



St Martin-in-the-Fields

# Annual Report and Accounts

2020

Trafalgar Square, London WC2N 4JH



*St Martin-in-the-Fields*  
*Trafalgar Square, London WC2N 4JH*

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*All photographs in courtesy of members of the Parochial Church Council.*

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## Foreword

Three words sum up 2020 for St Martin-in-the-Fields.

The first is loss. The enforced closure of the whole site in March was bewildering and damaging. While initially we hoped and supposed it would be brief and not repeated, things turned out very differently. The results were urgent measures to address the financial fallout, rapid action to take events online, immediate attempts to reduce costs, and, painfully, the unavoidable process of redundancies. In addition, some members of our community have had the virus, been sick in other ways, been bereaved, or died. For those shielding it has been an especially difficult year. So many people have faced profound sadness, disappointment, and grief.

The second is resilience. Immediately we knew our very survival as an institution couldn't be taken for granted. The Trust led an outstanding Keeping our Doors Open campaign that addressed our biggest concerns – those who have no home, our ineradicable running costs, and the cohesion of our community, and sourced NLHF grants to keep our cultural life vivid. The company executives and board faced and navigated the need to take out a CBILS loan and yet find ways to trade as permitted. The Charity helped address a huge national need and The Connection and Sunday International Group kept contact with clients and asylum seekers and ensured no one was forgotten. We got through that time, not unscathed, but with dignity and faithfulness to our core mission.

The third is imagination. HeartEdge mushroomed online. The congregation not only took to livestreamed worship, but showed immense initiative, finding ways to meet, share and grow. Saturday morning prayer walks all over London and live Morning Prayer became fixtures. The Nazareth Community grew and spawned Nazareth Companions. The Being With course emerged as a significant part of our life. Hitherto under-busheled talent led online Compline nightly. We became a mixed-mode in-person and online community.

The most important lesson of the year was that being a community of faith, hope and love isn't about an endless seven years of plenty and perpetually fat cows. We show our true colours even more in thin-cow years, of adversity and distress. We've all learnt a lot about each other and ourselves in 2020. What we've learnt is that we need each other – and that together there's nothing we can't face. Previously we hoped that; now we know it. That's some consolation amid much distress.

*Revd Dr Sam Wells*  
*Vicar*

We are hugely grateful for all those who have given so much in myriad ways through this most perilous of years to keep our community afloat, and in as good heart as we might have possibly hoped to be. Many of them are named in these pages, and they have, without exception, been brilliant. Many of them are not, who by a kind word, a phone call, and other small acts of love, have meant so much to others, giving time, kindness, and much more besides. They are windows letting in the sunshine of the Kingdom, even in our physical separation from one another.

Our activities and community have adapted remarkably quickly to the necessary restrictions of the pandemic, including developing a significant online presence. The Trust has raised significant funds for the church, and far beyond. Our cultural and theological output has helped resource parishes worldwide and we have grown our community beyond the walls of our building. Our business has begun to rebuild. Those are things to be celebrated.

But the fundamentals remain the same: our flourishing depends not on our own endeavour or virtue, but on finding out where the Spirit is building the Kingdom, and following her lead. For most of the history of this community, we've found God on the Edge. It's served us well in the past. It'll serve us well tomorrow.

As most will know, we are both stepping down as wardens at May's annual meeting. We do so confident in what's to come: not because of anything that we have done, but because whatever any of us do or not do, God's future is already breaking in, enriching us, binding us together, and bringing us joy.

*Chris Braganza  
Catherine Jackson  
Churchwardens*

## Report on Objectives

### **Cross-Site Vision**

At the heart. On the edge.

### **Cross-Site Mission**

St Martin-in-the-Fields is a community of hope, reimagining church and society through commerce, culture, compassion and congregational life.

### **Congregation Mission**

Being with God on the edge.

### **Key Objectives**

1. A beautiful, sustainable, accessible, open, hospitable and well-maintained building
2. Lively and profound worship
3. Vibrant and faithful congregational life and mission
4. Engaging, humble and prophetic public ministry
5. Encouragement of and participation in our compassionate, cultural and commercial activities

### **Supporting Objectives**

6. Generation of income to achieve all of the above
7. Administrative support for ministry and income-generation

## **1. A beautiful, sustainable, accessible, open, hospitable, well-maintained building**

At the beginning of 2020 we continued our work of planned preventive maintenance and projects including the North Range Exterior refurbishment and a programme of essential repairs, maintenance and installations. However, the pandemic meant that our plans and pattern of work had to be altered dramatically. Central to this was the need to reduce overheads significantly while ensuring that the site remained secure, well maintained and compliant to health and safety and building regulations. Despite the reduction in costs and personnel, with the support of our key support contractors the following areas of work have continued.

Planned Preventative Maintenance across site- including all gas safety checks to our boilers including remedial repairs, electrical checks including commencing the 5 year fixed wire electrical testing, fire safety systems including continuing weekly fire alarm tests and maintenance, water system checks including tank cleaning and testing for legionella, lightning conductor certification, maintenance to the lifts and a major repair to the lift in the offices, alterations to the air handling system to ensure that it is fresh air only to increase COVID safety, as well as a variety of smaller scale maintenance matters.

Essential Repairs and maintenance – including dealing with water ingress through the courtyard and church path to the basement, a programme of converting emergency light fittings to LED, repairs and redecoration to the ringing room windows, and increasing electrical capacity to the courtyard. In addition, the North Range Project was completed, which included extensive repairs to masonry, most notably the replacement of the Ionic Capitals on the columns of 12 Adelaide Street and full re-decoration of walls and windows inside and out.

We have continued to work, albeit at a reduced rate with our Security and Cleaning contractors to ensure that the site is clean and safe and they have supported us as we have gradually increased our requirements.

Health and safety -All planned and regular inspections and reviews have taken place and measures were taken to enable safe access the site, in line with the changing guidelines. This included providing automatic sanitiser units, revising cleaning schedules and risk assessments, introducing one-way systems and signage, social distancing measures and adapting systems and equipment.

IT- With the support of the Trust we made significant changes to help support remote working and refresh our network to update it to the latest supported software, this included moving to Microsoft 365 and supplying 22 new work laptops to staff for use at home. We have also upgraded our public Wi-Fi access points throughout the Crypt, basement and courtyard.

Alongside the programme of work above we have continued to provide Estates Management consultancy to St James's Piccadilly throughout 2020.

## **2. Lively and profound worship**

Regular Sunday and weekday worship in the church building was halted by the March 23 pandemic lockdown. Thereafter all services were online only until July 5, when those who chose to do so were allowed to worship in the building on Sunday at 10am and 1.30pm. Weekday public worship in church did not resume in 2020, with the exception of Christmas services. The church was closed altogether for worship for the first eight weeks of the first lockdown, during which time services were livestreamed from the Austen Williams Room.

Moving to online worship included the following elements

- Gaining experience and expertise in using iPhones and Facebook
- The ability to channel in music produced elsewhere
- The potential to reach worshippers all over the world, both live and on playback
- The potential for worshippers to comment in the chat function as worship was in progress
- The potential to stream from anywhere, and thus the addition of nightly Compline from laypeople's homes, midweek communion from clergy homes, Saturday morning prayer walks from various parks and outdoor spaces
- The separation between services streamed on the public Facebook page and those restricted to the Congregation Facebook page

The combined effect was vastly to increase the reach of our worship, and gain a host of viewers who'd seldom or never been to St Martin's in person.

There were significant hardships entailed by the pandemic, with voluntary music making significantly curtailed by government restrictions. The Choir of St Martin-in-the-Fields was able to sing only in small groups from September. A larger group sang at the Advent Carol Service on December 6. Church music staff were among the redundancies undergone in the autumn, along with vergers. This was a cause for much sadness.



Many things were yet possible. The Choral Scholarship programme continued – first online, and then in church – which enabled us to continue supporting our young singers throughout the year. Great Sacred Music reappeared online from May. Morning Song on Friday and Lighten our Darkness on Monday became regular online features. Five broadcasts of Choral Evensong in August were the first BBC live broadcasts of choral music since the start of the pandemic. There were hundreds of thousands of downloads of liturgical music recorded by the Choral Scholars and St Martin's Voices for the Church of England's A Church Near You facility. The courtyard opened as a prayer garden for many weeks in summer.

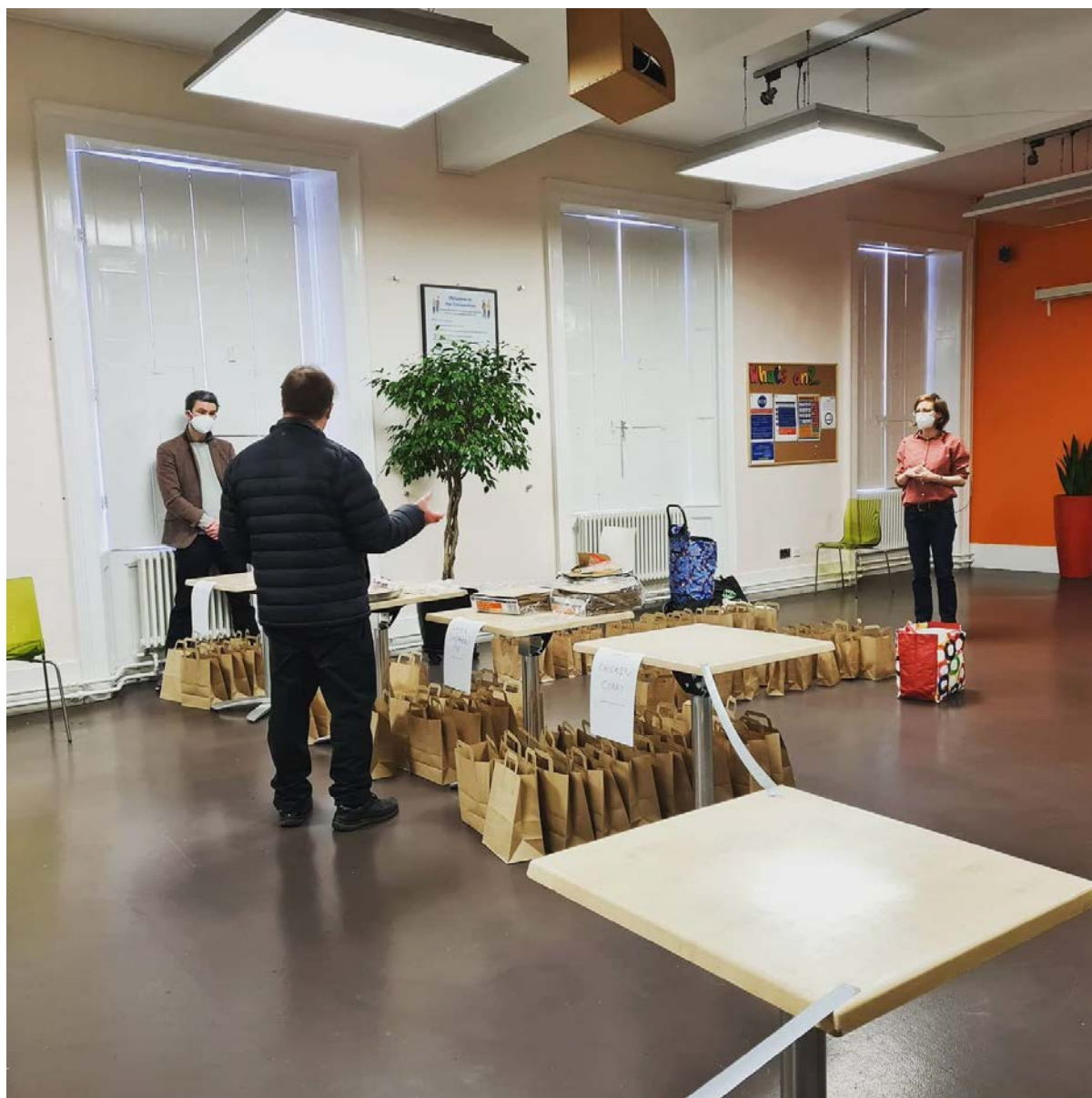
Relentless conversations, energies and resources were put into balancing what was possible, wise, faithful, and affordable, in relation to church opening, singing and worship in church.

