

**MERTON
PRIORY**
CHRISTCHURCH
HOLY TRINITY
+ ST. JOHN'S +
**TEAM
MINISTRY**

**THE PAROCHIAL CHURCH COUNCIL
OF THE ECCLESIASTICAL PARISH OF
MERTON PRIORY**

Charity Registration Number: 1134253

Diocese of Southwark
Merton Deanery

Annual Report and Financial Statements
31 December 2022

Tandem Accounting
Chartered Accountants
17 Heathville Road
London N19 3AL

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON
PRIORY**

**Report and Financial Statements 2022
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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Report of the Parochial Church Council For the year ended 31 December 2022

Charity Name	The Parochial Church Council of the Ecclesiastical Parish of Merton Priory	
Charity Number	1134253. The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure and was registered as a charity with Charity Commission on 11 February 2010.	
Principal Address	Holy Trinity Church, 234 The Broadway, London SW19 1SB	
Governing Document	Parochial Church Council Powers Measure (1956) as amended and Church Representation Rules.	
Objective	To promote in the ecclesiastical parish the whole mission of the Church.	
Members of the PCC	The Members of the PCC who served during the year or who were serving at the date of this report were:	
	Clergy (ex officio)	Revd Mark Eminson, Team Rector Revd Alison Judge, Team Vicar Revd Simon Asquith, Curate Revd Canon Duncan Swan, Associate Priest
	Lay ministers	Joy Lyons, Southwark Pastoral Auxiliary (SPA)
	Churchwardens	Alison Fletcher Rogers Christ Church Desmond Davies (to 21/05/22) Christ Church Vacancy (from 21/05/22) Christ Church Richard Blades Lay Chair Holy Trinity & St Peter John Eades Holy Trinity & St Peter Vacancy St John the Divine Vacancy (to 21/05/22) St John the Divine Ann Roberts (from 21/05/22) St John the Divine
	PCC members	Joanne Powell Christ Church Bruce Warman Christ Church Vacancy Holy Trinity & St Peter Vacancy (to 21/05/22) Holy Trinity & St Peter Ben Ooi (from 21/05/22) Holy Trinity & St Peter Vacancy St John the Divine Ann Roberts (to 21/05/22) St John the Divine Ann Newson (from 21/05/22) St John the Divine
	Representatives on Deanery Synod	Michael Brunt Christ Church Jane Savill (to 21/05/22) Christ Church Abi Erinle (from 21/05/22) Christ Church Martin Lyons Holy Trinity & St Peter Vacancy Holy Trinity & St Peter Eva Parker St John the Divine Ann Newson (to 21/05/22) St John the Divine Vacancy (from 21/05/22) St John the Divine
	Treasurer	Liz Holder, PCC Treasurer (Co-opted to 21/05/22) Kerry Porritt, PCC Co-Treasurer (Co-opted from 21/05/22) Ann Roberts, PCC Co-Treasurer (from 21/05/22)
	Secretary	Jenny Harper (Co-opted from 21/05/22)

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Key Management Personnel	Key management personnel are those in charge of directing, controlling, running and operating the charity on a day-to-day basis. For Merton Priory Team Ministry, these are all the members of the PCC and the three DCCs (District Church Councils).
Bankers	<i>Merton Priory PCC, Christ Church and Holy Trinity & St Peter:</i> CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling ME19 4JQ <i>St John the Divine:</i> NatWest plc, Wimbledon (B) Branch, 16 Wimbledon Hill Road, London SW19 7NN
Independent Examiner	John Helm ACA Tandem Accounting 17 Heathville Road London NI9 3AL
Quinquennial Inspectors	Christ Church – Tim Gough (Austin Winkley and Associates) Holy Trinity - Tim Gough (Austin Winkley and Associates) St John the Divine – Karen Butti (Thomas Ford and Partners)

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The Parochial Church Council of the Ecclesiastical Parish of Merton Priory (“the PCC”) submits its report and the financial statements of the PCC for the year ended 31 December 2022. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2019 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report.

1 Aim and purposes

Merton Priory Parochial Church Council (PCC) has the responsibility of co-operating with the Team Rector, the Revd Mark Eminson, and the Team Vicar, the Revd Alison Judge, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the maintenance of the fabric of the three churches of Christ Church, Colliers Wood; Holy Trinity and St Peter, South Wimbledon; St John the Divine, Merton, along with the two separate church halls of Christ Church and St John the Divine.

2 Objectives and activities

The PCC is committed to promoting the Gospel of Jesus Christ according to the doctrines and practices of the Church of England; the PCC seeks by encouraging co-operation between clergy, lay members of our congregation, and the wider community to undertake the whole mission of the church, pastoral, evangelistic, social, and ecumenical.

When planning the activities for the year, the Team Rector, Team Vicar and PCC have in mind the Charity Commission’s guidance on public benefit, and especially the guidance to charities for the advancement of religion. In particular we make it possible for people to live out their faith as part of our parish community through:

- Regular worship and prayer open to all: developing knowledge of and trust in God and learning about the Gospel;
- Provision of sacred spaces for personal prayer and contemplation;
- Provision of pastoral care and sacramental ministry for people living within the parish;
- Teaching the Christian faith through sermons, courses, and small groups;
- Preparing people for baptism, first communion and confirmation;
- Leading Collective Worship, assemblies, and classes in church and community schools;
- Provision of activities with a Christian ethos for young people;
- Provision of social and community events and groups which strengthen outreach and fellowship;
- Fostering relationships with other organisations and churches in our parish and borough and cooperating with them in promoting social cohesion and meeting human need;
- Ministering to those who seek marriages and funerals, before, during, and after these events;
- Supporting other charities in the UK and overseas and building active links with these.

To facilitate this work, we maintain the fabric of the three churches and two separate church halls.

3 Achievements and performance

This year heralded the official launch of our *Team Mission Action Plan*, upon the feast of Candlemas (see below), in which together the three churches are seeking to work for community engagement around the High Path estate, trusting thereby that growth at St John’s might emerge. Under Priority One, some of us participated in a very practical course from the Church Urban Fund, “Growing Good”, enabling us to see how we can begin to engage in mission. As for Priority Two, new flats have had welcome packs delivered to them and conversations

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have begun with other local stakeholders, including the Methodist Church. And under Priority Three, we did run a Youth Group, which began with a real buzz, but did not gain sufficient momentum and in particular did not break through into the estate.

