

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 2021

Field Sullivan Limited  
70 Royal Hill  
Greenwich  
SE10 8RF

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

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

### **Reference and Administrative Details**

<b>Trustees</b>	Reverend Timothy Goode
	Jenny Standage
	Reverend Joan Burkitt-Gray
	Reverend Daniel Walker
	Lesley Palgrave
	Marion Scott
	Wyn Kirkman
	Rosie Mundt-Leach
	Bill Bishop
	Duncan Atkinson
	Simon Blackburn
	Tamsin Griem
	Robin Quinnell
	Almut Belmain
	Fran Browne
	Joanne Woodall
	Mbessan Sarr
	Adrian Moore
	Cathy Wardle
	Bianca Johnson
<b>Charity Registration Number</b>	David Knight
	Nakessa Morgan
<b>Principal Office</b>	1132139
	St Margaret's Visitor's Centre
	Brandram Road
	Lee
<b>Independent Examiner</b>	SE13 5EA
	Field Sullivan Limited
	70 Royal Hill
	Greenwich
	SE10 8RF

## **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

# 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 2021.

### 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 2021 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: 26 January; 23 March; 18 May; 13 July; 21 September; 23 November.

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	2021
<b>Communicants</b>									
Easter	134	160	137	132	131	155	159	N/A*	83
Christmas	197	179	169	166	111	181	145	99	95
Total for the year	4,097	3,751	3,798	3,601	3,053	3,647	3,098	N/A	N/A*
<b>Baptisms</b>	5	11	15	19	11	7	16	1	10
<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	2
<b>Electoral rolls</b>	150	141	152	128	108	109	108	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 Christmas Outreach Donation	£280.02	
Age Exchange	£423.50	Christmas & Carol services
International Needs	£423.50	Christmas & Carol services

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

### Trustees' Report

The Children's Society	£161.00	Christingle Service & donation bucket at back of church
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Food was collected throughout the year and particularly at Harvest for distribution via LewCAS (Lewisham Churches for Asylum Seekers).

#### Review of the Year 2021

The Church is still a vibrant worshipping community, despite ongoing Covid restrictions that continued into 2021. The PCC unanimously supported the Rector and Churchwardens decision to close the church to public worship from 27th December 2020, and a further decision was taken in January 2021, supported by the Director of Music, to suspend live music. This action was taken following a government news conference at the end of December 2020 of a new, more transmissible Coronavirus variant, and a later announcement by the Prime Minister in January 2021 of a further lockdown with a directive to 'stay at home'. All services were held online via Facebook and Youtube until Palm Sunday, 28 March, when the church reopened according to Covid regulations. From April 2021 our regular pattern of Sunday services at 8am, 10.30am and 6pm resumed with communicants receiving the host socially distanced from their pew in the Nave. Our 10.30am and 6pm services and Iona prayer group were also streamed online for congregation members who preferred to participate in this way. Online weekday Morning and Evening Prayer attracted a dedicated following from across the globe. A monthly Eucharist service at the two residential care homes in the parish, Leah Lodge and Rectory Court took place when Covid regulations permitted. Bible study courses have continued both in person and online and have included a History of the Bible course and Advent course.

The choir continued to thrive and support the worshipping life of the Church, through a mixture of recorded music 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 again this year. Weekly rehearsals for the junior choir continued online until the autumn term, and a reduced adult choir met regularly when permitted, providing much appreciated opportunities for group singing. Musical highlights included trips from members of the choir to sing evensong at Chelmsford and Portsmouth Cathedrals in the summer of 2021.

A variety of children's activities were offered including Children's Church, Crèche and monthly all-age and 9am family services in order to cater for the younger members of our community and their families, although some of these activities were suspended for a large part of the year due to Covid. Rucksack Music, who meet in the Crypt on Friday's, continued as a popular group for babies and pre-school aged children and their families. St Margaret's Toddler group reopened at the Kingswood Halls on Mondays in September 2021 and then additionally on Wednesdays after the October half term. Our long-established Darby and Joan club also continued to meet on Tuesday afternoons at the Halls, providing a place for support and companionship.