### **3. Vibrant and faithful congregational life and mission**

St Martin's is blessed with a diverse and dynamic congregation, and this grew only more so through online community.

- Ministry
  - In February Revd Harry Ching joined us as Assistant Vicar for International Ministry, with a particular responsibility for the Chinese congregations.
  - The Nazareth Community grew to 80 members, and the (online) Nazareth Companions to 35.
  - The Lent Course had 100+ participants and moved online half-way through.
  - The Parish Day took place online on August 15 on the theme of 'The Imagination of God' with special guest speaker, priest and poet, Malcolm Guite.





*Socially-distanced serving stations for the Sunday International Group.*

- **Mission**
  - The Sunday International Group continued to meet during lockdown and throughout the year in COVID-appropriate ways. It played a key role in providing hotel accommodation and support for nine group members during first lock-down and helping get 17 others into Westminster Council emergency accommodation. It provided emergency needs and support including mobile phones for contact, clothing, access to hot food, laundry and washing facilities and contact for those facing isolation.
  - The Global Neighbours Group continued to support six overseas charitable initiatives.
  - Links with St Mary's Cathedral Johannesburg were maintained, with Dean Xolani preaching at an online Pentecost service.



#### **4. Engaging, humble and prophetic public ministry**

It's public ministry that puts St Martin's on the map. St Martin's continues to exercise this role in diverse ways. The pandemic increased this profile in significant respects.

- An extensive broadcasting profile continued. On BBC Radio 4, there were regular broadcasts of Daily Service, two Sunday Worship slots, the annual Ascension Day live broadcast (this year pre-recorded away from the building) and Sam Wells' appearances on Thought for the Day. Sally Hitchiner made several appearances on Times Radio and BBC 1 for reviews of the papers and the week's news. The BBC Radio 4 Christmas Day Service was dramatised by members of the congregation of St Martin-in-the-Fields with St Martin's Voices. The BBC Radio 4 Christmas Appeal was still the most notable of all these media engagements.
- HeartEdge's mission is 'Catalysing communities of hope that reimagine church and society through commerce, culture, compassion and congregational life.' Its activity mushroomed online, forming a continuous festival of theology, action and reflection. Its four objectives are
  - Cultivating Good Examples. The Manchester project began in earnest, with Revd Azariah France-Williams licensed as Priest-in-Charge of Ascension, Hulme, new hub churches joined, and HeartEdge became established on four continents.
  - Training and Supporting Leaders. The Sheppard Scholars scheme expanded, conversations reached an advanced stage for partnership with St Augustine's School of Theology and other such institutions, and Naomi Jacobs began work collecting and documenting good examples of the 4 Cs.
  - Equipping, Encouraging and Energising Churches. Weekly sermon preparation classes, NT lectures and Community of Practitioner seminars were offered online, and joined by a host of events and discussions on race, disability, ecology etc known as Living God's Future Now, of which the flagship event was a monthly conversation with a leading practitioner on the second Thursday of each month.
  - Fostering Good Practice. HeartEdge continued to offer peer mentoring, consultancy days and evaluative tools to churches across the world.
- The Choral Scholars and St Martin's Voices recorded weekly liturgical music that was downloaded 1m times across the Church of England during the pandemic.
- Lectures and Events
  - The Autumn Lectures in 2020 explored the theme of trust, with notable contributions from Tom Holland, Rowan Williams, Paula Gooder and Neil MacGregor. Lectures all took place live (within COVID rules) but for the first time were live-streamed reaching a far wider audience.
  - The ninth disability and faith conference, the first online, was well attended and very well received. The theme was 'Telling Encounters: Stories of Disability, Faith, Church and God'.
- Special Services continued to be a significant aspect of public ministry.
  - Regular events were curtailed but the Annual Service for those who Died Homeless, the Commemoration for the family and friends of those bereaved through homicide, the Shelter Carol Service and the Service for those Affected by Suicide all took place – only the last with a congregation in the building.
  - Christmas services were similarly curtailed but the Blessing of the Crib in Trafalgar Square, Community Carols and Parish Carols all took place in some form.
- Digital engagement continued to develop, through the creation of the [stmartins.digital](https://stmartins.digital) site.

Publications from the clergy included Sam Wells' *A Cross in the Heart of God: Reflections on the Death of Jesus*, *Love Mercy: The Twelve Steps of Forgiveness*, *In Conversation: Samuel Wells and Stanley Hauerwas* with Stanley Hauerwas, facilitated by Maureen Knudsen Langdoc, and *With: Thoughts One Can't Do Without*.

## **5. Encouragement of and participation in our compassionate, cultural and commercial activities**

Other parts of St Martin's, the Trust, the Charity and The Connection each have their own annual reports, with summary reports in the appendix of this report. Increasing moves began to be made for greater cross-site cooperation, as considered by the Advisory Group of non-executives and the M9 senior executives meetings. Highlights included:

- The Trust raised more than £2m in 2020, to play a crucial role in St Martin's survival.
- The Charity brought in a record £4.4m for the BBC Radio 4 Christmas Appeal with St Martin-in-the-Fields. The Frontline Network continued to grow to around 1500 members.
- The Connection began transferring to a new service model, with more emphasis on those with complex needs.

## **6. Generation of income to achieve objectives**

St Martin-in-the-Fields Ltd (SMITFL) is the trading arm of the PCC. It also provides administrative services to the PCC and the Trust and maintains the church and its estate.

- The pandemic had a significant impact on SMITFL's finances and staffing structure.
- Between March and September 2020 the SMITFL Board met 12 times to address these issues.
- Having taken legal advice, and to meet the terms set by the bank for the granting of a Coronavirus Business Interruption Loan (CBIL), SMITFL was not in a position to pass the 2019 profits of £500k to the PCC, nor to make the payment of the annual licence fee to the PCC (2019: £97k). The company made a loss of £629k in 2020.
- SMITFL accessed the Coronavirus Job Retention Scheme (CJRS) and cut its core operating costs for maintenance of the site to a minimum.
- With lockdown extending over the summer, trading restrictions in place and the long term outlook for things returning to normal looking more unlikely, SMITFL began a redundancy consultation with SMITFL and PCC staff. The process led to 84 staff (Full-Time and Part-Time) from a total of 124 being made redundant over two phases in September and November (78 SMITFL, 6 PCC).
- A core operational team from the Café, Shop, Concerts and Events was retained to help rebuild the business as were allowed to re-open. A core SMITFL team of 6 has worked throughout the pandemic with others returning from furlough as required.
- SMITFL has historically supported the majority of the core costs for running St Martin's, but with a total loss of income this was no longer possible from its own resources. The SMITFL Board is extremely grateful to the Trust for the support for these core costs during this period through its fundraising and in particular its work to secure NLHF grants. These grants have also enabled SMITFL to cover reopening costs, core staffing costs and test new formats for our trading to draw in visitors.
- The NLHF grant supported the development of a new online shop, which generated just over £50k of sales between October and December.
- When allowed to do so we opened the Café in the Courtyard, the Cafe in the Crypt and the Shop in line with government guidelines. While the trading periods were short, due to further lockdowns, we were heartened by the support we have seen when open.

Footfall was extremely low throughout the permitted trading timeframes but all areas of covered their operating costs with a good contribution from Retail in December. The Café operated with a significantly reduced menu offer and will seek to develop on this offer in 2021.

## **7. Administrative support for ministry and income-generation**

- Our Admin team covered finances for the PCC, SMITFL, and the Trust and we offer additional payroll services to the St Martin-in-the-Fields Charity, Ho Ming Wah Community Centre (HMW) and St Stephen Walbrook (SSW). We have processed CJRS claims for the HMW and SSW alongside our own claims.
- Over the summer SMITFL carried out a review of how our finances are structured to provide greater clarity of the overall picture of income and expenditure across the PCC and SMITFL. This work was led by an external person who had offered their services as part of their company CSR programme. This report led to a more detailed review of our accounting systems led by Dhesi Consulting. The new accounting system Xero went live at the end of March 21 and will significantly improve our financial reporting. The new system will reduce the number of manual transactions that were previously necessary under the SAGE system.
- The programme of consultation for redundancies, employee representation and the associated meetings was led by our HR Manager who handled the process with huge care and sensitivity for everyone involved. She continues to support members of the team whose roles were made redundant.
- Lockdown led to a significant increase in anti-social behaviour around St Martin's, the culmination of which was the smashing of windows in the pavilion, church and the George Richards Room. The maintenance team has overseen the removal of much of the graffiti and the refitting of smaller panes of glass. The work to the pavilion is being overseen by a contractor appointed by Ecclesiastical Insurance. The team dealt with a burst water main on St Martin's Place which flooded the Shop and basement plant areas in April.
- The programme of planned preventative maintenance for the building has been maintained thanks to the Trust support for core activities. This work has covered testing of our water supplies, lifts, electrics and Building Management Systems.

## **Future Prospects**

It's hard to predict how 2021-25 will play out in relation to public health, tourism, working habits, the economy, and the balance of online/in-the-building participation on church life. We hope regular trading will resume in the last quarter of 2021 and that 2022 will be a relatively normal year in business and church life, with the result that the PCC may expect a resumption of its pre-pandemic income for 2023 and beyond.

The alacrity and imagination with which online ministry was taken up in 2020 and the huge demand it evoked means much of our life will be permanently both in-the-building and online even when the pandemic is over. This creates demands and opportunities. In particular it has transformed and expanded the work of HeartEdge.

While the RIBA Phase 2 plans for Building Futures were finalised at the end of 2020, it's clear we are some way off returning to a climate in which major investment is financially possible and culturally conceivable; nonetheless the issues that led to the devising of Building Futures remain. It may be possible to adopt some modest schemes in this trajectory.

Overall, while very damaging for SMITFL, the other parts of St Martin's have been able to adapt to the circumstances of the pandemic and remain vibrant. There's no reason that the transition back to a regular pattern of activity will not mean St Martin's continues to go from strength to strength once a regular pattern of life resumes in earnest.

## Financial Review

### *Context*

The impact of the COVID-19 pandemic has clearly brought significant challenges for every business and organisation. As highlighted above, the trading activities ceased for a significant period of 2020 and the closure of the church building to visitors and congregation alike meant that significant amounts of voluntary giving were not received. Costs associated with running the site, even without visitors, and the redundancies of staff combined with the severe reduction in trading income have had a significant impact on the finances.

In contrast, there are several positives. A public appeal to 'Keep our doors open' raised a significant sum of money which was split between The Connection at St Martin's, the St Martin's Charity and the PCC. (For brief reports on the former two, please see Appendix A). St Martin's has also received or been promised various grants through the National Lottery Heritage Fund (NLHF).

