Goode  
 Trustee

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **1 Charity status**

The charity is domiciled in England and Wales.

The address of its registered office is:

St Margaret's Visitor's Centre  
SE13 5EA

These financial statements were authorised for issue by the trustees on 25 April 2021.

#### **2 Accounting policies**

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### ***Donations and legacies***

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Taxation***

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### ***Tangible fixed assets***

Consecrated property which is the church building and moveable church furnishings are excluded from the accounts by virtue of s. 10 Charities Act 2011. All expenditure incurred during the year on consecrated or benefice building and moveable church furnishings, whether maintenance or improvement, is written off.

Apart from the above, the PCC has stewardship over certain properties and other assets of material value. This includes, but is not restricted to, the Kingswood Halls and the Visitor's Centre. The PCC has exercised its option under the Charities SORP not to reflect the value of these assets as fixed assets in the balance sheet as it is considered that significant costs would be involved which would be onerous compared with the additional benefit derived by the users of the accounts in assessing the PCC's stewardship of the assets.



## **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Trade debtors**

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

## The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

### Notes to the Financial Statements for the Year Ended 31 December 2020

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Income from donations and legacies

|                                   | Unrestricted   |            | Total          | Total          |
|-----------------------------------|----------------|------------|----------------|----------------|
|                                   | General        | Restricted | 2020           | 2019           |
|                                   | £              | £          | £              | £              |
| Donations and legacies;           |                |            |                |                |
| Donations from individuals        | 15,870         | 150        | 16,020         | 26,178         |
| Gift aid reclaimed                | 19,131         | -          | 19,131         | 22,626         |
| Grants, including capital grants; |                |            |                |                |
| Grants from other charities       | (54)           | -          | (54)           | 2,671          |
| Financial stewardship             | 78,627         | -          | 78,627         | 80,776         |
|                                   | <u>113,574</u> | <u>150</u> | <u>113,724</u> | <u>132,251</u> |

#### 4 Income from charitable activities

|               | Unrestricted  |  | Total         | Total          |
|---------------|---------------|--|---------------|----------------|
|               | General       |  | 2020          | 2019           |
|               | £             |  | £             | £              |
| Rental income | 55,609        |  | 55,609        | 113,841        |
| Other income  | 6,288         |  | 6,288         | 8,653          |
|               | <u>61,897</u> |  | <u>61,897</u> | <u>122,494</u> |

**The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**5 Income from other trading activities**

|                         | <b>Unrestricted</b> |               |               |
|-------------------------|---------------------|---------------|---------------|
|                         | <b>General</b>      | <b>Total</b>  | <b>Total</b>  |
|                         | <b>£</b>            | <b>2020</b>   | <b>2019</b>   |
|                         |                     | <b>£</b>      | <b>£</b>      |
| Events income;          |                     |               |               |
| Other events income     | -                   | -             | 2,257         |
| Telecommunications Mast | 14,300              | 14,300        | 14,300        |
| Car park                | 2,019               | 2,019         | 17,000        |
|                         | <u>16,319</u>       | <u>16,319</u> | <u>33,557</u> |

**6 Investment income**

|                                      | <b>Unrestricted</b> |                   |              |
|--------------------------------------|---------------------|-------------------|--------------|
|                                      | <b>General</b>      | <b>Restricted</b> |              |
|                                      | <b>£</b>            | <b>£</b>          |              |
|                                      |                     |                   | <b>Total</b> |
|                                      |                     |                   | <b>2020</b>  |
|                                      |                     |                   | <b>£</b>     |
|                                      |                     |                   | <b>Total</b> |
|                                      |                     |                   | <b>2019</b>  |
|                                      |                     |                   | <b>£</b>     |
| Interest receivable and similar      |                     |                   |              |
| income;                              |                     |                   |              |
| Interest receivable on bank deposits | 5,816               | -                 | 5,816        |
| Income from unlisted investments     | -                   | -                 | -            |
| Income from unlisted investments     | -                   | 879               | 879          |
|                                      | <u>5,816</u>        | <u>879</u>        | <u>6,695</u> |
|                                      |                     |                   | <u>7,025</u> |

**7 Expenditure on raising funds**

**a) Costs of generating donations and legacies**

|  | <b>Unrestricted</b> |              |              |
|--|---------------------|--------------|--------------|
|  | <b>General</b>      | <b>Total</b> | <b>Total</b> |
|  | <b>£</b>            | <b>2020</b>  | <b>2019</b>  |
|  |                     | <b>£</b>     | <b>£</b>     |
|  | <b>Note</b>         |              |              |
| Concerts, events and fundraising activities cost | 368                 | 368          | 1,458        |

