

Charity registration number: 1182791

# **The Parochial Church Council of St Paul with St Mark, Deptford**

**Annual Report and Financial Statements  
for the Year Ended 31 December 2020**

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 8
Statement of Trustees' Responsibilities	9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 to 22

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Reference and Administrative Details**

#### **Trustees**

Revd Fr Paul Butler, (Rector and Chair)  
Cynthia Addokwei  
Estelle Nzouzi  
Lavern Ford, (Churchwarden)  
Olive Nelson  
Wayne Barron, (also Deanery Synod Member)  
Andrew Taylor, (Churchwarden)  
Christopher Humphries, (Honorary Secretary)  
Elizabeth Gidden  
Nick Richards, (Honorary Treasurer)  
Vidal Eghan, (also Deanery Synod Member)

#### **Principal Office**

The Parish Church of S. Paul, Deptford  
Crossfield Street  
off Deptford High Street  
London  
SE8 3DS

#### **Charity Registration Number**

1182791

#### **Independent Examiner**

Field Sullivan Limited  
70 Royal Hill  
Greenwich  
SE10 8RF

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2020.

#### **Trustees**

Revd Fr Paul Butler, (Rector and Chair)

Cynthia Addokwei

Estelle Nzouzi

Lavern Ford, (Churchwarden)

Olive Nelson

Wayne Barron, (also Deanery Synod Member)

Andrew Taylor, (Churchwarden)

Christopher Humphries, (Honorary Secretary)

Elizabeth Gidden

Everton Gidden (resigned 9 December 2020)

Nick Richards, (Honorary Treasurer)

Vidal Eghan, (also Deanery Synod Member)



## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Trustees' Report**

#### **Aims and purposes**

The Parochial Church Council of the Parish of S. Paul with S. Mark, Deptford, ("PCC"), has the responsibility of co-operating with the Rector, Father Paul Butler, in promoting the whole mission of the Church in the parish; this includes, pastoral, evangelistic, social and ecumenical.

#### **Objectives and Activities**

The Rector and the PCC of S. Paul's agreed the Parish's Mission priorities in the 2017 Mission Action Plan:

- "1. Keep the worship of God at the centre of everything we do;
2. Serve the people of Deptford, and beyond
3. Encourage the full participation and growth of every church member"

When planning the parish's activities in the past year, the Rector and PCC have had the above priorities always in mind. In so doing, they believe that they have applied the Charity Commission's guidance on public benefit and in particular its specific guidance on charities for the advancement of religion.

To facilitate the work of the parish, it is important that the PCC maintains the fabric of the church of S. Paul, which is a Grade 1 listed building and one of the finest examples of Early English Baroque ecclesiastical architecture in the country.

The PCC is fully committed to fulfilling its legal responsibilities for Health and Safety and also to the vital work of Safeguarding. We have a Safeguarding Team that meets regularly, and we follow the policies and procedures of the Diocese of Southwark.

#### **Public benefit**

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Achievements and Performance**

##### ***Worship at the centre of everything which S. Paul's does***

The traditional Anglo-Catholic Parish Mass, with its music, processions and ritual on Sunday mornings attracts a diverse, multi-ethnic congregation, of about 75 people, including approximately 25 children.

There are 82 on the Church Electoral Roll, the vast majority of whom live in Deptford. The Sunday morning congregation includes people who are on the Roll and many people who are not. The attendance increases at festivals and this often includes a number of visitors. There is also a daily Mass, and daily Morning and Evening Prayer every week from Tuesday to Saturday, which the Rector and PCC regard as the foundation of all the work and service of the parish church and absolutely critical for the mission of God in Deptford. Members of the diverse community of Deptford attend these services. The church is open for all the services. Accordingly at regular times throughout the day, casual visitors are able to enter the church, either to join the services, or to pray and reflect quietly in the church. Pastoral encounters frequently follow the services, when the clergy are able to assist people who are in spiritual or physical need, or who are asking for baptisms, weddings, or funerals.

