

## **Interim Financial Review**

Covid -19 continued to squeeze PCC finances. The PCC had to stop rental income activities at various points of the year due to multiple lockdowns, and restrictions on large indoor gatherings. The PCC did recover the income from the nursery in full, but all other rental income significantly decreased. Once restrictions were lifted in between lockdowns the PCC allowed hirers back into church.

There were multiple staff changes in 2021 and an organisation review took place. The PCC Book-keeper resigned in June 2021 and a full time replacement was not appointed until Jan 2022. The Organisational review attempted to appoint a Book-keeper but was unsuccessful. From June 2021 until January 2022 PCC expenditure was maintained by the Treasurer and the Operations Administrator following PCC finance guidelines. In Jan 2022 Mel Brandy (MIAB) of Docks Bookkeeping Services was appointed as PCC Book-keeper.

As the PCC did not have a Book-keeper for six months in 2021 the new Book-keeper had a backlog of accounting duties to process on their appointment. Regrettably this backlog has resulted in the 2021 accounts being delayed and will therefore not be audited in time for the APCM at 7.30pm on the 17<sup>th</sup> May 2022. Diocesan guidelines permit the APCM to continue as planned. Audited accounts will be approved by the PCC and made available to the public in June 2022. The Treasure will present the accounts to the congregation after a Sunday Eucharist (date to be confirmed) in June 2022.

### **A draft financial summary is outlined below**

The net result of the significant drop in rental income & repairs to the Bishop's Staircase is that the Statement of Financial Activities shows an excess of expenditure over income in funds of approximately £61,555. This is offset by a fund movement of £28,812 (cost associated with Bishop's staircase repairs) from the restricted fabric fund resulting in an approximate deficit of £32,743 (Deficit of £13,727 in 2020) in the General Fund.

Of the total Unrestricted Income 48% was from congregational giving and 52% was from rental income from the building.

The largest cost to expenditure was £115,600 which is our contribution to Southwark Diocese. The other largest expenditure is costs associated with the maintenance and running costs of the Church Building including Heat, Light, Water & repairs.

The movement in the Restricted Fabric Fund was the costs of repairs to the Bishops Staircase. A restricted donation of £10,000 (plus Gift Aid) was spent on a webcam for streaming services.

During the year the approximate total fund balances decreased from £360,732 to £313,879.00 of which £133,717.00 is unrestricted, of which £69,979 is in the general current account.

### **Reserves policy**

The PCC policy is to retain 4-6 months of expenditure as "free reserves" to enable the activities of the church to continue in the event of a significant drop in funding. The balance at 31 December 2021 of £69,979 represent 2.8 months expenditure. Accessible Unrestricted Funds of the Church of £133,717 represent 5.4 months expenditure.

**Nb** All figures presented in this interim financial update are for guidance only and may change as a result of the auditing process.