Mission Action Plan



3 – 5 Year Vision <i>What God is calling our church to do and become in the next three to five years</i> To show God's love to everyone in our parish For all three churches to be growing, thereby able to better serve our communities With an especial focus for all three churches to enable growth at St John's and an increased presence on High Path	Core Statement <i>Our purpose/reason to be here</i> Faithful to God Sharing with those in need Caring for one another
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Mission Priority One Building congregation of St John's from within the Team	Mission Priority Two Serving the community at High Path	Mission Priority Three Ministry to young people, including schools
Action Goals for 3 – 5 years 1. Form leadership team to oversee Priority 1 2. Church graft from say HT to SJD 3. Early Service/Messy Church at SJD 4. Different time and/or style of service 5. All of the above grounded in prayer	Action Goals for 3 – 5 years 1. Form leadership team to oversee Priority 2 2. Audit of what the community wants 3. Working with partners on the estate 4. Increasing church/hall use for community 5. All of the above grounded in prayer	Action Goals for 3 – 5 years 1. Form leadership team to oversee Priority 3 2. Developing links with Merton Abbey/Harris 3. Bell-ringing for teenagers 4. The answer is table-tennis! 5. All of the above grounded in prayer

3.1 Merton Priory Team

As a Team, for most of the year we held an *Evening Service* at St John's Church, fitting in with our MAP priorities. Special, art-focused Stations of the Cross were well attended, as were an evensong for the late Queen's Platinum Jubilee and Advent Carols. We also enjoyed gathering together first in Kingston for Simon Asquith's ordination to the priesthood and then many more of us at St John's for his first eucharist. The regular, quieter services generally had a low attendance, so we have paused the service for now, waiting on the Lord for what might come next. Across the churches, *Weekday Morning and Evening Prayer* and *Eucharists* offered the round of prayer and intercession for the parish. A weekly Monday evening online service, *Finding Sanctuary*, offers an alternative expression with usually about 8 people in attendance, while a *weekly meditation group* at Christ Church linked with the World Community for Christian Meditation averaged 7 attendees.

In terms of digital engagement, the number of YouTube views averaged 20.

First Communion returned this year in May, praise God, with 5 candidates, in a lovely service at Christ Church. On the same day at Holy Trinity, we also had 14 candidates for *Confirmation* confirmed by Bishop Richard of Kingston towards the end of his tenure.

The Team combined forces for the *Merton Nightshelter Project* this year, using Holy Trinity as a venue, but allowing a broader pool of volunteers from across the Team. We hosted about 12 guests on a Friday night over a seven-week period, including Christmas. Thank you to Alison Fletcher Rogers, who coordinated the project for us.

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It has been a positive year for the work of *Merton Citizens*, part of our previous MAP. This is a community organising alliance of different organisations that work together to champion positive change and social justice in our neighbourhood. Work with South London and Maudsley NHS Foundation Trust continued with the training of volunteers and the gradual establishment of Mental Health Hubs. We engaged with meetings with the newly elected Merton Council members with good effect. We continue to campaign on Housing, Mental Health, Living Wage and Refugee welcome. Turnout from Merton Priory Team at the South London Listens Assembly was very good. We were also asked to provide the Christian speaker in a Scriptural Reasoning event during inter-faith week.

We celebrated Creationtide and each church has continued to strive to “recycle, reduce and reuse”. All building work is undertaken with a view to reducing our carbon footprint and environmental impact. We undertook a survey of the congregations for two of the *Eco Church* criteria: Community and Global Response and Lifestyle. The results were fed back into each church’s Eco Church Questionnaire.

We have a shared responsibility in promoting *Racial Justice*, which involves working towards the implementation of the Southwark Diocese Anti-Racism Charter. Our efforts in this area have included discussing the issue during PCC meetings, preaching about it on multiple occasions, and commemorating Black History Month in October through liturgical activities. Additionally, we are actively striving to increase participation and representation of people from UKME backgrounds in leadership roles.

God in the Pub, a monthly discussion of issues of faith and life, has been going from strength to strength at The Sultan Pub moving from 6 or 7 attending each session to an average of 13 or 14 people.

The *MP3 Parish Pantomime* returned with “Cinderella – The Shoe Must Go On”, which raised funds for Jigsaw4U, supporting young people through difficult times.

We communicate with those who live in our parish through regular door-to-door leaflets before Christmas and Easter, through our websites and through flyers distributed in schools and other community places; as well as via Facebook, Instagram, Twitter, YouTube, the websites and e-notices.

2022 was the seventh year of contributing to the diocese through the *Parish Support Fund*. Given the gradual emergence from the pandemic and the reduction in hall income and pressures on giving, it has been a heroic effort that the three churches met their commitments in full. During the year we have also given to a number of charities, both through planned donations and special collections.

The PCC continues to promote cooperation between Parish Safeguarding Officers (PSO) in implementing our safeguarding action plan, has considered *Safeguarding* at PCC meetings, and has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops’ guidance on safeguarding children and vulnerable adults. Our new DBS Administrator and PSO have helped oversee the DBS process, as well as ensure our training requirements are being met, including the new requirement for PCC members of Raising Awareness of Domestic Abuse training. Our Health and Safety Officers have worked together to share good practice, draw up action plans for each church to ensure that we are fully compliant with our Health and Safety policy, and reported findings to the PCC.

The combined *electoral roll* for the parish in 2022 was 351 (Christ Church 66, Holy Trinity 251, St John the Divine 34); this number does not include children or the many people with a more fringe relationship with our churches. We also maintain congregational lists of all our contacts, which comply with the requirements of GDPR (General Data Protection Regulations), which came into force in May 2018.

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3.2 Christ Church

Our buildings consist of a church building and a hall building on the same site but not physically connected. It has been a delight this year to return to more groups using the church building for concerts and community events. The hall is the home Monday-Friday of Flourish Day Nursery and this is still proving a very successful arrangement. The hall is used on Saturdays during term time for ballet lessons by Motion Dance.

This year has seen some major steps forward in our desire to enhance Christ Church as a place of worship and welcome to our community. We have appointed Tim Gough of Austin Winkley and Associates as our Inspecting Architect and also to work with us on a project to provide a kitchenette/tea point and two toilets at the west end of the church.

To this end we have embarked on fundraising for the approximately £130,000 that it will cost. We enjoyed a sell-out concert in September with old friends Colliers Wood Chorus and a wonderful newly formed children's choir from Singlegate School. A programme for the concert featured cover designs by pupils from Singlegate School. Other sales and events continue - including the sale of Vicarage Honey.

Our congregation is beginning to reform after the trauma of the pandemic with many new members welcomed and most of our regulars returned. We have been sad to note that few of our young families have returned and in this we are very much part of the trend across the Church of England. Easter attendance this year was 6 children and 70 adults. At Christmas 35 children and 147 adults attended services. Average Sunday attendance throughout 2022 was one child and 40 adults. This year we have been delighted to welcome into the family of the church in Baptism nine children and one adult. The First Communion service hosted at Christ Church was a beautiful occasion with George Fletcher Rogers one of the candidates.

Our band of Bell ringers also returned from lockdown and are developing their skills. During 2022, they rang for the death and funeral of Queen Elizabeth II, and on the announcement of the accession of King Charles III.

During the year, we conducted five funerals. This included a packed congregation who came to pay their respects and say farewell to Angela Williams, daughter of Winnie and the late Gus Williams, stalwarts of Christ Church congregation.

During the pandemic funerals were disrupted and sorry affairs. During this time significant members of our congregation died. We met in March to remember them with thanksgiving and dedicate our new church noticeboard to the memory of Gus Williams, Eleanor Watkins, Tony Dove and Girlie Robinson.

Looking to the future we hope to build on our relationship with Singlegate School and continue to celebrate Christ Church as an inclusive church and part of a vibrant community as we look forward to our 150th Anniversary celebration on Ascension Day in 2024.

