



**THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF WATERLOO**

**(St John the Evangelist with St Andrew)**

**Diocese of Southwark**

**Report & Financial Statements**

**31 December 2020**

**Registered Charity Number: 1132457**

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)**

## **Report and Financial Statements 2020 Contents**

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# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Report of the Parochial Church Council For the year ended 31 December 2020

<b>Name</b>	The Parochial Church Council of the Ecclesiastical Parish of Waterloo		
<b>Address</b>	St John's Waterloo, Waterloo Road, London SE1 8TY. The correspondence address is: The Vicarage, 1 Secker Street, London SE1 8UF		
<b>Charity Registration no</b>	1132457. The church was registered with the Charity Commission on 4 November 2009		
<b>The Governing Document</b>	Parochial Church Council Powers Measure (1956) as amended and Church Representation Rules.		
<b>Members of the PCC</b>	Those who served from 1 January 2020 to the date this report was approved are:		
	Clergy	The Revd Canon Giles Goddard The Revd Dr Godfrey Kaziro The Revd Lisa Bewick	Incumbent, Chair Hon Assistant Curate Curate
	Churchwardens	Belinda Taylor Steve Lancashire Elaine Thomas	Resigned 26 July 2020 Elected 26 July 2020
	Deanery Synod	Eileen Hamilton Leigh Engeham Michael Webb Elizabeth Clarson Deborah Watkins	Until 26 July 2020 Until 26 July 2020 Until 26 July 2020 From 26 July 2020 From 26 July 2020
	Elected Members	Ben Bailey Rebecca Boardman Elizabeth Clarson Declan Dunford-Crozier Andrew Humphreys Ester Kawoya Terry McLeman Mark Ormerod Philippa Owen Josephine Ozzy-Momodu Elizabeth Peasley Daisy Powell Elizabeth Sengaga Ida Serunjogi Joao Simoes Brown Nicola Smedley Puck Spicer Pat Thomas	Until 26 July 2020  Until 26 July 2020 From 26 July 2020 Treasurer Reader  Secretary until 26 July 2020 From 26 July 2020 Until 26 July 2020  Until 26 July 2020  Pastoral Assistant   Until 26 July 2020 Secretary from 26 July 2020
<b>Key Management Personnel</b>	Those in charge of directing, controlling, running and operating the Church on a day to day basis are the enabling committee comprising the incumbent, associate priest/curate, churchwardens, secretary, treasurer and sub-committee chairs.		
<b>Bankers</b>	CAF Bank Ltd 5 Kings Hill Avenue West Malling ME19 4TA	<b>Independent Examiner</b>	John Helm ACA Simply Churches Limited 17 Heathville Road London N19 3AL
<b>Solicitors</b>	Winckworth Sherwood	<b>Quinquennial Inspector</b>	Roderick MacLennan RIBA AABC

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)**

## **Report of the Parochial Church Council For the year ended 31 December 2020**

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The Parochial Church Council of the Ecclesiastical Parish of Waterloo (St John the Evangelist with St Andrew) ("PCC") submits its report and the financial statements of the PCC for the year ended 31 December 2020. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report.

The PCC co-operates with the incumbent, Revd Canon Giles Goddard, in promoting the whole mission of the Church within its Parish and beyond. It also has responsibility for the non-stipendiary staff and the maintenance of the Church buildings. In essence, the PCC is a consultative body that represents the views of the congregation as well as its own. It should communicate, where appropriate, any decisions of the PCC or its committees to the church; oversee and advise in the financial affairs of the church; pray and champion the vision for the church.

### **I. Structure, governance and management**

The PCC is a corporate body established by the Church of England which operates under the Parochial Church Council Powers Measure. The PCC of St John with St Andrew Waterloo was registered with the Charity Commission in November 2009. Within the parish there are two churches: St John the Evangelist, Waterloo Road and St Andrew, Short Street.

The PCC includes representatives from the congregation and the clergy team. It meets on a roughly two-monthly basis, with an average of six meetings per year. This complies with regulations which stipulate that PCCs must meet no fewer than four times a year. The appointment of PCC members is governed by the Church Representation Rules. There is a process in place for the recruitment, induction and training of PCC members, making use of diocesan or deanery training courses when available. The PCC complies with diocesan requirements on safeguarding policies and risk assessment. It also complies with statutory requirements regarding employment, access and health and safety.

The PCC and the incumbent share the responsibility for taking forward the work of the parish. They address issues such as long-term financial planning; quinquennial report and capital spend plans; team ministry issues; annual worship review; annual tithe allocation review; fundraising strategy; managing policies and processes around risk management, safeguarding policies; health and safety; disability discrimination legislation.

#### **I.1 Enabling Committee (Standing Committee)**

This is the only sub-committee required by law. It is the leadership team of the PCC and plans the work of the full PCC over the year. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. Its membership comprises the incumbent, associate priest/curate, churchwardens, the PCC secretary and treasurer and sub-committee chairs.

#### **I.2 Church Attendance**

The electoral roll is completely reviewed and revised once every six years and has been updated. At the last APCM the electoral roll stood at 116 (2019: 110).

#### **I.3 Risk Management**

The PCC acknowledge that they have a responsibility for the identification and proper management of risks faced by the church in achieving its primary aims. The PCC has therefore assessed the major risks to which the church is exposed, in particular, those relating to the specific operational areas of the church, its investments and its finances. The PCC believes that, by monitoring reserves levels, by ensuring that controls exist over key financial systems, and by examining the operational risks faced by the church, it has established effective systems and procedures to mitigate those risks. A comprehensive risk register was undertaken in 2019. A brief summary follows.

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Operational Area	Risk	Management
<b>Security &amp; Safeguarding</b>	There is a major security, safeguarding, or health & safety incident	Safeguarding – there is a safeguarding policy in place and two designated safeguarding officers. All volunteers who have direct contact with children or vulnerable adults as well as Pastoral team members are required to have a DBS, which is renewable every three years; we ensure that insurance policies are up-to-date and cover us for identified risks; we maintain up-to-date incident logs
<b>Finances</b>	Income and expenditure: there is a risk that expenditure could exceed income	To mitigate these potential risks the PCC has approved an unrestricted funds budget which shows a surplus of income over expenditure. Monthly management accounts are prepared comparing income and expenditure with budget; PCC officials ensure proper authorisation of expenditure in line with the target operational cash reserves of three months' budgeted expenditure; major expenditure on our St John's Development Project is contingent on related grant and donation income first being secured
	Potential liabilities: there is an uninsured liability which crystallises	To mitigate this potential risk, we ensure that insurance policies are up-to-date and include employer's liability, public liability, buildings insurance, contents insurance and property owner's liability

Clearly, from March 2020, Covid-19 presented as the greatest risk overshadowing all others. The church building has been closed for most of the year and when it was open, government guidelines on health risks, including sign in, mask wearing, sanitising and social distancing were strictly observed and enforced. Whilst the church was closed, we lost most of our rental and lettings income.

A Covid-19 planning working group was set up, recognising that the pandemic could be an existential threat, especially to The Bridge At Waterloo (TBAW), our charitable company which manages our lettings and some of our mission activities, but through that also to the PCC, which benefits from a transfer of 29% of TBAW's lettings income, so the income and many of our expenses are very closely linked and needed to be monitored and managed with an overview of the whole. The Covid-19 planning working group comprises the Vicar, church wardens, the treasurer and members of the enabling committee and the chair and treasurer of TBAW.

This small group developed a financial model of both PCC and TBAW together, so that the key performance indicators could be monitored and managed very closely. It met online as often as was necessary to monitor developments and to plan the way ahead in light of them – roughly monthly and after every change in the rules. Expenditure was minimised, making full use of furlough and available grants. A review of staffing took place and sadly one redundancy was made.