### *Income*

Overall income for the group fell from £6,535,151 (2019) to £3,884,633. Income for the trading subsidiary fell from £5,142,838 (2019) to £1,095,294. The PCC income from giving reduced as a result of the closure of the building and subsequent loss of cash collections and collecting box income.

On a more positive note, the PCC was very pleased to receive £235,000 from the Trust as part of the 'Keep our Doors Open' appeal. Concerts income was cut as a result of the removal of on-site concerts although online concerts replaced some of this.

An NLHF grant of £225k in the second half of 2020 towards emergency expenditure provided a further boost.

Due to the challenging situation brought on by the pandemic, SMITFL did not make a distribution to the PCC of any of its 2019 taxable trading profits of £500k in 2020 but they were retained to help weather the pandemic. (In 2019 there was a distribution of £325k from SMITFL from 2018 trading profits). Overall, SMITFL made a loss of £629k in 2020.

Investments in the endowment fund showed a net gain of £62k (2019: £149k).

The PCC sought approval from the Chancellor of the Diocese to release some of the increase in capital in the Rysbrack bust fund which is part of the Endowment. The Chancellor approved the release of the excess over the original endowment of £435,000. The PCC will only withdraw this if necessary and do so in parts as necessary.

### *Expenditure*

Some costs were reduced as a result of the closure of the site and staff costs were offset by claims from the Coronavirus Job Retention Scheme. As mentioned earlier in this report, it did become necessary to make some staff redundant and there were one-off costs associated with that.

HeartEdge Expenditure was significantly down from the anticipated cost due to events being run remotely. The funds that had previously been raised by the Trust to pay for these were being spent at a significantly slower rate and will be carried forward to 2021.

### *Funds Transfers*

There were no funds transfers from restricted to unrestricted reserves this year. These sometimes occur as permitted with the scope of the PCC's restricted Maintenance and Refurbishment Fund.

### *Outlook*

At the time of writing, the Trust has successfully applied for two further grants through the NLHF towards 'Cultural Recovery' which have provided a welcome boost. One has already been received and the other will be paid in 2021. The first, an amount up to £658k, has covered the costs for a new series of concerts, reopening the historic crypt and other essential overheads. The second, up to £453k, will provide funding towards a Summer Festival, some core costs, assistance in reopening the building and business and also provide some funds as a very welcome injection to bolster the PCC reserves.

The PCC is not expecting to receive a surplus from SMITFL until 2023 (from 2022 profits) and that is not anticipated to be at the levels received in prior years. The PCC will budget accordingly and is also very grateful for the funds that it receives from external donors via the Trust.

The PCC has prepared 2021 budgets in order to mitigate the financial impact of the pandemic which will see a reduction in spending across a range of operational and church operations. These changes are necessary to ensure our sustainability in 2021 and beyond. We will look to rebuild our reserves in the coming years particularly when the position of our trading subsidiary improves. A major stewardship renewal programme is planned now that some level of stability seems to be returning.

Notwithstanding the budget changes, the PCC and our staff remain committed to maintaining St Martin's impact and to delivering our charitable objectives

## **Reserves Policy**

Total reserves at the end of 2020 stood at £1,360 (2019: £2,031k), including negative £70k (2019: £559k) of non-charitable trading reserve held on the balance sheet of SMITFL; the make-up of these reserves is set out in more detail in Note 18 to the 2020 financial statements.

The PCC has target free reserves of £520k to cover:

- Fluctuations in net profit from normal trading in St Martin-in-the-Fields Limited of up to £170k.
- Up to three months' PCC expenditure, to enable the PCC's activities to be scaled down in a 'disaster scenario', being presently set at £250k.
- Fluctuations in PCC's own income generating activities and other fluctuations in working capital requirements of up to £100k.

In line with the Charity Commission's guidance, 'free reserves' is defined as the unrestricted, undesignated fund which is not represented by the PCC's tangible assets.

At the end of 2020, the PCC's (& group's) general reserves stood at a deficit of £60k (2019: £729k) including SMITFL's 2020 accumulated operating loss of £70k. Free reserves, after the fund transfers noted above, and including SMITFL 2020 operating loss, amounted to £Nil (2019: £420k), being below the free reserves target of £520k. The PCC is resolved to review on an annual basis the Reserves Policy and free reserves target of £520k. To mitigate the low figure, the trading subsidiary took a CBILS loan and the PCC sought approval to gain access to some of the monies held in the Rysbrack Trust Fund (which has now been confirmed, but none have not yet been drawn).

## Pay Policy for Senior Staff

The pay of senior staff of both the PCC and St Martin-in-the-Fields Limited is reviewed annually by the Remuneration Committee and increased in line with the annual pay increase for all staff.

## Risk Management

From January 2004 the PCC has delegated certain responsibilities for the management of the whole site to SMITFL, and a joint risk register has been drawn up by senior managers. The PCC's Fabric and Finance Committee is responsible for the review of the risk register on at least an annual basis. The document sets out a comprehensive statement of identified risks; notes control measures and actions to be completed; nominates risk owners, and attaches both a full and mitigated value to each risk. The document has been approved by the SMITFL Board and the PCC members. It is a live document, being most recently updated in February 2019. Due to the onset of the pandemic in March 2020 when it was due for formal review, the annual review did not occur but the cycle will be reinforced in 2021.

The register identified the primary risk as arising from a terrorist incident; other key risks identified are associated with: insufficient free reserves, the fabric of the building, 'Brexit' uncertainty, and insufficient management information. New risks have been added in respect of pandemic, the risks associated with partnership working, and the risks that arise from the large-scale our Building Futures programme.

To mitigate the above: the terrorism risk is managed through appropriate insurance cover. Free reserves are discussed above in Reserves Policy. Risks associated with Brexit are being managed to ensure where possible minimal disruption to day-to-day operations. The St Martin's trustees and directors closely monitor performance through monthly management accounts.

Attention has also been focused on non-financial risks arising from fire, safety in the public areas including the Café and food hygiene. These risks are managed by having robust policies and procedures in place, ensuring staff are appropriately trained and that appropriate support services are in place.

The "Building Futures" is monitored closely by the Building Futures Steering Group, which comprises senior management from the PCC, Trust and SMITFL, and this meets formally every week.

The possibility of external events in central London, affecting the site or leading to its possible closure, is also identified as a risk. This risk is managed through well-established evacuation procedures, staff training, appropriate insurance cover and regular liaison with the police and the Greater London Authority.



The risk of continued pandemic is presently acute, and so contingency and continuity planning is being reviewed and updated. All Boards will be mindful of how to minimise disruption to our commercial and non-commercial operations, in the event of future waves or pandemics (for example, by investment in online platforms as appropriate).

All major risks (including all potential risks to reputation) are monitored by the Board. All other significant risks are monitored by the directors and senior management; subject to the point above about the postponed March 2020 review, the risk register is formally re-evaluated no less than annually.

## Public Benefit

St Martin-in-the-Fields became a registered charity on 1 February 2010 (registered charity number 1133936) with the result that members of the PCC are now registered as trustees. In the preparation of this Report, the trustees have been aware of their responsibilities to demonstrate that the activities of the church offer a real and practical public benefit as required under Section 4(1) of the Charities Act 2011. The PCC confirms that, in exercising its powers and duties, it has complied with its duty to have regard to the guidance issued by the Charity Commission on the provision of public benefit by religious charities.

The PCC's objectives are set out above in the "Report on Objectives". By identifying our key areas of focus in 2015, we now report against these objectives. Trustees have had regard to the Commission's guidance on public benefit when reviewing activities against objectives set and in planning future activities. This Annual Report shows that the guidance has been met.

## Structure, Governance and Management

### Organisational Structure

The Parochial Church Council of the Ecclesiastical Parish of St Martin-in-the-Fields ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Powers Measure and is also a charity registered in England and Wales (charity no. 1133936). The PCC is responsible for, and is charged with co-operating with the Vicar in promoting, the whole mission of the church.

The PCC, through the Vicar and Churchwardens as nominees, owns the whole of the issued share capital of St Martin-in-the-Fields Limited ('SMITFL'), a company registered in England and Wales (company no. 02096693). SMITFL acts as the trading arm of St Martin-in-the-Fields, as well as managing the site and some aspects of church operations. Its principal trading activities include operating two cafés, a shop, concert management, venue hire and event catering and the organisation of exhibitions. Ordinarily, the whole of the company's taxable profits is donated to the PCC.

### The PCC

Since the PCC registered as a charity in 2010, its members are also registered as trustees of the charity. Elections for one-third of the members of the PCC are held each year at the Annual Parochial Church Meeting ('APCM'). PCC members serve for three-year terms before offering themselves for re-election, should they choose to do so. The appointment of PCC members is governed by, and set out in, the Church Representation Rules. Deanery Synod representatives are ex-officio members of the PCC and elections to the Deanery Synod are held at the APCM every three years. Churchwardens are elected annually at a Meeting of the Parishioners which precedes the APCM. The APCM is normally required to be held before the end of May in each year. In 2020, due to the COVID-19 Pandemic, a Bishop's Instrument changed the deadline to the end of October 2020 for the review of the 2019 Accounts and Report. For 2020 reporting, the schedule reverts to normal with the APCM to be held by the end of May 2021.

The PCC's practice is to review its terms of reference, committee structures and legal issues, at the first meeting of the PCC following the APCM. The PCC met six times in 2020 with meetings being chaired in turn by the Vicar and the Churchwardens. In 2020 the PCC away day to consider the long-term development of St Martin's was not held due to the pandemic. All new members are required to undergo appropriate induction. This includes sharing a comprehensive information pack, meetings with key people, a session on governance and finance and opportunities to experience working and worshipping at St Martin's.

### **PCC membership**

#### **Clergy (ex-officio)**

Revd Dr Sam Wells, Vicar and Chair of the PCC  
Revd Sally Hitchiner, Associate Vicar for Ministry  
Revd Richard Carter, Associate Vicar for Mission  
Revd Jonathan Evens, Associate Vicar for HeartEdge  
Revd Catherine Duce, Assistant Vicar for Partnership Development  
Revd Harry Ching, Assistant Vicar for International Ministry (from Feb 2020)

#### **Churchwardens**

Chris Braganza  
Catherine Jackson

#### **Treasurer**

David Bradley (to November 2020)  
Jeff Claxton (from November 2020)

#### **Deanery Synod representatives (ex-officio)**

Tim Beale (from October 2020)  
Jeff Claxton (from October 2020)  
Bella Ikpasaja (until October 2020)  
Dan Kaszeta (elected in October 2020 but in abeyance until January 2021 as he had been employed as a part-time verger)  
Eugene Ling  
Neil MacGregor (from October 2020)  
Rachel Morrison (from October 2020)  
Jim Sikorski (until October 2020)  
Len Walker (from October 2020)  
Susanne Wood (until October 2020)  
Wendy Zhao (from October 2020)

#### **Elected members**

William Cometti  
Kate Hilton (until October 2020)  
Craig Norman  
Hannah Reed  
Ivan Yuen  
Adrian Harris (to October 2020)  
Ingrid Phillion  
Wendy Quill

## **Other key posts**

PCC Secretary

Harriet Rabin (to March 2020)

Sian Conway (from March 2020)

Church Safeguarding Officers (CSO)

Huw Mathias (English Congregation)

Ruly Tsang (Chinese Congregation)

Children's Champions (CC)

Anna Warbrick (English Congregation)

Wendy Zhao (Chinese Congregation)

The PCC is assisted in the discharge of its duties by the Board of St Martin-in-the-Fields Limited, the Executive Director, the Finance Director and a number of permanent committees and task groups.

