



ST JOHN'S HYDE PARK  
HYDE PARK CRESCENT  
LONDON W2 2QD

ANNUAL REPORT  
AND  
FINANCIAL  
STATEMENTS  
OF THE  
PAROCHIAL CHURCH  
COUNCIL

FOR THE YEAR ENDED  
31 DECEMBER 2023

Registered Charity 1132885

**The Parochial Church Council of St John the Evangelist  
with St Michael and All Angels, Paddington**

**Financial Statements**

**For the year ending 31<sup>st</sup> December 2023**

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## Administrative Information

### PCC Members

The under-mentioned persons served on the PCC during the year

PCC Meetings  
attended

#### *Ex Officio Members*

The Reverend Stephen Mason	Incumbent	5/5
The Reverend Georgina Eley	Stipendiary Assistant Curate (to Sept)	2/3
The Reverend Alex Norris	Associate Vicar (from July)	2/2
Damon Greeney	Churchwarden	2/5
Gaynor Scruton	Churchwarden	4/5
David Fletcher	Deanery Synod Rep	0/5
Chris Lees	Deanery Synod Rep	2/5
Chris Skarratt	Deanery Synod Rep (to March)	1/2
Bryan Stephens	Deanery Synod Rep (from March)	2/3

#### *Elected Members*

Adebanke Adeyemo	(to March)	1/2
Andrew Beverley		2/3
Anna Haase	(from March)	1/3
Helen Isibor-Epega		2/5
Ian Nelson	Treasurer	3/5
Chris Searle	(from March)	2/3
Bryan Stephens	(to March)	0/2
Shakira Watts		4/5

**Bankers:** HSBC plc  
69 Pall Mall  
London SW1Y 5EY

**Insurers:** Ecclesiastical Insurance  
Beaufort House  
Brunswick Road  
Gloucester GL1 1JZ

**Architect:** John Bailey  
Thomas Ford and Partners  
177 Kirkdale  
London SE26 4QH

**Solicitor:** Winckworth Sherwood  
Minerva House  
5 Montague Close  
London SE1 9BB

**Auditor:** TC Group  
Statutory Auditor  
3 Acorn Business Centre  
Northarbour Road  
Cosham, Portsmouth  
Hampshire PO6 3TH

The church office is situated at St John's Church, Hyde Park Crescent, London, W2 2QD

**Incumbent:** The Reverend Stephen Mason

**Church Administrator:** Bryan Sollenberger

## **2023 Report and Accounts for the Parochial Church Council of St John the Evangelist with St Michael and all Angels, Paddington**

The Parochial Church Council (PCC) has pleasure in presenting its report and the financial statements of the Church for the year ended 31<sup>st</sup> December 2023.

### **Overview of the Year**

We were thrilled that, for the first time in four years, we were able to have a full programme of services and events without any constraints. Our excitement was tempered by having to recalibrate our frames of reference when considering what made for a successful occasion. Average Sunday attendance, while nudging beyond that of 2022, was still around 25-30% down on 2019 levels. Our flagship services such as Nine Lessons and Carols, which attracted nearly 200 this year (39% more than in 2022), was still far below the 260 it would regularly attract before 2020. Regular parishioners were attending 3 Sundays a month now instead of 4. Volunteerism was good with most of those attending on Sundays with any degree of regularity taking part on at least one rota and some on 2 or even three rotas, but those rotas requiring three or more volunteers each Sunday struggled to run at full capacity.

Young families, for many years a key constituent of the congregation, are no longer moving into the area due to the high costs of housing so the numbers of young children are not as high as a few years ago but we have a small group of teenagers now for the first time in a long while and three of them were confirmed by the Bishop of London on 19<sup>th</sup> November. Baptisms, however, were much fewer, which also reflects the significant number of vacancies in primary schools throughout Westminster. The makeup of our local community is evolving and we are having to rethink our approach to ministry as a result.

### **Aims and Purposes**

The primary objective of the PCC is to co-operate with the Incumbent, The Reverend Stephen Mason, in promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building. The Incumbent has the obligation of providing pastoral care to all those resident within the geographical parish, as well as to those who attend services, with specific responsibility for rites of passage.

St John's is an inclusive church – that is, we believe that the Good News is for all people regardless of gender, ethnicity, sexual orientation, socio-economic circumstances or spiritual background. St John's welcomes anyone and seeks to build a congregation that reflects the diversity of the community we serve. We are aware that a number of our parishioners, along with occasional members of our congregation, are of other or no faith but all are welcomed with generosity and hospitality.

This outlook sets the context for all that we do and influences our approach to planning services, pastoral care, social events and other activities which we undertake in furtherance of our aims. In all our activities we seek to minister to each one who comes through our doors – to provide a means to deepen the faith for those who are part of our worshipping community and to attract and to minister to those who are, at present, outside it.

## **Objectives and Activities**

### **Church Attendance**

The average Sunday attendance was 100 in 2023, an increase on the 2022 figure of 95. 300 persons attended church services at Easter (264 in 2022) and 241 on Christmas Eve and Christmas Day (246 in 2022). The number on the parish Electoral Roll at 31<sup>st</sup> December stood at 164.

While approximately half of the congregation is drawn from our ecclesiastical parish, many will come from neighbouring parishes and some even travel in from outside London. A significant component are our international members, who attend whenever they are in London. These have been slow to return post pandemic. Membership of the congregation is diverse and is drawn from a wide socio-economic strata, including but not limited to gender, ethnicity, age, sexual orientation political persuasion and religious background.

### **Church Activities and Highlights**

Prior to the pandemic, St John's had explored its best use of resources in relation to the appointment of two deacons overlapping in their curacy training. There had been a view that we should consider the appointment of an associate vicar in the hope that they would remain with us for a longer period of time. The appointment of deacons for their initial three-year curacy meant that there was a high turnover and, just as the parish was getting to know them, they were leaving. This limited the pastoral and missional activity in the parish. While this was put on hold during the pandemic, it was decided to recruit an associate vicar for the first time rather than replace the Revd Georgina Elsey, who would be leaving at some point in 2023. While the PCC were proud of their record as a training parish, they were also concerned that just at a time when we were looking to rebuild our ministry post-Covid, the resources were not there to facilitate this. They therefore took the decision not to appoint a new curate once Revd Elsey moved on but instead to recruit an associate vicar.

