

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST. MARGARET, LOTHBURY**

**ANNUAL REPORT AND UNAUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

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# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The members of the Parochial Church Council ("the PCC") ("the Charity"), who are also the Trustees of the Charity by virtue of their membership of the Council, are pleased to present their Annual Report together with the Financial Statements of the Charity for the year ending 31 December 2021.

The Accounts have been prepared in accordance with the accounting policies set out in note 1 to the Accounts and comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Objectives and Activities

The Parochial Church Council of St. Margaret, Lothbury have the responsibility of co-operating with the Incumbent, the Reverend Prebendary Jeremy Crossley, in promoting in the Ecclesiastical Parish the whole mission of the Church - pastoral, evangelistic, social and ecumenical, and they fulfil this task with zest, wisdom, commitment and style.

Our vision remains to be heart of our community in the City as well as serving all the networks associated with the Church and the area pointing all to Jesus Christ and his love.

One aspect of this is that the PCC has responsibility for the maintenance of the historic Parish Church of St. Margaret, maintaining its fabric while seeking to ensure that its ministry remains relevant and accessible in a rapidly changing context.

During 2021, the Rector and PCC have continued to focus on serving those who work in the Square Mile providing all our services both in person and online although Monday's Prayer for the City and Thursday morning's Men's Group remained online only. The church building which reopened on 6<sup>th</sup> July 2020 has additionally remained open during the working week for quiet reflection or private prayer & there is a popular weekly Organ recital, which also continued in 2021.

We continue to be enthusiastically supportive of the City Civic both through the Livery Movement and the Ward Clubs: the Incumbent is Chaplain of many such organisations. The Electoral Roll for 2021 was revised in the unusual circumstances of the year and remained static. No-one on the Roll was resident in the parish, but all had attended public worship at least once a month.

The PCC has ever been mindful of the Charity Commission's guidance on public benefit and in particular the specific guidance on charities for the advancement of religion and is satisfied that the activities of St. Margaret's fall within such guidance.

We have continued in our efforts to sharpen our procedures and worked to clarify further our financial reporting to the PCC. We have also continued to develop our Safeguarding reporting procedures and have strengthened our Safeguarding Team. In addition, we have also begun to our response to the Quinquennial Report on the building as we undertook to do in last year's Annual Report. We have also made specific decisions and financial commitments to strengthen our social media presence in a way that we believe to be sustainable.

As we have begun to meet in person again, albeit in small numbers due to the working patterns in the City during the year we have continued to develop our relationship with other churches around Bank Junction. We believe that during 2021 we laid the foundations for life at St Margaret's in a changed City and we shall develop this in 2022.

# **THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY**

## **ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Charitable Status and Public Benefit**

The PCC has ever been mindful of the Charity Commission's guidance on public benefit and in particular the specific guidance on charities for the advancement of religion and is satisfied that the activities of St. Margaret's fall within such guidance. Having received a grant from the Heritage Lottery Fund towards works on the Tower in 2018 we have increased the opening hours of the building, continued to be hospitable to guided tours and developed our church guide. As a Parish Church we have continued to engage in any possible way with local firms and Ward Clubs

### **Governance and Internal Control**

Although this is the responsibility of the PCC, it has been delegated to the Standing & Finance Committee of the Council whose minutes are always circulated to the whole PCC. We have continued in our efforts to sharpen our procedures and worked to clarify further our financial reporting to the PCC. We have also continued to develop our Safeguarding reporting procedures and are working to strengthen our Safeguarding Team.

### **Achievements and performance**

Over the year we have increased our social media presence to complement our online presence as we have tried to sharpen our hybrid life as a Church. Although it is hard to assess fully the benefits, we have gained from this, it has clearly had an impact on which we will continue to build. We were encouraged that people have slowly come back to church and that a significant proportion of the annual round of special services and carol services also took place. It will be sometime before we find ourselves in the position we were pre-pandemic and so we are simply focusing on responding to what often feels like a new and uncertain context while being confident that God remains committed to the City of London and the life of the City Churches including St Margaret's. New working patterns have had a distinct impact on church life during the working week and we are looking carefully and consulting widely at whether our normal pattern needs to change.

Hope Church, with whom we had a good partnership, have suffered in the pandemic and will not be returning. We will miss them but understand completely the situation in which they found themselves. The preparation for the Installation of the new AV system has been long and sometimes tortuous but we hope that this project will be completed by the summer of this year.