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Trustees' Report**

As well as the regular services, the Rector and PCC enable the community to celebrate and thank God at the milestones of the journey through life. Through baptism the community thank God for the gift of life (in respect of babies) and rejoice at the conversion of adults to the faith, in marriage public vows are exchanged with God's blessing, and through Requiem Masses and funeral services, family and friends express their grief and give thanks for the life, which is complete in this world and commend the person into God's safe keeping.

S. Paul's celebrated 3 baptisms, 1 wedding, and 1 Church Funeral.

S. Paul's offers education in the Christian faith through a variety of means; homilies and sermons at every Mass, and discussion groups such as Lent and Advent study groups. During 2020 five children received their First Holy Communion on the Sunday before Lent.

#### ***Coronavirus (COVID-19) Pandemic***

#### ***Applies to March - December 2020***

From the middle of March 2020 the World was overtaken by the Coronavirus (COVID-19) Pandemic, which led to unprecedented public health measures being brought into law and enforced by national and local Governments, including in the United Kingdom. We have been living with, and responding to, a series of national lockdowns, local and national restrictions, and other extraordinary measures for the remainder of the year.

The following notes indicate the timeline as it affected the Parish Church of S. Paul.

#### **FIRST LOCKDOWN - begins March 23rd 2020**

The Church of England orders the closure of all Parish Church for Public Worship

**22 March - 4th of Lent - FIRST SUNDAY WITHOUT A PUBLIC CONGREGATION SINCE 1208**

Passiontide, Holy Week and Easter celebrated at home with specially adapted liturgies.

Sunday Parish Mass celebrated in our own homes with adapted liturgies.

Evening Prayer said over the Jitsi Videoconferencing online platform.

The Rector, Churchwardens and PCC following regularly updated Government, Church of England, and Diocese of Southwark Guidance.

All weekday public worship, and other activities suspended.

#### **24 March**

The archbishops and bishops of the Church of England wrote collectively through their dioceses, urging them now to close all church with immediate effect, including for private prayer, in an effort to help limit the transmission of the coronavirus COVID-19.

"Our church buildings must now be closed not only for public worship, but for private prayer as well, and this includes the priest or lay person offering prayer in church on their own."

S. Paul's holds all PCC Meetings online over videoconferencing.

#### **Sunday - 9th August - S. Paul's re-opens for Sunday Parish**

Following a great deal of work following the relaxing of restrictions agreed and legally required PCC Risk Assessment, the church re-opens for public worship with restrictions, (facemasks, social distancing, no singing etc).

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Trustees' Report**

Bookings necessary, (free), as limit of 40 places due to the 2m distancing requirement. The Eventbrite Website has been used for this purpose. We have also followed all the necessary test and trace regulations.

Approximately 35 people attending, of which approximately 5 Under16s.

#### **SECOND NATIONAL LOCKDOWN**

Following a serious rise in Coronavirus transmissions and deaths, the UK Government imposed a second national lockdown.

**S. Paul's Church closed public worship.**

#### **Sunday 8 November - 3rd before Advent**

Parish Mass celebrated with Spiritual Communion online on Zoom.

The pattern for the next 4 weeks.

Approximately 70 persons attending on Zoom, including 20 under 16s.

Evening Prayer said over ZOOM Videoconferencing online platform.

**Sunday, 6 December - 2nd Sunday of Advent - S. Paul's church re-opens with same restrictions as before the second lockdown, and again using the bookings system.**

**December 19 - Tier 4 Restrictions introduced** due to increasing transmission and death from the coronavirus.

#### **CHRISTMAS**

Not possible to hold the usual Christmas Services due to the restrictions.

No Midnight Mass this year.

Christmass Day Mass - 25th December celebrated with approximately 40 persons in attendance, including 12 under16s.

**27 December - Church closed again due to rise of COVID-19 infections.**

**Public worship returns online on Zoom.**

#### ***Service to the people of Deptford***

Reference is made to the section above on worship, which outlines the way in which the worship of S. Paul's serves the community in Deptford, by providing daily Masses. The daily offices and the pastoral offices thus enable considerable spiritual and pastoral support to be given to the community.