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. Although progress has been hampered by Covid restrictions, daffodils were grown for Mother's Day, new planting has taken place across the halls site and food has been grown and donated to local food banks. We continue to consider further plans for the Garden Project which include implementing insect and wildflower plots to complement our commitment to environment protection and our Eco-Church awards (already silver and gold.) Tea for Free on Monday mornings have continued to provide a much-needed space for people to meet socially in a relaxed and welcoming setting.

New outreach initiatives include funding Christmas boxes for vulnerable children and families from St Margaret's School and the very successful Let's Make Lunch events, which have been organised and supported by a dedicated team of volunteers. We continue to work with local councillors to understand the emerging needs of our local community, which in turn will inform the direction of future outreach projects.

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

## **Trustees' Report**

Staffing arrangements were reviewed at the beginning of 2021, with a new Parish Administrator and Operations Manager appointed. At the end of 2021, the caretaking role was split into a cleaning post for the Kingswood Halls and a caretaking post for the whole estate with cleaning responsibility for the church and crypt. Quinquennial stonework repairs were completed in Autumn 2021 and a project, in collaboration with Lewisham Council to restore ten Grade 1 listed memorials in the old churchyard began at the end of the year.

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

### **Financial Review**

Overall our ordinary income and expenditure for 2021 was as expected. The continued effect of Covid for the majority of 2021 meant our position at the end of the year was set to be a deficit. However, the generosity of our parish has allowed us to maintain our reserves and cover our expenses.

Our usual two main sources of income came from voluntary contributions and rental activities. In 2021, rental activities from our various church buildings accounted for 13% (£84k). Voluntary contributions accounted for 10% (£67k) and were given by members of the congregation either through regular giving by our usual methods of standing order, the church plate on Sundays (now also online) or special collections and appeals. Due to the ongoing commitment to reduce transmission of Covid we installed a contactless giving machine on our church premises in June 2021. In August 2021 we implemented a new diocese giving initiative called 'Parish Giving Scheme' which allows our congregation to donate by regular direct debit payments and the option to opt in to a yearly inflationary increase. This also allows for claiming of gift aid in a timely manner and maintains the value of giving each year. Our vision is to have a majority of our regular giving income move to this method and we provide regular information to our parishioners to achieve this. In 2021 our largest income came from legacy donations which were 65% (£418k). These extraordinary contributions are greatly appreciated and continue to show the commitment of our parish, the importance of our service and the community spirit that will allow us to continue our church mission. The remaining 12% (£82k) was from tax rebates, gift aid and interest receipts.

In 2021 total expenditure amounted to £452k. The largest single item of expenditure was 45% (£204k) on building works, which were completed in early 2022. To cover some works identified by a previous quinquennial inspection, mainly stone works both inside and outside our grade II\* listed church building. Diocesan Parish Support was 20% (£90k) to contribute towards the cost of clergy (stipend, training, pension and housing) and other projects across the diocese. Staffing costs attributed to 17% (£71k inc. National insurance and Pension contributions) as outlined above. The remaining 18% was £40k for running the church building, £11k on general hall running expenses and £27k on other costs including insurance.

Of the church repair works budgeted in 2020, in 2021 £204k has been spent to date. The remaining balance will remain as designated funds and will be used towards any further works highlighted by the 2016 and delayed 2021 quinquennial report, which was conducted in March 2022. We are in regular communication with our architects to ensure we put together building projects that include action points from quinquennial reports and the modernising 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 Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee**

### **Trustees' Report**

Due to the uncertainty of the pandemic, it was agreed in 2020 that the majority of reserves be maintained as general funds to ensure we were able to fulfil our commitments and ongoing mission of the church. We will maintain this stance and will restrict funds as and when required.