As a result, we have managed to keep the two entities together surviving and now that we have a roadmap of the easing of lockdown restrictions and a return of rental and lettings income, we can hope to thrive again.

Because of the loss of virtually all of TBAW's income, it was decided early on by PCC that the loan from 2019 of £45,000 to TBAW should be converted to a gift to keep TBAW solvent. In fact it had always been intended that TBAW should be given its share of the PCC reserves and the gift recognises that and takes the strain off TBAW's balance sheet.

**1.4 Quinquennial inspection.** As a result of the extensive planned building works, the Archdeacon advised that the 2020 quinquennial should be postponed until the completion of the redevelopment.

**1.5 Terriers – the inventory of the church's property.** These have been fully revised and updated for both St John's and St Andrew's. All property is in place and in acceptable condition.

## 2. Objectives and activities

During the year we continued to advance our plans for a major development of St John's, branded as the ReIGNITE Project. This will bring disused parts of the crypt back into use as well as dramatically improving accessibility to the whole

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building and the welcome we can offer in much improved facilities. It will also enhance the opportunities to increase the income from letting our facilities to a range of community, amateur, charitable and commercial organisations. Fundraising continued throughout the year bringing the target within reach. The aim was to reopen the building in time to celebrate the 70<sup>th</sup> anniversary of the Festival of Britain. Due to the pandemic and lockdown a decision was taken to delay this by a year and reduce the scope of the project.

We also hosted the eighth Waterloo Festival, moving it entirely online. It was a great success, attracting around 1,700 people to a wide range of online events, including interviews, podcasts, reflections on Waterloo's history, and creative projects.

We are pleased to support the work of various charities who use our buildings on a reduced or no-cost basis. These include Southbank Sinfonia, an orchestra offering young musicians the experience of playing professionally; Futures Theatre, a company creating interactive drama in schools to address societal issues, such as drug abuse and youth pregnancy; a counselling service for those with long-term alcohol dependency; a coffee morning and a community bingo evening. The pandemic caused many of these activities to be suspended but we hope that they will begin again soon.

The PCC is committed to enabling as many people as possible to worship at the churches and to be at the heart of our parish community of Waterloo. The PCC maintains an overview of worship throughout the parish and makes suggestions on how the services can involve many diverse groups that live, work and pass through within the Parish.

Particular attention is paid to ensuring that the services offered at the different churches complement each other and therefore enable as many people as possible to take part. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning the activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and the specific guidance to charities for the advancement of religion.

In particular, we try to enable ordinary people to live out their faith as part of our parish community through:

- Regular worship and prayer open to all: learning about the Gospel and developing their knowledge and trust in Jesus Christ;
- Provision of sacred spaces for personal prayer and contemplation;
- Provision of pastoral care for people living within the parish;
- The teaching of Christianity through sermons, courses and small groups;
- The provision of facilities for charitable organisations offering opportunities for learning and development;
- The promotion of Christianity through the staging of events and meetings;
- Promotion of the whole mission of the Church through the provision of activities for specific groups;
- Supporting other charities in the UK and overseas selected annually by the congregation.

To facilitate this work, it is crucial that we maintain the fabric of the two churches and ensure its fitness for the purposes of the wide variety community users.

Recognising our unique position in the neighbourhood, our annually-evaluated Mission Action Plan seeks to address neighbourhood as well as congregational need while reaching out to the wider London community, based on the Diocese' "Five Marks of Mission" and St John's 2016 vision statement, in the final year of its five-year life.

Work begun on developing new five-year vision to reflect the development and evolving focus of St John's, adopting as the overarching purpose for the parish the new strap line "Here for You". Extensive consultation with the congregation took place, including at the July 2020 APCM. Following a review of the findings, the PCC delegated responsibility to the Secretary and a Churchwarden to assimilate the feedback and to propose a new five-year vision, for approval and adoption by the PCC. After this, a new format five-year Mission Action Plan would be developed, commencing in 2021.

Despite Covid-19, it was good year for the churchyard, with senior community gardener Viv Williamson continuing to make a great impact on the efficient running and maintenance in liaison with Lambeth as well as through her Bridge at

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Waterloo work with our Roots and Shoots and ex-St Mungo's volunteers, all of whom have made progress under her mentorship. The day-to-day work in the churchyard had to be reduced, but it provided a great resource for people during their daily exercise in lockdown. Our vision for the churchyard as a key opportunity for mission is building on its promise among the wider user-group. We have received strong support from the local community.

### **3. Achievements and performance**

St John's with St Andrew's continued to make progress in line with all our plans during 2020.

The design phases of ReIGNITE project continued. The Faculty required from the Diocese has now been granted for the whole of the works. The intervention of the Covid lockdown has caused the planned works to be put on hold for a start in 2021 and we made some significant savings by amending the design. But we are pleased that the simplified design does not reduce the operational capacity of the project. During the year fundraising work continued and has been well supported.

#### ***Worship, Prayer and Study***

We made a swift adaptation to Covid-19, by moving our worship on to Zoom. We maintained the pattern of regular worship: a 9am morning prayer service and a Eucharist at 10:30 on Sundays, and daily morning prayer at 8:30. The services were well attended on Zoom, and once we were permitted to have worship in church again, we developed a hybrid way of working which worked well.

All are welcome to attend these regular services and we have welcomed many new people online – literally all over the world during the year. At the last annual meeting there were 116 parishioners on the combined Church Electoral Roll. Because of Covid-19 we were unable to carry out our regular count, but attendance at worship was maintained at a broadly similar or slightly increased level from the previous year. Attendance at Morning Prayer has increased by around 30%.

We have continued to take our aspiration to be a fully inclusive church seriously. We responded quickly to the Black Lives Matter movement, holding prayers and being part of the Deanery and nationwide actions. We also welcomed the publication of the Church of England's Living in Love and Faith resources on identity, gender and sexual orientation, and plan to use the resources in 2021.

The services for Holy Week were all online. Again, these were open to all and are publicised via our website, individual household invitations and church magazines. Our Column Inches parish magazine also moved online, with a very positive reception: we continued to print copies for those who do not have access to the internet.

The total attending Christmas services including carols, in person and online, for congregation and community was approximately 200. The combined total Christmas Eve and Christmas Day attendance of adults and children was 90 at all the special services.

Deepening the spiritual life of the parish was a key focus during 2020. We continued to build our Rule of Life engagement, with over 30 people involved, and we also ran a Living in Love and Faith course in February and March 2021, attracting over 25 people.

We did not host any weddings or funerals during 2020.

As part of our mission to develop personal engagement in worship and community, groups continue to be responsible at Sunday Eucharist for welcome, offertory, collection (and subsequent counting) with others trained in lesson reading and intercessions.

Our relationship with Okusinja Church continues to be valued. Okusinja's worship also moved online but as soon as permissible we were glad to welcome their worship back at St John's.

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The teaching of Christianity takes place in all services via the use of sermons, readings and talks. In addition, the vicarage hosts 'Face-to-Faith' – also online during 2020/21

### ***St John's Development Project***

2020 was known to be a critical year for the project, and the objectives set for the year have been met allowing the project to stay on course. As a result of the Covid-19 pandemic, the planned works were delayed until 2021, and we identified significant savings to the proposals by simplifying the design, without compromising the planned outputs. As a result of the changes and the delay, the decision was taken to go out to tender again, and work continued throughout 2020 to enable this to happen.