S. Paul's Parish takes in the heart of the Deptford Community, which is a colourful, exciting, energetic, edgy, mature, complex and fascinating place. It has one of the most diverse ethnic communities in London (fully represented in our congregation), a higher than average population of younger people and multiple economic deprivation.

The Parish is in the highest 6% of neighbourhoods in multiple deprivations in England; within the Diocese of Southwark we are the 5th most deprived parish out of 294 Parishes and nationally it ranks 773 out of 12,382 Parishes in England; this is where 1 is the most deprived, CUF Statistics, 2020, <https://cuf.org.uk/parish/370206> There are very high levels of social exclusion.



## The Parochial Church Council of St Paul with St Mark, Deptford

### Trustees' Report

Deptford, a former dock area on the River Thames, with a significant and contested naval history, is the northernmost area of the London Borough of Lewisham, Southeast London. There is a high density of population and predominantly social housing (50%) in high and low rise estates. The main artery and centre of life of the Parish is Deptford High Street, which reflects the diversity of its ethnic and cultural communities through its shops, cafés, restaurants, pubs, and services. There is a vibrant and growing creative arts sector, related in part to the nearby Goldsmith's University, Trinity Laban Conservatoire of Music and Dance, with artists' studios and galleries in former industrial buildings. S. Paul's takes part in the annual Deptford X Festival, a major contemporary arts festival. There are many small and entrepreneurial businesses.

Deptford is under immense pressure and is a contested community, a working class community in the midst of housing private development, housing regeneration and rapid gentrification. It is currently the most highlighted 'cool and hip' neighbourhood in London, and popular with hipsters, creatives and new businesses, bars, cafes and restaurants.

The housing issues highlight the inequalities between the very poorest and destitute and some who are very wealthy. There is great poverty, diversity and constant change, instability, precarious and transient lifestyles; rapid social change, social cleansing, immigration raids and even new tourism.

S. Paul's seeks to engage with the issues, which arise from this context in a variety of ways. We support the work of local organisations that help people rebuild lives that have been damaged by homelessness, mental illness, drug or alcohol abuse and social exclusion. Its centre in Deptford offers a wide range of support, advice, training and practical help. The S. Paul's Harvest Festival gifts were given this year to Lewisham Churches For Asylum Seekers.

We provide a venue for classical music, and especially welcome members of the community to listen to the magnificence of our William Drake pipe organ at organ recitals played by the Director of Music, Ms Sue Heath-Downey and other performers. Due to the coronavirus restrictions, all concerts were cancelled this year.

S. Paul's is one of the founder members of the ecumenical body, Deptford Churches Together ("DCT"). The Rector is the current Chair. The clergy and laity of the member churches meet regularly to share experiences and ideas, and to plan joint services for the Week of Prayer for Christian Unity, at Christmas and at Easter, to forward the mission of God to the community of Deptford. Ensuring the full participation of every church member of S Paul's.

The Parish Mission Action Plan (MAP) was revised in 2017, it states, *"we, the Christian community of S. Paul's Deptford, warmly welcome all people of goodwill. Worship and prayer, in the catholic tradition, are at the heart of our life and this inspires and sustains our commitment to social justice as an inclusive, participatory congregation."*

The PCC membership is made up of people from a wide variety of national and ethnic backgrounds and reflects well the 75% black minority ethnic (BME) composition of the congregation. The congregation is roughly 50% women and 50% men.

The Serving Team is made up of adults, youth and children, both male and female and fully representative of all diversities. The PCC has not adopted any of the statutory resolutions against women priests.

The church seeks to celebrate and maintain the traditional inclusivity and diversity of the Anglican Communion. This is reflected in every level of participation at S. Paul's.

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Trustees' Report**

There are many roles for members of the church to participate in its life and worship as lay officers, PCC members, servers, readers, intercessors, cleaners, cleaning and maintenance tasks for people, safeguarding officers, sides people etc. These roles are filled by many members of the community.

#### ***Heritage***

As indicated above, S. Paul's is a Grade 1 listed building and is a fine example of Early English Baroque architecture. The building accordingly attracts a great deal of interest and tourism. The church is not only open before, during and after public worship, but is also open at other times by arrangement for visits by students and enthusiasts of architecture, for other visitors.