The maintenance and development of a grade II\* listed building is a significant undertaking and the trustees have designated funds accordingly over recent years. A stone works project began in 2021 and was completed in 2022. A new building fund value will be agreed by the PCC once the next set of works have been identified and prioritised as per the latest quinquennial report.

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 2021 Assessment and 2022 Review**

Our face-to-face church activity was suspended on 27 December 2020 and continued until 28 March 2021 when the church building reopened for public worship according to the Covid regulations at that time. Restrictions on activities continued until August 2021. At the end of 2020, parish office computer systems were reviewed and updated to enable office-based staff to work flexibly and collaboratively from any location to mitigate future Covid disruption.

Using protocols devised in 2020, we have been able to switch seamlessly between online and in person services and activities as required and in 2021 have extended our online reach further by setting up a Youtube channel. Online services have continued to attract participants in large numbers both in the UK and abroad. In 2020 we set up an online giving platform that enabled voluntary donations. In 2021 this was augmented with a contactless giving machine in church.

Halls, Church and Crypt hires continued to be affected by Covid restrictions, with only childcare businesses and Darby & Joan permitted to meet for the first quarter of the year and a number of regular hirers unable to restart their business after prolonged Covid closure.

There has been continued impact in our 2021 accounts. The main area of impact was regular giving where it is assumed the uncertainty around the economy and long-term effects on job stability lead to our donors to reduce or remove their donations. 2021 income vs 2020 was down 21%. Now that the Covid effect has moved towards a normalised state, we hope this will grow progressively with the introduction of the 'Parish giving scheme' and renewed certainty around the jobs market.

2022 started with no local Covid restrictions in place. Although all service and site offerings have been returned, it cannot be ignored that there are a percentage of our community that continue to be affected by Covid and those that are vulnerable to it. As a result of this, some activity areas continue to be affected. With this in mind, our 2022 budget has been put together to reflect an on-going growth in our activities for 2022, but not yet to the levels recorded pre-Covid, with an overall deficit of £47k (excluding any designated building works). With total reserves of £736k held at 31 December 2021, we see no concerns with the going concern status of the church at this 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.

The annual report was approved by the trustees of the charity on 24 April 2022 and signed on its behalf by:

  
.....  
Reverend Timothy Goode  
Trustee

## **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 2021 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.

#### **Responsibilities and basis of report**

As the charity 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**

Since The Parochial Church Council of the Ecclesiastical Parish of St. Margaret of Antioch, Lee's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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.

**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**



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

Date: 27/4/22

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

**Statement of Financial Activities for the Year Ended 31 December 2021**

	Note	Unrestricted £	Restricted £	Total 2021 £	Unrestricted £	Restricted £	Total 2020 £
<b>Income and Endowments from:</b>							
Donations and legacies	3	524,636	10,519	535,155	113,574	150	113,724
Charitable activities	4	80,564	-	80,564	61,897	-	61,897
Other trading activities		24,861	-	24,861	16,319	-	16,319
Investment income	6	6,834	883	7,717	5,816	879	6,695
<b>Total income</b>		<b>636,895</b>	<b>11,402</b>	<b>648,297</b>	<b>197,606</b>	<b>1,029</b>	<b>198,635</b>
<b>Expenditure on:</b>							
Raising funds		(3,231)	-	(3,231)	(368)	-	(368)
Charitable activities	8	(436,530)	(12,498)	(449,028)	(269,641)	(17,273)	(286,914)
<b>Total expenditure</b>		<b>(439,761)</b>	<b>(12,498)</b>	<b>(452,259)</b>	<b>(270,009)</b>	<b>(17,273)</b>	<b>(287,282)</b>
Gains/losses on investment assets		-	4,341	4,341	-	1,774	1,774
<b>Net movement in funds</b>		<b>197,134</b>	<b>3,245</b>	<b>200,379</b>	<b>(72,403)</b>	<b>(14,470)</b>	<b>(86,873)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		484,048	51,785	535,833	556,450	66,255	622,705
Total funds carried forward	19	681,182	55,030	736,212	484,047	51,785	535,832

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

The funds breakdown for 2020 is shown in note 19.

