

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

**The Parochial Church Council of the
Ecclesiastical Parish of Merton Priory**

Registered Charity Number: 1134253

**Diocese of Southwark
Merton Deanery**

Annual Report and Financial Statements

31 December 2019

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report and Financial Statements for the year ended 31 December 2019

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

The Parochial Church Council of the Ecclesiastical Parish of Merton Priory (“PCC”) submits its report and the financial statements of the PCC for the year ended 31 December 2019. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015 (FRS102)) and the Financial Reporting Standard 102.

1 Aim and purposes

Merton Priory Parochial Church Council (PCC) has the responsibility of co-operating with the Team Rector, the Revd Mark Eminson (from September 2019), 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. We are guided by our vision statement, agreed in 2011 and reaffirmed in 2018 as part of our Mission Action Planning:

“In Merton Priory Team Ministry, we aim to be a community:

Faithful to God

Sharing with those in need

Caring for one another

We know we don’t always get it right but we seek God’s grace to fulfil his mission.”

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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance

In 2018 we concluded our three-year Mission Action Plan (MAP) for 2015-17 that had been agreed in December 2014. On the basis of the work done at an Away Day, the PCC agreed a new MAP for 2018-20. Below is an outline of the work we plan to undertake during these three years.

Mission Action Plan			
Whole parish Objectives	Help people grow in their Christian Journey: an ongoing programme of Christian nurture	Promote positive change by being fully involved with Merton Citizens.	Become 'one body in Christ': deepening commitment through good communication.
Christ Church Objectives	Christ Church is Open: To open up Christ Church as a centre of welcome and hospitality for our community. To provide a safe place for prayer, reflection and Christian practice.		
Holy Trinity Objectives	Move from welcoming to inviting: Encourage people to be more confident in sharing faith.	Move from welcoming to inviting: Become a more inclusive community and deepen care for one another.	
St John's Objectives	Outreach and Welcome: To become visible and known in our community; to build and strengthen the congregation and support the community, with people using our church as a community resource.		

In drawing up our new MAP we were mindful of our Vision Statement quoted above, of the Five Marks of Mission as agreed by the Church of England (see below), and of the need to build on and strengthen existing projects. We have also committed to doing a few things well rather than taking on too much and failing.

The Five Marks of Mission

- To proclaim the Good News of the Kingdom
- To teach, baptise and nurture new believers
- To respond to human need by loving service
- To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation
- To strive to safeguard the integrity of creation and sustain and renew the life of the earth

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance (continued)

Faithful to God

MAP objectives:

- *To help people grow in their Christian Journey; an ongoing programme of Christian nurture*
- *Moving from welcoming to inviting: encouraging people to be more confident in sharing faith*
- *To open up Christ Church as a safe place for prayer, reflection and Christian practice*
- *Outreach and welcome: to become visible and known in our community*

As Christians our first commitment is to God – and all our other vocations find their place within this commitment. Our principal expression of our faithfulness to God is in worship and prayer, the goal and end of all human existence.

The PCC has a wide range of acts of worship each week, including at least one *Eucharist* at each of the three churches on Sunday; regular *Team Sunday evening worship* based at Holy Trinity providing a quiet and more contemplative environment; the *Early Service* at Holy Trinity for children under six and their carers; weekday Morning and Evening Prayer and Eucharists; a weekly Monday evening *Finding Sanctuary* service at St John the Divine; and weekly *meditation group* at Christ Church linked with the World Community for Christian Meditation. These have continued throughout 2019.

Sunday worship in all three churches includes provision for children, sometimes through *Junior Church* groups, and sometimes at *All-Age worship* in which children actively participate. The *Early Service* at Holy Trinity, for under 6s and their carers, has continued to grow in numbers, often with over 100 adults and children, and the leadership team of ten people has given several people a chance to cut their teeth in preparing and leading worship. Holy Trinity has established a regular pattern of offering *healing ministry* during All-Age Eucharists twice a year, and a large number of people come for prayer or anointing on these occasions.

During 2019 our congregations worshipped together at Team Services on Sunday morning on two occasions, including a Eucharist during which the Annual Parochial Church Meeting took place, and a service to admit children to communion in November. During the summer we enjoyed joint services on three Sundays in August whilst few clergy were available. On 4 September the Team were joined by Bishop Richard for the Institution of the Revd Mark Eminson as Team Rector. In addition, we had joint services for other Holy Days, including during Holy Week when our theme was *Towards the Cross*.

First Communion preparation ran at Christ Church in September and October with 13 young people following the course and being admitted to Holy Communion in November.

Help people grow in the Christian Journey: an ongoing programme of Christian nurture

Our adult Confirmation preparation has changed in line with our new MAP, candidates are invited to undertake four of The Pilgrim Course modules: Turning to Christ, The Lord's Prayer, either The Commandments or The Beatitudes and finally The Eucharist. This takes place over four terms prior to Confirmation, one candidate completed this programme and was confirmed at Southwark Cathedral in November 2019. We are reflecting on this approach for Confirmation preparation as we are aware that it doesn't suit everyone. Two more adults and three young people from the Parish were confirmed at the Southwark service having completed a six-week course.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance (continued)

Faithful to God (continued)

Our worship is sustained by the contributions of servers, sacristans, musicians, readers, intercessors, welcomers, children's group leaders, and those who decorate the churches and provide refreshments. We actively seek to include a large number of people in these roles and encourage them to see these as a practical offering of praise to God.

At the end of 2019 we said farewell to Charlie Standing and Charles Janz, joint Directors of Music at Holy Trinity. We are very grateful for their contribution to our worship over the past five years.

We welcomed many people to worship in our churches for special days and festivals, as well as for baptisms, marriages and funerals. Nearly 1,000 people attended special Christmas services (carol services, crib services, and Christmas Eucharists). In addition to our own services, we played host to school services for Harvest, Christmas, Easter, and school 'Leavers'. The average Sunday attendance during 2019 was 204 adults and 83 children; these figures include baptism services and have been reduced by an estimated amount to remove repeat attendances. We welcomed 36 people into the fellowship of the church through baptism, 13 were admitted to Communion before Confirmation during the year, and six were confirmed.

Sharing with those in need

MAP objectives:

- *Promote positive change by being fully involved with Merton Citizens*
- *Christ Church is open as a centre of welcome and hospitality for our community*
- *Outreach and welcome for people to use our churches as a community resource*

Our churches exist for all those who live in our parish and any others who can find solace or belonging in them. 'Those in need' is not restricted to those in pastoral or material extremity but to every human being's need for fellowship and love. It is in knowing our need that we discover God's grace.