# The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 8 Expenditure on charitable activities

|                                  | Note | Total<br>2020<br>£ | Total<br>2019<br>£ |
|----------------------------------|------|--------------------|--------------------|
| Diocesan Parish Support          |      | 82,000             | 79,000             |
| Interregnum fees                 |      | 1,301              | 840                |
| Hall repairs and maintenance     |      | -                  | 10,623             |
| Hall running expenses            |      | 17,273             | 26,727             |
| Car park rates                   |      | 3,027              | 2,652              |
| Church running expenses          |      | 29,971             | 26,168             |
| Director of music and organists  |      | 6,570              | 6,550              |
| Choir and music                  |      | 1,583              | 2,155              |
| Organ expenses                   |      | 2,286              | 1,603              |
| Garden maintenance               |      | 3,974              | -                  |
| Church maintenance               |      | 13,133             | 12,823             |
| Website and IT equipment         |      | 1,279              | 1,126              |
| Readers and SPA costs            |      | -                  | 48                 |
| Clergy expenses                  |      | 406                | 484                |
| Appeals                          |      | 2,650              | 3,412              |
| Printing, postage and stationery |      | 5,293              | 7,421              |
| Youth group                      |      | -                  | 166                |
| Sundries                         |      | 1,464              | 4,843              |
| ESOL classes                     |      | -                  | 3,911              |
| Independent examination          |      | 1,782              | 1,674              |
| Legal and professional           |      | 34,065             | 21,230             |
| Bank charges                     |      | 214                | 388                |
| Staff costs                      | 10   | 78,642             | 75,764             |
|                                  |      | <u>286,913</u>     | <u>289,608</u>     |

£269,640 (2019 - £284,168) of the above expenditure was attributable to unrestricted funds and £17,273 (2019 - £5,440) to restricted funds.

## The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 9 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Duncan Atkinson**

Duncan Atkinson received remuneration of £6,120 (2019: £6,110) during the year.

Duncan Atkinson is the Director of Music, as well as a trustee, and he was paid the above for provision of music.

##### **Guy Buckland**

Guy Buckland received remuneration of £Nil (2019: £25,288) during the year.

Guy Buckland was the Facilities Manager, as well as a trustee. He resigned from the Board on 21 May 2020.

##### **Nakessa Morgan**

Nakessa Morgan received remuneration of £1,760 (2019: £Nil) during the year.

Nakessa Morgan was appointed as a Finance Officer, as well as a trustee during the year. She was paid the above for her Finance Officer position.

##### **Amie Dotchin**

Amie Dotchin received remuneration of £13,681 (2019: £Nil) during the year.

Amie Dotchin was appointed as the PCC Secretary, as well as a trustee during the year. She was paid the above for her Parish Administrator position.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 10 Staff costs

The aggregate payroll costs were as follows:

|  | 2020<br>£     | 2019<br>£     |
|--|---------------|---------------|
| <b>Staff costs during the year were:</b> |               |               |
| Wages and salaries                       | 71,174        | 68,955        |
| Social security costs                    | 1,351         | 2,329         |
| Pension costs                            | 6,117         | 4,480         |
|  | <u>78,642</u> | <u>75,764</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

|                       | 2020<br>No | 2019<br>No |
|-----------------------|------------|------------|
| Charitable activities | <u>5</u>   | <u>6</u>   |

4 (2019 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

# **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

No employee received emoluments of more than £60,000 during the year

### **11 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

### **12 Fixed asset investments**

|                            | <b>2020</b>   | <b>2019</b>   |
|----------------------------|---------------|---------------|
|                            | <b>£</b>      | <b>£</b>      |
| Other unlisted investments | <u>30,469</u> | <u>28,694</u> |

#### **Other investments**

|                          | <b>Unlisted<br/>investments<br/>£</b> | <b>Total<br/>£</b> |
|--------------------------|---------------------------------------|--------------------|
| <b>Cost or Valuation</b> |                                       |                    |
| At 1 January 2020        | 28,694                                | 28,694             |
| Revaluation              | <u>1,775</u>                          | <u>1,775</u>       |
| At 31 December 2020      | <u>30,469</u>                         | <u>30,469</u>      |
| <b>Net book value</b>    |                                       |                    |
| At 31 December 2020      | <u>30,469</u>                         | <u>30,469</u>      |
| At 31 December 2019      | <u>28,694</u>                         | <u>28,694</u>      |

