

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

ANNUAL REPORT AND UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2022

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2022

Charity registered number 1139504

Principal Address St Margaret's Church
Lothbury
London EC2R 7HH

Bankers Brown Shipley
Founders Court
Lothbury
London EC2R 7HE

 HSBC Bank Plc
PO Box 757
Hemel Hempstead
Hertfordshire HP2 4SS

Main Safeguarding Officer Mr Cliff Radmore

Building Manager Mr Cliff Radmore

Independent Examiners Winchester Bourne Ltd
Sullivan Court
Wessex Way
Colden Common
SO21 1WP

Investment Advisers 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

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

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2022

The members of the Parochial Church Council (the PCC) who are also the Trustees of the Charity by virtue of their membership of the Council are pleased to have the opportunity to present their Annual Report together with the Financial Statements of the Charity for the year ending 31st December 2022.

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 the Accounting and Reporting Charities Statement of Recommended Practice as applicable to charities preparing their accounts in accordance with the Financial Reporting Standard set out in the UK and Republic of Ireland (FRS 102).

Objectives and Activities.

The Parochial Church Council have the responsibility of working with the Incumbent in promoting the whole mission of the Church and they fulfil this call both conscientiously and enthusiastically.

The focus of our ministry is our parish in the City of London as well as all the networks and organisations associated with the Church. We seek to be a church that longs to ensure that everyone with whom we come into contact should have the opportunity to experience the love of God in Jesus Christ. We seek to fulfil this aspiration not only through personal contacts and conversations but also through the public worship that is held each week.

Since the beginning of lockdown, we have done this online and since July 2020 in person as well. We have upgraded the quality of the equipment used for live streaming our services and have been encouraged that this offering is clearly valued by the growing numbers who join us at each of our services. The PCC's commitment to this has been particularly valuable as many who are employed in City firms are still working from home for the majority of each week which inevitably has had an impact on the numbers attending our services. Monday morning's Prayers for the City and Thursday morning's Men's Group remain online and have continued to grow.

During the second half of the year, we applied and were granted Faculties for the installation of a new AV system and a replacement heating system after our boilers failed in late September. The intense cold that gripped the building in the fourth quarter made life very difficult indeed and arrested the growth which we had hoped would come once again at that time of year. It is an enormous tribute to Cliff Radmore, our Operations Manager, to Will Jackson our Worship Pastor and to Richard Townend our Organist that all we had planned happened, albeit with much smaller numbers. The PCC has, of course, responsibility for the maintenance of a Grade 1 listed historic church building and has been conscious of maintaining its fabric in good repair.

In the summer of 2022, with the encouragement of the Archdeacon of Charing Cross we began a partnership with Trinity Church Central London who have been using our church on Sundays & Tuesday evenings. It has been encouraging to see the building used on Sundays for public worship by a growing congregation. The success of this joint venture has left both sides confident that this arrangement will almost certainly be regularised in 2023 if all continues as smoothly as at present.

Our support of the City Civic continues with a deep and genuine commitment: we value our relationships with those Livery Companies, Ward Clubs and the Unites Wards Club who are associated with the Church and to whom, in many cases, the Rector is Chaplain. Our membership of the Bank Churches Cluster, which began in 2007, has been both significant & great fun. As people return, we look forward to moving to in-person activity as well as having an online presence.

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

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2022

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

We have been, as a Council, particularly fortunate to have had for yet another year Mrs Belinda McArdle as our Bookkeeper; for a church like ours to have the services of a qualified accountant & one who understands both the City and the Christian church has enabled all Council members to enjoy a much better sleep at night than might otherwise have been possible.

Financial review

The total funds of the PCC at the 31 December 2022 stand at £1,187,624, a decrease over the previous year of 8.5%, largely as a result of the previous year's investment gains of 8.7% being reversed.

For the General Unrestricted Fund, income stood at £217,031 with corresponding expenditure of £225,745, giving rise to a modest deficit for the year of £8,714.

Congregational giving remained steady. The PCC continue to look for alternative sources of income to maintain a strong reserve position.

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.