In addition the church is hired for audio and visual recordings. We host occasional professional recordings, Students of dance and of film also hire the church from time to time, and we have facilitated many architectural visits, including for academic and research purposes. S. Paul's is licensed for public performances and for the performance of in-copyright works of music.

Finally, S. Paul's, which was consecrated in 1730, seeks to assist genealogists in their researches, through advice in its website on the location of parish records and in answering other queries.

#### **Thames Tideway Tunnel and the S. Paul's Development Plan**

S. Paul's is located next to a key and major construction site for the largest ongoing infrastructure project in Europe, the Thames Tideway Tunnel ('super sewer'). S. Paul's Church is the most significant Grade 1 listed building affected by the entire project, which stretches from west to east London. The site is beside the south side of the church, on the green between Coffey, and Crossfield, Streets. Due to the major impact this construction site will have upon the church, an Asset Protection Agreement between S. Paul's PCC and Thames Tideway is in place, with a variety of mitigation measures to protect and monitor the heritage and fabric of the church and also to enable the work and mission of S. Paul's as a Parish Church. The Tideway Project is overrunning its original timescale and is now expected to be completed in 2023, rather than in 2020.

Works will be ongoing for at least the next two years, causing disruption to everyone in the vicinity and additionally affect our hiring income. The agreement with Thames Water, negotiated by the Rector and S. Paul's legal advisor has protected the parish from risks associated with this project.

There are also major developments upcoming such as the "Crossfields Masterplan", which also significantly involves the church and churchyard. This is currently being worked out and will see major changes to the environs around the church following the completion of the Thames Tideway Tunnel in 2023.

S. Paul's is also currently embarking on a redevelopment project aimed at consolidating the condition of the building, and developing it from a single usage, either worship or large hiring activity into a multi use space to be able to support future missionary and commercial activities.

#### **Financial review**

##### ***Policy on reserves***

We try and keep a significant amount of reserves (about two years of our diocesan contributions) to guard against income shocks, unexpected maintenance in our Grade 1 listed building and investment in our development project although the PCC does not have a specific reserves policy.

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Trustees' Report**

#### ***Principal funding sources***

Our positive financial position relies heavily on compensation from the Tideway Tunnel project and investment income on our reserves. The Tideway project is expected to continue for the next few years but investment income cannot be relied upon for consistent contributions as it is driven by the wider business cycle.

#### **Structure, governance and management**

##### ***Nature of governing document***

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a Registered Charity (1182791 with the Charity Commission for England and Wales). The appointment of PCC members is governed by and set out in the Church Representation Rules.



## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 17 May 2021 and signed on its behalf by:



Revd Fr Paul Butler  
Trustee

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Independent Examiner's Report to the trustees of The Parochial Church Council of St Paul with St Mark, Deptford**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of The Parochial Church Council of St Paul with St Mark, Deptford 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 The Parochial Church Council of St Paul with St Mark, Deptford's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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

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

1. accounting records were not kept in respect of The Parochial Church Council of St Paul with St Mark, Deptford as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting 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.



Timothy Sullivan FCA  
Field Sullivan Limited  
70 Royal Hill  
Greenwich  
SE10 8RF

