

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. CATHERINE'S,  
HATCHAM**

**Known as: St Catherine's Hatcham, PCC**

**Charity number: 1172843**

**REPORT AND UNAUDITED ACCOUNTS**

**for the year ended  
31 December 2021**

**FIELD SULLIVAN LIMITED  
CHARTERED ACCOUNTANTS**

**NEPTUNE HOUSE  
70 ROYAL HILL  
LONDON SE10 8RF**

## **The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham**

Report of the Parochial Church Council  
for the year ended  
31 December 2021

Report of the Parochial Church Council for the year ended 31 December 2021.

### **Structure, Governance and Management**

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure (1956) as amended and church representation rules that came into force on 2 January 1957.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Catherine's the membership of the PCC consists of the incumbent (our vicar), Churchwardens, Treasurer and members elected by those members of the congregation who are on the electoral roll of the Church. The PCC members are responsible for making decisions on all matters to do with the mission and ministry of the church and the maintenance of the building, working alongside the Vicar, including deciding on how the funds are to be spent.

The members of the PCC, all of whom have served from 1 January 2021 to the date of this report were approved (except where noted) as set out in page 1.

### **Aim and purposes**

St Catherine's Parochial Church Council (PCC) has the responsibility of cooperating with the incumbent, the Reverend Sheridan James, in promoting in the ecclesiastical parish, the mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also legally responsible for ensuring the maintenance and management of the Telegraph Hill Centre, which is managed on a day to day basis by the Centre Staff and by a sub-group of the PCC, the Telegraph Hill Centre Steering Group which is made up of 6 members from the church and 6 members from the local community.

### **Objectives and Activities**

#### **St. Catherine's Mission Statement**

##### **We are here to:**

- love God
- follow Jesus
- respond to the Holy Spirit
- serve and love our neighbour
- share the good news of Jesus Christ with all

##### **St. Catherine's MAP Aspirations are to:**

- Deepen Discipleship
- Enrich Worship
- Strengthen the church community
- Be innovative in our outreach

## **The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham**

### **Report of the Parochial Church Council for the year ended 31 December 2021**

#### **PCC Achievement and Performance**

The activities of the Church community during the year are set out in the PCC report (published separately) to the Annual Parochial Church Meeting (the "APCM").

#### **Financial review**

##### **Financial review of Jan 21-Dec 21**

##### **Treasurer's Report**

Financially this period has been a transition for St Catherine's Church from life with COVID-19 to one of emerging to a new world.

Budgeted Income for 2022 - £184,656

Budgeted Expenditure for £2022 - £171,141

The Church closure caused by Covid19 had dramatically reduced our income however, during 2021 we saw parishioners are returning to Church, hirers are returning to the centre and clients are returning to avail of the services provided by the Centre. All of the above has a positive impact on our finances.

There were a number of events that helped as we made our way through the virus Crisis:

- Stewardship and giving from the congregation remained high, despite a drop in numbers. £40,000
- All our tenants continued to pay their rent in full and on time
- Our hirers have returned to church (e.g. MKC, My cool singers)
- Our Gift Aid claim helped to boost our income by another £10,000 approximately.

Our bank balance, on Dec 31st 2021 stood at £105,342 and we believe that, following the travails of the pandemic, this is a healthy position within which we find ourselves.

There was only one major capital expenditure project in 2021 where we paid to have the bathroom of Flat 1 renovated, this cost us £4,000.

**Expenditure** in terms of building repairs, general overheads costs remained typical. We reduced our Community Development Fund to the Centre by £10K to £25K.

#### **Reserves**

It is PCC policy to try to maintain a balance on unrestricted fund which equates to at least three months unrestricted payments. This is equivalent to £35K. It is held to smooth out fluctuations in cash flow and to meet emergencies. We have met this target.

We also have £10,000 in deposit money from tenants.

All our cash is held in one bank account.