The fundraising moved into the public phase during the year as the halfway point was reached. There is an extensive and intensive programme of fundraising activity. This is involving application to trusts, discussions with the London Borough of Lambeth, community fundraising events, the generosity of members of the congregation, reallocation of one of our funds, more appropriate use of our assets and discussions with our bank. It was also necessary for us to obtain confirmation that the existing grant offers would remain valid in the light of the delay and we are pleased that all our grant funders have indeed confirmed the continuation of their offers.

A long-term Business Plan has been developed with particular emphasis on quantifying and testing the realistic income assumption after the work is completed, as this will be essential to the sustainability of the project in the short and longer term.

The PCC continues to delegate the detail work to two Committees. The Design Committee which is overseeing the architects' proposals and the Finance and Major Fundraising Committee which is overseeing the costs and fundraising.

### ***Deanery Synod***

Three members of the PCC sit on the Deanery Synod and this provides the PCC with an important link between the parish and the wider structures of the church.

### ***Pastoral Care***

The Parish is blessed with a Southwark Pastoral Auxiliary (SPA) who, along with the Clergy Team, visit those who are unable to attend church due to sickness or age and enable these people to take communion on a regular basis. During Covid-19, the worshipping community showed strong support, not least through the introduction of daily Coffee and Chat and an online pub. Our SPA was away on caring duties for most of the year, but we also instituted a WhatsApp group which provided much mutual support.

### ***Environment and Social Justice***

The Environment and Social Justice Committee carries responsibility for the parish's wider mission; with a key objective of raising awareness within the congregation of the spread of our existing activities and encouraging participation where possible.

Please note that some of the actions and events mentioned below are sometimes overlaps or areas also covered by other PCC sub-committees, clergy or congregation members and their very own efforts:

**PCC Outward Giving / Charity of the Month.** Previously Outward Giving, with monthly charities nominated by the congregation and selected by the ESJ, provided a yearly calendar (from May 2019 to April 2020) for the ESJ's focus and action in relevant areas of environment and social justice. Charities selected in the previous year and supported in 2020:

January: Global Poverty / Refugees - Core charity: USPG

February: Inclusion – Global - Mission to Seafarers, The Bible Society, Inclusive Church

March: Poverty and Inclusion - Core charity: Bishop's Lent Appeal

April: Environment - Operation Noah, ARC Amphibian and Reptile Conservation, Rewilding Britain



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As a result of St John's reduced income in 2020 (impact of lockdown and St John's planned redevelopment) the budget for charitable giving was also diminished and consequently there were no outward giving nominations for 2020/21.

However, St John's is still supporting our core charities in 2021: Christian Aid, USPG and the Bishops Lent Call. We also encourage members of our congregation to be generous in their own support for other good causes.

### **Maintaining links with Foodbank, Robes and other projects for the homeless**

Due to lockdown and Covid-19 related restrictions, the Foodbank running every Wednesday in St John's (crypt) had to close. Yet in May Giles set up a drop off for donations at St John's (once the church building was able to reopen) on Wednesdays for **Food Bank** and helping **Look Ahead**, a new hotel project to provide safe shelter to people who have become homeless and lost their jobs due to the pandemic.

St John's participated in the **'Making a Star'** project to add a homemade star (made by volunteers) to each Foodbank parcel at Christmas.

We were glad to host guests for **the Robes** sleep-in in January – March. **Sleeping Out Night for Robes** in November took a different turn this year with an online event **Sleep In to help those who Sleep Out** (special contributions from Shanon, Mark, Trisha and Eileen).

**Maintaining Links with Christian Aid.** Jenny and Kate participated in fundraising events for Christian Aid: Christian Aid auction and picnic (raising £3,462).

Before lockdown in March, there was a regular **Fair Trade and Zaytoun** stall in church after the services, one Sunday a month.

**Links with Citizens UK / Lambeth Citizens and other organizations.** At St John's we were aiming to have 25 people of the congregation to attend the London **Citizens Mayoral Hustings** on April 21, 2020 but the event was cancelled due to the pandemic

**London Citizens Just Transition campaign** - to ensure our local community has direct and meaningful input into the London Mayoral Election in 2021 and agenda, Nicola and Shanon conducted two 90-minute listening sessions in September.

**Virtual Lobby with our MP** - Part of the campaign by the Climate Coalition to lobby our MPs for a green recovery. Shanon and Giles organised a virtual lobby session in June with Florence Eshalomi, our MP, with members of St John's and ESJ attending.

**Other links:** e.g. Extinction Rebellion – campaigners were offered shelter in St John's crypt.

**Faith for the Climate webinar** in June on faith and a green recovery.

**Faith and a Green Recovery - Thinking Global, Acting Local** event hosted by Shanon (with Faith for the Climate) in July.

Participation in **Mums for lungs** poster campaign in July (Nicola)

**Climate Sunday** on October 4<sup>th</sup>

**Clean Air Campaign workshops with Lambeth and anti-idling in Waterloo** (Nicola)

**Eco Church** – St John's currently holds a silver certificate. The application for a gold certificate for our church was put on hold due to the church building imminent redevelopment - it was agreed with Giles to apply instead when the church reopens after the building works.

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**The ESJ Future Direction Jam.** In November the ESJ committee had a consultation session on Zoom opened to anyone in the congregation interested in attending to discuss the future needs and priorities in terms of the environment and social justice in our community, especially at this unprecedented time. The outcome of the jam session is to define the ESJ plan of action for 2021.

### **Charitable Support**

As well as its charitable giving, the PCC also decided to increase its payments to the Diocesan Parish Support Fund. In 2020, despite the pandemic, we were able to keep our pledge of £81,200 was paid (2019: £70,960). In 2020, £81,200 has again been pledged. Our ambition in future is to help the Diocese fund parishes that are less fortunate than ours.

Use of the Crypt - the PCC and Board of TBAW have an agreed policy of allowing organisations that support our Vision to occupy space in the Crypt on licence fees of 60% of the normal rates in Waterloo. All organisations contribute fully to the service charges.

### **Neighbourhood Audit**

An audit working party was created by the PCC and reported regularly to both the PCC and its Enabling Committee, where the purpose and objectives have been co-designed. Work on the audit was suspended with the onset of the pandemic but we will pick this up again once the redevelopment is on site, so that we are fully informed of local needs and opportunities when St John's reopens.

### **Use of Church Buildings**

The PCC has responsibility for the two sites where the churches are situated.

St John the Evangelist: this consists of a large church and crypt. The church is normally open every day and is extensively used by local people and local, London-wide and national institutions such as the Southbank Sinfonia, Christian Aid and the Diocese of Southwark. The crypt normally provides a home for four arts organisations: Southbank Sinfonia, Futures Theatre Company, Bankside Keys and Prisoner Penfriends. As mentioned earlier, our St John's Development Project will regenerate the whole building so that it is in a good state for at least the next 50 years.

St Andrew's is used by numerous local, London-wide and national groups as well as being a worship space – for example, National Childbirth Trust, Young Vic Theatre, National Theatre, Pregnancy Yoga, Lambeth CRUSE bereavement services, Rainbows, Cubs, Beavers and Brownies.

### **The Bridge at Waterloo**

The Bridge at Waterloo (TBAW) officially started trading in its own right in January 2019. TBAW's first full financial accounts for the year ended 31 December 2019 show a small surplus.

The members of the company are the incumbent and two churchwardens ex officio.

TBAW continued its operations throughout Covid-19 despite a 60% decline in income from bookings. The furlough programme was extremely helpful for the finances of TBAW and we were pleased that all the tenants of our offices were able to continue to pay their rent. We were also able to bring back some of the staff to enable the projects to develop. A new relationship was developed with BigLocal Bermondsey, where its employment training programme "Here for Work" continued to produce good results.

