

## **FINANCIAL REPORT for the year ended 31 December 2020**

### **Introduction**

The 2020 financial statements for the PCC have been prepared in accordance with the requirements of the Charities Acts using the Receipts & Payments method. This is consistent with the 2019 Accounts. Most of our income and expenditure is dealt with on a monthly basis and so the overall performance would not have been significantly different if they had been produced on the alternative Accruals Basis.

In addition to the Church the PCC is responsible for three community activities, the Church Hall, Glebe Meadow and Pavilion and the Parish News.

### **PCC Finances in 2020**

Our Annual Report and Accounts for 2020 will be approved at our APCM this Spring at the same time as we approve last year's Accounts. The 2019 Report was prepared before COVID hit the country and the Forecast for 2020 prepared at the time was overly optimistic given the pandemic that hit the country as well as successive lockdowns.

Our Income was badly hit with reductions in Planned Giving, Fees and Collections. The Fete was cancelled and there were no special events. We were very fortunate to have some long term contracts in the Church Hall and Glebe so that our income from those sources only dropped by around 10%.

Our overall receipts fell by £41,000 and our operating deficit was £21,000. However our final position is nearly £20,000 better than that as we received a large donation from the Limpsfield Church Trust at the end of the year that is intended for the AV/Media Project but this will not be spent until 2021, as well as a contribution towards the maintenance of the churchyard. Our budget holders reduced their costs to essential items only so this helped keep the deficit to an acceptable level.

As the Church was closed for much of the year many of our costs were lower. The Darkin Fund is invested and we received £643 of income that was added to the Accumulation Units. All other funds are on Bank Deposit at present mainly due to stock market volatility and as over the next few months we plan to utilise a large part of our reserves on the Millennium Room, AV Media and Boiler projects. We will be reviewing the position at the end of the year and if surplus funds are available at that time we may consider some further equity investment.

Just under £25,000 was spent on MAP Projects in 2020 mainly on the preparatory work on Millennium Room and Boiler projects.

### **Forecast for 2021**

The budget for 2021 is showing us broadly breaking even. This will again prove challenging particularly as the COVID effects are still having a wide impact. However, we have budgeted for lower receipts and expenses and reduced our Diocesan Pledge by £26,000. Our Pledge commitment remains to pay to the Diocese 50% of our non designated income each year.

The main MAP initiatives for 2021 will be the Millennium Room, Boiler Replacement and making full use of the Broadband with the AV/Media Project. We have been careful to preserve our resources in recent years so that we can finance these important projects. As we come out of the COVID pandemic it will enable us to invest in St Peters and be ready for the challenges of the next ten years.

### **PCC Reserves**

The Church has three types of reserves, General or Free Reserves, Restricted Reserves and Designated Reserves.

Restricted Reserves are those that can only be used in accordance with the specific purposes set out by the donors. At the end of the year we have three funds in this category, The Val Darkin Fund, the Parish Office and the house in Padbrook where the proceeds from sale can only be used to purchase further clergy accommodation.

Designated Reserves are those earmarked by the PCC for particular purposes or projects. Our main reserve of £238,000 is set aside for the Millennium Room Reconfiguration and Boiler Replacement. In addition we have Millennium Room Pledges of £60,000 towards the Millennium Room costs that will be donated when contracts are signed.

The General Reserves, that total just over £110,000, provide cover for unexpected deficits and working capital. It is recommended that this sum should be equivalent to a minimum of 4 months regular spending. Our expenditure runs at around £18,000 a month so currently we have six months cover.

#### **Investments and Other Assets.**

The Rector and Churchwardens own the Church as a conditional freehold on trust. St Peters is the beneficial owner of St Peters Hall, with the South London Church Fund and Diocesan Board of Finance as Trustees. In accordance with the Charities legislation neither asset is included in the Accounts.

The house in Padbrook, which is Freehold, is treated as an investment property and The Parish Office is held through a 999 year lease signed in 1997. They are restricted assets and are shown at their values in 2012 when the PCC adopted income and expenditure accounting.

In accordance with the Charities Act there is no requirement for the PCC to revalue assets. The recorded costs are not necessarily current market values but as the capital involved has restricted use the PCC do not believe it is worth the cost involved in updating the valuations. For similar reasons no value has been attributed in the Accounts to other assets in the church such as the 16<sup>th</sup> Century Medieval Chest, the sound system, pew candles etc.