A job description and role specification were drawn up and agreed and a new parish profile was crafted, after which all were uploaded to our website. The post was advertised for four weeks in *Church Times* and the ad received a good number of inquiries. A good cross section of inquiries was received, a significant number of which were women or of global heritage, and we were pleased with the calibre of applicants. From the applications received by the closing date of 6<sup>th</sup> March, a shortlist of three was drawn up. On the evening before the formal interviews, all three candidates met over supper with members of Standing Committee, staff and a representative of our young families, after which those not involved in the interviews the next day had opportunity to express their views. The following day, candidates were offered tea or coffee on arrival by the vergier and shown around the church and their prospective accommodation by the administrator before being interviewed by the Vicar, Churchwardens and Archdeacon of Charing Cross. Alex Norris was felt to be the strongest overall candidate and he was offered the post. He was licensed by Adam Atkinson on behalf of the Bishop of London and welcomed to the parish on 2<sup>nd</sup> July at the 10am service, after which we had our annual summer barbecue in the gardens behind the church.

It was expected that the Norrises would move into the second and third floor maisonette in 12a Connaught Street but they expressed a preference for the mews house in Archery Close and would wait to move into the parish until Georgina Elsey had vacated the house and ongoing works had been carried out: decorating throughout, water ingress

problems resolved and a new kitchen and bathroom installed. They took up residence in the house on 18<sup>th</sup> December.

With the retirement of Colin Kerr in 2021, an appointment process had begun to select a new inspecting architect. A number of possible candidates were approached and asked to meet with the Vicar. This proved to be rather more challenging than expected. Of those recommended, one was no longer taking appointment in London as he had moved to the north of England and another did not turn up for the meeting. Of those that accepted, two were selected for interview with the Vicar and Churchwardens but one of the candidates withdrew before the interview took place. John Bailey, of Thomas Ford Partners, was appointed by the PCC on the recommendation of the Vicar and Churchwardens after a formal interview.

One of the highlights of the year was the Coronation of King Charles III and the celebrations to mark this significant national and historical event. On the Thursday before the Coronation, the William Gibbs Religious and Educational Trust, in partnership with the church, sponsored a community drinks reception in the church which was attended by approximately 200 members of the parish and local neighbourhood. The reception was held in the nave of the church, with some of the music team providing background music. The evening was much appreciated by those attending and was very successful.

On the Sunday morning, the choir supported by musicians sang Mozart's *Coronation Mass* at the parish eucharist and commemorative Coronation mugs were presented to the children in church. The service was attended by over 150 and was followed by a champagne and canapé reception; afterwards the church was transformed for a lunch as part of the national Big Lunch programme. A menu of pork pies, chipolatas, ham and beef, followed by a selection of desserts, was enjoyed by over 90 people.

Thaddeus Birchard, vicar from 1980 – 2001, had died suddenly and unexpectedly the year before in Belgium in 2022. He was buried there in a place that had special meaning to him. Since his retirement from parish life, he had very successfully established a counselling practice specialising in sexual addiction: he was the first in the UK to train in this area and was a noted author and lecturer in addition to practitioner. A memorial service marking the anniversary of his death was held as part of the morning service on Sunday, 18<sup>th</sup> June. Many members of the congregation during his time along with colleagues from the psychotherapy world gathered with the present congregation to remember his life and give thanks for his ministry at St John's

After service hospitality and social occasions provide important time for members of the congregation to build connections and to engage with the clergy. Finger food buffets follow the 10am services on Epiphany and at Easter; our annual summer barbecue was held on 2<sup>nd</sup> July; seasonally themed receptions take place after our five great carol services and, for Georgina Elsey's final Sunday, a gin bar was set up in the north aisle. Over the summer six lunches were held at the vicarage for older members of the congregation as well as a number of small supper parties throughout the year. The vicar hosted an annual Christmas Thank You drinks party at the vicarage to acknowledge the contributions of all who volunteered in some capacity during the year. This took place the Friday before Christmas.

A quiz evening had been scheduled for November but had to be postponed due to a lack of ticket sales.

We were very pleased to welcome the Bishop of London on 19<sup>th</sup> November to preside and preach at a service of Confirmation. She confirmed four adults and three children at the service, including three of the Iranian refugees who had been baptised the previous Easter at 6am. We were pleased to have them involved in the service, especially as, now that their asylum applications had been progressed, that they were living some distance from London.

Robert Greenhill, our Director of Music, had planned to retire in February 2024 after 18 years in post. The musical life at St John's significantly developed during his tenure. Robert kindly worked with the vicar on a new job description, which was formatted into an online brochure. An advert for a Director of Music was placed in *Church Times* for four weeks. There were a good number of expressions of interest in the post when the advert came out, many of whom had an informal coffee with the Vicar when considering whether to apply formally. We were surprised that there were two clear kinds of applicants:

- Experienced organists/directors of music
- A small number of very skilled choral directors who had studied music direction at one of the music colleges but who were pianists rather than organists

Joseph Fort, college organist and director of the Chapel Choir at King's College, London, served as external consultant. He along with the Vicar and Churchwardens formed the interview panel, with secondary interaction with Jonathan Hill, our lead musician, and Alex Norris. Interviews were held on 13<sup>th</sup> December and consisted of an organ audition, a choral direction audition and sight reading. Nicholas Miller, organ scholar from 2012-2014 then organist from 2014-2019, was offered the post and accepted. He will commence his duties from 1<sup>st</sup> February 2024.

### **Children at St John's**

Our children's ministry at St John's is facilitated through a service agreement with Red Balloon Foundation, who appointed Marcus Walters-Pearce as our children's and young families worker. Marcus has facilitated Kids' Club on Sunday mornings with energy and enthusiasm, despite the children being small in number and of significant age range. He successfully held together the numbers of very small children and a varying number of teenagers, engaging them in discussions on the gospel theme each Sunday. The playgroup re-established post-Covid in 2022 has struggled in relation to its heyday prior 2015 but is has become established and has slowly grown in numbers. A Thursday after schools club - *Theatrical Thursdays* - with students from St James & St John Primary School was established in September on Thursdays. This year a committed group of 12-15 from St James & St John Primary School attended regularly and is designed to help children with building confidence and self-expression with a light Christian ethos. Marcus is joined on a Thursday by a second team member from Red Balloon, Eyrusalem Abraham.