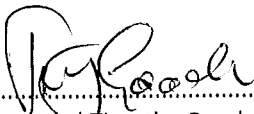
The notes on pages 13 to 26 form an integral part of these financial statements.

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

**(Registration number: 1132139)  
Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	868	-
Investments	14	<u>34,810</u>	<u>30,469</u>
		<u>35,678</u>	<u>30,469</u>
<b>Current assets</b>			
Debtors	15	195,633	35,579
Cash at bank and in hand	16	<u>595,756</u>	<u>489,425</u>
		791,389	525,004
<b>Creditors: Amounts falling due within one year</b>	17	<u>(90,855)</u>	<u>(19,641)</u>
<b>Net current assets</b>		<u>700,534</u>	<u>505,363</u>
<b>Net assets</b>		<u>736,212</u>	<u>535,832</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		<u>55,030</u>	<u>51,785</u>
<b>Unrestricted income funds</b>			
Designated funds		881	205,096
General funds		<u>680,301</u>	<u>278,951</u>
Total unrestricted		<u>681,182</u>	<u>484,047</u>
<b>Total funds</b>	19	<u>736,212</u>	<u>535,832</u>

The financial statements on pages 10 to 26 were approved by the trustees, and authorised for issue on 24 April 2022 and signed on their behalf by:

  
 .....  
 Reverend Timothy Goode  
 Trustee

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

**Cash Flow Statement for the Year Ended 31 December 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		200,379	(86,873)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	7, 8	289	-
Investment income	6	(7,717)	(6,695)
Revaluation of investments		<u>(4,340)</u>	<u>(1,775)</u>
		188,611	(95,343)
<b>Working capital adjustments</b>			
(Increase)/decrease in debtors	15	(160,054)	1,520
Increase in creditors	17	<u>71,214</u>	<u>3,216</u>
Net cash flows from operating activities		<u>99,771</u>	<u>(90,607)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	7,717	6,695
Purchase of tangible fixed assets	13	<u>(1,157)</u>	<u>-</u>
Net cash flows from investing activities		<u>6,560</u>	<u>6,695</u>
Net increase/(decrease) in cash and cash equivalents		106,331	(83,912)
Cash and cash equivalents at 1 January		<u>489,425</u>	<u>573,337</u>
Cash and cash equivalents at 31 December		<u><u>595,756</u></u>	<u><u>489,425</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

# **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 2021**

### **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

### **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 2019) - (Charities SORP (FRS 102) - Second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and 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. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

#### **Going concern**

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

#### **Judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimate is revised where revisions affects only that period, or in the period of the revision and future periods where the revisions affects both current and future periods.

#### **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 2021**

#### ***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.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **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.



## **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 2021**

#### **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.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Office equipment	25% straight line

#### **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.

## **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 2021**

#### **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.

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.

**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 2021**

**3 Income from donations and legacies**

	Unrestricted		Total 2021	Total 2020
	General £	Restricted £	£	£
Donations and legacies;				
Donations from individuals	10,752	2,519	13,271	16,020
Legacies	410,000	8,000	418,000	-
Gift aid reclaimed	15,268	-	15,268	19,131
Grants, including capital grants;				
Grants from other charities	34,723	-	34,723	(54)
Financial stewardship	53,893	-	53,893	78,627
	<u>524,636</u>	<u>10,519</u>	<u>535,155</u>	<u>113,724</u>

**4 Income from charitable activities**

	Unrestricted	Total 2021	Total 2020
	General £	£	£
Rental income	64,822	64,822	55,609
Other income	15,742	15,742	6,288
	<u>80,564</u>	<u>80,564</u>	<u>61,897</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 2021**