## The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham

### Report of the Parochial Church Council for the year ended 31 December 2021

#### Statement of PCC members' responsibilities

The PCC members, as charity trustees, are 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity, and which enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

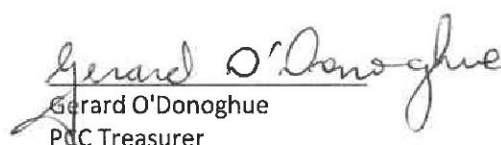
This report was approved by the PCC and signed on its behalf.

On behalf of the PCC on .....

*6th Sept 2022*



Revd Sheridan James  
Vicar of St Catherine's



Gerard O'Donoghue  
PCC Treasurer

**The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham**

Statement of Financial Activities  
for the year ended  
31 December 2021

	<u>Note</u>	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total Funds 2021</u>	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total Funds 2020</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Income and Endowments from:</b>							
Donations and legacies	2	3,649	59,611	63,260	41,447	58,173	99,620
Other trading activities	3	52,083	104,950	157,033	42,345	91,211	133,556
Investments	4	1	-	1	14	-	14
Charitable activities	5	-	1,036	1,036	-	973	973
<b>Total incoming resources</b>		<u>55,733</u>	<u>165,597</u>	<u>221,330</u>	<u>83,806</u>	<u>150,357</u>	<u>234,163</u>
<b>Expenditure on:</b>							
Charitable activities	6	117,952	119,827	237,779	106,010	175,758	281,768
<b>Total resources expended</b>		<u>117,952</u>	<u>119,827</u>	<u>237,779</u>	<u>106,010</u>	<u>175,758</u>	<u>281,768</u>
Net gains/(losses) on investments		-	-	-	-	(579)	(579)
<b>Net income/(expenditure)</b>		<u>(62,219)</u>	<u>45,770</u>	<u>(16,450)</u>	<u>(22,204)</u>	<u>(25,980)</u>	<u>(48,184)</u>
Transfers between funds		32,565	(32,565)	-	38,920	(38,920)	-
<b>Net movement in funds</b>		<u>(29,654)</u>	<u>13,205</u>	<u>(16,450)</u>	<u>16,716</u>	<u>(64,900)</u>	<u>(48,184)</u>
<b>Reconciliation of funds</b>							
Total funds brought forward		30,764	159,151	189,915	14,048	224,051	238,099
<b>Total funds carried forward</b>	13	<u>1,110</u>	<u>172,356</u>	<u>173,466</u>	<u>30,764</u>	<u>159,151</u>	<u>189,915</u>

# The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham

## Notes to the accounts for the year ended 31 December 2021

### **1 Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

#### (i) Statutory information

The charity is a church with no share capital, and domiciliated in England and Wales.

The address of the principal office is 102A Pepys Road, London, SE14 5SG.

The financial statements are prepared in sterling, which is the functional currency of the church. Monetary amounts in this financial statements are rounded to the nearest pound.

#### (ii) Basis of accounting

The financial statements have been prepared under the historical cost convention, Companies Act 2006, Charities Act 2011 and the Charities Statement of Recommended Practice (FRS102). The church meets the definition of a public benefit entity under FRS102.

The financial statements include amounts in respect of the Telegraph Hill Centre Group. The Group manages the Telegraph Hill Centre adjoining the church premises and is a sub-group of the PCC. Accordingly, and on the recommendation of the Diocesan finance office, their accounts have been incorporated into the PCC accounts.

#### Going concern

These financial statements are prepared on the going concern basis. The board members have a reasonable expectation that the church will continue in operational existence for the foreseeable future, and are not aware of any material uncertainties which may cause doubt on the church's ability to continue as a going concern.

#### (iii) Fund accounting

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

Restricted funds are those funds that must be spent on restricted purposes and details of the funds held and restrictions are provided in the notes.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members. The accounts of the Telegraph Hill Centre Group are incorporated as part of the financial statements. A summary of the Group's accounts is included at note 16.