We were successful in raising new funding for an innovative Covid-19 response programme 'Waterloo Well' which is working with the residents of local homelessness hostels and also with local young people to provide therapeutic, horticultural, arts and employment support.

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In 2019, St John's provided a loan on call of £45,000 to help finance TBAW's working capital. Initially, repayment was not expected for the foreseeable future. After Covid-19 struck, TBAW lost most of its income during the lockdown period. To help ensure TBAW remains a going concern, PCC resolved to convert the loan to a grant in April 2020.

### **4. Going Concern**

The Church of course was impacted greatly by the lockdown restrictions made necessary by the Covid-19 pandemic, which broke out in early March 2020.

Each year it's the PCC's responsibility to state whether or not the annual accounts have been drawn up on a going concern basis (see the accounting policy note on page 22). Going concern is the assumption that an entity, in this case the PCC, has the resources (financial and other) needed to continue operating for the foreseeable future and, in particular, for at least 12 months from the date of approval by the PCC of these annual accounts. If the going concern principle did not apply then the accounts would be drawn up on an insolvent basis.

Clearly, as part of this year's going concern review, the PCC has had to consider the likely impact of Covid-19 pandemic on its ministry. It has concluded that the financial risks to that ministry have increased significantly as a result of the lockdown restrictions imposed by the Government and the closure of the church building and halls mandated by the central authority of the Church of England. As a result, income from hiring out the church halls has ceased and is not expected to return to anything like a normal level until 2022, as the church will only be open for a short time before closure for ReIGNITE work starts. The impact of the lockdown on the finances of our church family members, whose giving provides a substantial part our income, remains unclear but planned giving has held up remarkably well – a clear indication of the resilience and outstanding generosity of our congregation. The PCC has been able to maintain our Parish Support Fund pledge in 2020 and 2021, its largest single item of expenditure.

Against this background, the PCC has reviewed its financial forecast for 2021, including the value of its property and investment assets. This review indicates that it will incur a deficit in 2021 but that its cash reserves are more than adequate to absorb that deficit. Even so it has taken positive steps to reduce the potential impact by furloughing most employees and minimising other expenditure. Accordingly, it has concluded that it is appropriate to prepare the 2020 accounts on a going-concern basis and that it is not necessary to make any adjustment to these accounts as a result of the lockdown restrictions. The PCC will continue to keep both the short-term and longer-term impact under review and in particular, the 'degree of return to normality' will be actively monitored in the latter part of 2021, with a view to assessing the likely carryover into 2022 and the effect on the 2022 budget.

### **5. Financial Review**

Total income on unrestricted funds was £412,984 (2019: £264,085) and is detailed in note 2. It should be noted that the 2020 figure includes legacies totalling £161,315 (2019: £nil). We are exceptionally grateful for this God-send. This includes property licence fee of 29.5% (2019: 29.5%) from The Bridge at Waterloo (TBAW), a registered charity. Letting of the church flat, the commercial offices and ground rents at St Andrew's continue as income to the PCC.

Payments totalling £258,467 (2019: £207,550) were made on unrestricted general church activities including the Diocese' Parish Support Fund, maintenance and staff, and are detailed in note 3. The gift of the loan of £45,000 to TBAW is included in the Missionary and charitable giving figure of £61,929 in the General fund.

Unrestricted general receipts exceeded payments by £154,517 (2019: £56,535). The PCC decided to reserve £6,000 (2019: £13,860) to charitable giving in line with previously agreed policies. If it hadn't been for the legacies, the PCC would have recorded a small deficit – but it would have been sustainable. Our financial projections show larger deficit for 2021, given the closure for ReIGNITE; but then a strong recovery once the church is reopened in 2022.

Reserves of £13,751 (2019: £13,751) continue to be held for Quinquennial Maintenance Fund. As above, £6,000 was transferred to the designated Mission & Charities fund and £196,315 to the designated St John's Development Fund - reflecting our own commitment to the Project - leaving a balance of £261,265 carried forward. The PCC resolved to designate the proceeds from the legacies to the Project.

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Restricted funds continue to be used for St John's Development Project, Waterloo Festival, and other specified activities and causes.

### 6. Reserves Policy

The PCC currently follows a policy of maintaining a balance on unrestricted funds of at least three months of its unrestricted payments to cover emergency situations that may arise from time to time, and should these funds drop below this level the PCC will normally take immediate steps to restore the unrestricted funds to three months of unrestricted expenditure. At 31 December 2020, the PCC had net free reserves of £77,027 (2019: £124,825) as follows:

	2020 £	2019 £
<b>Total reserves</b>	<b>1,666,602</b>	<b>1,441,008</b>
Less: designated funds	(1,381,949)	(1,188,308)
Less: restricted funds	(120,061)	(48,347)
Less: endowment funds	(87,565)	(79,528)
<b>Free reserves</b>	<b>77,027</b>	<b>124,825</b>
<b>Free reserves requirement:</b>		
3 month's budgeted routine expenditure	<b>62,487</b>	<b>68,567</b>

Our financial projections anticipate the level of free reserves to fall to around 2 months whilst the church is closed. However, the projections show that this is sustainable until the church reopens and income recovers and begins to grow. Nevertheless, this will be monitored very closely by the Enabling and Finance and Major Fundraising Committees and remedial action taken if necessary.

### 7. Investment Policy

#### 7.1 General Funds

The PCC holds investments in local property to provide a regular rental income for the church. Amounts held over and above funds required for working capital are held in bank short term deposits.

#### 7.2 Restricted Funds

Amounts held over and above funds required for working capital are held in bank short term deposits.

#### 7.3 Endowment Fund

The endowment fund is invested in CBF investment fund shares and the objective is to provide a high level of income whilst maintaining the capital value. An application was made to the Charity Commission for permission to liquidate the fund and apply the proceeds to the St John's Development Project. In April 2021, the Charity Commission concurred with the PCC resolution to do this. We're pleased to say the way is clear for us to carry out our plans.

### 8. Plans for Future Periods

Following the completion of the damp-proofing works in 2019, the crypt is now drying out ahead of the start of the main works which were planned to start in summer 2020. Work on the detailed design work started tenders were sought before the Project was put on hold when Covid-19 struck. The renovation works are now planned to begin in July 2021. This will result in a considerable enhancement both for worship and for the practical access to and use of the building.

St John's - the Festival Church of Great Britain - continues to host the Waterloo Festival. We were delighted with the success of the online Waterloo Festival in 2020 and are looking forward to the 70<sup>th</sup> anniversary of the Festival of Britain to be celebrated in 2021.

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)**

## **Report of the Parochial Church Council For the year ended 31 December 2020**

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### **9. Responsibilities of Trustees for the Financial Statements**

The PCC is responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and of the incoming resources and application of resources of the PCC for that period.

In preparing those financial statements, the PCC is required to:

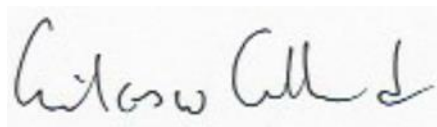
- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the PCC will continue.

The PCC is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the PCC and enables them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document.

The PCC is also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the PCC and financial information included in the PCC website.

### **10. Approval**

Approved by the Parochial Church Council on 19 April 2021 and signed on its behalf by:



**Canon Giles Goddard**  
**Chair**

19 April 2021

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)**

## **Report of the Independent Examiner to the Parochial Church Council of Waterloo Parochial Church Council**

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I report on the accounts of the Parochial Church Council (PCC) for the year ended 31 December 2020 set out on pages 14 to 27.