### **Future plans**

We are wanting to develop our presence on social media and complete our plans for the first proper updating of our AV equipment for nearly a quarter of a century. We are also reviewing our worshipping life and seeking to strengthen the pastoral care of the congregation.

### **Financial review**

The total funds of the PCC at the 31 December 2021 stand at £1,297,208, an increase over the previous year of 8.7% helped largely by investment gains. Net income stood at £103,490. Church Rate was down on the previous year, as anticipated in the previous report, as businesses in the Square Mile tightened their belts in response to increasing pressures due to COVID-19 and continuing uncertainty over Brexit. Congregational giving remained steady. The PCC continue to look for alternative sources of income to maintain a strong reserve position.

Movements in, and change to specific funds are detailed in note 12 on pages 16 to 18 of the accounts.

Given the financial prudence adopted by the PCC over the last few years, the PCC is confident that any potential shortfall will be able to be covered out of unrestricted funds.

# **THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY**

## **ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Financial review (continued)**

The members of the PCC balance a low risk approach to investing against the requirement to generate a reasonable rate of return and take advice from qualified professionals as required and in accordance with the PCC investment policy. The current aims are to move funds away from short term bank balances and into investment funds generating better returns.

### **Reserves Policy**

It is the policy of the PCC that those funds which have not been designated for a specific use should be maintained at a level equivalent to enable ongoing operation of the Church without the need to call on investment funds and the designated "reserve" fund has been created for this purpose. The members consider that maintaining the reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the PCC's current activities for at least twelve months while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year

### **Structure, Governing Documents and Management**

The Parochial Church Council ("PCC") is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The method of appointment of PCC members is set out in the Church Representation Rules.

The Standing Committee is the only committee required by law and consists of the Rector, two Churchwardens, the Treasurer, the PCC Secretary and two other members with particular responsibilities.

New PCC members are given a high-level introduction to the running of the Church, its aims and future plans.

The major risks to which the PCC is exposed, as identified by the PCC members, have been reviewed and systems and procedures are established to manage such risks.

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### Legal and administrative information

PCC members who have served from 1 January 2021 until the date of this report are:

<b>Incumbent</b>	The Reverend Prebendary Jeremy Crossley
<b>Associate Vicar</b>	The Reverend Mark Fox
<b>Elected Churchwardens</b>	Mr Mike Buckley Mrs Bebe Coleman
<b>Representatives on the Deanery Synod</b>	Miss Jacqueline Foot Miss Beverley Ryan Ms Cheryl Stafford (appointed 26 April 2021)
<b>Other elected members</b>	Mrs Monica Buckle Mr Olly Gillet Mr Dennis Grante Miss Beverley Ryan Mr William Taylor Mr Mark Thomas Mr Peter Thornton
<b>Chairman</b>	The Reverend Prebendary Jeremy Crossley
<b>Vice Chairman</b>	Mrs Bebe Coleman
<b>Treasurer</b>	Mr Mark Thomas
<b>Secretary</b>	Mrs Monica Buckle
<b>Electoral Roll Officer</b>	Mrs Bebe Coleman
<b>Safeguarding Officer</b>	Miss Beverley Ryan

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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Other legal and administrative information:

<b>Charity Number</b>	1139504
<b>Principal Address</b>	St. Margaret's Church Lothbury London EC2R 7HH
<b>Bankers</b>	Brown Shipley Founders Court Lothbury London EC2R 7HE  HSBC Bank Plc PO Box 757 Hemel Hempstead Hertfordshire HP2 4SS
<b>Main Safeguarding Officer</b>	Mr Cliff Radmore
<b>Building Manager</b>	Mr Cliff Radmore
<b>Independent Examiner</b>	Chris Lockhart FCA Chris Lockhart Limited Chartered Accountant Suite 2015 Letraset Building Wotton Road Ashford Kent TN23 6LN
<b>Investment Advisors</b>	CCLA Investment Management Ltd St. Alphage House 2 Fore Street London EC2Y 5AQ  The CBF Church of England St. Alphage House 2 Fore Street London EC2Y 5AQ

Signed on behalf of the Parochial Church Council of St. Margaret, Lothbury

**The Reverend Prebendary Jeremy Crossley**

Dated: 25 May 2022

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY**

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I report to the members on my examination of the accounts of the Parochial Church Council of St. Margaret, Lothbury ("the PCC") ("the Charity") for the year ended 31 December 2021, which are set out on pages 7 to 18.