We have various groups for young children and carers. Our Toddler groups, *Colliwobbles* at Christ Church and *T3 (Trinity, Tots & Toys)* at Holy Trinity, reach not only parents but also those who work as nannies and au pairs in our neighbourhood. *Colliwobbles* continues to flourish in its new setting in Christ Church. *Coffee, Cake, and Chat*, a social occasion held at Holy Trinity on a Friday once a month, attracted more people from our three churches and those with no previous connection with the parish. We again played an active part in the *Merton Nightshelter Project*; both Christ Church and Holy Trinity are venues for this, and 86 volunteers gave generous time to the project through our churches, a larger number than in previous years. Christ Church has continued its link with *Christian Care Merton*, a local charity based in Mitcham, that provides practical support to families in need.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance (continued)

Sharing with those in need (continued)

Merton Citizens is part of our MAP. This is a community organising alliance of different organisations that work together to champion positive change and social justice in our neighbourhood. Over 100 members of our parish have been involved, either contributing financially, attending meetings or joining working groups. One person undertook the South London Citizens two-day training in community organising in 2019. As a parish we continue to pay our subscription of £1,330 to Merton Citizens. The two main projects of “Foster better mental health provision” and “Affordable housing” are progressing, and work on “Welcoming refugees” remains on the agenda. Significant work has been done on the mental health front resulting in Merton Citizens winning the South London Citizens Project of the Year award.

We contribute to ministry in the *schools* of our 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. The Team Rector is ex officio governor of these schools. The clergy led regular worship in these schools and welcomed them for visits to church for worship and education. These included ‘Schools Sunday’ in September, when staff, governors and pupils of both church schools attended the Parish Eucharist at Holy Trinity, and Holy Trinity School Eucharists which take place in church or school once a term. We are also in close contact with community schools in our parish. Classes from Pelham School visited St John the Divine at Easter. The Revd Alison Judge continues to work with Merton Abbey School, visiting regularly, telling Bible Stories in Nursery and Reception classes, taking assemblies two to three times a year and hosting school visits to St John the Divine. At Christ Church it was great to welcome classes from Singlegate Primary School on visits and to join with many others for the Community Carol Service in December.

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. Christ Church launched a new website. Both Facebook and Twitter pages have been effective in communicating our message and comply with the Social Media Policy, but we also recognise that word of mouth is the most potent way in which people learn about our parish and we are delighted to see congregation members invite friends to worship or social events.

2019 was the fourth year of contributing to the diocese through the *Parish Support Fund*. It has been a varied year financially. Christ Church had to suspend its pledge payments to the Parish Support Fund, due to falling hall rent whilst waiting for Flourish Day Nursery to start up. At St John the Divine major repairs meant that the contribution was reduced. Holy Trinity met their commitment in full. During the year we have also given to a number of charities, both through planned donations and special collections (see note 3.2 on page 26).

We know that mutual care and support is the hall-mark of a truly Christian community. In this way we embody God’s love in our life together.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance (continued)

Sharing with those in need (continued)

Various groups exist to promote fellowship and learning. We have continued to hold *Messy Church*, on the morning of each second Saturday of the month at St John the Divine; we have a group of regular participants enjoying craft, celebration, and food around a biblical theme. A *home group* meets regularly and *Friday Group* has continued to meet throughout the year. Both of these groups are led by lay members. A *prayer group* at Christ Church led by Joy Lyons meets each Wednesday afternoon. *God in the Pub*, a monthly discussion of issues of faith and life, has taken on a new lease of life led by Jane Lovesey. During *Lent* members of our congregations reflected on change in their lives in the popular Lent Talks. Four Lent groups met more regularly for study offering a range of times, venues and materials, culminating in a joyful service to celebrate Lent groups and talks on Palm Sunday evening. We held an *Easter Story Holiday Club* during Holy Week. Bell ringing continues to flourish at Christ Church and St John the Divine; at the end of the year we said a sad farewell to our long time Tower Captain, Chris Stanley, as he moved to Bristol with his family.

There have been many other occasions for fellowship: shared meals, concerts, and more. These have sometimes been occasions for raising money for charity or the parish and have often been chances for those unfamiliar with worship to participate in an accessible way. A *Beer Festival* at St John the Divine brought Morris dancers, musicians, and many visitors, and raised money for fabric projects. There was a summer *garden party* at Holy Trinity, to celebrate their patronal festival, and *Harvest meals* at both Holy Trinity and Christ Church. Holy Trinity *Christmas Fair* drew a large number of people into church, and a candlelit *Christmas Market* at Christ Church, was again successful in raising money and attracting the community of Colliers Wood. The parish pantomime took place in January 2019 with MP3 putting on four performances of Pinocchio and raising money for Christian Care Merton at the same time.

Members of the ministry team visit and lead regular Communion Services in Care Homes in the Parish and take communion at home to those unable to get to worship. During the year Holy Trinity established a team of seven people – mostly lay people – to exercise this ministry, working in pairs. We visit the sick at home and in hospital and offer pastoral care to those who have been bereaved. During the year the clergy conducted 13 funerals, of which six were held in our churches; amongst those who died during the year were sometime worshippers in our parish: Ann Fahy, Sheila Allen and Francois Aquesbi; we shall miss them. At All Souls tide we invited those who are bereaved to two memorial services, at which we gave thanks and prayed for those who have died.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance (continued)

Sharing with those in need (continued)

Aware that care for one another extends to having proper procedures in place for protecting people, the PCC continues to promote cooperation between Parish Safeguarding Officers 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 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.

In 2019 we compiled a new Electoral Roll. The combined electoral roll for the parish was 289 (Christ Church 64, Holy Trinity 193, St John the Divine 32) at the time of the APCM in April 2019; 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 data protection legislation; we are mindful of the requirements of GDPR (General Data Protection Regulations), which came into force in May 2018.

Personnel

At the beginning of 2019 we were still in Vacancy. The Revd Alison Judge, Team Vicar, continues to be responsible for Christ Church and St John the Divine and continued to take on more team wide responsibilities in the vacancy. The Revd Mark Eminson was Instituted as Team Rector in September 2019. He has been settling into the rhythms of church and parish life, including visiting church members and those with important roles in the local community. The Revd Belemo Alagoa, Assistant Priest, continues to work three days a week across the team and Nick Mayhew-Smith, Reader, and Joy Lyons, SPA, continue to support the work of the ordained clergy in their roles, which we value greatly. The Revd Canon Duncan Swan, Associate Priest, works for Southwark Diocese as Deaneries Development Advisor. Tonia Christensen worked as Parish Administrator across the Team until December 2019.