### **Adult Education**

Adult education this year was in a state of flux. A Lent course was run in partnership with two other parishes in the deanery, St Peter's, Elgin Avenue and St Mary Magdalene. Georgina Elsey created and delivered a course with Jonathan Porter, a lay reader from St Mary Magdalene, focussing on the main characters in Victor Hugo's *Les Misérables* to explore Lenten themes. Up to nine persons attended on the five Wednesday evenings in March. In June, Georgina Elsey conducted a five-week course looking at mental health from the perspective of faith and spirituality. In the autumn, three Confirmation classes for different age ranges were begun initially by Georgina, then completed by Alex Norris in preparation for the Confirmation on 19<sup>th</sup> November.

## **Music at St John's**

Music plays an important role in our worship and liturgy, from Sunday morning eucharists to Sunday evening Complines, Jazz Masses and Evensongs to our five great carols services for Advent, Christmas, Epiphany, Lent and Whitsun. The clergy and music team strive to be creative in the use of music at all our services and in telling the stories and theology of the Christian year.

We struggled to recruit a full quota of eight choral scholars in 2022 so had to engage professional singers on an ad hoc basis to fill all places.

The core of the music team is our Director of Music, Robert Greenhill, organ scholar Ben Collyer and eight choral scholars. They are augmented by musicians depending on the music selected from a guest soloist to a string trio or quartet to an orchestra of as many as 12 at our large services. We are amazed at how far Robert Greenhill has taken our music and are grateful to have such dedicated and gifted musicians involved in our services.

A highlight of any year is the Jenny Clark Memorial Concert. This year's concert took place after the 10am service on 12<sup>th</sup> November and featured the soprano Sofia Kirwan-Baez, accompanied by Ben Collyer. Sofia sang a programme of opera, musical theatre and her own compositions, which was extremely well received.

## **Social Outreach and Charitable Giving**

During the year, St John's raised £1,410 in support of three charities:

- |   |      |
|---|------|
| • Disasters Emergency Committee for Syrian Earthquake victims | £967 |
| • St Matthew's Food Bank                                      | £317 |
| • The Children's Society                                      | £126 |

In addition, a collection of foodstuffs, toiletries and other goods was taken on Mothering Sunday and at Harvest for the Food Bank. The children of St James and St John Primary School also supported the collection of goods at Harvest.

## **Working in Local Schools**

Our voluntary aided primary school, St James & St John, which we share with St James's, Sussex Gardens, was supported throughout the year by all the clergy through governorship, support of the head teacher and the provision of weekly assemblies along with occasional classroom activities relating to RE or class assemblies. We were pleased to welcome the school for four all school masses during the year: at Easter, for the end of year Leavers' Service in July, for the start of the new school year in September and at Harvest. Despite a testing time for the school, it continued to do very well in terms of numbers of admissions to both the nursery and reception years and is one of the few schools in the area not to have any vacant places. Up to 30 children come to the after school club run by Red Balloon on Thursday afternoons during term times.

At the beginning of the autumn term, it was announced that the head teacher, Mark Hewitt, would leave at the end of December. The governors decided to explore the possibility of entering into a partnership with a group of schools under an Executive Head, each with a Head of School. The vicar, along with other governors, entered into negotiations with Harvey Webb and his team and decided that they would enter the partnership with St Mary's, Kilburn, St Luke's, Kilburn, St George's, Hanover Square and



St George the Martyr, all Church of England primary schools. Mr Adrian Evans was appointed Head of School.

Connaught House School held their Christmas programme in church as usual.

### **Working in the Community**

Involvement in the local community is an important part of our ministry. We have good connections with our local amenity groups – the Hyde Park Estate Association (HPEA) and the Hyde Park Estate Residents (HyPER) – both of which use the church for meetings. The Vicar is an elected member of the HPEA executive committee and the Hyde Park and Paddington Forum steering group. He attends the Hyde Park Neighbourhood Ward Panel along with Westminster City Council's LGBTQI Forum. The administrator, vergers and associate vicars represent him at some of these meetings from time to time.

Our local Labour Ward Councillors hold monthly surgeries in the hall on the first Thursday of each month.

Within the Diocese of London, the Vicar acts as a mentor for new incumbents in the Diocese as part of the Diocese of London mentoring programme. He is both a participant and a review facilitator in the Continuing Ministerial Development Review programme for the Diocese, facilitating the annual professional review of clergy. In addition, he acts as one of the Bishop's Surrogates for issuing Common Licences for marriage and serves as Area Dean of the Paddington Deanery. In this role he has had increased engagement with the work of the Diocese regarding the shape of ministry in the Deanery and especially the potential for estate ministry in what were originally social housing estates and the changing shape of the demographics of Paddington. He is also engaged in pastoral care of the deanery clergy. In 2023, he became a trustee of the Paddington Charities.

In February, St John's hosted a deanery Mental Health First Aid course over two days. On 9<sup>th</sup> May, the Bishop of London made a visit to the Paddington Deanery for the second year running, which concluded with a choral evensong in St John's followed by a drinks part at the Vicarage for all Deanery Synod members. On 4<sup>th</sup> December, a meeting chaired by the Bishop of London to review *Living in Love and Faith* took place at St John's.

### **Safeguarding**

It is of prime importance that all who worship or enter our building do so in safety and security and respect the rights of others to do so. Each year the PCC reviews and revises its Safeguarding Policy in order to comply with the House of Bishops' Policy Statements 'Protecting a Safer Church' (2017) and 'Protecting All God's Children' (2020), as well as the Diocesan Safeguarding Policy 'Promoting a Safer Diocese' (2018). All PCC members underwent a DBS assessment and were expected to complete level CO1 safeguarding training. Should an event become known to the clergy, the advice of the Diocesan Safeguarding Team is sought.

### **Trustee Induction**

Each year following the annual meetings, an induction evening is arranged for all new officers and members of the PCC. Topics covered include the Role of the PCC and subcommittees, the offices of Churchwarden and Treasurer, an introduction to the staff

team and their various responsibilities, the clergy & staff housing, finance, what a typical meeting might look like and what is happening throughout that year. In 2023 this was held on 23<sup>rd</sup> May.

### **Strategic Development**

Guided by the parish Mission Action Plan, the vicar and administrator have begun to re-establish the pattern of meeting quarterly to plan and evaluate strategic objectives for the year within a three-year cycle. In addition, they meet on a weekly basis on Monday mornings along with the verger prior to full staff meetings on Monday afternoons. The vicar meets with all members of staff regularly for supervision and planning.