### **Respective Responsibilities of the PCC and the Examiner**

The PCC is responsible for the preparation of the accounts. The PCC considers that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The PCC's gross income exceeds £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants In England and Wales.

It is my responsibility:

- to examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

### **Basis of this Report**

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

### **Independent Examiner's Statement**

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 church as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable 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.



**John Helm ACA**  
17 Heathville Road  
London N19 3AL

19 April 2021

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO**  
**(St John the Evangelist with St Andrew)**

**Statement of Financial Activities**  
**For the year ended 31 December 2020**

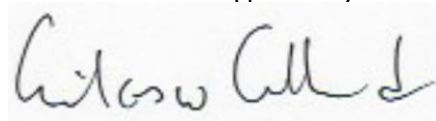
		Unrestricted Funds		Restricted Funds	Endowment Funds	Total	Unrestricted Funds		Restricted Funds	Endowment Funds	Total
		General	Designated	2020	2020	2020	General	Designated	2019	2019	2019
	Note	2020	2020	2020	2020	2020	2019	2019	2019	2019	2019
		£	£	£	£	£	£	£	£	£	£
<b>Income from:</b>	2										
Donations and legacies		305,965	-	358,920	-	664,885	93,122	-	358,107	-	451,229
Charitable activities		323	-	8,000	-	8,323	1,838	-	21,866	-	23,704
Other trading activities		56,179	-	7,626	-	63,805	115,554	-	8,496	-	124,050
Investments		50,517	-	293	2,413	53,223	53,571	-	652	2,274	56,497
<b>Total Income</b>		<b>412,984</b>	<b>0</b>	<b>374,839</b>	<b>2,413</b>	<b>790,236</b>	<b>264,085</b>	<b>0</b>	<b>389,121</b>	<b>2,274</b>	<b>655,480</b>
<b>Expenditure on:</b>	3										
Raising funds		-	-	12,512	-	12,512	5,691	-	39,232	-	44,923
Charitable activities		258,467	8,674	290,613	-	557,754	201,859	22,662	438,706	-	663,227
<b>Total Expenditure</b>		<b>258,467</b>	<b>8,674</b>	<b>303,125</b>	<b>0</b>	<b>570,266</b>	<b>207,550</b>	<b>22,662</b>	<b>477,938</b>	<b>0</b>	<b>708,150</b>
Net gains on investments		-	-	-	5,624	5,624	-	-	-	12,283	12,283
<b>Net Income/(Expenditure)</b>		<b>154,517</b>	<b>(8,674)</b>	<b>71,714</b>	<b>8,037</b>	<b>225,594</b>	<b>56,535</b>	<b>(22,662)</b>	<b>(88,817)</b>	<b>14,557</b>	<b>(40,387)</b>
Transfers between funds		(202,315)	202,315	-	-	-	(46,260)	46,260	-	-	-
Other recognised gains/(losses)		-	-	-	-	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>(47,798)</b>	<b>193,641</b>	<b>71,714</b>	<b>8,037</b>	<b>225,594</b>	<b>10,275</b>	<b>23,598</b>	<b>(88,817)</b>	<b>14,557</b>	<b>(40,387)</b>
Total funds brought forward		124,825	1,188,308	48,347	79,528	1,441,008	114,550	1,164,710	137,164	64,971	1,481,395
<b>Total funds carried forward</b>		<b>77,027</b>	<b>1,381,949</b>	<b>120,061</b>	<b>87,565</b>	<b>1,666,602</b>	<b>124,825</b>	<b>1,188,308</b>	<b>48,347</b>	<b>79,528</b>	<b>1,441,008</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
WATERLOO (St John the Evangelist with St Andrew)**

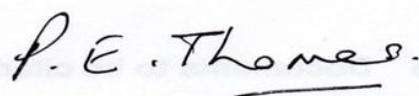
**Balance sheet  
As at 31 December 2020**

	Note	Unrestricted Funds General 2020 £	Designated 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total 2020 £	Total 2019 £
<b>FIXED ASSETS</b>							
Tangible	4	-	924	-	-	924	2,398
Investments	5	-	1,100,000	-	87,565	1,187,565	1,179,528
		<b>0</b>	<b>1,100,924</b>	<b>0</b>	<b>87,565</b>	<b>1,188,489</b>	<b>1,181,926</b>
<b>CURRENT ASSETS</b>							
Debtors	6	35,949	146,315	-	-	182,264	175,097
Short term deposits	7	90,338	134,710	110,085	-	335,133	97,420
Cash at bank and in hand		30,349	-	21,276	-	51,625	92,576
		<b>156,636</b>	<b>281,025</b>	<b>131,361</b>	<b>0</b>	<b>569,022</b>	<b>365,093</b>
<b>CURRENT LIABILITIES</b>							
Creditors - amounts falling due within one year	8	79,609	-	11,300	-	90,909	106,011
<b>NET CURRENT ASSETS</b>		<b>77,027</b>	<b>281,025</b>	<b>120,061</b>	<b>0</b>	<b>478,113</b>	<b>259,082</b>
<b>LONG TERM LIABILITIES</b>							
Creditors - amounts falling due after more than one year	9	-	-	-	-	-	2,700
<b>NET ASSETS</b>		<b>77,027</b>	<b>1,381,949</b>	<b>120,061</b>	<b>87,565</b>	<b>1,666,602</b>	<b>1,438,308</b>
Financed by:							
Unrestricted Funds:	10						
General Fund		77,027	-	-	-	73,527	124,825
Designated Funds		-	1,381,949	-	-	1,381,949	1,188,308
Restricted Funds	11	-	-	120,061	-	123,561	48,347
Endowment Funds	12	-	-	-	87,565	87,565	79,528
<b>TOTAL FUNDS</b>		<b>77,027</b>	<b>1,381,949</b>	<b>120,061</b>	<b>87,565</b>	<b>1,666,602</b>	<b>1,441,008</b>

The accounts were approved by the PCC on 19 April 2021 and signed on its behalf by:



**Canon Giles Goddard**  
PCC Chair



**Pat Thomas**  
PCC Secretary

The notes on pages 17-27 form part of these financial statements.



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
WATERLOO (St John the Evangelist with St Andrew)**

**Cash Flow Statement  
For the year ended 31 December 2020**

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total 2020 £	Total 2019 £
<b>Net cash flows from operating activities</b>	13	(14,293)	160,245	-	145,942	(144,503)
<b>Cash flows from investing activities:</b>						
Dividends, interest and rents from investments		50,517	293	2,413	53,233	56,497
Purchase of investments		-	-	(2,413)	(2,413)	-
<b>Net cash provided by (used in) investing activities</b>		<b>50,517</b>	<b>293</b>	<b>0</b>	<b>50,820</b>	<b>56,497</b>
<b>Cash flows from financing activities</b>						
Repayments of borrowing		-	-	-	-	-
<b>Net cash used in financing activities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>36,224</b>	<b>160,538</b>	<b>0</b>	<b>196,762</b>	<b>(88,006)</b>
<b>Cash and cash equivalents brought forward</b>		<b>219,173</b>	<b>(29,177)</b>	<b>-</b>	<b>189,996</b>	<b>278,002</b>
<b>Cash and cash equivalents carried forward</b>		<b>255,397</b>	<b>131,361</b>	<b>0</b>	<b>386,758</b>	<b>189,996</b>

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

---

### I. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (the Charities SORP) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of freehold land and buildings which are shown at market value.

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

The PCC meets the definition of a public benefit entity under FRS 102.