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

The Reverend Prebendary Jeremy Crossley

27 September 2023

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

INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

I report to the PCC members on my examination of the financial statements of the charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements 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 my examination giving me any cause to believe that:

- accounting records were not kept in respect of the charitable company as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements 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 financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination); or
- the financial statements have not been prepared in accordance with the methods and principles of the 'Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).'

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 financial statements to be reached.

Claire Clements
Accountant

Dated: 18 August 2023

Winchester Bourne Ltd
Sullivan Court
Wessex Way
Colden Common SO21 1WP

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

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted Funds 2022 £	Restricted Funds 2022 £	Designated Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM	Notes					
Donations and legacies	2	181,594	-	6,250	187,844	166,986
Charitable activities	2	8,783	-	-	8,783	4,735
Investment income	2	19	8,818	10,769	19,606	13,399
Other	2	15,952	8,768	-	24,720	15,062
TOTAL INCOME		206,348	17,586	17,019	240,953	200,182
EXPENDITURE ON:						
Raising funds		2,484	-	-	2,484	2,630
Charitable activities	3	223,261	14,369	-	237,630	204,801
TOTAL EXPENDITURE		225,745	14,369	-	240,114	207,431
NET EXPENDITURE BEFORE INVESTMENT GAINS/(LOSSES)		(19,397)	3,217	17,019	839	(7,249)
Transfers between funds		10,683	-	(10,683)	-	-
Net gains/(losses) on investments	7	-	(24,519)	(85,904)	(110,423)	110,739
NET MOVEMENT IN FUNDS		(8,714)	(21,302)	(79,568)	(109,584)	103,490
RECONCILIATION OF FUNDS:						
Total funds brought forward		294,107	308,388	694,713	1,297,208	1,193,718
TOTAL FUNDS CARRIED FORWARD	12	285,393	287,086	615,145	1,187,624	1,297,208

The notes on pages 7 to 17 form part of these financial statements.

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

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	6		3,575		5,482
Investments	7		927,527		1,037,950
			931,102		1,043,432
CURRENT ASSETS					
Debtors	8	32,498		25,003	
Investments: cash deposits		106,656		101,273	
Cash at bank and in hand		136,042		135,789	
		275,196		262,065	
CREDITORS					
Creditors: Amounts falling due within one year	9	(18,674)		(8,289)	
NET CURRENT (LIABILITIES) / ASSETS			256,522		253,776
NET ASSETS			1,187,624		1,297,208
CHARITY FUNDS					
Unrestricted funds	12/14		285,393		294,107
Restricted funds	12/14		287,086		308,388
Designated funds	12/14		615,145		694,713
TOTAL FUNDS			1,187,624		1,297,208

The financial statements on pages to were approved by the Parochial Church Council on 27 September 2023 and signed on their behalf by:

The Reverend Prebendary Jeremy Crossley

Chairman

Mr Mark Thomas

Treasurer

The notes on pages 7 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019 (Charities SORP (FRS 102)) and Financial Reporting Standard applicable the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

1.2 Going concern

At the time of approving the financial statements, given the level of reserves and the support of the Church of England, the church council have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income and endowments

Donations and legacies

Collections are recognised when received 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

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Expenditure includes any VAT which cannot be recovered.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure (continued)

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 included in the creditors shown on the balance sheet.

1.5 Tangible fixed assets and depreciation

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 usual lives, as follows:

<i>Soft furnishings</i>	<i>Straight line basis over 10 years</i>
<i>Fixtures, fittings and office equipment</i>	<i>Straight line basis over 5 years</i>

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 reliably measured.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (continued)

1.7 Donated assets and services (continued)

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 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the item value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Financial instruments

The charity only has financial assets and financial 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.