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 £10.55 per hour from the beginning of 2019. 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%.

We are very aware that officers and those in licensed or paid roles are only a small part of the ministry of all God's people and give thanks to God for the many volunteers who contribute to our worship and ministry.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance (continued)

Caring for one another

MAP objective:

- *Becoming 'one body in Christ' through deepening commitment and good communication*
- *Becoming a more inclusive community*

As a Team with three churches each hosting and committed to many activities, and offering many opportunities to our congregations and communities, we realise the challenge of good and clear communications to enable us to make the best use of our resources and to maximise our outreach. Through updating our websites and social media contacts, through work on our internal communications we hope to become more fully 'one body in Christ'.

Use of Church Buildings

The PCC has responsibility for the three sites where the churches are situated.

Christ Church: This consists of a church building and a hall building on the same site but not physically connected. The church building is much used by the local community for concerts and community events. In October 2019 we were delighted to welcome Flourish Day Nursery as our tenants in the hall and this has proved very successful. During the year we have been working as a congregation and DCC to enhance Christ Church as a place of worship and welcome to our community. In September we had major work on our pipe organ to remove asbestos; refurbishing the organ is ongoing.

Holy Trinity & St Peter: Within one building, Holy Trinity church 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 December 2016 revealed a number of works that need undertaking. In addition, the DCC has identified four projects – refurbishing the kitchen; creating a downstairs chapel; redecorating the church interior; repairing the stained-glass window in the East end – that it wishes to accomplish in the coming years. During 2019 the church has been increasingly used by hirers for concerts and meetings. The Polka Theatre, leaseholders of Holy Trinity's former hall, have started a major redevelopment of their premises; most of this work is on their freehold property but we remain actively engaged in liaising with them about this.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

3 Achievements and performance (continued)

Use of Church Buildings (continued)

St John the Divine: This 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. The proposed redevelopment of High Path estate, which may incorporate the site of the Church Hall, continues to be much discussed, the proposals to develop a new Church Hall are currently at a standstill: there are no final proposals. During 2019 the Church was used by Wimbledon Foodbank whilst their new premises were being built. Merton Street Pastors currently use the Church Office as a base for their worker. We are keen to make our building a community resource.

Our churches have not been open to the community as much as we would wish because of concerns about theft and vandalism. But, with Christ Church now open for Evening Prayer each weekday and Holy Trinity staffed during weekday mornings, there are times when people can come to talk and pray. The PCC is keen that the facilities are used by the community as much as possible and therefore allows for the hiring of the buildings by community groups at a reduced or no cost basis. This is also supplemented by hiring to private groups on more commercial terms.

4 Looking to the future

After the initial disappointment of not appointing a new Team Rector from the first advertisement, we revised it at the start of 2019 and were delighted when the Revd Mark Eminson came for interview and was duly appointed Team Rector, commencing in the post in September.

In compiling this Annual Report, we have reviewed our life together in the parish and each section of our MAP (Mission Action Plan). As we come to the end of the year and look to the future, we can see that some areas of the MAP are working well and bearing fruit. In particular, our work with Merton Citizens and our quest for better communications within the parish and in the wider community.

Other aspects are ongoing: for Holy Trinity the work of inviting and growing in confidence continues. At Christ Church we are actively working on our links with the wider community for other groups to use the church as a community resource, and planning work within the church to make the space more accessible and to be a more open space for worship.

Some aspects of the plan have not worked as we would have hoped. In particular, the desire for ongoing Christian nurture hasn't bedded in as we had hoped and we shall be looking more closely at this. Outreach and Welcome at St John the Divine continues to be an issue with the congregational numbers much down and we plan to address this with the Diocesan Missioner in 2020.

In 2020 we embark upon the final year of our current plan. Review and revision will be in order and prayerfully seeking the way forward.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

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4 Looking to the future (continued)

During 2019 we have also become increasingly aware of the need to address the impact of our parish on the environment and our aim to become an Eco church will be a key piece of work now and going forward.

As we complete this Annual Report, we are currently in the midst of the Covid-19 pandemic. Our three churches are closed and we do not know when we shall be able to gather in them again. Whilst we make plans for the future ultimately, we are learning that what the future holds is uncertain and we wait upon the Lord and seek God's guidance.

We are aware that this Report represents only a small part of the work of our churches, much of which is ongoing and based on a regular round of prayer, fellowship and outreach. We have not tried here to describe these regular activities that continue from year to year – but acknowledge that they occupy much of our energy and bear fruit in deepening relationships with God and one another.

5 Financial Review

Total income for the year decreased by £32,020 (9%) to £309,311 (2018: £341,331) as set out in the accompanying financial statements on pages 20-39. Of this total, £23,401 was restricted income.

Total unrestricted donations and legacies were £183,970 which was a 26% reduction from the previous year's figure of £247,904. The latter figure in 2018 had been boosted by generous legacies of £41,000. Unrestricted planned giving from parishioners raised £118,842 in 2019 compared with £122,268 in 2018, showing a small reduction of 3% year on year.

In addition to planned giving by the three congregations, income is raised from fundraising events, generous gifts for specific appeals, and income from the hire and use of all the churches' facilities. Gift Aid from tax efficient giving totalled £33,160 (2018: £38,618).

Total expenditure for the year fell by 4% to £322,627 (2018: £336,744). Unrestricted expenditure increased by 2% to £306,126 (2018: £299,619).

A major area of expenditure is the PCC's contribution of £144,529 (2018: £161,195) to the Diocesan Parish Support Fund. The Parish Support Fund pays for our parish clergy and other diocesan resources, as well as a contribution to poorer parishes. We are pleased to be able to continue to support other parishes even though we were without a Team Rector ourselves for eight months of the year.

Christ Church was unable to fulfil its original pledge to the Parish Support Fund for 2019 due to delays outside its control in completing the Nursery lease on the church hall. Diocesan policy for amounts owing under the Parish Support Fund is that they are not a legal debt but they are a moral one. The shortfall of £18,000 has therefore not been accrued in the financial statements but Christ Church fully intends to pay the balance as soon as it is able to.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

5 Financial Review (continued)

The Team as a whole happily contributed £25,252 (2018: £22,728) to mission giving and donations, and Holy Trinity transferred its annual charitable tithe for 2019 of £12,500 to a designated fund which will be distributed in 2020.