## **The Board of St Martin-in-the-Fields Limited**

The Board of St Martin-in-the-Fields Limited ('the Board') ensures that trading is profitable, develops new ventures, and oversees the efficient and safe operation of the site. The Board met 14 times in 2020 rather than the more usual 7 times annually.

Board membership for 2020 was Antonia Adams, Dan Barker, Mark Bromley (from January 2020, Chair from October 2020), Chris Burford (Chair, resigned in July 2020), Chris Cows, Sally Dixon, Chris Franklin, Allyson Hargreaves (Secretary), Catherine Jackson, Susan Millin, Mike O'Mahoney, Cathy Reid-Jones (Chair July to September), Helen Sprott (from January 2020) Revd Dr Sam Wells and Matthew Whalley.

## **Committees and other bodies**

**Finance and Fabric Committee:** the main role of the Committee is to advise the PCC on matters pertaining to its finances, policies, audit, and to ensure that its financial position is in line with its mission and strategic plans; the Committee also advises upon the investment in the fabric of the whole St Martin's site, and in this regard works closely with the St Martin-in-the-Fields Trust to ensure sufficient funds are available.

**Programming Committee:** a quarterly expansion of the M9 group of senior staff from SMITFL, Charity, Music, Trust, CSTM and Congregation.

**Common Life Committee,** made up of a) Congregational Life and b) Whole-Site Flourishing: the latter incorporating staff and non-congregational volunteers.

**Communications:** external and internal, digital and print.

The following bodies remain part of the decision-making structure:

- The Planning Group assists the PCC by planning the business of its meetings. It also ensures that actions from PCC meetings are carried out. It has responsibility for PCC business between meetings, as directed by the PCC.
- The Advisory Group began to meet in January 2018. It is made up of non-executive representatives of the five key parts of St Martin's and is chaired by the Vicar.

In addition, the following groups advance the purposes of the PCC in ways largely outside the decision-making structure:

- The Education Group reviews and implements public events such as the Autumn Lectures and congregational activities such as the Lent Course and the Parish Weekend/Awayday.
- The Hospitality Group organises opportunities for welcome and hospitality: serving refreshments provided by the Café in the Crypt after the Sunday Eucharist and making food for celebrations such as the patronal festival, Easter breakfast, baptisms and confirmations.
- The Global Neighbours Group seeks to make international issues of justice and concern an integral part of the life of St Martin's and to welcome and include people of all cultures within the life of St Martin's. It allocates the PCC's annual budget of overseas giving, making small grants to grassroots organisations and groups around the world. The Justice, Peace and Integrity of Creation Group was formed in 2019 as a sub-set of this group.

## Safeguarding

Safeguarding of children and of adults at risk of harm is our most basic institutional priority. The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults). Three cases were discussed with the Diocesan Safeguarding Team during 2020. We are grateful to Church Safeguarding Officers Huw Mathias (for the English Congregation) and Ruly Tsang (Chinese Congregation) for their care on this.

## Faculty Approvals

There were no applications for Faculties during 2020.

## Approval of Annual Report

The Annual Report set out on pages 1-17 was approved by the PCC on 17 May 2021.

A handwritten signature in black ink, appearing to read 'Sam Wells', with a stylized flourish at the end.

*Revd Dr Sam Wells, Vicar of St Martin-in-the-Fields and Chair of the PCC*

# **ST MARTIN-IN-THE-FIELDS PAROCHIAL CHURCH COUNCIL**

**Registered Charity Number 1133936**

## **CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST DECEMBER 2020**

## **St Martin-in-the-Fields Parochial Church Council**

### **Statement of Trustees' Responsibilities** **For the year ended 31st December 2020**

The Parochial Church Council (PCC) is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Law applicable to Parochial Church Councils in England and Wales requires the PCC members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and the group and of the group's income and expenditure for the year. In preparing those financial statements the PCC is 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 and statements of recommended practice have been followed, subject to any material departure 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 PCC will continue in operation for the foreseeable future.

The PCC members are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the PCC and the group and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Church Accounting Regulations 2006, and the Statement of Recommended Practice "Accounting and Reporting by Charities" which is applicable to charities preparing their accounts in accordance with the "Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102), second edition effective 1 January 2019. They are also responsible for safeguarding the assets of the PCC and the group and hence for taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.



# Independent Auditor's Report to the Members of St. Martin-in-the-Fields Parochial Church Council

## Opinion

We have audited the financial statements of the St Martin-in-the-Fields Parochial Church Council ("the PCC") the year ended 31 December 2020 which comprise the consolidated Statement of Financial Statement of Financial Activities, the group and PCC Balance Sheets, the consolidated Cash Flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the PCC's affairs as at 31 December 2020 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the PCC in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the PCC's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent PCC;
- sufficient accounting records have not been kept; or
- the parent PCC financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

# **Independent Auditor's Report to the Members of St. Martin-in-the-Fields Parochial Church Council**

## **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out page 19 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the PCC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the PCC or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the PCC and industry, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework for charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent Auditor's Report to the Members of St. Martin-in-the-Fields Parochial Church Council**

### **Use of our report**

This report is made solely to the PCC's trustees, as a body, in accordance with section 144 of the Charities Act 2006. Our audit work has been undertaken so that we might state to the PCC's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the PCC and the PCC's trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP  
Statutory Auditor

Date: 26 October 2021

10 Queen Street Place  
London  
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**St Martin-in-the-Fields Parochial Church Council**  
Consolidated Statement of Financial Activities  
For the year ended 31st December 2020

		Unrestricted	Restricted	Endowment	2020	2019
	Note	Funds	Funds	Funds	Total	Total
		£	£	£	Funds	Funds
					£	£
<b>Income from:</b>						
<b>Donations and Legacies</b>						
Donations from donors	2	205,205	-	-	205,205	274,998
Other donations and legacies	3	421,853	509,731	-	931,584	291,266
<b>Charitable activities:</b>						
- to further the Council's objects	4	125,951	374	-	126,325	483,930
<b>Other trading activities</b>	5	2,591,647	-	-	2,591,647	5,452,838
<b>Investments</b>	6	3,999	25,873	-	29,872	32,119
<hr/>						
<b>Total Income</b>		<b>3,348,655</b>	<b>535,978</b>	<b>-</b>	<b>3,884,633</b>	<b>6,535,151</b>
<hr/>						
<b>Expenditure on:</b>						
<b>Raising Funds</b>						
Publicity costs	7	9,763	-	-	9,763	40,607
Operating costs of trading activities	5	3,187,436	-	-	3,187,436	4,856,200
<b>Charitable activities</b>						
Grants	8	5,653	-	-	5,653	12,756
Activities directly relating to the work of the Church	9	976,411	439,016	-	1,415,427	1,536,966
<hr/>						
<b>Total Expenditure</b>		<b>4,179,263</b>	<b>439,016</b>	<b>-</b>	<b>4,618,279</b>	<b>6,446,529</b>
<hr/>						
<b>Net gains on investments</b>	13	<b>-</b>	<b>-</b>	<b>62,161</b>	<b>62,161</b>	<b>148,669</b>
<hr/>						
<b>Net (expenditure)/income</b>		<b>(830,608)</b>	<b>96,962</b>	<b>62,161</b>	<b>(671,485)</b>	<b>237,291</b>
<hr/>						
<b>Transfers between funds</b>	18	<b>41,637</b>	<b>(41,637)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<hr/>						
<b>Net Movement in Funds</b>		<b>(788,971)</b>	<b>55,325</b>	<b>62,161</b>	<b>(671,485)</b>	<b>237,291</b>
<hr/>						
<b>Reconciliation of funds:</b>						
 Balance brought forward at 1st January						
		<u>729,004</u>	<u>241,803</u>	<u>1,060,440</u>	<u>2,031,247</u>	<u>1,793,956</u>
 Balance carried forward at 31st December						
		<u>(59,967)</u>	<u>297,128</u>	<u>1,122,601</u>	<u>1,359,762</u>	<u>2,031,247</u>

All recognised gains and losses for the year are included in the Statement of Financial Activities.  
The results all relate to continuing activities.


# St Martin-in-the-Fields Parochial Church Council

## Balance sheets


For the year ended 31st December 2020

	Note	2020 £	Group 2019 £	2020 £	PCC 2019 £
<b>Fixed Assets</b>					
Intangible assets	12	-	11,962	-	11,962
Tangible assets	12	536,519	293,254	101,920	77,995
Investments	13	1,009,273	947,112	1,009,275	947,112
		<u>1,545,792</u>	<u>1,252,328</u>	<u>1,111,195</u>	<u>1,037,069</u>
<b>Current Assets</b>					
Stock		105,256	148,729	-	-
Debtors	14	320,625	434,574	122,087	238,456
Cash at bank and in hand		583,986	1,245,031	395,227	422,234
		<u>1,009,867</u>	<u>1,828,334</u>	<u>517,314</u>	<u>660,690</u>
<b>Liabilities: Amounts falling due within one year</b>	15	<u>(747,980)</u>	<u>(1,037,814)</u>	<u>(198,289)</u>	<u>(225,175)</u>
<b>Net Current Assets</b>		<u>261,887</u>	<u>790,520</u>	<u>319,025</u>	<u>435,515</u>
<b>Total assets less current liabilities</b>		<u>1,807,679</u>	<u>2,042,848</u>	<u>1,430,220</u>	<u>1,472,584</u>
<b>Liabilities: Amounts falling due after more than one year</b>	16	<u>(447,917)</u>	<u>(11,601)</u>	<u>-</u>	<u>-</u>
<b>Net Assets</b>		<u><u>1,359,762</u></u>	<u><u>2,031,247</u></u>	<u><u>1,430,220</u></u>	<u><u>1,472,584</u></u>
<b>Funds</b>					
Non-charitable trading reserves	18	(70,458)	558,663	-	-
Unrestricted	18	10,491	170,341	10,491	170,341
Restricted	18	297,128	241,803	297,128	241,803
Permanent endowment	18	1,122,601	1,060,440	1,122,601	1,060,440
	18	<u><u>1,359,762</u></u>	<u><u>2,031,247</u></u>	<u><u>1,430,220</u></u>	<u><u>1,472,584</u></u>


Approved by the Parochial Church Council and authorised for issue on 17 May 2021

Sam Wells ..... 

Vicar

Chris Braganza ..... 

Churchwarden

Catherine Jackson ..... 

Churchwarden

The notes on pages 26 to 42 form part of these financial statements.

# St Martin-in-the-Fields Parochial Church Council

## Consolidated Cash Flow Statement

For the year ended 31st December 2020

	Group	
	2020	2019
	£	£
<b>Cash flows from operating activities</b>		
(Deficit)/surplus for the financial year	(671,485)	237,291
Adjustments for:		
Depreciation of intangible assets	11,962	16,991
Depreciation of tangible assets	77,590	79,518
Interest received	(29,872)	(33,292)
(Deduct gains) on investments	(62,161)	(148,669)
(Increase)/decrease in trade and other debtors	113,949	(114,790)
Decrease in stocks	43,473	2,349
Increase/(decrease) in trade creditors and other creditors	146,482	100,210
Cash flows from operations	<u>(370,062)</u>	<u>139,608</u>
Net cash generated from operating activities	<u>(370,062)</u>	<u>139,608</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(320,855)	(95,354)
Interest received	<u>29,872</u>	<u>33,292</u>
Net cash from investing activities	<u>(290,983)</u>	<u>(62,062)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(661,045)</u>	<u>77,546</u>
Cash and cash equivalents at the beginning of the year	<u>1,245,031</u>	<u>1,167,485</u>
Cash and cash equivalents at the end of the year	<u>583,986</u>	<u>1,245,031</u>



# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

### 1 Charity Information and Accounting Policies

#### a) Charity Information

St Martin-in-the-Fields Parochial Church Council (the "PCC") is a charity registered in England and Wales no 1133936. The registered office is 5 St Martin's Place, London WC2N 4JH.