An annual staff away day was held at St Anne's, Soho in October. Standing Committee held an extraordinary meeting in November to look at the state of the parish and encouraging the return of the congregation post-Covid. The full staff team, through the kind generosity of a member of the congregation, had a Christmas lunch.

New PCC members have an induction evening followed by dinner shortly after their election and the vicar and churchwardens hold informal quarterly meetings.

### **Fabric Maintenance**

The appointment of John Bailey as inspecting architect proved very fortuitous as in September several pieces of stone in the mullions of the west window were dislodged due to rusting iron joggles. Although a wedding reception was taking place when the pieces of stone fell, no one was injured. The area under the window was cordoned off on Sunday and John Bailey attended on Tuesday. He instructed Fullers Builders Ltd to erect scaffolding and put a crash deck in place to catch any further stonefall should it occur and conducted an initial visual inspection from ground level. A further inspection at high level took place a week later once further scaffolding had been erected at the level of the window and a report made. Fullers were asked to tender for the repairs. Their quotation of £8,157 was felt to be reasonable by the architect and, in order to expedite the repairs, was accepted. The works were completed and the scaffolding dismantled by 17<sup>th</sup> November. Total costs of the works came to £17,148.

In October the fourth and final phase of electrical works arising from an electrical inspection in 2020 were completed and a certificate issued. The costs of these works was kindly met by a grant from Westminster City Council through the Ward Councillors' Budget.

Since the loss of the storage cupboards on the east end of the south wall as part of the reordering and installation of the new floor in 2011, vestments have been stored in the upstairs room of the office, where the duplicator is stored. The vicar, concerned as to the lack of appropriate storage for the increasing amount of new vestments, asked Alex Norris to explore the project of converting this room into a formal vestry space. A process was begun of obtaining quotations for repair and redecoration of the walls, a new suspended ceiling with lighting and new carpeting, along with a custom designed vestment chest. By the end of the year a number of quotes had been obtained for the vestment chest and work was continuing on quotes for the associated works. It is hoped to carry out the works in the summer of 2024.

The regular programme of roof cleans was carried out throughout the year along with annual maintenance of the fire safety equipment, clock, gas central heating systems and

roof safety system. The organ was tuned three times during the year and had an annual service check of the blower motor.

### **Statement of Parochial Church Council Responsibilities**

The PCC is responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law 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 church and of the incoming resources and application of resources for that period. In preparing those financial statements the PCC is required

- a) to select suitable accounting policies and then to apply them consistently;
- b) to observe the methods and principles in the Charities SORP;
- c) to make judgements and estimates that are reasonable and prudent;
- d) to state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice (SORP) on Accounting by Charities and the Accounting Regulations and applicable accounting standards, subject to any material departures disclosed and explained in the financial statements and
- e) to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the church and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice on Accounting and Reporting 2019 (FRS 102). It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

### **Financial Review**

After a very financially successful 2022, the past year was a reminder not to take things for granted and to be vigilant in maintaining our finances and reserves in good health. The PCC finished the year with a deficit in the General Fund of £22,543. This was largely due to some planned decisions as well as some unexpected costs which were covered by withdrawals from reserves:

- ingoing works at the mews house in Archery Close in preparation for the Associate Vicar, recovered from the Clergy Accommodation Maintenance Reserve - £12,957. (In 2022 the PCC had appropriated £18,000 to this reserve in anticipation that works would be required, as they often are between members of staff)
- repairs to the stonework of the mullions around the west window, including architect's fees, recovered from the Church Maintenance Reserve - £17,148
- deposit on a set of green vestments, drawn from the Vestment Reserve - £5,073

The incorporation of these reserves gave an adjusted surplus of £12,635, from which appropriations were made:

- Clergy Accommodation Maintenance Reserve, £4,000 (budget: £5,000)
- Church Maintenance Reserve, £4,000 (budget: £10,000)
- Vestment Reserve, £2,500 (Standing Committee decision)

In addition, the PCC budgets £2,000 a year to redecorate one room in the vicarage as encouraged by the previous Archdeacon of Charing Cross. In a year such as 2023 when this sum is not spent, the balance is set aside for future works and in 2023 £1,400 was done so.

Congregational giving was marginally ahead of 2022 but, given the level of inflation, meant that in real terms it had not kept pace and an appeal to the congregation sent out in January to consider their regular giving had a few modest increases only. Many other categories of income suffered modest to moderate drops in comparison with 2022 but additional grant funding meant that income finished around £500 ahead of the previous year.

Expenditure was around £69,000 more than in 2022. While £35,000 – over half – of this was the previously mentioned expenditure covered from reserves, the remainder was due to inflationary increases, renewal of the gas contract, having the Curate and Associate Vicar both on staff for two months and significant additional expenditure on music.

### **Payments to the Diocese**

The standard parish cost for 2023 was £87,775. The PCC agreed a further contribution to Common Fund, from which clergy stipends and costs are paid, of £9,225 for a total contribution of £97,000. In addition, £49,322 was paid to the Diocese to cover the costs of our assistant curate and associate vicar.

Total contributions to the Diocese of London for 2023 were £146,322.

### **Reserves Policy**

The PCC budgets to put £10,000 each year in the Church Maintenance Reserve and £5,000 in its Staff Accommodation Deposit and Ministry Reserves. In 2023, provisions of only £4,000 were able to be made to the Church Maintenance Reserve and the Staff Accommodation Deposit Reserve. £2,500 was added to the Vestment Reserve to fund the purchase of a green set of vestments, £2,000 of which came from a legacy received during the year.

### **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 1956 and is a charity registered with the Charity Commission for England and Wales.

The appointment of members to the PCC is governed by and set out in the Church Representation Rules. New members to the PCC as well as churchwardens normally undergo an induction to brief them on their legal obligations under Church Law, the content of the Constitution, the Council and the decision-making processes, and the recent performance of the Church. In 2023 this took place on 23<sup>rd</sup> May.

### **Organisation**

The PCC meets regularly throughout the year and there are committees to which there are delegated specific duties: Building, Congregational Giving, Communication, Education and Liturgy. Each committee reports at each PCC meeting.

The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings subject to any directions given by the Council. Members of the Standing Committee comprise the Vicar, Churchwardens, Deputy Churchwardens and Treasurer. There is an open seat on Standing Committee for one member of the PCC to attend each meeting on the proviso that they give prior notice. The full PCC met five times and Standing Committee met six times during the year.