In summary, the deficit for the parish on Unrestricted Funds was £20,216, with an overall deficit of £13,316, both before unrealised gains on investments which totalled £2,946.

6 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, the PCC considers that free reserves should be equivalent to approximately six 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 2019, the PCC had net free reserves of £216,666 (2018: £232,926) as outlined below, which meets the total free reserves requirement of £167,963 (2018: £174,304). Further details on capital commitments are shown in Note 10 on page 39.

	2019	2018
	£	£
Total reserves	295,555	305,925
Less: restricted funds	(32,366)	(25,466)
Less: endowment funds	(29,876)	(27,765)
Less: unrestricted tangible fixed assets used in the continuing work of the PCC	(16,647)	(19,768)
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Net free reserves	216,666	232,926
	<hr/>	<hr/>
Free reserves requirement:		
Six months' routine expenditure	153,063	149,810
Anticipated cost of major capital works	14,900	24,494
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Total free reserves requirement	167,963	174,304
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7 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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

8 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 22). 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.

Clearly, as part of this year's going concern review, the PCC has had to consider the likely impact of Covid-19. The financial risks to the ministry of the PCC have increased significantly as a result of Covid-19 in early 2020. We do not yet know the direct and indirect economic impact of the virus on our church members, whose giving provides the bulk of our financial support, but some impact seems likely. Nor do we yet know whether there will be any relief from the Diocese by way of a reduction of our parish support fund contribution in 2020 or beyond. We do know, however, that we cannot let the halls during the lockdown period and perhaps well beyond that, and a significant reduction in that source of income appears unavoidable. Our free reserves position, however, is adequate, so we do not currently envisage severe financial distress during 2020 and do not consider that there is going concern risk in the short-term. However, we are planning a stewardship appeal across the parish in May 2020 and the PCC is keeping both the short-term and longer-term implications under review. The PCC and the three DCCs intend to review their budgets for 2020 in the near future.

For the avoidance of doubt, these financial statements have not been adjusted in any way as a result of the impact of Covid-19 apart from the provision of a bad debt of £1,215 where the recoverability of a debt is currently uncertain.

9 Volunteers

During the months of Vacancy much has fallen on the shoulders of lay members of the congregation at Holy Trinity, in particular. Kerry Porritt and Richard Blades as Churchwardens at Holy Trinity have been exemplary in their care and administration of the church at this time.

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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

10 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. These meetings take place in each of the three churches; an opportunity for us to meet in each church.

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 is responsible for appointing foundation governors to the governing body of Holy Trinity and Priory schools and also has authority for finance across the parish.

The PCC Standing Committee, which consists of the Team Rector, Team Vicar, six churchwardens, secretary and treasurer, has met twice. This group has set the agenda for the PCC meetings and ensured its smooth running. In addition, the PCC Business Committee – team clergy, treasurer 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.

11 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).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

12 Administrative information

Parish details

Full name of the Charity:	The Parochial Church Council of the Ecclesiastical Parish of Merton Priory
Registered Charity Number:	1134253
Diocese & Deanery:	Southwark Diocese, Merton Deanery
Address:	Holy Trinity Church, 234 The Broadway, London SW19 1SB
Telephone:	020 8542 1388
Website:	www.mertonprioryteam.org.uk
Parish Clergy:	Revd Mark Eminson, Team Rector <i>(from 4 September 2019)</i> Revd Alison Judge, Team Vicar Revd Belemo Alagoa, Assistant Priest Revd Canon Duncan Swan, Associate Priest
Lay Ministers:	Nick Mayhew-Smith, Reader Joy Lyons, Southwark Pastoral Auxiliary
Churchwardens:	Desmond Davies & Alison Fletcher Rogers, Christ Church Kerry Porritt & Richard Blades, Holy Trinity & St Peter Ann Roberts & Jean Parker, St John the Divine
Principal 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 Simply Churches Ltd 17 Heathville Road Crouch End London N19 3AL

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

Parochial Church Council Members from January 2019 to the date this report was signed:

Parish Clergy:	Revd Mark Eminson, Chair <i>(from 4 September 2019)</i> Revd Alison Judge Revd Belemo Alagoa Revd Canon Duncan Swan	
Churchwardens:	Desmond Davies Alison Fletcher Rogers Kerry Porritt, Lay Chair Richard Blades Ann Roberts Jean Parker	Christ Church Christ Church Holy Trinity & St Peter Holy Trinity & St Peter St John the Divine St John the Divine
Representative on Diocesan Synod:	Liz Holder, PCC Treasurer	Merton Deanery
Representatives on Deanery Synod:	Michael Brunt Jane Savill Martin Lyons Frances Germain-Powell <i>(to 28 April 2019)</i> Vacancy <i>(from 28 April 2019)</i> Ann Newson Eva Parker	Christ Church Christ Church Holy Trinity & St Peter Holy Trinity & St Peter Holy Trinity & St Peter St John the Divine St John the Divine
PCC Members:	Emma Fraser, PCC Secretary <i>(to 28 April 2019)</i> Joanne Powell Vacancy <i>(from 28 April 2019)</i> Daisy Tate Colette de Carlini <i>(to 28 April 2019)</i> Andrew Taylor <i>(from 28 April 2019)</i> Vacancy Vacancy Jaclyn Lartey, PCC Secretary <i>(from 16 July 2019)</i>	Christ Church Christ Church Christ Church Holy Trinity & St Peter Holy Trinity & St Peter Holy Trinity & St Peter St John the Divine St John the Divine Co-opted

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Annual Report of the PCC for the year ended 31 December 2019

13 Statement of responsibilities of the Parochial Church Council

Law applicable to Parochial Church Councils in England & 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 its incoming resources and application of resources for that period. In preparing the financial statements, the PCC is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the PCC will continue in operation for the foreseeable future; and
- observe the methods and principles in the Charities SORP (FRS 102).

14 Independent Examiner

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 2020.

Approved by the PCC on 12 May 2020 and signed on its behalf:



The Revd Mark Eminson
PCC Chair

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Independent Examiner's Report to the members of the Parochial Church Council

I report on the accounts for the year ended 31 December 2019 which are set out on pages 20 to 39. The charity's gross income exceeds £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Respective Responsibilities of the Trustees and Independent Examiner

The charity's trustees 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 section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of this Report

My examination was carried out in accordance with the General Directions given by the Charity Commission.