#### b) Basis of Preparation

The financial statements have been prepared under the current Church Accounting Regulations and in accordance with the current Charities SORP (FRS 102). They have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

The financial statements are prepared in sterling (£).

The consolidated accounts include the results, assets and liabilities of the PCC's subsidiary St Martin-in-the-Fields Limited and include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of other charities which have been established to raise funds to support the church and its activities, church groups that owe their main affiliation to another body nor those that are informal gatherings of church members over which the PCC does not have operational or financial control.

The principal areas of estimation uncertainty in the preparation of the accounts relate to the amortisation and depreciation of intangible and tangible fixed assets as set out in the accounting policies below.

The financial statements have been prepared on a going concern basis which applies unless the PCC intended to cease operations or had no realistic alternative to doing so in the foreseeable future. The PCC considers that the going concern basis should be applied and that there are no material uncertainties over its financial viability.

In determining the appropriateness of the going concern basis that PCC has had regard to budgets and expected future cashflows for a period of 12 months from the approval of the accounts, the impact of the COVID19 crisis and to the utilisation of sources of finance which have been already made available to the PCC.

#### c) Income

##### *Voluntary income and capital sources*

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the donation is recognised.

Grants and legacies to the PCC are accounted for when received or as soon as it is probable that an amount is due.

Funds raised from events are accounted for gross.

##### *Other ordinary income*

Rental income from the letting of church premises is recognised when the rental is due.

##### *Income from investments*

Dividends and interest are accounted for when receivable. Tax recoverable on such income is recognised in the same accounting year.

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

### 1 Charity Information and Accounting Policies (continued)

#### d) Expenditure

##### *Grants*

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

##### *Activities directly relating to the work of the Church*

The Diocesan Common Fund share is accounted for when payable. Any quota unpaid at 31st December is provided for in these financial statements as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

##### *Allocation of expenditure*

Expenditure is charged directly to the appropriate category under expenditure where possible. Certain items of office overhead costs which cannot be allocated directly are apportioned between the categories on a basis reflecting the estimated split of resources used.

##### *Governance costs*

Governance costs comprise statutory compliance including the costs of auditors and legal and professional fees.

#### e) Fund Accounting

Unrestricted funds are available for use at the discretion of the PCC in the furtherance of its general objectives.

Designated funds are funds set aside by the PCC out of unrestricted general funds for a specific future purpose or projects.

Restricted funds are funds subject to specific restriction imposed by donors or by the purpose of a fundraising appeal and are separately categorised in the notes to the financial statements.

Permanent endowment funds are funds which the donor or the Consistory Court has stated to be capital.

#### f) Fixed Assets

##### *Intangible Assets*

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

Amortisation is provided on the following basis:

Software	50% straight line basis
Website	3 years

##### *Building*

The PCC considers that in view of the restrictions inherent in the building and its inextricable link to the church itself, the value in use cannot be quantified in any meaningful way and has therefore made full provision against the costs to date in accordance with "Section 27 of FRS 102 Impairment of Assets".

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

### 1 Charity Information and Accounting Policies (continued)

#### f) Fixed Assets (continued)

##### *Consecrated land and buildings*

Consecrated and beneficed property is excluded from the accounts by s.10(2) of the Charities Act 2011. All expenditure incurred during the year on consecrated or benefice buildings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

##### *Tangible fixed assets and moveable church furnishings*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets on a straight line basis to write off the cost, less estimated residual value, over their expected useful lives as follows:

Equipment and fittings	5 years
Fixtures and moveable church furnishings	20 years

#### g) Investments

Investments are valued at market value. It is the PCC's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the Statement of Financial Activities only includes those unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year.

#### h) Current Assets

Amounts owing to the PCC in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

Cash at bank includes short term deposits held either with the CBF Church of England Deposit Fund or at the bank.

Stock is valued at the lower of cost, using the first in first out method, and selling price less cost to complete and sell.

#### i) Pension Costs

The PCC contributes to the personal pension arrangements of employees through the automatic enrolment scheme. These contributions are charged to the Statement of Financial Activities as they arise. There are no prepaid or accrued contributions at the balance sheet date.

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements

For the year ended 31st December 2020

### 2 Donations arising from services and congregation

	2020 Unrestricted Funds £	2019 Unrestricted Funds £
Planned giving: Gift Aid Covenants and Pledges envelopes	99,053	106,324
Other donations	43,360	13,381
Parish giving	24,162	30,434
Income tax recoverable on Gift Aid	23,755	30,081
Collections	8,007	47,364
Boxes in church	6,868	47,414
	<u>205,205</u>	<u>274,998</u>

### 3 Legacies, other donations and grants

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Legacies	3,773	-	3,773	6,500
Other Donations Received	241,393	46,465	287,858	15,939
Clergy Grant	-	-	-	7,413
HeartEdge		183,946	183,946	171,794
Music income	10,380	70,860	81,240	61,143
MAP Committees:				
International	5,319		5,319	70
Worship and Spirituality	5,186	-	5,186	8,629
Hospitality	24	-	24	1,419
Education	10,840		10,840	18,359
Other Grant income	144,938	208,460	353,398	
Consolidated total	<u>421,853</u>	<u>509,731</u>	<u>931,584</u>	<u>291,266</u>
License fee received from SMITFL	33,332	-	33,332	97,092
PCC total	<u>455,185</u>	<u>509,731</u>	<u>964,916</u>	<u>388,358</u>

Other donations received include £240,752 received from St Martin-in-the-Fields Trust, a connected charity.

#### 2019 comparative information

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £
Legacies	6,500	-	6,500
Other Donations Received	2,636	13,303	15,939
Clergy Grant	7,413	-	7,413
Heart/Edge	-	171,794	171,794
Music income	28,143	33,000	61,143
MAP Committees:			
International	70	-	70
Worship and Spirituality	8,629	-	8,629
Hospitality	1,419	-	1,419
Education	18,359	-	18,359
<b>Consolidated total:</b>	<u>73,169</u>	<u>218,097</u>	<u>291,266</u>
SMITFL Licence	97,092	-	97,092
PCC only:	<u>170,261</u>	<u>218,097</u>	<u>388,358</u>

# St Martin-in-the-Fields Parochial Church Council

Notes to the financial statements  
For the year ended 31st December 2020

## 4 Income from Charitable Activities to further the Council's objects

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Vergers' Fees & Rehearsal Room Hire	718	-	718	2,100
Church Music	117,509	-	117,509	438,290
Special Church Services & Advent Booklet Sales	7,724	374	8,098	43,540
	<u>125,951</u>	<u>374</u>	<u>126,325</u>	<u>483,930</u>

### 2019 comparative information

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £
<i>Vergers' Fees &amp; Rehearsal Room Hire</i>	<i>2,100</i>	<i>-</i>	<i>2,100</i>
<i>Church Music</i>	<i>438,290</i>	<i>-</i>	<i>438,290</i>
<i>Special Church Services &amp; Advent Booklet Sales</i>	<i>42,289</i>	<i>1,251</i>	<i>43,540</i>
	<u><i>482,679</i></u>	<u><i>1,251</i></u>	<u><i>483,930</i></u>

## 5 Trading Subsidiary

The PCC, through nominees, owns the whole of the issued share capital of St Martin-in-the-Fields Limited (registered number: 2096693) ("SMITFL"), whose principal activities during the year were those of operating a restaurant, a shop, concert management, venue hire and event catering, the organisation of exhibitions and other retailing activities.

A summary of the results of the subsidiary is shown below:

	Unrestricted Total 2020 £	Unrestricted Total 2019 £
<b>Turnover</b>	1,095,294	5,142,838
Cost of sales - stock	(292,562)	(1,204,582)
Cost of sales - other	<u>(1,466,682)</u>	<u>(1,733,061)</u>
<b>Gross Profit</b>	(663,950)	2,205,195
Other operating costs	(1,460,312)	(2,013,168)
Other income	<u>1,495,878</u>	<u>308,827</u>
<b>Operating (loss)/profit</b>	<b>(628,384)</b>	<b>500,854</b>
Interest receivable	475	1,173
Interest payable	(1,212)	(2,481)
<b>(Loss)/profit before taxation</b>	<u><b>(629,121)</b></u>	<u><b>499,546</b></u>
Taxation	-	-
Gift Aid distribution to PCC from profits earning in prior periods	-	(325,273)
Accumulated profits brought forward	558,663	384,390
<b>Non-charitable trading reserves</b>	<u><u>(70,458)</u></u>	<u><u>558,663</u></u>

The operating costs of trading activities are stated in the Consolidated Statement of Financial Activities ("CSFA") as £3,187,436. SMITFL expenditures, represented in Note 5 as the costs of sales and other operating items, total £3,220,768. The difference of £33,332 represents the annual license fee charged by PCC to SMITFL, which has been eliminated from the CSFA upon consolidation.

# St Martin-in-the-Fields Parochial Church Council

Notes to the financial statements  
For the year ended 31st December 2020

6	Income from Investments			2020	2019
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	£	£
	Interest received from:				
	Rysbrack and others	3,999	25,873	29,872	32,119
		<u>3,999</u>	<u>25,873</u>	<u>29,872</u>	<u>32,119</u>
		<u><u>3,999</u></u>	<u><u>25,873</u></u>	<u><u>29,872</u></u>	<u><u>32,119</u></u>
	<i>2019 comparative information</i>			2019	
		<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total Funds</i>	
		£	£	£	
	Interest received from:				
	Rysbrack and others	6,665	25,454	32,119	
		<u>6,665</u>	<u>25,454</u>	<u>32,119</u>	
		<u><u>6,629</u></u>	<u><u>24,594</u></u>	<u><u>32,119</u></u>	
7	Publicity Costs			2020	2019
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	£	£
	Church Guides	6,463	-	6,463	24,520
	Marketing and Annual Report	3,300	-	3,300	16,087
		<u>9,763</u>	<u>-</u>	<u>9,763</u>	<u>40,607</u>
		<u><u>9,763</u></u>	<u><u>-</u></u>	<u><u>9,763</u></u>	<u><u>40,607</u></u>
	<i>2019 comparative information</i>			2019	
		<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total Funds</i>	
		£	£	£	
	Church Guides	24,520	-	24,520	
	Marketing and Annual Report	16,087	-	16,087	
		<u>40,607</u>	<u>-</u>	<u>40,607</u>	
		<u><u>40,607</u></u>	<u><u>-</u></u>	<u><u>40,607</u></u>	



# St Martin-in-the-Fields Parochial Church Council

Notes to the financial statements  
For the year ended 31st December 2020

## 8 Grants Made

	2020	2019
	Unrestricted	Unrestricted
	Funds	Funds
	£	£
International grants	5,012	10,500
Other grants	641	2,256
	<u>5,653</u>	<u>12,756</u>

A list of grants made is available on request from the PCC office.

