

St. Peter's Eaton Square PCC
Independent Examiner's Report to the Trustees of St. Peter's Eaton Square PCC
For the year ended 31 December 2019

I report to the trustees on my examination of the accounts of the St. Peter's Eaton Square PCC (the PCC) for the year ended 31 December 2019.

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 the 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 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 Trust 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.

James Cross
Independent Examiner
For and on behalf of Moore Kingston Smith LLP

Devonshire House
60 Goswell Road
London, EC1M 7AD

Date:

St. Peter's Eaton Square PCC
Statement of Financial Activities
For the year ended 31 December 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Income and endowments from:					
Donations and legacies	2(a)	231,697	31,970	263,667	227,329
Other trading activities	2(b)	227,353	17,167	244,520	219,293
Investments	2(c)	7,836	-	7,836	5,472
Other income	2(d)	142	-	142	190
Total		467,028	49,137	516,165	452,284
Expenditure on:					
Raising funds	3(a)	-	(3,444)	(3,444)	-
Charitable activities	3(b)	(450,575)	(28,724)	(479,299)	(468,288)
Total		(450,575)	(32,168)	(482,743)	(468,288)
Fund transfers	10	(7,497)	7,497	-	-
Net income / (expenditure)		8,956	24,466	33,422	(16,004)
Unrealised gains/(losses) on investments	6	14,019	2,927	16,946	(27,081)
Net movement in funds		22,975	27,393	50,368	(43,085)
Fund balances at 1 January 2019		217,981	34,545	252,526	295,611
Fund balances at 31 December 2019	10	240,956	61,938	302,894	252,526

St. Peter's Eaton Square PCC
Balance Sheet as at 31 December 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Investments	6		209,221		192,275
			<u>209,221</u>		<u>192,275</u>
Current assets					
Debtors	7	78,817		52,634	
Cash at bank and in hand		<u>191,541</u>		<u>177,694</u>	
		270,358		230,328	
Creditors: amounts falling due within one year	8	<u>(176,685)</u>		<u>(170,077)</u>	
Net current assets			93,673		60,251
Net assets			<u>302,894</u>		<u>252,526</u>
Funds:					
Unrestricted funds			240,956		217,981
Restricted funds	10		<u>61,938</u>		<u>34,545</u>
			<u>302,894</u>		<u>252,526</u>

Approved by the Parochial Church Council on

2020 and signed on its behalf by:

James Glen and Laura Cook

St. Peter's Eaton Square PCC
Statement of Cash Flows for the year ended at 31 December 2019

Note	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	See below	6,011	35,718
Cash flows from investing activities:			
Investment income		7,836	5,472
Net cash provided by investing activities		7,836	5,472
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		13,847	41,190
		177,694	136,504
Cash and cash equivalents carried forward		191,541	177,694

Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net movement in funds (as per Statement of Financial activities)	50,368	(43,085)
Adjustment for:		
Investment income	(7,836)	(5,472)
Net unrealised gains/(losses) on investments	(16,946)	27,081
(Increase)/decrease in debtors	(26,183)	34,202
Increase in creditors	6,608	22,992
Net cash provided by operating activities	6,011	35,718

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

1) Accounting policies

Charity information

The church is a registered charity in England and Wales. Its principal correspondence address is St Peter's Church, 119 Eaton Square, London, SW1W 9AL. The nature of the charity's operations and principal activities are set out in the members' report.

a) Accounting Convention

These accounts have been prepared in accordance with the PCC's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102").

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the PCC. Monetary amounts in these financial statements are rounded to the nearest £.

These accounts have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

The PCC constitutes a public benefit entity as defined by FRS 102.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. These accounts do not include the church buildings, furnishings or land, as these assets are included in other Church of England records. Similarly, salaries and benefits for the clergy are not reflected in these accounts as these matters are dealt with directly by the London Diocese.

b) Consolidated accounts

The accounts present information about the PCC as an individual undertaking and not about its group. The gross income of the PCC and its subsidiary undertaking aggregate to less than £1m after consolidation adjustments and therefore the PCC has taken the available exemptions not to prepare consolidated accounts.

c) Income and endowments

Income from collections is recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised on an accruals basis.