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 seeking explanations from the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

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 ACA
Simply Churches Ltd
17 Heathville Road
Crouch End
London N19 3AL

Dated: 13 May 2020

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Statement of Financial Activities for the year ended 31 December 2019

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2019 £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £
INCOME & ENDOWMENTS FROM:									
Donations and legacies	2.1	183,970	22,289	-	206,259	247,904	17,452	-	265,356
Raising funds	2.2	10,063	647	-	10,710	9,230	1,136	-	10,366
Investment income	2.3	1,821	465	-	2,286	2,096	447	-	2,543
Church activities	2.4	90,056	-	-	90,056	60,875	-	-	60,875
Other income	2.5	-	-	-	-	2,191	-	-	2,191
TOTAL		285,910	23,401	-	309,311	322,296	19,035	-	341,331
EXPENDITURE ON:									
Church activities	3.1	283,192	12,004	-	295,196	281,635	30,452	-	312,087
Mission giving & donations	3.2	21,158	4,094	-	25,252	16,791	5,937	-	22,728
Costs of raising funds	3.3	1,776	403	-	2,179	1,193	736	-	1,929
TOTAL		306,126	16,501	-	322,627	299,619	37,125	-	336,744
NET (EXPENDITURE)/INCOME		(20,216)	6,900	-	(13,316)	22,677	(18,090)	-	4,587
Net gains/(losses) on investments	5.2	835	-	2,111	2,946	(1,907)	-	(171)	(2,078)
Transfers between funds	8	-	-	-	-	-	-	-	-
NET MOVEMENT IN FUNDS		(19,381)	6,900	2,111	(10,370)	20,770	(18,090)	(171)	2,509
Reconciliation of funds:									
Totals funds brought forward 1 January 2019		252,694	25,466	27,765	305,925	231,924	43,556	27,936	303,416
TOTAL FUNDS CARRIED FORWARD 31 DECEMBER 2019		233,313	32,366	29,876	295,555	252,694	25,446	27,765	305,925

The notes on pages 22-39 form part of these financial statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Balance Sheet as at 31 December 2019

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £	Total 2018 £
FIXED ASSETS						
Tangible fixed assets	5.1	16,647	-	-	16,647	19,768
Investments	5.2	41,965	-	13,388	55,353	52,338
		<u>58,612</u>	<u>-</u>	<u>13,388</u>	<u>72,000</u>	<u>72,106</u>
CURRENT ASSETS						
Debtors	6	19,216	632	-	19,848	27,023
Cash at bank and in hand		185,342	31,975	16,488	233,805	222,300
		<u>204,558</u>	<u>32,607</u>	<u>16,488</u>	<u>253,653</u>	<u>249,323</u>
CURRENT LIABILITIES						
Creditors: amounts falling due within one year	7	29,857	241	-	30,098	15,504
NET CURRENT ASSETS						
		<u>174,701</u>	<u>32,366</u>	<u>16,488</u>	<u>223,555</u>	<u>233,819</u>
TOTAL NET ASSETS						
		<u>233,313</u>	<u>32,366</u>	<u>29,876</u>	<u>295,555</u>	<u>305,925</u>
PARISH FUNDS						
8						
Unrestricted Funds:						
- PCC General Fund		1,000	-	-	1,000	1,000
- Designated Funds (general)		114,714	-	-	114,714	94,470
- Designated Funds (specific)		117,599	-	-	117,599	157,224
Restricted Funds		-	32,366	-	32,366	25,466
Endowment Funds		-	-	29,876	29,876	27,765
		<u>233,313</u>	<u>32,366</u>	<u>29,876</u>	<u>295,555</u>	<u>305,925</u>
TOTAL PARISH FUNDS						

The financial statements were approved by the PCC and authorised for issue on 12 May 2020 and signed on its behalf by:




The Revd Mark Eminson
PCC Chair

Liz Holder FMAAT
PCC Treasurer

The notes on pages 22-39 form part of these financial statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

I ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation or 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 investment assets, 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 their main affiliation to another body, nor 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 8 of the Annual Report on page 14).

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. All income is accounted for gross apart from parochial fees for weddings and funerals, which are accounted for net of fees payable to the diocese.

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

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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

I ACCOUNTING POLICIES (continued)

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.

Where applicable, expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

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 constructive obligation on the PCC. The diocesan parish share 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 4.3).

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 deposits with a withdrawal notice period of no more than 3 months.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

I ACCOUNTING POLICIES (continued)

Creditors

Creditors 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 are recognised at their settlement amount.

Borrowings

The PCC currently holds an interest-free loan from a member of Christ Church congregation, given for cashflow purposes to progress essential work on the organ. (For further details see Note 7.)

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 *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, with the income to be used on the fabric of the existing building.

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

Notes to the Financial Statements for the year ended 31 December 2019

2 INCOME & ENDOWMENTS FROM:

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
2.1 Donation and legacies				
Tax efficient planned giving	91,015	-	91,015	101,409
Other planned giving	27,827	-	27,827	20,859
Collections at services	10,306	1,408	11,714	11,867
All other giving/voluntary income	24,565	17,978	42,543	51,503
Gift Aid recovered	30,257	2,903	33,160	38,618
Legacies received	-	-	-	41,000
Grants (recurring & one-off)	-	-	-	100
	<u>183,970</u>	<u>22,289</u>	<u>206,259</u>	<u>265,356</u>
2.2 Raising funds				
Fundraising events	10,063	647	10,710	10,366
	<u>10,063</u>	<u>647</u>	<u>10,710</u>	<u>10,366</u>
2.3 Investment income				
Dividends	736	390	1,126	1,636
Bank interest	1,085	75	1,160	907
	<u>1,821</u>	<u>465</u>	<u>2,286</u>	<u>2,543</u>
2.4 Church activities				
Fees for weddings and funerals	3,051	-	3,051	2,131
Church & hall lettings	86,995	-	86,995	58,679
Bookstall sales	10	-	10	65
	<u>90,056</u>	<u>-</u>	<u>90,056</u>	<u>60,875</u>
2.5 Other income				
Insurance claim	-	-	-	1,203
Miscellaneous income	-	-	-	988
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,191</u>
TOTAL INCOME	<u>285,910</u>	<u>23,401</u>	<u>309,311</u>	<u>341,331</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