Date: 19/5/21



**The Parochial Church Council of St Paul with St Mark, Deptford**

**Statement of Financial Activities for the Year Ended 31 December 2020**

	Note	Unrestricted £	Restricted £	Total 2020 £	Unrestricted £	Restricted £	Total 2019 £
<b>Income and Endowments from:</b>							
Donations and legacies	3	36,288	-	36,288	44,513	7,500	52,013
Charitable activities	4	445	-	445	1,186	-	1,186
Investment income	5	13	-	13	23	-	23
Other income	6	-	16,340	16,340	20,000	24,510	44,510
<b>Total income</b>		<b>36,746</b>	<b>16,340</b>	<b>53,086</b>	<b>65,722</b>	<b>32,010</b>	<b>97,732</b>
<b>Expenditure on:</b>							
Charitable activities	7	(52,290)	-	(52,290)	(84,056)	(7,788)	(91,844)
<b>Total expenditure</b>		<b>(52,290)</b>	<b>-</b>	<b>(52,290)</b>	<b>(84,056)</b>	<b>(7,788)</b>	<b>(91,844)</b>
Gains/losses on investment assets		34,814	-	34,814	24,663	-	24,663
<b>Net income</b>		<b>19,270</b>	<b>16,340</b>	<b>35,610</b>	<b>6,329</b>	<b>24,222</b>	<b>30,551</b>
Gross transfers between funds		1,250	(1,250)	-	-	-	-
<b>Net movement in funds</b>		<b>20,520</b>	<b>15,090</b>	<b>35,610</b>	<b>6,329</b>	<b>24,222</b>	<b>30,551</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		149,329	100,215	249,544	143,000	75,993	218,993
Total funds carried forward	14	169,849	115,305	285,154	149,329	100,215	249,544

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 14.

**The Parochial Church Council of St Paul with St Mark, Deptford**

**(Registration number: 1182791)  
Balance Sheet as at 31 December 2020**

	Note	2020 £	2019 £
<b>Current assets</b>			
Debtors	10	7,863	13,093
Investments	11	195,538	160,724
Cash at bank and in hand	12	<u>86,707</u>	<u>80,823</u>
		290,108	254,640
<b>Creditors: Amounts falling due within one year</b>	13	<u>(4,954)</u>	<u>(5,096)</u>
<b>Net assets</b>		<u><u>285,154</u></u>	<u><u>249,544</u></u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		115,305	100,215
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>169,849</u>	<u>149,329</u>
<b>Total funds</b>	14	<u><u>285,154</u></u>	<u><u>249,544</u></u>

The financial statements on pages 11 to 22 were approved by the trustees, and authorised for issue on 17 May 2021 and signed on their behalf by:



Revd Fr Paul Butler  
Trustee

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **1 Charity status**

The charity is domiciled in England and Wales.

The church's address is:

The Parish Church of S. Paul, Deptford  
Crossfield Street  
off Deptford High Street  
SE8 3DS

Registered office:

c/o St Paul's Rectory  
Mary Ann Gardens  
Deptford  
London  
SE8 3DP

These financial statements were authorised for issue by the trustees on 17 May 2021.

#### **2 Accounting policies**

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

The Parochial Church Council of St Paul with St Mark, Deptford meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Donations and legacies***

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### ***Taxation***

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### ***Current asset investments***

Current asset investments are included at the lower of cost and net realisable value / market value.



## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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 the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## **The Parochial Church Council of St Paul with St Mark, Deptford**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### ***Derivative financial instruments***

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

# The Parochial Church Council of St Paul with St Mark, Deptford

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 3 Income from donations and legacies

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Donations and legacies;			
Collections	11,079	11,079	17,794
Gift aid reclaimed	6,160	6,160	8,041
Grants, including capital grants;			
Marshall's Charity	-	-	5,000
The National Churches Trust	-	-	2,500
Planned giving	19,049	19,049	18,678
	<u>36,288</u>	<u>36,288</u>	<u>52,013</u>

### 4 Income from charitable activities

	Unrestricted General £	Total 2020 £	Total 2019 £
Fees and supplies	445	445	1,364
Other	-	-	(178)
	<u>445</u>	<u>445</u>	<u>1,186</u>

### 5 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	13	13	23

### 6 Other income

	Restricted £	Total 2020 £	Total 2019 £
Compensation	-	-	20,000
Thames Tideway Tunnel	16,340	16,340	24,510
	<u>16,340</u>	<u>16,340</u>	<u>44,510</u>

**The Parochial Church Council of St Paul with St Mark, Deptford**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**7 Expenditure on charitable activities**

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Quota paid to Diocese	27,071	25,360
Clergy expenses	806	1,639
Sanctuary expenses	1,765	2,228
Church running expenses	12,780	12,916
Telephone and fax	778	868
Music	1,812	3,693
Printing, postage and stationery	3,230	4,134
Computer software	266	107
Independent examination	1,632	1,584
Bank charges	2	15
Church maintenance	<u>2,148</u>	<u>39,300</u>
	<u><u>52,290</u></u>	<u><u>91,844</u></u>