#### (iv) Incoming resources

All incoming resources are included in the statement of financial activities when the PCC is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Collections are recognised when received by or on behalf of the PCC
- Planned giving receivable under Gift Aid is recognised only when received. Tax recoverable on Gift Aid donations is recognised when the donation is recognised.

# The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham

Notes to the accounts  
for the year ended  
31 December 2021

## (vii) Debtors

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade debtors is established when there is objective evidence that the trust will not be able to collect all amount due according to the original terms of the receivables.

## (viii) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## (ix) Creditors

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method. Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## (x) Employee Benefits

Short term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

## 2 Donations and legacies

	Restricted funds	Unrestricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
Loose cash	-	5,392	5,392	6,165
Planned giving	-	51,178	51,178	50,498
Donations	-	3,041	3,041	1,510
Grants	3,000	-	3,000	-
Telegraph Hill Centre - donations income	649	-	649	41,447
Total	3,649	59,611	63,260	99,620

## 3 Other trading activities

	Restricted funds	Unrestricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
Telegraph Hill Centre - lettings	45,914	-	45,914	39,344
Telegraph Hill Centre - other income	6,169	-	6,169	3,001
Fundraising	-	166	166	-
Rental income	-	102,984	102,984	89,411
Contribution towards utilities	-	1,800	1,800	1,800
Total	52,083	104,950	157,033	133,556

## The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham

Notes to the accounts  
for the year ended  
31 December 2021

### 7 Staff costs and numbers

	<u>2021</u>	<u>2020</u>
	£	£
Staff costs were as follows:		
Salaries and wages	64,500	71,978
Social Security costs	286	1,119
Employer's contribution to defined contribution pension schemes	1,017	1,264
Total	<u>65,803</u>	<u>74,361</u>

No employee received emoluments of more than £60,000 (2020: nil)

The average number of employees during the year was as follows:

	<u>2021</u>	<u>2020</u>
	No.	No.
Telegraph Hill Centre	4	5
Total	<u>4</u>	<u>5</u>

### 8 PCC members' remuneration and expenses

The incumbent, Revd Sheridan James, received an expense allowance of £3,300 in 2021 (2020: £2,800).

No PCC Member or other person related to the charity had any personal interest in any contract or transactions entered into by the charity during the year (2020: nil). PCC members have ultimate control of the charity.

### 9 Tangible fixed assets

	<u>Office equipment</u>	<u>Total</u>
	£	£
<b>Cost</b>		
At 1 January 2021	25,661	25,661
Additions	652	652
Disposals	-	-
At 31 December 2021	<u>26,313</u>	<u>26,313</u>
<b>Accumulated depreciation</b>		
At 1 January 2021	23,270	23,270
Charge for the year	979	979
At 31 December 2021	<u>24,249</u>	<u>24,249</u>
<b>Net book value</b>		
At 31 December 2021	<u>2,064</u>	<u>2,064</u>
At 31 December 2020	<u>2,391</u>	<u>2,391</u>

The PCC owns the Telegraph Hill Centre premises. However, no value is attributed to this property in the financial statements as the building is attached to the church premises and the PCC does not consider that it has a significant market value.