### **13 Debtors**

|               | <b>2020</b>   | <b>2019</b>   |
|---------------|---------------|---------------|
|               | <b>£</b>      | <b>£</b>      |
| Prepayments   | 4,297         | 4,203         |
| Other debtors | <u>31,282</u> | <u>32,896</u> |
|               | <u>35,579</u> | <u>37,099</u> |

**The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**14 Cash and cash equivalents**

|              | <b>2020</b>    | <b>2019</b>    |
|--------------|----------------|----------------|
|              | <b>£</b>       | <b>£</b>       |
| Cash at bank | <u>489,425</u> | <u>573,337</u> |

**15 Creditors: amounts falling due within one year**

|                                    | <b>2020</b>   | <b>2019</b>   |
|------------------------------------|---------------|---------------|
|                                    | <b>£</b>      | <b>£</b>      |
| Trade creditors                    | 1,763         | -             |
| Other taxation and social security | 2,527         | -             |
| Other creditors                    | 11,274        | 4,275         |
| Accruals                           | <u>4,076</u>  | <u>12,150</u> |
|                                    | <u>19,640</u> | <u>16,425</u> |

**16 Pension and other schemes**

**Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £6,117 (2019 - £4,480).

The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

Notes to the Financial Statements for the Year Ended 31 December 2020

17 Funds

|                                | Balance at 1<br>January 2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | Other<br>recognised<br>gains/(losses)<br>£ | Balance at 31<br>December<br>2020<br>£ |
|--------------------------------|-----------------------------------|----------------------------|----------------------------|----------------|--|--|
| <b>Current period</b>          |                                   |                            |                            |                |  |  |
| <b>Unrestricted</b>            |                                   |                            |                            |                |  |  |
| <i>General</i>                 |                                   |                            |                            |                |  |  |
| General Funds                  | 58,530                            | 197,606                    | (235,942)                  | 258,758        | -  | 278,952                                |
| <i>Designated</i>              |                                   |                            |                            |                |  |  |
| St Margarets Building Fund     | 497,920                           | -                          | (34,066)                   | (258,758)      | -  | 205,096                                |
| <b>Total unrestricted</b>      | <b>556,450</b>                    | <b>197,606</b>             | <b>(270,008)</b>           | <b>-</b>       | <b>-</b>                                   | <b>484,048</b>                         |
| <b>Restricted</b>              |                                   |                            |                            |                |  |  |
| Brandram Prize Fund            | 4,921                             | -                          | -                          | -              | 26   | 4,947                                  |
| Fabric Fund - North West Porch | 7,617                             | -                          | -                          | -              | -  | 7,617                                  |
| Kingswood Halls Fund           | 44,787                            | 879                        | (17,273)                   | -              | 1,748                                      | 30,141                                 |
| Music Fund                     | 360                               | 150                        | -                          | -              | -  | 510                                    |
| St Margarets Building Fund     | 3,256                             | -                          | -                          | -              | -  | 3,256                                  |
| ESOL Classes                   | 4,269                             | -                          | -                          | -              | -  | 4,269                                  |
| Syrian Refugees Fund           | 1,045                             | -                          | -                          | -              | -  | 1,045                                  |
|                                | <b>66,255</b>                     | <b>1,029</b>               | <b>(17,273)</b>            | <b>-</b>       | <b>1,774</b>                               | <b>51,785</b>                          |
| <b>Total funds</b>             | <b>622,705</b>                    | <b>198,635</b>             | <b>(287,281)</b>           | <b>-</b>       | <b>1,774</b>                               | <b>535,833</b>                         |