3.3 Holy Trinity & St Peter

Within one building, Holy Trinity has a main worship area, clergy vestry, St Peter's Chapel, committee room, kitchen, church hall, St Cecilia Room; and an area of the church is set aside for quiet prayer. The church is widely used by outside agencies and the DCC has a licence under faculty to allow London Together Korean Church to use the worship area on Sunday afternoons. A quinquennial inspection in October 2021 revealed the need for a lot of minor repair and re-decoration work, which mercifully fitted with our plans and expectations. We are planning the work later this year with the assistance of a new Inspecting Architect, Tim Gough, of Austin Winkley and Associates.

Near the beginning of the year, it was a great joy to bless our completed kitchen in memory of long-time church member, Ann Foster. This time of fellowship and hospitality was the first in a series of occasions, such as pancakes on Shrove Tuesday, an Easter Dawn Eucharist feast, Harvest Supper, Christmas lunch, and especially a sumptuous sit-down meal for over 100 to celebrate the Platinum Jubilee, following a joint Pentecost service with London Together Church.

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In other ways, we have begun to emerge from the pandemic, such as being able to employ a new Director of Music, Michael Lees, to develop our prized musical life.

In response to the cost of living crisis, we began a Warm Space in November, which also involved liaising with the council and other faith groups.

The Christmas Fair was a most enjoyable community and fundraising occasion, beginning that period of connection with the wider community: we had not only our usual school carols and Christmas Carols with full choir, but also informal carols in South Park Gardens and the Team Rector was asked to be the guest preacher at the National Sri Sathya Sai Christmas gathering in Tolworth.

Congregational numbers have taken time to build up: Easter attendance was still lower than before the pandemic at 100 adults and 20 children; although numbers rose again at Christmas with 362 adults and 80 children.

Average Sunday attendance throughout 2022 was 94 adults and 46 children. The twice-monthly Early Service alone (for children under six and their carers) grew fastest with 59 adults and 55 children.

Junior Church has begun to build up again with an average of about 20 children and we enjoyed again an acted-out Nativity, thanks to our curate, Revd Simon Asquith, which involved some 40-50 children.

Baptisms picked up again with 29 people welcomed into the fellowship of the church through Baptism.

For young children and carers, T3 (Trinity, Tots & Toys) has had a very well-attended year, while our large contribution of schools work has flourished again. The Team Rector is ex officio governor of Holy Trinity and The Priory schools. He and the curate conduct weekly assemblies (with an occasional eucharist) in them both and each school attends church three times a year. It was also good to hold again a joint Schools' Sunday service including the children singing the Jubilee anthem, slightly adapted for Her Majesty's recent death. The Team Rector also visits Pelham School (a community school) half-termly.

Ministry to Care Homes is also important for us, so a team has visited Queens Court for a Songs of Praise and a Communion each month and now South Park Residential Home once a month, as well as visiting the sick in their homes for holy communion.

Across the year, we conducted 8 funerals for parishioners, including for long-time church member, Ken Webb, whom we miss very much.

Following the high-point of Queen Elizabeth's Platinum Jubilee, her death on 8 September came as a genuine shock. She had been such an anchor throughout most of our lives. We were able to assist our church and community during the time of mourning as we opened our doors for candle-lighting and writing in a Book of Condolence; visiting our schools, care homes, the YMCA and elsewhere and culminating in a service on the eve of her funeral, attended by a range of church, faith and community leaders. As the late-Queen herself often said at Christmas, our thanks go out to all those many volunteers, often quiet and unsung, who enable our church life to continue and to thrive, living out the example of servanthood set by our Lord Jesus Christ.

3.4 St John the Divine

The church comprises a church building, lovingly restored some years ago, and a hall building. These are located on separate sites, the hall being on the other side of the road from the church. As well as services the church provides a venue for Morden Park Choral Society practices and concerts and for Merton Music Foundation who use it weekly for children's choir practice and for other musical events. The proposed redevelopment of High Path estate, which may incorporate the site of the Church Hall, with the development of a new Church Hall, has moved forward in the later part of 2022. A new surveyor, Hugo Stuttaford, has been recommended by Southwark Diocese and engaged by the DCC. Negotiations are ongoing and timescales are still uncertain. Nevertheless the hall continues to be used by a range of community groups from dance to martial arts and Woodcraft Folk. This year we have opened the doors free of charge to Care4Calais who are working with refugees living in local accommodation. They run a weekly food and clothing bank, a lunch group and a yoga class. We are keen to make our buildings a community resource.

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This year has seen some major struggles with our beautiful church building. A leak in the roof set off a real problem with the electric lights and we are having to face a large bill for the repairs. We also need to replace our heating system as many of the heaters are no longer working and are not repairable. We truly want to move away from fossil fuels and this is proving quite challenging for a building of our size and character. We have engaged a new Inspecting Architect. After the retirement of Daniel Golberg, we look forward to working with Karen Butti, from Thomas Ford and Partners.

Our church garden has had a lot of attention this year as we have received visits from a team from the Community Payback scheme.

It has been a good year for social events. In May we enjoyed a very energetic Ceilidh in the hall with wonderful local folk musicians and an excellent caller. In October it was a return to the very popular Parish Ale (aka Beer Festival). Numerous Morris Dancers of all traditions entertained and tours of the Bell Tower from our Bell ringers made for a very successful fundraising event.

Our band of Bell ringers returned from lockdown and are developing their skills. During 2022, they rang for the death and funeral of Queen Elizabeth II, and on the announcement of the accession of King Charles III.

St John's were pleased to host the World Day of Prayer for the Merton area with a chance to welcome a large ecumenical gathering. This was very well organised by Ann Newson.

Overall our congregational numbers have remained much the same, that is to say small but highly committed. Average Sunday attendance throughout 2022 was 14 adults. Easter attendance was 27 adults and four children and at Christmas 30 adults. One member, Willow Reid, was admitted to Holy Communion.

The funeral of Raymond Sparks, who was well known at St John's, was the only one held during the year.

We continue to enjoy a good relationship with Merton Abbey School being involved in assemblies throughout the year, Year One visits to the church, and it was lovely to have the Christingle service back in the church this year. The school also uses our church drive for 'kiss and drop' allowing pupils who are driven to school by car to alight safely as parking restrictions on High Path make dropping children off problematic.

We look to the future and working with members of our Merton Priory Team to reach out to our neighbours on High Path. We can see gentle signs of hope. Our carol singing around the estate was an hour or so of joy as we were joined by one or two residents, met and waved to others and felt the hope of new birth.

4 Looking to the future

Our MAP priority of engaging with the people of the High Path estate leads us this year to be planning for a door-knocking and leafleting campaign in Eastertide, culminating in a day for the community at Pentecost. That day is also the final day of the Thy Kingdom Come global days of prayer when we will have partnered with other local churches to collectively pray for the welfare of our local community. This outward-focus is part of the Church's DNA, yet perhaps it is a stimulus which we have been given by the shared challenges and coming-together of recent years.

Another occasion for gathering will therefore be centred on the Coronation of King Charles III in early May when we will offer special services, as well combining with other local groups. Having registered with the Welcome Directory to be a welcoming church for prison-leavers, we will extend our Inclusive Church identity as we keep that focus one Sunday in June. This is particularly in response to the Living in Love and Faith process in the Church of England and we wish to offer an unequivocal welcome to LGBTQI+ people in the church and wider society.

Likewise, we will be looking to get more involved in the Kingston Episcopal Area Racial Justice Group, in order that our common life is sensitive to these issues of discrimination and that we are increasingly not simply "not racist", but rather "anti-racist".