## **Risk Management**

The PCC is aware of the risks to which it is exposed and regularly considers how it might mitigate them. Key areas of risk are:

### **a. Financial Risk**

Each year the PCC budgets carefully and prudently. Donations from parishioners and collections at services are all voluntary and the clergy and staff team work hard at creating an atmosphere of welcome and inclusivity that is in line with the PCC's ethos. Planned and tax efficient giving is promoted regularly in a variety of ways and clergy and staff have been creative at encouraging donations in support of events and activities at special services.

The PCC's Financial Risk Policy sets methods for recording cash collections, financial planning and reporting and secure handling of cash in order to protect those handling cash and to reduce the risk of fraud. A review of this policy was completed in 2020.

A sizeable proportion of income is derived from outside sources – hire of the church, parish hall and crypt, parking revenues, grants and ad hoc donations. The PCC is aware of the potential link between the strength of the local economy and use, in particular, of the forecourt by commercial firms working on local premises. This diversity of income streams helps to minimise the exposure to risk in any one category and makes it possible to draw upon the wider community for financial support. Use of the church by outside groups and individuals for concerts, lectures, receptions and community consultations has resumed since the end of Covid restrictions and this additional income stream has been a significant factor in enhancing the financial wellbeing of the parish. The PCC are very appreciative of the efforts of Andrejs Livins, the building manager, at looking after these events as well as the involvement of the Vicar and Administrator for their support in staffing such events and contributing to the success of this source of income.

### **b. Statutory and Legal Risks**

Charities operate in an increasingly regulated context. St John's is an employer and, although falling below the threshold for some legislation, still has regard for employment legislation. All staff are paid at least the London living wage.

### **c. Operational Risk**

As a building open to the public, we are mindful of our health & safety responsibilities and take advice on a range of issues from disabled access to fire and electrical safety. Proper care for children and vulnerable adults is a high priority and the PCC reviews its Safeguarding Policy annually to ensure that our younger parishioners and those at risk are looked after in a safe environment and that those who look after them are adequately trained and supported.

The PCC has an appropriate insurance policy with Ecclesiastical Insurance. This is reviewed periodically to ensure that the sums insured are adequate and a review was conducted in 2019.

### **Clergy and Staff Housing**

The Vicarage at 18 Somers Crescent forms part of the Vicar's freehold. While being maintained by the Diocese of London, the parish is responsible for internal decoration and any improvement works. The PCC budgets £2,000 annually for redecoration works. In a year when this is not spent, the balance is put aside into a reserve for use in a future year.

The parish has leases on three additional properties from the Church Commissioners which may be used for the accommodation of clergy and other members of staff. Robert Greenhill, our Director of Music, occupied the first floor flat at 12a Connaught Street.

23 Archery Close is available on a long lease for housing staff. It was the home of our assistant curate, The Reverend Georgina Eley, until she joined the Army in September. After works were completed, including a new kitchen and bathroom, our new Associate Vicar, Alex Norris, and his wife Keri took up occupancy.

In 2021 the PCC took a lease on the ground floor and basement flat at 11 Star Street to house the verger.

### **Looking Ahead**

With the appointment of Alex Norris as Associate Vicar and Nick Miller as Director of Music, we look forward to their contributions to the ministry and staff teams and to our communal life at St John's.

Robert Greenhill is due to retire in January 2024 and it is planned that this will be marked with a collection for a leaving gift and a suitable party after the Epiphany Carols service on 14<sup>th</sup> January. A dinner to mark his contribution to facilitating community placements on behalf of the William Gibbs Religious & Educational Trust is planned for January 11<sup>th</sup>.

The changing demographics of the area will continue to influence the makeup of the congregation. Young families continue to be priced out of the housing market and this not only has an impact on the lack of young families and children in the parish but also on our local schools. One local school in the deanery has closed during the year and others have struggled to fill their entry classes. Approximately 26% of primary school places in Westminster remain unfilled.

In our children's work we are learning to work with a wider age range of children and the inclusion of small groups of teenagers.

While increasing numbers of people are returning to church post-pandemic, they are doing so with less regularity.

St John's has been unable to recruit a replacement for Margaret Legg, who retired in February 2020, and this has impacted our ability to provide such a vibrant ministry for older members of the congregation. Attempts have been made to advertise in a newsletter for self-supporting ministers and to recruit through the Bishop and Archdeacon.

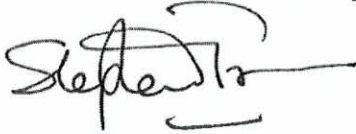
While the number of external events that were held in church recovered well the previous year, bringing with them a return of much needed income, these have levelled off slightly this past year with a corresponding slight reduction in income. If this continues, it will provide another challenge.

Standing Committee is beginning to engage with the possibility of Bryan Sollenberger retiring or reducing his hours as he approaches retirement over the next five years. There have been discussions as to whether, should additional help should be taken on in the office, a candidate be appointed that could gradually take over his role. This will provide a significant financial challenge in the short to medium term and income will need to be found to cover this.

### **Auditors**

TC Group were first appointed to audit the 2013 financial statements after a review of our audit procedures. They were reappointed to audit the 2023 financial statements.

Signed on behalf of the PCC by

A handwritten signature in black ink, appearing to read 'Stephen Mason', with a long horizontal flourish extending to the right.

The Reverend Stephen Mason, Chair  
3<sup>rd</sup> March 2024

## **Independent Auditor's Report to the Parochial Church Council of St John the Evangelist with St Michael and all Angels**

### **Opinion**

We have audited the financial statements of the Parochial Church Council of St John the Evangelist with St Michael and all Angels for the year ended 31st December 2023 which comprise of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the 2023 report of the Parochial Church Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Parochial Church Council members' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Parochial Church Council Responsibilities statement, the Parochial Church Council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Parochial Church Council members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Parochial Church Council members either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Parochial Church Council members and other management (as required by auditing standards), and discussed with the Parochial Church Council members and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.