#### Going Concern

There are no material uncertainties about the charity's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

#### Income recognition

Voluntary income and donations (including legacies) are included when the PCC becomes entitled to, probably will receive, and can reliably measure the income. Income from the recovery of tax on gift aided donations is recorded in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises and freehold land and buildings which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable and the amount can be measured reliably. The PCC is not registered for VAT so expenditure includes VAT.

Expenditure included in Raising Funds includes property maintenance costs.

Charitable expenditure includes those costs in fulfilling the PCC's principal objects, as outlined in the Report of the PCC. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the PCC's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the PCC.
- Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

The PCC contributes to certain employees' personal pension plans. These are defined contribution schemes, the assets of which are held separately from those of the charity. The cost in the accounts is the amount of contributions paid and payable during the year.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

---

### I. Accounting Policies (continued)

#### Tangible Fixed Assets

##### *Consecrated Property and Moveable Church Furnishings*

Consecrated land and benefice property such as the church building and vicarage is excluded from the accounts in accordance with s10 of the Charities Act 2011. Moveable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). They are capitalised at cost and depreciated over their useful economic life other than where insufficient cost information is available. In this case the item is not capitalised, but all items are included in the church's inventory in any case.

##### *Freehold Land & Buildings*

Freehold land and buildings are stated at market value on a 5 yearly basis and the next valuation is due on 31 December 2022. No depreciation is provided on buildings as the currently estimated residual value of the properties (discounted for monetary inflation since their capitalisation) is not less than their carrying value and the remaining useful life of these assets currently exceeds 50 years, so that any depreciation charges would be immaterial. If the carrying value of the buildings looks greater than their current value on this basis, an impairment review would be carried out and any resultant loss included in expenditure for the year.

##### *Other Fixtures, Fittings & Office Equipment*

These are capitalised if they can be used for more than one year and cost at least £1,000. They are valued at cost or else, for gifts-in-kind, at a reasonable estimate of their open market value on receipt. Depreciation is calculated to write off fixed assets over their estimated useful lives as follows:

- Fixtures & Fittings 20 years
- Sound System 5 years
- Office Equipment & Computers 3 years

#### Investments

Freehold land and buildings are stated at fair value. Quoted investments are stated at market value. Realised and unrealised gains and losses on investments are reflected through the Statement of Financial Activities.

#### Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

#### Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

#### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

#### Borrowings

The PCC has one category of borrowings - concessionary loans from members of the congregation (on which no interest is payable), which are recognised at the amount received.

#### Fund accounting

The funds held by the charity are either:

- Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Endowment funds - these are funds whose capital must be maintained.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### 2. Income

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total	
	General	Designated	Funds	Funds	2020	2019
	2020	2020	2020	2020	2020	2019
	£	£	£	£	£	£
<b>Donations and legacies</b>						
Planned giving	78,613	-	-	-	78,613	72,890
Open plate collections	826	-	-	-	826	3,213
One-off Gift Aid gifts	22,817	-	-	-	22,817	1,607
Donations and appeals	6,197	-	78,918	-	85,115	95,155
Tax recoverable on Gift Aid	17,786	-	19,442	-	37,228	31,498
Legacies	161,315	-	4,541	-	165,856	-
Grants (see note below)	18,411	-	256,019	-	274,430	246,866
	<b>305,965</b>	<b>0</b>	<b>358,920</b>	<b>0</b>	<b>664,885</b>	<b>451,229</b>
<b>Charitable Activities</b>						
Parish events and activities (see note below)	-	-	8,000	-	8,000	21,866
Parochial fees (weddings and funerals) (net)	323	-	-	-	323	1,838
	<b>323</b>	<b>0</b>	<b>8,000</b>	<b>0</b>	<b>8,323</b>	<b>23,704</b>
<b>Other trading activities</b>						
Licence fee income (TBAW)	33,807	-	-	-	33,807	77,366
Church building lettings	22,372	-	-	-	22,372	34,227
Fundraising events	-	-	7,626	-	7,626	12,457
	<b>56,179</b>	<b>0</b>	<b>7,626</b>	<b>0</b>	<b>63,805</b>	<b>124,050</b>
<b>Investments</b>						
Rent from buildings	50,275	-	-	-	50,275	53,070
Bank interest	242	-	293	-	535	1,153
Dividends	-	-	-	2,413	2,413	2,274
	<b>50,517</b>	<b>0</b>	<b>293</b>	<b>2,413</b>	<b>53,223</b>	<b>56,497</b>
	<b>412,984</b>	<b>0</b>	<b>374,839</b>	<b>2,413</b>	<b>790,236</b>	<b>655,480</b>

The following central and local government grants were received during the year:

- Listed Places of Worship Grant Scheme: £44,768 (2019: £71,282)
- Job Retention Scheme: £13,358 (2019: £nil)
- Lambeth Council: £5,000 (2019: £nil)

Parish events and activities includes all of the income from the Waterloo Festival which includes donations, sponsorship, ticket sales and tax recoverable on Gift Aided donations.

### 3. Expenditure

#### 3.1 Expenditure on Raising Funds

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total	
	General	Designated	Funds	Funds	2020	2019
	2020	2020	2020	2020	2020	2019
	£	£	£	£	£	£
Costs of Waterloo Festival	-	-	5,013	-	5,013	18,198
Direct costs of other fundraising events	-	-	7,499	-	7,499	21,034
	<b>0</b>	<b>0</b>	<b>12,512</b>	<b>0</b>	<b>12,512</b>	<b>39,232</b>

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### 3.2 Expenditure on Charitable Activities

	Unrestricted Funds General 2020 £	Designated 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total 2020 £	Total 2019 £
<b>Missionary and charitable giving</b>						
Missions and churches	-	2,800	-	-	2,800	6,700
Relief & development agencies	-	2,400	-	-	2,400	4,809
Other charitable donations	61,929	2,000	1,220	-	65,149	9,794
	<b>61,929</b>	<b>7,200</b>	<b>1,220</b>	<b>0</b>	<b>70,349</b>	<b>21,303</b>
<b>Ministry</b>						
Diocesan Parish Support Fund	81,200	-	-	-	81,200	70,960
Parish mission expenses	3,737	-	-	-	3,737	2,745
	<b>84,937</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>84,937</b>	<b>73,705</b>
<b>Staff costs</b>						
Gross salaries	44,153	-	22,043	-	66,196	62,174
Employers National Insurance	3,681	-	-	-	3,681	3,000
Employer's Allowance	(2,804)	-	-	-	(2,804)	(3,000)
Pension costs	2,266	-	-	-	2,266	1,870
Staff training & welfare	-	-	-	-	-	939
	<b>47,296</b>	<b>0</b>	<b>22,043</b>	<b>0</b>	<b>69,339</b>	<b>64,983</b>
<b>Church Life &amp; Outreach</b>						
Parish training and mission	-	-	-	-	-	3,129
Upkeep of services	3,354	-	-	-	3,354	8,260
	<b>3,354</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,354</b>	<b>11,389</b>
<b>Administration</b>						
Postage & stationery	696	-	-	-	696	1,034
Office telephone & internet	2,582	-	-	-	2,582	2,540
Photocopier & printing	914	-	-	-	914	1,611
Computer & website	5,132	-	-	-	5,132	3,085
Accountancy services	1,691	-	-	-	1,691	2,021
Subscriptions	4,422	-	-	-	4,422	4,710
Bank charges	897	-	-	-	897	92
Depreciation	-	1,474	-	-	1,474	1,474
Miscellaneous expenses	9,204	-	-	-	9,204	-
	<b>25,538</b>	<b>1,474</b>	<b>0</b>	<b>0</b>	<b>27,012</b>	<b>16,567</b>
<b>Church Property Costs</b>						
Insurance	10,558	-	-	-	10,558	10,484
Heat, light & water	16,161	-	-	-	16,161	22,318
General maintenance (incl churchyard)	3,188	-	-	-	3,188	6,718
Major repairs	-	-	-	-	-	4,392
Cleaning	2,922	-	-	-	2,922	5,492
Curate's accommodation	664	-	-	-	664	(7,283)
St Johns Development Project costs	-	-	267,350	-	267,350	431,439
	<b>33,493</b>	<b>0</b>	<b>267,350</b>	<b>0</b>	<b>300,843</b>	<b>473,560</b>
<b>Governance Costs</b>						
Independent examiner fee	990	-	-	-	990	1,000
Preparation of financial statements	930	-	-	-	930	720
	<b>1,920</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,920</b>	<b>1,720</b>
	<b>258,467</b>	<b>8,674</b>	<b>290,613</b>	<b>0</b>	<b>557,754</b>	<b>663,227</b>