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In this new year and new reign, then, we hope that we are equipping church members to live out their faith and contribute to the common good of our local area and thereby continue to offer a hospitable and loving welcome to all of our neighbours who wish to join us on this journey into life in all its fulness, which is the gift Jesus dearly wants to give.

5 Personnel

The Team Rector, the Revd Mark Eminson, is responsible for Holy Trinity, while the Team Vicar, the Revd Alison Judge, is responsible for Christ Church and St John the Divine. The Revd Simon Asquith is coming towards the half-way point in his curacy, following ordination to the priesthood last summer, and we continue to be richly blessed through his developing ministry. Joy Lyons, SPA (Southwark Pastoral Auxiliary), continues in her work of pastoral care for members of Christ Church and to co-ordinate the Prayer Group; her work is valued greatly. The Revd Canon Duncan Swan, Associate Priest, presides or preaches once a month at St John's, which is a great gift.

The DCCs set rates of pay for employees in accordance with the skills and responsibilities of their roles and with the aim of recruiting and retaining high quality staff; we continue to abide by the commitment made in 2014 to pay no one less than the London Living Wage, as set by the Living Wage Foundation, which was £11.05 per hour from the beginning of 2022. The PCC has indicated a wish to become accredited as a Living Wage Employer.

A staff pension scheme with the Church Workers Pension Fund was introduced on 1 January 2015, which was well before the PCC's workplace pensions staging date of 1 June 2016. It is available to all employees regardless of salary level and the PCC contributes 5% of gross salary provided the employee also contributes a minimum of 5%.

6 Financial Review

The PCC's main sources of funding are the free will offerings of church members and others in attendance at church meetings, and income from hiring out the church buildings.

6.1 Financial Activity and Financial Position

As we have found our way out of the COVID-19 pandemic, so our finances have begun to recover but we are mindful of the impact that the cost-of-living crisis is having on many people.

Total income for the year increased by £28,492 to £320,069 (2021: £291,577) as set out in the accompanying financial statements on pages 15-32. Of this total, £14,709 was restricted income.

Total unrestricted donations and legacies were £166,695 which was a £17,197 decrease from the previous year's figure of £183,892. Gift Aid from tax efficient giving totalled £30,025 (2021: £29,419),

Church and hall lettings strengthened further, raising £115,135 in 2022 compared to £82,304 in 2021, an increase of £32,831. Income from fundraising events at £16,960 was also ahead of the previous year (£6,607).

Total expenditure increased by £48,574 to £309,300 (2021: £260,726) with increases across all of the major expense headings (see note 4). Unrestricted expenditure overall was broadly similar to the previous year.

We were pleased to be able to meet our pledged contributions to the Diocesan Parish Support Fund of £165,800 in 2022. The Parish Support Fund pays for our parish clergy and other diocesan resources, as well as a contribution to poorer parishes.

The team as a whole happily contributed £13,189 (2021: £5,349) to mission giving and donations. The increase is in part due to Holy Trinity, for operational reasons, paying over its 2021 annual charitable tithe in 2022.

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In summary, the surplus for the parish on unrestricted funds was £8,686, with an overall surplus of £10,769, both before unrealised losses on investments which totalled £5,353. The net movement of funds for 2022 was a surplus of £5,416.

6.2 Reserves Policy

The PCC has examined the requirements for free reserves, i.e., those unrestricted funds not invested in tangible fixed assets. Given the nature of Merton Priory Team Ministry's work and ongoing financial uncertainty due to the effects of the cost-of-living crisis, the PCC considers that the free reserves requirement should be held at three months' routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. This is held to smooth out fluctuations in cash flow and to meet emergencies. At 31 December 2022, the PCC had net free reserves of £247,962 (2021: £235,619) as outlined below, which the PCC acknowledges well exceeds the total free reserves requirement of £79,918 (2021: £68,220).

	2022 £	2021 £
Total reserves	329,196	323,780
Less: restricted funds	(25,301)	(23,218)
Less: endowment funds	(16,877)	(18,796)
Less: unrestricted tangible fixed assets used in the continuing work of the PCC	(39,056)	(46,147)
Free reserves	247,962	235,619
Free reserves requirement:		
Reserve agreed by PCC	74,168	62,470
Balance allocated to the anticipated cost of fabric repairs	5,750	5,750
Free reserves	79,918	68,220

All three churches are planning significant expenditure in 2023 and beyond. Christ Church is planning major work in the next three years to coincide with their 150-year anniversary celebrations; this may include work around the altar, redecorations of the church, moving the font and putting toilets into the church. They have spoken to the DAC (Diocesan Advisory Committee) and have appointed an architect.

In 2023, Holy Trinity expects to repair and redecorate the front exterior of the church, costing around £5,200.

St John the Divine expects to spend a significant sum on a new heating system in 2023, for which they are likely to be applying for grant funding. They are also looking at upgrading their electrical systems and still have some roof repairs to be completed.

So, although the free reserves position at 31 December 2022 may be looking very healthy, it is clear that all three churches are mindful of their responsibility in thinking ahead to the appropriate use of the PCC's charitable reserves.

6.3 Investment Policy

Funds not immediately required for working capital are partly placed on short term deposit and partly invested in longer-term investment funds. The PCC currently uses the CCLA Church of England Deposit Fund, Charities Aid Foundation investment funds and M&G Charity Funds. The PCC expects to do some work in the near future on drawing up a formal investment policy.

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6.4 Going Concern

Each year it is the PCC's responsibility to state whether or not the financial statements have been drawn up on a going concern basis (see the accounting policy note on page 17). Going concern is the assumption that an entity, in this case the PCC, has the resources (financial or otherwise) needed to continue operating for the foreseeable future and, in particular, for at least 12 months from the date of approval by the PCC of these financial statements. If the going concern principle did not apply, then the accounts would be drawn up on an insolvent basis.

7 Volunteers

We are grateful to all our churchwardens for their many and varied labours: Alison Fletcher Rogers at Christ Church, Richard Blades and John Eades at Holy Trinity and Ann Roberts at St John's. Our co-treasurers, Ann Roberts and Kerry Porritt, have had an excellent first year, ensuring our financial affairs are being guided wisely and safely. We must also extend our thanks to Jenny Harper, who has been a conscientious PCC Secretary this past year but needs to pass on the baton as she moves to Kingston. We especially thank Alison and Richard as they stand down as churchwardens, having done the full six years, and so having given so much of their time and talents to our common life.

We would like to thank all the volunteers who work so tirelessly on our behalf to make our churches the lively and vibrant communities they are. As well as those in licensed lay roles, we particularly want to mention all those who work behind the scenes and in the more invisible areas of our church life.

8 Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure and is a Registered Charity.

The method of appointment of PCC members is set out in the Church Representation Rules. The PCC consists of 18 elected members, six from Christ Church, six from Holy Trinity and six from St John the Divine, plus the team clergy. During the past year the PCC has met six times.

A range of issues are discussed during PCC meetings, including considering ministry needs, parish communications and planning for key events in the parish, as well as hearing reports from the individual churches and having oversight of the Mission Action Plans for all three churches. The PCC has authority for finance across the parish.