TC Group (Statutory Auditor)  
Office: Portsmouth

Date: 7 March 2024

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**St John the Evangelist with St Michael and All Angels, Paddington**

**Statement of Financial Activities (Incorporating Income & Expenditure Account)**

**Year Ending 31<sup>st</sup> December 2023**

	Unrestricted Funds £	2023 Restricted Funds £	Total £	2022 Total £
<b>Income from:</b>				
Donations and Legacies	299,110	13,724	312,834	305,956
Charitable Activities	85,390	0	85,390	148,149
Other Trading Activities	133,950	0	133,950	82,660
Investments	3,910	0	3,910	5
<b>Total Income</b>	<b>522,360</b>	<b>13,724</b>	<b>536,084</b>	<b>536,770</b>
<b>Expenditure on:</b>				
Raising Funds	26,146	0	26,146	30,539
Charitable Activities	512,133	13,364	525,497	450,942
Other	6,624	0	6,624	5,871
<b>Total Expenditure</b>	<b>544,903</b>	<b>13,364</b>	<b>558,267</b>	<b>487,352</b>
<b>Net Income/(Expenditure)</b>	<b>(22,543)</b>	<b>360</b>	<b>(22,183)</b>	<b>49,418</b>
<b>Transfers between Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Movement in Funds</b>	<b>(22,543)</b>	<b>360</b>	<b>(22,183)</b>	<b>49,418</b>
<b>Reconciliation in Funds</b>				
Total funds brought forward	218,580	62,604	281,184	231,766
<b>Total funds carried forward</b>	<b><u>196,037</u></b>	<b><u>62,964</u></b>	<b><u>259,001</u></b>	<b><u>281,184</u></b>

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

# St John the Evangelist with St Michael and All Angels, Paddington


## Balance Sheet

Year Ending 31<sup>st</sup> December 2023

	2023 £	2022 £
<b>Fixed Assets</b>		
Tangible Assets	0	0
<b>Current Assets</b>		
Debtors <sup>1</sup>	25,282	28,649
Cash at bank and in hand <sup>2</sup>	289,668	311,260
<b>Creditors: Amounts falling due within one year<sup>3</sup></b>	<b>(55,949)</b>	<b>(58,725)</b>
<b>Net current assets/(liabilities)</b>	<b>259,001</b>	<b>281,184</b>
<b>Net Assets</b>	<b><u>259,001</u></b>	<b><u>281,184</u></b>
<b>Charity Funds</b>		
Restricted Funds <sup>4</sup>	62,964	62,604
Unrestricted Funds		
General Funds	2,756	2,021
Ministry Reserve	95,358	91,358
Clergy Accommodation Maintenance Reserve	12,990	25,947
Church Maintenance Reserve	48,752	65,900
Vestments	1,881	4,454
Staff Accommodation Deposit	24,000	20,000
Servers' Robes	5,000	5,000
Planned Vicarage Maintenance	5,300	3,900
Total Unrestricted Funds	196,037	218,580
<b>Total Charity Funds</b>	<b><u>259,001</u></b>	<b><u>281,184</u></b>

The financial statements were approved and authorised for issue by the Parochial Church Council on 3<sup>rd</sup> March 2024.

Signed on behalf of the Parochial Church Council

  
Ian Nelson, Treasurer  
3<sup>rd</sup> March 2024

The notes on pages 23-33 form part of these financial statements.

## St John the Evangelist with St Michael and All Angels, Paddington

### General Fund Income & Expenditure

Year Ending 31<sup>st</sup> December 2023

SOFA		2023	2022
<u>Headings</u>	<u>INCOME</u>	£	£
Donations	Donations Eligible for Gift Aid	88,161	86,958
and	Envelopes	470	600
Legacies	Non-Taxed Pledges	1,563	1,670
	Tax Refund	24,974	29,616
	Collections	6,689	8,237
	Other Donations	80,929	82,317
	Alms	333	480
	Fellowship	4,221	8,610
	Special Clergy Services	1,384	0
	Church Commissioners	6,000	18,000
	Grants	71,386	41,612
	Legacies	2,000	2,000
	Voluntary Trust Admin Contribution	11,000	10,149
	Culture Vulture Ventures	0	788
		<b>299,110</b>	<b>291,037</b>
Incoming	Special Services	9,919	19,073
Resources	Hire of Church	90,560	95,633
from Charitable	Hire of Hall	23,671	24,743
Activities	Other Rents	9,800	8,700
		<b>133,950</b>	<b>148,149</b>
Activities for	Forecourt Income	37,632	37,607
Generating	Nursery School Rent	43,758	41,633
Funds	Crypt Rent	4,000	3,420
		<b>85,390</b>	<b>82,660</b>
Investments	Interest	<b>3,910</b>	<b>5</b>
<b>TOTAL INCOME</b>		<b>522,360</b>	<b>521,851</b>
<b>TOTAL EXPENDITURE</b>		<b>(544,903)</b>	<b>(476,279)</b>
<b>SURPLUS/(DEFICIT) FOR YEAR</b>		<b>(22,543)</b>	<b>45,572</b>
<b>RESERVES USED:</b>			
	Clergy Accommodation Reserve	12,957	
	Church Maintenance Reserve	17,148	
	Vestment Reserve	5,073	
<b>SURPLUS/(DEFICIT) INCORPORATING USED RESERVES</b>		<b>12,635</b>	<b>45,572</b>
<b>DESIGNATIONS TO RESERVES</b>			
	Ministry Reserve		5,000
	Clergy Accommodation Maintenance Reserve		18,000
	Church Maintenance Reserve	4,000	10,000
	Staff Accommodation Deposit Reserve	4,000	5,000
	Planned Vicarage Maintenance	1,400	900
	Vestment Reserve	2,500	
<b>SURPLUS/(DEFICIT) AFTER DESIGNATIONS</b>		<b>735</b>	<b>6,672</b>

## St John the Evangelist with St Michael and All Angels, Paddington

### General Fund Income & Expenditure

#### Year Ending 31<sup>st</sup> December 2023

SOFA		2023	2022
<u>Headings</u>	<u>EXPENDITURE</u>	£	£
Raising Funds	Forecourt Expenditure	4,527	2,560
	Events Costs	21,619	27,979
		<b>26,146</b>	<b>30,539</b>
Charitable	London Diocesan Fund	97,000	94,000
Activities	Additional Clergy Costs	49,322	41,079
	Vicar's Expenses	16,123	12,781
	Additional Clergy Expenses	2,660	1,639
	Rents, Running Costs	27,205	28,799
	Archery Close Works	12,957	0
	Vicarage Routine Maintenance	600	1,100
	Children's Education	3,319	6,458
	Adult Education	570	52
	Director of Music	21,601	17,299
	Music Expenses	47,622	35,529
	Fellowship	13,849	16,447
	Altar Requisites	8,185	3,016
	Light, Heat & Insurance	22,162	19,954
	Cleaning	10,495	10,991
	Grounds	1,925	1,287
	Repairs & Maintenance	29,641	15,534
	Printing & Publicity	4,618	3,385
	Administrative Staff	55,133	51,333
	Verger	35,144	30,778
	Catering Staff	0	770
	Staff Pension Contributions	28,199	22,676
	Office Expenses	14,979	15,195
	Equipment	744	3,597
	Miscellaneous Expenses	1,866	752
	Professional Fees	6,089	600
	Contribution to Clergy Discretionary A/c	0	4,000
	Culture Vulture Ventures	125	818
		<b>512,133</b>	<b>439,869</b>
Governance			
Costs	Audit Fee	6,120	5,340
	Bank Charges	504	531
		<b>6,624</b>	<b>5,871</b>
<b>TOTAL EXPENDITURE</b>		<b>544,903</b>	<b>476,279</b>