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

As the Charity Trustees of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the PCC as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Chris Lockhart FCA  
**Chris Lockhart Limited**

Chartered Accountant  
Suite 2015 Letraset Building  
Wotton Road  
Ashford  
Kent  
TN23 6LN

Dated: 25 May 2022



# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	Endowment funds	Designated funds	Total 2021	Total 2020
	Notes	£	£	£	£	£	£
<b><u>Income and endowments</u></b>							
<b><u>from:</u></b>							
Donations and legacies	2a	166,986	-	-	-	166,986	178,646
Charitable activities	2b	4,735	-	-	-	4,735	11,552
Investment income	2c	12	7,727	-	5,660	13,399	14,350
Other	2d	15,062	-	-	-	15,062	46,427
Total income		186,795	7,727	-	5,660	200,182	250,975
<b><u>Expenditure on:</u></b>							
Raising funds		2,630	-	-	-	2,630	2,622
Charitable activities	3	199,288	5,513	-	-	204,801	225,834
Total expenditure		201,918	5,513	-	-	207,431	228,456
Net gains on investments	7	-	26,092	-	84,647	110,739	39,792
<b>Net income/(expenditure)</b>		<b>(15,123)</b>	<b>28,306</b>	<b>-</b>	<b>90,307</b>	<b>103,490</b>	<b>62,311</b>
Transfers between funds		5,647	-	-	(5,647)	-	-
<b>Net movement in funds</b>		<b>(9,476)</b>	<b>28,306</b>	<b>-</b>	<b>84,660</b>	<b>103,490</b>	<b>62,311</b>
Reconciliation of funds:							
Fund balances brought forward	12	303,583	280,082	-	610,053	1,193,718	1,131,407
<b>Fund balances carried forward</b>	<b>12</b>	<b>294,107</b>	<b>308,388</b>	<b>-</b>	<b>694,713</b>	<b>1,297,208</b>	<b>1,193,718</b>

**THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Notes	2021	2021	2020	2020
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		5,482		4,206
Investments	7		1,037,950		777,211
			<u>1,043,432</u>		<u>781,417</u>
<b>Current assets</b>					
Debtors	8	25,003		35,583	
Investments: cash deposits		101,273		96,946	
Cash at bank and in hand		135,789		285,516	
		<u>262,065</u>		<u>418,045</u>	
<b>Creditors: amounts falling due within one year</b>	9	(8,289)		(5,744)	
		<u></u>		<u></u>	
<b>Net current assets</b>			253,776		412,301
			<u></u>		<u></u>
<b>Net assets</b>			<b>1,297,208</b>		<b>1,193,718</b>
			<u><u></u></u>		<u><u></u></u>
<b>Income funds</b>					
Unrestricted funds			294,107		303,583
Restricted funds	12		308,388		280,082
Endowment funds	12		-		-
Designated funds	12		694,713		610,053
			<u>1,297,208</u>		<u>1,193,718</u>
			<u><u></u></u>		<u><u></u></u>

Approved by the Parochial Church Council on 25 May 2022 and signed on its behalf by:

The Reverend Prebendary Jeremy Crossley  
**Chairman**

Mr Mark Thomas  
**Treasurer**

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (section 1A) and applicable accounting standards.

The accounts have been prepared under the historical cost convention except for the valuation of investment assets which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

Whilst having a significant impact on the way on which the Church was able to operate in the year, the pandemic has fortunately not had a significant impact on the financial position of the PCC and donations continue to be forthcoming. No material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified by the members.

#### 1.2 Funds

General funds included in unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application in the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are subject to specific conditions by donors as to how they may be used. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of the year must be carried forward as a balance on that fund. The PCC will invest separately for each fund wherever practical or required but not exclusively. The purposes and uses of restricted funds are set out in the notes to the accounts.

Endowment funds are funds for which the capital must be maintained. Only income arising from the investment of the endowment may be used for specific charitable purposes and this is dealt with through a further restricted fund.

#### 1.3 Income and endowments

##### *Donations and legacies*

Collections are recognised when received on or on behalf of the PCC. Planned giving receivable under covenant is recognised only when received. Income tax recoverable on covenants or Gift Aid donations is recognised when the income is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due except for Heritage Lottery Fund grants which are accounted for when the entitlement to the grant becomes certain. Sales of books and magazines from the Church bookstall are accounted for gross.