**David Stewart**

**Hon Treasurer (February 2021)**

**St Peter's Church**

**Receipts and Payments for the year to 31 December 2020**

## RECEIPTS

	Unrestricted	Restricted	TOTAL	TOTAL
	Funds 2020	Funds 2020	2020	2019
	£	£	£	£
<b>Giving, Donations &amp; Grants</b>				
Planned Giving	83,570		83,570	88,371
Collections	3,877		3,877	12,431
Donations, Legacies & Grants	28,720	200	28,920	25,773
Gift Aid	22,589		22,589	23,353
<b>Total</b>	<b>138,756</b>	<b>200</b>	<b>138,956</b>	<b>149,928</b>
<b>Church Activities</b>				
Fees	5,457		5,457	12,236
Fetes & Events	-		-	5,666
Sundry	3,330		3,330	3,942
<b>Total</b>	<b>8,787</b>		<b>8,787</b>	<b>21,844</b>
<b>Community Activities</b>				
Church Hall & Glebe	39,907		39,907	44,183
Parish News	2,857		2,857	3,831
<b>Total</b>	<b>42,764</b>		<b>42,764</b>	<b>48,014</b>
<b>Investment Income</b>				
Dividends & Interest	1,788	643	2,431	1,805
Padbrook Rent	18,000		18,000	15,773
<b>Total</b>	<b>19,788</b>	<b>643</b>	<b>20,431</b>	<b>17,578</b>
<b>TOTAL RECEIPTS</b>	<b>210,095</b>	<b>843</b>	<b>210,938</b>	<b>237,364</b>

## PAYMENTS

	Unrestricted Funds 2020	Restricted Funds 2020	TOTAL 2020	TOTAL 2019
	£	£	£	£
<b>Diocesan Pledge</b>	<b>128,000</b>		<b>128,000</b>	<b>128,000</b>
<b>Church Activities</b>				
<b>Church and Churchyard Exps</b>	<b>10,420</b>		<b>10,420</b>	<b>14,396</b>
<b>Ministry, Music &amp; Sanctuary</b>	<b>6,435</b>		<b>6,435</b>	<b>14,299</b>
<b>Communications</b>	<b>1,107</b>		<b>1,107</b>	<b>303</b>
<b>Total</b>	<b>17,962</b>		<b>17,962</b>	<b>28,998</b>
<b>Community Activities</b>				
<b>Church Hall &amp; Glebe</b>	<b>23,783</b>		<b>23,783</b>	<b>28,954</b>
<b>Parish News</b>	<b>2,543</b>		<b>2,543</b>	<b>3,359</b>
<b>Total</b>	<b>26,326</b>		<b>26,326</b>	<b>32,313</b>
<b>Church Management</b>				
<b>Clergy &amp; Staff</b>	<b>24,198</b>		<b>24,198</b>	<b>19,577</b>
<b>Utilities, Insurance &amp; Office</b>	<b>15,354</b>		<b>15,354</b>	<b>19,237</b>
<b>Padbrook</b>	<b>1,463</b>		<b>1,463</b>	<b>1,589</b>
<b>Donations &amp; Pastoral Fund</b>	<b>2,000</b>	<b>200</b>	<b>2,200</b>	<b>1,812</b>
<b>Sundries</b>	<b>1,690</b>		<b>1,690</b>	<b>2,488</b>
<b>Total</b>	<b>44,705</b>	<b>200</b>	<b>44,905</b>	<b>44,703</b>
<b>TOTAL PAYMENTS</b>	<b>216,993</b>	<b>200</b>	<b>217,193</b>	<b>233,714</b>
<b>TOTAL RECEIPTS</b>	<b>210,095</b>	<b>843</b>	<b>210,938</b>	<b>237,364</b>
<b>OPERATING (DEFICIT) SURPLUS</b>	<b>(6,898)</b>	<b>643</b>	<b>(6,255)</b>	<b>3,450</b>
<b>REVALULATION (DEFICIT) SURPLUS</b>			<b>(2,664)</b>	<b>985</b>
<b>MAP and CAPITAL PROJECTS</b>			<b>(24,983)</b>	<b>(35,642)</b>
<b>DARKIN ADDL DONATIONS</b>			<b>-</b>	<b>6,000</b>
<b>NET MOVEMENT IN FUNDS</b>			<b>(33,902)</b>	<b>(25,307)</b>