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

9 Activities directly relating to the work of the Church	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Ministry:				
Common Fund	253,428	-	253,428	201,696
Clergy expenses	1,311	-	1,311	5,410
Altar supplies	1,240	-	1,240	5,457
Church running expenses	43,337	-	43,337	61,296
Archive Expenses	-	156	156	302
HeartEdge Project	-	137,171	137,171	131,226
Church maintenance and repairs	(2,957)	33,319	30,362	35,433
VGF supported clergy costs	-	-	-	23,582
Special Church Services expenses	9,484	34,140	43,624	57,115
Church Music & Choir Costs	151,004	43,322	194,326	338,513
Choral Scholars	6,016	30,377	36,393	50,588
Flowers	-	25	25	1,686
Insurance	71,630	-	71,630	71,273
Sundries	1,519	-	1,519	15,526
Depreciation	22,712	-	22,712	20,013
Amortisation	11,962	-	11,962	16,991
Staff costs (including contract staff)	372,900	68,821	441,721	453,986
Staff pension cost	7,181	-	7,181	6,878
Recruitment & training costs	3,112	-	3,112	5,588
Copyright licence	1,084	-	1,084	546
IT, digital and remote operating	-	61,103	61,103	-
Preparation for re-opening	-	30,582	30,582	-
MAP Committees:				
International	-	-	-	-
Worship and Spirituality	7,520	-	7,520	9,150
Hospitality	638	-	638	2,715
Education	7,041	-	7,041	15,581
	<u>970,162</u>	<u>439,016</u>	<u>1,409,178</u>	<u>1,530,551</u>
Governance Costs (see note 10)	6,249	-	6,249	6,415
	<u><u>976,411</u></u>	<u><u>439,016</u></u>	<u><u>1,415,427</u></u>	<u><u>1,536,966</u></u>

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements

For the year ended 31st December 2020

### Note 9 (continued)

#### 2019 comparative information

<i>Activities directly relating to the work of the Church</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>2019 Total Funds</i>
	<i>£</i>	<i>£</i>	<i>£</i>
<i>Ministry:</i>			
<i>Common Fund</i>	201,696	-	201,696
<i>Clergy expenses</i>	5,410	-	5,410
<i>Altar supplies</i>	5,457	-	5,457
<i>Church running expenses</i>	61,296	-	61,296
<i>Archive Expenses</i>	-	302	302
<i>HeartEdge Project</i>	-	131,226	131,226
<i>Church maintenance and repairs</i>	1,350	34,083	35,433
<i>VGF supported clergy costs</i>	23,582	-	23,582
<i>Special Church Services expenses</i>	45,374	11,741	57,115
<i>Church Music &amp; Choir Costs</i>	319,315	19,198	338,513
<i>Choral Scholars</i>	29,200	21,388	50,588
<i>Flowers</i>	-	1,686	1,686
<i>Insurance</i>	71,273	-	71,273
<i>Sundries</i>	15,526	-	15,526
<i>Depreciation</i>	20,013	-	20,013
<i>Amortisation</i>	16,991	-	16,991
<i>Staff costs (including contract staff)</i>	422,771	31,215	453,986
<i>Staff pension cost</i>	6,878	-	6,878
<i>Recruitment &amp; training costs</i>	5,588	-	5,588
<i>Copyright licence</i>	546	-	546
<i>MAP Committees:</i>			
<i>International</i>	-	-	-
<i>Worship and Spirituality</i>	9,150	-	9,150
<i>Hospitality</i>	2,715	-	2,715
<i>Education</i>	15,581	-	15,581
	<u>1,279,712</u>	<u>250,839</u>	<u>1,530,551</u>
<i>Governance Costs (see note 10)</i>	6,415	-	6,415
	<u><u>1,286,127</u></u>	<u><u>250,839</u></u>	<u><u>1,536,966</u></u>

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

### 10 Governance Costs

	2020	2019
	Unrestricted Funds	Unrestricted Funds
	£	£
Professional fees	-	-
Bank charges	874	1,415
Auditors' remuneration - audit fee	5,700	5,000
	<u>6,574</u>	<u>6,415</u>

The audit fee for St Martin-in-the-Fields Limited is reflected in trading costs and is £7,000+VAT. In addition the group has procured the preparation of the 2020 accounts for both the PCC and SMITFL from the auditors at a cost of £6,150+VAT. This cost will be recognised in the 2021 accounts.

### 11 Staff Costs

	2020	2019
	£	£
Wages and salaries	2,181,946	2,425,190
Social security costs	170,975	200,972
Pension costs	73,039	72,681
PCC activities and administration (agency & subcontractors)	-	58,314
	<u>2,425,960</u>	<u>2,757,157</u>

The average number of employees across the group was 81 (2019: 119). Their payroll costs can be analysed as follows:

	2020	2019
	£	£
PCC activities and administration	457,146	528,970
Trading subsidiary	1,968,814	2,228,187
	<u>2,425,960</u>	<u>2,757,157</u>

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2020	2019
	Number	Number
£60,001 - £70,000	2	1
£70,001 - £80,000	1	-
£80,001 - £90,000	1	2

Pension contributions to higher paid staff were £9,921 (2019: £11,891).

Expenses reimbursed to members of the clergy, who are ex-officio PCC members, amounted to £1,311 (2019: £5,410) for various items of expenditure. One PCC member received emoluments or reimbursements of expenses during the year of £nil (2019: £2,827) being for administrative services. The total number of clergy and PCC members who were paid expenses was 6 (2019: 5).

The total employee benefits of the key management personnel of the parent charity were £102,425 (2019: £109,827).

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary, St-Martin-in-the-Fields Limited (SMITFL). The employee benefits of the key management personnel of SMITFL were £182,868 (2019: £169,765). The employee benefits of key management personnel of the group were therefore £285,293 (2019: £279,952).

# St Martin-in-the-Fields Parochial Church Council

Notes to the financial statements  
For the year ended 31st December 2020

## 12 Intangible and Tangible Fixed Assets for Use by the PCC

a) Group	Intangible Assets	Building	Equipment and Fittings	Fixtures and Moveable Church Furnishings	Tangible Assets
	Total				Total
Cost	£	£	£	£	£
At 1st January 2020	83,518	33,071,464	1,263,612	96,180	34,431,256
Transfer	-	-	-	-	-
Additions	-	-	320,855	-	320,855
At 31st December 2020	83,518	33,071,464	1,584,467	96,180	34,752,111
<b>Depreciation</b>					
At 1st January 2020	71,556	33,071,464	985,991	80,547	34,138,002
Transfer	-	-	-	-	-
Charge for the year	11,962	-	75,445	2,145	77,590
At 31st December 2020	83,518	33,071,464	1,061,436	82,692	34,215,592
<b>Net Book Value</b>					
At 31st December 2020	-	-	523,031	13,488	536,519
At 31st December 2019	11,962	-	277,621	15,633	293,254
b) PCC					
	Intangible Assets	Building	Equipment and Fittings	Fixtures and Moveable Church Furnishings	Total
	Total				
Cost	£	£	£	£	£
At 1st January 2020	61,453	33,071,464	216,339	96,180	33,383,983
Transfer	-	-	-	-	-
Additions	-	-	46,637	-	46,637
At 31st December 2020	61,453	33,071,464	262,976	96,180	33,430,620
<b>Depreciation</b>					
At 1st January 2020	49,491	33,071,464	153,977	80,547	33,305,988
Transfer	-	-	-	-	-
Charge for the year	11,962	-	20,566	2,146	22,712
At 31st December 2020	61,453	33,071,464	174,543	82,693	33,328,700
<b>Net Book Value</b>					
At 31st December 2020	-	-	88,433	13,487	101,920
At 31st December 2019	11,962	-	62,362	15,633	77,995

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

### 13 Fixed Asset Investments

	2020 £	2019 £
(a) Group		
Market value at 1st January 2020	947,112	798,441
Disposal of shares	-	-
Revaluation gain	62,161	148,671
	<u>947,112</u>	<u>798,441</u>
Market value at 31st December 2020	<u>1,009,273</u>	<u>947,112</u>
Historical cost at 31st December 2020	<u>435,000</u>	<u>435,000</u>

All group fixed assets investments are held as endowment funds.

The market values of the principal investments at 31st December 2020 were as follows:

	2020 £	2019 £
CBF Investment Fund - Income Shares	908,330	849,886
COIF Charities Investment Fund - Income Units	100,943	97,226

### (b) PCC

In addition to the investments shown above, PCC beneficially owns the share capital of St Martin-in-the-Fields Limited ("SMITFL") which is a company registered in England and Wales number 2096693 (see Note 5).

The share capital of SMITFL of £100 is divided into 100 ordinary shares of £1 each. There are three ordinary £1 shares held by the Vicar and the two Churchwardens on behalf of the PCC. SMITFL being a private company, the shares are not open to subscription from the public, and only the Vicar and Churchwardens may hold a share in the company. The shareholders are responsible for the appointment of the chair of SMITFL and the non-executive directors. Upon retirement from the role of Vicar or Churchwarden, the share transfers to the next Vicar or Churchwarden. SMITFL has been consolidated because it is under the PCC's control.

### 14 Debtors

	Group		PCC	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	61,327	102,177	27,795	7,601
Amounts owed by group and subsidiary undertakings:				
Charitable donation	-	-	18,068	6,328
Loan	-	-	3,798	18,754
Other	-	-	-	155,317
Amount owed by connected charity	23,964	19,468	295	-
Other debtors	109,221	211,770	3,224	7,579
Other taxes and social security	-	-	-	-
Prepayments and accrued income	126,113	101,159	68,908	42,877
	<u>320,625</u>	<u>434,574</u>	<u>122,087</u>	<u>238,456</u>

During 2015, an unsecured loan of £60,000 was made to SMITFL by PCC for the purpose of purchasing equipment and furniture for the Courtyard Cafe and for the development of the Church Apse. The balance outstanding at 31st December 2020 was £nil (2019: £8,638), of which £nil (2019: £8,638) was due after one year; these figures are included within "Amounts owed by group and subsidiary undertakings".

During 2016, an unsecured loan of £30,000 was made to SMITFL by PCC for the purpose of purchasing three ovens for the cafe. The loan is subject to interest at 3.75% per annum and is repayable by 31st July 2021. The balance outstanding at 31st December 2020 was £3,798 (2019: £10,116), of which £nil (2019: £3,796) was due after one year; these figures are included within "Amounts owed by group and subsidiary undertakings".

The amounts owed by a connected charity relate to St Martin-in-the-Fields Trust.

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements

For the year ended 31st December 2020

15 Liabilities: Amounts falling due within one year	Group		PCC	
	2020	2019	2020	2019
	£	£	£	£
Bank loan	52,083	-	-	-
Trade creditors	132,516	425,641	41,722	39,441
Amounts owed to group and subsidiary undertakings:				
Other			23,383	150,696
Amount owed to connected charities	104,512	28,086	102,554	4,263
Other creditors	136,487	179,849	172	349
Other taxes and social security	211,654	248,234	-	-
Accruals and deferred income	110,727	156,004	30,457	30,426
	<u>747,980</u>	<u>1,037,814</u>	<u>198,288</u>	<u>225,175</u>

The amounts owed to connected charities for 2020 relate to St Martin-in-the-Fields Trust (£2,544), St Martin-in-the-Fields Charity (£1,958) and the Vicar's General Fund (£100,000). It is intended that the £100,000 from the Vicar's General Fund will be converted into a formal long term loan in 2021.