**5 Income from other trading activities**

	<b>Unrestricted</b>		
	<b>General</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Events income;			
Other events income	5,148	5,148	-
Telecommunications Mast	14,300	14,300	14,300
Car park	5,413	5,413	2,019
	<u>24,861</u>	<u>24,861</u>	<u>16,319</u>

**6 Investment income**

	<b>Unrestricted</b>		
	<b>General</b>	<b>Restricted</b>	
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>2021</b>
			<b>£</b>
			<b>Total</b>
			<b>2020</b>
			<b>£</b>
Interest receivable and similar			
income;			
Interest receivable on bank			
deposits	6,834	-	6,834
Income from unlisted investments	-	883	883
	<u>6,834</u>	<u>883</u>	<u>7,717</u>
			<u>6,695</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>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Note</b>			
Concerts, events and fundraising activities cost	<u>3,231</u>	<u>3,231</u>	<u>368</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 2021

### 8 Expenditure on charitable activities

	Note	Total 2021 £	Total 2020 £
Diocesan Parish Support		90,000	82,000
Interregnum fees		161	1,301
Church running expenses		36,887	29,971
Director of music and organists		1,995	6,570
Choir and music		484	1,583
Organ expenses		5,360	2,286
Community Garden Project		4,459	3,975
Church maintenance		191,324	13,132
Appeals		6,142	2,650
Staff costs	11	70,838	78,642
Support costs	9	41,378	64,804
		<u>449,028</u>	<u>286,914</u>

### 9 Analysis of support costs

#### Support costs

	Total 2021 £	Total 2020 £
Hall running expenses	11,269	17,273
Car park rates	3,152	3,027
Website and IT equipment	1,395	1,279
Telephone and fax	1,350	-
Clergy expenses	277	407
Printing, postage and stationery	2,392	5,292
Sundries	1,150	1,464
Independent examination	2,358	1,782
Legal and professional	17,580	34,066
Bank charges	166	214
Depreciation of office equipment	289	-
	<u>41,378</u>	<u>64,804</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 2021

### 10 Trustees remuneration and expenses

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

#### Duncan Atkinson

Duncan Atkinson received remuneration of £6,120 (2020: £6,120) 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.

#### Nakessa Morgan

Nakessa Morgan received remuneration of £7,460 (2020: £1,760) during the year.

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

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

### 11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	64,524	71,174
Social security costs	801	1,351
Pension costs	5,513	6,117
	<u>70,838</u>	<u>78,642</u>

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

	2021 No	2020 No
Charitable activities	<u>5</u>	<u>5</u>

4 (2020 - 4) of the above employees participated in the Defined Contribution Pension Schemes.

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

### 12 Taxation

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

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 2021

**13 Tangible fixed assets**

	Furniture and equipment £	Total £
<b>Cost</b>		
Additions	1,157	1,157
At 31 December 2021	1,157	1,157
<b>Depreciation</b>		
Charge for the year	289	289
At 31 December 2021	289	289
<b>Net book value</b>		
At 31 December 2021	868	868

**14 Fixed asset investments**

	2021 £	2020 £
Other unlisted investments	34,810	30,469

**Other investments**

	Unlisted investments £	Total £
<b>Cost or Valuation</b>		
At 1 January 2021	30,469	30,469
Revaluation	4,341	4,341
At 31 December 2021	34,810	34,810
<b>Net book value</b>		
At 31 December 2021	34,810	34,810
At 31 December 2020	30,469	30,469

**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 2021**

**15 Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	10,058	-
Prepayments	4,756	4,297
Accrued income	102,360	-
Other debtors	78,459	31,282
	<u>195,633</u>	<u>35,579</u>

**16 Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash on hand	100	-
Cash at bank	595,656	489,425
	<u>595,756</u>	<u>489,425</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	78,687	1,763
Other taxation and social security	604	2,527
Other creditors	7,621	11,275
Accruals	3,943	4,076
	<u>90,855</u>	<u>19,641</u>