1.9 Pensions

The charity contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

2. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds £	Restricted funds £	Designated funds £	Total funds 2022 £	Total funds 2021 £
<i>Donations and legacies</i>					
Donations made under the Gift Aid scheme	84,336	-	5,000	89,336	61,976
Income tax recoverable	21,084	-	1,250	22,334	15,494
Other donations	50,184	-	-	50,184	57,894
Voluntary church rate	25,990	-	-	25,990	31,622
	<u>181,594</u>	<u>-</u>	<u>6,250</u>	<u>187,844</u>	<u>166,986</u>
	=====	=====	=====	=====	=====
<i>Charitable activities</i>					
Service fees	3,823	-	-	3,823	1,735
Use of church building	4,960	-	-	4,960	3,000
	<u>8,783</u>	<u>-</u>	<u>-</u>	<u>8,783</u>	<u>4,735</u>
	=====	=====	=====	=====	=====
<i>Investment income</i>					
Dividends and interest	19	8,818	10,769	19,606	13,399
	<u>19</u>	<u>8,818</u>	<u>10,769</u>	<u>19,606</u>	<u>13,399</u>
	=====	=====	=====	=====	=====
<i>Other income</i>					
Grants	6,325	8,768	-	15,093	3,684
Salary contribution	9,627	-	-	9,627	11,378
	<u>15,952</u>	<u>8,768</u>	<u>-</u>	<u>24,720</u>	<u>15,062</u>
	=====	=====	=====	=====	=====

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Designated funds	Total 2022	Total 2021
	£	£	£	£	£
Grants					
Charitable giving	2,352	-	-	2,352	-
Activities directly relating to the work of the church					
Ministry					
Diocesan quota	85,200	-	-	85,200	85,200
Clergy expenses	697	-	-	697	173
Outreach	2,773	-	-	2,773	2,185
Other clergy & service costs	1,996	-	-	1,996	2,460
CPD	423	-	-	423	50
Building/Production manager	40,360	-	-	40,360	36,336
Church running expenses	10,146	-	-	10,146	12,750
Church maintenance (inc. organ)	9,379	14,369	-	23,748	9,787
Housekeeper	5,056	-	-	5,056	3,713
Celebrate	43,140	-	-	43,140	31,660
Support costs allocated to activities:					
Personnel costs	14,132	-	-	14,132	11,298
Office costs	2,263	-	-	2,263	3,030
Professional fees	3,134	-	-	3,134	4,088
Bank interest and charges	303	-	-	303	48
Depreciation	1,907	-	-	1,907	2,023
	<u>223,261</u>	<u>14,369</u>	<u>-</u>	<u>237,630</u>	<u>204,801</u>
	=====	=====	=====	=====	=====

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

	2022	2021
	£	£
Independent Examination fees	2,500	1,400

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

4. PERSONNEL

Number of employees

The average monthly head count was 2 (2021: 2). The average monthly number of full-time equivalent employees during the year was 1 (2021: 1).

	2022	2021
	£	£
Wages and salaries	63,263	56,451
Social security costs	1,670	987
Other pension costs	3,047	2,751
	67,980	60,189
	=====	=====

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

Regular outsourced services:

	2022	2021
	£	£
Bookkeeper	9,415	7,560
Housekeeper	5,056	3,713
	14,471	11,273
	=====	=====

During the year, the PCC outsourced bookkeeping and housekeeping services, neither of whom earned more than £60,000.

The members of the PCC and the building manager comprise the key management personnel of the charity and received aggregate remuneration totalling £40,360 (2021: £40,830). 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 £697 were due to one member of the PCC for the year (2021: £173 to one member). No pension benefits are accruing to any member of the PCC.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARGARET,
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

6. TANGIBLE FIXED ASSETS

	Soft furnishings £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2022	12,570	30,964	43,534
Additions	-	-	-
At 31 December 2022	12,570	30,964	43,534
Depreciation and Impairment			
At 1 January 2022	11,882	26,170	38,052
Charge for the year	288	1,619	1,907
31 December 2022	12,170	27,789	39,959
Net book value			
At 31 December 2022	400	3,175	3,575
At 31 December 2021	688	4,794	5,482

Net book value at 31 December 2022 represents fixed assets used for direct charitable purposes.

7. FIXED ASSET INVESTMENTS

Market value	Unlisted Investments £	Cash or Equivalents £	Total £
At 1 January 2022	1,037,950	-	1,037,950
Additions	-	-	-
Disposals at book value	-	-	-
Net unrealised gains	(110,423)	-	(110,423)
At 31 December 2022	927,527	-	927,527

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

8. DEBTORS

	2022	2021
	£	£
Income tax recoverable	22,334	15,494
Occasional services	2,284	1,845
Other debtors and prepayments	7,880	7,664
	32,498	25,003
	=====	=====

9. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Other creditors	7,445	4,589
Accruals and deferred income	11,229	3,700
	18,674	8,289
	=====	=====

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 charity in an independently administered fund. The pension cost charge represents contributions payable by the PCC to the fund.