##### *Income from investments*

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

##### *Gains and losses on investments*

Realised and unrealised gains and losses on investments and investment properties are included in the statement of financial activities as "Net gains/(losses) on investments".

#### 1.4 Expenditure

All costs are recognised when the liability is incurred and can be quantified with reasonable accuracy. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates. Items of expenditure are allocated directly to grants or activities directly relating to the work of the Church. Support costs are directly allocated to activities.

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### *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 quota or parish share is accounted for when payable. Any quota unpaid at the year end is provided for in these accounts as an accrual (though not a legal liability) and is shown as a creditor in the balance sheet.

## **1.5 Fixed assets**

### *Consecrated land and buildings and moveable church furnishings*

Consecrated and beneficed property is excluded from the accounts in accordance with section 10(2)(a) of the Charities Act 2011.

No value is put on the movable Church furnishings held by the churchwardens in special trust for the PCC and which require a faculty for disposal since the PCC considers this to be an inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and movable Church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

### *Other fixtures, fittings and office equipment*

Depreciation is provided on all tangible fixed assets over a purchase price of £500, so as to write off the cost of the assets over their estimated useful lives, as follows:

Soft furnishings	Straight line basis over 10 years
Fixtures, fittings and office equipment	Straight line basis over 5 years

### *Investments*

Investments are stated at fair value at the balance sheet date. Cash balances are included as fixed asset investments if they are invested in accounts of an investment nature and are intended to be held for a period of more than 12 months from the balance sheet date.

## **1.6 Current assets**

Amounts owing to the PCC at the year end in respect of fees, rents or other income are shown as debtors.

Current asset investments include cash held on deposit either with the CBF Church of England Funds or at the bank and are intended to be held for a period between 3 and 12 months from the balance sheet date.

## **1.7 Donated assets and services**

In accordance with the Charities SORP (FRS 102), the value of volunteer help is not included in the Financial Statements.

Donated assets are recognised as income when the PCC has control over the item, any conditions attached to the donation have been met, the receipt of economic benefit from the use by the PCC of the item is probable and that economic benefit can be measured reliably.

On receipt, donated assets are recognised as income on the basis of the value of the gift to the PCC which is the amount the PCC would have been willing to pay to obtain an asset of equivalent economic benefit on the open market; a corresponding amount is then recognised as an asset in the period of receipt.

## **1.8 Financial Instruments**

The charity only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as other debtors and creditors, which are measured at settlement value. Impairment losses are recognised in the statement of financial activities.

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 2 Income and endowments

	Unrestricted funds £	Restricted funds £	Endowment funds £	Designated funds £	Total 2021 £	Total 2020 £
a. Donations and legacies <i>Incoming resources from donors</i>						
Donations made under the						
Gift Aid scheme	61,976	-	-	-	61,976	60,910
Income tax recoverable	15,494	-	-	-	15,494	15,228
Other donations	57,894	-	-	-	57,894	35,929
Voluntary Church rate	31,622	-	-	-	31,622	66,579
	<u>166,986</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,986</u>	<u>178,646</u>
b. Charitable activities <i>Income from operating activities to further the council's objectives</i>						
Service fees	1,735	-	-	-	1,735	5,219
Use of church building	3,000	-	-	-	3,000	6,333
	<u>4,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,735</u>	<u>11,552</u>
c. Investment income						
Dividends and interest	12	7,727	-	5,660	13,399	14,350
	<u>12</u>	<u>7,727</u>	<u>-</u>	<u>5,660</u>	<u>13,399</u>	<u>14,350</u>
d. Other income						
Grants	3,684	-	-	-	3,684	25,265
Salary contribution	11,378	-	-	-	11,378	21,162
	<u>15,062</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,062</u>	<u>46,427</u>