The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee

Notes to the Financial Statements for the Year Ended 31 December 2020

Previous period

|                                | Balance at 1<br>January 2019<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | Other<br>recognised<br>gains/(losses)<br>£ | Balance at 31<br>December<br>2019<br>£ |
|--------------------------------|-----------------------------------|----------------------------|----------------------------|----------------|--|--|
| <b>Unrestricted</b>            |                                   |                            |                            |                |  |  |
| <i>General</i>                 |                                   |                            |                            |                |  |  |
| General Funds                  | 57,877                            | 290,779                    | (285,626)                  | (4,500)        | -  | 58,530                                 |
| <i>Designated</i>              |                                   |                            |                            |                |  |  |
| St Margarets Building Fund     | 497,920                           | -                          | -                          | -              | -  | 497,920                                |
| <b>Total unrestricted</b>      | <b>555,797</b>                    | <b>290,779</b>             | <b>(285,626)</b>           | <b>(4,500)</b> | <b>-</b>                                   | <b>556,450</b>                         |
| <b>Restricted</b>              |                                   |                            |                            |                |  |  |
| Brandram Prize Fund            | 562                               | 13                         | -                          | -              | 65   | 640                                    |
| Fabric Fund - North West Porch | 7,617                             | -                          | -                          | -              | -  | 7,617                                  |
| Kingswood Halls Fund           | 43,867                            | 855                        | -                          | -              | 4,346                                      | 49,068                                 |
| Music Fund                     | 1,889                             | -                          | (1,529)                    | -              | -  | 360                                    |
| St Margarets Building Fund     | 3,256                             | -                          | -                          | -              | -  | 3,256                                  |
| ESOL Classes                   | -                                 | 3,680                      | (3,911)                    | 4,500          | -  | 4,269                                  |
| Syrian Refugees Fund           | 1,045                             | -                          | -                          | -              | -  | 1,045                                  |
|                                | <b>58,236</b>                     | <b>4,548</b>               | <b>(5,440)</b>             | <b>4,500</b>   | <b>4,411</b>                               | <b>66,255</b>                          |
| <b>Total funds</b>             | <b>614,033</b>                    | <b>295,327</b>             | <b>(291,066)</b>           | <b>-</b>       | <b>4,411</b>                               | <b>622,705</b>                         |

**The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

The specific purposes for which the funds are to be applied are as follows:

**Purposes of Designated Funds:**

St Margarets Building Fund, is to finance improvements and repairs to the internal and external fabric of the Church.

**Purposes of Restricted Funds:**

Brandum Prize Fund represents the value of Brandram Prize Fund held under investments.

Fabric Fund represents donations received towards cost of improvement works to the North West entrance.

Kingswood Halls Fund represents value of Lee St Margaret Parish Room Fund held under investments and donations received towards repairs and Improvements to Kingswood Halls.

Music Fund represents donations received towards the cost of certain expenditure relating to church music.

St Margarets Building Fund, represents donations and legacies received towards major improvement works to the internal and external fabric of the Church.

ESOL Classes Fund, represents donations and grants received towards funding ESOL classes (English for Speakers of Other Languages).

# **The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **18 Analysis of net assets between funds**

#### **Current period**

|                         | Unrestricted funds |                | Restricted funds | Total funds    |
|-------------------------|--------------------|----------------|------------------|----------------|
|                         | General            | Designated     |                  | 2020           |
|                         | £                  | £              | £                | £              |
| Fixed asset investments | -                  | -              | 30,469           | 30,469         |
| Current assets          | 298,592            | 205,096        | 21,316           | 525,004        |
| Current liabilities     | (19,640)           | -              | -                | (19,640)       |
| Total net assets        | <u>278,952</u>     | <u>205,096</u> | <u>51,785</u>    | <u>535,833</u> |

#### **Previous period**

|                         | Unrestricted funds |                | Restricted funds | Total funds    |
|-------------------------|--------------------|----------------|------------------|----------------|
|                         | General            | Designated     |                  | 2019           |
|                         | £                  | £              | £                | £              |
| Fixed asset investments | -                  | -              | 28,694           | 28,694         |
| Current assets          | 74,955             | 497,920        | 37,561           | 610,436        |
| Current liabilities     | (16,425)           | -              | -                | (16,425)       |
| Total net assets        | <u>58,530</u>      | <u>497,920</u> | <u>66,255</u>    | <u>622,705</u> |

### **19 Covid**

Our face to face church activity ceased on March 2020. Online weekly Eucharists were immediately set-up, attracting over 1,000 views a week, enabling new and old parishioners that do not live in the area to partake in the church service offerings. Voluntary income mainly through the church plate stopped. We set up an online giving platform that has enabled voluntary donations. Halls, Church and Crypt hires were suspended late March following COVID restrictions.

There has been significant impact in our 2020 accounts. The main area of impact was rental income; expenditure was in line with 2019 expenditure and there appears to be no Covid affect upon this.

With reserves of £496K we see no concerns with the going concern status of the church at the present time.