**St John the Evangelist with St Michael and All Angels, Paddington**

**Restricted Income & Expenditure**

**Year Ending 31<sup>st</sup> December 2023**

<b><u>INCOME</u></b>	2023 £	2022 £
Charities Income	1,410	319
Flower donations	3,554	2,340
Music Donations – Director of Music	1,425	2,220
Music Donations – Singers & Musicians	5,370	5,040
Servers' Robes	0	5,000
Clergy Leaving Purse	<u>1,965</u>	<u>0</u>
<b>TOTAL INCOME</b>	<b>13,724</b>	<b>14,919</b>
<b><u>EXPENDITURE</u></b>		
Charitable Donations	1,410	319
Flower Expenses	3,554	2,340
Music Expenditure – Director of Music	1,030	2,110
Music Expenditure – Singers & Musicians	5,405	4,371
Organ Tuning	0	1,933
Clergy Leaving Purse	<u>1,965</u>	<u>0</u>
<b>TOTAL EXPENDITURE</b>	<b>13,364</b>	<b>11,073</b>
<b>SURPLUS/(DEFICIT)</b>	<b>360</b>	<b>3,846</b>
<b>BALANCE BROUGHT FORWARD</b>	<b><u>62,604</u></b>	<b><u>58,758</u></b>
<b>BALANCE CARRIED FORWARD</b>	<b>62,964</b>	<b>62,604</b>



**St John the Evangelist with St Michael and All Angels, Paddington**

**Statement of Cash Flows**

**Year Ending 31<sup>st</sup> December 2023**

	2023 £	2022 £
Cash flows from operating activities:		
<b>Net cash provided by (used in) operating activities</b>	<b>(21,592)</b>	<b>69,131</b>
Cash flows from financing activities:		
Cash flows from new borrowings	0	0
Repayment of borrowings	0	0
<b>Change in cash &amp; cash equivalents in the reporting period</b>	<b><u>(21,592)</u></b>	<b><u>69,131</u></b>
Cash and cash equivalents at the beginning of the reporting period	311,260	242,129
<b>Cash and cash equivalent at the end of the reporting period</b>	<b><u>289,668</u></b>	<b><u>311,260</u></b>

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

<b>Net movement in funds for the reporting period (as per the SOFA)</b>	<b>(22,183)</b>	<b>49,418</b>
<b>Adjustments for:</b>		
Depreciation charges	0	0
(Increase)/decrease in debtors	3,367	16,137
Increase/(decrease) in creditors	(2,777)	3,576
(Purchase)/sale of fixed assets	0	0
<b>Net cash provided by (used in) operating activities</b>	<b><u>(21,592)</u></b>	<b><u>69,131</u></b>

**Analysis of cash and cash equivalents**

Cash in hand	289,668	311,260
Notice deposits	0	0
<b>Total cash and cash equivalents</b>	<b><u>289,668</u></b>	<b><u>311,260</u></b>

## **St John the Evangelist with St Michael and All Angels, Paddington**

### **Notes to the Financial Statements**

**Year Ending 31<sup>st</sup> December 2023**

#### **a) General information and basis of preparation**

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington is a registered charity with the Charity Commission for England and Wales. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are, in co-operation with the vicar, promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (issued in October 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in presentation of these financial statements are set out below. These policies have been consistently applied to all years present unless otherwise stated.

#### **b) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The accounts 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.

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

#### **c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be

received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity; however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

#### **d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes rates and other costs appropriate to that activity, including costs incurred in fundraising and appeals;
- Expenditure on charitable activities includes all costs incurred in fulfilling the church's objectives, together with any costs in support of these. This category includes costs normally considered support costs but because the building and staff are integral to fulfilling our objectives, they are included here.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### **e) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment – 3-5 years on a straight line basis
- Grand piano – 10 years on a straight line basis

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

#### **f) Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **g) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### **h) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

#### **i) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### **j) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

As set out in the Statement of Parochial Church Council Responsibilities Statement on pages 12 to 13, in preparing these financial statements the PCC are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate. In satisfaction of this responsibility the PCC has considered their expectations for the charity over the next 12 months and the charity's ability to meet its liabilities as they fall due, based upon the information available to the PCC at the date of these financial statements.

At the time of approving the financial statements, the charity has significant cash reserves to cover the operating costs of the charity for a period of at least six months. In addition, the charity has strategies planned to address potential significant changes to its incomes during the forthcoming period, should the charity experience a significant change in its incomes. The PCC therefore has a reasonable expectation that the charity

has adequate resources to contend with the uncertainties that may arise and to continue in operational existence for the foreseeable future. Thus the PCC continues to adopt the going concern basis of accounting in preparing the financial statements.

Accordingly, the financial statements are prepared on a going concern basis, under which assets are recovered and liabilities repaid in the ordinary course of activities. The accompanying financial statements do not include adjustments that would need to be made in the case the charity was unable to continue as a going concern, should the assumptions referred to above subsequently prove to be invalid.