3 EXPENDITURE ON:

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
3.1 Church activities				
<i>Church activities:</i>				
Diocesan parish support fund	144,529	-	144,529	161,195
Salaries of parish staff	42,602	-	42,602	38,326
Clergy & assistant staff expenses	2,623	-	2,623	3,055
<i>Church expenses:</i>				
Mission & evangelism costs	983	122	1,105	1,858
Education	1,978	-	1,978	1,416
Insurance	11,045	-	11,045	10,408
Routine maintenance	10,007	690	10,697	11,828
Parish office costs	5,317	-	5,317	5,109
Upkeep of services	4,677	928	5,605	4,781
Upkeep of church gardens	960	-	960	360
Church cleaning – contractors & supplies	1,885	-	1,885	1,867
Organ & piano tuning	1,835	-	1,835	1,375
Depreciation on tangible fixed assets	3,121	-	3,121	3,328
Church utilities - electricity, gas & water	10,984	-	10,984	10,134
Other church running expenses	6,930	-	6,930	8,604
<i>Costs of trading:</i>				
Hall insurance	2,015	-	2,015	1,772
Hall routine maintenance	2,114	-	2,114	2,800
Hall cleaning – contractors & supplies	2,312	-	2,312	2,041
Hall utilities - electricity, gas & water	6,810	-	6,810	5,087
Legal fees re Christ Church hall lease	4,552	-	4,552	-
<i>Major capital expenditure:</i>				
Grand piano refurbishment (HT)	2,193	9,500	11,693	-
Repairs to organ blowers (CC & HT)	6,712	764	7,476	-
Damp proof walls (HT)	5,400	-	5,400	-
Major roof repairs (HT)	1,608	-	1,608	-
Church bells (SJ)	-	-	-	22,817
Dry rot treatment in church roof (SJ)	-	-	-	6,083
External noticeboards (SJ)	-	-	-	4,386
Internal light repairs & entrance bollards (HT)	-	-	-	2,431
Repair & protect Lady Chapel window (SJ)	-	-	-	1,026
TOTAL CHURCH ACTIVITIES	283,192	12,004	295,196	312,087

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

3 EXPENDITURE ON: (continued)

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
3.2 Mission giving and donations				
<i>Church overseas & missionary societies:</i>				
Joshua Orphan & Community Care, Malawi	3,083	-	3,083	2,433
Mary's Meals	2,313	-	2,313	-
Tear Fund	2,313	-	2,313	-
Care 4 Calais	-	663	663	-
Quicken Trust, Uganda	-	-	-	1,750
USPG	-	-	-	1,750
<i>Relief and development agencies:</i>				
DEC (Cyclone Idai, East Africa)	600	-	600	-
Christian Aid	-	137	137	142
Other donations under £100	-	-	-	8
<i>Home mission & church organisations:</i>				
Faith in Action – Merton Homelessness Project	3,153	-	3,153	3,120
Christian Care Merton	1,536	-	1,536	2,111
Bishop of Southwark's Lent Appeal	3	1,405	1,408	521
Merton Night Shelter	-	395	395	483
Surrey Churches Preservation Trust	-	290	290	-
Salvation Army	-	-	-	1,750
Wimbledon Food Bank	-	-	-	1,750
Children's Society	-	-	-	552
Wimbledon Guild	-	-	-	145
Other donations under £100	-	47	47	90
<i>Secular charities:</i>				
South London Refugee Association	3,083	277	3,360	2,333
Polka Theatre	2,312	-	2,312	-
Rethink Mental Illness	2,312	-	2,312	-
Merton Citizens (part of Citizens UK)	450	880	1,330	1,330
Refuge	-	-	-	2,375
Other donations under £100	-	-	-	85
TOTAL MISSION GIVING & DONATIONS	21,158	4,094	25,252	22,728

These figures for Mission Giving & Donations do not include gifts banked directly to charities for Christian Aid Week (£502) or cheques sent direct to the Bishop of Southwark's Lent Appeal. Children's Society boxes totalled £850 and £540 was raised at the Coffee Morning for Macmillan Cancer Support. The parish also makes significant contributions in kind, such as the substantial amount of food given each year to Wimbledon Foodbank.

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

Notes to the Financial Statements for the year ended 31 December 2019

3 EXPENDITURE ON: (continued)

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
3.3 Costs of raising funds				
Costs of fundraising events	1,469	403	1,872	1,805
Costs of supporting regular giving	307	-	307	124
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL COSTS OF RAISING FUNDS	1,776	403	2,179	1,929
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE	306,126	16,501	322,627	336,744
	<hr/>	<hr/>	<hr/>	<hr/>

4.1 STAFF COSTS

Included within expenditure on church activities (see note 3 above) are the following staff costs:

	Total 2019 £	Total 2018 £
Gross Salaries	41,241	37,273
Employer National Insurance contributions	1,379	1,198
Employment Allowance	(1,379)	(1,198)
Employer Pension contributions	1,361	1,053
	<hr/>	<hr/>
	42,602	38,326
	<hr/>	<hr/>

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 staff are paid at least the London Living Wage. Information on the staff pension scheme is given in Note 4.3.

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

- Holy Trinity employed a Parish Administrator (2018: one), two job-share Directors of Music (2018: two job-share), and one Bookkeeper (2018: one).
- Christ Church and St John the Divine jointly employed an Organist/Music Leader (2018: one), and each church employed a Hall Cleaner (2018: one each).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

4.2 RELATED PARTIES

Liz Holder, PCC Treasurer and member of the PCC, was paid £1,200 (2018: £1,200) for accountancy services relating to the preparation of the statutory financial statements. This payment was gift-aided back to the PCC.

Jane Savill, PCC member, is Chair and trustee of Christian Care Merton, to which the PCC donated £1,536 in 2019 (2018: £2,111).

Alison Judge, PCC member, made an interest-free loan of £6,000 to Christ Church in November 2019. The loan was for cashflow purposes to progress essential work to the Christ Church organ.

The expenses of four (2018: four) members of the PCC/DCCs amounting to £890 (2018: £978) in relation to travel, training and retreats were met by the PCC during the year.

Aggregated unrestricted donations from PCC members totalled £15,158 (2018: £21,349). Figures for 2018 include both regular giving and one-off donations to gift days held at two of the three churches.

4.3 STAFF PENSIONS

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

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, 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. Bonuses may also be declared, depending on the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

The scheme is 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 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 contributions payable (**2019: £1,361; 2018: £1,053**).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

4.3 STAFF PENSIONS (continued)

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m 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 that employer's pension liabilities.

5 FIXED ASSETS

5.1 Tangible Fixed Assets

		Fixtures & Fittings £
Cost	At 1 January 2019	70,369
	Additions at cost	-
	At 31 December 2019	70,369
Depreciation	At 1 January 2019	50,601
	Charge for the year	3,121
	At 31 December 2019	53,722
	Net Book Value at 31 December 2019	16,647
	Net Book Value at 31 December 2018	19,768

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*, page 22).