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### 3.2 Expenditure on Charitable Activities (continued)

#### Staff Costs

Staff costs are disclosed in the table above. During the year, the PCC employed 5 staff (2019: 5 staff). All staff employed received at least the London Living Wage. No employee received emoluments of over £60,000 during the year (2019: none).

### 4. Tangible Fixed Assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 January 2020	16,941
Additions	-
Disposals	-
	<u>16,941</u>
At 1 January and 31 December 2020	
<b>Depreciation</b>	
At 1 January 2020	14,543
Charge for Year	1,474
Disposals	-
	<u>16,017</u>
At 31 December 2020	
<b>Net Book Value</b>	
At 31 December 2020	<u>924</u>
At 31 December 2019	<u>2,398</u>

### 5. Fixed Asset Investments

	Freehold land & buildings £	Investments £	2020 £	2019 £
Market value at 1 January	1,100,000	79,528	1,179,528	1,164,971
Additions at cost (incl dividends reinvested)	-	2,413	2,413	2,274
Disposals	-	-	-	-
Revaluation gain/(loss)	-	5,624	5,624	12,283
<b>Market value at 31 December</b>	<u>1,100,000</u>	<u>87,565</u>	<u>1,187,565</u>	<u>1,179,528</u>
Investments are represented by:				
21 Windmill House, Windmill Walk, London SE1	300,000	-	300,000	300,000
Theatre View, Short Street	800,000	-	800,000	800,000
CBF investment fund shares	-	87,565	87,565	79,528
<b>Market value at 31 December</b>	<u>1,100,000</u>	<u>87,565</u>	<u>1,187,565</u>	<u>1,179,528</u>

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### 5. Fixed Asset Investments (continued)

Freehold land and buildings consist of:

(1) Flat at 21 Windmill House, Windmill Walk, London SE1, which is an investment property held to generate rent and or/to house key Parish personnel, and is therefore not depreciated. It was revalued in 2012 on a "walk by" basis at £300,000.

(2) The office at Theatre View, Short Street. This is valued at £800,000, based on the current rent (reviewed in 2019 for five years) of £40,000 per annum with a gross yield of 5%.

We are advised that this basis of valuation is sufficiently transparent - so as not to incur full valuation fees.

Investments are held in respect of Trust T0074. The trust funds are held by the Diocese of Southwark as custodian trustee on behalf of the PCC.

### 6. Debtors

	2020 £	2019 £
Prepayments	1,368	1,652
Income tax recoverable	7,736	8,819
Lettings receivable	2,333	13,703
Grants receivable	10,374	21,186
Legacy receivable	146,315	-
Accrued income	12,438	67,638
The Bridge at Waterloo	-	14,129
The Bridge at Waterloo – loan	-	45,000
Other debtors	1,700	2,970
	<b>182,264</b>	<b>175,097</b>

The loan to the Bridge at Waterloo is interest free with no specific date for repayment. It was converted to a grant in April 2020.

### 7. Short Term Deposits

	2020 £	2019 £
CCLA 637006001D (Unit Holding, St Andrew's)	-	10,121
CCLA 637006002D (PCC General)	90,338	49,896
CCLA 637006006D (Project Account, St John's)	244,795	37,403
	<b>335,133</b>	<b>97,420</b>

### 8. Creditors - Amounts Falling Due Within One Year

	2020 £	2019 £
Trade creditors	35,890	61,437
Accruals	5,167	16,486
The Bridge at Waterloo	21,721	-
Rental deposits held	16,831	16,788
Loans payable (see note 10 below)	11,300	11,300
	<b>90,909</b>	<b>106,011</b>

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### 9. Creditors - Amounts Falling Due After More Than One Year

	2020 £	2019 £
Loans payable	-	2,700

Loans have been made by members of the church congregation to help finance the costs of the St John's Development Project. They are interest free and are repayable over five years to 2020.

### 10. Unrestricted Funds

10a Current year	At 1 January 2020 As restated £	Income £	Expenditure £	Gains/ (losses) £	Transfers £	At 31 December 2020 £
Unrestricted: General Fund	124,825	412,984	(258,467)	-	(202,315)	77,027
Designated Funds:						
Tangible Fixed Assets Fund	2,398	-	(1,474)	-	-	924
Investments – Freehold Land & Buildings Fund	1,100,000	-	-	-	-	1,100,000
Quinquennial Maintenance Fund	13,751	-	-	-	-	13,751
Mission & Charities	6,009	-	(7,200)	-	6,000	4,809
St Johns Development Fund	64,950	-	-	-	196,315	261,265
Robes project	1,200	-	-	-	-	1,200
	1,188,308	0	(8,674)	0	202,315	1,381,949
	<b>1,313,133</b>	<b>412,984</b>	<b>(267,141)</b>	<b>0</b>	<b>0</b>	<b>1,458,976</b>

10b Prior year	At 1 January 2019 As restated £	Income £	Expenditure £	Gains/ (losses) £	Transfers £	At 31 December 2019 £
Unrestricted: General Fund	114,550	264,085	(207,550)	-	(46,260)	124,825
Designated Funds:						
Tangible Fixed Assets Fund	3,872	-	(1,474)	-	-	2,398
Investments – Freehold Land & Buildings Fund	1,100,000	-	-	-	-	1,100,000
Quinquennial Maintenance Fund	14,909	-	(1,158)	-	-	13,751
Mission & Charities	12,179	-	(20,030)	-	13,860	6,009
St Johns Development Fund	33,750	-	-	-	31,200	64,950
Robes project	0	-	-	-	1,200	1,200
	1,164,710	0	(22,662)	0	46,260	1,188,308
	<b>1,279,260</b>	<b>264,085</b>	<b>(230,212)</b>	<b>0</b>	<b>0</b>	<b>1,313,133</b>



# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### 10. Unrestricted Funds (continued)

The descriptions of the main funds are as follows:

- **Tangible Fixed Assets Fund** – The balance consists of the net book value of office, sound and computer equipment.
- **Investments – Freehold Land and Buildings** – the PCC decided to set up this fund to show the assets which are held to generate an income. The major two items in this Fund are the flat in Windmill House (current value £300,000) and the office at Theatre View, Short Street (current value £800,000).
- **Quinquennial Maintenance Fund** – created to set aside funds to enable repair of the church buildings in accordance with the Quinquennial Report received in 2019.
- **Mission & Charities Fund** – the PCC decided that it should aim to give away 5% of its disposable income and this fund has been set up for this purpose.
- **St John's Development Fund** – This designated fund reflects St John's commitment to the development of our building and community. Last year, the PCC has approved £15,000 a year for 2020. This was reviewed when the 2020 budget was set and £2,500 a month was approved from October 2020 to June 2020 inclusive, when the main works were set to begin. The fund will be used to finance work which isn't immediately covered by grant income. If funds remain when the Project is complete and paid for, any remaining funds will be released back to general fund unless needed elsewhere.