Rental income from the letting of church premises is recognised on an accruals basis. Any income received in advance is deferred and is included in the balance sheet at the year end date.

Distributions receivable from the trading subsidiary are recognised on a paid basis.

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

c) Income and endowments (continued)

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Dividends from investments are accounted for when due and payable. Investment interest entitlements are accounted for as they accrue.

d) Expenditure

Provision is made in the accounts for all expenditure incurred before the year end. Staff remuneration and travelling costs are allocated between activities directly relating to the work of the church, fundraising and publicity, church management and administration cost centres, on the basis of estimates of the time spent on each type of activity.

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

e) Fixed assets

(i) Tangible assets – office equipment

Tangible fixed assets are capitalised at cost and are depreciated by equal annual amounts over their estimated economic useful lives at the rate of 20% per annum.

(ii) Investments

Investments are stated in the balance sheet at market value. Realised gains and losses on investments comprise the difference between proceeds and market value at the latest balance sheet date. Unrealised gains and losses comprise the adjustment required to restate investments at market value at the balance sheet date.

f) Financial instruments

The PCC has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

h) 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.

i) Funds

Unrestricted 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.

Restricted funds represent funds that are received in respect of pledges made by donors and restricted by them to specific projects. Restricted grants for ongoing projects to be completed in future years are recorded in the Statement of Financial Activities and any unexpended amounts are carried forward in reserves.

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

i) Critical accounting estimates and areas of judgements

In the view of the trustees in applying the accounting policies adopted, no judgements were required, that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2) Income and endowments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
a) Donations and legacies:				
Gift Aid donations and planned giving	62,928	-	62,928	61,958
Income tax recoverable on Gift Aid donations	19,530	-	19,530	15,125
Collections (open plate) at all services	30,973	-	30,973	28,315
Access ramp appeal	-	27,023	27,023	-
Christmas Charities Collection	-	4,675	4,675	-
Alms, candles and donations	12,909	272	13,181	10,791
Distributions from the trading subsidiary	76,420	-	76,420	86,121
St. Andrews Church Hall Trust	25,497	-	25,497	24,994
Children's Choir Donations	2,940	-	2,940	-
Miscellaneous	500	-	500	25
	<u>231,697</u>	<u>31,970</u>	<u>263,667</u>	<u>227,329</u>
b) Other trading activities:				
Rental income and service charges	214,109	-	214,109	206,014
Insurance recharge	13,244	-	13,244	13,279
Fundraising events - May Fair	-	17,167	17,167	-
	<u>227,353</u>	<u>17,167</u>	<u>244,520</u>	<u>219,293</u>
c) Investments:				
Dividends and interest:				
General fund	7,590	-	7,590	5,401
Repairs fund	246	-	246	71
	<u>7,836</u>	<u>-</u>	<u>7,836</u>	<u>5,472</u>
d) Other:				
Magazines	142	-	142	190
	<u>142</u>	<u>-</u>	<u>142</u>	<u>190</u>
Total income	<u>467,028</u>	<u>49,137</u>	<u>516,165</u>	<u>452,284</u>

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

3) Expenditure

(a) Raising funds:	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Fund raising – May fair costs	-	3,444	3,444	-
	<u>-</u>	<u>3,444</u>	<u>3,444</u>	<u>-</u>
(b) Charitable activities	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<i>Direct Ministry Payments:</i>				
Ministry: London Diocesan Fund	131,600	-	131,600	129,016
Ministry expenses	16,929	-	16,929	16,806
Church maintenance	37,687	1,054	38,741	43,293
Organ & instrument maintenance	1,100	-	1,100	2,189
Choir, music and related expenses	78,369	-	78,369	79,599
Sanctuary	4,243	-	4,243	3,917
Youth club	506	-	506	804
	<u>270,434</u>	<u>1,054</u>	<u>271,488</u>	<u>275,624</u>
<i>Support costs:</i>				
Utilities and rates	36,311	-	36,311	40,187
Telephone	3,100	-	3,100	2,152
Wages, salaries and other staff costs	62,766	-	62,766	50,852
Printing, postage, stationery and supplies	6,862	-	6,862	10,560
Hospitality and advertising	9,396	-	9,396	7,757
Cleaning	17,523	-	17,523	18,379
Insurance	36,624	-	36,624	32,327
Legal fees	-	-	-	3,300
Miscellaneous	2,876	-	2,876	2,905
	<u>175,458</u>	<u>-</u>	<u>175,458</u>	<u>168,419</u>