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Expenditure on Charitable Activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Designated funds £	Total 2021 £	Total 2020 £
a. Grants						
Charitable giving	-	-	-	-	-	8,742
b. Activities directly relating to the work of the Church						
Ministry						
Diocesan quota	85,200	-	-	-	85,200	85,200
Curate	-	-	-	-	-	23,537
Clergy expenses	173	-	-	-	173	115
Outreach	2,185	-	-	-	2,185	5,959
Other clergy & service costs	2,460	-	-	-	2,460	299
CPD	50	-	-	-	50	50
Building manager	36,336	-	-	-	36,336	35,646
Church running expenses	12,750	-	-	-	12,750	14,024
Church maintenance (inc. organ)	6,357	3,430	-	-	9,287	7,097
Organist's retainer	-	-	-	-	-	-
Housekeeper	3,713	-	-	-	3,713	4,610
Celebrate	31,660	-	-	-	31,660	12,149
St. Mary Woolnoth	-	-	-	-	-	11,487
<i>Support costs allocated to activities:</i>						
Personnel costs	11,298	-	-	-	11,298	10,469
Office costs	3,030	-	-	-	3,030	974
Professional fees	2,005	2,083	-	-	4,088	3,248
Bank interest and charges	48	-	-	-	48	32
Depreciation	2,023	-	-	-	2,023	2,196
	199,288	5,513	-	-	204,801	217,092
Total	199,288	5,513	-	-	204,801	225,834

Professional fees include the following amounts due to the Independent Examiner:

	2021 £	2020 £
Independent Examination fees		
Current year	1,400	1,400

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 4 Personnel

#### Number of employees

The average monthly head count was 2 (2020: 2). The average monthly number of full-time equivalent employees during the year was 1 (2020: 1).

#### Employment costs

	2021 £	2020 £
Wages and salaries	56,451	52,646
Social security costs	987	1,221
Other pension costs	2,751	2,632
	<hr/>	<hr/>
	60,189	56,499
	<hr/>	<hr/>

There were no employees whose annual remuneration was £60,000 or more.

Regular outsourced services:

	2021 £	2020 £
Bookkeeper	7,560	6,615
Housekeeper	3,713	4,610
	<hr/>	<hr/>
	11,273	11,225
	<hr/>	<hr/>

During the year the PCC outsourced bookkeeping and housekeeping services, neither of whom earned more than £60,000. The organist did not receive his retainer of £1,000 this year (2020: £nil).

The members of the PCC and the building manager comprise the key management personnel of the charity and received aggregate remuneration totalling £40,830 (2020: £40,292). The members of the PCC received no remuneration (see note 5).

### 5 Transactions with Trustees

No member of the PCC (or any persons connected with them) received any remuneration during the year. Expenses totalling £173 were due to one member of the PCC for the year (2020: £115 to one member). No pension benefits are accruing to any member of the PCC.

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Tangible fixed assets

	Soft furnishings £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
Brought forward	12,070	28,165	40,235
Additions	500	2,799	3,299
Carried forward	12,570	30,964	43,534
<b>Depreciation</b>			
Brought forward	11,477	24,552	36,029
Charge for the year	405	1,618	2,023
Carried forward	11,882	26,170	38,052
<b>Net book value At 31 December 2020</b>	<b>688</b>	<b>4,794</b>	<b>5,482</b>
At 31 December 2019	593	3,613	4,206

Net book value at 31 December 2021 represents fixed assets used for direct charitable purposes.

### 7 Fixed asset investments

	Unlisted investments £	Cash or cash equivalents £	Total £
Fair value at 1 January 2021	577,211	200,000	777,211
Additions	350,000	-	350,000
Disposals	-	(200,000)	(200,000)
Change in value in the year	110,739	-	110,739
<b>Fair value at 31 December 2021</b>	<b>1,037,950</b>	<b>-</b>	<b>1,037,950</b>

Investments are held to provide an investment return for the PCC.



# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Debtors

	2021 £	2020 £
Income tax recoverable	15,494	15,228
Occasional services	1,845	3,914
Other debtors and prepayments	7,664	16,441
	<u>25,003</u>	<u>35,583</u>

### 9 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	4,589	1,286
Accruals and deferred income	3,700	4,458
	<u>8,289</u>	<u>5,744</u>

### 10 Pensions and other post-retirement benefit commitments

#### Defined contribution scheme

The PCC operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the PCC to the fund.

	2021 £	2020 £
Contributions payable by the PCC for the year	<u>2,751</u>	<u>2,632</u>

### 11 Related party transactions

There were no transactions with related parties during the year other than as disclosed in note 5 (2020: £nil) and there were no balances outstanding with related parties as at 31 December 2021 (2020: £nil).

In 2020 the funds of the John Simmons Charity, an endowment fund held by the PCC, were transferred to the Charity of Mary Barnes (registered number 279055). The Reverend Prebendary Jeremy Crossley is also a trustee of the Charity of Mary Barnes.