### 11. Restricted Funds

#### 11a Current year

	At 1 January 2020 £	Incoming Resources £	Resources Expended £	Gains/ (losses) £	Transfers £	At 31 December 2020 £
The St Johns Development Fund:						
Main Fund	5,340	357,509	(292,930)	-	-	69,919
Lady Chapel Fund	30,000	-	-	-	-	30,000
Accessibility Fund	7,376	-	-	-	-	7,376
Waterloo Festival	3,668	8,000	(8,513)	-	-	3,155
Flower Fund	573	829	(235)	-	-	1,167
Christmas Lunch	432	-	-	-	-	432
Robes Project	570	7,075	(11)	-	-	7,634
Lent Appeal	0	220	(220)	-	-	0
Foodbank	150	206	(216)	-	-	140
Belfrey fund	238	-	-	-	-	238
Harvest/Manna Society	0	1,000	(1,000)	-	-	0
	<b>48,347</b>	<b>374,839</b>	<b>(303,125)</b>	<b>0</b>	<b>0</b>	<b>120,061</b>

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### II. Restricted Funds (continued)

I 1b Prior year	At 1 January 2019 £	Incoming Resources £	Resources Expended £	Gains/ (losses) £	Transfers £	At 31 December 2019 £
The St Johns Development Fund:						
Main Fund	97,406	360,408	(452,474)	-	-	5,340
Lady Chapel Fund	30,000	-	-	-	-	30,000
Accessibility Fund	7,376	-	-	-	-	7,376
Waterloo Festival	0	21,866	(18,198)	-	-	3,668
Flower Fund	395	695	(517)	-	-	573
Christmas Lunch	432	-	-	-	-	432
Churchyard	89	-	(89)	-	-	0
Robes project	588	75	(93)	-	-	570
Lent Appeal	0	180	(180)	-	-	0
Royal British Legion (poppy appeal)	32	-	(32)	-	-	0
Foodbank	588	13	(451)	-	-	150
Salary sponsorship	0	5,000	(5,000)	-	-	0
Christian Aid Ghana Appeal	20	684	(704)	-	-	238
Belfrey fund	238	-	-	-	-	0
Woodland Trust	0	200	(200)	-	-	0
	<b>137,164</b>	<b>389,121</b>	<b>(477,938)</b>	<b>0</b>	<b>0</b>	<b>48,347</b>

The descriptions of the main funds are as follows:

- **The St Johns Development Fund.** A fund set up to enable the development of St John's Church as a place of engagement and innovation in the arts and to make explicit connections between art and faith, particularly for young people in giving them employability skills. The fund is currently in three parts:
  - **Main Fund**
  - **Lady Chapel Fund** – a fund set up for the refurbishment of the Lady Chapel in memory of the late Revd Alison Warner.
  - **Accessibility Fund** – this fund holds a specific gift towards improving the accessibility of the Crypt.
- **Waterloo Festival** – restricted donations received for the Waterloo Festival.
- **Christmas Lunch** – fund created to provide a Christmas Lunch for the wider community of St John's, especially those in need and those alone at Christmas.
- **Robes Project** – funds received to support our contribution to hosting homeless guests throughout the winter
- **Churchyard** – funds received to fund the works to the churchyard at St John's. From May 2020, this was transferred to TBWW which is now responsible for this work as part of its mission to provide employability skills.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)

## Notes to the Financial Statements For the year ended 31 December 2020

### 12. Endowment Funds

<b>12a Current year</b>	<b>At 1 January 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/ (losses) £</b>	<b>Transfers £</b>	<b>At 31 December 2020 £</b>
Trust Fund T0074	79,528	2,413	-	5,624	-	87,565

<b>12b Prior year</b>	<b>At 1 January 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/ (losses) £</b>	<b>Transfers £</b>	<b>At 31 December 2019 £</b>
Trust Fund T0074	64,971	2,274	-	12,283	-	79,528

The endowment funds originate from the previous parish of St Thomas, Lambeth, which was completely bombed out during World War II and became absorbed by St John's. There were two funds T0074 & T0075: T0074 indicates that it was the St Thomas Curatage and Endowment Fund, and T0075 refers to St Thomas General Purposes Endowment Fund. There is little to indicate, in either case, whether or not the funds are expendable. During 2019 T0075 was transferred to T0074 to save costs and hopefully improve income. The funds are managed by the Diocese of Southwark as custodian trustee on behalf of the PCC.

Of the original capital sum of about £55,000, the Church borrowed £21,167 in 1977 and a further £5,842 in 2007. Any income and gains generated from the funds is used to replace the capital borrowed.

During 2020 the PCC, subject to permission being granted by the Charity Commission, passed a resolution to liquidate the endowment and transfer the assets to the St John's redevelopment fund. On 2020 April 2021, the day after these accounts were approved by PCC, the Charity Commission concurred with this resolution. We are pleased that we can now proceed with this plan in 2021.

### 13. Reconciliation of net income to net cash flow from operating activities

	<b>Unrestricted Funds 2020 £</b>	<b>Restricted Funds 2020 £</b>	<b>Endowment Funds 2020 £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Net movement in funds for the reporting period (as per the statement of financial activities)</b>	145,843	71,714	8,037	225,594	(40,387)
<b>Adjustments for:</b>					
Depreciation charges	1,474	-	-	1,474	1,474
(Gains)/losses on investments	-	-	(5,624)	(5,624)	(14,557)
Dividends and interest from investments	(50,517)	(293)	(2,413)	(53,233)	(56,497)
(Increase)/decrease in stocks	-	-	-	-	746
(Increase)/decrease in debtors	(95,991)	88,824	-	(7,167)	(88,138)
Increase/(decrease) in creditors	(15,102)	-	-	(15,102)	52,856
<b>Net cash provided by (used in) operating activities</b>	<b>(14,293)</b>	<b>160,245</b>	<b>0</b>	<b>145,942</b>	<b>(144,503)</b>

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WATERLOO (St John the Evangelist with St Andrew)**

## **Notes to the Financial Statements For the year ended 31 December 2020**

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### **14. Related Party Transactions and Balances**

The Revd Canon Giles Goddard and Belinda Taylor, both members of the PCC, also served as trustees of The Bridge at Waterloo ("TBAW") (charity registered no. 1167768) during the year. Whilst the PCC has overall responsibility for the two church buildings, St John the Evangelist and St Andrew, TBAW manages the maintenance of both church buildings and all lettings. Income and expenditure relating to the use of St John's church (as opposed to the crypt) is allocated to the PCC. All other income and expenditure relating to use by external parties of all other parts of the two buildings is retained/incurred by TBAW in exchange for a licence fee payable to the PCC. During the year a licence fee of £33,807 (2019 - £77,366) was payable to the PCC. In addition, the PCC recharged various expenditures incurred on behalf of TBAW during the year and, during 2020, an interest free loan of £45,000 made by the PCC to TBAW in 2019 was converted to a grant in April 2020. The net amount due from the PCC to TBAW at 31<sup>st</sup> December 2020 resulting from these transactions was £21,721 (2019: amount due to the PCC from TBAW: £14,129).

One member (2019: one) of the PCC, together with their partner, have made interest free loans totalling £10,000 (2019: £10,000) to the church in respect of the St Johns Development Project.

Members of the PCC gave a total of £32,155 (2019: £15,113) in unrestricted offerings and donations during the year