The PCC appoints six foundation governors at *Holy Trinity School* and two at *The Priory School*, and members of our congregations also serve as governors appointed by Southwark Diocesan Board of Education. This year, one governor was appointed to each school.

The PCC Standing Committee, which consists of the Team Rector, Team Vicar, six Churchwardens, Secretary and co-Treasurers, has met on several occasions. The Curate has recently also been invited to attend these meetings. This group has set the agenda for the PCC meetings and ensured its smooth running. In addition, the PCC Business Committee – Team Rector, Team Vicar, co-Treasurers and Secretary – has met to make certain that all aspects of church business are covered.

The PCC complies with diocesan requirements with regard to safeguarding policies and risk assessment. It also complies with statutory requirements with regard to employment, access and health and safety.

Amongst other things, the PCC:

- oversaw implementation of the [Mission Action Plan](#) (in particular, welcoming the links that had been established with Griffiths Road Methodist Church and the Friends of Nelson Gardens);

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Report of the Parochial Church Council For the year ended 31 December 2022

-
- re-affirmed its commitment to achieving Eco Church status (as part of which, a high-quality Tearfund course on Christianity and Climate Change was run across the team, the team's toilets were twinned with toilets in Africa, and the initiative "Take the Jump" was promoted at Holy Trinity); and
 - ensured that the team was recognised as a welcoming church for released prisoners as part of the prison's awareness initiative.

9 Responsibilities of Trustees for the Financial Statements

The PCC is responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and of the income and application of income of the charity for that period.

In preparing those financial statements, the PCC is required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 activities of the charity will continue.

The PCC is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. The PCC is 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. The PCC is responsible for the maintenance and integrity of the charity and financial information included in the charity's website.

10 Approval

The PCC has elected to have an independent examination rather than an audit of the financial statements. The role of Independent Examiner is a personal appointment and this has been carried out by John Helm. Mr Helm has indicated his willingness to continue in this role and accordingly a resolution will be submitted to the forthcoming Annual Parochial Church Meeting to re-appoint him as the PCC's Independent Examiner for 2023.

The report of the PCC was approved by the PCC on 3 May 2023 and signed on its behalf by:



The Revd Mark Eminson
PCC Chair

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Report of the Independent Examiner to the Parochial Church Council of Merton Priory

I report on the accounts of the Parochial Church Council of Merton Priory for the year ended 31 December 2022, which are set out on pages 15 to 32.

Respective responsibilities of PCC and examiner

The PCC are responsible for the preparation of the accounts. The PCC consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.

Basis of independent examiners' report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 church 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.



John Helm
Chartered Accountant
3 May 2023

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

**Statement of Financial Activities
For the year ended 31 December 2022**

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £
Income from:	2								
Donations and legacies		166,695	14,129	-	180,824	183,892	12,607	-	196,499
Charitable activities		1,885	-	-	1,885	2,690	-	-	2,690
Other trading activities		132,103	-	-	132,103	88,921	-	-	88,921
Investments		2,867	580	-	3,447	3,045	422	-	3,467
Other		1,810	-	-	1,810	-	-	-	-
Total Income		305,360	14,709	0	320,069	278,548	13,029	0	291,577
Expenditure on:									
Raising funds	3	5,762	-	-	5,762	1,195	-	-	1,195
Charitable activities	4	290,912	12,626	-	303,538	248,684	10,847	-	259,531
Total Expenditure		296,674	12,626	0	309,300	249,879	10,847	0	260,726
Net gains/(losses) on investments		(3,434)	-	(1,919)	(5,353)	(634)	-	2,058	1,424
Net income	5	5,252	2,083	(1,919)	5,416	28,035	2,182	2,058	32,275
Transfers between funds		-	-	-	-	24,758	(10,695)	(14,063)	-
Net movement in funds		5,252	2,083	(1,919)	5,416	52,793	(8,513)	(12,005)	32,275
Total funds brought forward		281,766	23,218	18,796	323,780	228,973	31,731	30,801	291,505
Total funds carried forward		287,018	25,301	16,877	329,196	281,766	23,218	18,796	323,780

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

**Balance Sheet
As at 31 December 2022**

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total 2022 £	Total 2021 £
Fixed Assets						
Tangible Assets	6	39,056	-	-	39,056	46,147
Investments	7	38,647	-	14,452	53,099	58,369
		77,703	0	14,452	92,155	104,516
Current Assets						
Debtors	8	32,484	3,845	-	36,329	36,049
Cash At Bank And In Hand		197,598	21,560	2,425	221,583	234,979
		230,082	25,405	2,425	257,912	271,028
Creditors - Amounts Falling Due Within One Year	9	20,767	104	-	20,871	51,764
Net Current Assets		209,315	25,301	2,425	237,041	219,264
Net Assets		287,018	25,301	16,877	329,196	323,780
Represented by:						
Endowment Funds	10	-	-	16,877	16,877	18,796
Restricted Income Funds	11	-	25,301	-	25,301	23,218
Unrestricted Income Funds	12	287,018	-	-	287,018	281,766
Total Funds		287,018	25,301	16,877	329,196	323,780

The financial statements were approved by the PCC on 3 May 2023 and signed on its behalf by:



**The Revd Mark Eminson
PCC Chair**



**Dr Kerry Porritt
PCC Co-Treasurer**



**Ann Roberts
PCC Co-Treasurer**

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements For the year ended 31 December 2022

I Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of leasehold land and buildings and investments which are shown at market value.

The Parochial Church Council of Merton Priory was formed in May 2009 from the amalgamation of three separate parishes: Christ Church, Colliers Wood; Holy Trinity & St Peter, South Wimbledon; St John the Divine, Merton. These financial statements incorporate the income and expenditure, assets and liabilities of the combined parish, including comparative figures for the previous year. The finances of the three individual churches are maintained separately and are therefore accounted for as designated funds.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body or those that are informal gatherings of church members.

The PCC meets the definition of a public benefit entity under FRS 102.

Going Concern

There are no material uncertainties about the charity's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis (see also Section 5.4 of the Annual Report on page 12).

Income recognition

Voluntary income and donations (including legacies) are accounted for once the PCC has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The PCC is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations and property maintenance costs.

Expenditure on church activities includes those costs incurred to fulfil the PCC's principal objects, as outlined in the Report of the PCC. These include grants payable and governance costs. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements For the year ended 31 December 2022

constructive obligation on the PCC. The Diocesan Parish Support Fund is accounted for when due. Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

The PCC contributes to employees' pension plans with the Church Workers' Pension Fund (see Note 4a).

Rentals under operating leases are charged as incurred over the term of the lease.

Tangible Fixed Assets

Consecrated and benefice property of any kind is excluded from the financial statements by Section 10(2)(a) and (c) of the Charities Act 2011.

Moveable church furnishings are held by the Team Rector and Churchwardens on special trust for the PCC. They are considered inalienable property and require a faculty for disposal. They are listed in the churches' inventories, which can be inspected (at any reasonable time). Items are capitalised at cost and depreciated over their useful economic life other than where insufficient cost information is available. Individual items of furnishings with a purchase price of £1,500 or less are written off when the asset is acquired.