<u><sup>1</sup>Debtors</u>	2023	2022
	£	£
Sundry Debtors	1,626	2,080
City of Westminster	8,745	0
Income Tax Recoverable	<u>14,911</u>	<u>26,569</u>
TOTAL	25,282	28,649

<u><sup>2</sup>Cash at Bank and in Hand</u>		
General Fund	289,548	311,140
Petty Cash	<u>120</u>	<u>120</u>
TOTAL	289,668	311,260

<u><sup>3</sup>Amounts Falling Due within One Year</u>		
Sundry Creditors	49,009	51,405
Rent Deposits	1,000	1,800
Audit Fee	<u>5,940</u>	<u>5,520</u>
TOTAL	55,949	58,725

<u><sup>4</sup>Restricted Funds</u>		
Memorial Garden	3,834	3,834
Music	46,614	46,254
Vestments	1,244	1,244
Servers' Vestments	5,000	5,000
Organ Fund	<u>6,272</u>	<u>6,272</u>
TOTAL	62,964	62,604

#### Fixed Assets for Use by the PCC

	Equipment	Grand Piano	Total
Gross Book Value at 1 January 2023	41,732	17,000	58,732
Additions	0	0	0
(Disposals)	<u>0</u>	<u>0</u>	<u>0</u>
as at December 31 2023	41,732	17,000	58,732
Depreciation at 1 January 2023	41,732	17,000	58,732
Charge for the Year	0	0	0
Release on Disposal	<u>0</u>	<u>0</u>	<u>0</u>
at 31 December 2023	41,732	17,000	58,732
Net Book Value at 31 December 2023	<u>0</u>	<u>0</u>	<u>0</u>
at 31 December 2022	<u>0</u>	<u>0</u>	<u>0</u>

## Analysis of Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total
Fixed Assets	0	0	0
Current Assets	251,769	63,181	314,950
Current Liabilities	(53,882)	(217)	(54,099)
<b>TOTAL ASSETS</b>	<b><u>197,887</u></b>	<b><u>62,964</u></b>	<b><u>260,851</u></b>

## STAFF COSTS

	2023 £	2022 £
Wages and Salaries	96,788	82,111
Social Security Costs	10,737	6,355
Pension Costs	<u>17,580</u>	<u>14,613</u>
<b>TOTAL COSTS</b>	<b>125,105</b>	<b>103,079</b>

The average number of staff during the year was two (two in 2022). No employee was paid more than £60,000 during the year or preceding year. In addition to salaries, fees of £19,408 were paid to Robert Greenhill.

Pension contributions are currently payable for two members of staff and clergy and are made under a defined contribution scheme.

## FUND DETAILS

In 2007, the Parochial Church Council adopted a Reserves Policy which established the following funds: General Reserves, Ministry Reserve, Music Reserve, Church Maintenance Reserve and Clergy Accommodation Reserve. The policy was reviewed in 2013 and 2019.

The General Reserve is for any surpluses over and above those specified under the policy. It is the aim of the PCC to build up reserves to cover six months' running costs.

The Ministry Reserve was created in 1998 when the PCC decided to recruit an Associate Vicar. It is a provision made to cover anticipated additional ministry costs that might not be met by the operational budget.

The Staff Accommodation Deposit is a new reserve, created by the PCC in recognition that the properties they lease for the accommodation of staff are on short- to medium-term rolling leases and agreements. The aim of the PCC is to build up adequate funds to provide for the deposit to purchase a property in which to house staff and so reduce dependence on leased properties.

The flourishing of a music tradition over the past years has greatly enhanced the worship on Sundays and at special services. Many of the costs of the choir, director of music and guest singers and musicians have been generously provided by members of the congregation. Donations received in excess of costs are accumulated and held in a restricted reserve. In recognition of the fluidity of the parish and that generous contributors to the music programme may only be around for a short time, the PCC have aimed to have the equivalent of two years' costs in reserve.

The Clergy Accommodation Reserve was created in 2001 when major repairs and renovations to most of the clergy accommodation made a large call on parish resources.

Currently, the PCC budget £2,000 a year towards future Vicarage redecoration works. Any unspent amount in the year is set aside for future works.

In 2007 the PCC began replacement of its vestments, many of which had given considerable service and were nearing the end of their lives. A fund was set up into which the PCC designated funds each year and into which donations toward new vestments were put. In 2010 orders were placed with Messrs Watts & Co for white and gold sets of vestments. Red vestments were acquired in 2012. Further sets will be purchased as funds become available. Once the restricted donations for vestments have been exhausted, the remaining amounts will be taken from funds designated for vestments by the PCC.

The clergy house used to accommodate curates is held on an historic agreement which expires in approximately 10 years. It is not anticipated that the agreement will be renewed so Standing Committee began to budget to set aside funds each year and held in a Staff Accommodation Deposit Reserve in order to build up a deposit to purchase a property when the existing house is no longer available.

Restricted funds held by the PCC are as set out in note 4 to the Balance Sheet. Memorial Garden funds will be used to develop one of the gardens along the church as a Garden of Remembrance. The Music Reserve holds funds donated explicitly for music. Vestments are as set out at the top of this page. The Organ Fund arose when the grade 2\* listed organ was refurbished in 2015 and is used for upkeep and maintenance of the organ.

#### **2023 PAYMENTS TO PCC MEMBERS**

No elected members of St John's PCC received any reimbursement of expenses or remuneration. All clergy are reimbursed reasonable expenses incurred in the performance of their duties. In 2023, such reimbursements totalled £18,783. During the year the charity paid £10,619 of pension contributions on behalf of one member of the PCC.

Trustees' and Officers' Indemnity is provided for members of the PCC under the terms of the church's insurance cover and is included in the premium for the year.

#### **COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2023 the charity had commitments under non-cancellable leases as follows:

		2023	2022
Operating leases which expire:			
Due within 1 year	12a Connaught Street	6,382	4,962
	11 Star Street	15,600	15,600
Within 2-5 years	12a Connaught Street	10,637	4,962
	11 Star Street	15,600	15,600

The assistant curate taken on by the PCC in 2018 had his own house and he wished to live there during his term. In order to assist the PCC with the additional cost of a housing grant to enable this, the Church Commissioners offered to take back the 2<sup>nd</sup> and 3<sup>rd</sup> floor maisonette at 12a Connaught Street. From the proceeds of letting it, they would make a contribution of £1,500 per month to assist the PCC with these costs. They would again make it available to the PCC at the end of the curate's time at St John's.

#### **CONNECTED CHARITY**

The church received grants in the year of £60,000 from the William Gibbs Religious and Educational Trust. Furtherance of the educational and charitable work of the Church of England in the parish of St John the Evangelist is one of the objectives of the Trust. The

Vicar and Churchwardens of St John's are *ex officio* trustees. The parish administrator also serves as clerk to the Trust and the Trust Administration Contribution is a voluntary donation on the part of the Trust in recognition of the services provided by him and in recognition that expenses are incurred by the parish in servicing the Trust. A contribution of £11,000 was made for 2023.

**AUDIT FEE**

The fee for the audit of the 2022 accounts was £5,700. A provision of £5,940 has been made for the audit of the 2023 accounts.