**St Peter's Church**
**Statement of Assets and Liabilities as at 31 December 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>ASSETS</b>		
Cash and Bank Funds		
Church of England Deposit Accounts	<b>150,257</b>	<b>161,069</b>
Bank Current Accounts	<b>262,797</b>	<b>283,817</b>
<b>Total</b>	<b>413,004</b>	<b>444,886</b>
Investment Asset		
M and G Investment (Val Darkin Fund)	<b>13,634</b>	<b>15,654</b>
Freehold Property ( 24 Padbrook)	<b>305,000</b>	<b>305,000</b>
<b>Total</b>	<b>318,634</b>	<b>320,654</b>
Other Church Assets		
Leasehold Property ( Parish Office )	<b>58,277</b>	<b>58,277</b>
Church Fittings & Equipment (not valued)	<b>0</b>	<b>0</b>
<b>Total</b>	<b>58,277</b>	<b>58,277</b>
<b>TOTAL ASSETS</b>	<b>789,915</b>	<b>823,817</b>
<b>There were no Liabilities at 31 December 2020</b>		
<b>PARISH FUNDS</b>		
Free Reserves (Unrestricted Fund)	<b>110,004</b>	<b>117,971</b>
Designated Reserves (Unrestricted Fund)	<b>303,000</b>	<b>326,915</b>
Restricted Reserves	<b>376,911</b>	<b>378,931</b>
<b>TOTAL PARISH FUNDS</b>	<b>789,915</b>	<b>823,817</b>

## Summary of Reserves as at 31 December 2020

	2020	2019
	£	£
<b>UNRESTRICTED RESERVES</b>		
<b>Total Free Reserves</b>	<b>110,004</b>	<b>117,971</b>
<b>Designated Reserves</b>		
<b>MAP and Capital Projects:</b>		
Millennium Room (In addition there are £60,000 of pledged donations that will be paid when the construction contract is signed.)	200,000	
Boiler	38,000	
AV/ Media Project	25,000	
<b>TOTAL MAP PROJECTS</b>	<b>263,000</b>	<b>270,000</b>
Donations Fund	15,000	30,000
Pastoral Fund	-	1,915
Church Building & Quinquennial Expenditure	20,000	20,000
Church Hall and Glebe Meadow	5,000	5,000
<b>Total Designated Reserves</b>	<b>303,000</b>	<b>326,915</b>
<b>RESTRICTED RESERVES</b>		
<b>Permanent Endowment Funds</b>		
Freehold Property (Padbrook)	305,000	305,000
Val Darkin Memorial Fund	13,634	15,654
<b>Other Assets</b>		
Leasehold Property (Parish Office)	58,277	58,277
<b>Total Restricted Reserves</b>	<b>376,911</b>	<b>378,931</b>
<b>TOTAL RESERVES</b>	<b>789,915</b>	<b>823,817</b>

## St Peters Church Five Year Record

	2016	2017	2018	2019	2020
<b>Planned Giving</b>	<b>85,037</b>	<b>81,503</b>	<b>86,928</b>	<b>88,371</b>	<b>83,570</b>
<b>Collections</b>	<b>10,059</b>	<b>14,074</b>	<b>12,499</b>	<b>12,431</b>	<b>3,877</b>
<b>Donations, Legacies and Grants</b>	<b>44,558</b>	<b>31,908</b>	<b>30,216</b>	<b>25,773</b>	<b>28,920</b>
<b>Gift Aid</b>	<b>27,290</b>	<b>22,332</b>	<b>23,026</b>	<b>23,353</b>	<b>22,589</b>
<b>Other Receipts</b>	<b>77,539</b>	<b>89,591</b>	<b>90,105</b>	<b>87,436</b>	<b>71,982</b>
<b>TOTAL RECEIPTS</b>	<b>244,483</b>	<b>239,408</b>	<b>242,774</b>	<b>237,364</b>	<b>210,938</b>
<b>Diocesan Pledge</b>	<b>120,000</b>	<b>123,000</b>	<b>123,000</b>	<b>128,000</b>	<b>128,000</b>
<b>-% of total income</b>	<b>49%</b>	<b>51%</b>	<b>51%</b>	<b>54%</b>	<b>61%</b>
<b>Other Payments</b>	<b>120,505</b>	<b>110,573</b>	<b>119,377</b>	<b>105,964</b>	<b>89,143</b>
<b>TOTAL PAYMENTS</b>	<b>240,505</b>	<b>233,573</b>	<b>242,377</b>	<b>233,964</b>	<b>217,193</b>
<b>OPERATING SURPLUS</b>	<b>3,978</b>	<b>5,835</b>	<b>397</b>	<b>3,400</b>	<b>(6,255)</b>

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS / TRUSTEES OF THE PARISH OF LIMPSFIELD & TITSEY**

I report on the accounts for the year to 31 December 2020 which are set out on pages 11 to 14.

### **Respective responsibilities of Trustees and Examiner**

As trustees of the charity, the members of the Parochial Church Council are responsible for the preparation of the accounts. The members consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the 2011 Act), and that an independent examination is needed.

It is my responsibility:

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

### **Basis of Independent Examiner's Report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

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

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

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
- to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act.

Have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



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9 April 2021