Equipment and Fixtures & Fittings and such other functional equipment used on a continuing basis for the work of the PCC is depreciated on a straight-line basis over five years (equipment, currently none held) or ten years (fixtures and fittings). Individual items of equipment and fixtures & fittings with a purchase price of £1,500 or less are written off when the asset is acquired.

Fixed Asset Investments

Investments are valued at market value at 31 December.

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Fund accounting

The funds held by the charity are either:

Unrestricted general funds that can be used for PCC ordinary purposes. These include funds designated for a particular purpose by the PCC. Apart from the PCC General Fund, all other unrestricted funds are designated to the three individual churches and are therefore reported as designated funds.

Restricted funds represent donations received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
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**Notes to the Financial Statements
For the year ended 31 December 2022**

The *expendable endowment fund (Holy Trinity & St Peter)* was established following the receipt of a substantial legacy from a parishioner. The terms of the legacy are such that the capital can either be invested or expended in the furtherance of the church's ministry in the parish. It has therefore been accounted for as an expendable endowment. Income arising from the invested funds is credited to unrestricted incoming resources.

The *permanent endowment fund (St John the Divine)* was given for building a new church, completed in 1914, with the income from the remaining endowment capital to be used on the fabric of the existing building.

2 Income

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Donations & legacies				
Offerings and donations	131,540	11,940	143,480	153,373
Income tax reclaimed	27,836	2,189	30,025	29,419
Legacies	2,000	-	2,000	12,000
Grants	5,319	-	5,319	1,707
	166,695	14,129	180,824	196,499
Charitable activities				
Fees for weddings and funerals	1,885	-	1,885	2,690
	1,885	0	1,885	2,690
Other trading activities				
Bookstall, magazine etc sales	8	-	8	10
Fund raising events	16,960	-	16,960	6,607
Lettings income	115,135	-	115,135	82,304
	132,103	0	132,103	88,921
Investments				
Dividends	608	430	1,038	1,090
Bank Interest	886	150	1,036	547
Rent from land	1,373	-	1,373	1,830
	2,867	580	3,447	3,467
Other				
Insurance claim	1,810	-	1,810	-
	1,810	0	1,810	0
	305,360	14,709	320,069	291,577

These figures for Mission Giving & Donations do not include gifts banked directly to charities for Christian Aid Week or cheques sent direct to the Bishop of Southwark's Lent Appeal. The parish also makes significant contributions in kind, such as the substantial amount of food given each year to the Wimbledon Food Bank.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
MERTON PRIORY**

**Notes to the Financial Statements
For the year ended 31 December 2022**

3 Expenditure on Raising Funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Costs of fundraising events	4,609	-	4,609	1,116
Costs of supporting regular giving	1,153	-	1,153	79
	<u>5,762</u>	<u>0</u>	<u>5,762</u>	<u>1,195</u>

4 Expenditure on Charitable Activities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Parish Support Fund	165,800	-	165,800	160,380
Staff costs (see note 4a)	15,761	-	15,761	13,612
Church Life & Outreach	11,874	524	12,398	5,610
Missionary & Charitable Giving and Gifts (note 4b)	9,487	3,702	13,189	5,349
Provision of Office & Support	13,613	8,400	22,013	13,922
Provision of Buildings and Facilities	71,137	-	71,137	57,778
Governance costs	3,240	-	3,240	2,880
	<u>290,912</u>	<u>12,626</u>	<u>303,538</u>	<u>259,531</u>

Included within expenditure on church activities (see note 4 above) are the following staff costs:

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Gross salaries	15,586	-	15,586	13,445
Pension contributions	175	-	175	167
	<u>15,761</u>	<u>0</u>	<u>15,761</u>	<u>13,612</u>

These staff costs exclude the amounts paid to Southwark Diocese for the stipendiary clergy, who are funded through the Parish Support Fund. Employer's National Insurance is covered by the government's Employment Allowance. All employed staff are paid at least the London Living Wage. Information on the staff pension scheme is given below.

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Notes to the Financial Statements For the year ended 31 December 2022

During the year the churches employed various part-time staff, as follows:

- Holy Trinity: the post of Parish Administrator was vacant throughout 2022 and a Director of Music was appointed in October 2022 (2021: both vacant); the church employed one Bookkeeper (2021: one).
- Christ Church and St John the Divine jointly employed an Organist/Music Leader (2021: one), and each church employed a Cleaner (2021: one each).

4a Staff Pensions

Merton Priory PCC participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

The Church Workers Pension Fund has two sections:

1. the Defined Benefits Scheme;
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic; and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SOFA (Statement of Financial Activities) in the year are the contributions payable (2022: £175; 2021: £167).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, **Merton Priory PCC** could become responsible for paying a share of the failed employer's pension liabilities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
MERTON PRIORY**

**Notes to the Financial Statements
For the year ended 31 December 2022**

4b Expenditure – Missionary & Charitable Giving and Gifts

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Giving to Church overseas & missionary societies:				
Word Day of Prayer	-	-	-	150
Joshua Orphan & Community Care, Malawi	1,967	-	1,967	-
Embrace the Middle East	451	-	451	-
International Rescue Committee		184	184	-
Red Cross Somalia	100	184	284	-
Gifts to Relief & development agencies:				
Toilet Twinning	364	-	364	-
Christian Aid	-	-	-	87
Ukraine Appeal	-	161	161	-
Giving to Home mission & church organisations:				
Christian CARE Merton	-	332	332	1,960
Bishop of Southwark's Lent Appeal	-	1,241	1,241	75
Faith in Action – Merton Homelessness Project	1,966	168	2,134	-
Merton Night Shelter	586	82	668	-
Gifts to Secular Charities:				
Rethink Mental Illness	-	-	-	1,750
Merton Citizens (part of Citizens UK)	1,300	-	1,300	1,300
South London Refugee Association	1,967	-	1,967	-
Other donations under £100	-	-	-	27
Book Trust	-	375	375	-
Jigsaw4u	786	-	786	-
Samaritans	-	225	225	-
Shooting Star Hospice	-	375	375	-
Time is Precious	-	375	375	-
	9,487	3,702	13,189	5,349

5 Net Income

	2022 £	2021 £
This is stated after charging:		
Depreciation of owned assets	7,091	7,093
Independent examination fee (including preparation of financial statements)	3,240	1,680
Other fees paid to independent examiner	-	-
	10,331	8,773

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MERTON PRIORY**

**Notes to the Financial Statements
For the year ended 31 December 2022**

6 Tangible Fixed Assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2022	105,126
Additions	-
Disposals	-
	<hr/>
At 31 December 2022	105,126
	<hr/> <hr/>
Depreciation	
At 1 January 2022	58,979
Charge for Year	7,091
	<hr/>
At 31 December 2022	66,070
	<hr/> <hr/>
Net Book Value	
At 31 December 2022	39,056
	<hr/> <hr/>
At 31 December 2021	46,147
	<hr/> <hr/>

Moveable Church Furnishings:

None of the three churches hold any moveable church furnishings purchased since 2001 which are capitalised and depreciated over their useful economic life (see Accounting Policies).

Fixtures & Fittings:

Christ Church: The church sound system was purchased in 2009 and is now fully depreciated.

Holy Trinity: The grand piano (purchased in 2002) and refurbishment of the reception area (2007) are both fully depreciated. The audio-visual system was installed in 2015 and will be depreciated over ten years. The original kitchen improvements from 2002 were disposed of and a new kitchen installed in 2021, which is being depreciated over ten years.