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), original kitchen improvements (also 2002) and refurbishment of the reception area (2007) are all fully depreciated. The audio-visual system was installed in 2015 and will be depreciated over ten years.

St John the Divine

A lighting control panel was purchased in 2018 and will be 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 2019

5 FIXED ASSETS (continued)

5.2 Investments

	Unrestricted Funds £	Endowment Funds £	Total 2019 £	Total 2018 £
Market value 1 January 2019	41,061	11,277	52,338	74,350
Dividends reinvested	70	-	70	66
Sale proceeds of disposals	-	-	-	(20,000)
Unrealised gains/(losses) on revaluation	834	2,111	2,945	(2,078)
	-----	-----	-----	-----
Market value 31 December 2019	41,965	13,388	55,353	52,338
	-----	-----	-----	-----
Market value represented by investments in:				
CBF Investment Fund shares	2,444	13,388	15,832	13,274
Charibond Charities Fixed Interest Common Investment Fund shares	29,521	-	29,521	29,064
Polka Theatre – interest in the freehold	10,000	-	10,000	10,000
	-----	-----	-----	-----
	41,965	13,388	55,353	52,338
	-----	-----	-----	-----

CBF Investment Fund shares are held by:

Christ Church:

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 85.37 CBF Investment Fund shares with the dividend reinvested.

St John the Divine:

Trust Fund T0046 held by the Diocese of Southwark as custodian trustee. The fund was a permanent endowment (capital) for building a new church with the income to be used on the fabric of the existing building.

Charibond Charities Fixed Interest Common Investment Fund is held by **Holy Trinity**: original purchase price £27,734 for 24,426 units. The current holding is 23,797 units at 31 December 2019. The unit trust invests in government and corporate fixed interest securities.

The Polka Theatre is held by **Holy Trinity**: 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.

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

Notes to the Financial Statements for the year ended 31 December 2019

6 DEBTORS

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Gift Aid recoverable	12,127	632	12,759	19,099
Accrued income	5,252	-	5,252	6,180
Prepayments and other debtors	1,837	-	1,837	1,744
	<hr/>	<hr/>	<hr/>	<hr/>
	19,216	632	19,848	27,023
	<hr/>	<hr/>	<hr/>	<hr/>

7 CREDITORS

Amounts falling due within one year:

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Accruals	9,551	241	9,792	11,129
Payroll tax creditor	1,717	-	1,717	1,877
Pension creditor	236	-	236	104
Loan from a member of the congregation *	6,000	-	6,000	-
Other creditors and income received in advance	12,353	-	12,353	2,394
	<hr/>	<hr/>	<hr/>	<hr/>
	29,857	241	30,098	15,504
	<hr/>	<hr/>	<hr/>	<hr/>

** An interest-free loan from a member of the congregation was given to Christ Church for an initial period of six months and may be extended for a further period subject to the agreement of both the lender and the PCC (Christ Church DCC). The loan repayment will be made in full by a date specified in the future by the lender. The purpose of the loan was for cashflow purposes to progress essential work to the Christ Church organ. The loan is unsecured and the PCC (Christ Church DCC) may repay the loan earlier than the repayment date without incurring any penalties.*

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

Notes to the Financial Statements for the year ended 31 December 2019

8 FUND ANALYSIS

8.1 Fund Summary

	Balance 01/01/19	Income	Expenditure	Transfers	Gains & Losses	Balance 31/12/19
	£	£	£	£	£	£
Unrestricted Funds						
PCC General Fund	1,000	3,166	(3,166)	-	-	1,000
Designated Funds (General) *						
Christ Church	5,105	64,421	(50,702)	(460)	378	18,742
Holy Trinity	40,804	173,996	(186,198)	17,171	457	46,230
St John the Divine	48,561	43,702	(43,708)	1,187	-	49,742
Designated Funds (Specific) *						
PCC	558	-	-	-	-	558
Christ Church	2,882	-	(132)	460	-	3,210
Holy Trinity	149,821	625	(21,873)	(17,171)	-	111,402
St John the Divine	3,963	-	(347)	(1,187)	-	2,429
	252,694	285,910	(306,126)	-	835	233,313
Restricted Funds						
PCC	2,499	1,084	(1,084)	-	-	2,499
Christ Church	2,778	2,108	(963)	-	-	3,923
Holy Trinity	10,132	19,195	(14,155)	-	-	15,172
St John the Divine	10,057	1,014	(299)	-	-	10,722
	25,466	23,401	(16,501)	-	-	32,366
Endowment Funds						
Holy Trinity (expendable)	14,063	-	-	-	-	14,063
St John the Divine (permanent)	13,702	-	-	-	2,111	15,813
	27,765	-	-	-	2,111	29,876
TOTAL FUNDS	305,925	309,311	(322,627)	-	2,946	295,555

* **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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

8.2 Individual Church Funds

8.2.1 PCC

	Balance 01/01/19 £	Income £	Expenditure £	Transfers £	Balance 31/12/19 £
Unrestricted Fund	1,000	3,166	(3,166)	-	1,000
Designated Funds (Specific)					
MP3 Players	558	-	-	-	588
Restricted Funds					
Youth Work	2,499	-	-	-	2,499
Mission & Charities:					
- Surrey Churches Preservation Fund	-	290	(290)	-	-
- Bishop of Southwark's Lent Call	-	580	(580)	-	-
Other Restricted Donations	-	214	(214)	-	-
	<u>4,057</u>	<u>4,250</u>	<u>(4,250)</u>	<u>-</u>	<u>4,057</u>

- *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. No such production was held in 2019.
- *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.
- *Other Restricted Donations*: £214 was donated for refreshments at the Institution and Licensing of the Revd Mark Eminson as Team Rector in September 2019.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

8.2 Individual Church Funds (continued)

8.2.2 Christ Church, Colliers Wood

	Balance 01/01/19 £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance 31/12/19 £
Designated Fund (General)	5,105	64,421	(50,702)	(460)	378	18,742
Designated Funds (Specific)						
Hall & Church Repairs Fund	2,882	-	(132)	460	-	3,210
Restricted Funds:						
150 th Anniversary Fund	187	-	-	-	-	187
Hymn Book Fund	295	-	-	-	-	295
Merton Night Shelter	1,688	250	(122)	-	-	1,816
Mission & Charities:						
- Children's Society	-	387	-	-	-	387
- Christian Aid	5	222	-	-	-	227
- Christian Care Merton	526	475	-	-	-	1,001
- Other Charities	77	10	(77)	-	-	10
Other Restricted Donations	-	764	(764)	-	-	-
	<u>10,765</u>	<u>66,529</u>	<u>(51,979)</u>	<u>-</u>	<u>378</u>	<u>25,875</u>

- *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.
- *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.
- *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.
- *Other Restricted Donations*: £764 was given during 2019 for the repairs to the organ blower; further donations for this purposes have been made in 2020.