**8 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

**9 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

**10 Debtors**

	<b>2020 £</b>	<b>2019 £</b>
Prepayments	2,814	2,811
Other debtors	<u>5,049</u>	<u>10,282</u>
	<u><u>7,863</u></u>	<u><u>13,093</u></u>



**The Parochial Church Council of St Paul with St Mark, Deptford**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**11 Current asset investments**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Listed other shares	<u>195,538</u>	<u>160,724</u>

**12 Cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash on hand	1,592	551
Cash at bank	<u>85,115</u>	<u>80,272</u>
	<u><u>86,707</u></u>	<u><u>80,823</u></u>

**13 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other creditors	1,916	1,966
Accruals	<u>3,038</u>	<u>3,130</u>
	<u><u>4,954</u></u>	<u><u>5,096</u></u>

# The Parochial Church Council of St Paul with St Mark, Deptford

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 14 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Current period</b>						
<b>Unrestricted</b>						
<i>General</i>						
General Funds	149,329	36,746	(52,290)	1,250	34,814	169,849
<b>Restricted</b>						
Thames Tideway Tunnel Asset Protection Agreement	98,965	16,340	-	-	-	115,305
Roof repairs	1,250	-	-	(1,250)	-	-
	100,215	16,340	-	(1,250)	-	115,305
<b>Total funds</b>	249,544	53,086	(52,290)	-	34,814	285,154

**The Parochial Church Council of St Paul with St Mark, Deptford**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
<b>Previous period</b>					
<b>Unrestricted</b>					
<i><b>General</b></i>					
General Funds	143,000	65,722	(84,056)	24,663	149,329
<b>Restricted</b>					
Repair and restoration	-	7,500	(7,500)	-	-
New Sunday School	288	-	(288)	-	-
Thames Tideway Tunnel Asset Protection Agreement	74,455	24,510	-	-	98,965
Roof repairs	1,250	-	-	-	1,250
	<u>75,993</u>	<u>32,010</u>	<u>(7,788)</u>	<u>-</u>	<u>100,215</u>
<b>Total funds</b>	<u>218,993</u>	<u>97,732</u>	<u>(91,844)</u>	<u>24,663</u>	<u>249,544</u>

The specific purposes for which the funds are to be applied are as follows:

Repair and restoration - grants received to fund high level of stonework repairs to prevent water ingress.

New Sunday School - Donation received towards the church's work with children.

Thames Tideway Tunnel Asset Protection Agreement - Annual grant received initially to fund an admin officer however, permission was granted to allow this money to be used to seed the church's development project.

Roof Repairs - Grant received to fund the roof repairs.

Balance of 'Roof repairs fund' transferred to general funds as it was fully spent in previous period.

## The Parochial Church Council of St Paul with St Mark, Deptford

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 15 Analysis of net assets between funds

##### Current period

	Unrestricted funds General £	Restricted funds £	Total funds 2020 £
Current assets	174,803	115,305	290,108
Current liabilities	(4,954)	-	(4,954)
Total net assets	<u>169,849</u>	<u>115,305</u>	<u>285,154</u>

##### Previous period

	Unrestricted funds General £	Restricted funds £	Total funds 2019 £
Current assets	154,425	100,215	254,640
Current liabilities	(5,096)	-	(5,096)
Total net assets	<u>149,329</u>	<u>100,215</u>	<u>249,544</u>

#### 16 Covid

During the year the charity's activities have been adversely affected by the outbreak of COVID 19. As a result the church had to temporarily cease face to face activities and close all buildings. Our Rector, PCC and volunteers helped administer church business in a 'COVID context'. There were considerable losses from regular giving over the last 9 months of the year due to the pandemic (many of our people do not have the capacity to give via Standing Order). The church reopened for weekly mass on Sunday 9 August, and was forced to close again temporarily after Christmas. Services continued online with increasing participation and the Church is confident that it will resume all its activities once the outbreak has been contained.