St John the Divine: A lighting control panel was purchased in 2018 and is being depreciated over ten years.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

**Notes to the Financial Statements
For the year ended 31 December 2022**

7 Fixed Asset Investments

	Unrestricted Funds 2022 £	Endowment Funds 2022 £	Total 2022 £	Total 2021 £
Market Value				
At 1 January 2022	41,998	16,371	58,369	56,866
Net of purchases and sales	83	-	83	79
Net gain/ (losses) on revaluation	(3,434)	(1,919)	(5,353)	1,424
	<u>38,647</u>	<u>14,452</u>	<u>53,099</u>	<u>58,369</u>
At 31 December 2022	38,647	14,452	53,099	58,369
Market value represented by investments in:				
Charibond Charities Fixed Interest				
Common investment Fund shares	2,872	14,452	17,324	28,836
CBF Investment Fund shares	25,775	-	25,775	19,533
Polka Theatre – interest in the freehold	10,000	-	10,000	10,000
	<u>38,647</u>	<u>14,452</u>	<u>53,099</u>	<u>58,369</u>

Christ Church: CBF Investment Fund shares: Trust Fund T0169, held by the Diocese of Southwark as custodian trustee, originated from the sale of a passageway in 1951 for £200. Funds are invested in 139.11 CBF Investment Fund shares with the dividend reinvested.

St John the Divine: CBF Investment Fund shares: Trust Fund T0046 held by the Diocese of Southwark as custodian trustee. The fund was a permanent endowment (capital) for building a new church, completed in 1914, with the remaining capital invested to provide an income restricted to work on the fabric of the building.

Holy Trinity: Charibond Charities Fixed Interest Common Investment Fund: original purchase price £27,734 for 24,426 units. The current holding is 23,798 units at 31 December 2022. The unit trust invests in government and corporate fixed interest securities.

The Polka Theatre: a nominal figure of the PCC's interest in the freehold of the Polka Theatre (240 The Broadway, London SW19 1SB) which is subject to a long-term lease. This has not been the subject of an independent valuation.

8 Debtors

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Prepayments and other debtors	2,944	-	2,944	1,808
Gift Aid recoverable	14,428	3,845	18,273	23,482
Accrued income	15,112	-	15,112	10,759
	<u>32,484</u>	<u>3,845</u>	<u>36,329</u>	<u>36,049</u>

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9 Creditors - Amounts Falling Due Within One Year

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Accruals	13,506	104	13,610	43,719
Payroll tax creditor	-	-	-	550
Pension creditor	32	-	32	30
Income received in advance	7,229	-	7,229	7,465
	<u>20,767</u>	<u>104</u>	<u>20,871</u>	<u>51,764</u>

10 Endowment Funds

10a Current Year	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2022 £
St John the Divine (permanent) Mackrell Trust (T0046/capital)	18,796	-	-	-	(1,919)	16,877
Total	<u>18,796</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,919)</u>	<u>16,877</u>

10b Prior Year	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2021 £
Holy Trinity (expendable) Marian Esling Legacy (capital)	14,063	-	-	(14,063)	-	0
St John the Divine (permanent) Mackrell Trust (T0046/capital)	16,738	-	-	-	2,058	18,796
Total	<u>30,801</u>	<u>0</u>	<u>0</u>	<u>(14,063)</u>	<u>2,058</u>	<u>18,796</u>

Marian Esling Legacy (capital): the DCC, in consultation with the congregation in 2007, decided that 55% of the expendable endowment Marian Esling Legacy Fund would be given away to charitable organisations over a period of five years, the last year of which was 2013. The remaining 45% of the expendable endowment would be used for capital projects in the church. During 2021, the final balance of £14,063 was used towards the cost of the new kitchen.

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II Restricted Funds

I Ia Current Year	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2022 £
PCC						
Curate Housing	-	8,400	(8,400)	-	-	0
Youth Work	2,499	-	(523)	-	-	1,976
Christ Church						
Merton Night Shelters	1,771	187	-	-	-	1,958
Children's Society	408	-	-	-	-	408
Christian Aid	427	-	-	-	-	427
Bishop of Southwark's Lent Call	194	-	-	-	-	194
Faith in Action	574	-	-	-	-	574
Christian Care	-	536	(332)	-	-	204
150th Anniversary Fund	537	334	-	-	-	871
Hymn Book Fund	295	-	-	-	-	295
Holy Trinity						
Merton Night Shelters	3,542	1,211	(150)	-	-	4,603
Bishop of Southwark's Lent Call	564	256	(820)	-	-	0
Flower Fund	4	-	-	-	-	4
Junior Church collections for charity	1,125	-	(1,125)	-	-	0
Other Restricted Donations	309	2,783	(754)	-	-	2,338
St John the Divine						
Bells Centenary Project	2,258	-	-	-	-	2,258
Mission & Charities	-	422	(522)	-	-	(100)
Church Maintenance & Repairs: Mackrell Trust (T0046/income)	8,711	580	-	-	-	9,291
Total	23,218	14,709	(12,626)	0	0	25,301

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I 1b Prior Year	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2021 £
PCC						
Curate Housing	-	4,200	(4,200)	-	-	0
Youth Work	2,499	-	-	-	-	2,499
Other Restricted Donations	-	538	(538)	-	-	0
Christ Church						
Merton Night Shelters	1,771	-	-	-	-	1,771
Children's Society	408	-	-	-	-	408
Christian Aid	227	200	-	-	-	427
Bishop of Southwark's Lent Call	-	184	-	10	-	194
Faith in Action	-	574	-	-	-	574
Other Charities	10	-	-	(10)	-	0
150th Anniversary Fund	187	350	-	-	-	537
Hymn Book Fund	295	-	-	-	-	295
Holy Trinity						
Kitchen Refurbishment	10,070	625	-	(10,695)	-	0
Merton Night Shelters	3,542	-	-	-	-	3,542
Bishop of Southwark's Lent Call	-	564	-	-	-	564
Merton Citizens	192	-	(192)	-	-	0
Flower Fund	4	-	-	-	-	4
Junior Church collections for charity	1,125	-	-	-	-	1,125
Other Restricted Donations	308	5,210	(5,209)	-	-	309
St John the Divine						
Bells Centenary Project	2,804	-	(546)	-	-	2,258
Mission & Charities	-	162	(162)	-	-	0
Church Maintenance & Repairs: Mackrell Trust (T0046/income)	8,289	422	-	-	-	8,711
Total	31,731	13,029	(10,847)	(10,695)	0	23,218

Descriptions of the main restricted funds are as follows:

PCC

- **Curate Housing:** monthly rent is payable to Southwark Diocese and is covered by a very generous restricted donation.
- **Youth Work:** this was originally the balance held by Morden Baptist Church when the Fusion Youth Group was transferred to the Merton Priory Team. The Fusion Youth Group no longer exists and Morden Baptist Church does not want the funds returned to them. The PCC decided in January 2018 that this fund could be used for any youth work across the three churches, and in 2022 was used to fund a Sunday evening outreach at St John's.