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 12 Funds

The PCC holds restricted and designated funds as follows:

#### **Building repair fund**

This comprises a restricted fund held for the purpose of repairing and maintaining the building and covers maintenance and repair work on the essential systems within the church and other work in the church not covered by the Building fabric fund. The income of this fund is received from an endowment fund held for the PCC by the London Diocese who is the sole trustee.

#### **Building fabric capital fund and Building fabric fund**

The Building fabric capital fund comprises a fund held for the purpose of generating an investment return to be applied for the purpose of maintaining the fabric of the building. The income generated by the fund is paid into the Building fabric fund with the same purpose of maintaining the fabric of the building. The capital fund is protected and only to be used if there is no balance remaining on the Building fabric fund.

#### **Organ investment capital fund and Organ repair fund**

The Organ investment capital fund comprises a fund held for the purpose of generating an investment return to be applied for the purpose of maintaining the organ. The income generated by the fund is paid into the Organ repair fund to pay for maintenance and repair work on the organ. The capital fund is protected and only to be used if there is no balance remaining on the Organ repair fund.

#### **Heritage Lottery Fund Grant**

This comprises a grant received to assist with the repair work needed on the Church Tower and is held in a restricted fund. Grant income falls due when the repair work has been carried out.

#### **The F E Cleary Trust**

This is a restricted fund whereby grants are paid for specific projects within the building or garden.

#### **City Churches' Grants Committee**

This is a restricted fund whereby grants are paid for specific projects.

The PCC also holds:

#### **Designated funds**

These represent funds set aside by the members of the PCC to cover specific aims. The Reserve fund is to ensure sufficient reserves are held to enable the PCC to continue to operate for a period of twelve months. A separate fund was set aside for the cost of the curate in the current year and the Vicar's discretionary fund and the Rectory repair fund are to cover additional costs as described.

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Funds (continued)

Movements on each fund during the year are as follows:

#### Restricted funds

	Brought forward	Gain on investments	Income	Expenditure	Transfers	Carried forward
	£	£	£	£	£	£
Capital funds:						
Fabric capital fund	147,652	21,122	4,283	-	(4,283)	168,774
Organ investment capital fund	35,032	4,970	1,029	-	(1,029)	40,002
Arising from endowments and restricted capital funds:						
Fabric fund	26,333	-	31	-	4,283	30,647
Organ repair fund	15,740	-	-	(1,096)	1,029	15,673
Building repairs	54,949	-	2,384	(4,417)	-	52,916
Church Spire Project:	-	-	-	-	-	-
City Churches' Grants Committee	-	-	-	-	-	-
Historic difference	376	-	-	-	-	376
	<u>280,082</u>	<u>26,092</u>	<u>7,727</u>	<u>(5,513)</u>	<u>-</u>	<u>308,388</u>

#### Endowment funds

A Building Repair endowment fund is held for the PCC by the Diocese of London, which acts as sole trustee and has sole managerial responsibility for the capital value of this fund. The value of this fund held at the year end is £93,953 (2020: £82,195).

# THE PAROCHIAL CHURCH COUNCIL OF ST. MARGARET, LOTHBURY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Funds (continued)

#### Designated funds

	Brought forward £	Gain on investments £	Income £	Expenditure £	Transfers £	Carried forward £
Reserve	607,567	84,647	5,660	-	(5,647)	692,227
Curate	-	-	-	-	-	-
Vicar's discretionary fund	436	-	-	-	-	436
Rectory repairs	2,050	-	-	-	-	2,050
	<u>610,053</u>	<u>84,647</u>	<u>5,660</u>	<u>-</u>	<u>(5,647)</u>	<u>694,713</u>

### 13 Analysis of net assets by fund

	Unrestricted funds	Restricted funds	Endowment funds	Designated funds	Total 2021	Total 2020
		£	£	£	£	£
Tangible fixed assets	5,482	-	-	-	5,482	4,206
Investments	141,850	208,776	-	687,324	1,037,950	777,211
Current assets	155,064	99,612	-	7,389	262,065	418,045
Current liabilities	(8,289)	-	-	-	(8,289)	(5,744)
	<u>294,107</u>	<u>308,388</u>	<u>-</u>	<u>694,713</u>	<u>1,297,208</u>	<u>1,193,718</u>

### 14 Capital Commitment

In November 2021 the PCC had entered into a contract for the purchase of a new sound system for the building at a total cost of £73,893. The equipment had not been received at 31 December 2021 and the cost has therefore not been provided for in the accounts (2020: £nil).