During 2018 an unsecured loan of £50,000 was made to St Martins-in-the-Fields Limited by The Vicar's General Fund for the purpose of the purchase of audio-visual and wi-fi equipment in the Crypt. The loan is subject to interest at 4.25% per annum and is repayable by 30th September 2021. The balance outstanding at 31st December 2020 was £nil (including accumulated interest) (2019: £28,469). The amount due within one year is £nil (2019: £16,868) and is included within "Amount owed to connected charity". For sums due after more than one year see Note 16.

16 Liabilities: Amounts falling due after more than one year	Group		PCC	
	2020	2019	2020	2019
	£	£	£	£
Loan from Vicar's General Fund	-	11,601	-	-
CBIL loan (see below)	447,917	-	-	-
	<u>447,917</u>	<u>11,601</u>	<u>-</u>	<u>-</u>

During 2020 a secured loan of £500,000 was made to the company by National Westminster Bank plc, supported by the Coronavirus Business Interruption Loan Scheme. The loan is subject to interest at 1.88% over Base Rate and is repayable by July 2025. The total balance outstanding at 31st December 2020 was £500,000. The amount due within one year is £52,083 (2019: £nil).

# St Martin-in-the-Fields Parochial Church Council

Notes to the financial statements  
For the year ended 31st December 2020

## 17 Analysis of Group Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
<b>Fund balances at 31st December 2020 are represented by:</b>				
Intangible fixed assets	-	-	-	-
Tangible fixed assets	536,519	-	-	536,519
Investments	-	-	1,009,273	1,009,273
Net current assets	(148,569)	297,128	113,328	261,887
Liabilities falling due after one year	(447,917)			(447,917)
Total net assets	(59,967)	297,128	1,122,601	1,359,762
	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Endowment Funds £</i>	<i>£</i>
<b>Fund balances at 31st December 2019 are represented by:</b>				
Intangible fixed assets	11,962	-	-	11,962
Tangible fixed assets	293,254	-	-	293,254
Investments	-	-	947,112	947,112
Net current assets	435,389	241,803	113,328	790,520
Liabilities falling due after one year	(11,601)	-	-	(11,601)
Total net assets	729,004	241,803	1,060,440	2,031,247

## 18 Statement of Funds

	At 1st January 2020 £	Income £	Expenditure £	Transfers/ Investment Gains £	At 31st December 2020 £
<b>Unrestricted Funds</b>					
General	166,965	755,049	(957,606)	41,637	6,045
Designated:					
Austen Williams Room refurbishment	5,000	-	-	-	5,000
Disability Awareness Group	(1,624)	1,960	(890)	-	(554)
Total unrestricted funds	170,341	757,009	(958,496)	41,637	10,491
<b>Restricted Funds</b>					
Maintenance and refurbishment fund	99,749	25,873	(56,730)	-	68,892
Archive	2,416	-	(156)	-	2,260
Sunday International Group	33,210	46,005	(33,771)	-	45,444
St Martin's Voices	(560)	25,860	(42,799)	-	(17,499)
Music development	18,208		-	-	18,208
Bread for the World	1,417	374	(369)	-	1,422
Choral Scholar Grants	(2,880)	62,767	(30,377)	-	29,510
HeartEdge	73,667	166,179	(137,171)	-	102,675
National Lottery Heritage Fund	-	208,480	(136,974)	(41,637)	29,869
Other restricted funds	16,576	440	(669)	-	16,347
Total restricted funds	241,803	535,978	(439,016)	(41,637)	297,128
<b>Endowment Funds</b>					
<i>Permanent endowment fund</i>					
Rysbrack Bust Fund	934,624	-	-	58,445	993,069
Trinity Chapel Fund	125,816	-	-	3,716	129,532
Total endowment funds	1,060,440	-	-	62,161	1,122,601
<b>Total PCC Funds</b>	1,472,584	1,292,987	(1,397,512)	62,161	1,430,220
Non-charitable trading reserves	558,663	2,591,646	(3,220,767)	-	(70,458)
<b>Total Group Funds</b>	2,031,247	3,884,633	(4,618,279)	62,161	1,359,762
			-		

The £41,637 transferred from the National Heritage Lottery Fund relates to capital expenditure funded by grants



# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

### 18 Statement of Funds (continued)

#### Restricted Funds

The Church Maintenance and Refurbishment fund represents accumulated donations and income from the Rysbrack Bust fund, which is restricted to maintenance of the fabric and ornaments of the Church, and also represents the surplus generated by ticketed concerts promoted by the PCC. During the year, SMITFL carried out maintenance work on premises and plant within its remit and use. This expenditure has been charged to SMITFL, reducing the charitable donation it made in the year to PCC's general funds. From this expenditure, an amount of £Nil (2019: £116,962) was determined as within the permitted scope of PCC's restricted Maintenance and Refurbishment fund and hence a corresponding amount has been transferred from the Maintenance and Refurbishment Fund to the General Fund in PCC.

The Archive fund is used to support on-going costs for the St Martin's archive.

The Sunday International fund supports the work at St Martin's to assist vulnerable foreign nationals.

The St Martin's Voices fund supports the development of the St Martin's Voices ensemble.

The Music Development fund supports music and choir development within the PCC.

The Bread for the World fund is used for weekly informal Eucharist and fellowship meetings.

The Choral Scholars fund supports the music and education activities of the PCC

The HeartEdge fund supports the activities of St Martin's in building a global membership of churches which engages in activities based upon the themes of compassion, culture, commerce, and congregation.

The National Heritage Lottery Fund is to support re-opening costs, emergency staff, online operating costs and ICT and digital improvements.

The Cultural Recovery Fund has supported online operating costs.

#### Endowment Funds

##### Rysbrack Bust Fund

At 31st December 2020, the London Diocesan Fund held investments and cash to the value of £993,069 (2019: £934,624) on behalf of the Parochial Church Council following a judgement of the Consistory Court of the Diocese in accordance with agreements proposed on the sale by the Parochial Church Council of the Rysbrack Bust. The agreements state that once this fund, together with accumulated income, reached the amount of £435,000, the income therefrom would become available for the purposes of maintaining the fabric of the Church. The income payable to the fabric of the Church during the year amounted to £25,873 (2019: £25,454).

As the PCC is the beneficial owner of these funds, they have been included in the financial statements.

##### Trinity Chapel Fund

The Trinity Chapel Site Charity, to which the PCC had hitherto been entitled to a proportion of the income, was wound up in 2008 and the capital values distributed to the beneficiaries as a mixture of permanent and expendable endowment under a scheme approved by the Charity Commissioners. The PCC disposed of the invested funds representing the expendable endowment and the endowment funds represent the permanently endowed funds.

# St Martin-in-the-Fields Parochial Church Council

## Notes to the financial statements For the year ended 31st December 2020

### 18 Statement of Funds (continued)

#### 2019 comparative information

<i>Statement of Funds</i>	<i>At 1st January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers/ Investment Gains £</i>	<i>At 31st December 2019 £</i>
<b>Unrestricted Funds</b>					
General	182,346	1,254,293	(1,325,081)	55,407	166,965
Designated:					
Austen Williams Room refurbishment	5,000	-	-	-	5,000
Disability Awareness Group	7,202	5,583	(14,409)	-	(1,624)
<b>Total unrestricted funds</b>	<b>194,548</b>	<b>1,259,876</b>	<b>(1,339,490)</b>	<b>55,407</b>	<b>170,341</b>
<b>Restricted Funds</b>					
Maintenance and Refurbishment Fund	195,000	25,454	(65,298)	(55,407)	99,749
Archive	2,718	-	(302)	-	2,416
Sunday International Group	33,242	9,480	(9,512)	-	33,210
St Martin's Voices	3,209	5,000	(8,769)	-	(560)
Music Development	18,716	-	(508)	-	18,208
Bread for the World	2,395	1,251	(2,229)	-	1,417
Choral Scholar Grants	-	18,000	(20,880)	-	(2,880)
HeartEdge	33,099	171,794	(131,226)	-	73,667
National Lottery Heritage Fund	-	-	-	-	-
Other restricted funds	14,868	13,823	(12,115)	-	16,576
<b>Total restricted funds</b>	<b>303,247</b>	<b>244,802</b>	<b>(250,839)</b>	<b>(55,407)</b>	<b>241,803</b>
<b>Endowment Funds</b>					
Permanent endowment fund					
Rysbrack Bust Fund	800,702	-	-	133,922	934,624
Trinity Chapel Fund	111,069	-	-	14,747	125,816
<b>Total endowment funds</b>	<b>911,771</b>	<b>-</b>	<b>-</b>	<b>148,669</b>	<b>1,060,440</b>
<b>Total PCC funds</b>	<b>1,409,566</b>	<b>1,504,678</b>	<b>(1,590,329)</b>	<b>148,669</b>	<b>1,472,584</b>
Non-charitable trading reserves	384,390	5,452,838	(5,278,565)	-	558,663
<b>Total Group funds</b>	<b>1,793,956</b>	<b>6,957,516</b>	<b>(6,868,894)</b>	<b>148,669</b>	<b>2,031,247</b>

## St Martin-in-the-Fields Parochial Church Council

### Notes to the financial statements For the year ended 31st December 2020

#### 19 Related Party Transactions

One of the members of the PCC is a trustee of the charity 'The Connection' at St Martin-in-the-Fields. The Connection occupies part of the buildings at St Martin-in-the-Fields and paid a rental charge of £100,00 (2019: £136,250 of rental and related charges) to St Martin-in-the-Fields Limited ("SMITFL").

Two of the members of the PCC are trustees of the St Martin-in-the-Fields Trust. Income received by the Trust which was subsequently gifted onto PCC was £208,460 (2019: £190,038). The Trust also gifted £240,752 (2019: £270,944) to the PCC.

In addition, SMITFL recharged staff costs and management charges of £9,589 (2019: £10,754) to the Trust.

Two of the members of the PCC are trustees of the 'Bishop Ho Ming Wah Association and Community Centre'. This charity occupies part of the St Martin-in-the-Fields buildings and paid a rental charge in the year to the company of £Nil (2019: £10,000).

One member of the PCC is a trustee of The Vicar's General Fund, a charity whose registered office is located at St Martin-in-the-Fields. The Vicar's General Fund made a new loan of £100,000 in 2020 which is disclosed in note 15. (2019: Nil).

## Appendix A

### **The Wider St Martin's Community**

The following charities are associated with and operate from the same site as the PCC, but they are independent of the PCC and each has its own board of trustees. Charity Commission numbers are in brackets.

#### **Bishop Ho Ming Wah Association and Community Centre (290398)**

Founded in 1984 in memory of Bishop Ronald Owen Hall, Bishop Ho Ming Wah Association & Community Centre is an independent charity. Its mission is to enhance and improve the quality of life of all residents, particularly the Chinese community in London through support, influence, information and enrichment.

Our charitable mission was severely impacted by the COVID-19 pandemic in 2020. We have no options but to temporarily close the Community Centre on 18 March 2020. Prolonged isolation and social distancing have brought stress and sufferings to our service users, volunteers, and staff. The majority of those who have benefited from our work are vulnerable older people, and they are the ones who found it hard to break from the routines they have come to enjoy. We struggled to provide effective alternatives to fill the gaps left by the cessation of physical gatherings. The limited support we could provide through telephone contacts and newsletters was a small comfort to some.

We strongly believe that the demand for community services will grow in response to COVID-19. The key challenge moving forward lies in adapting to a new way of thinking and innovating our services to meet the changing needs. In the beginning of 2021, we launched a 'Going Digital' programme by offering a range of online activities on a trial basis. Helping the vulnerable seniors to stay active, healthy and socially connected by embracing the online world is a strong focus of this new programme. We recognised that only a small number of our beneficiaries have access to Wi-Fi or digital devices. Development is underway to provide 'suitable' resources to people who want to learn more about technology and what it can do for them. Another initiative we are working on aims at helping the new arrivals from Hong Kong to settle smoothly in the UK.