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Christ Church

- **Merton Night Shelter:** Christ Church is one of the locations for the night shelter for the homeless during the winter months and this fund represents incoming donations and outgoing expenses. The night shelter was not held during 2021 on the advice of Merton Council and Public Health England and in 2022 Christ Church supported Holy Trinity as the hosting venue. In 2021 Christ Church decided instead to support Faith in Action Merton Homelessness Project with its Christmas collections, for which £574 was raised.
- **150th Anniversary Fund:** in 2024, Christ Church will be 150 years old. This fund is to gather the proceeds, from appeals and fundraising, to be used for the enhancement of the building and projects within the local community.
- **Hymn Book Fund:** this was a specific appeal in 2012 for the purchase of new hymn books. Christ Church DCC will be reviewing what happens to the remaining balance.

Holy Trinity

- **Merton Night Shelter:** Holy Trinity is one of the locations for the night shelter for the homeless during the winter months and this fund represents incoming donations and outgoing expenses. On the advice of Merton Council and Public Health England, the night shelter was not held in 2021.
- **Junior Church collections:** regular Sunday collections by the children which are sent to a charity of their choice.
- **Other Restricted Donations:** the balance of £2,338 represents the remainder of a gift for future development of the prayer corner and a Christmas collection the Dons Local Action Group. During 2021, an anonymous gift of £5,000 was made towards Holy Trinity's contribution to the Diocesan Parish Support Fund, and £210 was raised at a poetry recital for Christian CARE Merton. In 2022, funds were raised to enable a winter Warm Space to operate through the coldest months.

St John the Divine

- **Mission & Charities:** restricted donations for charities. During 2022, funds were raised for both Christian Aid and the Bishop of Southwark's Lent Appeal.
- **Mackrell Trust (T0046):** an ancient permanent endowment for building a new church, held by the Diocese of Southwark as custodian trustee. The capital is not available for use but the interest may be used on the maintenance and repair of the church.

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12 Unrestricted Funds

12a Current Year	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2022 £
Unrestricted						
PCC General Fund	1,000	1,404	(1,404)	-	-	1,000
Designated Funds (General)						
Christ Church	42,548	78,937	(74,520)	-	(374)	46,591
Holy Trinity	53,650	168,832	(168,091)	(5,400)	(3,060)	45,931
St John the Divine	47,097	50,269	(39,350)	-	-	58,016
Designated Funds (Specific)						
PCC: MP3 Players	558	-	-	-	-	558
Christ Church:						
Hall & Church Repairs Fund	716	-	-	-	-	716
Bells Fund	2,620	774	-	-	-	3,394
150th Anniversary Fund	-	5,144	(316)	-	-	4,828
Holy Trinity:						
Marian Esling Legacy (income)	42,307	-	-	-	-	42,307
Annual Tithe	12,200	-	(5,900)	5,400	-	11,700
Special Projects Fund	32,923	-	-	-	-	32,923
Fixed Assets Fund	44,065	-	(7,093)	-	-	36,972
St John the Divine						
Fixed Assets Fund	2,082	-	-	-	-	2,082
Total	281,766	305,360	(296,674)	0	(3,434)	287,018

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12b Prior Year	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2021 £
Unrestricted						
PCC General Fund	1,000	1,884	(1,884)	-	-	1,000
Designated Funds (General)						
Christ Church	37,381	79,228	(71,329)	(3,124)	392	42,548
Holy Trinity	34,399	160,491	(133,914)	(6,300)	(1,026)	53,650
St John the Divine	42,016	36,736	(31,655)	-	-	47,097
Designated Funds (Specific)						
PCC: MP3 Players	558	-	-	-	-	558
Christ Church:						
Hall & Church Repairs Fund	716	-	-	-	-	716
Bells Fund	-	-	(504)	3,124	-	2,620
Holy Trinity:						
Marian Esling Legacy (income)	42,098	209	-	-	-	42,307
Annual Tithe	9,400	-	(3,500)	6,300	-	12,200
Special Projects Fund	47,879	-	-	(14,956)	-	32,923
Fixed Assets Fund	11,097	-	(6,746)	39,714	-	44,065
St John the Divine						
Fixed Assets Fund	2,429	-	(347)	-	-	2,082
Total	228,973	278,548	(249,879)	24,758	(634)	281,766

Designated (General) Funds are funds which have been designated by the **PCC** to each **DCC** for unrestricted purposes.

Designated (Specific) Funds are funds which have been designated by each **DCC** for specific purposes.

PCC

- **MP3 Players Fund:** in some years, the parish drama group stages a production where 50% of the surplus is kept by the PCC and 50% designated to help with the costs of future MP3 productions.

Christ Church

- **Hall & Church Repairs Fund:** income from the Colliwobbles toddler group which is transferred for the use of hall and church repairs at the end of each year. The group has not restarted since the COVID-19 pandemic.
- **Bells Fund:** will be used for the maintenance of the bells in the church. The transfer of £3,124 from the general fund in 2021 represents monies donated by the bellringers in previous years.

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- **150th Anniversary Fund:** in 2024, Christ Church will be 150 years old. This fund is to gather the proceeds, from appeals and fundraising, to be used for the enhancement of the building and projects within the local community.

Holy Trinity

- **Marian Esling Legacy (income):** the remaining interest on the Marian Esling Legacy Fund which is designated for capital projects.
- **Annual Tithe:** Holy Trinity gives away 5% of its unrestricted voluntary income, excluding fundraising and investment income, to charitable causes each year. The balance of £11,700 at the end of 2022 represented £6,300 from the 2021 tithe and £5,400 from the 2022 tithe, both of which will be distributed in 2023.
- **Special Projects Fund:** following a generous legacy and a gift weekend in 2018, the DCC felt it was appropriate to put aside some of this money to be used at a later date on special projects around the church that would enhance the building, such as refurbishing the kitchen and relocating the chapel to make it more accessible. £14,956 was transferred to the Fixed Assets Fund in 2021 to cover part of the cost of the new kitchen.
- **Fixed Assets Fund:** the remaining cost of tangible fixed assets, from where they are now depreciated. £39,714 was transferred to this fund in 2021 to cover the cost of the new kitchen which will be depreciated over 10 years.

St John the Divine

- **Fixed Assets Fund:** the remaining cost of tangible fixed assets, from where they are now depreciated.

13 Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are payable:

	2022 £	2021 £
Not later than one year	706	706
Later than one year and not later than five years	1,587	2,293
Free reserves	2,293	2,999

The previous printer/photocopier lease expired on 12 April 2021. The PCC signed a new lease on 9 April 2021 which commits the PCC to total lease payments of £3,528 over five years.

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14 Capital Commitments

The PCC has the following capital commitments, which it expects to complete in 2023:

	Expected Cost £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £
Christ Church				
No capital works planned for 2023	-	-	-	-
Holy Trinity				
Refurbishing lavatories	2,600	2,600	-	-
Redecorating committee room and reception area	1,500	1,500	-	-
Kitchen boiler replacement	1,650	1,650	-	-
St John the Divine				
No capital works planned for 2023	-	-	-	-
	5,750	5,750	0	0

15 Related Party Transactions and Balances

The expenses of three (2021: four) members of the PCC amounting to £8,722 (2021: £4,802) in relation to travel, housing, training and retreats were met by the PCC during the year.

Aggregated unrestricted donations from PCC members totalled £15,810 (2021: £19,052).