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

3) Expenditure (continued)

(b) Charitable activities	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<i>Payments to other charities:</i>				
May Fair	-	13,723	13,723	-
Christmas Charities fund	-	4,675	4,675	3,870
Welcome box	-	(194)	(194)	2,238
Congregational Tithings	-	7,497	7,497	8,286
Church Donations	-	1,969	1,969	3,817
Lent box	-	-	-	214
	<u>-</u>	<u>27,670</u>	<u>27,670</u>	<u>18,425</u>
<i>Governance costs:</i>				
Independent examination fees	4,683	-	4,683	5,820
	<u>4,683</u>	<u>-</u>	<u>4,683</u>	<u>5,820</u>
Total charitable expenditure	<u>450,575</u>	<u>28,724</u>	<u>479,299</u>	<u>468,288</u>
Total expenditure	<u><u>450,575</u></u>	<u><u>32,168</u></u>	<u><u>482,743</u></u>	<u><u>468,288</u></u>

4) Staff costs	2019 £	2018 £
Wages and salaries	61,963	49,984
Social security costs	803	868
	<u>62,766</u>	<u>50,852</u>

The full time equivalent (average number) of staff employed by the PCC during the year was 5 (2018: 5).
The total number of staff employed during the year was 5 (2018: 7).

Included above are expenses paid to 5 members of Clergy of £16,929 (2018: 4 members of Clergy £16,806). No members or key management personnel received any remuneration from the PCC in the year.

No employee was paid more than £60,000 per year.

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

4) Staff costs (continued)

The PCC relies heavily on volunteers to enable the smooth running of all aspects the Church's mission and daily activities; from the churchwardens, ex-officio and elected members of the PCC; to the volunteers who serve in the regular worship, run youth groups, support fund raising activities, undertake key outreach programmes (with the local community and national/international charities), improve communications and publicity, provide and serve refreshments and generally help manage all these activities through committees and rotas. Many individuals work together to achieve the outcomes shown in this report, none of whom receive any financial reward.

5) Tangible fixed assets

	Office Equipment £
Cost	
At 1 January 2019 and 31 December 2019	23,069
Depreciation	
At 1 January 2019 and 31 December 2019	23,069
Net book value	
At 31 December 2019	-
At 31 December 2018	-

6) Fixed asset investments

	Unrestricted Fund £	Restricted Fund £	Total 2019 £
Market value at 1 January 2019	158,098	34,177	192,275
Net unrealised gains	14,019	2,927	16,946
Market value at 31 December 2019	172,117	37,104	209,221
Historical cost at 31 December 2019	87,075	34,834	121,909

The portfolio of quoted securities was principally managed by The Share Centre during the year on a discretionary basis. All investments are held on behalf of the Church by custodians of Barclays Global Investors Limited in a pooled investment account.

At 31 December 2019 the following investment holdings represent 5% or more of the fair value of the total portfolio:

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

6) Fixed asset investments (continued)

Investment	Number of shares	Historic cost £	2019 Market Value £
Barclays Ishares Iboxx GMP Corporate Bond Fund	246	34,834	37,104
Blackrock Charittrak Common Investment Fund A	12,517	87,070	172,112
		<u> </u>	<u> </u>

7) Debtors

	2019 £	2018 £
Trade debtors	48,400	13,513
Amounts owed by group undertakings	-	2,029
Prepayments and accrued income	30,417	37,092
	<u> </u>	<u> </u>
	<u>78,817</u>	<u>52,634</u>

8) Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	54,669	49,483
Other creditors	66,863	66,730
Accruals	4,680	4,500
Deferred income (i)	50,472	49,364
	<u> </u>	<u> </u>
	<u>176,685</u>	<u>170,077</u>

(i) Deferred income relates to rental income received in advance of the rental period and is deferred at the year end. Deferred income is analysed as follows:

	Brought forward	Amount added	Amount released	Carried released
Deferred income 2019	<u>49,364</u>	<u>50,472</u>	<u>(49,364)</u>	<u>50,472</u>
Deferred income 2018	<u>44,230</u>	<u>49,364</u>	<u>(44,230)</u>	<u>49,364</u>

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

9) Analysis of net assets between funds

	Unrestricted Fund	Restricted Fund	Total 2019
	£	£	£
Investments	172,117	37,104	209,221
Current assets	245,524	24,834	270,358
Creditors falling due within one year	(176,685)	-	(176,685)
	<u>240,956</u>	<u>61,938</u>	<u>302,894</u>

10) Analysis of restricted funds

The restricted funds comprise of the following: The Christ Church, Westminster Fund arose from the sale of the burial ground of Christ Church, Westminster and the income can be applied for the upkeep of St Peter's Church. The Christmas Charities Fund arises from collections held in the Church at the end of the year which are to be donated to certain nominated charities. The Congregational Tithings Fund arises from collections held in the Church throughout the year which are to be donated to certain nominated charities. The Access Ramp Appeal Fund can be applied for the construction of an access ramp to the church.

	At 1 January 2019	Income	Expenditure	Gains / (losses) & transfers	At 1 December 2019
Access Ramp Appeal	11,363	27,023	(1,054)	-	37,332
Lent boxes	-	272	-	-	272
Mayfair	-	17,167	(17,167)	-	-
Congregational Tithing	-	-	(7,497)	7,497	-
Christ Church Westminster Fund	18,882	-	(1,775)	2,927	20,034
Christmas Charities Fund	4,300	4,675	(4,675)	-	4,300
Total	<u>34,545</u>	<u>49,137</u>	<u>(32,168)</u>	<u>10,424</u>	<u>61,938</u>

Where restricted fund balances are expected to be negative at year end transfers are raised, including the transfer into the Congregational Tithing fund of £7,497, during the year to fund these deficits. Funds are only carried forward in deficit at year end when there is restricted income expected in the next financial period.

St. Peter's Eaton Square PCC
Notes to the Financial Statements
For the year ended 31 December 2019

11) Related parties

James Gourlay, a Member of the charity, was also a Trustee of the St Andrews Church Hall Trust, which made grants to the charity in the year of £25,497 (2018: £24,994).

During the year the charity's trading subsidiary (St Peter's Eaton Square Trading Limited) made distributions to the charity totalling £76,420 (2018: £86,120). At the year end, the trading company owed £Nil (2018: £2,029) to the PCC.

12) Operating leases

At the year end the charity has the following commitment under non-cancellable operating leases:

	2019	2018
	£	£
	3,312	3,312
	8,617	12,420
	11,929	15,732

13) Comparative Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2018 £
Income and endowments from:				
Donations and legacies	2(a)	223,464	3,865	227,329
Other trading activities	2(b)	219,293	-	219,293
Investments	2(c)	5,472	-	5,472
Other income	2(d)	190	-	190
Total		448,419	3,865	452,284
Expenditure on:				
Raising funds	3(a)	-	-	-
Charitable activities	3(b)	(448,993)	(19,225)	(468,218)
Total		(448,993)	(19,225)	(468,218)
Fund transfers		(8,256)	8,256	-
Net income		(8,830)	(7,104)	(15,934)
Unrealised gains	6	(25,160)	(1,921)	(27,081)
Net movement in funds	6	(33,990)	(9,025)	(43,015)
Fund balances at 1 January 2018		251,971	43,640	295,611
Fund balances at 31 December 2018		217,981	34,615	252,596