**18 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 £5,513 (2020 - £6,117).



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 2021

19 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
<b>Current period</b>					
<b>Unrestricted</b>					
<i><b>General</b></i>					
General Funds	278,952	636,895	(235,546)	-	680,301
<i><b>Designated</b></i>					
St Margarets Building Fund	205,096	-	(204,215)	-	881
<b>Total unrestricted</b>	<u>484,048</u>	<u>636,895</u>	<u>(439,761)</u>	<u>-</u>	<u>681,182</u>
<b>Restricted</b>					
Brandram Prize Fund	4,947	-	-	64	5,011
Fabric Fund - North West Porch	7,617	-	-	-	7,617
Kingswood Halls Fund	30,141	883	(11,268)	4,277	24,033
Music Fund	510	8,000	-	-	8,510
St Margarets Building Fund	3,256	-	-	-	3,256
ESOL Classes	4,269	-	-	-	4,269
Syrian Refugees Fund	1,045	-	-	-	1,045
Other outreach activities	-	2,519	(1,230)	-	1,289
	<u>51,785</u>	<u>11,402</u>	<u>(12,498)</u>	<u>4,341</u>	<u>55,030</u>
<b>Total funds</b>	<u>535,833</u>	<u>648,297</u>	<u>(452,259)</u>	<u>4,341</u>	<u>736,212</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 2021

Previous period

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted</b>						
<i>General</i>						
General Funds	58,530	197,606	(235,943)	258,758	-	278,951
<i>Designated</i>						
St Margarets Building Fund	497,920	-	(34,066)	(258,758)	-	205,096
<b>Total unrestricted</b>	<u>556,450</u>	<u>197,606</u>	<u>(270,009)</u>	<u>-</u>	<u>-</u>	<u>484,047</u>
<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
	<u>66,255</u>	<u>1,029</u>	<u>(17,273)</u>	<u>-</u>	<u>1,774</u>	<u>51,785</u>
<b>Total funds</b>	<u>622,705</u>	<u>198,635</u>	<u>(287,282)</u>	<u>-</u>	<u>1,774</u>	<u>535,832</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 2021**

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).

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

### **Current period**

	<b>Unrestricted funds</b>		<b>Restricted funds</b>	<b>Total funds at 31 December 2021</b>
	<b>General</b>	<b>Designated</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	868	-	-	868
Fixed asset investments	-	-	34,810	34,810
Current assets	770,288	881	20,220	791,389
Current liabilities	(90,855)	-	-	(90,855)
<b>Total net assets</b>	<b>680,301</b>	<b>881</b>	<b>55,030</b>	<b>736,212</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 2021

### Previous period

	Unrestricted funds		Restricted funds	Total funds at 31 December 2020
	General	Designated		
	£	£	£	£
Fixed asset investments	-	-	30,469	30,469
Current assets	298,592	205,096	21,316	525,004
Current liabilities	(19,641)	-	-	(19,641)
Total net assets	<u>278,951</u>	<u>205,096</u>	<u>51,785</u>	<u>535,832</u>

### 21 Covid

Our face-to-face church activity was suspended on 27 December 2020 and continued until 28 March 2021 when the church building reopened for public worship according to the Covid regulations at that time. Restrictions on activities continued until August 2021. At the end of 2020, parish office computer systems were reviewed and updated to enable office-based staff to work flexibly and collaboratively from any location to mitigate future Covid disruption.

Halls, Church and Crypt hires continued to be affected by Covid restrictions, with only childcare businesses for the first quarter of the year and a number of regular hirers unable to restart their business after prolonged Covid closure.

There has been continued impact in our 2021 accounts. The main area of impact was regular giving where it is assumed the uncertainty around the economy and long-term effects on job stability lead to our donors to reduce or remove their donations. 2021 income vs 2020 was down 21%. Now that the Covid effect has moved towards a normalised state, we hope this will grow progressively with the introduction of the 'Parish giving scheme' and renewed certainty around the jobs market.