	2022	2021
	£	£
Contributions payable by the PCC for the year	3,047	2,751
	=====	=====

11. RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the year other than as disclosed in note 5 (2021: £nil) and there were no balances outstanding with related parties as at 31 December 2022 (2021: £nil).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARGARET,
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS

CURRENT YEAR	Balance at 1 Jan 2022 £	Income £	Expenditure £	Transfers In/(out) £	Gains/ (Losses) £	Balance at 31 Dec 2022 £
Unrestricted funds						
General Funds	294,107	206,348	(225,745)	10,683	-	285,393
Restricted funds						
<i>Capital funds:</i>						
Fabric capital fund	168,774	4,429	-	(4,429)	(19,868)	148,906
Organ investment capital fund	40,002	1,055	-	(1,055)	(4,651)	35,351
<i>Arising from endowments and restricted capital funds:</i>						
Fabric fund	30,647	869	-	4,429		35,945
Organ repair fund	15,673	-	(976)	1,055		15,752
Building repairs	52,916	11,233	(13,393)	-		50,756
Historic difference	376	-	-	-		376
	308,388	17,586	(14,369)	-	(24,519)	287,086
Designated funds						
Reserve	692,227	10,769	-	(10,683)	(85,904)	606,409
Vicar's discretionary fund	436		-	-		436
Rectory repairs	2,050	6,250	-	-		8,300
	694,713	17,019	-	-	(85,904)	615,145
Total of funds	1,297,208	240,953	(240,114)	-	(110,423)	1,187,624

RESTRICTED FUNDS

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.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MARGARET,
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

RESTRICTED FUNDS (continued)

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 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.

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. The Vicar's discretionary fund and the Rectory repair fund are to cover additional costs as described.

PRIOR YEAR	Balance at 1 Jan 2021 £	Income £	Expenditure £	Transfers In/(out) £	Gains/ (Losses) £	Balance at 31 Dec 2021 £
Unrestricted funds						
General Funds	303,583	186,795	(201,918)	5,647		294,107
107						
Restricted funds						
<i>Capital funds:</i>						
Fabric capital fund	147,652	4,283	-	(4,283)	21,122	168,774
Organ investment capital fund	35,032	1,029	-	(1,029)	4,970	40,002
<i>Arising from endowments and restricted capital funds:</i>						
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
Historic difference	376	-	-	-	-	376
	<u>280,082</u>	<u>7,727</u>	<u>(5,513)</u>	<u>-</u>	<u>26,092</u>	<u>308,388</u>
Designated funds						
Reserve	607,567	5,660	-	(5,647)	84,647	692,227
Vicar's discretionary fund	436	-	-	-	-	436
Rectory repairs	2,050	-	-	-	-	2,050
	<u>610,053</u>	<u>5,660</u>	<u>-</u>	<u>(5,647)</u>	<u>84,647</u>	<u>694,713</u>
Total of funds	<u>1,193,718</u>	<u>200,182</u>	<u>(207,431)</u>	<u>-</u>	<u>110,739</u>	<u>1,297,208</u>

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

13. 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 2022, and the cost has therefore not been provided for in the accounts (2021: £nil).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Designated Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
CURRENT YEAR					
Tangible fixed assets	3,575	-	-	3,575	5,482
Fixed asset investments	151,455	211,083	564,989	927,527	1,037,950
Current assets	140,804	84,236	50,156	275,196	262,065
Current liabilities	(10,441)	(8,233)	-	(18,674)	(8,289)
	<u>285,393</u>	<u>287,086</u>	<u>615,145</u>	<u>1,187,624</u>	<u>1,297,208</u>

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Designated Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
PRIOR YEAR					
Tangible fixed assets	5,482	-	-	5,482	4,206
Fixed asset 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>694,713</u>	<u>1,297,208</u>	<u>1,193,718</u>

15. ENDOWMENT FUND

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 £82,894 (2021: £93,953).