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

Notes to the Financial Statements for the year ended 31 December 2019

8.2 Individual Church Funds (continued)

8.2.3 Holy Trinity & St Peter, South Wimbledon

	Balance 01/01/19 £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance 31/12/19 £
Designated Fund (General)	40,804	173,996	(186,198)	17,171	457	46,230
Designated Funds (Specific)						
Marian Esling Legacy (income)	71,179	625	-	(30,000)	-	41,804
Annual Tithes	18,500	-	(18,499)	12,499	-	12,500
Special Projects Fund	42,897	-	-	330	-	43,227
Fixed Assets Fund	16,645	-	(2,774)	-	-	13,871
Mission & Charities:						
- Emergency Disasters Fund	600	-	(600)	-	-	-
Restricted Funds						
Kitchen Refurbishment	3,506	6,157	(403)	810	-	10,070
Merton Night Shelters	2,625	335	(395)	-	-	2,565
Mission & Charities:						
- Bishop of Southwark's Lent Call	334	415	(666)	-	-	83
- South London Refugee Association	277	-	(277)	-	-	-
- South London Church Fund	47	-	(47)	-	-	-
- Care 4 Calais	664	-	(663)	(1)	-	-
- Merton Citizens	105	886	(800)	1	-	192
- Wimbledon Guild	-	547	-	-	-	547
- Wimbledon Food Bank (Trussell Trust)	-	547	-	-	-	547
Flower Fund	149	569	(714)	-	-	4
Junior Church collections for charity	842	239	-	-	-	1,081
Other Restricted Donations	1,583	9,500	(10,190)	(810)	-	83
Expendable Endowment Fund						
Marian Esling Legacy (capital)	14,063	-	-	-	-	14,063
	<u>214,820</u>	<u>193,816</u>	<u>(222,226)</u>	<u>-</u>	<u>457</u>	<u>186,867</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

8.2 Individual Church Funds (continued)

8.2.3 Holy Trinity & St Peter, South Wimbledon (continued)

- *Legacy Income*: the remaining interest on the Marian Esling Legacy Fund which is designated for capital projects. At the end of 2019, £30,000 was undesignated and transferred to the General Fund as the latter was not at a sustainable level to cover regular operating costs.
- *Annual Tithe*: Holy Trinity gives away 10% of its unrestricted voluntary income, excluding fundraising and investment income, to charitable causes each year. The fund balance of £12,500 represents the tithe for 2019 and will be distributed in 2020.
- *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. The money transferred from the General Fund in 2019 represents those donations made in instalments.
- *Fixed Assets Fund*: the remaining cost of tangible fixed assets, from where they are now depreciated.
- *Emergency Disasters Fund*: in 2011, the DCC transferred £2,400 from general funds so that they could respond to future emergency disasters. In previous years the fund was used to send money to Syria and to Nepal. In 2019 the final £600 was sent to the DEC appeal following Cyclone Idai in East Africa.
- *Kitchen Refurbishment*: the kitchen was last refurbished in 2002 and is looking very sad. Funds have begun to be raised for a new kitchen, which it is hoped will be completed in 2020.
- *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.
- *Junior Church collections*: regular Sunday collections by the children which are sent to a charity of their choice. The DCC is aware that charitable donations have not been made for a few years and will be addressing this during 2020.
- *Other Restricted Donations*: the balance of £83 represents the remainder of a gift for future development of the prayer corner. Other donations during the year were £9,500 (including gift aid) from a member of the congregation for the restoration of the grand piano, and the completion of the repairs to the garden gate funded by the St Andrew Society.
- *Legacy Capital*: the DCC, in consultation with the congregation, 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 urgent capital projects in the church. In 2020, it is anticipated that the remaining £14,063 will be put towards the cost of the kitchen refurbishment, the remaining monies being raised from fundraising.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

8.2 Individual Church Funds (continued)

8.2.4 St John the Divine, Merton

	Balance 01/01/19 £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance 31/12/19 £
Designated Fund (General)	48,561	43,702	(43,708)	1,187	-	49,742
Designated Funds (Specific)						
Choir Fund	1,187	-	-	(1,187)	-	-
Fixed Assets Fund	2,776	-	(347)	-	-	2,429
Restricted Funds						
Bells Centenary Project	2,679	250	-	-	-	2,929
Mission & Charities	-	299	(299)	-	-	-
Flower Fund	-	-	-	-	-	-
Church Maintenance & Repairs: - Mackrell Trust (T0046/income)	7,378	465	-	-	-	7,843
Permanent Endowment Fund						
Mackrell Trust (T0046/capital)	13,702	-	-	-	2,111	15,813
	<u>76,283</u>	<u>44,716</u>	<u>(44,354)</u>	<u>-</u>	<u>2,111</u>	<u>78,756</u>

- *Choir Fund*: this fund represented income from weddings where the former choir sang and which was used for choir related expenses. At the end of 2019, the DCC decided to undesignate this fund and transfer the remaining balance to the General Fund.

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

- *Bells Centenary Project*: the fund represents donations from an appeal set up to enable the church to engage the community and raise money to install an 8-bell peal in time for the church centenary in 2014. This project was started in 2013 and a 6-bell peal was completed in 2014. A further four bells were installed early in 2018.

- *Church Maintenance & Repairs*: interest income from the Mackrell Trust (permanent endowment) that is restricted for use on the maintenance and repair of the church building.

- *Mission & Charities*: restricted donations for charities.

- *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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF MERTON PRIORY

Notes to the Financial Statements for the year ended 31 December 2019

9 OPERATING LEASE COMMITMENTS

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

	2019	2018
	£	£
Not later than one year	863	863
Later than one year and not later than five years	288	1,151
	<hr/>	<hr/>
	1,151	2,014
	<hr/>	<hr/>

10 CAPITAL COMMITMENTS

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

	Expected Cost £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £
Christ Church				
Reconditioned organ blower	3,900	3,900	-	-
Holy Trinity				
Kitchen refurbishment	35,000	11,000	10,000	14,000
St John the Divine				
No capital works planned for 2020	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	38,900	14,900	10,000	14,000
	<hr/>	<hr/>	<hr/>	<hr/>