Our finances were badly hit by the loss of income from donations and charitable activities as a result of COVID-19, and its effects on the economy and people behaviour. We have started on special appeals and will organise community fundraising events as soon as practicable. Collaboration with partners and other organisations, within and outside of the voluntary sector, could provide real opportunities for continuous improvement and diversification of services. Our immediate task is to identify the opportunities for collaboration with like-minded people so we can do more in the charitable space and for many more people.

## **Chinese Congregation**

Revd Harry Ching was licensed on 23 February by the Bishop of London, three weeks before the national lockdown. Services remained online until the first Sunday in July, with a modest turn out since during "inter-lockdown" period due to the demographics of the Chinese Congregation.

The Chinese Congregation now meet at 12pm for the Mandarin Service with a more informal setting, while 1:30pm for the Cantonese service has a more traditional setting with choir (when possible).

Cantonese congregation has a great prospect with the mass influx of migrants from Hong Kong after years of a shrinking congregation. There are very good numbers with new people joining the worship every week, we hope these newcomers will find St. Martin's as their new home. A special mention to those who are making this hybrid service possible, their efforts are greatly appreciated.

There had been many online orientations hosted by our new ecumenical partners from across the UK with oversubscribed number of attendees. During these, Revd Harry was asked to participate in leading small break out groups on Zoom. We hope to continue to facilitate this trend of migration from Hong Kong with our new HK Ready Committee, consisting of members from across different congregations at St Martin's.

The status of the Mandarin congregation remains an uphill battle, with a large proportion of members remaining in Mainland China or Taiwan due to the pandemic. The lack of international air travels and changing economy might not be viable for seasoned members of the Mandarin congregation to return to in-person worship, as they tend to split their time between China and Taiwan each year. We hope that the group can discern to a direction which can be function well for those online and in the building.

We look forward to an increasing number of regular joint services for all three congregations in the future.

## **The Connection at St Martin-in-the-Fields (1078201)**

### *The pandemic response*

The Covid-19 pandemic has had a significant impact in the way we work at The Connection. When lockdown closed our Adelaide Street centre, we immediately focused on finding suitable hotel accommodation for clients as part of the Everyone In initiative to enable them to self-isolate and stay safe and well.

We remained on the frontline running two hotels during this time; preparing and delivering regular meals for over 350 people, offering access to nurses and psychologists, supporting people to access drug and alcohol treatment and undertaking remote casework.

This new way of working gave us a once in a lifetime opportunity to make real progress with some of the most vulnerable members of the homeless population. For some people, it was the first time they have had the stability of a roof over their heads and regular meals for many years. It's given us a solid foundation from which to work with them to provide the support needed to move into longer term accommodation.

However, simply giving people a roof over their head is not always enough - many people have other needs that must be addressed in order to enable them to recover from homelessness and thrive in accommodation. Our experience from over 100 years, as well as from our pandemic response, shows that intensive support – sometimes on a number of fronts - is the best way to support people to start to change their lives.

### *Service changes and learning from the pandemic*

We learned a lot during the first few months of the pandemic. From late summer, we ran a consultation with our staff, partners, clients, volunteers, supporters and wider stakeholders. The purpose of the consultation was to capture all of our learning from the pandemic response and to identify ways to improve our service model to best support people sleeping rough in Westminster.

Our new service model will enable us to focus our resources where we can be most effective, working intensively with rough sleepers with more complex needs. We will:

- Focus our efforts on those who need our support the most;
- Help fewer people, more intensively; ensuring sustainable positive outcomes for clients;
- Work collaboratively with partners in Westminster to make better use of resources.

We believe this focus will better enable people to tackle the underlying causes of their homelessness so that a path away from the streets becomes a possibility. By focusing our efforts on complex clients, we believe we can support more people out of homelessness in the long term.

We are currently developing our new service model and this will be launched in the summer.

Our outreach services resumed in July 2020, ensuring that we continue to build relationships with those who are sleeping rough and put in place the support required to help them transition away from the streets.

Our day centre re-opened its doors in August and we are supporting a reduced number of people to access core services in the building and initial assessments. We have worked hard to ensure that our centre is COVID secure, and we have improved our systems to make sure staff can work remotely. Since January 2021, we have made COVID vaccinations available to staff and clients.

### *The Bridge*

In October 2020 we opened The Bridge, our new accommodation project.

All residents have their own self-contained bedroom, bathroom and cooking facilities and our Emergency Accommodation team are on-hand providing around the clock support. Residents are provided with 3 meals a day and laundry facilities. They are also able to see nurses, psychologists, drug and alcohol specialists and access other support as needed.

### *Other service developments*

We are excited to be working with St Martin's Trust on the 18 Keys project to transform St Martin's House into a supported housing project for 18 women experiencing homelessness.

We have also launched the Women's Development Unit in partnership with Solace Women's Aid. The WDU will bring together the wealth of expertise across the homelessness and Violence against Women and Girls (VAWG) sectors to develop a pan-London women's homelessness strategy to improve services available.

Due to the pandemic, we changed our Enterprise plans and launched Poster Bakes, selling a range of 'at home' baked goods including mince pies and hot cross buns. We were also very proud to help supply the Church café when it was possible to open it in April 2021.

### *Fundraising*

Fundraising has had a very successful year and we are incredibly grateful to everyone who has supported us in 2020/21.

### **The St Martin-in-the-Fields Trust (110406)**

At the beginning of 2020, the St Martin-in-the-Fields Trust was running the Building Futures campaign to keep our beautiful buildings open, provide opportunity, sanctuary and support for everyone, and enhance our social, cultural and theological programmes.

With the onset of the Covid-19 pandemic, priorities for the fundraising activities had to switch to secure emergency, short term funds to protect the future of St Martin's and to respond to a huge demand for support for homeless and vulnerable people at this difficult time. The Trust worked in collaboration with colleagues at the St Martin-in-the-Fields Charity, Connection at St Martin's and the Friends of Connection to raise funds through the Keep our Doors Open Emergency Appeal.

In the summer and autumn we secured two major grants from the National Heritage Lottery Fund through their Emergency Funding programme and then their Cultural Recovery Programme to support costs of running the site as well as financing vital costs to help St Martin's reopen after the various lockdowns and to restart music and cultural activity both online and in person.

In addition to these grants, in 2020 funds raised by the Trust have been paid across to the PCC to support the continued growth of HeartEdge, the Choral Scholars and St Martin's Voices, Great Sacred Music, the Sunday International Group and the autumn lecture series, as well as a grant to establish St Martin's Digital. Grants were made to SMITFL to finance the refurbishment of the North Range and the completion of the RIBA Stage 2 planning project, as well as investment in the development of the business. In total, over £1.4m was paid across from the Trust to the PCC and SMITFL in 2020.

Every gift received has been vital to keep St Martin's going during this difficult year and to help people in our communities to lead a better, safer or more enriched life. We are incredibly grateful to all of our donors and Cornerstone Club supporters who have been so generous in 2020.

## **Looking ahead**

The Trust exists to secure the people, programmes and spaces that St Martin's needs to continue to flourish for generations to come. The Trust is running a recovery fundraising campaign, the Spirit of St Martin's in spring and summer of 2021 to provide much needed funds as St Martin's reopens.

In 2019 the trustees approved a grant of £350,000 to finance a major planning project with a professional design team headed by Eric Parry Architects. Work began on this project in autumn 2019 with a completion date for spring 2020. Although this project was delayed due to the pandemic, this major report is now complete. Work will begin anew in 2021 to review and reprioritise the capital work required across site in the medium and long term, alongside refocusing fundraising activity to offer support to St Martin's as we start to recover from the difficulties of 2020/21.

To find out more about our work, please contact the Trust on [development@smitf.org](mailto:development@smitf.org) or telephone 020 7766 1132.

## **St Martin-in-the-Fields Charity (261359/1156305)**

The St Martin-in-the-Fields Charity was established in 2014 and builds on the work of the BBC Radio 4 Christmas Appeal with St Martin-in-the-Fields, which has been running for more than 90 years. It enables St Martin-in-the-Fields to support homeless and vulnerably housed people across the UK.

The Charity distributes the majority of its income as small grants through the Vicar's Relief Fund and also makes a core grant to The Connection at St Martin's. Recently we have worked to increase the impact of all our grant making while developing the St Martin's Frontline Network to respond to homelessness in every part of the UK.

Our vision is that everyone has a safe place to call home and the support they need. We support frontline workers across the UK as they empower people experiencing homelessness to secure and keep a safe place to live.

2020 was filled with challenges and opportunities for the Charity. Responding to the COVID crisis we were able to pivot to new way of working. Within three weeks of the start of the national lockdown we had launched the VRF Emergency Fund, temporarily replacing the VRF. Over the course of the next five months, we gave out more than 4,500 grants and distributed about £1.65million in emergency funding across the UK.

In addition to this, the Vicar's Relief Fund has made almost grants of more than £1.3million supporting people to access accommodation and as well as a grant of £1million to The Connection at St Martin's.

The Frontline Network has stood with frontline workers dealing with testing times. We have provided support through its ten partner charities and reached more than 2,300 frontline workers who have attended our events, training sessions and support fora.

We were thrilled with the support for the BBC Radio 4 Christmas Appeal with St Martin-in-the-Fields which raised in excess of £4.4million to support our work.



## Appendix B

### **Groups and Activities at St Martin's**

Alongside our regular services and events at St Martin's there are normally lots of activities happening throughout the year. The COVID pandemic has meant that all groups have needed to learn new ways of working but much activity has continued unabated. This list gives just a snapshot of them. Please also look out for opportunities to learn more about what happens and how you can join in. We usually hold a 'Market Place' event and publish a 'Review of Activities' in the autumn. If you have any questions, please contact the Parish Office or ask the PCC person on duty on a Sunday morning, when we are able to reinstate a 'normal' Sunday morning coffee after church.

#### *Governance*

PCC, Deanery Synod and Planning Group  
Communications Committee  
Common Life Committee

#### *Chair/Contact*

Vicar and Churchwardens  
Sally Hitchiner  
Sally Hitchiner

#### *Activity Groups*

Archives  
Disability Advisory Group  
Education  
Global Neighbours  
Hospitality

#### *Chair/Contact*

Michael Hellyer  
Fiona MacMillan  
Martin Haigh  
Susannah Woodd  
Bronwyn Sanders

#### *Liturgical Ministry*

Opportunities to support liturgy, by reading, intercessions, serving, etc.  
Bellringers  
Flower Arrangers  
Healing Team  
Stewards

#### *Chair/Contact*

Sally Hitchiner  
  
Joe Waters  
Ann Langley  
Sally Hitchiner  
Kristine Wellington

#### *Fellowship, pastoral care, spirituality, formation*

Archers  
Breakfast Group  
C-Club and children  
Cloak groups  
Club Wednesday  
Meditation  
Nazareth Community  
Oasis  
Open Circle  
Sunday International Group

#### *Chair/Contact*

Michael Moran  
Dan Kaszeta and Phyllis SantaMaria  
Yen Leung  
Sally Hitchiner  
Richard Carter  
Duncan Roberts  
Richard Carter  
Jonathan Evens  
Anna Warbrick  
Sophie Tyler