# **The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham**

Notes to the accounts  
for the year ended  
31 December 2021

## **13 Movements in funds**

### **Current year**

	<b>At 1 January 2021</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers between funds</b>	<b>Gains/ (losses)</b>	<b>At 31 December 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><i>Restricted funds:</i></b>						
THC projects -						
Branching Out	935	-	-	-	-	935
THC - Covid 19 DCMS	15,403	-	(7,868)	-	-	7,535
THC general	14,426	52,733	(107,084)	32,565	-	(7,360)
ESOL classes	-	3,000	(3,000)	-	-	-
<b>Total restricted funds</b>	<b>30,764</b>	<b>55,733</b>	<b>(117,952)</b>	<b>32,565</b>	<b>-</b>	<b>1,110</b>
<b><i>Unrestricted funds:</i></b>						
<b><i>Designated fund</i></b>						
Building fund-Legacy	33,535	-	-	-	-	33,535
<b><i>General fund</i></b>	<b>125,616</b>	<b>165,597</b>	<b>(119,827)</b>	<b>(32,565)</b>	<b>-</b>	<b>138,821</b>
<b>Total unrestricted funds</b>	<b>159,151</b>	<b>165,597</b>	<b>(119,827)</b>	<b>(32,565)</b>	<b>-</b>	<b>172,356</b>
<b>Total funds</b>	<b>189,915</b>	<b>221,330</b>	<b>(237,779)</b>	<b>-</b>	<b>-</b>	<b>173,466</b>

## **13 Movements in funds (continued)**

### **Comparative - previous year**

	<b>At 1 January 2020</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers between funds</b>	<b>Gains/ (losses)</b>	<b>At 31 December 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><i>Restricted funds:</i></b>						
THC projects -						
Branching Out	935	-	-	-	-	935
THC - Covid 19 DCMS	-	19,144	(3,741)	-	-	15,403
THC general	13,113	64,662	(102,269)	38,920	-	14,426
<b>Total restricted funds</b>	<b>14,048</b>	<b>83,806</b>	<b>(106,010)</b>	<b>38,920</b>	<b>-</b>	<b>30,764</b>
<b><i>Unrestricted funds:</i></b>						
<b><i>Designated fund</i></b>						
Building fund-Legacy	84,100	-	(50,565)	-	-	33,535
<b><i>General fund</i></b>	<b>139,951</b>	<b>150,357</b>	<b>(125,193)</b>	<b>(38,920)</b>	<b>(579)</b>	<b>125,616</b>
<b>Total unrestricted funds</b>	<b>224,051</b>	<b>150,357</b>	<b>(175,758)</b>	<b>(38,920)</b>	<b>(579)</b>	<b>159,151</b>
<b>Total funds</b>	<b>238,099</b>	<b>234,163</b>	<b>(281,768)</b>	<b>-</b>	<b>(579)</b>	<b>189,915</b>

**The Parochial Church Council of The Ecclesiastical Parish of St. Catherine's, Hatcham**

Notes to the accounts  
for the year ended  
31 December 2021

**15 Summary accounts for Telegraph Hill Centre Group**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Incoming resources</b>		
Contribution from PCC	25,000	35,000
Donations, festivals and activities	649	41,447
The London Community Foundation	-	
HMRC - Job Retention Scheme	-	
Other	649.00	
PCC Recharge	7,565	3,920
BeBright recharge	3,015	1,258
Telegraph Hill Festival recharge	-	-
Interest	1	14
Centre lettings	45,914	39,344
Centre grants - MBS	3,154	1,477
Other	-	266
<b>Total incoming resources</b>	<b>85,298</b>	<b>122,726</b>
<b>Resources expended</b>		
Charitable activities		
Salaries and national insurance	64,786	73,097
Staff pension	1,017	1,264
Bank charges	5	-
Repairs and maintenance	6,125	4,485
Light and heat	7,014	4,115
Cleaning and caretaking	15,686	9,885
Printing, postage and stationary	451	593
Telephone	1,008	1,159
Licenses and subscriptions	475	450
Bad debts w/off	75	-
Donations - panto	-	486
Donations	120	120
Centre grants - MBS	2,438	3,114
Office equipment	2,432	1,410
THC independent examination	1,152	1,074
Professional fees	405	1,060
Advertising, newsletter and publicity	2,046	483
Project costs	-	572
Depreciation	688	700
Tutor fees	5,453	1,880
Sundries	397	63
Other expenditure		
BeBright recharge	3,179	-
<b>Total resources expended</b>	<b>114,952</b>	<b>106,010</b>
<b>Net movement in funds</b>	<b>(29,654)</b>	<b>16,716</b>